

“We are not inventors of anything. We are just readers of Marx, and political revolutionary agitators in our time.”

**Toni Negri, Trani Prison,
November 1980**

'Faith sir, the book was lost, and because 'twas pity so good a play should be lost, we found it and play it.

John Marston: *The Malcontent*

REVOLUTION RETRIEVED

Writings on Marx, Keynes,
Capitalist Crisis
and New Social Subjects
(1967-83)

by Toni Negri

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TABLE OF CONTENTS

PREFACE	1
KEYNES AND THE CAPITALIST THEORY OF THE STATE POST-1929	5
□ 1929 as a Fundamental Moment for a Periodisation of the Modern State	
□ Keynes and the Period 1917-1929: Understanding the Impact of the October Revolution on the Structure of Capitalism	
□ Keynes – the Shift from Politics to Science (1929: the Working Class within Capital)	
□ Capitalist Reconstruction and the Social State.	
MARX ON CYCLE AND CRISIS	43
The Problem of Development and the Critical Awareness of Political Economy	
□ Marx’s Analysis of Cycle and Development	
□ Development and Capitalist Ideologies of the State	
□ The Problem of Development and the Alternatives Offered by Working-Class Science.	
CRISIS OF THE PLANNER-STATE: COMMUNISM AND REVOLUTIONARY ORGANISATION	91
□ The Antagonism of the Tendency according to Marx: Present Relevance of his Analysis	
□ A Mystified View of the Tendency: the Economists and the Destruction of the Concept of Capital	
□ A Disturbing Consequence: the “Subjectivists” and the Contradiction Seen as Result, as Catastrophe	
□ Abstract Labour as the Revolutionary Subject: the Basis of the Communist Programme and Proletarian Appropriation	
□ The Crisis of the Planner-State: the Big Enterprise as the Articulation of the Tendency and as the Subject of the Antagonism from Capital’s Point of View	
□ Preliminary Reflections on Some Objections Regarding Method: Tendency, Science and Practice	
□ Against Enterprise Command: the Organisation of Insurrection within the New Composition of the Working Class	
□ “Wealth” and “Poverty” of the Proletariat within the Dialectic of Revolution	
□ Our Immediate Task	
□ Postscript.	
MARX BEYOND MARX: WORKING NOTEBOOKS ON THE GRUNDRISSE	149
□ The <i>Grundrisse</i> , an Open Work: an Introduction.	
CRISIS OF THE CRISIS-STATE	177
ARCHAEOLOGY AND PROJECT: THE MASS WORKER AND THE SOCIAL WORKER	199

<input type="checkbox"/> Functions and Limitations of the Concept of the Mass Worker <input type="checkbox"/> Capitalist Restructuring: from the Mass Worker to Social Labour-Power <input type="checkbox"/> Towards a Critique of the Political Economy of the Mass Worker: from Social Labour-Power to the Social Worker <input type="checkbox"/> A Political Conception of Labour-Power: the Proletariat. Some Problems.	
DO YOU REMEMBER REVOLUTION?	229
<input type="checkbox"/> A Proposal for an Interpretation of the Italian Movement of the 1970s, by a group of comrades including Toni Negri.	
AN INTERVIEW WITH TONI NEGRI	245
<input type="checkbox"/> The April 7th Trial <input type="checkbox"/> Criminalising the <i>Autonomia</i> <input type="checkbox"/> Closing Political Spaces <input type="checkbox"/> The New Class Layers <input type="checkbox"/> We Are Readers of Marx.	
THE REVOLT AT TRANI PRISON	253
<input type="checkbox"/> A Story of State Brutality <input type="checkbox"/> Statements and Accounts.	
LETTER FROM TONI NEGRI	259
NEGRI BEFORE HIS JUDGES	261
A BIOGRAPHICAL NOTE	269
A READING LIST	273

Preface

This book is a selection of key political and theoretical articles by Toni Negri, spanning the period of his involvement in the Italian revolutionary left since the 1960s. These writings are essential for an understanding of the political outlook of the Italian autonomist movement; a movement which developed one of the most massive and coherent challenges in Europe to the system of austerity politics and the role of the established Left within it in the 1970s. These Negri essays provided a theoretical and critical reference point for ongoing debates in the development of this *new class politics of communism*, based on the liberation of needs and refusal of the capitalist system of work, from its origins in the “workerism” of the 1960s to the movement of “autonomy” in the 1970s. As such they are still more than relevant to an understanding of today’s problems in a revolutionary class perspective.

Negri is best known abroad for the world-wide notoriety surrounding his arrest and imprisonment in 1979, along with many others, on conspiracy charges. His trial process took the form of an attempt to criminalise and destroy the ideas and memory of the entire movement to which he had contributed. One aim of this book is to put these ideas back into focus, against the general distortion to which they have been subjected.

He is now living in exile in France, having been sentenced to 30 years imprisonment in Italy for his political activities. Almost all of the original charges against him have since been dropped at the appeal stage (February 1987). After eight years of exile and/or imprisonment, his co-defendants in the trial have been acquitted. It is now generally recognised that the April 7th trial was a political inquisition from start to finish, using “terrorist” labels to incriminate movements of the opposition outside and against the established political system. Negri, in

Revolution Retrieved

short, was used as a political scapegoat to reinforce the party pact known as the “Historic Compromise”.

In the English-speaking world, little is known of the quality, breadth and conceptual originality of Negri’s work, as a contributor to new Marxist revolutionary perspectives. And yet his writings are a key point of reference for the much-needed “updating” of Marxist conceptual vocabulary today, if it is to grasp the radical changes in capitalist control over labour, the new form of state power, and new forms of class antagonism – the development of new class subjectivities and subjects, beyond traditional definitions of the working class – that have emerged in the period of the current crisis. Other European writers on these themes have been translated into English and assimilated (Foucault, the French “new philosophers”, the German debate on the derivation of the state and legitimacy, to name only some). This has not been the case with Negri, despite extensive publication of his work and informed debate in other European countries – France, Germany, Spain etc.

It is hoped that our publication will fill this gap and stimulate a new level of analysis and debate on the originality of the class situation facing us today from a Marxist and communist perspective. At a time when it is widely felt that the existing vocabularies of class analysis are in crisis, that they are increasingly paralysed in the face of the new antagonisms of state power and class subjects today and unable to provide any new indications of the way ahead, this publication of Negri’s writings is important and timely.

Its importance lies in Negri’s sustained effort, throughout the period covered by these essays, to seek ways of updating the categories of class analysis by re-interpreting Marx in the light of contemporary changes. He develops his analysis of the changing state form by constant reference to a dynamic reading of the capital-labour relation and of class recomposition in the crisis. His method is based on a re-reading of Marx – in particular the much underplayed Marx of the *Grundrisse*, a text he interprets in ways which provide exciting new insights as regards the overall tendency of the class struggle towards communism.

Negri provides crucial indications as to how the present tendency of the class struggle, in its forms, content and composition, is qualitatively different to what it was in the past.

For Negri, the springboard of the contemporary permanent state of crisis lies in the autonomy of struggles for income and the liberation of proletarian life-needs, challenging capitalist relations of work, not only in production but in reproduction and circulation as a whole. Class antagonism has been recomposed at a higher level of socialisation around new subjectivities of struggle, directly presenting a communist content. The crisis is first and foremost a crisis of the wage work relation,

Preface

a general crisis of the value form itself. This was already true from its inception, in the “mass worker” composition of the great international wave of struggles that undermined the Keynesian system from the late 1960s onwards. Following on from this, the multiple rebellions from the mid-1970s onwards against the austerity régime, throughout the capitalist (and socialist) world, are by no means revolts of “marginals” or a “reserve army”, as according to the old Marxist schema. They represent movements for the *self-valorisation of needs* against the imposition of productivity and the discipline of the labour market. Hence new problems and perspectives for the Marxist analysis of class antagonism. And hence also insurmountable problems for the conventional outlook and vocabularies of socialism, still geared to the values of labour productivity and planning. The crisis is also a definitive crisis for socialism, as an anti-capitalist alternative. Negri argues that contemporary crisis and development are no longer those of an unregulated capitalism: both the Keynesian state, which he defines as the “planner state” (*stato piano*), and the post-Keynesian “crisis state” consist of historic new levels of political and monetary control, redefinitions of the state form in response to the new levels of class challenge that they seek to contain. These are dimensions that can only be ignored at the cost of a debility in developing anticapitalist perspectives adequate to today’s conditions.

To summarise: it is Negri’s sustained and systematic concern to politicise and historicise economic categories from “a working-class standpoint” (*punto di vista di classe*) that makes him stand out as one of the most authentic Marxists of our period.

Our book presents six major articles and some supplementary materials relating to Negri’s imprisonment and trial in the “April 7th” case. It includes essays from Negri’s period in prison (1979-83). Each essay is prefaced by an editorial introduction, placing it in its political and theoretical context. The book also contains a reading list and brief biography.

It has taken us several years to bring this book to press. It is being printed as the first in a series of books which will eventually publish the entire contents of the **Red Notes Italian Archive**. (This collection of translated materials from the Italian revolutionary Left runs to around 2,000 pages, and is housed at the University of Reading and Ann Arbor libraries; the extensive collection of Italian-language materials is lodged with the British Library of Political and Economic Science – the LSE Library). The work on the book has been hard, but we are proud of the result achieved. We chose the title as a pointer to Negri’s attempts to rescue the “revolutionary” Marx from the grip of those who have tried to deaden and mystify his radical impulse. We also chose the title as a

Revolution Retrieved

hope for the future: social revolution in a working-class and communist sense.

London, February 1988

Keynes and the Capitalist Theory of the State post-1929 (1968)

Introduction

The first two articles in this selection of Negri's writings were published in the theoretical review *Contropiano* (this translates as "Anti-Plan"), in successive issues of the journal, nos. 1 and 2, 1968. This journal was run by a group of leading exponents of the Italian "workerist" (*operaista*) movement in the 1960s – Tronti, Cacciari, Asor Rosa, Negri and others. Negri left the review with the second of these two articles, over the issue of tactical entrism into the Italian Communist Party, a party which Tronti and others joined at this point.

Both these articles should be placed in the context of a broader collective research project in which Negri was involved at the time, as professor of the Institute of Social and Political Sciences, at the University of Padova. They were originally contributions to a series of research seminars at the Institute in 1967, for the half centenary of the October Revolution. They were eventually republished, along with the other seminar papers, in *Operai e Stato* (Feltrinelli, Milano 1972), an anthology which became a "best-seller" in the Left movement, running to numerous editions. Despite their apparently academic form, these articles were a key point of reference for the politics of the worker and student militants who were formed in the mass struggles in factories, schools and universities in 1968-70, and especially for the new revolutionary group Potere Operaio ("Workers' Power") in which Negri was to play a leading role. Hence their inclusion in this volume.

The reader can gain some idea of the scope of this project by a summary of the major contents of this 1972 anthology. The full title is: *Workers and the State: Workers' Struggles and the Reform of the Capitalist State from the October Revolution to the New Deal*. Apart from the two Negri articles translated here, it includes essays on the workers' council movements, by Sergio Bologna (translated in *Telos*,

Revolution Retrieved

no. 13, 1972); on workers' struggles in the USA in the inter-War period, by George Rawick, the American historian of slavery; on the New Deal, by Luciano Ferrari Bravo (one of those later to be imprisoned with Negri in the "April 7th" wave of arrests in 1979); and on Ford in Britain, by Ferruccio Gambino (translated as *Workers' Struggles and the Development of Ford in Britain*, Red Notes, London 1976). A rather schematic summary in English of the major theses advanced through this research can be found in Guido Baldi's review, "Theses on the Mass Worker and Social Capital", *Radical America*, vol. 6, no. 3, May-June 1972.

Negri's articles are concerned with the critique of the theory and politics of Keynesian development planning so central in the 1960s, in Italy as elsewhere. This is presented as the basis and rationale of a new form of the capitalist state, a form of political control over labour in regulating the accumulation process, which he defines as the "planner-state" (*stato-piano*). This new state form took shape in response to revolutionary threat and general crisis in the inter-War period. The reference to the American class struggle, the "highest level of the confrontation" (to quote the preface of the Anthology) was important for the Italian workerists, since it was in the USA that the "mass worker composition" – the basic class reference point underlying all their analyses of "neo-capitalism" – historically first emerged, with the New Deal as an anticipation of this new state form.

The nature of the Italian "workerist" movement of the 1960s, its "recovery" of Marx and critique of the established Left, needs some clarification. Against the prevailing view in Italy, from the anti-Fascist fronts, that the working class was *one* element in a frontist alliance (hegemony from "above"), the workerists, through their methodology and "militant research" into *class composition*, argued that the new class subject, the "mass worker", arising within mass production, had moved the confrontation beyond socialist and "democratic planning" objectives. The confrontation had moved beyond trade union bargaining over the hierarchy of jobs and skills and beyond "workers' control", towards challenging the capitalist organisation of work in the factory and, by extension, in society as a whole. This working-class specific material *self-interest*, "from below", starting from the factory, with its quality of "refusal" of the capitalist organisation of work, was central to any future class *recomposition* of unity. The phrase, often repeated in Negri, "from the workers' viewpoint", refers to this independent class self-interest – *no longer for production*, as in the old socialist vulgate.

Equally important and evident in these texts is the concept of the state as "collective capitalist". According to the workerists, capital was

Keynes and the Capitalist Theory of the State post-1929

increasingly unified as “social capital”; its unity was no longer derivative from competition. Advanced capitalism was not only “plannable”, but had come to represent Marx’s own prognosis of a *capitalist socialism*. This theme had been developed earlier in the 1960s by Raniero Panzieri (“Surplus Value and Planning – Notes for a Reading of Capital”, translated in *Labour Process and Class Strategies*, CSE and Stage One Books, London 1976) and Mario Tronti (especially in “The Plan of Capital”, translated in *Telos* no. 17, 1973).

Negri’s contribution was to show how the planner-state (studied here through its major theorist, Keynes) recognises and assumes working-class antagonism *within* the accumulation process, through the wage variable, and seeks to regulate this dynamically, as the central pivot in the planning of development; thus the working class becomes, in the planner-state, the “motor of capitalist development”. This analysis had important political implications for the workerist movement. It indicated the specific basis of reformist and revisionist labour politics, which lay *within* the framework of “the plan” and saw development policies as a progressive alternative to an unregulated capitalism. The established Left, “Marxist” or otherwise, was basically Keynesian. Secondly, it indicated the key political potential of the wage struggle as the specific terrain of antagonism and recomposition of the working class, *outside and against* the plan. Once the wage struggle becomes independent from productivity, it becomes the vehicle for a new unity of political demands for income – “more money, less work” – the decisive terrain on which the class becomes recomposed and politically *autonomous*.

This perspective, in which class autonomy as an independent force outside of and against development takes the form of the separation of income from wage-work, provided a key for understanding the nature and impact of the struggles that were to put the system into crisis, internationally, in the period that followed.

Keynes and the Capitalist Theory of the State post-1929

1. *1929 as a fundamental moment for a periodisation of the modern state*

Fifty years have passed since the events of Red October 1917. Those events were the climax of a historical movement that began with the June 1848 insurrection on the streets of Paris, when the modern industrial proletariat first discovered its class autonomy, its independent antagonism to the capitalist system. A further decisive turning point was again in Paris, with the Commune of 1871, the defeat of which led to the generalisation of the slogan of the party and the awareness of the need to organise class autonomy politically.

1848-71; 1871-1917. This periodisation seems to provide the only adequate framework for a theorisation of the contemporary state. Such a definition must take into account the total change in relations of class power that was revealed in the revolutionary crises spanning the latter half of the nineteenth century. The problem imposed for political thought and action by the class challenge of 1848 led to a new critical awareness – mystified to a greater or lesser degree – of the central role now assumed by the working class in the capitalist system. Unless we grasp this class determinant behind the transformation of capital and the state, we remain trapped within bourgeois theory; we end up with a formalised sphere of “politics” separated from capital as a dynamic class relation. We must go beyond banal descriptions of “the process of industrialisation”; our starting point is the identification of a secular phase of capitalist development in which the dialectic of exploitation (the inherent subordination and antagonism of the wage-work relation) was *socialised*, leading to its extension over the entire fabric of political and institutional relations of the modern state. Any definition of the contemporary state that does not encompass these understandings is like Hegel’s “dark night in which all cows appear grey”.

1917 is a crucial point of rupture in this process: at this point, history

Revolution Retrieved

becomes contemporary. The truth already demonstrated in 1848 – the possibility that the working class can appear as an *independent* variable in the process of capitalist development, even to the extent of imposing its own political autonomy – now achieved its full realisation, its *Durchbruch ins Freie* [*trans*: breakthrough into freedom – Hegel. When a historical tendency becomes manifest for the first time.] The land of the Soviets stood as the point where the working-class antagonism was now structured in the independent form of a state. As such, it became a focus of internal political identification for the working class internationally, because it was a present, immediately real, objective class possibility.

At this point, socialism took the step from Utopia into reality. From now on, theories of the state would have to take into account more than simply the problems involved in the further socialisation of exploitation. They would have to come to terms with a working class that had achieved political identity, and had become a historical protagonist in its own right. The state would now have to face the subversive potential of a whole series of class movements, which in their *material content* already carried revolutionary connotations. In other words, the enormous political potential of this first leap in the working-class world revolution was *internalised* within the given composition of the class. At every level of capitalist organisation there was now a deeper, more threatening and contradictory presence of the working class: a class that was now autonomous and politically consistent. In this sense the originality of 1917, the unique character of the challenge it presented compared to preceding cycles of working-class struggle, towers supreme. Henceforth all problems took on new perspectives and an entirely new dimension; the working-class viewpoint could now find its full independent expression.

Of course, the real impact of the October Revolution penetrated the awareness of the capitalist class only slowly. At first it was seen as an essentially *external* fact. The initial response was the attempt – successful in varying degrees – to externalise the danger, to isolate the Soviet republic militarily and diplomatically, to turn the revolution into a foreign issue. Then there was the *internal* threat. What was the general response of capital to the international wave of workers' struggles in the period that immediately followed – ie the creation of powerful new mass trade unions and the explosion of the Factory Council movement challenging control over production?¹ In this period, only backward, immature ruling classes responded with fascist repression. But the more general response, the reproduction of reformist models of containment, only scratched the surface of the new political reality. The overall goal of capital in the period that followed was to defeat the working-class

Keynes and the Capitalist Theory of the State post-1929

vanguards and, more specifically, to *undermine the material basis* of their leadership role in this phase: namely a class composition that contained a relatively highly “professionalised” sector (typical of engineering) with the ideology of self-management that was its corollary. In other words, the primary objective was to destroy the basis of the alliance between workers’ vanguards and proletarian masses, the alliance on which Bolshevik organisation was premised. To cut the vanguard off from the factory, and the factory from the class – to *eradicate that party from within the class*: this was the aim of capitalist reorganisation, the specific form of counter-attack against 1917 in the West.

Taylorism, the Ford revolution in production and the new “American organisation of work” had precisely this function: to isolate the Bolshevik vanguards from the class and expel them from their hegemonic producer role, by means of a massification of the productive process and deskilling of the labour force. This in turn accelerated the injection of new proletarian forces into production, breaking the striking-power of the old working-class aristocracies, neutralising their political potential and preventing their regroupment. Just as earlier, in the mid-nineteenth century, capital had attempted to break the nascent proletarian front by means of a new industrial structure which fostered the creation of labour aristocracies, so, after 1917, with the increasing political fusion of this differentiation within the class and after the political recomposition that the working class had achieved in the wake of that break-point in the cycle, capital once again turned to the technological path of repression. As always, this technological attack (leap in organic composition in new sectors; assembly line; flow production; scientific organisation of work; sub-division/fragmentation of jobs, etc) was capital’s first and almost instinctive response to the rigidity of the existing class composition and the threat to capitalist control which this engendered.

But it is precisely here that the qualitatively new situation after 1917 imposed limits. The possibilities for recomposition of the labour force in the phase of post-War reconversion certainly existed in the short run. But the capitalist class soon realised that this reorganisation would open up an even more threatening situation in the long term. Not only would capital have to contend with the enlarged reproduction of the class that these changes would inevitably bring about; it would have to face its immediate *political* recomposition at a higher level of massification and socialisation of the workforce. The October Revolution had once and for all introduced a political quality of subversion into the material needs and struggles of the working class, a spectre that could not be exorcised. Given this new situation, the technological solution would backfire in

Revolution Retrieved

the end. It would only relaunch the political recomposition of the class at a higher level. At the same time, this response / counterattack was not sufficient to confront the real problem facing capital: how to *recognise the political emergence of the working class*, while finding new means (through a complete restructuring of the social mechanism for the extraction of relative surplus value) of *politically controlling this new class within the workings of the system*. The admission of working class autonomy had to be accompanied by the ability to control it politically. The recognition of the originality of 1917, of the fact that the entire existing material structure of capital had been thrown out of gear and that there was no turning back, would sooner or later become a political necessity for capital.

In fact the day of reckoning was not long in coming. As always, capital's political initiative has to be forced into freeing itself. Soon after the defeat of the General Strike in Britain – the event which seemed to mark the outer limit of the expanding revolutionary process of the post-War period – the spectre of 1917 returned in a new and more threatening guise. The collapse following 1929 was all the more critical owing to this potential threat. Capitalism now faced a working class which had been socially levelled by the repression brought against it, which had become massified to the point where its autonomy had to be recognised, and which simultaneously had to be both recognised in its subversive potential, and grasped as the decisive element and motive power behind any future model of development. The great crisis post-1929 was the moment of truth, a rebounding on capital's structure of the previous technological attack on the working class, and the proof of its limitations: the lesson of 1917 now imposed itself by this "delayed reaction" on the system as a whole. The working-class political initiative of 1917 with all its precise and ferocious destructiveness, controllable only in the short run, now manifested itself in a crisis of the entire system, showing that it could not be ignored or evaded. The earlier attempts to avoid the problem, to ignore the effective reality of the working class's specific political impingement on the system, now boomeranged on the system itself. The crisis struck deepest precisely where capital was strongest and where technological conversion had been most thorough (in the USA).

In this sense the crisis post-1929 represents a moment of decisive importance in the emergence of the contemporary state: a *political* turning point largely misunderstood by the economic traditions of Marxism. The chief casualty of the crisis was the material basis of the liberal constitutional state. 1929 swept away even residual nostalgia for the values that 1917 had destroyed. The Wall Street crash of "Black Thursday" 1929 destroyed the political and state mythologies of a

Keynes and the Capitalist Theory of the State post-1929

century of bourgeois domination. It marked the historic end of the “state of Right”, understood as an apparatus of state power aimed at formally protecting individual rights through the bourgeois safeguards of “due process”, a state power established to guarantee bourgeois hegemony on the basis of citizenship: the final burial of the classic liberal myth of the separation of state and market, the end of *laissez-faire*.

But here it is not simply a question of an overthrow of the classic relation between the state and civil society and the coming of an “interventionist” state. The period after 1871 had, after all, also seen a growing state intervention and a socialisation of the mode of production. What was new, and what marks this moment as decisive, was the recognition of the emergence of the working class and of the ineliminable antagonism it represented within the system as a *necessary feature of the system which state power would have to accommodate*. Too often (and not just in Italy with the limited perspective that Fascism allowed),² the novelty of the new state that emerged from the great crisis has been defined in terms of a transition from a “liberal” to a “totalitarian” form of state power. This is a distorted view: it mistakes the immediate and local recourse to fascist and corporatist solutions, the *form of régime*, for the central overriding feature that distinguishes the new historical form of the capitalist state: the reconstruction of a state based on the discovery of the inherent antagonism of the working class. To be sure, this reconstruction has possible totalitarian implications: but only in the sense that it involved an awareness of intrinsic antagonism and struggle at all levels of the state.

Paradoxically, capital turned to Marx, or at least learned to read *Das Kapital* (from its own viewpoint, naturally, which, however mystified, is nonetheless efficacious). Once the antagonism was recognised, the problem was to make it function in such a way as to prevent one pole of the antagonism breaking free into independent destructive action. Working-class political revolution could only be avoided by recognising and accepting the new relation of class forces, while making the working class function within an overall mechanism that would “sublimate” its continuous struggle for power into a dynamic element within the system. The working class was to be controlled functionally within a series of mechanisms of equilibrium that would be dynamically readjusted from time to time by a regulated phasing of the “incomes revolution”. The state was now prepared, as it were, to descend into civil society, to continuously recreate the source of its legitimacy in a process of permanent readjustment of the conditions of equilibrium. The new “material basis of the constitution” became *the state as planner*, or better still, the state as *the plan*. For soon this mechanism for re-equilibrating incomes between the forces in play was articulated in the form of

Revolution Retrieved

periodic planning. The model of equilibrium assumed for a plan over a given period meant that every initiative, every readjustment of equilibrium to a new level, opened up a process of revision in the constitutional state itself. In other words, the path to stability now seemed to depend on the recognition of this new precarious basis of state power: the dynamic of state planning implied acceptance of a sort of “permanent revolution” as its object – a paradoxical *Aufhebung* of the slogan on the part of capital [*trans*: taking it over and recuperating it, transforming it for its own ends].

But the science of capital necessarily mystifies as much as it reveals. It grasped the new relation of class forces, it registered the painful process whereby the working class became internalised within the life of the state and its central dynamic role as the mainspring of capitalist development. But at the same time it mystified and hid, not so much the antagonistic nature of this emergence of the working class, as the generality of its effects on the system. It concealed the violence that was required to maintain this precarious controlled equilibrium as the new form of the state. Indeed it even powerfully exalted the new society and its violent sphere of action as the realisation of the Common Good, the General Will in action. In this interplay between mystification and critical awareness of the new relation of class forces, the science of capital once again revealed the necessary co-presence of contradictory elements. As always, it was forced to carry out the laborious task of analysis and apologetics, to steer the narrow path between critical awareness of the precariousness of the existing framework and a determination to achieve stability. Ultimately the only possible solution to this contradiction is to place one’s faith in an independent political will; a sort of “political miracle” capable of reuniting the various necessary but opposing elements of the capitalist system – socialisation of the mode of production and socialisation of exploitation; organisation and violence; organisation of society for the exploitation of the working class.

It is not that the basic nature of the capitalist process had changed, but rather the framework, the dimensions within which exploitation now had to operate, and the class protagonist over which capital was obliged to assert itself. A political miracle seemed all the more necessary, since the antagonistic presence of the class meant that every sign of friction was cause for alarm, every mistake was likely to prove catastrophic and every movement could denote a dramatic change in the power-balance between the two classes locked in struggle. It was the extraordinary strength of the working class, backed by the revolutionary experience it had undergone, that made its mark and imposed those disequilibria that constantly required intervention at all levels of the system.

Keynes and the Capitalist Theory of the State post-1929

Capitalist science had to register this fact. The extent to which it did so is the measure, so to speak, of its grasp and understanding of the new situation. To follow this complex process, unmasking it and distinguishing its scientific and ideological components, is the task of working class critique. In this essay I trace the development of Keynes' thought and reflection on the overall crisis of the capitalist system from the October Revolution to the depression years. For it was he who showed the greatest awareness and the most refined political intuition in confronting the new situation facing capital at this crucial turning point. It was Keynes whose disenchanted diagnosis indicated for the international capitalist class the therapy to be applied. Keynes was perhaps the most penetrating theorist of capitalist reconstruction, of the new form of the capitalist state that emerged in reaction to the revolutionary working-class impact of 1917.

2. Keynes and the Period 1917-1929: Understanding the Impact of the October Revolution on the Structure of Capitalism

How then can we trace the development of capitalist awareness in this period? In what form and to what extent did capital grasp the radical implications of the '29 crisis? And above all, to what extent did capital become aware of the links between 1917 and 1929?

As we noted above, the October Revolution was seen in two ways: internationally, as a problem of counter-revolution – the isolating of Soviet Russia – and domestically, as a problem of repressing the powerful trade union and political movement of the working class, which extended this revolutionary experience to the whole capitalist world. The experience showed itself to be homogeneous; both where the movement took the form of workers' councils (1918-26) and where it was more straightforwardly trade unionist, the common reference point was a certain type of class vanguard and the demand for self-management of production.³

It is remarkable how these two aspects of the problem were kept rigidly separate by the international capitalist leadership at the time. Different techniques were used to respond to the two revolutionary challenges. Capitalist thinking was not yet convinced of the internationally unified presence of the working class. Its separation of these two aspects at least partially explains its catastrophic incomprehension of the real situation.

This at least was the view of John Maynard Keynes. If the key moment for capitalist reconstruction of the international order was the Versailles peace settlement, then this was an opportunity lost. In this last act of a centuries-old tradition of power relations between nation states, there was, he argued, a total failure to understand the new

Revolution Retrieved

dimensions of the class struggle, which became evident in the separation of the two aspects of the problem. How otherwise could the folly of Versailles be explained? The Treaty, instead of setting up a plan to save Europe from ruin, merely expressed the frustrations and vendettas of centuries of power politics. With revolution beating at the gates, the leaders of the victorious powers merely set up a punitive system incapable of rebuilding the European order. Diplomatic hypocrisy even triumphed over the commitments made in the armistice agreements.

This was no way to defend the system and give it a new structure. On the contrary it could only lead to a deepening of the crisis. In particular, the economic folly of the reparations imposed on Germany ensured that the effects of the peace treaty would be disastrously prolonged, not just in Germany, but cumulatively throughout the integrated network of the world market.

“If we aim deliberately at the impoverishment of Central Europe, vengeance, I dare predict, will not limp. Nothing can then delay for very long that final civil war between the forces of reaction and the despairing convulsions of revolution, before which the horrors of the late German war will fade into nothing, and which will destroy, whoever is victor, the civilisation and the progress of our generation”.⁴

What then was the correct course? One and only one: to consolidate the economy of Central Europe as a bulwark against the Soviet threat from the East and as a check against internal revolutionary movements – to reunite, in short, the two fronts in the capitalist defence system:

“Lenin is said to have declared that the best way to destroy the capitalist system was to debauch the currency... Lenin was certainly right. There is no subtler, no surer means of overturning the existing basis of society... By combining a popular hatred of the class of entrepreneurs with the blow already given to social security by the violent and arbitrary disturbance of contract and of the established equilibrium of wealth which is the inevitable result of inflation, these governments are fast rendering impossible a continuance of the social and economic order of the nineteenth century...”⁵

This was Keynes' position in 1919. By tracing his thought from this polemic to the *General Theory*, we may perhaps be able to grasp the difficult transition of overall capitalist strategy in the period of the inter-War crisis. At this early stage, Keynes was warning against the Treaty's disastrous consequences and the implicit illusion that class relations had not been changed by the working class's break with the pre-War system. We are still far from any precise theoretical grasp of the new political cycle of the contemporary state. There is scarcely a hint of Keynes' later

Keynes and the Capitalist Theory of the State post-1929

capacity to transform his awareness of the working class's rupture with the system into the very *raison d'être* of capitalist economic growth. Yet this intuition of the new class situation, primitive but fundamental, already illuminates the central problem of the years to come: how to block, how to control, the impact of the October Revolution on the capitalist order. In order to discuss the question of the continuity of Keynes' thought and its theoretical coherence, we must go beyond the literal meaning of his writings and uncover the general problematic underlying them.⁶

At this stage, we are dealing with a political intuition. It is still far from becoming a scientific system. Indeed, from the perspective of the mature system, Ohlin was probably more Keynesian than Keynes when he argued, in 1925, against the Keynesian view of the effect of reparations, pointing out that the payment of reparations could make a dynamic contribution to a new level of international economic equilibrium.⁷ In any case, by 1922, Keynes' own position had changed. The "intolerable anguish and fury"⁸ which had forced him to leave the Treaty negotiating table in Paris was now placated. His vision was now more superficially optimistic:

"If I look back two years and read again what I wrote then, I see that perils which were ahead are now past safely. The patience of the common people of Europe and the stability of its institutions have survived the worst shocks they will receive. Two years ago, the Treaty, which outraged justice, mercy and wisdom, represented the momentary will of the victorious countries. Would the victims be patient? Or would they be driven by despair and privation to shake society's foundations? We have the answer now. They have been patient."⁹

And yet Keynes' basic political intuition already implied a radical new appreciation of the major dimensions of capitalist development. Robertson recognised this with extreme lucidity:

"Now the startling thing about this analysis of the economic structure of Europe is that it is in some respects very different from, and indeed diametrically opposed to, that of pre-War optimistic, free-trade, pacific philosophy, and represents much more nearly that upon which, consciously or unconsciously, the edifices of protectionism, militarism and imperialism are reared".¹⁰

Robertson goes on to point out that this implicitly goes against the concept of *laissez-faire* and that here questions of international politics are seen in terms of the organisation of the relation of forces internally.

Aside from its public notoriety, Keynes' warning of 1919 appears to have had little influence. It was rejected by the press:

Revolution Retrieved

“Indeed one of the most striking features of Mr Keynes’ book is the political inexperience, not to say ingenuousness, which it reveals”.¹¹

Politicians young and old responded with one voice of derision, and basically in univocal terms. Clemenceau:

“Strong in economic argument, Mr Keynes... challenges without any moderation the abusive demands of the Allies (read ‘of France’) ...These reproaches are made with such brutal violence that I would not comment upon them, if the author had not shamelessly thought to serve his cause by giving them publicity. This demonstrates all too clearly how unbalanced certain minds have become”.¹²

And Churchill:

“ ...With an indisputable common sense Keynes illustrated the monstrousness of the financial and economic clauses. On all these points his opinion is good. But, dragged on by his natural distaste for the economic terms which were to be solemnly dictated, he made a wholesale condemnation of the entire edifice of the peace treaties. That he is qualified to speak of the economic aspects, one cannot doubt; but on the other and more important side of the problem, he could judge no better than others”.¹³

As for capital, its response was the old one, albeit pursued more drastically: as old as 1848 or 1871. The use of repressive force to defeat the political movements of the class; mass sackings of militants; and, in the second instance, fresh advances in the absorption of labour-power through a technological leap and the refinement of the mechanisms for the extraction of relative surplus value. The workers’ councils and the powerful current of revolutionary syndicalism of the early 1920s were defeated – or rather were denied the possibility of any revolutionary dialectic between the class vanguard and proletarian masses, which had been their organisational basis. They were simply undermined by the recomposition of the workforce in key sectors: by new techniques for rationalising labour, by deskilling and the mass assembly line. As always, the first response imposed on capital by the working-class wave of struggle was reformist: by the early 1920s this became a generalised process of technological innovation. Capital was forced to absorb the thrust of the working class via an expansion in new sectors, through a radical reorganisation of the factors of production.

But how far was it possible to pursue this old path? Had not the situation totally altered? Keynes’ position, against the classic liberal separation of politics, was a generic insistence on the interiorisation of the political element within the economy. But even this generic truth was forgotten by the capitalist class; there was a refusal – grave in its consequences – to face the fact that Soviet Russia now offered the

Keynes and the Capitalist Theory of the State post-1929

working class an inescapable political point of reference. If its project of containment was going to succeed, the capitalist system would have to prove itself capable of recuperating the working class as a *political* entity. The mechanism of relative surplus value was not sufficient. Indeed, its only effect was to enlarge the contradictions of capitalist development, creating a further massification of the class and accentuating the propensity towards cyclical crisis. The expansion of supply (growth in productive capacity and mass production industries) did not effectively call forth the corresponding pressure of demand. "*Demand*" was not yet recognised as an effective subject – the working class.

Keynes' position, still only a political intuition, was also insufficient from a different standpoint: it required to be worked out scientifically. His strength lay in the fact that he had laid down the methodological conditions for a solution; he had identified the problem correctly. To follow his scientific and political activity in the 1920s is to follow a voice crying in the wilderness, in the bitter tones of a prophet unarmed. At the same time, however, we witness a gradual transformation of political intuition into scientific discourse. This took place throughout under the continuous impact of political events, under the pressure of the working class and the political necessities dictated for capital.¹⁴

We have already noted how, according to Robertson, *laissez-faire* was already abandoned as early as the *Economic Consequences of the Peace*. But this was only implicitly the case, in Keynes' sense of the precariousness of the international order following the destructiveness of the world war and the revolutionary upsurge that followed. From now on, the problem of the crisis of the old order was to be focussed primarily on the British political scene.

Say's Law was no longer valid because it did not recognise that the maintenance of the capitalist system might be a problem. It postulated the system as entirely self-regulating and spontaneous: in other words, it denied the existence of the working class as a potential negation of the system. Now it is true that as the problem of the working class gradually assumed a scientific formulation in Keynes' writings, so it tended to be defined according to the mystified professional tradition of economic science: as a problem of employment in the crude objectivist tradition of classical economics.¹⁵ But during this early phase of his political approach to the problem, it is the class struggle that is given the upper hand and called forth to historicise the categories of economic science. Science is referred back to historical reality. The British working class appears in these writings in all its revolutionary autonomy.¹⁶ To his university colleagues and liberal-minded friends, to those who clamoured that the General Strike was illegal and stepped outside the

Revolution Retrieved

limits of constitutional action, Keynes gave a short reply: "That may be, but so what?" Class movements may appear illegal, but this is only because the balance of forces conditioning the previous system and determining the previous legality, has disappeared. The relations of force have changed, and legality must be adjusted to fit the new situation.¹⁷ Say's Law was no longer valid because the variables of political and economic equilibrium had altered. The new factor in the situation was the autonomy of the working class.

"The trade unions are strong enough to interfere with the free play of the forces of supply and demand, and public opinion, albeit with a grumble and with more than a suspicion that the trade unions are growing dangerous, supports the trade unions in their main contention that coal-miners ought not to be the victims of cruel economic forces which *they* never put in motion".¹⁸

To create a new political equilibrium thus meant taking account of this new situation, these new relations of force. If Say's equations of supply and demand no longer functioned, it was because new unknowns had been introduced. And it was now necessary to integrate these unknowns into economic science.

"The idea of the old-world party, that you can, for example, alter the value of money and then leave the consequential adjustments to be brought about by the forces of supply and demand, belong to the days of fifty or a hundred years ago when trade unions were powerless, and when the economic juggernaut was allowed to crash along the highway of progress without obstruction and even with applause".¹⁹

One should not underestimate the depth and importance of this critique in the period of the 1920s, from a scientific point of view too. This attack on Say's Law implied the destruction of a century-old ideology, a deeply-rooted mental attitude which became all the more solid the less it corresponded to reality. It implied the demystification of a set of fundamental values and norms which had guided bourgeois political science in the nineteenth century.

"The same bourgeois mind," Marx had written, "which praises division of labour in the workshop, life-long annexation of the labourer to a partial operation, and his complete subjection to capital, as being an organisation of labour that increases its productiveness – that same bourgeois mind denounces with equal vigour every conscious attempt to socially control and regulate the process of production as an inroad upon such sacred things as the right of property, freedom and unrestricted play for the bent of the individual capitalist. It is very characteristic that the enthusiastic apologists of the factory system have nothing more damning to urge against a

Keynes and the Capitalist Theory of the State post-1929

general organisation of the labour of society, than that it would turn all society into one immense factory".²⁰

The Keynesian critique of Say's Law was thus a radical destruction of the object of economic science, insofar as political economy was premised – structurally – on the theory of economic equilibrium, on an integrated and functional symbiosis of elements allowing an infinite, free access to the world of wealth. Economic science had been constructed on the notion that these presuppositions were somehow "natural". Once they were subjected to a fundamental critique, the "risk" that Marx referred to, indeed the likelihood, that the whole of society would be transformed into one gigantic factory, was implicitly accepted.

This, however, was as far as Keynes' critique went. The destruction of the object served only for its reconstruction. Later he would even state that the neo-classical laws of economic equilibrium would again come into their own, once conditions of full employment were reached.²¹ The bourgeois dialectic knows no sublation, it cannot overthrow its object. Whenever Keynes reaches the extreme limits of his critique, he is paralysed by a philosophy that stops him in his tracks. Even when renouncing the more vulgar mystifications, he remains trapped within the arcane world of commodity fetishism; he falls back on formal schemas and sets about reconstructing the conditions for a balanced economy. Apart from equilibrium, the reaffirmation of the mystified form of general equivalence, there is no other goal to aim for. There is nothing left but the "Party of Catastrophe",²² the despairing conviction that history – in other words, everything beyond the equilibrium – is nothing but the work of imbeciles: "Neither profound causes nor inevitable fate, nor magnificent wickedness".²³

"The problem of want and poverty and the economic struggle between classes and nations is nothing but a frightful muddle, a transitory and *unnecessary* muddle".²⁴

Hence the formal equilibrium that the scientist attempts to restore at the very limit of the possibilities of bourgeois knowledge. There is not even a sense of full and secure conviction: he is consciously disguising what is basically – and necessarily – an irrational obligation, an obscure substitute for any content of rationality.²⁵

Clearly, then, Keynes' object, following this first attack on the nineteenth-century ideology of *laissez-faire*, this instinctive appreciation of the new situation created by the irruption of working-class autonomy, would be that of reconstructing a new model of equilibrium. It was only, however, with the *General Theory* of 1936 that this achieved definitive form. In the 1920s his work remained primarily critical: he attacked the restoration of the Gold Standard,²⁶ and identified the new phase of

Revolution Retrieved

socialisation that capitalist production had entered.²⁷ Above all, he insisted on the need for state intervention to mediate class conflict and guarantee economic equilibrium.²⁸ This work was essentially of a critical rather than systematic nature. The terms of the new class relationship are not yet integrated within Keynes' analysis in any systematic way; they have not yet become a constitutive part of the notion of effective demand, of growing risk, of the new theory regarding interest rates: they have not yet become a system.

If we examine the most significant element of this preparatory phase in Keynes' work, his argument for state interventionism, it is evident that this is simply a corollary of his critique of *laissez-faire*: this critique implied an awareness of the massification of the working class and the consequent difficulty of ensuring equilibrium. What is still lacking is the definition of the new qualitative implications of this irruption of the working class for capitalist development as a whole. The state intervention that is proposed is still only theorised in political terms: it is derived from the need to ensure a wider basis for development by an alliance between the progressive bourgeoisie and socialists. It is not yet argued on the basis of a clear scientific appreciation of the new dynamic of class relations and the role of the working class within it.²⁹

In making this distinction, one more general theoretical factor needs to be stressed. Simply to register the fact of the socialisation and massification of capitalist production and hence to argue for increased state intervention was neither original nor sufficient. First, it could only partially grasp the character of the new form of state that emerged through the crisis. But secondly, it merely corresponded historically to the first type of conceptualisation of the state organised against the emergent working class. The Bonapartist type of regime, the Fascist regime in the case of Italian backwardness, or certain variants of Prussian state socialism in the phase of struggle following 1870, are examples of this genre. The specific characteristic of the new form of state that emerged from 1929 was rather *the type of class dynamic at work within the framework of state interventionism, on which intervention was premised*. Only the experience of the great crisis of 1929 would allow capitalist science to make this further step towards a new definition of the state. For this to be possible, in other words, the 1917 revolution had to triumph historically over the isolation into which they had sought to constrict it.

3. Keynes – the Shift from Politics to Science (1929 – the Working Class within Capital)

It would seem obvious to suppose that the events of 1917 had no bearing on those of 1929. But behind the obviousness of this statement

Keynes and the Capitalist Theory of the State post-1929

lies a fabric of historical relations which, if we can identify them, will give a greater overall meaning to the crisis of '29, even if they do not wholly explain it. Because while, on the one hand, the 1929 crisis was a direct product of the nature of the United States' economic system, at the same time it was created by (a) an accumulation of contradictions within the system, dating from the beginning of the century; and in particular (b) their accentuation, by the fact that the massification of production in the 1920s had been made necessary by the impact of the working class within individual capitalist countries, at the political and trade union level. A further reason for the way the crisis immediately took on international dimensions was the series of instabilities in trade relations which war, peace, revolution and attempted counter-revolution had brought about.³⁰ Even capitalist understandings of the crisis accept this chain of causes – at least at the political level, where 1917 is seen as one of the causes by reason of the looming potential alternative that it represents.³¹

As an external explanation, that is alright as far as it goes. Now, the role played by Keynes was to make this explanation work within an analysis of the crisis – to make it scientific. An ongoing problem finally finds a possible solution, spurred by the rigours of the crisis:

“While Keynes did much for the Great Depression, it is no less true that the Great Depression did much for Keynes. It provided challenge, drama, experimental confirmation. He entered it the sort of man who might be expected to embrace the *General Theory* if it were explained to him. From the previous record, one cannot say more. Before it was over, he had emerged with the prize in hand, the system of thought for which he will be remembered”.³²

In fact, the crisis revealed the dialectical functioning of the individual elements that his analysis had identified. What, in his view, were the factors underlying the 1929 crisis? It was a build-up of an excess of supply, which had a direct effect on the level of net investment, lowering it, and therefore also led to lower values in capital's schedule of marginal efficiency. In other words, we can only understand the specificity of the 1929 crisis if we understand the conditions of economic development in the 1920s, when a broadening of the supply base (in the course of reconversion of war industry, via technological innovation and an extraordinary increase in the productivity of labour, and via the consequent growth in the production of durable goods) was not accompanied by a change in the relationship of supply to demand. The political ruling class of the period held virtuously to notions of “financial prudence” which were simply a crude mask for dyed-in-the-wool conservatism. They would not accept that the massification of supply should be matched by an equivalent massification of demand – in fact

Revolution Retrieved

they went out of their way to seek and defend political guarantees for the independence of supply. An increasing socialisation of capital was matched by misguided claims on the part of capital to a political autonomy. And now, Keynes concludes, we are paying the price of our lack of understanding.³³

This is the origin of the *General Theory*, Keynes' political manifesto. It is a manifesto of conservative political thinking, in which a sense of present depression and anxiety for a doubtful future paradoxically combine to force a systematic revolutionising of the whole of capitalist economics. It has been said that

“the vision of capitalism as a system always in imminent danger of falling into a state of stagnation... permeates and, in a certain sense, dominates the *General Theory*”.³⁴

This is true if we understand that imminent crisis as a political fact which Keynes registers as such, and against which he pits himself in order to reverse it. In the *General Theory* his references to theories of stagnation are polemical, an implication that a capitalist destiny which may have been unavoidable yesterday is clearly unacceptable today, if the system is to have any hope of saving itself. Because to refer to “demand” is to refer to the working class, to a mass movement which has found a political identity, to a possibility of insurrection and subversion of the system. Keynes is a clear-sighted, intelligent conservative preparing to fight what he knows is coming. And it is from this tension born of desperation that political will gains the strength to offer itself as a complete and systematic ideological proposition. Herein lies the necessity of Keynesian ideology.

Right from the early sections of the *General Theory*, we see how the relationship with the future is an essential part of Keynes' analysis of the inner workings of capital. The notion of expectations unites the present and the future: expectations have a direct influence on levels of employment inasmuch as they have a direct effect on determining capital's level of marginal efficiency.³⁵

Up to this point, Keynes is with the classical economists. But today the situation is different: those expectations which must be based on entrepreneurial confidence if they are to produce positive values have now been knocked off-balance by a whole gamut of uncontrollable risks – and this at a time when the high organic composition of capital permits even less tolerance of large areas of uncertainty. The crisis has destroyed confidence and certainty in the future, has destroyed capital's fundamental convention that results and consequences must match up to expectations. So Keynes' first imperative is to remove fear of the future. The future must be fixed as present. The convention must be guaranteed.³⁶

Keynes and the Capitalist Theory of the State post-1929

Here we have our first precise definition of interventionism. It is no longer a question of political convenience, but a technical necessity; it is not just a question of registering the socialisation of economic development, but the establishment of a substantial reference point for the forms and rhythms of development.³⁷ Investment risks must be eliminated, or reduced to the convention, and the state must take on the function of guaranteeing this basic convention of economics. The state has to defend the present from the future. And if the only way to do this is to project the future from within the present, to plan the future according to present expectations, then the state must extend its intervention to take up the role of planner, and the economic thus becomes incorporated in the juridical.³⁸ In its intervention, the state will act according to a series of norms; it will dictate what is to be. It will not guarantee the certainty of future events, but it will guarantee the certainty of the convention; it will seek the certainty of the present projected into the future. This is a first step, a first form for the bringing-together of capital's productive and political ruling classes – a form that is still indirect, but extremely necessary. In effect, the life of the system no longer depends on the spirit of entrepreneurialism, but on liberation from the fear of the future. And on this the juridical basis of the state, by definition, stands or falls.

Defence against the future, an urgent desire to stabilise the power of capitalism in the face of the future. This is Keynes' frame of reference, and its class nature is self-evident. It's another way of saying what the critique of Say's Law had already said. But here the situation – of a relationship with new variables, which science has to study and understand – takes on a new dramatic urgency because of the crisis. What is this "future" which Keynes is so eager to call to account? Once again, it is catastrophe, the catastrophe that haunts him and his kind, that "Party of Catastrophe" which he sees represented before him in the living form of the working class. This sheds a new light on Keynes' statement, so often repeated as a superficial witticism: "In the long run, we are all dead." Here it feels more like a premonition for the fate of his own class. And we should see Keynes' oft-criticised determination to lead his whole analysis back within static parameters as yet another attempt to rule out a range of catastrophic possibilities and to cancel out the future by prolonging the present.

So here too Keynes' project for capitalist reconstruction has to take account of working-class struggle. And faced with this fact, his analysis goes deeper. A second element is added to the definition of interventionism: here the state is seen as the exclusive collective representative of productive capital.³⁹ Specific political necessities brought Keynes to this conclusion. Already, in his analysis of

Revolution Retrieved

expectations, he had identified a number of structural elements which (together with pathological elements such as speculation) were liable to bring the system crashing down – eg patterns of competition, expectational forecasting errors, etc. It is not enough that the pathological elements can be eliminated by rule of law; both the pathological and the structural elements have to be eliminated *de facto*. In any event, they cannot be allowed to jeopardise the security of the system's future.

“For my own part, I am now somewhat sceptical of the success of a merely monetary policy directed towards influencing the rate of interest. I expect to see the state... taking an ever-greater responsibility for directly organising investment...”⁴⁰

So, more solidly deep-rooted overall guarantees for the future are required. Juridical and indirect forms of state intervention will not suffice. It is not sufficient for the state to guarantee the fundamental economic convention that links present and future. Something further is required. The state has, itself, to become an economic structure, and, by virtue of being an economic structure, a productive subject. The state has to become the marshalling centre for all economic activity. A major step forward! As Marx says:

“To the extent that it seizes control of social production, the technique and social organisation of the labour-process are revolutionised, and with them the economico-historical type of society”.⁴¹

Not to mention the state! In guaranteeing the convention that links the present to the future, the state is still a structure at the service of capitalists; but when it poses itself directly as productive capital, the state seeks also to overcome the structural frictions which a market economy and its indirect relationship with individual capitalists may bring about. Thus it becomes a new form of state: the state of social capital.⁴²

For the moment I shall pass over the more obvious examples of this new definition of interventionism, or rather, of this new kind of state. I shall return to them later. Instead, I want to look at a particular and fundamental theoretical moment which both illustrates and specifies this further step forward in Keynes' thinking: the postulate of an equivalence between savings and investment.

We know that this equivalence was not postulated in the *Treatise*; there, the relation between savings and investment was seen as an objective of economic policy aimed at maintaining stable price levels. But between the *Treatise* (1930) and the *General Theory* (1936), Keynes changes his mind and postulates a concept of a measurable equivalence,

Keynes and the Capitalist Theory of the State post-1929

within the system, between savings and investment.⁴³ The reasons for this change of heart become apparent from the period in which it happened: between 1930 and 1936 – ie at the height of the crisis. At this point the political imperatives were becoming more pressing and were pushing Keynes to adopt a more radical position.

In short, the new economic model had to eliminate every trace and possibility of non-consumed, non-invested income, every over-production of capital, ie every disfunction of circulation. Note that this model no longer describes forms of behaviour – it is prescriptive, it lays down necessary preconditions. It is prescriptive because only if these preconditions can be guaranteed by and within the person of the state will there be any hope of confronting (or rather, preventing and controlling) the depressive moments of the economic cycle, and, in general, enabling a political manoeuvrability of the overall economic order. Otherwise this would remain an impossibility.

Hence the unit of account makes its appearance as a budgeting device, and becomes a basic element of state activity; thus armed, the state is confirmed in its role of acting as a marshalling centre for social production.⁴⁴

Obviously, this definition of the state as a marshalling point of social productive capital raises more problems than it solves. In the first place, given that Keynes does not conceive of state socialism as the necessary outcome of his premisses, he then inevitably has to face the problem of the relationship between capital's economic ruling strata and the state/political strata, of communication and articulation between the two of them, and of the institutions which are to guarantee and develop this relationship. Here Keynes balances his abuse of speculators and private capitalists with declarations of loyalty to private capital – and the problem remains unresolved. In the second place, Keynes' intention with this equation is to mark the transition from a phase in which the banks tend to dominate investment, to a new phase in which the productive sphere itself directly determines investment; more generally, he seeks to

“push monetary theory back to becoming a theory of output as a whole”.⁴⁵

But all this is only hinted at.⁴⁶

One could go on to identify a whole series of problems that are raised but not solved. Nonetheless, despite the fact that it is tentative and couched in allusion, the equivalence that Keynes poses between savings and investment gives a definitively new configuration to the state: it is no longer merely a source of economic support and incentive, of stabilisation and innovation; it has become a prime mover of economic activity. Here the critique of *laissez-faire* is pushed to the limit: society

Revolution Retrieved

itself is cast in the mould of the factory – and the last vestiges of individual capitalism come increasingly under pressure.

Thus far the relationship with the future – insofar as it represents a relationship of struggle with the working class – is established in terms internal to the structure of capital, strictly defined. Thus far Keynes has set out to explain the necessity for a capitalist reform of the state, with a view to lessening (and if possible eliminating) the fears weighing on the future. Thus far, working class struggle has imposed a movement of reformism *of* capital. But how does it locate itself *within* capital? How do we find the contradiction-loaded presence of the working class re-expressing itself at this advanced level of restructuration? The evolution of interventionism had been imposed on the capitalist state right from the early 1920s, as a response to the political and trade-union movement of that period; now, after the crisis and the restructuring, it becomes decisive. But what is the nature and quality of the relationship with the working class that is posed “within” capital?

With Keynes, capitalist science takes a remarkable leap forward: it recognises the working class as an autonomous moment within capital. With his theory of effective demand, Keynes introduces into political economy the political notion of a balance of power between classes in struggle.⁴⁷ Obviously, the ideological (but also necessary) aim of Keynes’ argument is towards shoring up the system: for Keynes the problem is how to establish a balance of effective demand, in a context where the various balances of power making up effective demand are conceived as unchanging. But this political objective – which would require working class autonomy to be forever constrained within a given existing power structure – is precisely the paradox of Keynesianism: it is forced to recognise that the working class is the driving motor of development, and that therefore Keynes’ statically defined notions of equilibrium can in fact never be attained in static terms. Any attempt to define an equation of static equilibrium is, and will remain, a laborious search for equilibrium within what has to be a developing situation. In effect – as Keynes appears to recognise – the system functions not because the working class is always inside capital, but because it is also capable of stepping outside it; because there is the continual threat that it will in fact do so. The problem for science, and the aim of politics, must be to contain and absorb this threat, this refusal, and absorb it at ever new levels. How, and what next? Capital must ensure that the dynamic factors of growth are controlled, in such a way that the balance of power remains the same. The problem, in other words, is never resolved; it is only postponed. Looking closely, one can see that capital’s dynamism at this point only results from a continuous struggle, in which the thrust of the working class is accepted, and new weapons are forged in order to

Keynes and the Capitalist Theory of the State post-1929

prevent the class acting outside capital, and to make it act within a framework whose outlines are continually being drawn anew.

To what extent is this possible? The concept of effective demand contains within it a decades-long experience of how the working class has made its impact on capital – and that impact shows no sign of diminishing. In Keynes, though, you find only the awareness that the political situation is dramatic, which is then transformed into an attempt to turn the crisis, the struggle, into the driving motor of development. How far could this be taken? “In the long run, we are all dead.”

But let’s look at the situation in more detail. The reasons underlying the great crisis were that an excess of supply became evident in a political situation where demand, the propensity to consume, was under pressure; this caused major imbalances in the broad economic front, which then had a deleterious effect on net investment. The diagnosis itself offers a remedy – increase the volume of demand; raise the propensity to consume. But since variations in the propensity to consume are essentially variations in income, measured in wage-units,⁴⁸ this means that the equilibrium corresponding to a given stage of effectively realised demand will be that value at which the level of working-class employment determines the price of aggregate supply of output and the entrepreneur’s expectations of gain.

It has to be said that when you read Keynes in this way – an almost circular interdependence of the various internal parts of the system, which Keynes tries to pin down and finalise – it is not easy to locate the political quality of his thinking.⁴⁹ But a closer look shows that his entire system of interrelationships rests on a single postulate: the downward rigidity of wages.⁵⁰ The “ultimate independent variable” that underlies his thinking is “the wage-unit as determined by the bargains reached between employers and employed”.⁵¹ It is here, around this motif, that Keynes’ theory reveals itself for what it is: it recognises and makes use of the power of the working class, in all its autonomy. The class can be neither put down nor removed: the only option is to understand the way it moves, and regulate its revolution.

At this point, Keynes’ intervention – made dialectical by the principle of effective demand – becomes completely political, inasmuch as it becomes an attempt at conscious control of the movements of the class, movements which have to be accepted as given, as necessary and valid elements of the process. The whole conceptual content of Keynes’ thinking is coloured by the notion of the balance of forces.⁵² And thus the task of economic policy is to dictate a continual revolution of incomes and of the propensity to consume, which will maintain global production and investment and will thus bring about the only form of political equilibrium that is possible – which will only be effective if it is

Revolution Retrieved

prepared to take on board all the risk and precariousness of a balance of power that is and remains open-ended. This, then, is how we can sum up the spirit of the theory of effective demand: that it assumes class struggle, and sets out to resolve it, on a day-to-day basis, in ways that are favourable to capitalist development.

4. *Capitalist Reconstruction and the Social State*

If we now take a closer look at the problem in hand – ie how the experience of 1929 led to changes in the structure of the state – we can see how radical was Keynes' contribution. The transformation of the capitalist state lay not only in the way its capacity for intervention was extended throughout the whole of society, but also in the way that its structures had to reflect the impact of the working class. After 1929, the state takes on a general organisational structure, characterised not so much by interventionism as by the particular type of class dynamic that it embodies. Thus the only way to understand the specificity of our present state-form is to highlight the dramatic impact of the working class on the structures of capitalism.

Given that the state-form has to register the impact of the working class in society, it is now precisely at the social level that the state constructs – within the fabric of the state itself – a specific form of control of the movements of the class. Moving from the earlier antithesis of despotism in the factory and anarchy in society (and from the first attempt to organise this contradiction-loaded relationship in the form of the state based on constitutional law [*trans: lo Stato di Diritto* – the State of Right]), capital is now obliged to move to the *social* organisation of that despotism, to diffuse the organisation of exploitation throughout society, in the new form of a planning-based state which – in the particular way in which it articulates organisation and repression throughout society – directly reproduces the figure of the factory.

Thus Keynes makes a decisive contribution to the new definition of the state. So far we have studied a number of separate strands in his thinking which go to make up this final overall picture. But this is not to say that Keynes lacks an overall perspective going beyond the mere sum of individual partial strands of analysis. This overall perspective springs ready-made from his theory of the rate of interest.

This aspect of Keynesian theory is polemical in relation to neo-classical economic thought, since the latter sees the interest rate as being determined by anarchic factors operating outside of the sphere of production, in a non-socialised phase of capitalism (rather than as reward for abstinence and a natural balancing factor between the supply and demand of capital goods). For Keynes it derives from liquidity preference and from the quantity of money on the market.

Keynes and the Capitalist Theory of the State post-1929

But if this is true, then once again capitalist society is prey to intolerable risks. The individual capitalist and the rentier are endowed with functions that should not be entrusted to them. This can only lead to disaster. Why do we have to accept such a disaster? Do we really have to leave the inevitable dissolution of that anarchic order to the objective forces of the process of production? As well as destroying the rentier, such a course risked sending the whole system toppling. And the day of reckoning was near at hand.

Keynes concluded that, if we want to take action to save the system, we have to aim at the “euthanasia of the rentier” (which, apart from being politically urgent, is also morally legitimate). This will enable collective capital to embark on manoeuvring interest rates downwards towards

“that point relative to the schedule of marginal efficiency of capital at which there is full employment”.⁵³

The whole of Keynes’ prescriptive remedy is summed up in this single proposition. This aims to provide a definitive guarantee, in the crucial sphere of the circulation of money, that imbalances can be controlled.⁵⁴

At first sight, all this seems to indicate simply a further refinement of Keynes’ arguments, towards an integration of monetary theory and the theory of production at the level where capital has become social capital, ie total, integrated and collective. But on closer inspection, we see that subordinating interest rates to the schedule of capital’s marginal efficiency relative to full employment, has further effects: in particular, the paradoxical effect of linking Keynesian theory back to the classical doctrine of labour-value.⁵⁵ To such an extent that here the reactivation of the law of value ends up providing the sinew and substance of the Keynesian perspective: all factors heterogeneous to the full functioning and direct control of the law of value are to be eliminated. Most particularly, the system – ie the new system, the new state – is thus strengthened, in that it becomes more fully a product of the realisation of the law of labour value. Here, indeed, we can say that the equation “social state equals state based on labour” begins to apply. A final and necessary conclusion of Keynes’ bourgeois Utopianism and his apologetics for capital!⁵⁶

If we now examine this theoretical tendency in a critical light, we shall see how it is articulated. One might say that Keynes seeks to test a number of classical (or pre-classical, as he would put it) intuitions in the context of social capital. In fact, returning to the relationship between the monetary and the productive aspects of social capital, he introduces two tendential laws: the law of average profit, and the law stating that money wages and real wages tend to converge.⁵⁷

Here he approaches the purity of the classical economists’ description

Revolution Retrieved

of the law of value. One could almost say that, having developed to the point where it becomes social capital, capital becomes Marxist. Obviously this is an optical illusion, but at the same time there are historical similarities. Whereas the theory of the individual firm effectively ignored the problem of the law of value, ie how general, average value is arrived at, now the necessity of considering capital's collective identity reinstates it. It reappears in terms that are not Marxist, but rather a reformist and social-democratic version of Marxism. It reappears not only as a means of describing the process (the implicit and tendential law of how it functions) but also, above all, as a political norm and as one of the strategic objectives of economic strategy.

This is why Keynes' renewed utilisation of the law of value introduces into his thinking the mystified notion of the social interest, the common good. With his reduction of monetary theory to the theory of production and with his analysis of both the political necessity of this reduction and the controlled forms within which it was to be realised, Keynes attempts to represent an end-situation which could be attained "without revolution": a situation in which profit and interest are reduced to zero, and in which the monetary relation (this being the sphere of autonomy within capitalist power) would disappear, since money would be reduced to a mere accounting unit, simply a general symbol of equivalence between commodities produced, and thus all reasons for preferring money would disappear.⁵⁸ Thus social interest, stripped of intermediary and subsidiary elements, and the law of value would come to govern the entirety of development. Capital becomes communist: this is precisely what Marx terms the communism of capital.⁵⁹

But this is a curious way for Keynes to proceed – to forget, in the course of his argument, the premisses on which his analysis had been based. Because to put one's faith in the full realisation of the law of value is effectively to put one's faith in the full realisation of the capitalist law of the extraction of surplus value. Profit and interest, unified and reduced to zero, are in reality no different to the expression of the average rate of surplus value in capital's social production.⁶⁰ Exploitation is not eliminated – only its anarchic and competitive aspects. Profit and interest are not eliminated either – they are merely prevented from exceeding the average. Marx's antithesis remains intact – even if this fact would be of little interest to Keynes.⁶¹

What is more interesting is the fact that Keynes' conclusion here is in open contradiction with other significant parts of his system – in particular as regards the theory of effective demand. His assertion of a social interest untouched by class contradictions, by struggle, by power relations between two counterposing classes, negates that theory. Not

Keynes and the Capitalist Theory of the State post-1929

only is the social reality described earlier now mystified, but there is also a contradiction in his science, because he had constructed his law of development precisely on that reality whose existence he now denies. Furthermore, Keynes (unusually, for him, but perhaps inspired by the Cambridge school of moral philosophy)⁶² here ventures onto the terrain of Utopianism.

For this notion of capital is indeed Utopian – a capital so totally social that it does not so much refuse to articulate itself via the monetary mechanism,⁶³ as refuses to pose itself as a social force for exploitation, and thus to make itself autonomous, to pose itself as a separate essence and hegemonic power. It is a short-term Utopia, up until the point where capitalism takes advantage of the qualitative leap imposed by the struggles and the crisis, to abolish the most evident distortions in the process of profit-realisation through the market. Then, once this has been done, there ensues an immediate mystification of the relationship of domination and exploitation that exists at the social level.⁶⁴ The necessity for this mystification is the reconstruction of capitalism within a power balance which, since 1917, has changed in favour of the working class.

However, such a project is completely determined within the framework of the history of capital. It reflects necessities which are immediately practical, as well as being theoretical: theoretical to the extent that they are politically pressing and effective. Identical necessities, provoked by similar reflections on crisis, are at the basis of the New Deal, as of any experience of reconstruction within mature capitalism. Certainly, if we were to research the New Deal to see how faithfully Keynesian it was, we would be quickly disabused – in fact, the activities of Schacht were far more in line with Cambridge thinking. Keynes himself noted something to this effect:

“It seems politically impossible for a capitalist democracy to organise expenditure on the scale necessary to make the grand experiment which would prove my case – except in war conditions”.⁶⁵

Equally disappointing would be any analysis of Keynes’ personal relationship with the US political scene in that period, particularly with Roosevelt.⁶⁶

And yet all the theoretical elements which we have identified as making up the Keynesian system also play their part – and are put into effect in similar, if not identical, ways – in the experience of the New Deal: from the recognition of the impact of the working class on the structure of capitalism, to political and economic techniques aimed at stimulating effective demand via new and publicly funded investment; from emphasis on the urgency of a radical capitalist reconstruction of society, to the particular kind of state that then ensues.⁶⁷

Revolution Retrieved

In fact, we could say that, in relation to changing state-forms, only the experience of the New Deal makes explicit what we have seen as a fundamental characteristic of Keynesianism: the recognition of a changed relationship between the economic forces in play, and a matching restructuring of capital's hegemony in this new context. It makes it explicit by radically altering the "rules of the game"; by a striking synthesis between the enthusiasm for reconstruction on the part of capital's ruling elite, and long-standing constitutional practices of "due process", now updated. Here, finally, we have a capitalist state audaciously taking on board and recuperating the notion of "permanent revolution", for its own self-preservation. And it does so with no reservations, asserting its own class essence as a capitalist state, shunning the taint of populist or traditional progressive ideologies. What is imposed is a capitalist reformism that is a long way from social democratic whinings about imbalances in the system, and is supremely confident of being able to resolve its problems via a reproduction of itself.⁶⁸

How could Keynes fail to see how close this radical historical experiment was to the essentials of his own theoretical and political thinking? How could he fail to see the possibility of his Utopia, and the mystification that was its necessary concomitant? In the event, he fails on both counts. This mystification is revealed as such by one final aspect which is characteristic of the mature capitalist state: the increased use of violence. This violence may be direct or indirect, but it is nonetheless always present in the development of the overall promotional and regulative activity that the modern state undertakes.

And, once again, this fundamental truth arises in Keynes only in passing. Not only in the despairing philosophy of history that accompanies his scientific activity,⁶⁹ but also within his system itself. Precisely at the point where he is outlining a capitalist reconstruction that verges on Utopia, we find Keynes going back on himself, and defining the basic problem as capital's weakness within the class relation that defines it (and thus not forgetting the realities that were his starting point, nor placing his faith exclusively in the models he had proposed for capitalist reconstruction). The illustration of this comes at a decisive point in the *General Theory* – the rediscovery of the law of the tendential fall in the rate of interest.

I do not intend here to pass judgement on the scientific validity or otherwise of this Keynesian proposition. Suffice to say that its present formulation appears more convincing than the classic Marxian formulation, because it is based on forecasting not of an overproduction of capital, but of "a drop in the discounted return to additional capital and an increase in the supply price of new capital goods".⁷⁰

Keynes and the Capitalist Theory of the State post-1929

In using this formulation, Keynes draws conclusions which are much more down to earth than his Utopian schemas, and which arise from the basic situation that was his starting point. And he uses the schema provided by the theory of effective demand no longer just as an index for policies aimed at achieving stability, but as an instrument for forecasting and prediction. This prediction, derived from the application of policies of effective demand, is that demand will outstrip supply, and that the deflationary tendencies of the preceding period will give way to a continual danger of inflation. In short, the definitive and irreversible appearance of all the effects that the massive pressure of the working class was objectively to produce – within this modified relationship between the classes – on the new machinery of capital. This in fact was what happened in the development of class relations in the immediate sphere of productive activity, after the capitalist reforms imposed by the events of 1929; we can already see it happening, even under the New Deal, in the shape of the recession of 1937.⁷¹

But at the end of all this scientific effort designed to set aside fear, the fear for the future still remains, the fear of catastrophe and the Party of Catastrophe. For Keynes the fears arise precisely from a combination of the necessity of reconstructing capital, and a recognition of the tendency of the power balance to consolidate in favour of the working class. In a situation where the relationship between the classes has become dynamic, any attempt to create a new equilibrium is bound to be insecure, and it becomes impossible to stabilise movement around a fixed point. The only option in such a situation is to place one's faith in power, as a separate and distinct reality.

Is this perhaps how we should read Keynes' elevation of the general interest to an absolute? And his emancipation from his own theoretical schema of effective demand? Is it perhaps possible to see in the two-fold movement of Keynes' thinking (on the one hand, open to an identification of the state's structure with the socio-economic process, and on the other hand, inclined to recognise a general interest of the state which is separate and distinct from the particularities of social movement) a contradiction which is necessary to the new life of the system?

What is certain is that this sense of precariousness is not going to diminish. Perhaps its only adequate translation in institutional terms is the extreme violence characteristic of the modern state. *State*, meaning, once again, fear, the need for repression, violence. Perhaps this is the way that Keynes' Utopianism and mystification dissolve. The settling of accounts with the "Party of Catastrophe" becomes a daily event. The communism of capital can absorb all values within its movement, and can represent to the full the general social goal of development; but it

Revolution Retrieved

can never expropriate that particularity of the working class which is its hatred of exploitation, its uncontainability at any given level of equilibrium. Because the working class is also a project for the destruction of the capitalist mode of production.

NOTES

1. The trade-union and political movement outside Russia, following the October Revolution, can be summed up as a homogeneous movement based essentially on “self-management”, generally expressed and led by working-class aristocracies, even in those instances where the movement was of a mass nature. Sergio Bologna, *Composizione di Classe e Teoria del Partito alle Origini del Movimento Consiliare* (“Class Composition and the Theory of the Party at the Origins of the Workers’ Council Movement”) in *Operai e Stato*, Feltrinelli, Milano 1972, pp. 13-46 (English translation reprinted by and available from **Red Notes**) is devoted to defining the movement’s homogeneity. For a general introduction to questions arising, see also: A.S. Ryder, *The German Revolution*, Cambridge University Press, Cambridge 1966; A. Rosenberg, *Histoire du Bolchevisme*, Grasset, Paris 1967; B. Pribicevic, *The Shop Steward Movement in England*, Oxford University Press, Oxford 1955; T. Draper, *American Communism and Soviet Russia*, Viking Press, New York 1960; G. de Caro, *L’Esperienza Torinese dei Consigli Operai* (“Turin’s Experience of the Workers’ Councils”) in *Classe Operaia*, Year 1, No.1 January 1964.
2. See, for example, the charges of “totalitarian fascism” that some sectors of big business levelled against the New Deal in the USA.
3. This is true of the working-class struggles in the United States. On the homogeneity between forms of behaviour of the American and the European working classes in struggle during the years immediately after the First World War, see the essays by Sergio Bologna and George Rawick in *Operai e Stato*, op. cit. In particular, it should be remembered that between 1914 and 1920, membership of the AFL rose from two to four million, a level of trade union membership unsurpassed until the 1930s. For useful data, see also: I. Bernstein, *The Lean Years: A History of the American Worker, 1920-1933*, Houghton Mifflin Co., Boston 1960; and the essay by W. Galenson in *Mouvements Ouvriers et Dépression Economique* (ed. D. Demarco, J. Dhondt, D. Fauvel-Rouif), Van Gorcum, Assen 1966, pp. 124-143.
4. J.M. Keynes, *The Economic Consequences of the Peace*, in Vol. II of *The Collected Writings* published for the Royal Economic Society by Macmillan, London 1971, p. 170.
5. J.M. Keynes, *ibid.*, pp. 148-150. Keynes’ political objective in this phase was to reunify the two lines of the capitalist system’s defence – with the corollary that this defence could only be organised around the fulcrum of Germany. This perspective remained one of the fundamental elements in Keynes’ political thinking. In 1922, with *A Revision of the Treaty*, Keynes repeated to the point of boredom the idea that “Germany’s future is now towards the East and all its resurgent hopes and ambitions will certainly turn in that direction”. Keynes’ alleged “pro-Germanism”, which brought him much criticism even as late as E. Mantoux, *The Carthaginian Peace, or the Economic Consequences of Mr Keynes*, London 1946, thus has a much deeper class significance than his critics were ever prepared to see. It is an approach that offers a perfect parallel to the best of bourgeois political thinking in Weimar Germany. For example, it is not difficult to find identical intuitions during these years in Max Weber (see W.J. Mommsen, *Max Weber und die Deutsche Politik*,

Keynes and the Capitalist Theory of the State post-1929

1890-1920, Mohr, Tübingen 1959, pp. 280 seq.). Also, Keynes never concealed his deep sympathy with the Weimar intellectuals and their political groups. In his essay *Dr Melchior: A Defeated Enemy* (in J.M. Keynes, *Essays in Biography*, in Vol. X, *The Collected Writings*, op. cit., pp. 389-429), he gives a picture of this circle which comes close to apologetics.

6. For a good treatment of the problem, see R. Lekachman in the volume edited by him, *Keynes' General Theory – Reports of Three Decades*, St Martin's Press, New York and London 1964, pp. 1-10. Logically enough, R.F. Harrod's hagiographic *The Life of John Maynard Keynes*, Macmillan, London 1951, is in agreement. For P.A. Samuelson (*The General Theory* in R. Lekachman, op. cit., p. 330), the road that leads to the General Theory is a "road to Damascus".

7. See particularly B. Ohlin, "Mr Keynes' Views on the Transfer Problem" in *The Economic Journal*, Vol. 39, September 1925; also "The Reparation Problem", *ibid.*, June 1925.

8. This is a remark of Keynes cited by E.A.G. Robinson in his essay *John Maynard Keynes 1883-1946* in R. Lekachman, *Keynes' General Theory*, op. cit., p. 34.

9. J.M. Keynes, *A Revision of the Treaty* in Vol. III of *The Collected Writings*, op. cit., pp. 115-116.

10. D.H. Robertson, review of *The Economic Consequences of the Peace* in *The Economic Journal*, March 1920.

11. Thus the *Times* on 4 December 1919 (quoted by E.A.G. Robinson in R. Lekachman, *Keynes' General Theory*, op. cit., p. 35).

12. This judgement of Clemenceau is recalled by Keynes in *A Revision of the Treaty*, op. cit., Footnote 1, pp. 69-70.

13. W. Churchill, *The World Crisis*, London 1929, Vol. V, p. 155. Reviewing this volume, Keynes admits the correctness of Churchill's political line at the peace conference, but at the same time, he makes the by no means light criticism that he failed to grasp the central importance of the Soviet revolution: "(Churchill) does not manage to see the magnitude of the events in their necessary correlation, nor to isolate the essential from the episodic... For him, the Bolsheviks, despite the tribute to Lenin's greatness, remain nothing more than an imbecile folly".

14. The biographers have rightly stressed the effect of the continuous stimulus of English political events on Keynes' development during the 1920s: cf R.F. Harrod, *The Life of John Maynard Keynes*, op. cit., pp. 331 seq; E.A.G. Robinson, *John Maynard Keynes 1833-1946*, op. cit., pp. 41 seq.

15. On how the problem appeared to Keynes, cf E.A.G. Robinson, *ibid.*, and C. Napoleoni, *Il Pensiero Economico del Novecento* ("Twentieth Century Economic Thought"), Einaudi, Torino 1963, pp. 79 seq.

16. Apart from the work by Pribicevic cited above, see also M. Gobbini on the 1926 English General Strike in *Operai e Stato*, op. cit.

17. Cf. the testimony of R.F. Harrod, *The Life of John Maynard Keynes*, op. cit., pp. 375 seq.

18. From J.M. Keynes, *Am I a Liberal?* (1925) in *Essays in Persuasion*, in *The Collected Works*, op. cit., pp. 305.

19. Loc. cit.

20. K. Marx, *Capital*, Vol. I, Lawrence & Wishart, London Vols. I-III 1963-1970, p. 356.

21. "...But if our central controls succeed in establishing an aggregate volume of output corresponding to full employment as nearly as is practicable, the classical

Revolution Retrieved

theory comes into its own again from this point on". J.M. Keynes, *The General Theory of Employment, Interest and Money*, Macmillan, London 1970 (Pb), p. 378.

22. J.M. Keynes, *Essays in Persuasion*, in *The Collected Works*, op. cit., pp. 299 seq.

23. J.M. Keynes, *Essays in Biography*, in *The Collected Works* op. cit., p. 429.

24. J.M. Keynes, *Essays in Persuasion*, in *The Collected Works* op. cit., p. xviii.

25. In his essay *Newton the Man* (*Essays in Biography* in *The Collected Works* op. cit., pp. 363-74), Keynes contrives to move via the identification of a secret, magic moment, and a comparison of this with the triumphant Enlightenment aspects of the Cambridge physicist/mathematician's thinking, to a model of scientific knowledge in which both aspects coexist, but the former has greater authenticity. Indeed in Newton science only exists to the degree that man and magician fertilise each other reciprocally and creative genius is sustained by irrational interests. This the fascination of Newton – that he still managed to view the universe as an enigma... It is interesting to ask how far this image of Newton defines Keynes' awareness of his own scientific development.

26. R.F. Harrod, *The Life of John Maynard Keynes*, op. cit., pp. 338 seq. gives a good account of this long polemic.

27. A good account of the political and cultural climate in which Keynes arrived at these conclusions is to be found in P.M. Sweezy's essay in R. Lekachman, *Keynes' General Theory* op. cit., pp. 297 seq. The same author gives a much broader treatment in *The Present as History*, Monthly Review Press, New York 1953, pp. 189-196.

28. In this connection, see E.A.G. Robinson, *John Maynard Keynes 1883-1946*, op. cit.

29. In the essays of 1926 (*Liberalism and Labour* and *The End of Laissez-Faire*, both in *Essays in Persuasion* in *The Collected Works*, op. cit., pp. 272-306 and 307-11 respectively), this viewpoint receives special emphasis, especially in reference to the political necessities that emerged after the General Strike.

30. For this, and many other aspects of the economic analysis of the 1930s, I follow the investigations of H.W. Arndt, *The Economic Lessons of the Nineteen Thirties*, Report drafted for the Royal Institute of International Affairs, London 1944.

31. The importance of all this for American society, at the heart of the economic crisis, is highlighted by A.M. Schlesinger Jr., *The Age of Roosevelt*, Vol. I, *The Crisis of the Old Order*, New York; also M. Einaudi, *La Rivoluzione di Roosevelt* ("Roosevelt's Revolution"), Einaudi, Torino Second Edition 1959, pp. 51, 90. Significant data are also quoted by P.G. Filene, *Americans and the Soviet Experiment 1917-1933*, Harvard University Press, Cambridge 1967.

32. P.A. Samuelson, *The General Theory*, in R. Lekachman, *Keynes' General Theory*, op. cit., p. 329.

33. J.M. Keynes, *The General Theory*, op. cit., pp. 99-104, 218-20, 322-5, et passim. Note that, as early as 10 May 1930, Keynes warned of the gravity of the situation in an article for the *Nation*: "The fact is – a fact not yet recognised by the great public – that we are now in the depths of a very severe international slump, a slump which will take its place in history amongst the most acute ever experienced. It will require not merely passive movements of bank-rates to lift us out of a depression of this order, but a very active and determined policy". (R.F. Harrod, *The Life of John Maynard Keynes*, op. cit., p. 398.)

34. P.M. Sweezy in R. Lekachman, *Keynes' General Theory* op. cit., p. 307.

35. J.M. Keynes *The General Theory* op. cit., pp. 46-51, 135-46.

Keynes and the Capitalist Theory of the State post-1929

36. Ibid., pp. 147-64.
37. In this connection, W.B. Reddaway (in R. Lekachman, *Keynes' General Theory*, op. cit., pp. 108-200) makes an excellent analysis of the inclusion of the state in the Keynesian analysis – excellent, particularly, because it stresses the internal and “structural” nature of state action. As we shall see below, this is where the Keynesian economic analysis begins to become particularly important for the definition of the new model of the state.
38. G. Bordeau, *La Plan comme Mythe*, in *La Planification comme Procede de Decision*, Colin, Paris 1965, pp. 36 seq., has perhaps offered the best analysis of how the future is absorbed into judgement within the perspective of economic planning. He also clarifies important implications for the concept of constitutional law.
39. W.B. Reddaway (in R. Lekachman, *Keynes' General Theory* op. cit.) rightly notes how the state's internalisation within economic life takes place essentially as regards investment. At the limit, its function is directly productive.
40. J.M. Keynes, *The General Theory*, op. cit., p. 164.
41. K. Marx, *Capital*, Vol. II, p. 57.
42. Of course, despite all the efforts of Keynes and his school to analyse this situation, the best description remains Marx's account of the formation of “social capital” (eg *Capital*, op. cit., Vol. II, pp. 103 seq.).
43. J.M. Keynes, *The General Theory*, op. cit., pp. 52-65, 74-85.
44. On capital as a focus of “social imputation”, see once more Marx's chapters on “The three formulas of the circuit” (*Capital*, op. cit., Vol. II, chaps. 1-4, pp. 25 seq.)
45. J.M. Keynes, *The General Theory*, op. cit., p. vi.
46. The essays by P.M. Sweezy in R. Lekachman, *Keynes' General Theory*, op. cit., lay appropriate stress on this point.
47. The concept of effective demand is defined and developed in *The General Theory*, op. cit., pp. 23-32, 55, 89, 97-8, 245-54, 257-71, 280-91.
48. J.M. Keynes, *The General Theory*, op. cit., pp. 91-2, 110.
49. The mutual interdependence of the entire system is evidenced particularly by “orthodox” interpreters of Keynes' thought. For a review, see R.F. Harrod in his contribution to R. Lekachman, *Keynes' General Theory*, op. cit., p. 135, the essay entitled *Mr Keynes and Traditional Theory*.
50. “Keynes' analytic contribution consists largely in working out the implications of that assumption (of wage rigidity). It is now almost generally recognised that the Keynesian theoretical system proper... depends on the assumption of wage rigidity. If that assumption is not made, the Keynesian system simply breaks down or, to put it differently, it loses its distinctive and differentiating quality, which sets it apart from what is loosely called the ‘classical’ system”. (G. Haberler, in R. Lekachman, *Keynes' General Theory*, op. cit., p. 291).
51. J.M. Keynes, *The General Theory*, op. cit., pp. 375-6.
52. The following definition will suffice as an example: “The aggregate demand function relates various hypothetical quantities of employment to the proceeds which their outputs are expected to yield; and the effective demand is the point on the aggregate demand function which becomes effective because, taken in conjunction with the conditions of supply, it corresponds to the level of employment which maximises the entrepreneur's expectation of profit.” (J.M. Keynes, *The General Theory*, op. cit., p. 55).
53. J.M. Keynes, *The General Theory*, op. cit., pp. 375-6.

Revolution Retrieved

54. "For the importance of money essentially flows from its being a link between the present and the future" (ibid., p. 293).

55. "One of the aims of the foregoing chapters has been to... bring the theory of prices as a whole back to close contact with the theory of value. The division of Economic Science between the Theory of Value and Distribution on the one hand and the Theory of Money on the other is, I think, a false division..." (ibid., p. 293); "I sympathise, therefore, with the pre-classical doctrine that everything is *produced* by labour..." (ibid., p. 213). Sweezy, on the other hand, comes out against all hypotheses of this kind. In R. Lekachman, *Keynes' General Theory*, op. cit., p. 299, he claims that: "... Keynes could never transcend the limitations of the neo-classical approach which conceives of economic life in abstraction from its historical setting and hence is inherently incapable of providing a scientific guide to social action".

56. In this connection, the conclusions of *The General Theory* are exemplary. They represent a full-blown eulogy of the system: "... I see no reason to suppose that the existing system seriously misemploys the factors of production which are in use" (J.M. Keynes, *The General Theory*, op. cit., p. 379). "Capitalism and individualism purged", "the euthanasia of the rentier", "freedom and efficiency, united and conserved", "the strengthening of labour and freedom" are the recurrent slogans. It would not be at all hard to put together an aggregate image with a maximum of ideological content – sufficient to cause indigestion among those orthodox Keynesian economists who claim their method to be value-free.

57. The two essays by D.G. Champerowne *Unemployment, Basic and Monetary: The Classical Analysis and the Keynesian* and *Expectations and the Links between the Economic Future and the Present* in R. Lekachman, *Keynes' General Theory*, op. cit., pp. 153-202, are fundamental for a precise interpretation of Keynes' analysis, especially as regards the problem of the relationship between the real and the monetary wage.

58. With his curious (to say the least) sympathy for the prophet/guru Silvio Gesell (see the space devoted to him in *The General Theory*, op. cit., pp. 353-8), Keynes went so far as to express not only his support for Gesell's hypothesis of the elimination of the money rate of interest, but also sympathetic consideration for his proposal (or his faith-healing/witchcraft remedy) of "stamped" notes to replace money. Leaving aside such fantasies, Keynes' statement of his theory of the reduction of the marginal efficiency of capital to zero finds its most highly charged scientific and ideological form on pp. 220-1 of *The General Theory*.

59. K. Marx *Correspondence* Italian translation, Vol. V, Rome 1951, p. 184.

60. K. Marx *Capital* op. cit., Vol. III, pp. 154 seq; Vol. III pp. 358 seq.

61. In *The General Theory*, Marx is mentioned only a couple of times (pp. 32, 355 seq.), and in such sweeping terms as perhaps to indicate an inadequate knowledge on the part of the author. (In any case, Keynes admits this in *Essays in Biography*: "...not being well acquainted with Marxism..."). Keynes' judgements on the October Revolution and the Soviet proletarian state are also very superficial and vulgar. (Cf. *Essays in Biography*, in *The Complete Works*, op. cit., pp. 63-7; *Essays in Persuasion* in *The Complete Works* op. cit., pp. 253-71, 312-7). I would say that, in these cases, it is Keynes the stock exchange speculator rather than Keynes the scientist that is speaking. From this viewpoint, which is as essential as any other in Keynes the man (whose speculative abilities are praised in Harrod's biography) the following statement is entirely plausible: "How can I adopt a (communist and Marxist) creed which, preferring the mud to the fish, exalts the boorish proletariat above the bourgeois and the intelligentsia who, whatever their faults, are the quality

Keynes and the Capitalist Theory of the State post-1929

in life and surely carry the seeds of all human advancement” (*Essays in Persuasion* in *The Complete Works*, op. cit., p. 258).

62. A particularly strong influence on Keynes seems to have been the tradition of liberal and humanitarian radicalism whose main exponent in Cambridge was Thomas Green. For the often Utopian implications of Green’s political thought and the general tone of his political theories, see the recent: J.R. Redman (ed.), *The Political Theory of T.H. Green*, Appleton Century Crofts, New York 1964; J. Puckle, *La Nature et l’Esprit dans la Philosophie de T.H. Green*, Vol. II: *La Politique, la Religion. Green et la Tradition*, Nauwelaerts, Louvain 1965.

63. That precisely this socialisation of capital, which is expressed in the rejection of money and its “replacement by various forms of circulating credit” is possible, is demonstrated by Marx in *Capital*, op. cit., Vol. III, pp. 606-7.

64. “We have seen that the growing accumulation of capital implies its growing concentration. Thus grows the power of capital, the alienation of the conditions of social production personified in the capitalist from the real producers. Capital comes more and more to the fore as a social power, whose agent is the capitalist. This social power no longer stands in any possible relation to that which the labour of a single individual can create. It becomes an alienated, independent social power, which stands opposed to society as an object, and as an object that is the capitalist’s source of power” (K. Marx, *Capital*, op. cit., Vol. III, p. 264). ...

65. J.M. Keynes, “The United States and the Keynes Plan” in *New Republic*, 29 July 1940 (quoted by R. Hofstadter, *The Age of Reform*, Jonathan Cape, London 1962, p. 307). [trans: For the totalitarian extension of Keynes’ *General Theory* and his affinities with the policies of Schacht, the Nazi minister of economics, see the Preface to the German edition (1936): “The theory of production as a whole, which is the goal of this book, can much more easily be adapted to the conditions of a total state... Although I have worked out the theory mainly with Anglo-Saxon conditions in view, where *laissez-faire* remains in control in large areas, my theory can equally be applied to situations in which state intervention (guidance) is more extensive.” (Cited in F. Hayek, “Review of Harrod’s Life of Keynes”, in *Journal of Modern History*, June 1952, and taken up by D. Winch in *Economics and Policy*, Fontana, London 1973, p. 206].

66. Cf. M. Einaudi, *La Rivoluzione di Roosevelt*, op. cit., p. 83; R.F. Harrod, *The Life of John Maynard Keynes*, op. cit., pp. 445-50.

67. Schlesinger, Hofstadter and Einaudi (in their works cited here) are conscious that the New Deal was not particularly faithful to Keynesianism, but at the same time they observe the objective convergence of the political configurations underlying the two experiences. And this seems to be the point that should be stressed.

68. The new trade-unionist component which Hofstadter (*The Age of Reform*, op. cit., pp. 305-8) considers characteristic of this new phase of American reformism in no way detracts from the radicality of capitalism’s experiment in the New Deal – rather it accentuates its specific form. The “social democratic tinge” that Hofstadter recognises in the experiment therefore has nothing to do with the working-class viewpoint.

69. Apart from the passages in the minor works quoted above, consideration should be given to the fact that *The General Theory* itself is shot through with considerations on the philosophy of history that seem to stem from a completely irrationalistic and pessimistic view (see the conclusions, especially). In Keynes, particularly and not paradoxically, the attack on the specific “rationality” of

Revolution Retrieved

marginalist economics is a denunciation of rationality in general. As Robertson noted as early as the 1920s, it is a readiness to accept the irrational results of the contemporary “isms”.

70. On the whole question, cf A. Emmanuel, “Le Taux de Profit et les Incompatibilités Marx-Keynes” in *Annales, ESC*, 21, 1966, pp. 1189-1211.

71. This interpretation of the American crisis of 1937 is offered by H.W. Arndt, *op. cit.*, pp. 68-70. In general, on the rhythm and inflationary trend of the economic crises of contemporary capitalism, cf M. Dobb in *Tendenze del Capitalismo Europeo* (“Trends of European Capitalism” – Symposium organised by the Gramsci Institute, Rome), Editori Riuniti, Rome 1966, pp. 23-36.

Marx on Cycle and Crisis (1968)

Introduction

This essay was first published, as was the previous one on Keynes, in the journal *Contropiano*, Rome, 1968. It was republished in the same anthology, *Operai e Stato*, Feltrinelli, Milano 1972, as a direct sequel to the first, and takes up many of the same themes. It also marked Negri's definitive split with some of the leading exponents of the Italian "workerist" opposition around the central figure of Mario Tronti, with whom Negri had collaborated continuously, on highly influential journals such as *Quaderni Rossi* 1961-63 and *Classe Operaia* 1964-67, since the early 1960s.

The basic issues leading to this split are referred to in the latter part of the article (Section 4), where the "illusions" that define the relation between working-class struggle and capitalist development as an "infinite parallelism", in terms of a "permanent dual power model", are in fact a direct criticism of Tronti's position (albeit without naming him). The article ends, in its original *Contropiano* edition, with the announcement of Negri's resignation from the editorial collective, owing to his "substantive differences with the political positions of the journal".

Since "workerism" in Italy had distinct and different connotations to those current in the English-speaking Left, this needs some elucidation. As Negri indicates frequently in these articles, the earlier work of Tronti, Panzieri and others was of key importance in the 1960s, laying the foundations for an independent movement of workers' autonomy in Italy, outside established Left organisations. Particularly important was their recovery of Marx as the theorist of the working class struggle as an active force of antagonism *within* production and accumulation, and of value seen as a class relationship; their systematic critique of the objectivised and economic categories of orthodox Marxism, of its so-

Revolution Retrieved

called “laws of accumulation”, and of the productivist ideals of socialism as the realisation of labour value in the form of planning; and their insistence on the centrality of workers’ independent self-interest against work (“autonomy”) as the motive force of antagonism “within and against” contemporary capitalist development (to cite Tronti).

This amounted to a powerful new class politics and analysis of the transformation of class antagonism in advanced capitalism – between a new recomposed class subject (a massified and increasingly socialised working class, the “mass worker”) and a socialised, planned capitalism.

The strategic outlook of the established Left, on the other hand, still revolved around democratic planning to wrest the state from control of the monopolies; for control *over* the “productive forces” – the objectivity of production and work itself remaining unquestioned. In this perspective, socialism becomes the highest form of capitalist planning. The working class had become identified with “its” organisations and/or with various ideological constructions or connotations of “consciousness”. So far from being an independent material subject of antagonism, the workers themselves were seen as mere *labour-power*; as a *class*, in the capitalist metropolises, they were presented, more often than not, as non-existent. (Hence the strong note of criticism of “third worldist” currents, which were widespread in Left movements at the time, included in the preface to this 1972 anthology).

In this essay, Negri develops this critique of the objectivity of economic categories to a further level, in a Marxist reinterpretation of the capitalist cycle of development and crisis. His insistence on the *political* determination of value and surplus value seen as a class relation, and on state power and violence as the key condition required to maintain the proportionalities of the Keynesian system, leads to his emphasis here on the *precariousness* of this system, its propensity to crisis. Crisis is induced, not by the anarchy of market forces, by disproportionalities in the sphere of exchange and “unplannability” of the system; underlying these “formal possibilities of crisis” (Marx) lies the fundamental struggle over necessary and surplus labour. Hence crisis management must be seen, increasingly, as the capitalist *response* to the crisis of work, of the value relation as such. Crisis and development are seen as complementary poles (from Marx) in what is now a *managed* capitalist cycle of domination over labour. Since the experience of the general crisis post-1929, crisis was recognised in capitalist theory as both a necessary condition for development (Schumpeter) and managed as part of the “political business cycle” (Kalecki). Hence the references to “capitalist use of crisis” in this essay; for Negri the “crisis-state” is the complementary counterpart of the “planner-state”, managing crisis as a condition for development, in

Marx on Cycle and Crisis

order to re-establish command over the wage-work nexus. This emphasis on the *political overdetermination of crisis* remains central throughout all of Negri's later work. It is important to note, however, that this political dialectic of crisis and development, and the class struggle underlying it, are presented here, at this stage, still largely in the context of Keynesian development strategy; although at one point in Section 3 Negri does suggest – somewhat prophetically – that capitalist domination through the cycle could well come to the point of “crisis only”.

This brings us back to the 1968 debate and the split among the exponents of Italian workerism. The issue was over class antagonism in Keynesian development and its implications for an independent class politics. For Tronti, this was adequately expressed in his formula of “within and against”: a dual-power model, in which workers' independent self-interest, autonomy, could coexist with capitalist reformism. For Negri, on the other hand, the repressive political use of the cycle, and the role of reformism within it (especially in crisis management – Section 3), meant that workers' autonomy needed a complete political rupture, in the Leninist sense, to challenge capitalist and reformist management of the cycle through *both* development *and* crisis. Negri had already for some time been involved in the building of such independent organisation in the autonomous factory committees in the North, especially in the Venice region, and for him this activity pointed the way ahead.

The basic references for this formative period of Italian workerism are, firstly, Tronti's collected essays *Operai e Capitale*, Einaudi, Torino 1966 (with further editions), which laid the groundwork for the break with established Marxism and provided the theoretical underpinning for workers' autonomy. Tronti's insistence on the working class as the active determinant force underlying capitalist development was expressed in his famous “inversion” formula of 1964: “At the level of a fully socialised capital, capitalist development becomes subordinated to working-class struggles, it follows behind them”. (*Lenin in England*) For this and other excerpts of Tronti in English, see the Tronti articles in *Telos* listed in the select bibliography below; *Working Class Autonomy and the Crisis*, Red Notes and CSE Books, London 1979; excerpts of which are reprinted in the excellent anthology *Italy – Autonomia*, the special issue of *Semiotext(e)* (Columbia University, New York), Vol. 3, No. 3, 1980. Negri's own retrospective account is given in a comprehensive autobiographical interview, *Dall'Operaio Massa all'Operaio Sociale*, Multhipla, Milano 1979. The wider social dimension of the workerist analysis of the factory, the extension of productive relations to society at large, was to become the major focus

Revolution Retrieved

of debate later in the 1970s (see “Archaeology and Project” below). This is covered in Negri and Tronti, *The Social Factory*, Foreign Agents series, Semiotexte, New York 1986. Last but not least, we must refer to the pioneering essay by Raniero Panzieri, “The Capitalist Use of Machinery”, *Quaderni Rossi* no. 1, 1961, which was basic in providing a critique of the objectivity of technology and “productive forces”. This is often cited, indirectly, in these Negri texts – for example at the end of Section 1 of this article. An English translation of this seminal essay is in the anthology edited by P. Slater and M. Reinfelder, *Outlines of a Critique of Technology*, Inklinks, London 1980, now reissued by Free Association Books, London 1986.

Marx on Cycle and Crisis

1. The Problem of Development and the Critical Awareness of Political Economy

Let us look at economic development as both the project of and the problem for capitalist power today. How is development characterised in relation to its fundamental antagonism, which is working-class struggle? What are the strategic points to which capital must direct its action, within this relationship? And how, reciprocally, is working-class struggle to be extricated from the repressive mechanism, the trap, of capitalist development?

In what follows, I obviously don't claim to give exhaustive answers to these fundamental problems. I simply outline some thoughts on (a) political economy's conception of development; then (b) a critique and a clarification of that conception, arising from Marx's analysis of the cycle; and (c) finally I shall try to define the repercussions of that conception on modern ideologies of the capitalist state, and to see what possible alternatives working-class science has to offer.

I hardly need to point out that the problem of development has become central to present-day capitalist ideology: the role of development is so much to the fore as to be self-evident. Development, control of the cycle, and control of economic crisis: since the 1930s these have been the sole preoccupations around which the capitalist viewpoint (*il punto di vista del capitale*) has expressed itself. And they all three converge around the problem of stability – which today, paradoxically, the sharp thrust of working class struggle has turned into a problem of the very survival of the system.

“The contradictions inherent in the movement of capitalist society impress themselves upon the practical bourgeois most strikingly in the changes of the periodic cycle, through which modern industry runs, and whose crowning point is the universal crisis.”¹

Thus wrote Marx in his postscript to the second edition of *Capital*.

Today, the bourgeoisie (at least, its politically conscious element) knows that the instant education provided by the contradictory movements of the capitalist cycle, and the option of testing their own practice within the hurly-burly of the crisis, are no longer open to them. They must organise their practice beforehand, must achieve a preventive control of the cycle, must get into the position of being able to pre-determine development. They have no alternative.

Yet theoretical understanding seems to follow only haltingly in the wake of practical understanding; their mutual requirements are contradictory and tend to conflict. The normal condition of theory is that it tends to mystify the pressing necessities of practical politics. The products of labour are fixed as value magnitudes, all of whose movements take on, and must take on, "the form of a movement of things", the form of "omnipotent natural laws that dominate those subject to them, reducing them to impotence".² Only in the moment of crisis does theoretical understanding keep pace with practice, deciphering the meaning of the social hieroglyphs within which that practice is sublimated. It is as if only the urgency and immediacy of the crisis – together with fear, that great concentrator of the bourgeois mind – are able to reduce the margins of mystification within which theoretical awareness is generally confined, forcing it to open up to the process of negative thinking dictated by the raw requirements of practice. A good theory in theory may turn out to be a bad theory in practice. To use Marx's words:

When the crisis is on the march, "by the universality of its theatre and the intensity of its action it will drum dialectics even into the heads of the mushroom upstarts of the new, holy, Prusso-German empire."³

And that is our situation today!

So, what are the fundamental – or at least the most significant and instructive – points around which capital's critical awareness develops its arguments about development?

In political economy, it seems that our first requirement for a characterisation of the theme of development is to understand the context in which it was born. In other words, we need to understand how it was that development came to occupy such a central position in economic debate. This happened in the 1920s-1930s, during the great crisis, a crucial moment of reorientation for bourgeois social thinking, when development came to be recognised as the alternative to crisis; or rather, it was recognised that development was, and necessarily had to be, the new form of the capitalist cycle.

Now, this theoretical and political line emerged from a deep-rooted change that the crisis had provoked in capitalist thinking. Namely, the realisation of the dualistic essence of the economic process, and of the

Marx on Cycle and Crisis

antagonistic forces operating within it. Capital had to face up to an irreducible dualism of all the factors involved in the economic process (such as wages and profits, supply and demand, consumption and production, savings and investment), a complex and interacting system which, for the first time, revealed the intensity of its internal tensions and the contradiction-laden complexity of factors lying outside its course of operations.

Such tensions were capable of building to a point where they would explode any equilibrium. In the final event, capital was forced to accept Marx's observation:

“This nonsense about the impossibility of overproduction (in other words, the assertion of the immediate identity of capital's process of production and its process of realisation) has been expressed in a manner which is at least sophisticated, ie ingenious, as mentioned above, by James Mill, in the formula that supply equals its own demand, that supply and demand therefore balance; which means in other words the same thing as that value is determined by labour-time, and hence that *exchange adds nothing to it*; and which forgets only that exchange does have to take place and that this depends (in the final instance) on the *use-value*”.⁴

This implies a denial, in principle, of the classical postulate whereby all the terms of economic analysis resolve themselves at a state of equilibrium. Nor was this newly defined situation a pathological deviation; rather, it was inherent to the nature of the economic process. Thus it became necessary to recognise it, and also to recognise its consequences – namely that it is as impossible to repress these dynamic elements as it is not to control and regulate them. Thus the alternative to crisis came to be seen as development, understood as a dynamic system geared to regulating the economic process and as a way of resolving its dual natured movement.

But why does the economic process contain this ineliminable dualism – a dualism so thoroughgoing that one of its terms is capable, periodically, of detaching itself, transforming the dualism into opposition (which means that intervention-activity designed to control the cycle must, as occasion demands, vary between regulation, incentive and repression)? This dualism is so deep-rooted as to rule out hypotheses based on “all things being equal” – since any small variation in one circuit sends out shock waves that affect the whole system.

The realities revealed by the crisis now required explanation. It was not enough simply to describe this dualism that exists within the economic process – capital had to explain why this dualism tends to present itself in the form of a rigid and expanding *opposition* both within the system and against the system. Without an understanding of this

Revolution Retrieved

dynamic, without a precise identification of the subjects active within this dualistic nexus, it would be extremely hard to envisage any kind of project for development.

However, political economy's critical awareness got no further than mere description of that reality. It was not able to identify the realities underlying the situations that it had correctly perceived. At best, it grazed the surface – for example, recognising that the capitalist cycle was thrown out of gear after 1917;⁵ or else declaring that a new series of unknowns now stood in the way of resolving the problem of equilibrium – which nonetheless remained the final aim of scientific activity.⁶

In the event, political economy proved incapable of recognising that the most fundamental characteristic of the new situation was the decisive and autonomous emergence of the working class – and that therefore the whole notion of an economic schema based on equilibrium had to be retranslated into notions based on a relationship between forces in struggle; henceforth any description of the cycle had to be based and grounded in the dynamic of a struggle between classes.

And even when it did come, implicitly, to accept this point of view, and behaved as if it shared it, political economy still proved incapable of planning for anything other than ways to reduce this antinomicity, in order to subsume it within models based on equilibrium. Once again, bourgeois thought reacted to the discovery of a negative with an exaggerated determination to eliminate it.

Thus it seems that the furthest limit to which political economy's awareness can be pushed is some sort of neo-Ricardianism: the form in which the fundamental relationship is perceived is that of the essential interdependence of wages and profits:

“The rate of surplus value (profit) thus decreases or increases in direct proportion to the development of the productive force of labour, because this development raises or lowers wages”.⁷

But at the same time, a mechanism is developed to integrate these elements, aimed at restoring equilibrium – so that the dimension of class struggle can only be understood partially and one-sidedly.⁸

However, when problems are real, they cannot be suppressed, and this is the case with political economy. In trying to deal with the problem of development, it has continually to restate the problem which it had initially perceived through the experience of crisis; it has to square up to reality and restate the problem in its real terms. Thus development has to be seen not as a tendency which can be resolved into a state of equilibrium, but as a process which is completely open; a development involving subjects that are in conflict, and not some notion of harmony imposed by an “invisible hand”. If the schema of development is to offer any model of equilibrium, then this can only be posed in terms of conflict

Marx on Cycle and Crisis

and resolution of the fundamental relationship, in terms of political tension which takes as given the existence, and the movement, of the working class. So, best to forget about notions of “economic harmony” and instead talk about struggle, to be conducted and resolved on a day-to-day basis.

At this point, we have to look to the two principal economic models on which political economy constructs its ideology of development: with some impropriety we could call the one Keynesian, and the other (equally loosely) Schumpeterian. They each differ in various and fundamental ways, as we shall see. However, both share the hidden assumption that the relationship between the elements of the process is one of antagonism. Both models function as if they knew that the contradiction had reached breaking point – but the contradiction has to be contained; it cannot be eliminated. Like it or not, it is the system’s premiss, and possibly also its mainspring.

Let’s take the so-called Keynesian model first. In Keynes’ *General Theory*, the cycle is seen as the oscillation of the marginal efficiency of capital; its duration is determined by the time-span of existing capital, by the latter’s technical make-up, and by its relationship to stocks.⁹ Nothing, so far, of particular interest, and not much is added when the descriptive vocabulary is widened to include psychological terms relating to investment expectations and the rate of interest. But the picture starts to come to life when you realise that this way of presenting things is premised on the conviction, or rather the observation that – for example – investment and savings, in the complexity of their interrelations, exhibit a relationship between two poles that are independent, and that at the given level of development (ie stability of the system and full employment) no self-equilibrating balancing mechanism exists.¹⁰

How, then, can the movement of these independent magnitudes be controlled? How can the cycle be translated into development? How to fix a level of development to match a situation of full employment, given that the level is not automatically given, and nor does it correspond (considering development in terms of income) to an effectively realised demand?¹¹

The various successive attempts to deal with these problems have involved a quest for a comprehensive set of aggregates covering the entire complex of elements involved. For example, each multiplication of investments is expected to bring with it an acceleration in the mechanism of income formation; or, to take another example, the overall oscillations of the economic process are expected to proceed homogeneously for all the variables in question, and so on.¹² A large amount of scientific effort, both theoretical and practical, has been

Revolution Retrieved

expanded in this direction.

However, if we look at the model as a whole, we find that the breakthrough can only go so far, and that it has contradictions. It is a breakthrough because of the recognition of the fundamental dualism of the economic process, and because this is not only accepted in principle, but also reappears repeatedly within the model of development. Thus the first condition for a critical model of political economy seems to have been satisfied. And yet the situation is contradictory as regards the mediation of the process: although we certainly have a correct definition of the various conditions that are a necessary starting point for analysing the system, these conditions (and this is a determining fact) have a form superimposed on them – precisely that equilibrium-form which analysis of the conditions of the economic process seemed to have eliminated. We might say that it left by the front door only to come back through the rear window. Metaphysics gives way to formalism.

In this case it is worth asking: is not the set of aggregates arrived at once again an attempt to prescribe the future? Do not the final results conceal the fact that they are already presupposed? Is not the recognition of the contradiction-laden complexity of the process (assumed in principle) ruled out by a sleight of hand, whereby the homogeneity of the process is presupposed from the start?

Let us see to what extent this can be positively demonstrated. The contradiction consists in the fact that the formal model, if it is to function, has to ensure that the relation it postulates corresponds to, and in the last instance determines, the specific elements involved. Or, to put it another way, every quantity must be capable of an indefinite variability, while remaining contained within the model – whether in the form of development or of equilibrium, whether static or dynamic. In short, the relation must embrace all the quantitative aggregates, the specific elements to which it is applied.

But all this runs counter to the initial premiss of a fundamental dualism. So we find that the whole mechanism, as a formal model, totters. All that is needed is for one single element of the process to reveal – even in just one moment – its irreducibility, and at that point the process becomes unworkable. Nor can it be maintained that the entire complex of variables can always be adjusted to take account of the irreducible element – which can always hypothetically appear. In reality – precisely because of the way in which the elements of the process are conceived as having a complete circularity – the opposite is the case: in other words, the emergence of any irreducibility whatever must correspondingly induce other irreducibilities.

But if all this is true, then the system's best hope would be to avoid all motion and stay static. Otherwise:

Marx on Cycle and Crisis

“It is doubtful whether this kind of equilibrium is compatible with more violent disequilibria in any other sense. And the disequilibria will assert themselves by changing the given situation, including the aggregate quantities.”¹³

Thus we have a recognition of dualism, which results in proposals for a mechanism of aggregation; but at the same time we have a formalism which, in contradictory fashion, reintroduces classical preconceptions. This indicates the ultimate insufficiency of the Keynesian model of development.

The inability of Keynes' model to conceive a development that takes account of the process's fundamental dualism is precisely the motivating force behind the second model considered here – the so-called Schumpeterian model. This statement should not be seen as odd. It is true that Schumpeter's model in fact predates Keynes' own earliest formulations. However it is only within (and as the critical completion of) the new “system”, within the new reality of Keynesianism, that it moves from being an object of historical interest to functioning as politics/theory, and becomes effective.¹⁴ From this new position, we come to see that the aggregative model can only function successfully under much more stringent conditions – in other words, that the unity of the process must be capable of being constructed without denying the determinacy and the historical density of its component parts. For example, in the Keynesian model, the wage is seen as the only element which, in the last analysis, is an independent variable; furthermore, the trend of wages is irreversible (and real and monetary wages tend to converge).¹⁵ This represents an irreducible instability in the relationship, and indicates the key difficulty of making the system function. If all this is the case (and we know that it is) then other and different means have to be applied. The characteristic, and the limit, of the so-called Keynesian model, lies in its recognition that the principle problem of the cycle is its fundamental dualism, the fact that the relationship is irreducible because it is a class relation. Thus the characteristic of the Schumpeterian model has to be an examination of the link between that relationship and development, based on recognising that formal considerations cannot, in themselves, open the way to balanced development.¹⁶

A fundamental intuition underpins Schumpeterian analysis. Namely that, if crisis is in fact an intrinsic element of the cycle, and not heterogeneous, and is an active determining element of the category of profit within the cycle during the phase of a competitive economy, then crisis must also be intrinsic to the cycle defined in terms of development. Of course, in this case crisis is no longer to be understood as an unleashing of spontaneous destructive forces: Schumpeter is assuming

Revolution Retrieved

here a model based on development, and hence within extremely broad operational margins. Effectively, the violence engendered by the breakdown (separation) in the organic structure of development¹⁷ is already, operationally speaking, in the hands of capital. But it is precisely under these conditions that the development model is not an alternative to crisis as such, but, *qua* new form of the cycle, is wholly congruous with crisis, and has it as one of its elements. Crisis is to be seen as a possibility of rejigging those free and independently acting elements of the system which lie outside the possibility of control by the pure formalism characterising the aggregative model. Crisis becomes a fundamental stimulus within the system, and is productive of profit.

So, let us return to the critique of Keynesianism. We have seen how, given the presence of independently acting elements, it is not possible for the relationship to find within itself the formal key to development. In fact, Schumpeter adds, if we leave the relationship to itself, if we follow it by respecting or promoting only the tensions internal to the reciprocal and formal equilibrium of the magnitudes involved, then, at best, we shall necessarily end up with a general levelling-off of the process, a routinisation. All forms of neo-Ricardianism are right in seeing the process as that moment in which the dualism between labour-power and capital finds a resolution. But they can never forget the possibility that – because of that self-same complete restructuring of the power-relations that underlie the whole problematic – spontaneous dynamism may give way to a spontaneous levelling-off. Because in fact, in present-day conditions, where aggregate labour-power is showing itself to be as irrepressible and powerful a force as capital, the tendency appears to be the following: in conditions of spontaneity, the economic process tends to reach a plateau and the contradictory effects arising from the actions of conflicting forces tend to cancel each other out. The tendency will be for the factors of the economic process to level off quantitatively, and for the process to lapse into a cycle that is objectively retreating into stasis. But then, in stagnation the cycle is negating the whole capitalist rationale of the economic process, inasmuch as it eliminates profit, eliminates the qualitative innovation implicit in profit, and eliminates capitalist progress.¹⁸

So how are profit, and the qualitative innovatory aspect of the economic process, to be restored, along with the logic of capitalist domination implicit in that process? How is the cycle to be set in motion again without having to make a choice between prosperity and catastrophe, but also avoiding decline into equilibrium which is in fact simply stagnation?

In Keynesianism the problem is posed, but then fades from sight. Development is examined as an alternative to crisis, as an alternative to

Marx on Cycle and Crisis

the depressive phases of the cycle; the struggle of antagonistic forces within the economic process is recognised, but its resolution is sought in an equalling-out; and the dualism of the process is understood, but then fudged by approaching it in terms of neo-classical notions of equilibrium. At no point is development studied and understood as capital's project for a new form of the cycle, and, within the cycle, for an ongoing strengthening of capitalist domination over the whole economic process. A fresh analysis of crisis is required, if development is to be advanced – and this takes us back to the Schumpeterian model.

But what does it mean to say that development has to be, first and foremost, capitalism's use of the crisis? We have already seen the implicit answer: it means that capital can only control the aggregate movement of the various components when it relies on conditions more efficacious than pure and logically simple models of equilibrium. In other words, this movement has to be realised on the basis of a general balance of power-relations aimed at ensuring capital's domination of the sphere of profit. And crisis is the context within which, and the means by which, those power relations are rejigged. There cannot exist a concept of development which is neutral, or which is sublimated within some formalist perspective of equilibrium. Development is struggle; it is a restructuring of power-relations; and it must necessarily pass via a moment of direct conflict – the crisis – to end with capital's victory over its opposing forces. Thus the theory of entrepreneurial innovation, the notion that the rhythm of the economic cycle is defined by the rhythm of innovation, the notion of profit as a form of the entrepreneurial process over against a routinisation, a levelling-off of the process – all these are emblematic of a capitalistically correct political notion of development – ie as a means for the enforcement of class domination. Here capital reveals that the quantitatively new element of development, profit as the basic driving stimulus of social action, is (and can be) nothing other than a qualitatively new relationship between capital and the aggregate elements of production – and crisis is the political project whereby that requalification of the relationship is to be arrived at. In a completely Schumpeterian sense, then, innovation is a healthy force, provoking crisis, and thereby reactivating the economic process, over and against the action of antagonistic forces bent on the destruction of profit.¹⁹

Now, it would be easy to identify the serious shortcomings of the Schumpeterian approach. It is by no means free of the professional mystifications typical of political economy. A good part of his analysis claims to move from considerations entirely internal to the economic process – in other words, excluding reference to factors lying outside the economic dynamic pure and simple.²⁰ This explains why, precisely at the moment where he expounds his remarkable vision of capital's

Revolution Retrieved

movement by great leaps (which locates technology within the rationale of capitalist development), his sources are, for better or worse, those of the irrationalism of his day. Thus we have the paradox of an appeal to a (Weberian?) irrational charisma as the moment of rationality governing the schema of his economic analysis.²¹

This said, the fact remains that, leaving aside its various mystifications, the Schumpeterian approach has a validity. Its *raison d'être* derives from that obscure premiss that it would prefer not to reveal. It is when Schumpeter focuses on the nature of crisis (ie on the most intense and pregnant moment of conflict between the classes in struggle, on what is, in his opinion, the necessity of crisis as a fundamental moment of the capitalist process and of capitalist domination over the cycle) that he achieves his deepest understandings. It is no accident that Schumpeter, at this point, expresses his sympathy for Marx, citing his work as: "the one great attempt to solve the problem of development".²²

Nor is it coincidental that, paradoxically, he advances his analysis by testing a series of substantially Marxian hypotheses, particularly those relating to crisis as a mechanism, a fundamental moment, in the resolution of the contradiction between different rates of profit and the composition of an average rate of profit. For this is precisely the significance of Marx's argument: it is not mere competition, but the association of capitalists in development, in the struggle against the working class, that recomposes profit at a social level. Under conditions of competition, "the theory of value is incompatible with the actual process, incompatible with the real phenomena of production".²³ It is only when capital is recomposed within the overall movement at a social level, in its associated function of exploitation, that profit appears as the general feature of capitalism, as the true face of how the law of value functions.²⁴ So the "great elasticity", that "unexpected capacity for expansion by great leaps" characteristic of systems based on large-scale industry,²⁵ is shown to be the real mechanism by means of which the cycle is continually remodelled and reconstituted at a higher level. The cost of development is the continual disaggregation required in order to be able to reaggregate.

"Capital is just as much the constant positing as the suspension of *proportionate production*. The existing proportion always has to be suspended by the creation of surplus values and the increase of productive forces. But his demand, that production should be expanded *simultaneously* and *at once in the same proportion*, makes external demands upon capital which in no way arise out of itself; at the same time, the departure from the given proportion in one branch

Marx on Cycle and Crisis

of production drives all of them out of it, and in unequal proportions.”²⁶

This is all the more true in a general situation where the balance of forces is such that surplus value tends to level off, under the constant pressure of the working class, and where the rate of profit can only be restored via a general transformation in the relation between variable capital and capital-as-a-whole – a deep-rooted alteration, capable of redressing the general power balance.²⁷

In the final analysis, this is just a specific case of the general capitalist law governing the use of capital – or, to be more precise, machinery – against the working class:

“One could write a whole history of inventions which emerged, after 1830, solely to serve as capital’s weapons against the movements of the working class.”²⁸

And this specific case has all the greater significance when the mechanics of the extraction of surplus value operate in ever-more socialised ways, in a situation where the balance of power is forced to register the presence of the working class.

So, let me sum up what I have called the most illuminating points of capital’s theory of the cycle-as-development, and of the use of crisis to further development. The central moment of the Keynesian analysis is the attempt to define development as a process of aggregation of the forces of social production. In Schumpeter, on the other hand, the central moment is the revelation that any notion of achieving an aggregative equilibrium of this kind is necessarily an abstraction, and that such an aggregation can only be achieved in relation to an ongoing process of disaggregation and reform of the economic process. In Keynes, then, development seeks to be an alternative to crisis; in Schumpeter, development is seen in a new way, as subsuming all phases of the cycle, and thus development includes crisis and uses it to further the progress of the cycle. In any event, these two views are complementary: they are united in their understanding of the need to make use of the massified pressure of the working class, to control it, and to confine it rigidly within the straitjacket of the dynamic processes of development. Both methods are particularly instructive in helping us to understand recent capitalist practice.

2. Marx’s Analysis of Cycle and Development

In describing the elements of analysis of the cycle that appear in Keynes and Schumpeter, I have said that the points raised are particularly illuminating in theoretical terms, and also that they are very instructive in terms of capital’s practice. But for all their instructiveness,

Revolution Retrieved

they remain only points, and in making use of them, political economy's critical awareness, even when stretched to its fullest capacity, can only hope to graze the surface of reality.

At this point it would be useful to locate these points in the context of Marx's overall vision – if only to remove that image of unexpected novelty and extraordinariness with which bourgeois mystification tends to clothe those fragments of truth that it succeeds in grasping.

The problem is that the theorisations of the cycle and economic development that Marxism offers as a means whereby to test the discoveries of Keynes and Schumpeter are so encrusted with superfluous growths that it seems hard to arrive at an adequate comparison. Moreover, a great deal of publicity has been given to schools of thought²⁹ that claim that Marx's schema is completely incapable of grasping the new characteristics of present day capitalism. Thus, in order to make a comparison, we are obliged to reconstruct the schema of Marx's analysis of the development of capital under a series of main headings. Whether (as I believe is the case) we then find that it matches up to modern realities, is a question that can only be answered in the course of an attentive reading. We have to enter into the complexities of Marx's reasoning, always bearing in mind what I consider to be its primary distinguishing characteristic—Marx's ability to reconstruct capital's viewpoint, to take this as the basis of his argument, to take its implications to their fullest conclusion, and to show how this capitalism which he describes in such detail is counterposed by the revolutionary role of the working class. It is here that we find the essence of revolutionary Marxism – in the process that leads from the determinate abstraction of the capitalist viewpoint, via a definition of development as tendency, to the concrete determining factor of working-class insurgency against capital at its most developed stage.

So, how is Marx's analysis of the cycle and development articulated? As I said: Marx takes the capitalist viewpoint as the starting point of his analysis, and subjects it to critical elaboration. Now, from this viewpoint, by definition, capital is presented in the form of the cycle. The movement of capital as a whole is cyclical; it is a cyclical whole made up of interweavings of cycles; it is the cyclical outcome of an overall movement.³⁰ This is so much the case that it is only the historical appearance of the cycle that marks capital's "emergence from infancy" in the form of large-scale industry.³¹ The rule governing the movement of total social capital is thus that it circulates cyclically, via the periods of "setting itself free" that constitute the very basis of development.³² Cycle is the very life of capital – a perennial transformation of forms and a circular realisation of value through this transformation; development, expansion of the base, perfecting of the labour process,

Marx on Cycle and Crisis

the deepening of valorisation and of exploitation – all this only became possible within the form of the cycle.³³ Here, then, we have a definition of the reality of capital's process in all its determinacy – in the form of its own self-justification as development.

This also provides the formal possibility – which may be borne out by history – of the cycle appearing as periodicity.³⁴ We see that the individual elements making up capital take on, within circulation, a rotational movement within which, in particular, fixed capital gradually, over an average duration, loses its use-value to the product.³⁵ Quantifying the rotation-time of fixed capital is purely a question of empirical observation: in the phase studied by Marx, it appears to move through ten-year periods.³⁶

“One may assume that in the essential branches of modern industry, this life cycle now averages ten years. However, we are not concerned here with the exact figure. This much is evident: the cycle of interconnected turnovers embracing a number of years, in which capital is held fast by its fixed constituent part, furnishes a material basis for the periodic crises. During this cycle, business undergoes successive periods of depression, medium activity, precipitancy, crisis. True, periods in which capital is invested differ greatly and far from coincide in time. But a crisis always forms the starting-point of large, new investments. Therefore, from the point of view of society as a whole, more or less, a new material for the next turnover cycle.”³⁷

Here, then, we have taken a step forward in our phenomenology of crisis. Capital is seen as a cyclical movement, but given that it is a cyclical movement, its development goes hand in hand with ruinous crises. Cyclical progress is what characterises the movement of capital and crisis is the characteristic form by which that cycle is periodised. As we saw above, the length of each period relates to the turnover of fixed capital. But turnover is not in itself sufficient to be the causal link between cycle and crisis: crisis arises inasmuch as the terminal-point of fixed capital's development period has an effect on the operations of the various components of the overall cycle, upsetting the mechanism that enables it to balance out and mediate the economic process. The terminal-point of fixed capital's period of turnover is the detonator that sparks the breakdown of the harmonious mechanism governing the cycle's various component parts. Crisis then ensues, as a combination of turnover and cycle, as a phenomenon inherent in the cycle *qua* cycle, even if it is only revealed by the periodicity of the terminal-points marking the turnover of fixed capital.³⁸

The system's mechanisms for compensating between its various components thus break down when, for whatever reason (and we have

Revolution Retrieved

seen that the periodicity of the turnover of fixed capital is one key reason), the components of the cycle disengage and separate. A block is put on capital's metamorphoses: the cycle's elements accumulate disproportionately at its poles. Now the question is: what are the forms in which these disproportions between the elements of the cycle determine the crisis?

Fundamentally they are twofold. Horizontal disproportions, as between productive sectors and between productive and distributive sectors; and vertical disproportions, as between production and consumption in general. Thus, crises of disproportion and crises of realisation.

Let us take crises of disproportion first. Their formal possibility rests on the fact that the rotating quantities are not homogeneous. Capital goods compete with each other for a place on the market; capital's urgent need for transformation in all its forms of existence is expressed incoherently and contradictorily.³⁹ Thus the simultaneity of forms that should characterise capitalist development is broken; the economic process is interrupted; the transmutation through successive forms no longer takes place in a continuous series; and a stoppage within any individual cycle soon turns into a stoppage of the entire mechanism.⁴⁰

Thus, the anarchic nature of capitalist society (at least in the period whose phenomenology Marx was studying) shows that any equilibrium between the rotating parts is effectively only coincidental; the normality evident as capitalist production develops is always underlain by developmental abnormalities, is always on the brink of crisis; the artificiality of the compensatory mechanism governing the component parts often ends by revealing the impossibility of the whole machine functioning at all.⁴¹

This formal possibility of circulatory crises and disproportions is then greatly compounded by various pathological phenomena to be found in the sphere of monetary and credit circulation.⁴² Pathological phenomena which nonetheless have a very real base. Marx says:

“Insofar as purchase and sale, the two essential moments of circulation, are indifferent to one another and separated in place and time, they by no means need to coincide. Their indifference can develop into the fortification and apparent independence of the one against the other. But insofar as they are both essential moments of a single whole, there must come a moment when the independent form is violently broken and when the inner unity is established externally through a violent explosion. Thus already in the quality of money as a medium, in the splitting of exchange into two acts, there lies the germ of crises, or at least their possibility, which cannot be realised,

Marx on Cycle and Crisis

except where the fundamental preconditions of classically developed, conceptually adequate circulation are present.”⁴³

Marx’s second group of observations on the phenomenology of crisis – regarding the vertical disproportion between production and consumption – is no less important. In the case of circulatory malfunctions arising between sectors, he identified what we might call crises of overproduction; in the second case we have crises of underconsumption. Marx notes that the former kind of crisis is most likely to occur at a high level of unification of capitalist society:

“But as matters stand, the replacement of capital invested in production depends largely upon the consuming power of the non-producing classes; while the consuming power of the workers is limited partly by the laws of wages, partly by the fact that they are used only as long as they can be profitably employed by the capitalist class. The ultimate reason for all real crises always remains the poverty and restricted consumption of the masses as opposed to the drive of capitalist production to develop the productive forces as though only the absolute consuming power of society constituted their limit.”⁴⁴

And Marx often returns to these observations about underconsumption.⁴⁵

However, it would be wrong to isolate and give undue prominence to any single element of Marx’s phenomenology of the crisis: in Marx all these elements have to be considered as a whole.⁴⁶ The cyclical nature of development; the way that turnover of fixed capital provides the detonator that periodises the cycle; the manifestation of crisis in overproduction of capital deriving from a breakdown of circulation, and in underconsumption by the masses deriving from the restriction of the natural limits of their existence – all these function together in Marx’s analysis:

“In world market crises, all the contradictions of bourgeois production erupt collectively... *Overproduction* is specifically conditioned by the general law of the production of capital: to produce to the limit set by the productive forces, that is to say, to exploit the maximum amount of labour with the given amount of capital, without any consideration for the actual limits of the market or the needs backed by the ability to pay; and this is carried out through continuous expansion of production and accumulation, and therefore constant reconversion of revenue into capital, while on the other hand, the mass of producers remain tied to the average level of needs, and must remain tied to it according to the nature of capitalist production.”⁴⁷

Revolution Retrieved

However, having said all this, we should remember that so far we have outlined only an initial approach to Marx's analysis of cycle, crisis and development. We have described them in objective terms, in their capitalist guise. But phenomenology is not aetiology, and capital's viewpoint is not the viewpoint of the working class. Now we have to move from the abstractness of the capitalistic possibility of crisis, to the actual way in which that crisis takes effect – from the description of an objective possibility, to the dialectic of how it comes about. The descriptive elements thus far noted relate no more than that

“the general abstract possibility of crisis denotes no more than the most *abstract form* of crisis, without content, without a compelling motivating factor... The factors which turn this possibility of crisis into an actual crisis are not contained in this form itself; it only implies that the *framework* for a crisis exists.”

In this case and from this point of view, “these forms contain the possibility of crises... It is therefore *accidental* whether or not crises occur, and consequently their occurrence is itself merely a *matter of chance*” – and this remains the case in the absence of an analysis of the process of reproduction, and the crisis possibilities further developed within it, in a projected further chapter on “Capital and Profit”.⁴⁸

Thus the viewpoint of working class science is to be sought and found beyond the mere objectivity of phenomenological description. Without this “well-founded content”, Marxian discourse becomes no longer one of historical necessity. And it is no accident that, starting with Bernstein, reformism has gone no further than this point in its reading of Marx.⁴⁹ It seems obvious to me that any Marxian analysis that does not go beyond this point inevitably remains at the level of pure description. Marx himself was completely explicit about this; both his explanation of underconsumption and the explanation of disproportions between sectors are – at this stage of the inquiry – tautological, and therefore in need of a much more radical foundation.

On the one hand, as he says:

“It is sheer tautology to say that crises are caused by the scarcity of effective consumption, or effective consumers. The capitalist system does not know any other modes of consumption than effective ones, except that of *sub forma pauperis* or of the swindler... But if one were to attempt to give this tautology the semblance of a profounder justification by saying that the working class receives too small a portion of its own product and the evil would be remedied as soon as it receives a larger share of it and its wages increase in consequence, one could only remark that crises are always prepared by precisely a period in which wages rise generally and the working class actually

Marx on Cycle and Crisis

gets a larger share of that part of the annual product which is intended for consumption.”⁵⁰

On the other hand, he points out, the explanation of disproportions between sectors is also tautological, because:

“To say that there is no general overproduction, but rather a disproportion within the various branches of production, is no more than to say that under capitalist production the proportionality of the individual branches of production springs as a continual process from disproportionality...”⁵¹

Thus the foundation of the theory of cycle, crisis and development has to be sought further beyond and much deeper within Marx’s overall argument. We have to move from analysis of the cycle’s formal possibility to the general law of capitalist accumulation; the cycle must be seen in terms of a cycle of exploitation, dominated by the necessity of exploitation.

As we have seen, at the end of the passage where he indicates the purely formal nature of his analysis of cycle and crisis conducted thus far, Marx postpones discussion of this “necessary foundation” to a future eventual chapter on “Capital and Profit”. Now, even if this “grounding” is not in the projected chapter in *Theories of Surplus Value*, it is nonetheless explicit in Marx as a whole: any formal arbitrariness in the way the cycle operates is firmly ruled out. This means that the law governing development must be the same law that governs capitalist production in general. It also means that development must be shown to be driven by capitalist profit as an overall stimulus to production, dominated by the rate of profit and its oscillations – or rather, by the contradictions that are essential to its nature and its movement. Within development, the nature of profit must reveal itself to the full, sustaining growth as well as showing its intrinsic limits, its repressive and destructive functions. Development, in turn, must be shown to be shot through with that same antagonism which is congenital to capitalist production as such. Thus the entirety of the class relation has to be capable of being read within development.

In the event, such a reading is introduced by Marx inasmuch as he associates his theory of the cycle to the law regarding the tendency of the rate of profit to fall.⁵² An objection might immediately be raised that such an association presupposes too many intermediate steps to be easily used for a complete description of the process. And such an objection might well appear valid when the law of the falling rate of profit is seen in the dumb objective terms to which academics like to consign it. But when one looks at the law from the working-class viewpoint [*il punto di vista di classe*] and therefore sees it – leaving aside

Revolution Retrieved

the related hypotheses it determines – as an index of the overall progress of the social relationship of exploitation, then things change. But what does the law in fact say?

It says that the average social rate of profit has a relative tendency to fall in proportion to the necessary and progressive concentration of capital, to the extent that – within and because of the antagonistic class relationship – capital as a whole is forced to increase proportionately more than variable capital, in the course of development. Now, this contradiction-laden reality of development has to be seen as a direct function of exploitation, of the exigencies of the process of exploitation, and this is precisely how Marx sees it. When, in his analysis of the tendency of profit to level off, he states that the real limitation to capitalist production is capital itself, he uses that statement to show that the moment of crisis in development is neither pathological nor a matter of chance, but is part and parcel of development's inner essence and tendency. All this is based on his definition of the concept of capital as a relationship, as the reality of class exploitation and of the pressing requirements of exploitation. What is more, having defined this law, Marx does not burden it with catastrophist implications. Far from it. In his accounts, the law describes above all a gigantic process of capitalist organisation:

“Apart from the terror that the law of the declining rate of profit inspires in the economists, its most important corollary is the presupposition of a constantly increasing concentration of capitals, that is, a constantly increasing decapitalisation of the smaller capitalists. This, on the whole, is the result of all laws of capitalist production. And if we strip this fact of the contradictory nature which, on the basis of capitalist production, is typical of it, what does this fact, this trend towards centralisation indicate? Only that production loses its private character and becomes a social process, not formally – in the sense that all production subject to exchange is social because of the dependence of the producers on one another and the necessity for presenting their labour as abstract social labour – but in actual fact. For the means of production are employed as communal, social means of production, and therefore are not determined by the fact that they are the property of an individual, but by their relation to production, and the labour likewise performed on a social scale.”⁵³

Furthermore, the purely tendential character of the law is accompanied by a series of counter-tendencies which are equally fundamental and decisive.

So, from our point of view, what is the importance of Marx's association of the law of development and the law of the tendency of the

Marx on Cycle and Crisis

rate of profit to fall? Its importance is that in this way, within development, we are able to identify the workings of the fundamental relationship. Thus the essential form of development becomes that of a clash between the fact of the working class's existence within capital, and capitalism's contradictory necessity of both containing this presence and repressing it. The essential mode of this confrontation will be technological development, the concentration and expansion of capital as a whole, and – above all – crisis.

Let us examine the situation in greater detail. Capitalist development is repressive at the same time as it is progressive. In other words, the law of development is related to the tendency of the rate of profit. Progress in the labour process and in the process of valorisation, progress in the organisation of work and in the extraction of surplus value, go hand in hand – but they do so antagonistically. Now, Marx's association between the law of development and the tendency of the rate of profit means placing this antagonism in pride of place. The process of concentration of capital reveals how fundamentally important this antagonism is, inasmuch as it shows the capitalist reorganisation taking place around the organisation of the extraction of relative surplus value to be a dialectical situation whose antagonistic poles are respectively the fact that the working class exists, and capital's need to contain and restrict that presence within its own growth. The road from this objective antagonism to the antagonism that expresses itself in the class struggle may be long, but it is qualitatively homogeneous.⁵⁴

So, in dealing with the structure of capital, within the law of the falling rate of profit, Marx's projection of the contradiction can be seen as a first approach towards defining a contradiction which affects not only the objective moment, but the entire dialectical structure of development. And it is precisely in its understanding of the full-bodied inherence of the fundamental relationship as an active element within the cyclical progress of development that Marx's theorisation reaches its fullness of expression. Admittedly, the immediate examples that Marx chose to show how development was linked with the tendency of the rate of profit were, inevitably, tied to the experience of the times he lived in – in other words, to the experience of a working class still confined within its existence as variable capital, to a spontaneously existing entity struggling to become a political power. The consequences of this can be seen in his law of population, which foresaw – quite legitimately, given the conditions of the time – an increase in the industrial reserve army and in the relative impoverishment of the masses.⁵⁵ But once again, this forecast was neither deterministic nor catastrophist:

“An abstract law of population exists for plants and animals only, and only insofar as man has not interfered with them.”⁵⁶

Revolution Retrieved

The important thing here is not so much what Marx says (which anyway could in part be defended) as, once again, the form in which he poses it. As I have said, he relates the cycle back to its real foundation, and its foundation is the class relation. This, because the class relation constitutes the most basic determinant of the rate of profit, which is the motive force of development:

“Two entirely different elements – labour power and capital – act as determinants in the division between surplus-value and wages, which division essentially determines the rate of profit; these are functions of two independent variables, which limit one another; and it is their *qualitative difference* that is the source of the *quantitative division* of the produced value.”⁵⁷

The class relation is also determinant of the movement of the rate of profit; because here too the cycle can only be defined in terms of a dialectical conflict between capital and overall labour-power.⁵⁸ At a later stage in Marx’s development, when the dimensions and quality of the class relation have been substantially changed through the experience of the revolutionary struggle, the full force of this approach comes out into the open in all its political concreteness. Commenting on Ricardo, Marx concludes:

“The rate of profit may fall independently of competition between capital and labour, but the *only competition* which can make it fall is *this one*.”⁵⁹

Because when capital, in response to working-class struggle, is forced to move to very high levels of concentration, and, at that level, to the furthest point of a general equalisation of its organic composition, then:

“The rates of profit are related to one another as the respective amounts of surplus value.”⁶⁰

The process, in other words, tends to eliminate all the other terms. The working class will have forced capital to be entirely itself, in order then to be able to take up total opposition against it.

So, when we consider this cycle-form as the form of a power-relation between classes in struggle (a power-relation which was originally described by Marx in a context where capital was extremely powerful, but which can be and has been modified and overthrown by the course of working-class struggle) then the elements already described in the phenomenological phase of the analysis take on new meaning. And on this new basis, Marx now proceeds to a general reformulation of the theory of the cycle. No longer does he limit himself to observing formal elements and partial effects unrelated to a known and understood foundation: now the working-class viewpoint becomes fully operative.

Marx on Cycle and Crisis

The problem becomes that of defining the movements of the variables within a power relation between classes that is now fully operational. This certainly applies to the reformulation of the phenomena of disproportion, but more particularly it applies to the explanation of the turnover of capital.⁶¹ these phenomena cannot be considered as simply co-existing like cogs in an objective mechanism. Rather they must be seen as moments in a web of power relations, of tendencies and counter-tendencies acting simultaneously.

This brings us back to the general notion of a development the cycle of which functions by, and is articulated in terms of, a conflict between two strategies: the strategy of the working class, which advances from the level of mere subsistence to the point of limiting profits by increases in the necessary wage; and the strategy of the collective capitalist obliged to respond in strategic terms to this working-class attack, and thus to mobilise capital's entire political and economic potential for this conflict.

“The other side of the crisis resolves itself into a real decrease in production, in living labour – in order to restore the correct relation between necessary and surplus labour, on which, in the last analysis, everything rests.”⁶²

From this point of view, we can refer back to our earlier observations in the first part of this essay, concerning the cycle's elasticity, its movement by great leaps, and the need to recompose the elements of aggregation and disaggregation within the cycle. This point can now be seen in a clearer light and located within the real matrix of the overall movement.⁶³ Thus we see that crisis is both the mode and the specific function of capital's process of production – and it is totally necessary.

“These different influences may at one time operate predominantly side by side in space, and at another succeed each other in time. From time to time the conflict of antagonist agencies finds vent in crises. The crises are always but momentary and forcible solutions of the existing contradictions. They are violent eruptions which for a time restore the disturbed equilibrium.”⁶⁴

Thus far we have reconstructed the groundwork of Marx's thinking as he put together his theory of the cycle. Taking the path indicated by Marx, we have moved from mere phenomenology to a theory of class struggle. It is only by grasping this framework that we can hope to locate systematically the intuitions that political economy, in its critical awareness, has succeeded in achieving – the point of departure of this essay.

I shall return to the relation of these intuitions to Marx's theories. For the moment, suffice it to say that it is only within this perspective that we

Revolution Retrieved

can understand the meaning of Keynes' "discovery" that the form of development is the class relationship, and Schumpeter's "discovery" that crisis is functional to development. In Marx, beyond this systematic framework, there is little more to be found – but the little that there is is fairly fundamental. We find the full deployment of the working-class viewpoint, and critical awareness is transcended to become a perspective for working-class revolution. Because if this is how things stand for capital, then it is true to say that the existence of the working class, the class struggle that emanates from it, and the need to control it represent the absolute limit of capitalist production.

3. Development and Capitalist Ideologies of the State

Let us now move on a step. We have already seen how Marx grasps the form of the relationship between development and class struggle. Admittedly, he related it to a particular set of contents that have tended subsequently to be negated (at least partially) by the historical movement and by the impact of the working class on the structures of capitalism – but his conception of development remains valid nonetheless.

Political economy, in its critical awareness, has taken on the task of putting Marx's view of development into relief (in an ideologically distorted way), by seeking to identify the new set of contents over which that form of development finds itself operating.

So, what are these new contents, and how does development operate in the face of these new elements? We already have our answers above: the new contents are those revealed by that fundamental realisation that the power-balance within the material base of the capitalist relationship has been decisively shifted. Consequently, the functioning of the cycle has to be regulated with a view to encompassing the antagonism within the schema of development and so as to maintain the basic power relation; the functioning of the cycle now involves using crisis as a general moment for testing the power relation and as a means for a violent and decisive reassertion of the fundamental class relation.

This situation brings to light a number of major consequences: above all, the dreadful precariousness of the mechanisms of capitalist development. The normal process whereby capital increases its productive capacity is constantly placed under threat by the pressure of the working class – either because the working class makes its presence felt as a massified unity at the social level, forcing capital to broaden the base of its investment without increasing its organic composition; or because, in those cases where organic composition is increased (whether globally or in individual instances), the class launches a series of demands that contrive to keep pace with increases in the productivity of

Marx on Cycle and Crisis

labour. Furthermore, capital itself, in its collective form, is not only obliged to accept the fact that the working class determines development, but may also be forced, within certain limits, to solicit this kind of working-class response to its control over development, to guarantee the conditions whereby the cycle can be regulated.⁶⁵

Thus increases in capital's productive capacity are matched by increases in the value of labour-power, and a situation develops in which the rate of profit tends either to relative stability, or even to a decline, brought about (in conditions of stability) by the sheer inertia of relatively full employment.

Inevitably, capital must realise that this precarious situation is burdensome and damaging to it, especially when capital's periodic recourse to crisis as a means of reasserting the class relation does not always achieve the desired results. In fact, the technological path to repression, the revolutionising of organic composition, leads – by its very nature – to a further lowering of the rate of profit – unless the rate of surplus value can be increased to more than compensate: but either this does not happen – or it happens over time spans which are too short and therefore insufficient, for reasons that we have already seen.

A further effect must also be borne in mind: the crisis-mechanism, particularly in its manifestation as a revolutionising of technology, may not only fail to bring immediate (or even medium-term) succour to profit (the motive force of development); it may also produce a set of direct consequences that are damaging. Because while, on the one hand, crisis acts as a flywheel to stabilise the class relation, on the other, it simultaneously deepens the antagonism of that relationship and draws into it increasingly wider strata of society.

“A revolution in the forces of production further alters these relations, *changes* these relations themselves, whose foundations – from the standpoint of capital and hence also of that of realisation through exchange – always remain *the relation of necessary to surplus labour*, or, if you like, of the different moments of objectified to living labour.”⁶⁶

In other words, capitalist use of the crisis thus ends up revolutionising social stratification (or, to define it more correctly, the political class composition) and laying the groundwork for a deepening, an extension and a radicalisation of the class antagonism.⁶⁷ But it has no alternative: capital is irremediably tied to this dialectic of development and crisis, within margins that can never become wide enough to eliminate the fundamental precariousness of the relationship; a dialectic which often results in that relation becoming even more rigid and constricting.

In this situation, capital attempts to define a new structure for itself, in order to guarantee the maintenance of its new, precarious conditions

Revolution Retrieved

of existence. The characteristics of the restructured capitalist state are designed to this end: to guarantee economic development in the presence (in society) of a working-class power that acts as the antagonistic and contradictory force within that development.

Marxism has studied, with great intelligence and insight, a similar and equally intense moment of capitalist restructuring: the way in which capital became syndicated into monopolies in the latter period of the great industrial revolution in the nineteenth century. It saw this period as the operation of a counter-tendency to the classical mechanism of the falling rate of profit.⁶⁸ But more particularly, it correctly identified the contradictions implicit in and induced by the process, and then went on to define a correct working-class strategy.⁶⁹ In coming to terms with the new condition of the working class within this process and with the new forms of organisation of the labour process, it established the Bolshevik model of revolutionary organisation, and thereby transformed the objectivity of crisis and development into an immediate possibility of conquest of power.⁷⁰

The same thing did not happen in the new phase of development following the great crisis of the interwar period, the period of the new leap in the organisation of capital, when the capitalist articulation of society clashed with the massive and decisively politicised presence of the working class. After 1917, after 1929, what little of Marx's theory managed to survive was at best restricted to analysis of the secondary mechanisms of development, while elsewhere sterile orthodox scholasticism exhumed models and polemics from the Age of Monopoly in order to analyse the mechanisms of mature capital. Faced with this accumulation of theoretical junk, economics, that most philistine of bourgeois sciences, was able to maintain its hegemony unchallenged and, in the event, unfortunately, was to prove far more perceptive than the Marxist orthodoxy!

So, since this is the reality we have to face, let us inquire what kind of conception capitalist awareness provides (necessarily mystified, of course) of the reconstructed overall structure of capitalism following the impact of the October Revolution, the transformation of the class power-balance and – most particularly – following the early “Keynesian” understandings and analyses.

It is no accident that the first image that capitalist awareness presents in relation to the problem of development – both as a self-image, and as image of development – is that of stagnation. As a self-image, it is fairly obvious, inasmuch as it refers back to the decline in investment opportunities and capital formation characteristic of the earlier phase of private capitalism.⁷¹ We have already seen, in Keynes' critique of classical capitalism, the reasons underlying this stagnation.⁷² These

Marx on Cycle and Crisis

reasons were only imperfectly understood by the theory of stagnation, which (taking a step backwards from Keynes) tended to adduce purely technical reasons to explain the phenomenon, and then lapsed into a contradictory nostalgia for that same private capitalism that it was criticising. As usual, bourgeois theory sees only the effect and not the cause.

Nor does the analysis gain anything from the positive aspect of the stagnationist approach. This maintains that the state has to intervene systematically in support of investment, in order to substitute for the system's automatic mechanisms and to provide a stimulus to the rate of profit – which is presumed, at least in tendency, to be falling.⁷³

Precisely at this point it should have been possible to go beyond the mere description of effects and grasp the essential moving principle of the process. What was the thinking that drove the economists to pose the necessity of the state's intervention to guarantee investment and the economic process in general? Was it perhaps the hope of opening up larger margins of overall profit, of restoring highly profitable prospects of development? Certainly not. In both systems, even taking into account the factors of major variation, the "capitalist essence" of development remains a "single process".⁷⁴ Indeed, the mechanism of working-class attack works equally powerfully against the social management of profit and the organisation of society for profit: in fact, it is precisely at this level that it is able to realise its political quality to the fullest, to determine a substantial homogeneity in the forms of behaviour and the political composition of the working class. Nor is state intervention, no matter how generalised, able to remove that fundamental precariousness which, at the economic level, is imposed on development by the presence of working-class power in society. So what is the point of turning to the state as a solution? The reason lies in the hope – and here is the new element – of being able to go beyond that precariousness into something different, in terms of power possibilities and political guarantees. The dialectic has truly been drummed into bourgeois heads!

So, here we have the new element: the capitalist "leap" to the planned social state, via the organisation of social capital, represents a possible solution for a problem that had become irresolvable at the level of purely economic practice. Hence the problem is not how to counter the tendency of the falling rate of profit; the problem is not how to maintain a cyclicity of economic development which is guaranteed, from within a revolutionising of organic composition, by a more than proportional increase in surplus value and thus by new possibilities of controlling profits. No, the problem is how to go beyond the question of profit itself, or rather, to redefine the form of profit as simply a political function of

Revolution Retrieved

domination and violence.⁷⁵ The new state form corresponding to the socialisation of capital does not succeed in reactivating mechanisms that the class struggle had closed off; rather it plays a (necessary and exclusive) role of political repression, and does so in ways functional to the new situation of a levelling-out rate of profit. The antagonistic stance that capital always assumes when faced by the emergence of the working class as a productive social force here reaches maximum proportions. “Political violence” has always been “the vehicle of capital’s economic process”,⁷⁶ but here the ideal notion of capital as a social mediating force becomes pure abstraction: it is now represented purely as repressive force.⁷⁷

Here, then, we have the capitalist conception of development, and of crisis. The relationship between development and crisis is reformulated in terms of a relation that is wholly political, with no residual illusions of objectivism, a relationship with no alternative, dictated by the need to contain the working-class attack. Once stripped of their romanticism, Schumpeter’s hypotheses can best be presented in this sense, their force deriving from the political actions of a capital that is now socially unified. Development and crisis act in dialectical unison, to present a picture of a capitalism obliged continually to reinvent and reconstruct the balance of forces, obliged continually to seek conflict and confrontation as the means whereby to reactivate the economic cycle. The mechanisms for regulating the cycle are entirely at the political level – and here crisis, the moment of victory over the confrontation, is the decisive factor. This is how profit is restored; from now on it becomes dependent only on the political functions of capital. Capital strips itself back to basics, and attempts to restructure itself by heightening the level of its own political nature. This politicisation may not be able to eliminate the precariousness of the relationship, but it demands exclusive control and domination of it.

Up to this point, we have followed the main lines of capital’s theorisations of development, as it interprets the central experience of domination of a society based on development. But this approach moves and is articulated in a sea of contradictions and mystifications whose necessity we also need to demonstrate – particularly because, very often, the path of ideology can be related back to the exigencies of political practice and thence derives its efficacy as knowledge.

Now, one fact that needs stressing is that the “leap” to the new reality of social capital, to the superstructure of the social state, does nothing to remove the precariousness of the fundamental relationship. In fact, it heightens it, inasmuch as the simplification of the relationship reveals how far it has been reduced to a situation of violence pure and simple. The ideological proclivities of capitalist economic science descend on

Marx on Cycle and Crisis

this drama-laden situation and polarise into a number of positions offering a variety of possible results. For example, if the precariousness cannot be eliminated, and if the use of crisis – the use of class conflict as a means of advancing development – has become the focal point of the economic process, then this fact must be kept hidden. This is one possible outcome of the ideological approach. In this rather crude instance, the economist's brave search for truth goes no further than proposing practical initiatives for the capitalist to take – his eagerness for truth is not so apparent in his theory. This explains why so many very instructive insights that the critical awareness of political economy has been able to offer capital have ended up masked and reduced to impotence. For example, the aggregative dynamic of Keynes' schema ends up by being reduced to the static neo-classical model of equilibrium; it is thus stripped of the innovative potential that was part of his realistic intuitions regarding the coordinates of aggregation. The sense of conflict and the creative strength of capital's use of the crisis that we find in the Schumpeterian model ends up reabsorbed into more placid models, sheltered from such unexpected impulses.⁷⁸

But beyond this first, rather simple, kind of mystification deriving from the critical content of political economy, there are others more effectively connected to the needs of practice (which even determines their ideological falsity). For example, let us refer back to the way institutionalism distorted Schumpeter's conception of entrepreneurial innovation and crisis. There is no doubt that this is a pure mystification. Institutionalism expresses Schumpeter's powerful intuition only to flatten it out into a historical-sociological continuum in which the sense of difference is reduced. It is as if the quantitative context, to which development becomes referred, has been put there to conceal the qualitative leap behind his analysis. While for Schumpeter change is as sudden and unforeseen as a pistol shot, the institutionalist view turns it into an inconspicuous process of continuity, a process of physical renewal. Clearly, both points of view are extremely partial. But the advantage of Schumpeter was that at least he expressed his own partiality for a definition of the innovative nature of the capitalist process; the institutionalist point of view, on the other hand, smacks of the generic, of formalism, of repetition of the obvious.⁷⁹

But we should not forget the other side of institutionalist reductionism, and its cognitive efficacy. If it is the case that, notwithstanding all the ideology, the working class's opposition reveals development as being marked by sudden, unforeseen breaks which can only be redressed at a high price, then the state's guarantees against the precariousness of development require to be dug more deeply into the heart of the process; they must be completely internalised into it. This

Revolution Retrieved

was the insight of institutionalism.

So institutionalism attempts to translate the development/crisis relationship into a relation of organisation/violence. It seeks to compress the problem in its temporal extension into an intensive problem of institutional organisation. It thus manifests another basic characteristic of the mature capitalist state: repressive integration and the articulation of crisis through the decisive use of violence throughout all levels of society. This is the means by which capital positively recuperates (through the intensity of organised relations) the negativity of crisis, harnessing the fact that the working class determines development. Up until this point, the state had been seen as a guarantor of the fundamental relationship within development, as the force promoting a dynamic readjustment of its repressive mechanism. But now an absolute and decisive state power seeks to establish itself as an immanent force and to organise the process directly.⁸⁰ Institutionalism realised that, alongside the dualism of working-class power/economic development, another more direct and immediate working-class pressure operates, which articulates the very organisational and productive structures of capital. Thus the precariousness of the fundamental relationship is intensive as well as being temporally extensive. Therefore guarantees *over* development must also be guarantees *within* development; the organisation of development has to become the development of organisation.

Despite its importance, I do not have the space here to follow up this aspect of the institutionalist approach. I mention it only in order to show that the institutionalists' mystification of political economy's critique of development is both necessary and functional. I also wanted to stress – having emphasised the transcendence of capitalist power, its purely normative aspect (in juridical terms) – the complementarity of the other aspect, the organisational aspect, which is internal to the exigencies of controlling the labour process, and which can be described (to put it in ideological terms) as realistic and sociological. The bourgeois tradition likes to present these two moments as irreducible poles of tension in scientific research, and interminable academic squabbles take up their positions under one or other banner. I would like to suggest, ironically, that they are in fact complementary in their repression of the working class; they are both mutually functional to the bourgeois cult of security; and are functional to capital's need to promote and to organise development.

Having said this, I would repeat that development, and domination/control over development, remains the prime problem for capital today. A space for working-class management of capital might indeed appear, in such a way that the institutions of labour organisation might *seem*,

Marx on Cycle and Crisis

rather than acting as a medium for repressive integration, to offer a path for constructive participation: a Utopia that bourgeois radicalism today seems to be rediscovering, and presenting as the watchword of a possible socialism! But this again would be the illusion of a self-management incapable of seeing that it is in fact self-exploitation! It is even conceivable that working-class articulation of the movements of capital could succeed in conquering sufficient space to renovate the external membrane that holds together and intimately connects the labour process and the process of producing surplus value. But this would still mean operating at the level of the organisation of work; it would still mean applying the law of value and the law of the wage – which, today, means the law of development. And it is here that capital wins the day, it is here that it renews itself as the final, necessary and comprehensive affirmation of profit. Capital's ultimate condition of existence is that working-class power must not be permitted to destroy work, and, with it, society as a productive series of functions, organised according to the wage system, profit and violence. However, for the time being, as regards development, not even the appearance of an elimination of that power is conceded.

Now, let us return to the basic themes of development. We have seen that capitalist use of the crisis is a token of capital's political supremacy, an affirmation – in the last resort, but no less potent for that – of capitalist power over society. It may be that capital accepts – is forced to accept – planned and socially organised development, and perhaps even a working-class management of development; capital may even accept a levelling of its economic power; but it cannot and will not forget its own essence as domination and exploitation. On this front it will resist, will fight to the bitter end, and will destroy. In the last resort, it might even be prepared to dissociate itself from development and show itself only as crisis. And all this means that the precariousness of development which capital felt so dramatically at the moment when it advanced itself as development, is correlated to the way it manifests itself as violence, as the decisive moment of political power, to the point of a destructive will, pure and simple.

As to how to characterise the capitalist state at this level, it appears as the organisation of and the guarantee for collective capital. But at the same time, more than simply a superstructure of development, it has to be seen, within the intensive structure of its relationship with the working class, as setting the rhythm – through time – of the extensive structure through which development takes place; on the one hand, development and crisis; on the other, socialisation and violence. These are two sides of the same reality, and any distinction between them has only indicative value. In reality, the state exists within the intensity of

Revolution Retrieved

the institutional relationship in the same way as it exists within the extensive dimension of the temporal process: it exists as one and the same – capital's project for a development that will both contain and dominate working-class power. So, we have the state as a superstructure – but, as Lenin showed, a superstructure so perfectly fitted to express the higher requirements of capitalist development that it becomes its essential apex, a form necessary to that development, a casing which is materially welded to its content.

Paradoxically, the lessons of Keynes and Schumpeter thus find their correct contextualisation only in Marx and Lenin. It is not the mystifications and ideologies of mature capitalism that enable us to grasp the dramatic meaning of their critical intuitions, but the working-class science of capital and the capitalist state. Let us summarise what those intuitions amount to, in the distorted form in which they are presented. They tell us that, at the moment that capital seems to launch into the adventure of development, and begins to move accordingly, at this same moment it also reveals the frightening precariousness of its own project:

“...From the fact that capital posits every such limit as a barrier and hence gets *ideally* beyond it, it does not by any means follow that it has *really* overcome it, and, since every such barrier contradicts its character, its production moves in contradictions which are constantly overcome but just as constantly posited. Furthermore, the universality to which it irresistibly strives encounters barriers in its own nature, which will, at a certain stage of its development, allow it to be recognised as being itself the greatest barrier to this tendency, and hence will drive towards its own suspension.”⁸¹

With Marx, therefore, we repeat that only fully-developed capital will see the working class revolution; and with Lenin we understand the necessarily totalitarian structure of capital's state as an essential moment of its political maturity – and as a fundamental target for working-class subversion.

4. The Problem of Development and the Alternatives Offered by Working-Class Science

Bearing in mind the conclusions that we have reached thus far – and in particular the stress that we have placed on the precariousness of capital's domination within development – we can perhaps begin to draw some positive indications of the tasks posed for working-class science.

We have described the relation as precarious – but a precarious relation remains a relation for all that, and the fact that it is precarious

Marx on Cycle and Crisis

does not mean that it is not capable of repeating itself indefinitely. We have also seen that this precariousness reveals a substantial degree of antinomy and antagonism: but when it is in movement a positive dialectical process may always remodel itself and survive – especially when it is guaranteed by a power that is both absolute and absolutely destructive when it comes to its own self-preservation. Indeed, the tendency to organise its own indefinite prolongation is inherent in the form of the mature capitalist state.

Working-class science recognises this: it understands the planned social state as an organised structure for the repression of the working class, as a project for an open-ended relation based on mechanisms of repression. The antithetical relationship between development and working-class power is mediated via a continuous process in which crisis – as an increasingly political function of capitalist power – plays the dominant part. It is no accident that the more capital is planned and socially organised, the more it actually *needs* crisis and a thoroughgoing purposive restructuring of the entire system.⁸² Planned capitalism is characterised not so much by a continuity of the economic process as by the thoroughness, the globality and the incisiveness of the ways in which control of that process is exercised, at the various levels determined by the development of class struggles. For this reason, it is quite incorrect to cite the existence of economic crisis as indicating a general crisis of the capitalist system.

“Capitalism and its civilisation may be decadent, and wander elsewhere or precipitate to a violent death. The author is personally convinced of it. But the world crisis does not prove it, and, in reality, has nothing to do with it. It is not a symptom of the system’s weakness or its decadence. If anything, it proves the vigour of capitalist evolution...”⁸³

It proves capital’s ability to reorganise, in global and collective terms, the network of power relations that constitute its material base.

So how are we to extricate the working-class struggle, and the power that it expresses, from the repressive mechanisms of capitalist development? This question emerges inescapably from the line of argument pursued thus far. What is the ultimate breaking-point of this open-ended relation – this dialectical relation (in its temporal extension) between development and crisis, this dialectical relation (in its intensity in institutional terms) between socialisation and violence? How can we determine in a revolutionary perspective the relationship between capitalist development and working-class power?

In order to answer these questions, we have to guard against illusions that even a correct initial appreciation of the situation’s real dimensions may produce. By this I mean that some positions present a correct

Revolution Retrieved

analysis of the initial interrelation of capitalist development and working-class power, in which capitalist development appears as the determining factor, whether actively or passively, of working-class power, while it is permanently subject to its pressure, its erosive activity, and the overall impact of its presence. But then they go on to suggest a sort of parallelism between these two functions, a sort of long-term, secular situation of dual power in which emphasis is laid on the materiality of the working class's existence as being the limit to the capitalist mode of production and as embodying a tendency to revolutionary subversion in the long run. In this perspective, working-class revolution appears as the final and necessary outcome of a process that comes about through the massified material presence of the working class; the seizure of power appears as a process already within the grasp of the working-class movement; in that process, capitalist development itself becomes gradually functional to consolidating the emerging power of the working class and its necessary revolutionary hegemony.

This conception of the capital/class relationship derives its force and appeal from its rigid exclusion of any catastrophist conception of capitalist development and any Malthusian and underconsumptionist vision of the capitalist cycle; from a rediscovery of the position advanced by Marx and Lenin – that capitalist development has an extraordinary capacity for provoking instances of working-class antagonism. It is a stinging counterblast to those narodniks that seem to populate every corner of communist debate nowadays.⁸⁴

However, this conception also derives from elements that run a lot deeper: from an understanding that working-class struggle is a determining and all-embracing factor in the present phase of capitalist development; from a minute and highly instructive analysis of the relationship between massified forms of behaviour of the working class and the entirety of capitalist development, in its institutional and economic aspects. In short, its force and its appeal lie in its ability to recover the meaning of revolution and the determining subjective action of objective, massified and economic movements of the working class. Revolution lives in the demand for working-class power – and confronted with this effective reality, all bureaucratic mystifications and reformist ideologies practised on the working class simply crumble. As an approach, it revives some of the best aspects of Rosa Luxemburg's thinking – the view that working-class struggles have within them a continuity of independent power, a vitality of action that cannot be suppressed. And in the way it stresses struggle, it succeeds in identifying new contents of revolutionary action; it steers clear of forecasting the future, but recognises it in the continually self-renewing political

Marx on Cycle and Crisis

composition of the working class.

But as I said, we have to guard against a number of extreme positions that could be deduced from this initial, powerful approach to the reality of the working class. We have seen how capitalist development verifies its true nature in crisis and in the use of state violence; we have also seen how these two moments tend to manifest themselves in tandem as the massified action of working-class power increases its pressure on the mechanisms of profit, levelling off the rate of profit, and forcing capital to become “political”.

It would, though, be possible, from this point of view, to conclude that capitalist development and working-class power could continue this parallelism indefinitely, until such point as capital’s strategy of the cycle – and the role played within the cycle by the state, as the substantial form of development – is smashed. The precondition for overturning the reality of capitalist development thus becomes an insurgence of working-class power that is not only capable of extensive activity of erosion, but is also intensively capable of breaking the system. If development is capable of crisis, if it is capable of being state and violence, and if, in order to be capitalist development, it continually has to represent itself in these terms, then the revolutionary antagonism of the working class has, in turn, to rediscover the ability (as stressed by Lenin) to *smash*. Otherwise the eternal antagonism of the working class remains just as sterile as the eternal antagonism of its class adversary – and is far more dramatic and painful.

For this reason, the working class’s experience of development must lead it to forms which stress with increasing urgency a violent breaking-up of the repressive system of capitalist development. This is the only way to escape from the spiral of eternal and sterile antagonism. And this requirement of theory becomes all the more pressing as capitalist development proceeds apace: because if it is true that, in society, development is confronted with a generalised and continuous pressure on the part of the working class, then it must follow that the reality of crisis behind this development is going to come increasingly into evidence, and overall capitalist power is going to be reduced – sooner rather than later – to the decisive moment of violence. The October Revolution was the work of the genius of the Bolsheviks; but today revolution cannot depend on the brilliant insights of vanguards – it stems directly from the daily experience of the masses. Any attempt to overthrow the complex realities of the capitalist process (a process which, in order to maintain a continuity of development, combines that development with a re-equilibratory strategy of crisis, using the planned and substantial form of state violence) is going to require a rediscovery of forms of working-class organisation aimed at forcing this break, and

Revolution Retrieved

“smashing the machine”.

Capital's expansion by great leaps can only be overthrown by a matching insurgency – also by great leaps – of the working class. And once again, our ideas are going to have to return to the experiences and the line of argument advanced by Lenin, in order to rework his formidable intuitions regarding the overall (economic and political) dialectic of capital. This is a project of continual rediscovery.

Lenin teaches that we must smash – smash the weakest link in the chain. But how are we to take up this strategic proposal nowadays, in terms of development, in terms of mature capital? A short note on Lenin's arguments should suffice in order for us to recover the meaning and general gist of this statement, and to rescue it from some of the mystified uses to which his heirs have put it. If Lenin needs revision, it is certainly not on this point. In fact, the case made by Lenin is a case generally applicable to development;⁸⁵ Lenin identifies as the weakest link in the chain that link which, within a general cycle of capitalism (in his case, the cycle of monopoly and large-scale concentration of capital), a particular stage of development (in his case, Russia's take-off towards mature capitalism) is beginning to break apart. This is the critical point – seen in terms of the global dimension of capitalist strategy – that change has to be induced and capital has to attempt a general restructuration. At this point development requires crisis; it requires a direct confrontation of forces, between capital and the working class, organised by the state. And this point may be – and undoubtedly was, in the Russian experience – the weak link in the capitalist chain.

But what does this situation require from the working-class side? It requires the working class to have developed a general political pressure on the organisation of capital, capable of reducing its operating margins and forcing the necessity of a change. Lenin sees the weak link in the capitalist chain as that moment when capital is forced to recognise the precariousness of the fundamental relationship, and then to overcome it by organising itself into a higher level of development, while at the same time bringing into question its own institutional structure – political and economic – including the very structure of the state. Not that an even stronger capitalist structure might not arise from that moment, and not because capital, at that moment, is predestined to catastrophe; rather, because this is also the moment when the working class is at its strongest, having induced that intolerable precariousness of the fundamental relationship, having forced development on capital, and having obliged capital to reveal itself as the motor force of crisis, as the root cause of poverty and destruction, all geared to its own self-preservation. Here the “smashing” becomes both necessary and possible. Thus we can see Lenin's positions on the “weakest link in the chain” as simply a specific

Marx on Cycle and Crisis

instance of the general Marxian schema of the development/crisis relationship, as applied in the particular conditions of the Russian Revolution. It is translated into a given situation with all the force of a fully developed working-class point of view. Development is simply the overall process which passes from one stage to the next; crisis is the moment of transition, a transition imposed against the impact of the working class and designed to bring the system back into equilibrium.

Precisely this Leninist experience of “smashing” needs to be fully recovered and made part of working-class theory; it is in that experience that working-class struggle becomes entirely political. Certainly, many years have passed since Lenin’s day, and many things have changed; but on this particular problem, as regards Marxist analysis and Lenin’s verification of it, the context of class relations within which it is posed has changed only in the sense that, from the capitalist point of view, the precariousness of the fundamental relationship has increased drastically; while from the working-class point of view, the impact of the class has become more marked and its hatred of capitalist domination more acute. Just as in Lenin’s day – but more so nowadays – capital has no choice but to advance the mechanisms of development via the form of crisis, and thus through the form of the state: the reality of the state is now revealed as an institution of decisive violence, internal to, and necessary to, development during its periodic crisis break-points. So it is here that the whole effort of working-class action must be applied; it is here that the will for revolution must be tested. The project must be to smash capitalist development at its weakest point, to smash the state-form that both organises overall development and stands as the system’s final bastion of defence in those moments of crisis that capitalist regulation of the cycle necessarily provokes.

Once again, the theoretical perspectives of the working-class point of view seem to meet the opposite viewpoint, the hidden agenda of capitalist economics. This is not surprising, since it often happens that, during phases of acute struggle, capital’s immediate practical requirements dictate that it sees things as they really are, that it grasps the spontaneous theoretical forms of behaviour of the revolutionary masses, and that it prepares the means whereby to regulate its own system and contain them.

Capital’s theory of political repression has grasped that development is made up of an alternation of crises, and has had to base its initiatives on this perception of the crisis-ridden nature of development. This is especially true where capitalist awareness has confronted the problem of underdevelopment. Here it has prioritised, over and above all other aspects, the necessity of successive phases of “take-off” and economic transformation, seeing the process as dynamic and crisis-ridden. In

Revolution Retrieved

considering underdevelopment, capitalist science has been concerned above all with the theoretical and practical problems of establishing relations of power and political dimensions, in relation to and functional to development. It has accentuated in the most extreme form the importance of recourse to means of state (and/or imperialist) violence with the aim of resolving crises and breakdowns in development. Certainly, in referring to underdevelopment, these theories have their own distinguishing characteristic: insofar as underdevelopment is characterised by large areas which are free from the pressure of working-class struggle, capitalist crisis-intervention may not be conceived in merely repressive terms. Capital still has the option of progressive development models – an option which elsewhere working-class struggle has closed off, thereby reducing capitalist intervention to mere repression.

But the fact that this theory has been primarily used to deal with the problem of underdevelopment does not mean that it is restricted to this. Far from it. When it nurtures ambitions to establish itself as a general theory of political intervention into capitalist development, this seems reasonable enough. As the Leninist approach reminds us, the dialectic of the stages of economic development is simply one instance of the dialectic of capitalist development as a whole. In its formal presentation, this dialectic is the same in both situations, in both underdevelopment and economic maturity. As the Marxian model shows, the contents may alter, as does the balance of forces, and therefore the results of the process may be modified – but the general form of the process remains the same and is that characterised by the law of profit and class struggle. This is true to such an extent, that capitalist awareness of the paramount importance of intervention at the critical points of the development process was born (and therefore reformulated for the generality of circumstances) precisely in response to the crisis of mature capitalism, ie in the context of that overall rethinking of capital's social sciences that took place post-1929.⁸⁶ This is precisely when capital was forced to realise its collective essence as development, in the form of planning, as a means of reabsorbing the colossal impact of the working class; and this is when its awareness of its own repressive capacity became enormously enhanced.

This awareness (purely practical, distorted, but none the less effective for that) of the central importance of the link between crisis and development, of the necessity of intervening in the process, and enhancing capitalist power within it as a pre-eminently political power – all this awareness confirms yet again the working-class thesis that an organisation is needed, an organisation capable of rupture, which takes as its target precisely that same point of crisis, sharpening its own

Marx on Cycle and Crisis

political effectiveness angled at that same point.

This now brings us back to our initial question: how to extricate the free and emerging power of the working class from the repressive framework of capitalist development? It is clear that the arguments I have developed thus far have given only a broad and general introduction. As always, in order for the working-class viewpoint to be concretised, it needs to engage with practical activity around problems of organisation. Within that framework of organisation it has to pose the question of how to take this working-class power (which has become so massified as to threaten development and set up conditions of crisis) and make it function as the organiser of an attack (equally massive, but also precisely aimed, determined, and of maximum effectiveness) against the capitalist political system; in other words, directly against the state as the custodian of capital's prerogative of decisive violence.

These answers to our initial question will come only through struggle, from either victory or defeat in that moment of working-class truth that is insurrection. Nevertheless, we can still take one thing for certain, and use it as a basis to define problems and open debate. This certainty is the total sterility of any theory of working-class power in a society characterised by development and the existence of the planned state, which does not take as its starting point the problem of breaking the capitalist cycle; at that particular but necessary moment of development represented by crisis, and in that specific form which is the working class's counterpart to the state's use of violence – in a subversive understanding of that complex of repressive interrelationships in the face of which working-class action only acquires meaning insofar as it is directed precisely to the experience of “smashing”.

In this sense, the more capital becomes organised, and its cycle planned, the more the Leninist experience, backed by the impressive newly-massified presence of the working class, becomes real and relevant.

Given the immediate certainty that “political power comes out of the barrel of a gun”, we can pose the final definitive problem: how to articulate mass action along economic/political lines that will undermine and upset development; and how to develop a mass vanguard action along political/revolutionary lines capable of intervening in the crisis. Our problem today is to see in what form this positive duality of functions already exists within the political composition of the working class, and to move on and organise it.

Revolution Retrieved

NOTES

1. *Capital*, Vol. I, Afterword to the Second German Edition, p. 29. But see also *TSV*, Vol. III, p. 518: "It is crises that put an end to the apparent independence of the various component elements (of the economic process)". [Note: For the first three volumes of *Capital*, we cite the edition published by Lawrence and Wishart, London, 1983. (Thanks to the staff at Central Books for help in tracing these references). For the fourth volume we cite *Theories of Surplus Value*, 3 vols., Lawrence and Wishart, London 1972. Henceforth *TSV* Vols. I, II and III. The Roman numerals indicate the volume in question, and the Arabic numerals the chapter.]
2. *Capital*, Vol. I, p.75.
3. *Capital*, Vol. I, Afterword to the Second German Edition, p. 29.
4. K. Marx, *Grundrisse der Kritik der Politischen Ökonomie*, Dietz Verlag, Berlin 1953. Henceforth cited as *Grundrisse*. Translated Martin Nicolaus, Penguin, Harmondsworth 1981, p.423.
5. "In the period between the two wars, things seem to have gone haywire. It is difficult, perhaps impossible, to re-establish the almost regular cyclical periodisation of the economy prior to World War I". (P. Sylos Labini, *Economie Capitalistiche ed Economie Pianificate* ("Capitalist Economies and Planned Economies"), Laterza, Bari 1960, p. 116.) In any event, G. Cassel, in his *Downfall of the Gold Standard*, Oxford 1936, had already expressed the conviction that, with the First World War, the cycle's periodisation and the nature of its fluctuations had completely changed. Even Joseph A. Schumpeter (*Business Cycles*, abridged by Rending Fels, McGraw-Hill, New York 1964, p. 6), albeit a traditionalist in this regard, was forced to embark on a separate study of "facts and figures which, as from 1919, move with much greater freedom than they did pre-1914".
6. Keynes, for example, expresses this viewpoint clearly: "...if our central controls succeed in establishing an aggregate volume of output corresponding to full employment as nearly as is practicable, the classical theory comes into its own again from this point onwards..." *General Theory*, Macmillan, Papermac Edition, London 1970, p. 378.
7. *TSV*, Vol. II, pp. 86-7.
8. M. Tronti, in *Operai e Capitale* ("Workers and Capital"), Einaudi, Turin 1966, p. 133 seq. [part translated in *Red Notes, Working Class Autonomy and the Crisis*, London 1979] reveals a very clear grasp of the symbolic role played by Ricardian thinking within political economy, and therefore as an object of the critique of political economy. As the foundation of the logical structure of capitalist thought, the whole relationship between Hegel and Ricardo needs a second look! For Marx's critique of Ricardo, *Theories of Surplus Value* (especially Volume II) is, of course, the basic reference.
9. J.M. Keynes, *General Theory*, op. cit. pp. 135 seq. See also G. Demaria, *La Teoria Keynesiana dei Cicli Economici* ("The Keynesian Theory of Economic Cycles") in *Studi Keynesiani* ("Keynesian Studies"), edited by G.U. Papi, Giuffrè, Milano 1953, pp. 195-230; C. Napoleoni, *Statica e Dinamica* ("Statics and Dynamics"), in *Dizionario di Economia Politica* ("Dictionary of Political Economy"), Comunità, Milano 1956, pp. 1521-58.
10. "What is extremely important is that, in the new system, saving and investment decisions are taken independently of each other, and there is no automatic

Marx on Cycle and Crisis

mechanism capable of ensuring that they will find a new equilibrium in a context of full employment. These were Keynes' suggestions indicating how the problem of economic cycles should be tackled": T. Balogh, in *Dizionario*, op. cit., under the entry "Economic Fluctuations", p. 666.

11. C. Napoleoni, *Statica e Dinamica*, op. cit., p. 1540.

12. A bibliography regarding the question of operational interventions within the economic cycle can be found in the above articles by Demaria, Balogh, Napoleoni etc.

13. J. A. Schumpeter, *Business Cycles*, op. cit., p.21.

14. T. Balogh, *Dizionario*, op. cit., p. 668, is one of several who have correctly pointed this out. As regards Schumpeter's own writings on theories of the economic cycle, apart from *Business Cycles*, op. cit., whose first edition dates back to 1939, one should also bear in mind *La Teoria dello Sviluppo Economico* ("The Theory of Economic Development"), in *Dinamica Economica* ("Economic Dynamics"), Vol. V of the *Nuova Collana degli Economisti*, UTET, Torino 1932, pp. 17-182; "Unternehmer", in *Handwörterbuch der Staatswissenschaft*, Vol. 8, Berlin 1926, pp. 476-87; "The Analysis of Economic Change" in *Review of Economic Statistics*, May 1935, pp. 2-10; "Theoretical Problems of Economic Growth", in *Journal of Economic History*, Suppl. Vol. VII, 1947, pp. 1-9.

15. For an extended examination of the contradictions in the Keynesian model, see my article "J.M. Keynes e Teorie Capitalistiche dello Stato nel '29", in *Operai e Stato*, Feltrinelli, Milano 1972. [Translated and published in this volume as "Keynes and the Capitalist Theory of the State post-1929".]

16. There is an extensive bibliography on the Schumpeterian theory of the cycle. See particularly: R.V. Clemence, F.S. Doody, *The Schumpeterian System*, Cambridge 1944; P. Sylos Labini, *Il Problema dello Sviluppo Economico in Marx e Schumpeter* ("The Problem of Economic Development in Marx and Schumpeter") in *Economia Capitalistiche*, op. cit., pp. 15-75; P.M. Sweezy, "Schumpeter and the Theory of Innovation", in *The Present as History*, Monthly Review Press, New York 1953.

17. "It is absolutely necessary that forcibly separated elements which essentially belong together manifest themselves by way of forcible eruption as the *separation* of things which belong together in essence. The unity is brought about *by force*. As soon as the antagonistic split leads to eruptions, the economists point to the *essential unity* and abstract from the alienation". *Grundrisse*, op. cit., p. 150.

18. J.A. Schumpeter, *Business Cycles*, op. cit., pp. 15-23, 42-5. A relevant point is raised by C. Napoleoni when studying stagnation and theories of stagnation (*Dizionario*, op. cit., p. 1362): "The thesis that we are examining may be close to Schumpeter's (even though he was an adversary of the theory of stagnation) on the 'obsolescence' of the entrepreneurial function in the capitalist system..."

19. J.A. Schumpeter, *Business Cycles*, op. cit., pp. 62-83.

20. J.A. Schumpeter, *Business Cycles*, op. cit., pp. 46-62.

21. In my view, the influence of the Weberian approach to problems of economic change needs extended study, while at the same time taking into account the feedback influence of political economy on Weber. A reconstruction of this relationship could be useful in identifying the "positive" contribution of irrationalism to contemporary bourgeois thought. See various hints on this problem in *Max Weber und die Soziologie Heute; Verhandlungen des 15 Deutschen Soziologentages*, ed. O. Stammer, Mohr, Tübingen 1965. For a history of economic doctrines, useful hints for research are to be found in B.F. Hoselitz, *Theories of Stages of Economic*

Revolution Retrieved

Growth, in *Theories of Economic Growth*, ed. B.F. Hoselitz, New York 1960, pp. 193-238.

22. J.A. Schumpeter, *The Theory of Economic Development*, op. cit., p. 68. See also p. 111, where Schumpeter asserts his affinity with Marxist thought as regards the "fundamental insight" that: "capital is essentially the means for domination over production".

23. *Capital*, Vol. III, 8, p. 153.

24. *Capital*, Vol. III, 9, pp. 157-9. Cf. also *Grundrisse*, p. 414.

25. *Capital*, Vol. I, 15, p. 450. But cf. also Vol. II, 16, pp. 319-22.

26. *Grundrisse*, op. cit., p. 414.

27. In Marx there is no lack of analysis of the equation $p' = sv' \cdot v/c$, where surplus value is reduced to a constant, while velocity of circulation is variable. See his treatment of this in *Capital*, Vol. III, especially the section where his analysis ends by defining the limits of invariability of sv' .

28. *Capital*, Vol. I. But compare with capital's practical awareness today, in its most enlightened and reformist forms: J.K. Galbraith, *The New Industrial State*, Houghton Mifflin, Boston 1967, p. 236, stresses the fact that the rate of technological innovation is determined by the fact that "machines do not go on strike".

29. The Italian edition of Sweezy-Baran's *Monopoly Capital* has a sleeve note that more or less says this. Their position is dealt with exhaustively by Luciano Ferrari Bravo in his review of the book in *Contropiano*, Vol. I, 1 (1968). It is clear that a work of this kind, and views of this kind, lie totally outside the general line of development of revolutionary Marxism, which is now re-discovering, in Marx, an increasingly adequate series of theoretical explanations and stimuli to research, as in M. Tronti, *Operai e Capitale*, op. cit., or R. Dutschke, *Le Contraddizioni del Tardo Capitalismo* ("The Contradictions of Late Capitalism") in *La Ribellione degli Studenti* ("The Student Rebellion"), Feltrinelli, Milano 1968, pp. 49 seq.

30. *Capital*, Vol. II, 18, pp. 356-8.

31. *Capital*, Vol. I, Afterword to the Second German Edition, p. 24.

32. *Capital*, Vol. II, 15, pp. 283-9.

33. *Capital*, Vol. III, 6, pp. 105-37.

34. *Capital*, Vol. II, 7, pp. 158-9.

35. *Capital*, Vol. II, 8, pp. 173-4; 12, p. 234; 15, p. 262.

36. *Capital*, Vol. II, 9, pp. 188-9. Cf. also Engels' remarks at Vol. I, Preface to English Edition, p. 17 and Vol. III, 31, pp. 500-1.

37. *Capital*, Vol. II, 9, pp. 188-9.

38. *Capital*, Vol. II, 11, pp. 471-3; Vol. III, 3, pp. 500-1.

39. *Capital*, Vol. II, 2, pp. 77-8.

40. *Capital*, Vol. II, 4, pp. 106-7.

41. *Capital*, Vol. II, 6, pp. 152-3; 7, 158-9; Vol. III, 18, pp. 304-5.

42. *Capital*, Vol. III, 22, pp. 358 seq.; 30, pp. 479 seq.; 30, pp. 488-90; 33, pp. 526-8; 48, pp. 814-31; *Grundrisse*, p. 117 seq.

43. *Grundrisse*, op. cit., p. 198. But see also pp. 148-9.

44. *Capital*, Vol. III, 30, p. 484.

45. *Capital*, Vol. I, 15, p. 395; 20, pp. 546-7; 21, pp. 524-5; TSV Vol. II, 14.

46. Both P.M. Sweezy in *The Theory of Capitalist Development*, New York 1942,

Marx on Cycle and Crisis

and P. Sylos Labini in *Il Problema dello Sviluppo Economico in Marx e Schumpeter*, op. cit. tend to stress “underconsumption”. A better interpretation of the Marxian theory of the cycle is offered by M.H. Dobb, *Political Economy and Capitalism*, Routledge, London 1940.

47. *Theories of Surplus Value*, Vol. II, 14, pp. 534-5.

48. *Theories of Surplus Value*, Vol. II, 14, p. 509, 512. Cf. also *Capital*, Vol. I, 3, p. 114.

49. Beginning with E. Bernstein, *I Presupposti del Socialismo ed i Compiti della Socialdemocrazia*, (“The Premises of Socialism and the Tasks of Social Democracy”), Italian translation, Laterza, Bari 1968, pp. 112-31. Obviously, if these were the sole causes of crises, it would not be impossible to overcome them.

50. *Capital*, Vol. II, 20, pp. 414-5. But cf. also *TSV*, Vol. II, p. 390 and *Grundrisse*, pp. 346-7.

51. *Capital*, Vol. III, 15, p. 257. But cf. also *TSV*, Vol. II, pp. 519-21.

52. *Capital*, Vol. III, 15, pp. 241-2; *TSV*, Vol. II, Chapter 14.

53. *Theories of Surplus Value*, Vol. III, p. 447.

54. The reference is once again M. Tronti, *Operai e Capitale*, op. cit., the only lucid post-Marxian analysis in this regard.

55. *Capital*, Vol. I, 15, pp. 451-9; Vol. I, 25, pp. 612 seq.; Vol. II, 16, pp. 314-22; Vol. III, 22, p. 364; *TSV*, Vol. III, Chapter 21.

56. *Capital*, Vol. I, 25, p. 592.

57. *Capital*, Vol. III, 22, p. 364.

58. *Capital*, Vol. I, 25, pp. 632-3.

59. *Theories of Surplus Value*, Vol. III.

60. *Capital*, Vol. III, 3, p. 65.

61. *Capital*, Vol III, 15, pp. 241, 252-9.

62. *Grundrisse*, op. cit., p.446.

63. Cf. above, in notes 23-8.

64. *Capital*, Vol. III, 15, p. 244.

65. Once again, I would stress how remarkably free Marx was from “underconsumptionist” tendencies. Marx’s schemas in fact admit the possibility of capital adopting policies based on high consumption. However, the following passage is worth noting: “Each capitalist does demand that his workers should save, but only *his own*, because they stand towards him as workers; but by no means the remaining *world of workers*, for these stand towards him as consumers. In spite of all ‘pious’ speeches he therefore searches for means to spur them on to consumption, to give his wares new charms, to inspire them with new needs by constant chatter etc. It is precisely this side of the relation of capital and labour which is an essential civilising moment, and on which the historic justification, but also the contemporary power of capital rests”. *Grundrisse*, op. cit., p. 287.

66. *Grundrisse*, op. cit., p. 444.

67. I have no space to discuss this point here, even though it is extremely important within Marx’s analysis of cycle and crisis. I hope to return to it at some future point. One thing is certain: that many comrades are today working on the relationship between development/class stratification/political composition of the working class. From this collective work we are expecting further advances in this analysis.

68. *Capital*, Vol. III, 14, p. 241.

Revolution Retrieved

69. Hilferding's analysis in *Finance Capital* and Lenin's in *Imperialism*, in my view, represent the central points, and a major relocation, of the main focus of discussion marking the maturation of the revolutionary upsurge in the period following World War I.

70. This is undoubtedly the slant of Lenin's *What Is To Be Done?*

71. Apart from some remarks of Keynes, the key position in the "stagnationist" school is A.H. Hansen, *Full Recovery or Stagnation?* New York and London 1938; and *Fiscal Policy and Business Cycles*, New York and London 1941. These theories have come under heavy criticism from G. Terbogh, *The Bogey of Economic Maturity*, Chicago 1945. In general, on the whole problem, see J. Steinol, *Maturity and Stagnation in American Capitalism*, Oxford 1952; and F. Caffè, *La Teoria della "Maturità Economica" e la Funzione degli Investimenti Pubblici* ("The Theory of 'Economic Maturity' and the Function of Public Investments"), in *Studi Keynesiani*, op. cit. pp. 231-65.

72. Once again I must refer the reader to my essay on Keynes. The most explicit hints of "stagnationism" are in Keynes' article "Some Economic Consequences of a Declining Population", in *Eugenetics Review*, April 1937.

73. A.H. Hansen, *Full Recovery or Stagnation?*, op. cit., p. 318. "All over the world, governments are starting to become the intermediaries between the final saver and investment possibilities... The government is taking over the functions of an investment bank."

74. S. Kuznets, *Economic Growth and Structure*, New York 1965, p. 67. That cyclical fluctuations of considerable amplitude continue to exist in highly socialised and centrally controlled economies seems also to be admitted by J.A. Schumpeter, *Capitalism, Socialism and Democracy*, New York 1950, pp. 174, 188 seq. in the Italian edition. See also: the articles by G. Habeler and A. Bergson in *Conference on Business Cycles (1949)*, New York 1951; D.M. Wright, *A Key to Modern Economics*, New York 1954; H.J. Schermann, "Marx and the Business Cycle" in *Science and Society*, 1967, 31, 4, pp. 486-504.

75. Cf. the hypothesis advanced by G. Pietranara in his introduction to the Italian edition of R. Hilferding, *Finance Capital*, Feltrinelli, Milano 1961, p. liv: "...At a certain moment, the *continual* increase in the organic composition of capital leads to *such a large* (tendential) drop in the general rate of profit that the capitalist structure reacts with a 'leap': in other words, *with such a large* increase in organic composition that one moves from competition to 'monopoly'. And from that point on, one no longer has a general rate of profit". If this hypothesis is to hold up, and Pietranara does not seem too convinced of it in his *Capitalismo ed Economia* ("Capitalism and Economics"), Einaudi, Torino 1961, p. 162, it can only do so as an hypothesis about a tendency. More seriously, it must accept an inversion of the viewpoint from which it is formulated: in other words, capital's "leap" beyond the general rate of profit should not be seen as a consequence of the intensification of capital's organic composition, but rather as an effect of working-class pressure on profit. It cannot be seen as an effect of the working class's constriction within capital, but only as the effect of its pressure outside capital. It is clear that, for this restatement of the hypothesis to be accepted, certain conditions are required that are present neither in Marx's nor in Hilferding's analysis.

76. R. Luxemburg, *The Accumulation of Capital*, Routledge and Kegan Paul, London 1951, Chapter 32.

77. *Capital*, Vol. I, 3, pp. 137-8; Vol. III, 27, p. 441; 32, pp. 507-14; 35, pp. 578 seq.

78. Some of the more significant institutionalist texts, especially the versions

Marx on Cycle and Crisis

deriving from Schumpeter, can be found in: *Il Nuovo Imprenditore*, ("The New Entrepreneur"), ed. Angelo Pagani, Franco Angeli Editore, Milano 1967. For a broad-ranging comment on these texts, see A. Pagani, *La Formazione dell'Imprenditorialità: Studi e Ricerche di Scienze Sociali*, ("The Formation of Entrepreneurship: Studies and Research in the Social Sciences"), Comunità, Milano 1964. But see in particular G. Mori, *Premesse ed Implicazioni di una Recente Specializzazione Storiografica Americana: la Entrepreneurial History*, ("Premises and Implications of a Recent Historical Specialisation in the United States: Entrepreneurial History"), in *Studi Storici*, Vol. I, 4, 1959-60, pp. 755-92. The effects of institutionalism on capital's ideology of development can be grasped by glancing through the bibliographical essay: *L'Idea dello Sviluppo nella Letteratura degli Ultimi Vent'Anni*, ("The Idea of Development in the Literature of the Last Twenty Years"), Censis, Roma 1966. Nor does the influence of institutionalism stop at capitalist ideology. It also touches some currents of thought in the communist movement, given that movement's lack of an operative working-class viewpoint. For example, it would be interesting to read an essay like L. Althusser's *Contradiction et Surdétermination* (in *Pour Marx*, Paris 1966, pp. 87 seq.) in terms of institutionalist formalism.

79. I should stress that some institutionalist authors are aware of these internal shortcomings of the theory. The most disenchanted stance is that taken by B.F. Hoselitz (cf. his *Main Concepts in the Analysis of the Social Implications of Technological Change*, Italian translation published in *Il Nuovo Imprenditore*, op. cit., pp. 445-71). Here, albeit in a framework of an interrupted continuity of the institutional context of change, an external (but purely negative) causality seems to be admitted in the form of so-called "deviation". But it is already something, that doubts about the institutionalist explanation of change should be expressed, even negatively, and a solution sought. Structuralism in sociology is in the same problematical position as institutionalism in political economy, but, here, the voices of criticism, at least up to the present time, have been even rarer. For an excellent summary of structuralism's shortcomings as regards the problems of change, it is worth looking at G. Poggi's article "A Main Theme of Contemporary Sociological Analysis, its Achievements and Limitations", in *British Journal of Sociology*, 1965, 16, pp. 283-94.

80. In Marx, there seems to be a very clear awareness of this process whereby the action and organisation of the state moves from the external to the internal, from guarantees to constitution.

81. *Grundrisse*, op. cit., p. 410.

82. "Hence overproduction: ie the sudden *recall* of all these necessary moments of production founded on capital; hence general devaluation in consequence of forgetting them. Capital, at the same time, (is) thereby faced with the task of launching its attempt anew from a higher level of the development of productive forces, with each time greater collapse *as capital*. Clear, therefore, that the higher the development of capital, the more it appears as barrier to production". *Grundrisse*, op. cit., p. 416.

83. J.A. Schumpeter, *Business Cycles*, op. cit., p. 332.

84. In order to counter the present-day *narodniks*, and in general those theses which deny, or assert, class integration by working in terms of an analysis of consumption, waste, etc, thus articulating the entire analysis of capital in terms that exclude any recourse to the structure of production, against these *narodniks* who forget the specific nature and centrality of the working-class's emergence, it is worth re-reading Lenin's remarks on economic romanticism.

Revolution Retrieved

85. Cf. notes 69 and 70 above. One can hardly overstate the value and effectiveness of the Leninist method, which is characterised fundamentally by a correct utilisation of the analytical indications offered by Marx, and a direct politicisation — as a function of organisation — of the analytical context thus identified. A revival of this method nowadays would be an organisational fact in itself.

86. The activity of Walt W. Rostow, for example, can be located within this cultural circuit. In general, as regards capital's growing awareness of the links between development and crisis, see his *Stages of Economic Growth*, London 1958.

*Crisis of the Planner-State: Communism
and Revolutionary Organisation
(1971)*

Introduction

In this essay Negri brought together for the first time perspectives that were to remain central in his writings as a Marxist militant throughout the 1970s. Unlike the other essays in this volume, it was written as an organisational intervention, as a discussion paper for the 1971 conference of *Potere Operaio*. This was one of the major new revolutionary extra-parliamentary organisations that arose from the wave of factory and social struggles that swept Italy in 1969. Negri was a leading member of *Potere Operaio*.

The article was first published in the organisation's journal (*Potere Operaio*, no. 45, September 1971) and was subsequently republished, with the addition of the Preface and Postscript, by Feltrinelli (Milano, 1974). It has been published in several editions outside Italy (French, German etc).

The value of the essay for the movement lay in the overall problems and "anticipatory" perspectives it raised, rather than in any specific organisational solutions. Its scope – the "updating" of Marxist vocabulary to analyse the originality of the crisis, the new level of antagonism reached, and the new class subject – ensured that it would be a focus for debate well beyond P.O. as such.

For Negri and for *Potere Operaio*, the mass struggles had gone beyond the Keynesian regulation of the "planner-state", and beyond the classic "productivist" perspectives of socialism (the realisation of the "value of labour"). The egalitarianism of the struggles ("equal wage rises regardless of productivity") had undermined the wage-work relation and the hierarchies of the division of labour in the factory; the struggle for income and against the enforcement of work was now extended to the "social factory" as a whole. Slogans such as the "refusal

Revolution Retrieved

of work”, the “political wage” and “appropriation” – evident in the text – were common political vocabulary in the movement, to indicate the new communist content of the struggles and hence new objectives for organisation – the *transition to communism*. For Negri, all this meant that a qualitatively new level of class antagonism had been reached, in which the law of value itself had been thrown into crisis. Hence he turns to the “other” Marx of the *Grundrisse*, a text which provides the frame of reference for this essay, and which remained basic to all of his later work. (See his Paris seminars of 1978, *Marx Beyond Marx*, American edition, Bergin & Garvey, Massachusetts 1984, and the excerpt below, retranslated for this volume). Through the concept of *antagonistic tendency* Marx analyses in the *Grundrisse* the *mature* crisis of capitalism – the crisis of the value-form, the struggle for needs, for the abolition of wage-work and for communism.

This perspective was clearly at variance with Marxist orthodoxies, represented in Italy above all by the Communist Party. Their response, then and since, was to argue that a class politics based on the autonomy of needs and for communism was a project to be both delegated and put off to an indefinite future. The new movements were (to quote a PCI official conference at the time) a “subjective epiphenomenon in the orderly progression of democratic control over the forces of production”.

The major theme of the essay is the new state form, which is no longer premised on Keynesian development, and is defined by the term “crisis-state” (Sections 5 and 7). This is now seen as a *longterm* response of capital, to enforce and reimpose command over social labour, a *political* determination of value, where “normal” controls through the market and exchange have broken down; the “suspension of the laws of economics,” to quote the Nixon administration at the time. (For further development of this concept, see *Crisis of the Crisis-State*, 1980, below). This is coupled with the term “enterprise state”, referring to the prioritising of supply over demand in the process of restructuring, which is subordinated to the logic of large-scale, multinational enterprise. The old cycle of development and crisis (see previous articles in this volume) now gives way to a global restructuring of the productive cycle. (Further Negri texts of the period on this are included in *Working Class Autonomy and the Crisis*, Red Notes/CSE Books 1979, pp. 23-54.)

Finally, as regards the search for a new form of organisation: the “updated” Leninism adopted at this stage rapidly proved unworkable, and in 1973 Potere Operaio dissolved itself into a pluralist network of autonomous organisations. In view of the later retrospective charges of terrorism brought against Negri and other ex-militants of Potere Operaio, it is significant that he here takes issue with “subjectivist”

Crisis of the Planner-State: Communism and Revolutionary Organisation

tendencies (Section 3) – and specifically with those who advocated an elitist military vanguardism separated from the mass struggles. Organisation, like insurrection, is defined as a *process* arising from and intrinsic to the mass movement of struggles. He also criticises, on the other hand, individualist forms of utopian “prefiguration of communism”, common in post-1968 “movementist” ideology (Section 8); as well as those “incurable optimists” (Section 9) for whom nothing basically had changed, and who believed that existing political forms of mediation could still be adequate from a workerist class viewpoint. This is again a reference to Tronti and other leading workerists of the earlier period, who were by now in the Communist Party.

Contents:

Preface

Bibliographical Note

1. The Antagonism of the Tendency according to Marx: Present Relevance of his Analysis.
2. A Mystified View of the Tendency: the Economists and the Destruction of the Concept of Capital.
3. A Disturbing Consequence: the “Subjectivists” and the Contradiction Seen as Result, as Catastrophe.
4. Abstract Labour as the Revolutionary Subject: the Basis of the Communist Programme, and Proletarian Appropriation.
5. The Crisis of the Planner-State: the Big Enterprise as the Articulation of the Tendency and as the Subject of the Antagonism from Capital’s Point of View.
6. Preliminary Reflections on Some Objections Regarding Method: Tendency, Science and Practice.
7. Against Enterprise Command: the Organisation of Insurrection within the New Composition of the Working Class.
8. “Wealth” and “Poverty” of the Proletariat within the Dialectic of Revolution.
9. Our Immediate Task.
10. Postscript.

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Author's Preface

The essay that follows was first published on 25 September 1971, as a supplement to issue No. 45 of the monthly journal *Potere Operaio*. It was one of the preparatory papers for Potere Operaio's "third conference on organisation".

The form of the essay reflects the urgency of the situation in which it was written (in August 1971, immediately following the Nixon measures on inconvertibility of the dollar). Hence its conclusions may on occasion appear imprecise, being directed, as they were, more to promoting political discussion than to providing complete and definitive positions. For this reason, I have decided to add a *Postscript* to this reprint of the essay. This aims, briefly and explicitly, to provide the reader not so much with sources for the article (which are intimately tied up with the author's experiences of political activity) as with some bibliographical suggestions for further reading in the areas examined; it also suggests some topics around which, moving on from this initial set of embryonic definitions, discussion and analysis might be taken further.

These topics are becoming increasingly central, in terms both of polemic and of political analysis, in discussions within the revolutionary movement in all countries with a high level of working-class struggle. The fact is that the struggle against ideology through the militant critique of political economy cannot rest content with rehearsing, for what it is worth, the underlying theme of the anti-marginalist polemic which we still find being rehashed in the more orthodox schools of Marxism; sharper lines of thinking have emerged – under the pressure of struggle – from the bourgeois side, in an attempt to confuse and mystify the working-class science of subversion into a new fetishism of political economy. Nor, from the working-class point of view, can the struggle for

Revolution Retrieved

the party remain trapped within the confines of traditional thinking: it has continually to renew its thinking and to come to terms with the given political composition of the working class and of its struggles. Thus our task is to win back Marx's theory, in order to practise it in ways which increasingly match the given – and diverse – needs of the class struggle – in both its aspects, as a critique of political economy, and as a theory of the party.

This is especially true when, at both levels of analysis, we can observe fundamental changes taking place deep in the heart of production relations and class relations. Marx made certain predictions regarding advanced capitalist development; he described lucidly the moment in which the law of value would come to be extinguished and labour would be no longer subsumed but formally suppressed within capitalist command. All this is now present reality. The working class has imposed this on capital, and at the same time poses a demand for organisation which forces our analytic endeavours onto a quite new terrain. It is around this transition – from the formal suppression of labour within capital to the real abolition of capital's command – that we have collectively committed ourselves to action.

I should stress that the indications contained in this article seek their verification only within an overall activity of revolutionary practice. It is possible that the weaknesses of this essay – the fact that it is too immediately related to problems of organisation, and that it is perhaps too polemical and summary in its attempt to stay close to the contingencies of political discussion – may turn out to be virtues; if it is true that organised revolutionary practice is not only the only way to understand reality scientifically, but also the only way to bring it closer.

A.N.

August 1972

Quotations in this essay are taken from:

Karl Marx, *Grundrisse: Foundations of the Critique of Political Economy*, translated by Martin Nicolaus, Harmondsworth: Penguin 1973.

V.I. Lenin, *Philosophical Notebooks*.

Mao Tse Tung, *Selected Works*.

Crisis of the Planner-State: Communism and Revolutionary Organisation

1. The Antagonism of the Tendency According to Marx: Present Relevance of his Analysis.

Towards the end of the *Chapter on Money*, the first part of the *Grundrisse* (op. cit., pp. 227-8), Marx gives us an outline plan of his entire project, indicating the necessary steps in the argument. This must proceed, he says, from the analysis of money in its role as equivalent, to the definition of relations of production, “the internal structure of production”; thence to the concentration of these relations in the state; and finally, to the study of the world market, the level at which the dialectic of the parts and of the whole allows all the contradictions to come into play, and at which the destructive violence of crisis is manifested – as “the general symptom pointing beyond the presupposition, and the urge which drives towards the adoption of a new historic form”.

This indication of Marx’s procedure should be regarded as basic for an understanding of Marxist methodology. It allows us to develop our analysis correctly in terms of historical materialism, and to confront the problems of crisis, the state and revolutionary organisation in terms of the critique of political economy. Moreover it allows us to do this in such a way that the prime importance of what Marx defines as the basic tendency in the development of contradictions not only gives us general theoretical guidelines, but also helps us to define specific contradictions of capitalist development today, as they present themselves from a working-class viewpoint.

Besides, Marx’s treatment of the problem of money in the first part of the *Grundrisse* already shows the inextricable link between the critique of the economic category “money” and revolutionary politics. Analysis of the money form develops the irrepressible contradiction of the

Revolution Retrieved

general tendency from its very genesis. Firstly, as a contradiction implicit in the dual nature of the commodity, which

“exists doubly, in one aspect as a specific product whose natural form of existence ideally contains (latently contains) its exchange value”

and in the other aspect

“as manifest exchange value (money) in which all connection with the natural form of the product is stripped away”. (*Grundrisse*, op. cit., p. 147)

This logical contradiction becomes a general historical tendency:

“The need for exchange and for the transformation of the product into pure exchange value progresses in step with the division of labour, ie with the increasingly social character of production. But as the latter grows, so grows the power of money, ie the exchange relation establishes itself as a power external to and independent of the producers. What originally appears as a means to promote production becomes a relation alien to the producers. In proportion to the producers becoming more dependent upon exchange, exchange appears to become more independent of them, and the gap between the product as product and the product as exchange value appears to widen”.

However, “money does not create these antitheses and contradictions; it is, rather, the development of these contradictions and antitheses which creates the seemingly transcendental power of money”. (*Grundrisse*, op. cit., p. 146; also numerous other references in the same chapter) The contradiction that money represents is that between the value of labour as general equivalent in exchange, and the conditions of social production under capitalist domination. On the one hand, we have money as the specific measure of the value of labour-power sold on the free market; on the other, we have the increasingly social character of production which capital has appropriated and turned into its own power over social labour as a whole, as an independent force above society and the individual producers. At this point, we already have the formal condition, the possibility of crisis:

“By existing outside the commodity as money, the exchangeability of the commodity has become something different from and alien to the commodity, with which it first has to be brought into equation, to which it is therefore at the beginning unequal; while the equation itself becomes dependent on external conditions, hence a matter of chance.” (*Grundrisse*, op. cit., p. 148)

At this point we *also* have the possibility of the state as the regulator/manager of these “external conditions” – wielding the violence that is

Crisis of the Planner-State: Communism and Revolutionary Organisation

necessary to establish or restore the unity and stability of capitalist development over and against the contradictions involved.

Up to this point, the argument may appear too formal (as Marx puts it: "It will be necessary later, before this question is dropped, to correct the idealist manner of its presentation, which makes it seem as if it were merely a matter of conceptual determinations and the dialectic of these concepts." [*Grundrisse*, op. cit., p. 151]). In truth, this first passage of Marx's analysis of money is not so much formal, as limited in scope. So far, only one specified moment in the functioning of money in capitalist society has been touched upon. Behind the "idealist manner" of Marx's exposition, the various ways in which money operates in relation to production are presented entirely within a given stage of development; one in which a privatised dialectic between individual costs of production and the value of social labour has not yet been resolved. Here, money still fulfils the role of mediator between the cost of labour-power and the value of social labour; it measures, is indicative of, changes in the balance of capitalist power over this relation. It formally validates the functioning of the law of value in a world in which labour is not yet materially homogeneous. For this reason, money appears at certain points to function entirely within the contradictions which it itself determines; hence the fact that circulation seems to have the priority over relations of production in certain pages dealing with analysis of crisis in the *Grundrisse*. And even when Marx goes on to consider "money in its third quality in which both of the former are included, ie that of serving as measure as well as the general medium of exchange and hence the realisation of commodity prices" (*Grundrisse*, op. cit., p. 203) and proceeds to define "money as material representative of wealth" (pp. 203-18), his analysis is still fixed precisely within this same framework. It is clear from these passages that Marx is confronting here a world of privatised individual wealth, of pure capitalist competition, in which money plays its role as "the general material of contracts" in the Eden of a bourgeois democracy of property ownership.

"Equality and freedom are thus not only respected in exchange based on exchange values, but also the exchange of exchange values is the productive, real basis of all *equality* and *freedom*." (*Grundrisse*, op. cit., p. 245)

However, the development of the antagonism of the tendency takes us well beyond the specificity of this frame of reference to a particular capitalist epoch. At this stage, the full radical implications of the critique come out into the open. The point is stressed at the outset and frequently repeated: from analysis of the role of money as equivalent in exchange, we must pass on to the definition of relations of production. The first

Revolution Retrieved

hint of this rupture brought about by the tendency vis-à-vis the nature of the capitalist epoch to which Marx refers, can already be detected in his discussion of money as general, material representative of wealth. How is this presented?

“The money relation is itself a relation of production if production is viewed in its totality.” (*Grundrisse*, op. cit., p. 214)

Money is a relation of production because the money relation throughout all phases of the cycle of capital, is founded upon and expresses wage labour as the basic and essential element in production; it becomes a relation of production to the extent that the exchange between money and wage labour becomes general. (*Grundrisse*, op. cit., pp. 224-5) “When wage labour is the foundation, money does not have a dissolving effect but acts productively”. (p. 224) But if money itself is presented under such conditions as having a productive role, then it follows that the abstract existence of money must in turn become articulated in a new way within the development of capitalist production. It has to become emancipated from its functions as measure and mediation of market exchange, and its productive role must now be founded upon a totality of ever more homogeneous social labour, compact and existing in the present. The money form cannot any longer, under such conditions, simply act as mediation between costs of production and the general value of social labour. It must become a general function of social production, the means of reproduction of the wage relation in an extended, global dimension. The productive role of money leaves its imprint on capitalist development in the form of a continuous struggle to liberate itself from its functions of mediation in exchange, taking on its true capacity of domination over wage labour, outside and beyond the petty transactions of the market place. This historic vocation develops within the dimensions of a general socialisation of labour with which money, from the very origins of capitalism, has always had a reciprocal relationship.

This then is the “general tendency”. But today this tendency has become reality; it is fully present. Financial capital has helped to force labour to close the gap vis-à-vis the general value of social labour; capitalist planning has shown that only on this material basis can capitalist development take place. The social character of production has been imposed within the capitalist mode of production. And yet it remains a fact that “on the basis of exchange values, labour is posited as general only through exchange”, only as wage labour. (*Grundrisse*, op. cit., p. 171) Labour time as an element that is quantitatively and qualitatively specific, varying both in terms of its time-measure and the given division of labour, becomes increasingly irrelevant in the context of a full socialisation of the productive machine. (*Grundrisse*, op. cit.,

Crisis of the Planner-State: Communism and Revolutionary Organisation

pp. 171-1 and pp. 704-12) Immediate labour as such ceases progressively to be the basis of production. (p. 705) Yet even in spite of this extent of the socialisation of production, money still remains to enforce the capitalist appropriation of commodities. Hence the problem of money has become merged with the problem of a new and extremely radical kind of crisis of capitalist domination over the mode of production. Money represents this form of domination over the mode of production; to the extent that production becomes socialised, and it is “in a word, the development of the social individual which appears as the great foundation stone of production and of wealth”, (p. 705) its functional rationale is stripped away and reduced to that of class violence. The law of value, as the law governing the social re-composition of labour, now exercises its sway entirely at this level of arbitrariness and force. Nor can this arbitrariness be seen any longer in terms of disfunctions in the circulation of money, explained in terms of its dual and contradictory nature. It can only be understood as a radical antagonism, a function of pure domination, as a powerful enemy force, which is no longer recuperable to any mere function of mediation. No longer can it be readjusted to the project of development, no longer can it serve as a surrogate for social development. In the form of money, capital, which has created the conditions of a fully socialised production, reveals itself as the fundamental obstacle to any further development of the productive forces.

Hence the problem of the state in terms of the critique of political economy must be posed in a new way. The breaking of the functional link between money and development is represented, at the political level, by the obsolescence of bourgeois democracy as a régime of “equality” and “freedom”. Since this régime was always functional to the world of exchange, and articulated closely within it, liberty, equality and democracy become ever more an appearance, a façade – not representing merely the mystification implicit in market exchange, but rather a mystification of the dissolution of real exchange relations – a mystification twice over! The despotism of capital is ever more openly affirmed, with the ending of money’s role in mediating competition in the anarchic framework of production. And the state more openly asserts its monstrous role as the technical organ of domination, as it presides over the collapse of its rationale as promoter of development. It is no longer even the guarantor of bourgeois freedom; it “frees itself”, in the sense that its own power becomes more arbitrary, more a matter of random chance. The fetishism of state power becomes more pronounced, to the extent that it is based on a belief in functions that exist no longer; all that remains is class hatred, a desperate will for the survival of class power. “What holds for machinery holds likewise for

Revolution Retrieved

the combination of human activities and the development of human intercourse.” (*Grundrisse*, op. cit., p. 705)

In the *Chapter on Money*, then, we can follow the development of the tendency through to the point where money, from its role in mediating the privatised sphere within the general process of production, becomes the index of an antagonism arising from the exchange relation itself, from its function of general mediation. This antagonism is shown to be insoluble and becomes progressively more critical and violent; between the socialisation of production and the increasingly arbitrary yardstick of the representative functions of money; in terms of measure, equivalence, and representation of wealth. In this process, the dialectic of the capitalist relation is itself broken; money no longer represents a moment in the class relation, merely mediating exchange between labour and capital. It now comes to embody the one-sidedness of the relation, the unilateral, irresolvable, antagonistic, capitalist will to domination. It comes to represent, in other words, the final result of a relation, which, through its historical evolution, leads inevitably to this one-sidedness. So much for the Utopia of the socialist reformers, who dream that money can become an exact measure and representation of social labour:

“It is just as pious as it is stupid to wish that exchange value would not develop into capital, nor labour which produces exchange value into wage labour.” (*Grundrisse*, op. cit., p. 249; also numerous other references in Notebooks I and II)

2. A Mystified View of the Tendency according to Marx: the Economists and the Destruction of the Concept of Capital

The tendency which Marx describes in his *Chapter on Money* finds certain mystified parallels at the ideological level today. Bourgeois economists have grasped this mature development of the tendency, and have described it in their own distorted way in their theories. But we also have a series of positions that have emerged in the revolutionary movement, which draw mistaken and dangerous conclusions from a confused understanding of capitalist development. In both cases, the tendency is seen in terms of its result, as a situation already realised and fulfilled, rather than as a dialectical process. This method is all too familiar today – the description of development according to the broad canvas of extreme ideal-type models, which is all the fashion. Let us start with the positions of the economists.

The economists today have registered, or verified in the negative sense at least, the realisation of the tendency described by Marx as regards the role of money in capitalist development. Their realisations

Crisis of the Planner-State: Communism and Revolutionary Organisation

have been prompted by an increasingly sharp experience of the failure of the Keynesian project of planned development. The Keynesian project was an attempt to regulate circulation, the cycle, the overall process of capital, by intervening to control and mediate the contending elements, even to the point of dynamically prefiguring the outcome in the form of continuous planning. This system largely swept away the old assumption of classical economics, which “focuses only on the end results, without the process that mediates them; only on the unity without the distinction, the affirmation without the negation”. (*Grundrisse*, op. cit., p. 197) The false appearance of circulation as a “simply infinite process”, a “spurious infinity”, was broken apart and recomposed in the Keynesian system by controlling the various elements that made it up. This effectively eliminated a number of possibilities of crisis, and also removed the need to have recourse to external violence to recompose the elements and restore the unity of the cycle.

In the Keynesian system, money was called upon to function exactly in the intermediary role that Marx outlines: as a dynamic element pushing towards the further socialisation of production – a productive role – at the same time acting as the general equivalent; acting both as the means to measure labour and as the means of controlling development.

Once again, the contradictory nature of money was harnessed as a positive force for capital. But this “socialist” resolution of the contradiction of money has now been blown apart! This historical rupture has happened due to the refusal of the working class to become the subject of this planned development; the permanent emergence of a “wage labour that wishes to posit itself as independent” and acts as such. The rupture has been brought about by the realisation of the tendency inherent in development as it affects aggregate labour power, recomposed, through capitalist development itself, into an increasingly compact and unified “social individual”.

At this point, the economists’ Keynesian project collapses. It was premised on control and planning for development within certain fixed proportions. Control, in other words, was the condition for money to act as measure of social labour; as always they remain two sides of the same coin! There is a parallel here with Marx’s critique of socialist money in the *Grundrisse*. The socialists, in their search for a perfect measure of labour value, never infringed the rule of proportionality which the production of value imposes on the movement of society as a whole; they could only establish a spurious unity and equality on the basis of elements that are divergent. Hence socialism becomes reactionary insofar as it can only reproduce the conditions of its own existence. As

Revolution Retrieved

against this, the real movement of the proletarian subject, increasingly socialised, denies this unity and counterposes the conditions of production to the command of capital. In a parallel way, the apparent successes of bourgeois economists in cancelling out the “irrationality” of circulation crises prove to be a Pyrrhic victory. What we have now is no longer a crisis of disproportion between the various elements in the cycle, but a disproportion, pure and simple, between the working class and capital. No longer are we faced with a dialectic which recomposes the unity of the cycle from these different and divergent elements; we now have a straight antagonism, one unity against another.

The poverty of ideology is born out of this crisis. From their experience of the failure of the Keynesian project, the economists have derived negative and indeed exaggerated conclusions. The emergence of a massified and socialised working class has led them to abandon and negate the concept of capital itself. This has become, in their hands, an indeterminate entity; no longer is it seen as a homogeneous structure, but rather a “parable”, to quote Samuelson – an “indirect representation of reality which does not reproduce the details of the structure”. (Even though it may still reflect one basic property of capital in the classic tradition of economics, namely a specific relation to labour power.) And perhaps no longer even a “parable”, since the elements that make it up are not only totally heterogeneous and unconnected to any fixed relation to labour, but are also mutually inconsistent in terms of the organic composition of capital. The rate of profit is no longer connected to organic composition. The relation between dead labour and living labour is no longer determined by technological composition, and profit is liberated from any of its conditions.

But, having said this, can we not detect here an implicit admission of the realisation of the Marxian tendency? Instead of merely arguing the practical-inadmissibility of the concept of capital in an accountancy sense, our economists would do better to consider the real social process revolutionising the conditions of production, a process that arises from the relation between capital and the working class. The total “freedom of capital” from all constraints, which these economists argue, could then be seen as only a mystified recognition of the historic defeat that capital has suffered in the class struggle. Capital’s “freedom” in the eyes of the economists implies a recognition that the freedom and independence of the labour-power variable is *also* a determinant and irrepressible factor in the situation.

Heterogeneity in the composition of capital; the absence of any determinacy in the technical relation between the extraction of labour value and profit; the crisis of the concept of organic composition. And yet is all this so new? When we turn to Marx, we find that more than a

Crisis of the Planner-State: Communism and Revolutionary Organisation

hundred years ago he wrote:

“To the degree that labour-time – the mere quantity of labour – is posited by capital as the sole determinant element, to that degree does direct labour and its quantity disappear as the determinant principle of production – of the creation of use values – and is reduced, both quantitatively, to a smaller proportion, and qualitatively as an, of course indispensable, but subordinate moment compared to general scientific labour, technological application of the sciences, on one side, and to the general productive forces arising from social combination in total production on the other side – a combination that appears as a natural fruit of social labour...”
(*Grundrisse*, op. cit., p. 700)

Hence it is precisely at the stage when labour becomes materially equalised and socialised that capital is forced to emancipate its command over valorisation, to assume its own freedom – in total solitude as it were – in the face of a unified labour-power, the social force of production. But Marx adds:

“Capital thus works towards its own dissolution as the force dominating production”. (ibid.)

Whereas, on the contrary, the economists draw from this an apologia for the freedom of capital. They refurbish the illusion – so effective in serving the needs of repression as to highlight the absurdity of notions of a new fascism – of a new kind of development entirely freed of any link with the class struggle. Their Utopia is totally unrelated to the behaviour of collective labour-power as a whole. They argue the over-determination of capital imposed on the system unilaterally, as the material basis of development. They have suffered the collapse of Keynesianism, but have not understood its causes; and as for the “freedom of capital” they can only grasp its will to survive at all costs. The capital relation is seen purely as an external one, a pure relation of power, a project for overall discipline based on the centralised organs of money supply, a totally subjective project of organisation of domination. And this new subjectivism among the economists is backed by a modest but useful contribution from the other social sciences.

Let us turn to the interpretation of the crisis. A whole series of passages from Marx’s *Grundrisse* could be cited here, each totally relevant to the problems that now face science and the economists directly. Crisis, in Marx, is seen as a necessity for capital, a means of putting the brakes on development, an outer limit placed on the expansion of the productive forces, when these begin to upset a certain level and proportionality in basic class power relations. (See, for example, *Grundrisse* op. cit., pp. 422-3, 442-6, 747-50). Through a sort of

Revolution Retrieved

paradox, “the violent destruction of capital, not by relations external to it, but rather as a condition of its own self-preservation” (*Grundrisse* op. cit., pp. 749-50) is not seen by the economists as the result of a dialectical development in which the relation between material forces produces this result. Rather, they insist on seeing crisis as the expression of a subjective and material will. In the ideology of the new economists, this subjective “freedom” of capital (which could be seen in terms of a “socialist” project in the Keynesian system) is transformed into a permanent plan to block a development of which the only spontaneous outcome would be the triumph of the collective practice of communism, the self-realisation of the social individual. Hence the permanence of crisis from this point onwards, through policies of controlled stagnation which become the condition for the continued existence of the capitalist system itself.

However, the new economists realise this full well. Despite the radicalism of their ideology, in practice they are concerned to roll back the conflict between social forces of production and the system. They define and use the crisis as self destruction on the part of capital – quite contrary to the subjective terms of the ideology with which they are identified. From the Marxian viewpoint, as can be seen in the *Chapter on Money*, this concept of crisis is merely an intermediate one, corresponding to a low level in the development of the tendency, which evolves further to a definition of crisis as rooted in a structural contradiction between the maximum socialisation of labour and the maximum externality of capital. At this point, the ideology of the economists, in its desperate blindness, refuses to recognise that what crisis leads to, inevitably, is:

“the most striking form in which notice is given to the system to be gone and to give room to a higher state of social production.” (*Grundrisse*, op. cit., p. 750)

On the one hand it is true that “capital cannot confront capital if capital does not confront labour, since capital is only capital as non-labour in this antithetical relation”. (*Grundrisse* op. cit., p. 288) But if this is so, then every time that capital attempts, at this stage of development, to resolve the contradictions inherent in its process through its own independence, putting into reverse the real terrain reached in the class struggle, positing this as closed and finished, transposing to itself the full responsibility for development, then at each point the contradiction is recomposed and becomes deeper-rooted. And this in spite of the ideological efforts of the economists to mask it! The contradiction continues to show its antagonistic and insoluble nature. It is not resolved within the margins of the so-called “freedom” of capital, nor within the attempt to use the overdetermination of capital to restore a circularity of

Crisis of the Planner-State: Communism and Revolutionary Organisation

development, a new dynamic recomposition of the cycle. On the one hand, we may have the totality of the power of capital; but on the other we have the totality of a recomposed proletariat.

From the ideological dissolution by the economists of the concept of capital, of organic composition, of the relation between class struggle and development, we now come to their definition of the state. Here the total power which they attribute to capital finds its most functional embodiment; functional because it requires a powerful agency in order to control a situation in which there is an open field for freedom of intervention, in the absence of any predictable factors; without entrusting this power to the state, this open field is arbitrary and risks failure. Only the subjective force of the state can guarantee the control over development, that the economists want to establish in terms that are external to the capital relation. To attribute this power to the state may be functional, but is it effective? The contradictions of capitalist science, which seeks always to eliminate the necessity of its opposite, to liberate itself from the class struggle, become multiplied the more abstract the reference point for its action.

The state, which they portray as an infinite power, a non-dialectical essence in relation to capitalist development, has, on the contrary, an existence that is both capable of precise intervention, but is also subordinated in an overall sense to all the contingencies of the class confrontation. Its autonomy and freedom are in reality only means, not a secure basis. This does not diminish the specificity of the state's role, nor the extent of its lucidity in its actions, let alone the solid fact of its repressive functions, and their effectiveness in development. Nor should we overlook, above all, the functions of thought and collective guidance that the state can, and effectively does, fulfil for capital. But, having said this, the ideology of the economists fails to convince. In freeing itself from its organic composition, capital above all shows its precariousness. The subjectivist outlook of the economists only shows their limitations; it registers in a mystified way the development of the Marxian tendency, and remains trapped within it.

3. A Disturbing Consequence: the "Subjectivists" and the Contradiction Seen as Result, as Catastrophe

So we come to the core of our problem, the question of revolutionary working-class organisation. One immediate and disturbing way in which the consequence of Marx's tendency is grasped is evident in current debates on organisation within the Left movement. The argument goes like this: since capital has broken the organic links which tied it to the development of class struggle, the positive dialectic (from the point of view of capital) that the state was able to impose on this conflict is no

Revolution Retrieved

longer operable. Rather than harnessing conflict to promote development, the state is now productive of crisis. And since working-class struggle now directly confronts the overdetermined level of a social dialectic which has become, precisely, the state itself, the problem of organisation now involves a radical break with that tired old tradition which saw organisation in terms of a simple transposition from the ratio of the organic composition of capital.

According to the subjectivist view, in other words, organisation must now be conceived beyond and outside the connections which link the emergence of the class to the form of the labour process. The organisational task becomes rather a positive commitment to building a political vanguard which is outside and beyond any intrinsic relation to the given composition of the working class; a vanguard that is entirely political, aimed for a direct assault on the state, and organised for the military preparation of this attack.

One step forwards and two steps back, as the old saying goes! And we cannot deny that a positive step forwards is implied by these positions, inasmuch as they are premised on a historical critique of the theory of organisation elaborated and practised, in substantial continuity, from the Second to the Third Internationals. This old theory conceived the problem of organisation on the basis of a given composition of capital and of the working class which was specific to that historical period: organisation of the "professionalised worker" as the fundamental keystone of capitalist production, as the essential ingredient of the mode of valorisation and exploitation, and hence as the key element in the revolutionary process. To use the terms developed in the *Chapter on Money* in the *Grundrisse*: this class composition still had as its corollary, still signified, the possibility of making money function in its mediatory role between the value of labour individually employed in the production of exchange values and the mechanism of general equivalence; in which money still functions as an overall mediation and control within the system; in which the law of value still functions as the dynamic element regulating the system. Hence a theory of organisation that saw as its essential reference point the professionalised worker, and defined the process of political recomposition of the class as a process essentially framed within the organisation of the labour process; which saw the productive role of this working class as paramount; hence also the *ideology of productive work*, which was the prime feature of the programme, slogans and the organisational project itself throughout this period, defining them, precisely, as "socialist".

Whatever the extent of tactical diversity between the various positions put forward at the time, between, say, Kautsky, Luxemburg, Lukacs or Gramsci, it is difficult to see these differences as significant in

Crisis of the Planner-State: Communism and Revolutionary Organisation

terms of the basic socialist programme they all share. Indeed, the analysis is always objectively referred to the professionalised worker as “producer”; the organisational recomposition of the class prefigured socialism; these aspects, together with the ideology of work, not only reflected (in the Marxian sense, as both reflection and transformation) the specificity of a given class composition, but also pointed to the way in which, in that situation, socialism was a step ahead in regard to the general conditions of capitalist domination at the time. Seen in this perspective, the model of socialist organisation put forward was revolutionary even when it took up the joint project of democracy and socialism as its weapon against a capitalism that was still unplanned, and defined the “dictatorship of the proletariat” as the highest form of democracy – as the political form that would realise a perfect functioning of the law of value.

Hence the critique of this model of political organisation carried forward by “subjectivist” theories of organisation today, is quite justified. They grasp, correctly, that the objective basis of that political composition of the proletariat has been swept away – absorbed and destroyed by the new structure of the capitalist state which emerged following the great crisis of the thirties.

It can indeed be argued that the capitalist response to the October Revolution of 1917, to the movement of workers’ councils, not only removed the historical possibility of this organisational model, by destroying the key role of the “professionalised worker” in the production process; it also set in motion an operation of dynamic containment of the struggles of the new massified working class, the “mass worker” that was coming to the forefront. From this point, the possibilities of basing organisational class recomposition on the organic relation between the working class and capital were objectively undermined.

However, at this point it seems to me that the step forwards (ie their critique of the old socialist model of organisation) starts to take two steps backwards, and at a tangent. It is one thing to recognise, correctly, that a given organisational model is outdated, that a specific material proportionality of class composition, with the professionalised worker as its key element, has been surpassed. It is quite another thing to deduce from this that the very concept of organic composition is no longer relevant, and to turn one’s back on the variety of possibilities for an “updating” of the concept, which a concrete class analysis today can offer. While it is true that the concept of organic composition must be re-examined – since its content has changed – this does not mean we should throw the baby out with the bath water by jettisoning the method as a whole.

Revolution Retrieved

By doing just this, the “subjectivist” comrades come to resemble the bourgeois economists, in that they draw from the realisation of the Marxian tendency catastrophist and exaggerated conclusions which are incorrect.

From a correct criticism of the old socialist model of organisation, they draw mistaken deductions. This impression is further supported when we turn to another series of problems concerning organisation. In the organisational conceptions of the Second/Third Internationals, the relation between the leadership and the movement was articulated and justified through analysis of the political composition of the class; the requirement that any organisation be modelled on the material basis of class composition was again fulfilled in this respect. The political leadership of the class duplicated in its relation to the mass movement the dualism that existed in the movement itself: between a mass vanguard of professionalised workers (the agency controlling production), imbued with the ideology of productive work, and the proletarian masses. The question of the greater or lesser degree to which leadership should be external to the movement – the issue of contention between Luxemburg and Lenin, for example – is not to be seen as an *alternative* to this general model. Indeed, this debate (when not interpreted in ideological terms) only confirmed the model; the greater or lesser “externality” of political leadership depended essentially on the degree of homogeneity reached by the proletariat of the different nations – in the case in question that of Germany, for example, certainly exceeded that of Russia. Hence the socialist model of leadership had a clear basis within the social composition of the proletariat at that time. How do our “subjectivist” comrades react to the eclipse of the general conditions of this model, to the end of any material reference point for this organisational articulation? They react by theorising the most absolute dichotomy between the spontaneous mass struggles of the proletariat, and revolutionary subjectivity; by totally separating the autonomous struggles of the class from the goals of organisation. Paradoxically, the notion of an external subjectivity of revolutionary organisation has been borrowed once again from the hardline, orthodox theories of the old socialist model; this is now justified by the refusal to accept any connection, any organic relation between capital and class political composition. What we have here is a sort of Leninism in the abstract, divorced from the conditions specified by Lenin in the *Development of Capitalism in Russia*, which were the point of departure for his entire practice.

This is a problem, precisely, of subjectivism, which we can now call “proletarian”, where formerly it was called “third worldist” or “studentist”. It represents a response to the reality of the socialisation of

Crisis of the Planner-State: Communism and Revolutionary Organisation

production on an unprecedented scale, and the extraordinary extension of mass struggles in recent years. It avoids, however, coming to grips with the material specificity of these historical developments, and hence fails to connect the will to organise with any real and effective content of a programme.

At this point, we should go back and shift the whole problem to the theoretical level. Let us return to the *Grundrisse*, the development of the tendency according to Marx. How does Marx define the break-point in the dialectic between the maximum socialisation of the proletariat as wage labour, and the complete externality of capital as alienated command over work? What does this “realisation of the tendency” signify for Marx? Does it mean the simple emergence of an unavoidable historical necessity? Or, alternatively, a historical rule of thumb, lacking any specific content? It is neither. On the contrary: the realisation of the tendency in Marx is the emergence of a necessity for and within the masses. It is objective, in that it is constituted in relation to the subject-agency of the masses, which capitalist development itself creates and is forced to reckon with. It means the victory of a dialectical movement, the maturation of a specific, historical situation within the relationship, which is in turn destroyed through this relationship, by a historical subject arising from within it. The unity of the elements in Marx's discourse confirms here his own methodological premisses; the entire Introduction (*Einleitung*) of the *Grundrisse* spells it out. The tendency is itself a movement, the movement of a specific relation. Only through the specificity of this relation does it arise, and is it destroyed.

The tendency towards crisis is only brought about through and within a determinate, specific overall relationship of capital; of the mode of production in relation to the conditions of labour, of overall command in relation to the subjection of the working class – relations which are determinate and have an immediate prehistory. To break outside this dialectic, to pose the problem of the destruction of the existing system outside, without reference to, the movement that creates its chief precondition – the emergence of the proletariat as “social individual” – is to remain trapped in a suicidal dualism between subject and object. And where theory ends up empty-handed, practice must remain blind.

Let it be clear that we are not here attacking subjectivism on the grounds that it has no place in the Marxist theory of the tendency. On the contrary, we must criticise it precisely because it cuts itself off from that class subjectivity that gives body and life to the tendency in Marx, as specifically constituted through and within this historical phase of capitalist development. We could, at this point, elaborate further on this, if space allowed, by tracing back the recent history of Marxism in the West, showing how through the critique of the crude materialism of

Revolution Retrieved

the Soviet variety, it has fallen back into the dualistic alternative, a theoretical impasse equally incapable of reading the tendency within the activity of the class struggle, as the class struggle in action. This impasse results in political impotence, and hence in the response of terrorism as the only possible form of effective political struggle, as an attempt to “free” theory from its subordination. Freed from what? Freedom and subordination, whether in theory or in practice, can only be determined from within the movement of the tendency, the specific form of the class struggle that prepares the terrain for the destruction of the system. As regards the question of organisation, therefore, what counts is not the realisation of the tendency as a finished, given result, as a static stalemate. What counts is the process of its realisation seen as activity. Hence all forms of subjectivism are illusory, which assume the tendency as a result, and see the task as simply organising the attack on state power. Lenin’s *April Theses*, after all, could only have been written in April 1917!

This underlines, once again, the need to relate discussion and practice on the question of organisation back to the real materiality of class movements today. Along this path, to be sure, many traditional solutions will have to be discarded. The old economic categories within which the problem of organisation was posed are certainly suffocating. On the other hand, the total change in class content and reference points must in turn imply a change in the theory of organisation, in the way the categories are developed. But there is no other way. And, above all, there are no short cuts.

4. Abstract Labour as the Revolutionary Subject: the Basis of the Communist Programme, and Proletarian Appropriation

Our aim here is to show that communism is the present-day tendency, an active force operating in the here and now; that any notion of intermediate stages in the revolutionary process now becomes irrelevant; and that the class struggle is now immediately and directly aimed against the state. But, as we have seen, we have to show this from within the movement of the tendency, because this method of approach has important implications for defining our model of organisation, and for the link between organisational form and the programme. This is, after all, the essential meaning of dialectical materialism; the ability to understand and to further the growth of the revolutionary historical subject, through concrete analysis and not just by reference to generalities.

Hence we must refer back again to the tendency as described by Marx in the *Chapter on Money*. What is the basic contradiction, and how does its movement develop? Marx distinguishes two cases, two phases in this

Crisis of the Planner-State: Communism and Revolutionary Organisation

process. The first is that in which the labour of the individual is posed from the outset as a particular labour: to reach the level of general exchangeability, this labour has to be mediated, to become general. And it is, precisely, money that carries out this operation. Here, then, we have a contradiction between particular and general social labour mediated by money; a contradiction, however, which is overcome by money itself. Hence money fulfils here a productive, dynamic role. In the second case, that Marx distinguishes from the first,

“The social character of production is presupposed... the labour of the individual is posited from the outset as directly social labour.” Therefore “his product is not an exchange value” and “participation in the world of products, in consumption, is not mediated by the exchange of mutually independent labours or products of labour. It is mediated, rather, by the social conditions of production within which the individual is active.” (*Grundrisse*, op. cit., p.172)

This is where the basic contradiction becomes evident: the function of money becomes antagonistic; its mediatory role in a real productive sense becomes overdetermined through the development of the social forces of production. Hence:

“Those who want to transform the labour of the individual (or his product) directly into money, into realised exchange value, want to determine that labour directly as general labour, ie to negate precisely the conditions under which it must be transformed into money and exchange values, and under which it depends on private exchange. This demand can be satisfied only under conditions where it can no longer be raised. Labour on the basis of exchange values presupposes, precisely, that neither the labour of the individual nor his product are *directly* general; that the product attains this general form only by passing through an objective mediation, by means of a form of money distinct from itself.” (ibid.)

We have seen how capital, through the long period of its development, through manufacture and modern industry, advanced through and out the other side of the first phase, the “first case” that Marx describes. After the crisis of 1929, the second phase opens; from this point, we see the ambiguous, equivocal attempt on the part of capital to make money, as capitalist control over general exchange value, function within a contradictory relationship, that is openly recognised and acted upon.

Today, finally, we are witnessing the full maturation of this second phase; the mystifications that hid the contradictory role of money, that gave it an appearance of continuity in relation to the past, are being stripped away.

Revolution Retrieved

“This economic relation – the character which capitalist and worker have as the extremes of a single relation of production – develops more purely and adequately in proportion as labour loses all the characteristics of a specific art.” (*Grundrisse*, op. cit., p. 297)

And today, not only is labour materially constituted as the *general* basis of social production, but it is explicitly revealed as such:

“As the use value that confronts money posited as capital, labour is not this or that labour, but *labour pure and simple, abstract labour*, absolutely indifferent as to its particular specificity, but capable of all specificities.”

“Of course, the particularity of labour must correspond to the particular substance of which a given capital consists; but since capital as such is indifferent to every particularity of its substance, and exists not only as the totality of the same, but also as the abstraction from all its particularities, the labour which confronts it likewise subjectively has the same totality and abstraction in itself.” (*Grundrisse*, op. cit., p. 296)

It is important to emphasise the critical point that we have reached today, within this second phase as described by Marx. It has crucial consequences as regards the movement of the tendency. Specifically: the crisis from 1929 must be seen as the starting point of this phase. Or, to put it more precisely, the point at which, in response to the revolutionary socialist challenge and the October Revolution, the change towards mass production took place on a general scale, as a means of undermining the basis of working-class organisation. The crisis from 1929 led to the recognition and assumption of the reality of this situation on the part of the state. From this point, production becomes based on a general, massified labour. The social character of production, in Marx’s terms, makes the product, from the outset, a general, social product. But at the stage we have reached today, the mystifications of this recomposition of capital and the state after 1929 are being torn away, and can no longer operate. The relationship between the working class and money as the framework of control, dynamically established by planning, and hence the role of money as the general equivalent of exchange values, is now recognised, from the working-class viewpoint, for what it is: a pure semblance, a hoax. Marx foresaw this latest decisive stage in the following terms:

“When competition permits the worker to bargain and contest with the capitalist, he measures his demands against the capitalist’s profit and demands a certain share of the surplus value created by him; so that *the proportion itself* becomes a real moment of economic life. Moreover, in the struggle between the two classes, which necessarily

Crisis of the Planner-State: Communism and Revolutionary Organisation

arises with the development of the working class, the measurement of the distance between them, which, precisely, is measured by wages as a proportion, becomes decisively important. The *semblance of exchange vanishes* in this process of the mode of production founded on capital.” (*Grundrisse*, op. cit., p. 597)

This means that the movement of the tendency is also the movement of a revolutionary historical subject; with the disappearance of the semblance of exchange value, the antagonism of the tendency points to a *movement from wage struggle to the struggle over appropriation*. (We shall return to this later.) Moreover, if this recognition has come about, and the mystification of exchange value no longer operates, then the mystification of socialism is also redundant, by the same token! Socialism, as the realisation of labour value through exchange, can only operate in a narrowing field of real possibilities; the same is true of any relation that exists outside the basic, growing antagonism between labour and exchange value. Or, to put it more precisely, the socialists’ Utopia can only serve (as it did for a period after the 1929 crisis) as an ideological smokescreen for capitalist control over the antagonism that has emerged.

In this new context, with this ever more compact and unified basis of wage labour, and now that the semblance of exchange has been shown up for what it is, communism has become an historical necessity: both as a product of, and as the subversion of, the present state of things. The tendency creates the terms of this opposition: against “the universal prostitution, which appears as a necessary phase in the development of the social character, of talents, capacities, abilities, activities”, (*Grundrisse*, op. cit., p. 163) we have “free individuality, based on the universal development of individuals and the subordination of their communal, social production, as *their* social wealth, *their* patrimony”. (*Grundrisse*, op. cit., p. 158)

This analysis of the basic contradiction, however, concerns not just the *qualitative* aspects of labour – that is, the ending of any qualitative differentiation within social labour as a whole. This socialisation and unity of wage labour also affects the *quantitative* question of labour time, as a dissolving factor; and this in turn introduces a further series of antagonisms. Marx’s analysis of labour time is obviously fundamental in this regard; but his observations should also be read in relation to the related movement towards the dissolution of the division of labour (to which he refers both implicitly and explicitly).

“To the degree that large-scale industry develops, the creation of real wealth comes to depend less on labour time and on the amount of labour employed than on the power of the agencies set in motion

Revolution Retrieved

during labour time, whose 'powerful effectiveness' is itself in turn out of all proportion to the direct labour time spent on their production, but depends rather on the general state of science and on the progress of technology, or the application of this science to production." (*Grundrisse*, op. cit., pp. 704-5)

To the same extent that socially necessary labour time is reduced, science is immediately incorporated in production:

"Invention then becomes a business, and the application of science to direct production becomes a prospect which determines it." (*Grundrisse*, op. cit., p. 704)

It is on the basis of these conditions that:

"Real wealth manifests itself – and large scale industry reveals this – in the monstrous disproportion between the labour time applied and its product, as well as in the qualitative imbalance between labour, reduced to a pure abstraction, and the power of the production process it superintends." (*Grundrisse*, op. cit., p. 705)

The contradiction that is brought to a head under these conditions is both general and specific. It is general, firstly, in that capital, faced with this process, "presses to reduce labour time to a minimum, while it posits labour time, on the other hand, as sole measure and source of wealth". Secondly, and more specifically, we have the law regulating labour productivity:

capital "diminishes labour time in the necessary form so as to increase it in the superfluous form – hence it posits the superfluous in growing measure as a condition – question of life or death – for the necessary." (*Grundrisse*, op. cit., p. 705-6)

This quantitative contradiction, then, is, if anything, even more pregnant in its consequences than the qualitative contradiction above, brought about by the process of abstraction of labour. Here again, the contradiction reveals the working class as the historical subject behind the movement of the tendency. Not only is it revealed in all its antagonistic activity, as the active possibility of subversion of the system; it is also shown as representing a new principle, a new subjectivity, which is being constructed at the social level, and which is communist in its content.

In the first place, this movement of the contradiction is an *antagonistic* activity:

"On the one side, (capital) calls to life all the powers of science and of nature, as of social combination and of social intercourse, in order to make the creation of wealth independent (relatively) of the labour time employed on it. On the other side, it wants to use labour time as

Crisis of the Planner-State: Communism and Revolutionary Organisation

the measuring rod for the giant social forces thereby created, and to confine them within the limits required to maintain the already created value as value. Forces of production and social relations – two different sides of the development of the social individual – appear to capital as mere means, and are merely means for it to produce on its limited foundation. In fact, however, they are the material conditions to blow this foundation sky-high.” (*Grundrisse*, op. cit., p. 706)

In the second place, this movement is seen as an activity of *reconstruction*, as the real possibility of communism within the present:

“No longer does the worker insert a modified natural thing [*Naturgegenstand*] as middle link between the object [*Objekt*] and himself; rather, he inserts the process of nature, transformed into an industrial process, as a means between himself and inorganic nature, mastering it. He steps to the side of the production process instead of being its chief actor. In this transformation, it is neither the direct human labour he himself performs, nor the time during which he works, but rather the appropriation of his own general productive power, his understanding of nature and his mastery over it by virtue of his presence as a social body – it is, in a word, the development of the social individual which appears as the great foundation-stone of production and of wealth. The *theft of alien labour time*, on which the *present wealth is based*, appears a miserable foundation in face of this new one, created by large-scale industry itself. As soon as labour in the direct form has ceased to be the great well-spring of wealth, labour time ceases and must cease to be its measure, and hence exchange value must cease to be the measure of use value. The *surplus labour of the mass* has ceased to be the condition for the development of general wealth, just as the *non-labour of the few*, for the development of the general powers of the human head. With that, production based on exchange value breaks down, and the direct, material production process is stripped of the form of penury and antithesis. The free development of individualities, and hence not the reduction of labour time so as to posit surplus labour, but rather the general reduction of the necessary labour of society to a minimum, which then corresponds to the artistic, scientific etc. development of the individuals in the time set free, and with the means created, for all of them.” (*Grundrisse*, op. cit., p. 705-6)

This is the level of maturation and expansion of the tendency, which we must recognise we have now reached. And this leads to a first conclusion as regards the problem of revolutionary organisation, seen in relation to the determinacy of class composition in the Marxist and Leninist theoretical sense. The exchange of labour-power is no longer

Revolution Retrieved

something that occurs, in determinate quantity and specific quality, within the process of capital; rather, an interchange of activities determined by social needs and goals is now the precondition, the premise of social production as such; and sociality is the basis of production. The labour of the single producer is posed from the outset as immediately social labour. Hence the product of this aggregate social labour cannot be represented in the form of exchange value, not even when the proportionalities of general labour and command are mediated and controlled by the state in the form of capitalist planning. Work is now an immediate participation in the world of social wealth. To recognise this provides a necessary programmatic content to the question of organisation. It defines the theoretical and practical tasks we have to develop along the general line of *direct appropriation of social wealth*, as the recognition in practice of these social conditions of production. The mass content of any working-class revolutionary organisational project today, inasmuch as it extends to the whole of abstract labour, can only, under these conditions, be based on a programme of direct social appropriation of the wealth that is socially produced.

The slogan of *working-class appropriation* represents the practical recognition of this. It is a practical recognition that the development of the social forces of production faces a barrier in the capitalist appropriation of wealth; and that a new historical revolutionary social subject can now take upon itself the task of realising communism in the forms and contents of its struggles, through the very character of its own social existence.

5. The Crisis of the Planner-State: the Big Enterprise as the Articulation of the Tendency and the Subject of the Antagonism from Capital's Point of View

We have seen how the tendency in Marx promotes a development which is first contradictory and then becomes antagonistic. Contradiction and antagonism imply subjects in a mutual inter-relation, and we have seen how the historical proletarian subject emerges with increasing clarity. We must now turn our attention to the other subject, to capital, in order to see how it moves within the tendency, and how its activity develops with a view to closing the antagonism, as opposed to opening it up. In general terms, class activity is progressive, that of capital regressive, in the development of the tendency. Both are affected by the newness and originality of the phase now reached in the class struggle – a fact which qualifies the strategic goals of the struggle. But it is only in the determinacy of the actual confrontation that we can grasp the tactical goals, the specific movements of the struggle, that

Crisis of the Planner-State: Communism and Revolutionary Organisation

must form part of any discourse on organisation.

At this level of development of the tendency, what then is the response of capital?

We have already referred in Chapter 2 to the position of the “economists”. In their eyes, the crisis of the Keynesian state-form constructed post-1929, the breakdown of the proportionality governing the division of social wealth set up to contain the new formidable class subject, this crisis means the end of any possible organic relation between the working class and the state as the collective representative of capital. The crisis of this “planner-state” can only lead to a power relation totally freed of any determination in value terms by the general equivalent, separated from any link with the organic composition of capital, and hence premised on non-intervention in the process of social production. The separation and unilaterality between labour and command over labour is thus pushed to the furthest limit; the state can only take the form of a “crisis state”, in which it enforces and manages its own freedom of command for the survival of the system as a whole. “A general devaluation and destruction of capital... a general devaluation which extends in a generalised crisis to living labour itself.” (*Grundrisse*, op. cit., p. 446) Such perspectives, according to the economists, are unavoidable, if one takes as given a permanence of crisis as the normal condition of capitalist development and of an adequate functioning of the state. As we have seen, this theoretical position is also shared by subjectivist tendencies in the revolutionary left, which argue the consequent need to separate organisational projects from any reference to the political composition of the class. Both these positions, we have suggested, represent at best only a partial and one-sided view.

It is obvious and undeniable that this use of crisis in the form of devaluation which extends to the value of labour-power itself, is the major immediate path that capital must follow. Equally undeniable, in a less immediate sense, is the tendency according to which

“labour itself progressively extends and gives an ever wider and fuller existence to the objective world of wealth as a power alien to labour, so that, relative to the values created or to the real conditions of value creation, the penurious subjectivity of living labour-power forms an ever more glaring contrast.” (*Grundrisse*, op. cit., p. 455)

Hence to emphasise this aspect of the crisis in a one-sided way means overlooking the even more powerful tendency, that of communism as an active force in the real movement of the antagonism. Nor, on the other hand, should the mechanism of crisis be seen unilaterally in terms of devaluation of capital and of the value of labour-power. On the contrary,

Revolution Retrieved

“the destruction of value and of capital which takes place in a crisis coincides with – or means the same thing as – a general growth of the productive forces”. (*Grundrisse*, op. cit., p. 446)

Hence crisis and restructuration must be seen as simultaneous, as an attempt on the part of capital, at the same time as the proportions of necessary labour to surplus labour (“or, if you like, of the different moments of objectified to living labour”, *Grundrisse*, op. cit., p. 444) are altered, to restabilise a different relation, to re-establish levels of organic composition that are favourable to capital. It might be objected that to argue such a simultaneity of crisis and restructuring, given the present level of the tendency and the power relations determining the present crisis, can only serve as a mystification. But to be a mystification does not mean that it is any the less efficacious! The answer to the subjectivist comrades who argue along these lines can be found in Lenin’s aphorism: “You include in the ‘semblance’ [*Schein*] all the wealth of the world, and deny the objectivity of the ‘semblance’.” (*Philosophical Notebooks*) In reality, it is precisely within the efficacy of the capitalist response, or “if you like” that of its mystification, that the tendential antagonism can become more or less explosive. It is only by confronting this activity of capital (however mystified) that the communist tendency operating at a mass level can assume an effective subversive potency. Only within the specific and contingent nature of this relation can the bosses renew their own concept of capital and the proletariat discover its own new practice of organisation.

And in fact the capitalist class is constructing for itself a new concept of capital, based, as usual, on the lessons and experience of the workers’ struggles. Only on this basis (as is well recognised, if not scientifically, at least at the level of capitalist awareness) can theoretical innovation and renewal at the level of political power be possible: to capitalise the workers’ struggles, or to “capitalise the revolution” as a *Times* editorial recently put it. Capitalist thought and the practice corresponding to it focus on the causes of the present crisis with the aim of overcoming and containing them. The domination of the capital relation requires as always both utilisation and repression of the class struggle.

How then, broadly speaking, has the crisis of the Keynesian state developed since 1929? The state as planner, based on a dynamically controlled proportionality, has broken down in the face of an unprecedented massification of struggles, an enormous extension of wage demands, which confronted the state with a unification of abstract labour in a collective movement pushing up the value of necessary labour. This produced a widening disproportion between necessary labour and surplus labour, which, translated into exchange value terms, is called inflation. With inflation, the crisis of accumulation becomes

Crisis of the Planner-State: Communism and Revolutionary Organisation

first and foremost a crisis of the state. Since the Keynesian state form has the key hegemonic role in the chain or sequence that runs from the enterprise to the plan to the state, in balancing and promoting development, this could hardly have been otherwise. The factory was subordinate to the state, which guaranteed the basic conditions for the functioning of the system – of the factory system itself in the first instance. Through the action of the state, exchange value was guaranteed in its operation as the general law governing the reproduction of the productive system. But this mechanism has failed to function. It has been broken apart; starting from the factory itself, and extending to the conditions of reproduction in society at large, exchange value backed by the state as its guarantor, has been rendered inoperative. In the massified struggles of the “mass worker” the link between labour and the value of labour was broken. In this situation, the state could only continue to guarantee a relation of proportionality based on the value of labour by promoting a dynamic process of reformist adjustments, measured according to the necessary proportions for which it stood as guarantor. But the reformist solution, in these conditions, at this level of working-class pressure, with the fixed limits broken within which it could positively be effective, only becomes a further element of dissolution of the mechanism, upsetting the correct functioning of the principle of exchange value even more disastrously.

At this point, capital is forced to accept the situation brought about by the split between labour and the general law of value. The capitalist attempt to re-establish hegemony over the class relation follows from this perception. In this attempt to restore the functioning of exchange value, the basic determination of the tendency, the separation implicit in exchange value, is immediately subsumed and made explicit on the part of capital; capital becomes openly and exclusively “command over the labour of others”. The split between labour and labour value in exchange, once it is accepted on the part of capital, leads to an inescapable conclusion: command as such, generalised command over labour, becomes not just what it has always been, the qualifying motive of capital as such, but the basic element required for its existence, for its very survival as a system. It becomes the specific determination of capital for the historical period in question. A second consequence, which follows from this premise, and which is also becoming apparent, is that the sequence state-plan-enterprise is overthrown, becomes reversed. Whereas the state previously fulfilled a hegemonic role, representing and guaranteeing equivalence of all the factors in the movement of production-reproduction, the collapse of equivalence now makes the function of the state subordinate to that of the big enterprise – which means multinational enterprise as the predominant form of

Revolution Retrieved

today. At the level of the world market, the “crisis-state” thus also represents a crisis of “national states” in relation to the multinational enterprise as the dominant form of capitalist command. Whereas hitherto the state was the organiser of all the conditions of social production, the working-class offensive has now disrupted these conditions and forced capital to fall back on the one condition that remains paramount: command by the enterprise over the extraction of surplus labour. At the level of economic theory, this shift is already registered by the new American economists, following the demise of neo-Mercantilist and Keynesian theories, who now openly attack traditions of reformist consensus and push for policies of selective incentivisation. At the national level, we have the crisis of reformist politics, to the extent that it is now recognised – to quote a phrase that Marx would have liked – that “the enterprise is the basis of the state” (Glisenti), while at the international level, in parallel with the end of Keynesian domestic policies, we have the collapse of the Bretton Woods system and of agreements on exchange of the general equivalent between states. This clears the way for multinational enterprise fully to take over the functions of organising command over the conditions of development.

Paradoxically, in this phase of profound crisis, capital is forced to relive the heroism of its own genesis:

“The highest development of capital exists when the general conditions of the process of social production are not paid out of *deductions from the social revenue*, the state’s taxes – where revenue and not capital appears as the labour fund, and where the worker, although a free wage worker like any other, nevertheless stands economically in a different relation – but rather out of *capital as capital*.” (*Grundrisse*, op. cit., p. 532)

But the capitalist project today is not merely a response to the impact of the working class struggle on the structure of the Keynesian planner-state. It also seeks to interpret the form and substance of this class offensive, its class subject, which is the “mass worker”. It seeks to interpret the mass worker phenomenon in order to both recuperate it within the productive system and reshape it. Hence the current tendency towards a *fluidification* of all moments of the productive cycle, increasing the productivity of both individual and collective social labour – the “positive” aspect of restructuration in the true sense of the word. On the other hand, there is the negative, reactionary aspect: the attempt to decompose the “mass worker” by inserting new mechanisms of division of labour now entirely linked to participation in the command of the enterprise. In this way the overall political scope of the capitalist project comes to focus on the labour process, and the urgency of

Crisis of the Planner-State: Communism and Revolutionary Organisation

reestablishing control over development takes the form of attempts to restructure the organic composition of capital. This now takes a purely political form, is subjected above all to political imperatives in redefining and reasserting the relation between massification of production and the functioning of command within it. The superabundance of capital, as a result of the emergence of the mass worker, has removed the possibility of an organic composition determined by labour time and by varying productivities in different sectors of the division of labour. The levelling of work to generic, abstract labour requires as its corollary the continued existence of the value form, of capitalist command, of the factory extended to the entire society. From this point of view, the enterprise – seen as a global factory – is the key concept for capital today, produced by the bosses as a concept to match their needs in the specific phase of class relations we are witnessing at present. The combination of fluidification of work throughout the productive cycle and selectivity in the functions of control and rule within the cycle – and hence the significance of automation – has now reached the level of a historic turning point in capitalist development, comparable to that of Taylorism and Fordism earlier in the century. Then it was mass production introduced to undermine the professional and skilled basis of working-class organisation. Today it is selective participation in command that is the weapon employed against the massified working-class basis of organisation.

We can now come to some general conclusions from this discussion of restructuration. We have seen that capital – as an alternative to, or better still as part of, its overall use of the crisis – given the level reached in the development of the tendency, attempts to “capitalise the revolution”, mystifying and obscuring the emergence of the class subject, the massified and compact unity of abstract labour, by developing a fluid and levelled composition of productive work. The key control mechanism in this transformation is the enterprise, in the sense that it extends the norms of factory-command over work to the whole of social labour time. This is the solution that capital is now embarking upon, through its awareness of the causes of the crisis of the planner-state, through its attempt to control the class movement which has destroyed the basis of the Keynesian state. If this, in broad terms, defines the line that capital has been forced to take through the dialectic of the class struggle, then our critique of all the current subjectivist theories of revolutionary organisation is confirmed. The need for communist political organisation of workers and proletarians, geared to insurrection, is too urgent, and, as we have shown, all too clearly justified by analysis of the tendency in Marx, to be left to voluntarist and

Revolution Retrieved

elitist tactical solutions. To subvert the capitalist organisation of command over social labour, which is exercised by and extended from the enterprise, is the primary tactical task of revolutionary organisation today. Not to take up this specific subversive programme would mean running the risk of the communist movement of the masses being annulled by repression – not by the law, but by the material means at the disposal of the system. At any rate, it would mean that there could be no immediate organisational outcome for the movement as a whole.

I began this chapter by saying that it was not enough to consider the explosive implications of the analysis of the Marxian tendency; that it was necessary to grasp the specific behaviours and tactics of the class adversaries within the antagonism. Now that we have examined the activity of the capitalist class, we can begin to define the problems and tasks to be confronted by revolutionary workers' organisation. The tasks are: to organise social appropriation at a mass level but also to break the political hold of the dominant vehicle of capitalist restructuring today – in other words, the enterprise. The problem lies in the fact that these are not two tasks, but one. To mobilise the mass worker against the factory system, to organise the whole of abstract labour against the imposition of the form of exchange value – both struggles are against the factory. Here lies the key problem for working-class organisation today, and it is related to the problem of the organic composition of capital.

6. Preliminary Reflections on Some Objections Regarding Method: Tendency, Science and Practice

At this point, a brief digression on questions of method is required. In the past, two major objections have been raised against the kind of argument I have advanced thus far. The first is the accusation of *economism*: ie of relying on a deterministic view of the Marxian tendency, postulating an immediate translation of this tendency into reality (in other words, overlooking the concrete specificity of any given reality, and the specific ways in which that reality must be grasped and mastered in practice). The second accusation (complementary to the first) is that of *idealism*: that of hypostatising the subjective poles of the antagonism, isolating contradictions and antagonisms from the series of practical operations that follow from the identification of any antagonism if it is to be organised. In which case, clearly, idealism leads to spontaneism.

At the level of practice, these objections have already been shown to be quite petty. There would be no need to dwell on them, were it not that answering them gives us a chance to examine our own point of view in

Crisis of the Planner-State: Communism and Revolutionary Organisation

greater depth. Let us take the first objection. In order to answer it, we have to clarify what we mean by the tendency. The tendency is in no sense a necessary and ineluctable law governing reality. The tendency is a general schema; it takes as its starting point an analysis of the elements that go to make up a given historical situation. On the basis of that analysis, it defines a method, an orientation, a direction for mass political action.

The tendency gives us a forecast that is determinate, specified by a materialist dialectic which is developed by the factors comprising it. The tendency is the practical/theoretical process whereby the working-class point of view becomes explicit in its application to a determinate historical epoch. This means that to pose the tendency, to describe it and to define its contradictions is a far cry from economic determinism. Quite the opposite: to pose the tendency is to work up from the simple to the complex, from the concrete to the abstract, in order to achieve an adequate overall theoretical perspective within which the specificity and concreteness of the elements which were our initial starting point may then acquire meaning.

“The concrete is concrete because it is the concentration of many determinations, hence unity of the diverse. It appears in the process of thinking, therefore, as a process of concentration, as a result, not as a point of departure, even though it is the point of departure in reality and hence also the point of departure for observation [*Anschauung*] and conception. Along the first path, the full conception was evaporated to yield an abstract determination; along the second, the abstract determinations lead towards a reproduction of the concrete by way of thought.” (*Grundrisse*, op. cit., p. 101)

Thus the tendency method of proceeding is far from being rigid or deterministic. As a way of proceeding, we can see it as reason’s adventure as it comes to encounter the complexities of reality. Reason is prepared to accept the risks of this adventure: in fact the truth of the tendency lies in its practical verification. You can hardly call this economism! Mao Tse Tung describes this method, and then notes:

“In this method, we do not distance ourselves from materialism; rather, rejecting mechanistic materialism, we defend dialectical materialism.” (Mao Tse Tung, *Collected Works*)

In fact, if we look at the ways in which classical writers like Marx, Lenin and Mao overturned the Hegelian dialectic, we see that they were based on a process of dismantling deterministic perspectives in an attempt to reintroduce into the critique of political economy an analysis of the complexities of concrete reality. Their aim was always to translate theoretical foresight into politics and practice – and, ultimately, always

Revolution Retrieved

to pose (at this level) the problem of organisation. So, if we are to stand accused, let us be accused not of economism but of a genuine problem of our backwardness in finding a new solution to the problem of organisation. We would accept such an accusation critically and set to work to resolve it, within and through the movement.

But if proof of the validity of the tendency method is to be found in organisational practice, then the second accusation often levelled against us – that of idealism and spontaneism – is also misplaced.

Our assumption is that the tendency exists as polarity, that it is characterised by contradiction, and that it is possible to transform it into antagonism, into revolutionary process and insurrectional initiative. In no sense is this an idealistic hypostasis of the reality in question; rather it is a precondition of any analysis that seeks to be meaningful. There is no such thing as objective truth given at the outset: truth has to be constructed in the struggle, through the struggle, through the transformation of practice. Marxist analysis defines the reality with which it is concerned by imposing a class point of view from the start; this is its operative schema; it takes the side of the working class, and its intentions are revolutionary. It presupposes above all a practical challenge (act of force) in relation to reality. Its truth lies in the result; analysis takes as its starting point the political result that is desired. Thus “human anatomy contains the key to the anatomy of the ape”. (*Grundrisse*, op. cit., p. 105) Only a practice thus determined can constitute an objectivity that is meaningful for us:

“Truth is a process. Man moves from the subjective idea to arrive at objective truth via practice.” (V.I. Lenin, *Philosophical Notebooks*)

Nor is this an indeterminate process; it is a determinate practice. Lenin writes (and is echoed by Mao):

“Practice is superior to (theoretical) understanding, inasmuch as it has within itself not only the dignity of the universal, but also the dignity of immediate reality.” (V.I. Lenin, *Philosophical Notebooks*; Mao Tse Tung, *Selected Writings*)

So, if this theory stands accused, let it not be accused of sectarian subjectivism – after all, this is a characteristic of dialectical materialism, “an open recognition that it serves the people” (Mao Tse Tung, *Selected Writings*). If there is a genuine accusation to be made, it is that of not having yet brought to bear on our practice the weight of immediate concrete reality which is needed to build an adequate form of organisation. And this is precisely the goal towards which we are now working.

It is on the basis of these presuppositions that analysis of the tendency can uncover in the past (precisely as their presupposition) those

Crisis of the Planner-State: Communism and Revolutionary Organisation

objective antagonisms that today we are seeking to maximise from the working-class standpoint. Thus we can identify in the past the changing mechanisms of control, the recompositions of the dialectic of capital which today the class viewpoint seeks to destroy. The existence of the working class has always produced, and been premised upon, specific historical forms of the antagonism.

The various epochs in the history of the working class are marked by the emergence of specific antagonisms around which the struggle and the problem of organisation have revolved. It is around these antagonisms (and to work towards their explosion in a revolutionary sense) that organisation was built. The specific antagonism in the period of the Second International was that between working-class control of the labour process and the capitalist ownership of the means of production; from the period between the two world wars – and right up to the 1960s – we had the specific antagonism between the massification of labour-power and the specific proportion of its dynamic control within capital's plan – ie the wage contradiction; today's specific antagonism is that between the overall constitution of the working class into a new political identity and the factory-form of capitalist domination, between command by the enterprise (*comando d'impresa*) and a desire for communism on the part of the masses.

This historical perspective on the changing terrain of struggle and organisation illustrates well the fruitful outcome of our methodology. For here we have the paradox that, in following through the contradictions and specificity of the antagonism present within the tendency, the result is far from being deterministic and economistic. On the contrary, the dialectical antagonism between the command of the enterprise and the communist will of the masses dissolves any merely sociological definition of the elements in question, any merely economic definition in terms of value. Here the political relation is paramount. And this dominance of the political is brought about precisely through the development of the tendency that the dialectic of the struggle between classes has produced. This political dominance can in turn be both verified by and provide the basis for a redefinition – to which we have already alluded – of several key categories of Marxist analysis. Firstly, that of capital, which, through the development of the enterprise-form of command, becomes more and more dissociated from a purely value definition and operates more and more in a context of relations of force. Secondly, that of organic composition, which, correspondingly, no longer consists of a relation of intrinsic factors, but is politically overdetermined.

Here, in other words, we have a good example of how the new content gives a new form to the scientific categories of Marxist analysis.

Revolution Retrieved

And this procedure is also in accordance with the indications of method given by the classical Marxists:

“The activity of man, who creates an objective framework of the world, in turn transforms that external reality, overthrows its determinacy (ie transforms its various aspects and their qualities) and thus removes from it its characteristics of appearance, of exteriority, of nullity, and renders it existent in and for itself (ie objectively true).” (V.I. Lenin, *Philosophical Notebooks*)

The tendency, therefore, provides the determinate frame of reference within which the subject produces himself; he places himself in relation to this determinate framework; and in this process transforms himself and thereby alters the frame of reference itself. The working-class struggle is the means and motive force of this transforming, a process which constitutes both the objectivity against which the struggle is applied and the subjectivity of the class agency itself:

“The struggle of the proletariat and of the popular revolutionary masses for the transformation of the world involves the realisation of the following tasks: transformation of the objective world and at the same time transformation of its own subjective world; transformation of its own abilities of understanding; transformation of the nexuses between the subjective world and the objective world.” (Mao Tse Tung, *Selected Writings*)

To be within this process is a fundamental precondition for being able (a) to pose the problem of organisation; (b) to develop the tendency to the point of being able to proclaim it *in prima persona*; and (c) to ensure the victory of the project contained in the tendency. This method, in other words, provides us with the key to resolving the problem of organisation – it implies organisation.

One final note. What I have said so far is useful in the sense of clarifying our initial starting point, but not for resolving the problem that is posed. To suppose otherwise would be idealism pure and simple! However, while not actually resolving the problem, it does serve to provide the correct terms of its resolution, and suggests a style of work which will right away be capable of meeting a fundamental requirement: namely that what needs to be done is to develop organisation – in terms of our initiatives and the programme itself – in contact with and in symbiosis with the mass movement. A correct method of working is particularly important as regards the problem of timing in revolutionary work. Given what I have said, it is obvious that the problem of timing can certainly not be entrusted to a theoretical forecasting of a predetermined outcome, waiting for the expected result, or to a conjuncture that depends on forces external to the class relation. The

Crisis of the Planner-State: Communism and Revolutionary Organisation

timings of the revolutionary process and of the process of organisation are dictated by, and within, the relationship with the mass movement that one may or may not succeed in bringing about. To expect or to believe otherwise is mere opportunism. And the responsibility for whether the revolutionary process is fast or slow in developing rests with us, as revolutionaries.

7. Against Enterprise-Command: the Organisation of Insurrection Within the New Composition of the Working Class

Let us now re-examine the problem of organisation in the light of our earlier comments about the new composition of capital. I have said several times that for me it is fundamental – fundamental in order to test the “objectivity” of our arguments – that we find ways of discussing organisation that are capable of opening up programmatic possibilities – in other words, that are able to determine the relationship between subversive intentions and the reality of that which is to be subverted. For this we need to go a lot further than the traditional terms in which organisational questions are generally posed among Marxists. We shall not, however, abandon the key relationship between organisation and the composition of capital; firstly because that provides theory with a negative support, in the sense of a real foundation to be overthrown (the determination of capital as direct adversary, as subject of the antagonism); and secondly, a positive support, since it provides us with a reference point created by capitalist development itself and located within the composition of capital. It ensures that the proletariat, as a revolutionary subject, is conceived in its relation to the determinacy of the capital relation.

Now, as regards the programme, I have already stressed the importance of the mass organisation of appropriation. Appropriation is a defining characteristic of class behaviour against the state of dis-value, of enterprise command [*comando d'impresa*], just as autonomy was the defining characteristic of class behaviour against the planner state, the state based on established general proportions between necessary labour and surplus labour. Appropriation is the process whereby a new type of historical revolutionary subject reveals itself; it is abstract labour transformed into both generality and individuality; it is the recognition that the forms of production are increasingly moving from a state of *contradiction* with the social forces of production, into a state of *antagonism*. Thus the programme (within this composition of capital and therefore of the class) must necessarily be developed in terms of generalised appropriation, the mass organisation of an attack on social wealth as something that should be regarded as our own. Through this programme, the social individual, in the present given conditions of

Revolution Retrieved

production, can recognise the present mode of production as a straitjacket constraining his own possibilities, and communism as the only reality which is adequate to his emergence as a new social subject of production. From this point of view, we can consider as cadres of revolutionary organisation all those who have reached this level of awareness and who promote, encourage and lead mass actions of appropriation. Actions oriented towards appropriation must now be seen as the normal, continuous and immediate terrain on which the programme is based; this is a strategic perspective made up by a constellation of tactical actions which help towards the recomposition of a general and massified revolt.

However, having said this, we have touched on only one aspect of the argument. As we have seen, the specificity of the situation lies not only in the emergence of the new subject – of a massified proletariat – but also in the relationship which is established between that newly-emerging subject and the enterprise form of command. If organisation confines itself merely to the former level, then it is strategically blind and bound to fail; more importantly – as always, when the dialectic is haltered – organisation lies prey to all the pitfalls of reformism and consequently of opportunism. Certainly, appropriation is *in itself* contradictory with capital's form of domination over the mode of production; but, on the other hand, we have also seen how this "enterprise-form" of capitalist command develops, precisely, as an ability to render insignificant, to dilute over time, to recuperate within its own circular and mediatory dialectic – and if necessary to destroy, within the crisis – the proletarian social individual. Nowadays, in certain instances, the reformism of the traditional labour movement is open to accusations of this kind of "good faith" – ie, in Marxist terms, false consciousness.

Thus, the second fundamental problem of the revolutionary programme is that of a correct assessment of the relationship between proletarianisation and the enterprise form of capital's domination over the mode of production. It is within this nexus, within this interplay, that capital plans, and maintains by force, its own survival; it is only in acting upon this political composition of capital that revolutionary intentions can find an adequate expression. Unless we confront this political overdetermination, its capacities for control over the unified movements of the proletariat, and the specificity of that overdetermination, then organisation cannot be said to be revolutionary organisation. To say this is once again to recognise the enterprise as *the* driving force behind the capitalist mode of production, in a situation in which there is no longer a general equivalence between labour-power and surplus-value extorted. This relationship – which nonetheless remains effective – can no longer be based on fixed proportions: it is a

Crisis of the Planner-State: Communism and Revolutionary Organisation

relationship based on the violence of enterprise command, on the use of crisis, on a continuous and commensurate process of restructuring.

Let us be clear: violence is the normal state of relations between men; it is also the key to progress of the forces of production. My denunciation is not therefore directed against that normality of violence, but against the fact that in the enterprise form of capitalist domination, violence has lost all intrinsic, “natural” rationale (“naturalness” being always a product of historic forces), and all relation with any project that could be deemed progressive. If anything, the enterprise form of violence is precisely the opposite: it is an irrational form within which exchange value is imposed on social relations in which the conditions of the exchange relation no longer exist. It is the intelligent form of this irrationality, simultaneously desperate in its content and rational in its effectiveness.

The enterprise as the most rational and intelligent form of command today – this is the enemy to be fought, this is the adversary against which, in all its single operations, all the class anger of the proletariat and all our hopes for communism should be brought to bear. The attack on the Enterprise-State must be carried forward, following the same forms in which the enterprise develops its control over the class – ie in forms which are intelligent and precise, which repeat within revolutionary organisation the effectiveness characteristic of the enterprise form of capitalist initiative. Every action of appropriation, whether spontaneous, semi-spontaneous or organised, should therefore be transformed into an action of militant attack against the domination which capital reproduces through precise and specific responses. Organisation must be a continuous process developed in this direction. This is the necessary path for any organisational programme today, if it is to be related to the present political composition of the proletariat.

The old perspectives which were based on representing and constituting working-class action within the cycle – as attempted by the theoretical positions developed in relation to the planner-state form – must now be replaced by action aimed at drawing out every emerging instance of the proletariat against the key moments of capitalist repression which now take the form of the enterprise. The cycle is no more, because it is incompatible with the development of the enterprise form. Control is exercised, so to speak, no longer at the level of the totality of the movements of the class, brought, in all their continuity and complexity, to a point of dynamic mediation; rather, control is exercised vertically and at precise points against any emergence of movement.

Thus, from the working-class point of view, the programme cannot have a long-term goal towards which it develops; it can no longer rely on

Revolution Retrieved

an organic growth. Rather, the programme must make up in intensity what it lacks in objectives over the long term, and in density what it lacks in overall articulation. To see insurrection not as the final, but as the first step of the revolutionary process is thus not some voluntaristic and intellectualistic reference to the extremist theories of the Third International; rather it shows a correct and lucid theoretical grasp of the new composition of capital; it is the practice of a level of subversion corresponding to the enterprise form of command over the mode of production. Insurrection is the rationality of a materialist and dialectical point of view in the face of the desperate irrationality of repressive imposition of exchange value over the recomposed proletarian individual.

At this point we have to confront a new problem. Having examined the contents of the programme, we now have to address ourselves to the question of a corresponding form of organisation. As we have seen, the programme, when it is rooted in the political composition of the class, has both a mass and a vanguard aspect. The specificity of the programme for the revolutionary period through which we are passing consists in the mediation of these two aspects, in the encouragement of mass appropriation which can be positively channelled towards moments of insurrection. The form of organisation must prove capable of embracing these two aspects, this dualism of the elements making up the programme. The vanguard has to prove capable of interpreting the mass tendency to appropriation and channelling it against the enterprise, against the factory-command that is imposed on the class. These two moments cannot be separated; nor can they be merged: both of them must be present within the overall movement, playing specific roles and recomposing themselves through insurrectional action led by the vanguards. Any attempt to separate these two moments must prove disastrous. Action by the vanguards alone is empty; action by the mass organisms alone is blind. But it is equally dangerous to attempt to merge the two moments into unified mass vanguards. In the period immediately preceding our present phase, in other words the period which saw working-class struggle directed towards (and winning at) the level of wages, within the power structure of the planner-state – in that instance, the vanguard could hardly avoid being confused with the mass movement in a way that corresponded to the dimensions of capitalist control in that period. Today, however, this duality of functions between vanguard and mass has become clearly necessary. At the same time, the division of these two functions does not mean that they can be rendered mutually extraneous – in the sense of a temporal separation, a chronological “before” and “after”, or even a logical separation. The simultaneity of these revolutionary functions is a counterpart of the

Crisis of the Planner-State: Communism and Revolutionary Organisation

simultaneity of the functions of repression and production within capital. So, we have a militant vanguard which is capable of establishing an effective relationship with the new mass organisations and which is capable of centralising and moving the overall movement forward towards insurrectional possibilities.

Admittedly, within the real process of organisation (and particularly during the transitional phase through which we are passing), a rigid use of the model runs the risk – as always – of becoming opportunistic. I say “as always”, because no model can be richer in content than the class struggle – and the struggle is the only school from which we accept to learn. In particular, today, the accelerator of subjective initiative requires to be pressed towards centralisation and the organisational formalisation of the vanguard; even – in certain cases – to the liberation of the vanguards from pre-constituted levels of autonomy and class spontaneity which, after having been fundamental in the struggle over the wage, now run the risk of becoming suffocating.

A hard and pressing battle now needs to be opened on these questions, and against the possible forms of opportunism to which they may give rise. But I should add at once that the other danger of which we should beware, in the process of organisation, is that of subjectivism and the re-emergence of forms of behaviour that burn all bridges with the internal dynamic of the political composition of the proletariat. It is within this jungle of the social factory, rather, that the vanguards can construct focal points of insurrectional struggle around which the masses of the exploited can mobilise. This possibility requires to be organised: the vanguard which organises struggles in an intelligent way, at precise points, against capital's social enterprise has to be capable of finding its reference point and its support within mass organisation.

In this sense, we are today reacquiring many of the elements which define the structure of the Leninist revolutionary party. In particular we are again moving towards the articulation between vanguard and mass, between party and mass organisations, as a fundamental element of the programme and form of organisation. We are also rediscovering the simultaneity of these two elements in the conception of insurrectionary initiative. For the new generation of revolutionary cadres, 1917 provides a formidable proof of the truth of the Marxist method in that historical phase. But today our Leninism is something new, in a very deep sense; it is new inasmuch as it seeks to verify a new analysis, a new project, based on the present class composition as it exists today.

For us today the articulation of organisation is posed not within the contradictions of development, but within the antagonism between the proletariat constituted as a unified class and the desperate imposition of the law of value over and against it. The articulation of organisation

Revolution Retrieved

takes place through the alternating rhythm of mass pressure towards appropriation, and vanguard action against the intelligence of capitalist initiatives at enterprise level. Not *for* work, not over the wage, but *against* work: this is the positive basis for revolutionary organisation in our time.

8. “Wealth” and “Poverty” of the Proletariat Within the Dialectic of Revolution

“The great historic quality of capital is to *create this surplus labour*, superfluous labour from the standpoint of mere use value, mere subsistence; and its historic destiny [*Bestimmung*] is fulfilled as soon as, on one side, there has been such a development of needs that that surplus labour above and beyond necessity has itself become a general need arising out of individual needs themselves – and, on the other side, when the severe discipline of capital, acting on succeeding generations [*Geschlechter*], has developed general industriousness as the general property of the new species [*Geschlecht*] – and, finally, when the development of the productive powers of labour, which capital incessantly whips onward with its unlimited mania for wealth, and of the sole conditions in which this mania can be realised, have flourished to the stage where the possession and preservation of general wealth require a lesser labour time of society as a whole, and where the labouring society relates scientifically to the process of its progressive reproduction, its reproduction in a constantly greater abundance; hence where labour in which a human being does what a thing could do has ceased. Accordingly, capital and labour relate to each other here like money and commodity; the former is the general form of wealth, the other only the substance destined for immediate consumption. Capital’s ceaseless striving towards the general form of wealth drives labour beyond the limit of its natural paltriness [*Naturbedürftigkeit*], and thus creates the material elements for the development of the rich individuality which is as all-sided in its production as in its consumption, and whose labour also therefore appears no longer as labour, but as the full development of activity itself, in which natural necessity in its direct form has disappeared; because a historically created need has taken the place of the natural one. This is why *capital is productive; ie an essential relation for the development of the social productive forces*. It ceases to exist as such only where the development of these productive forces themselves encounters its barrier in capital itself.” (*Grundrisse*, op. cit., p. 325)

This page of the *Grundrisse* is a fairly comprehensive resumé of Marx’s arguments regarding the tendency. Here we find all the elements

Crisis of the Planner-State: Communism and Revolutionary Organisation

that we have examined thus far: from the movement of money towards a productive role, to his definition of the antagonism produced by capitalist development; from his description of the emergence of the new historic proletarian subject, to his conclusions regarding the necessity of revolution and communism. But there is also something more, which would repay closer scrutiny: namely, his definition of the new social subject in terms of its qualities. This is important, because a number of significant concepts in the “organisation” debate are based, precisely, on the *quality* of the proletarian subject.

Now, in defining the quality of the new proletarian subject, Marx pursues two paths of analysis: a) the expansion of needs, which leads to a redefinition and a re-qualification of the subject in terms of consumption; b) the increase in the productivity of labour, which leads to a new concept of productive labour.

a) As regards the first line of analysis (needs), Marx paints a very broad picture of the expansion of historical needs and the way in which natural limits of consumption are surpassed via the development of real social wealth. (*Grundrisse*, op. cit., pp. 526-8) Seen in material terms, capital’s production of wealth induces “the universal development of the productive forces” via a “constant overthrow of its prevailing pre-suppositions” (*Grundrisse*, op. cit., p. 541): “capital has subjugated historical progress to the service of wealth”. (*Grundrisse*, op. cit., p. 590) “The result is: the tendentially and potentially general development of the forces of production – of wealth as such – as a basis (...) This basis as the possibility of the universal development of the individual, and the real development of the individuals from this basis...” (*Grundrisse*, op. cit., p. 542)

Thus the new definition of wealth becomes not simply a result, but a basis for the development of new results: the contradictory nature of the process reaches new heights which necessarily bring with them the possibility of its being surpassed. For this, however, “(it is) necessary above all that the full development of the forces of production has become the *condition of production*; and not that specific *conditions of production* are posited as a limit to the development of the productive forces”. (*Grundrisse*, op. cit., p. 542)

b) The second set of arguments, regarding increases in the productivity of human labour, provides an even clearer characterisation of the new historical subject, its fundamental importance, and the way in which (as an active force of production) it embodies a tendency to appropriation, in relation to the totality of wealth produced. “Not an ideal or imagined universality of the individual, but the universality of his real and ideal relations. Hence also the grasping of his own history as a process, and

Revolution Retrieved

the recognition of nature (equally present as practical power over nature) as his real body. The process of development itself posited and known as the presupposition of the same.” (*Grundrisse*, op. cit., p. 542) It is on this new basis – which emerges so powerfully as to require the dissociation of the capitalist constriction-to-work from work as free activity “as the living source of wealth” (*Grundrisse*, op. cit., p. 296; see also p. 613), and to require the abolition of the capitalist organisation of work, and of work itself inasmuch as it is wholly tied to the former... it is on this basis, as I was saying, that wealth (ie development of the productive forces) becomes the greatest potentiality of development – but now as a revolutionary inversion. One final, wonderful page, to illustrate all this:

“Real economy – saving – consists of the saving of labour-time (minimum (and minimisation) of production costs); but this saving identical with the development of the productive force. Hence in no way *abstinence from consumption*, but rather the development of power, of capabilities of production, and hence both of the capabilities as well as the means of consumption. The capability to consume is a condition of consumption, hence its primary means, and this capability is the development of an individual potential, a force of production. The saving of labour-time (is) equal to an increase of free time, ie time for the full development of the individual, which in turn reacts back upon the productive power of labour as itself the greatest productive power. From the standpoint of the direct production process, it can be regarded as the production of *fixed capital*, this fixed capital being man himself. It goes without saying, by the way, that direct labour-time itself cannot remain in the abstract antithesis to free time in which it appears from the perspective of bourgeois economy. Labour cannot become play, as Fourier would like, although it remains his great contribution to have expressed the suspension not of distribution, but of the mode of production itself, in a higher form, as the ultimate object. Free time – which is both idle time and time for higher activity – has naturally transformed its possessor into a different subject, and he then enters into the direct production process as this different subject. This process is then both discipline, as regards the human being in the process of becoming; and, at the same time, practice [*Ausübung*], experimental science, materially creative and objectifying science, as regards the human being who has become, in whose head exists the accumulated knowledge of society...

“As the system of bourgeois economy has developed for us only by degrees, so too its negation, which is its ultimate result. We are still

Crisis of the Planner-State: Communism and Revolutionary Organisation

concerned now with the direct production process. When we consider bourgeois society in the long view and as a whole, then the final result of the process of social production always appears as the society itself, ie the human being itself in its social relations. Everything that has a fixed form, such as the product etc, appears as merely a moment, a vanishing moment, in this movement.

“The direct production process itself here appears only as a moment. The conditions and objectifications of the process are themselves equally moments of it, and its only subjects are the individuals, but individuals in mutual relationships, which they equally reproduce and produce anew. The constant process of their own movement, in which they renew themselves even as they renew the world of wealth they create.” (*Grundrisse*, op. cit., pp. 711-12)

So, we have here a definition of the characteristics of the new social subject. Now we must ask ourselves in what form and to what extent this definition plays – *must* play – a role in our perspectives for revolutionary organisation. It is important that we are able to answer this question, particularly since the mass experience of the emergence of the new historical subject as a social force has already given rise to some alternative organisational interpretations. In short, in some positions the identification of the new qualities of this historical subject has given rise to forms of a “prefigurative life-style” and experiences of individual liberation: a mass propaganda along the lines of “living out communism”, accompanied by strains of specious populism and sub-culturalism. Such attitudes are very far removed from Marx’s hypotheses regarding the tendency. In positions such as these, the antagonistic specificity of the emerging proletarian subject is lost: they take an idealist view of the emergence of this wealth of productive forces – as an already-existing, organic realisation, and not – to use Marxist terminology – as a powerful, antagonistic potential that arises from the terrible and contemporary “poverty” of the proletariat.

In fact such positions tend to imply the possibility of an individual liberation struggle – the revolutionary struggle as easy and joyful, a matter of choice – which only shows their ignorance of the real dialectical dimensions of the project. This is the point that I made earlier: if the awareness of the growth of this new revolutionary subject is not accompanied by an awareness of the monstrosity of the continued functioning of the law of value – a law that is abstract, devoid of motivation – against the real movement, then there can be no concept of revolutionary organisation. This is why “joyful prefigurations” of this kind are necessarily accompanied by opportunism; and smug confidence in the continued organic growth of the mass movement as sufficient for

Revolution Retrieved

the self-development of the new historical subject, leads necessarily into reformism. Once again, as so often in the history of Marxist thought, we find society being given precedence over the state, the sociological over the political, and the ideal over the real. Such attitudes are incorrect in general terms, and if populism is in general (as it always has been) the forerunner of reformism, then today, in the specificity of today's political domination by capital, they become doubly dangerous: they act to mystify both the programme and the form of the new organisation.

The opposite should be the case. The only way to understand the emergence of this new historical subject and all the richness of its experience at a mass level, is to place it within the real dialectic of organisation, beyond all attempts at prefiguration, and all individual "liberation" in the sense of escapism. Certainly, this mass experience has contributed enormously to organisational practice and debate: in the sense that this new element in the composition of the working class is productive in revolutionary terms – it has a potential which is constantly held down and repeatedly capable of new explosions. When he defines the characteristics of this new class subject, Marx repeatedly stresses its *potentiality*: the working class is seen as a potential, as a continuous possibility of revolt, as a capacity for unceasing and repeated attacks on power. The working class has this "revolutionary productivity", but the class withholds its revolutionary potential because as yet it has no prospect of real power. After centuries of capitalist exploitation, it is not prepared to sell itself for a bowl of lentils, or for hare-brained notions that it should feel itself free within the domination of capital. The enjoyment that the class seeks is the real enjoyment of power, not the gratification of an illusion. Thus the class knows itself to be infinitely productive, in the only sense in which work can be productive, not for capital – not as a power of capital, but as a class power, as non-capital (as revolutionary work), taking as its starting point that real power – the power of attack against capital, and the permanent ongoing invention of forms of organisation and struggle. It is in this sense and only in this sense that the revelation of these new qualities of the proletarian historical subject becomes fruitful in terms of organisation: what is "prefigured" is the vibrant relationship between organisation and the masses; it is the ever-open possibility – a possibility continually promoted by organisation – of advancing conflict in terms of insurrection. It is in this perspective that the organisation must define the flow of information, pressures and choices that arise in its relation to mass movements. Today the class's only real "enjoyment" lies in its relationship with class organisation and in the confrontation with the hateful apparatus of capitalist power. Thus organisation from now on must be defined – in terms of a given, developed class situation – as living

Crisis of the Planner-State: Communism and Revolutionary Organisation

through the historical period of the destruction of capital and of labour; the period of the creation of communism.

One final note: at this point it would be opportune to return to the Marxian concept of productive labour, in order to see how, in the course of capitalist development and the maturation of the tendency, it must undergo the same metamorphosis as many other concepts; in order to see whether – as seems probable – this concept too should now be given an entirely political definition. In other words, productive labour can no longer be defined in terms of its immediate, direct determination in the labour process, but rather within the capitalist overdetermination of the cycle as a whole and the development of the antagonism at that level.

9. *Our Immediate Task*

To examine at this stage the problem of how the institutional levels (trade unions, nation state etc) function in the relationship between workers and capital would mean opening up an extremely broad range of questions. I shall limit myself to a passing (but nonetheless necessary) reference as regards the new role taken on by these institutional levels, and the structural changes taking place within them.

One specific and fundamental change needs to be emphasised – namely the definitive collapse of any autonomy of the institutions in relation to the enterprise and its form of command. We should examine how and why this has happened, concentrating on the two instances that most readily spring to mind – the trade union and the nation state. Both these institutions are significantly affected by the crisis of the planner-state form. In both cases, the collapse of the possibility of maintaining the (ordered and proportioned) relationship between struggles and development has ended any semblance of relative autonomy that they previously had in relation to individual enterprises. In mystified but nonetheless effective ways, these institutions had previously functioned as a means of mediation between factors. This now collapses. In the case of the trade union, first its mediating function in the sale of labour-power disappears, to be followed by its function as an institutional agent of the plan in managing the overall distribution of wealth; in the case of the nation state, there is a collapse of even the partial or relative possibility that, within its national boundaries, it will be able to guarantee development on the basis of a stability of factors.

The overdetermination of the enterprise form of command destroys any basis of stability, continuity or coherence in state and trade union mediation. It destroys it inasmuch as it removes any effective basis for the measurement of the factors, other than that of overdetermination by the enterprise. The very existence of these institutions comes to be threatened by political crisis; their role becomes marked by a

Revolution Retrieved

precariousness which can permit the most diverse and contradictory of outcomes. This is the price that capital has to pay for gaining freedom of action over the overall movement — a freedom which, in this perspective, becomes a principle of uncertainty as regards the stability of the factors of capitalist existence.

We can pursue this line of argument still further. This precariousness threatening the function of the state's institutions highlights the extremity of the relationship into which capital has been driven by working-class struggle. The process which initially saw the working class wholly within capital today sees capital wholly within the working class. And it is from precisely this fact that the precarious existence of capital's institutions and the exhaustion of their mediating functions derive. The separation between capital's tactics and its strategy, hitherto evident only in situations of acute crisis, tends to become the normal condition of capital's existence. This becomes dependent on tactics, on the logic of the dominance of the enterprise: and with this shift there comes about the crisis of "socialism" and of its strategic project. This transition from the Planner-state (*Stato-piano*) to the Crisis-state (*Stato-crisi*) — which, given the simultaneity of crisis and restructuring, also takes the form of the Enterprise-state (*Stato-impresa*) — is now a fact of life; this is the situation within which class organisation now has to move.

It is clear that at this point we have to distance ourselves totally from the theses advanced by certain incurable optimists of the class point of view. They maintain that, if it is true that the relationship between capital and the working class has been inverted, then in the longer term we can expect to see the invention of new forms of the working class's use of capital. This is to argue as if capital's subordination to working-class struggles does not also take the form of a more powerful will to overdetermine that reality; as if capital's violence were not expressing itself with increasing freedom and ferocity as the independence of the class becomes increasingly evident. When we refer to state-crisis, and capital-crisis, the accent falls correctly on *crisis*, on the weakness of the bosses, on the definitive split between strategy and tactics; but we must also remember that capital and the state remain true to their nature, and that their function is to reverse an apparently irremediable balance of forces, by means of repression and destruction. A Kornilov can always be found to oppose the revolution — and it is not inevitable that he will always be defeated.

Nor should our emphasis on the urgency of our organisational tasks in this situation be seen as impatience or subjective voluntarism. It is not — for three reasons: partly because capitalism's need to redress the balance is becoming more pressing; partly because the tendency itself reveals within its structure the emergence of a confrontation which will

Crisis of the Planner-State: Communism and Revolutionary Organisation

be intentionally violent and which is irresolvable, for all that it may be containable; and particularly because the present workings of the class struggle reveal in the working class an eagerness to possess an instrument of subversion capable of matching capital's desperate determination to survive.

So, let us take a look at these new working-class and proletarian struggles, as we have seen them develop during the years of the growth of autonomy: we shall see that it is not resignation that grows out of defeat, but a growing, self-perpetuating hatred for the bosses and the whole apparatus that represents them. But this hatred, this positive propensity to appropriation, this complementary and continuous reassertion of actions increasingly centred on and directed against the "irrational factory" (ie the capitalist organisation of society) – all this requires (in fact poses as a necessity within the very composition of the class) organisation, in order that the capitalist organisation of power can be opposed by a working-class articulation of subversion. The relationship between vanguard and masses is already expressed for us through the repetition, in differentiated and violent forms, of actions by the masses themselves. The mass movement of the class struggle indicates to us not only the urgency, but also the *model* of organisation, ie the possibility of the vanguard channelling the movement towards effective points of challenge to power.

Within this process, insurrection is the order of the day. I say "insurrection" rather than "revolution": what is important today is that we continually work to combat the precise initiatives which capital sets in motion in order to break the unified front of the proletariat. There is no place in this insurrectionary perspective for ideologies of defeat or the liberatory sacrifice of the vanguards. Rather, there is an understanding of the real structures of capital, and of the real needs of the working class. Revolution is a process, through which there develops a *permanent* series of responses that are violent, and violently organised, against the bosses' state. Organisation has to be capable of working on the precariousness of capitalist domination based on the command of the enterprise, in order to make the relationship unsustainable; in order to dissolve capital's capacity for political initiative; in order thoroughly to circumvent a capitalist power that is now not only irrational, but is fast becoming ridiculous. So this is the reason why I say "insurrection" rather than "revolution", because revolution is the recomposition of a process which has already developed the strength to destroy an entire apparatus of power. I also use the word in order to counter all those ideologies which developed in a backward and mass phase of the movement – particularly the theoreticians of "factory guerrilla war": they stand in relation to the tasks of the moment as manufacture stood

Revolution Retrieved

in relation to large-scale industry.

So, what is our immediate task? It is to set in motion all the mechanisms which will enable organisation to achieve these aims. The analysis on which we base ourselves is classical in its method – the works of Marx, Lenin and Mao. There is no space in our organisation for outdated forms of voluntarism; we are within the mass movement, developing a scientific (and thus practical) understanding of its composition and what it wants. Facing us, we have the state and its violence, we have the irrationality of a power which pursues to the limit its essence as exchange value, as exploitation and as crisis. Our initiatives are based on a secure grasp of the complex ways in which the revolutionary process moves, and of the changes within the class that underpin and define the nature and content of that revolution. For the second time, “Lenin in England” [*trans*: reference to article by Mario Tronti, *Classe Operaia*, 1964] is both real and present for us.

Postscript (1974)

As I suggested in the Preface, it would be opportune to add to the new edition of this book some indications as to useful sources, and to propose a number of themes on which further consideration is already long overdue. These indications will be elementary and minimal, both as regards bibliographical material and as regards the elaboration of the themes advanced. They are essentially personal readings around those themes, but I nonetheless consider them useful for starting a discussion on the theses put forward in this book. These observations are listed under two main headings:

- a) a critique of neo-Marxism;
- b) theoretical development of our arguments regarding organisation.

A) Critique of neo-Marxism

In part, our arguments about the crisis of the planner-state move from observations regarding the historical and political phenomena related to this crisis (see *Operai e Stato*, ed. Sergio Bologna, Luciano Ferrari Bravo, Mauro Gobbini, Antonio Negri, George Rawick, Feltrinelli, Milano 1972 [*trans*: Negri's two essays from this book are included in our present volume]; also Luciano Ferrari Bravo and Sandro Serafini *Stato e Sottosviluppo*, Feltrinelli, Milano 1972; “Stato e Politica” in *Enciclopedia Feltrinelli-Fischer*, ed. A. Negri, Milano 1970.) They also derive from an understanding of the relationship linking the historical crisis of capitalist development with the theoretical crisis of the bourgeois science of capital. In order to define these nexuses, it is necessary to present a preliminary review of the scientific discussion

Crisis of the Planner-State: Communism and Revolutionary Organisation

now taking place in that dynamic powerhouse of modern revisionist thinking: the Cambridge school.

The work of the Cambridge school takes as its starting point economic development and an internal critique of Keynesian premises. It bases itself on a revival of classical economic thought and a Ricardian re-reading of the work of Marx. Its aim has essentially been to demolish two fundamental cornerstones of Marx's theory: the concept of capital and the concept of the wage. En route, they also attack the concept of the organic composition of capital, and they dissolve the problem of the transformation of value into prices (see Pietro Sraffa, *Production of Commodities by Means of Commodities*, CUP, Cambridge 1960; G.C.Harcourt, *Some Cambridge Controversies in the Theory of Capital*, 1969, translated into Italian as *Teoria dello Sviluppo Economico*, Etas Kompass, Milano 1971, pp. 329-70 (excellent bibliography); M. Arcelli, "La Controversia sul Capitale e la Teoria Neo-classica" in *L'Industria*, 3, 1970, pp. 299-314).

In all these cases, the method of approach has been the same: it involves conceiving the class relationship in a way that is devoid of any value relation, and dissolves in theoretical terms the internal nexus linking exploitation and the production of capital. (For a "simplified treatment" of this, see C. Napoleoni, *Smith, Ricardo, Marx*, Blackwell, Oxford 1975; C. Napoleoni, *Lezioni sul Capitolo VI Inedito di Marx*, Boringhieri, Torino 1972; and the powerful criticism contained in A. Ginzburg, "Dal Capitalismo Borghese al Capitalismo Proletario" *Quaderni Piacentini*, Year X, No. 44-5, October 1971, pp. 2-46). The indeterminacy that derives from this view, as regards the material definition of the power relationship (both technical and political) inherent in the concept of capital, finds its surrogate solution in a definition of relations of "exploitation" as taking place within the sphere of distribution. Having correctly observed the tendency for the historical barrier of value to fall by reason of the offensive power of the working class, they then mystify it. The theoretical and strategic problems deriving from this situation, the dramatic paradox of exploitation existing in the absence of any "rational" measure of its degree, and the unleashing of capitalist fetishism as irrational power *tout court*, are simply denied. In their place we have a political alternative aimed at restoring a "socialist" balance purely in terms of distribution, outside and beyond the proletarian urgency of destroying capital's relation of production. That which is a terminal condition brought about through the development of the working-class struggles; that which, at the extreme limits of the real subsumption of labour within capital, one might call "the formal suppression of labour within capital", is made to pass for real suppression. The truth, rather, is that capitalist exploitation

Revolution Retrieved

is intensified in the world of production by the extinguishing of the law of value; it is rendered even more irrational and implacable. But this is a fact which our lucid Cambridge theoreticians, closed off in their placid “Lorianism”, cannot and will not see. For them, the abolition of capitalist exploitation is a problem devoid of meaning, because the law of value, as a law of exploitation, is not, in their opinion, in the *continuity* of its domination, becoming extinguished; it simply does not exist. As a result, capitalist exploitation is seen at most as a disparity of incomes between various parts of society: thus socialism becomes simply a question of redistribution of income, fair shares in development. But in terms of this viewpoint – as has been emphasised by the academic synthesisers of political economy – such revisions of Marxism in reality merely prolong (albeit with important methodological and sociological variations) the old equilibrium expounded by Marshall: whereas in Marshall the mechanism was seen as simply automatic, today the notion is that equilibrium can be willed and brought about through democratic order. The customary good will and good sense of all Proudhonists! Behind it you can recognise a mystification of the motives on which capital’s political “will” is *really* based, an alignment towards a form of command which increasingly liberates itself from residual progressive margins of economic development. The crisis of economic development, and the collapse, under the pressure of the working-class struggle, of the barrier of value, increasingly leave economic theory suspended in a void of apologetics.

Obviously, it would be very good to see more research done in these areas. On the one hand, we have to reconstruct in its entirety the trajectory of economic thought from marginalism to Cambridge neo-Marxism; on the other, we have to show how a large part of “socialist” theory (from the late 19th century German professorial revisionists, to the likes of Lange and Dobb) can be reabsorbed within this tradition. In other words, within the critique of political economy, we have to elaborate a thorough-going “critique of socialism”. Finally, we have to understand the various developments in economic theory as bourgeois functions of the struggle against the working class, and as projects for a stability based on the destruction of the revolutionary class.

B) Further Development of the Debate concerning Organisation

The more interesting and fruitful task would be to pursue further our discussions on the theory of organisation. In my opinion, some of the points raised in this essay should be taken up and developed further.

1) As I see it, it is time that the theory of organisation be referred back, in the most precise and direct terms, to the critique of political economy, via an analysis of the political composition of the working

Crisis of the Planner-State: Communism and Revolutionary Organisation

class. Once again, we have to ask ourselves what changes have taken place within the working class; we have to understand the effects induced within the political composition of the working class by the tendential fall of the historical barrier of value. The analysis of classes (particularly of the working class) which was developed during the struggles of the 1960s must be subjected to fresh scrutiny by revolutionary Marxists. This working class needs to be studied and analysed, with a view to grasping its new essence and the new structure of needs brought about by the fact of being proletarian within capital's *Zivilisation*. The new structure of needs is an ontological level determined within the dialectic of the wage; today it is fundamental that we succeed in grasping this determinate level – in its formal and real dimensions, in its temporal and spatial dimensions, and in its dimensions of class awareness and consumption. The fixing of determinate quantities of the wage has brought about changes in the quality of life of the proletariat and thus changes in mass needs and forms of behaviour. The accumulation of experiences of struggle has redefined working-class interest in subversion.

Once we begin to pursue this study, it will become apparent how much the composition of the class has changed during the struggles of the 1960s, and how the tensions between working-class spontaneity and the provocations of capitalist command are being played out in completely new terms. Without this ontological and dialectical analysis of the structure of the working class, it will be impossible to produce the levels of organisation that are now needed. The theory of proletarian organisation must always move from within a continuing re-analysis of the phenomenological structure of working-class needs. Whenever the party has won victories, these have been made possible by the formidable ability of its vanguards to grasp the real inner structuring of proletarian interests at that given time. On the other hand, when, as in the 1920s, the party had a static and ideological (however successful, however revolutionary) understanding of working-class consciousness, while capital, moving from similar levels of understanding, was inventing new and more effective technological, consumerist and political means for imposing its command – then the overall movement suffered extremely bitter defeats.

The literature covering these areas is very sparse indeed. For some strange reason, interest in changes in the composition of the working class seem to be entirely the province of reformism. The lessons deriving from Lenin's polemical and scientific activities in the 1890s seem to have been largely forgotten. One of the tasks of revolutionary Marxism must be to return to the teachings of Lenin, and to reappropriate class phenomenology: today's realities too are revolutionary.

Revolution Retrieved

As regards methodology, in addition to the articles contained in *Operai e Stato*, the following references are useful: Mario Tronti, *Operai e Capitale*, 1 ed., Einaudi, Torino 1966; Massimo Cacciari, "Qualificazione e Composizione di Classe" in *Contropiano* 2, 1970, La Nuova Italia, Firenze; Massimo Cacciari, *Introduzione a G. Lukacs: Kommunismus 1920-21*, Marsilio Editore, Padova 1972, pp. 7-66. The phenomenological analysis of class composition and of the structure of needs is also becoming important in certain new currents of German Marxism. For differing and divergent – but nonetheless useful – starting points, see P. Brückner, *Zur Sozialpsychologie des Kapitalismus*, Europäische Verlagsanstalt, Frankfurt. a. M. 1971; O. Negt, A. Kluge, *Öffentlichkeit und Erfahrung zur Organisationsanalyse von Bürgerlicher und Proletarischer Öffentlichkeit*, Suhrkamp Verlag, Frankfurt a. M. 1972. (The point of view from which these authors move is quite the reverse of a working-class and communist perspective; however, their analysis is interesting for the wealth of suggestive approaches advanced.) Finally, a particularly important area of analysis is that concerned with the new forms of the proletarianisation of women. (See Maria Rosa Dalla Costa, *Potere Femminile e Sovversione Sociale*, Marsilio Editore, Padova 1972. English translation: *The Power of Women and Subversion of the Community*, Falling Wall Press, 1975). On the multinational dimensions of the new working class in the countries of advanced capitalist development, I know of no general text which contains an adequate revolutionary approach.

2) An analysis which bases itself on the given composition of the working class and which builds its organisational project from within that composition can immediately find, in the period of class struggle marked by the collapse of the barrier of value, other criteria for redefinition. There are two themes that we consider particularly important: the theme of "appropriation" and the theme of "invention-power". The former involves an ability to understand working-class behaviour as tending to bring about, in opposition to the functioning of the law of value, a direct relationship with the social wealth that is produced. Capitalist development itself, having reached this level of class struggle, destroys the "objective" parameters of social exchange. The proletariat can thus only recompose itself, within this level, through a material will to re-appropriate to itself in *real* terms the relation to social wealth that capital has *formally* redimensioned. But at the same time, this situation is also, and principally, characterised by the fact that the real subsumption of labour within capital no longer involves the social forces of production in the scientific process, but separates them from it, in the most extreme terms. The result is to reproduce the

Crisis of the Planner-State: Communism and Revolutionary Organisation

possibility of realising the entire creative potential of labour as a free and social activity of the working class, and to pose it against the scientific organisation that capital imposes on society. Invention-power, *qua* the perfecting of labour-power, is the term I give to the insubordinate presence of the working class within the formal capitalist elimination of work. Freeing this invention-power is a moment and an aspect of the struggle for appropriation.

But more needs to be said. Viewed from this perspective, the actuality of communism (perhaps for the first time) presents itself not as a matter of prefiguration, a vision for the future, but as a material practice visible within the present-day development of the struggles. Certainly, there exist dangerous and mystificatory positions which interpret these new developments in a way that leads to a concept of the party as *Gemeinschaft* [*trans*: community], denying the need for discipline and the bitter necessity of organisation, and pursuing instead the sweet taste of Utopia and experiments in living which tend to come to nothing. Notwithstanding this, the communist experience of the proletarian masses enriches reality, and is forever constituting through struggle fresh possibilities of organisation and subversion. We should examine all this further. In this regard, a re-reading of certain basic Marxian texts is fundamental (in particular K. Marx, *Grundrisse: Foundations of a Critique of Political Economy*, trans. Martin Nicolaus, Harmondsworth, Penguin 1973; K. Marx, “*Results of the Immediate Process of Production*” [the unpublished sixth chapter of *Capital* Vol. I, included in the appendix to the Penguin edition, trans. B. Fowkes].) The commentaries on the *Grundrisse* are also worth looking at (see R. Rosdolsky, *The Making of Marx’s “Capital”*, Pluto, London 1977). In addition, the following are worth reading for the ways they deal with a number of these problems, particularly the question of productive intelligence and its relationship with invention-power: H.J.Krahl, *Konstitution und Klassenkampf*, Neue Kritik, Frankfurt a. M. 1971 (translated into Italian by Jaca Books, Milano); K.H.Roth, E. Kanzow, *Unwissen als Ohnmacht. Zum Wechselverhältnis von Kapital und Wissenschaft*, 2 ed., Editions Voltaire, Berlin 1971; A. Sohn-Rethel, *Intellectual and Manual Labour*, CSE Books, London 1978.

3) The third area in which we should deepen our analysis is directly that of organisation. The relationship between class and capital, in the period of the formal suppression of labour by capital, sees the growing impossibility of any struggle succeeding unless it is directed specifically against capitalist command over the process of the extinction of value. If the law of value functions only as command, as arbitrariness in the

Revolution Retrieved

disposability of surplus value on the part of collective capital and its state, then violence is seen as the fundamental characteristic of this management; the state presents itself as mere violence and as arbitrariness. The organisation of the mass worker, in the period of real subsumption of labour within capital, has acted as a force determining crisis through the continuous creation of upheaval in the equilibrium of incomes (wages) within the system. Today, the new tendency that is extending – the appropriative pressure of the proletariat and the strength of the alternative now being lived as a revolutionary need – means that the mechanism of re-equilibration can now only be entrusted to a relation of domination. Thus the distinguishing mark of revolutionary class organisation today is that it takes up the struggle against the relationship of domination in its entirety. The problem of organisation develops for us, on two fronts, two tasks that are equally fundamental: to ensure the effectiveness of movements of reappropriation of social wealth by the masses and – at the same time – to strike with vanguard violence, in equal and opposing measure, at the bosses' mechanisms of command. The law of value, in the process of its extinction, is replaced by the regulation of exploitation according to the will of capital; it entrusts the regulation of subversion to the will of the vanguards. The theory of organisation today entails the material definition of the levels upon which there must be consolidated, and of the forms within which there must interact, on the one hand, movements towards mass appropriation by the masses and the invention-power that the process of the struggles brings about, and on the other, the urgency of an armed force of the proletariat that will attack and destroy capitalist command; a command that, now more than ever, is voluntaristic, subjective and precise in its will to dominate over the extinction of the law of value.

Finding bibliographic references in this area is not just difficult – it is impossible. This is a new world through which we have to travel, and in order for us to get our bearings, we shall need more than Blanquism or its critique, more than insurrectional theories of the Third International or their opposite, more than Clausewitz and more than Mao. Only experience, courage and true revolutionary militancy can help us resolve the new theoretical problems that face us.

Marx Beyond Marx: Working Notebooks on the Grundrisse (1979)

Introduction

This is the introductory lecture in a series of nine seminar classes that Negri taught in Paris, at the Ecole Normale Supérieure, in 1978. The notes for these classes were written up and published as *Marx Oltre Marx*, Feltrinelli, Milano 1979. An English translation of the complete text is published in the United States: *Marx beyond Marx – Lessons on the Grundrisse*, translated and introduced by Harry Cleaver, Michael Ryan and Maurizio Viano, edited by James Fleming; Bergin and Garvey, Massachusetts 1984. This text is not an easy read, given the fact that it represents Negri's "working notes" on what were, after all, Marx's own working notes; and this edition is at times hard going for the English reader, owing to an excessively "Italo-English" translation. However, it is well worth working through – preferably in a reading collective, and in conjunction with selective readings of the *Grundrisse* itself – to gain a fresh understanding of Marx in the light of capitalist crisis and restructuration today.

For Negri, the *Grundrisse* answers many of the problems raised in the contemporary "crisis of Marxism", and this is the underlying argument of these seminar notes.

The fact that these classes were held in Paris, at the invitation of Louis Althusser and others, is important, since they also represent an intervention in the structuralist and post-structuralist debates that dominated the French intellectual Left. Negri was confronting in Paris the phenomenon of "post-Marxism" that was on the ascendant in France. Coming from the experience of the Italian workerist and autonomist movement gave him a certain vantage point in this debate. For the Marx that the French "new philosophers" sought to criticise was the orthodox, narrowly productivist and socialist Marx that the Italian workerists had reinterpreted and superseded, years before. As Negri

says in this first *lezione*: “Beyond which Marx?” Here Negri challenges both the structuralists and the post-structuralists at a basic level – their “old orthodox” interpretation of Marx.

According to Negri and many other exponents of the autonomist movement, the *Grundrisse*, Marx’s first draft outline of the critique of political economy, dated 1857-58, was not only his central work, the summit of his achievement, but was also his most complete work, and the most politically relevant for our own time. The *Grundrisse* has only rarely been appreciated in these terms in the Anglo-American new Left. It is worth noting however that Martin Nicolaus, the translator of the English edition (Pelican 1973) had argued along these lines in a pathfinding article as early as 1968 (“The Unknown Marx”, *New Left Review* no. 48). His suggestions were not generally taken up.

In Negri’s view, the importance of the *Grundrisse* was obscured by the dominance of the structuralist reading of *Capital*. By its insistence on a subject-object dichotomy in approaching Marx “scientifically”, this interpretation relegates the antagonism between class subjects, underlying the development of Marx’s so-called “economic” concepts (especially evident in the *Grundrisse*) to a remnant of Marx’s “early humanism”. The *Grundrisse* has been largely seen as a *step* in the genealogy of Marx’s thought *towards* the “full scientific” presentation in *Capital*, as in the classic commentary by R. Rosdolsky – with which Negri takes issue in this text. Even where it is given prominence (as in V. Vygodsky’s *Introduction*, Moscow 1965, arguing that here Marx first developed his central concept – that of surplus value), this “discovery” is not followed through to its potential implications in terms of class antagonism. (For an English edition, see V. Vygodsky, *The Story of a Great Discovery*, Abacus 1974.) In short, according to Negri, the *Grundrisse* has been overshadowed by the objectivist and logical-scientific reading of *Capital* – by what Negri calls “the enchantment of method”. (This phrase, it may be noted, is a direct quote going back to the Panzieri-Tronti *Theses* of 1961, which had first set out the programme of research and critique for the Italian workerist Left.) For Negri, in contrast, the *Grundrisse* provides the key to the reading of *Capital* as a political text. (For one useful attempt along these lines from the USA, see Harry Cleaver’s *Reading Capital Politically*, Harvester 1980.)

Negri’s own political reading of the *Grundrisse* had been developing over some years previously – see “Crisis of the Planner-State” (1971) in this volume, above. In these lecture notes, he amplifies and refocusses his earlier interpretation in several directions. (These are further discussed in “Domination and Sabotage”, 1978, included in the Red Notes and Semiotext(e) anthologies already cited; and Negri’s collected

Marx Beyond Marx: Working Notes on the Grundrisse

essays of this period, *La Forma Stato*, Feltrinelli 1977.) The differences here vis-à-vis his earlier treatment were due to the political situation and the composition of the movement of struggles in Italy, which had changed drastically through the impact of crisis and restructuration in the intervening period. (An excellent account of these changes is Sergio Bologna's "The Tribe of Moles", an article from the journal *Primo Maggio*, Milano 1977, a translation of which is included in both the English and American anthologies cited above.)

Negri's shift of focus at this stage must be seen against the background of the mid-1970s challenge by the mass opposition movements of "autonomy" against the austerity state, involving new class subjects, new forces of antagonism in the social sphere, the sphere of reproduction and circulation of capital (ie beyond direct production). These new subjects he defines as "the social worker". This implied a re-theorisation of the relation between production and reproduction in Marx, and a critique of the traditional definition of "productive" and "unproductive" labour, a major source of debate in Italy at this time. What is "productive" from a communist class point of view – that of the self-valorisation of needs – is not the same as what is productive from the capitalist point of view. Far from being "marginals" (the official label), these new movements for autonomy of class income and life-needs outside and against the austerity régime (young unemployed, students, women, all those struggling for income against cuts, casual and part-time workers etc) represent, for Negri, a massive new *productive* force of antagonism against the "crisis-state" – a force that directly poses a communist alternative. This is expressed in Negri by the concept of class "self-valorisation", a term which refers to Marx's own development of the "antagonistic tendency" in the *Grundrisse* to the point where labour value, as mediated by exchange, is no more; the exchange between capital and labour becomes overtly political; and the class conflict is extended to the struggle for use-values, class needs, against the imposition of exchange-value in *capitalist production and reproduction as a whole*.

For further discussion of these problems, see Negri's own later treatment in "Archaeology and Project", 1982, below. Useful commentaries on Negri's work are provided by the editors, Cleaver, Ryan and Viano, to the American edition of *Marx Beyond Marx* cited above. Pertinent criticism is to be found in *Midnight Notes* (Jamaica Plain, Massachusetts, no. 8, 1985) by G. Baldi and others. For analysis of the struggles of the mass worker/social worker composition of the working class in the USA, see P. Carpignano, "US Class Composition in the Sixties", *Zerowork* no. 1, New York 1975; P. Mattera, D. Demac, *Developing and Underdeveloping New York*, New York 1976. For the

Revolution Retrieved

political context of the *Grundrisse*, see the seminal article by Sergio Bologna, referred to in Negri's text, "Money and Crisis: Marx as Correspondent of the *New York Daily Tribune*", *Primo Maggio* 1974, available as a mimeograph from Red Notes.

Marx Beyond Marx: Working Notebooks on the Grundrisse

Introductory Note

“We would be the last to deny that capital contains contradictions. Rather, our task is to develop them to the full.”

Karl Marx, *Grundrisse*

For my sisters and brothers in prison

In the Notes that follow, I have collected the materials that I used as the basis for my course on the *Grundrisse* at the Ecole Normale Supérieure (Rue d’Ulm, Paris) in Spring 1978. My thanks are due, first, to Louis Althusser, who invited me to teach the course; also to Roxanne Sielberman, Yann Moulier, Daniel Cohen, Pierre Ewenzyk, and Danielle and Alain Guillerm, without whose fraternal help I would not have been able to carry the course through. Which were the more important – my own observations, or their critical comments – I am unable to say. Suffice to say that I swallowed down everything on offer, and have now recast it in the form of this book. During my stay in Paris, I had many other discussions both prior to and following the course, which were most useful. I have to acknowledge a debt of gratitude to Félix Guattari for all that he gave me (and it was a lot); thanks are also due to the comrades with whom I worked at the University of Paris VII (Jussieu). Finally, I also have to thank those sundry blockheads who forced me into exile in Paris for a while, and gave me the opportunity to gather my thoughts in a situation of far greater calm than had been possible previously.

In this Italian version of my working-notes, the quotations from the *Grundrisse* are taken from the text edited by the Marx-Engels-Lenin Institute in Moscow (MELI): Karl Marx, *Grundrisse der Kritik der Politischen Ökonomie (Rohentwurf) 1857-58*, Dietz Verlag, Berlin 1953. I cite from the Italian translation by Enzo Grillo – a fundamental work in many regards (Karl Marx, *Lineamenti Fondamentali della Critica dell’Economia Politica 1857-58*, La Nuova Italia Editrice, Firenze Vol. I 1968; Vol. II 1970). During the course, we also had to hand copies of the French translation of the *Grundrisse* (ed. Roger Dangeville, 2 vols, Anthropos, Paris 1967), but we found it completely unusable. There are useful insights contained in the English translation of the *Grundrisse* (translated by Martin Nicolaus, Penguin,

Revolution Retrieved

Harmondsworth 1973). For quotations from *Capital* I have used the Italian version edited by Cantimori, Panzieri and Boggeri, Editori Riuniti, Roma; and for the *Letters*, the six volumes edited by Manacorda, Romagnoli, Cantimori and Mezzomonti, Edizioni Rinascita, Roma.

I have drawn heavily on the existing bibliography for the *Grundrisse*. In the text, I cite Roman Rosdolsky, *Zur Entstehungsgeschichte des Marxschen 'Kapital'*, Frankfurt am Main 1968 [translated into English by Pete Burgess as *The Making of Marx's 'Capital'*, Pluto Press, London 1980]. I also cite the following: Vitaly S. Vygodsky, *Introduzione ai 'Grundrisse' di Marx*, La Nuova Italia, Firenze 1974 ("An Introduction to Marx's 'Grundrisse'", Moscow 1975; Berlin 1967); Sergio Bologna, *Money and Crisis: Marx as Correspondent of the "New York Daily Tribune"* [first published in *Operai e Stato*, Feltrinelli, Milano 1972; translated into English and available from Red Notes]; Isaak I. Rubin, *Saggi sulla Teoria del Valore di Marx*, Feltrinelli, Milano 1976 ["Essays on Marx's Theory of Value", Black and Red, Detroit 1972], Leningrad 1928; Frankfurt 1973; Walter Tuchscheerer, *Bevor 'Das Kapital' Entstand: die Herausbildung und Entwicklung der Ökonomische Theorie von K. Marx in der Zeit von 1853 bis 1858*, Akademie Verlag, Berlin 1968; Helmut Reichelt, *La Struttura Logica del Concetto di Capitale in Marx*, De Donato, Bari 1973 ("The Logical Structure of the Concept of Capital in Marx", Frankfurt 1970).

I am indebted to many authors on the subject. I am especially grateful to all those comrades, particularly in Germany, Italy and Britain, who have done work on the *Grundrisse* in recent years; from many of them I have learned to read the *Grundrisse* as a revolutionary text.

A.N.
Milano, December 1978

Marx Beyond Marx

Section One

The subjective birth of the text: the “imminence of crisis” and the components of the analysis □ Formal description of the text □ The *Grundrisse* and the outline of *Capital*: “enchantment of method, blockage of research”? □ From philological considerations to matters of substance: the two paths, or the discovery of surplus value and the circulation nexus between social capital/subjectivity/communism □ The *Grundrisse* as an open work: supplementary theses towards a reading □ The “plural” universe of Marx’s method: *Forschung, Darstellung, Neue Darstellung* □ The major interpreters: (a) the *Grundrisse* as a delirium? (b) *Diamat* revived? (c) homologability with *Capital*? (d) “a revolution from above”? □ There is no delegation in theory □ The *Grundrisse* as the dynamic centre of Marx’s thought, in its internal history and in its revolutionary project □ An outline for our reading □ Marx beyond Marx?

Eric Hobsbawm has described the *Grundrisse* as a “kind of intellectual, personal and often indecipherable shorthand”. Enzo Grillo, in the Introduction to his excellent Italian translation, tends to agree with this judgement. If anything, at least as regards the problems involved in reading and translating the text, it is an understatement. The *Grundrisse* is indeed a difficult piece of work.

But it would be a mistake to exaggerate the cryptic nature of Marx’s writing by focussing on the more difficult sections. The main difficulty with the *Grundrisse* lies in the form of the manuscript – the hectic process of its production – rather than in the substance of its argument. The line of argument of the *Grundrisse* becomes very clear when we embrace the full scope and density of Marx’s project; it is only partially obfuscated by the impetuosity of the writing, by the fact that some of its attacks are rather specific to their period, and some of its ways of proceeding rather experimental. We should bear in mind, though, that

it was precisely the urgency of the situation that produced this first great synthesis of Marx's thinking. As he wrote to Engels in November 1857: "That the American crisis – which we foresaw, in the November 1850 issue of the Review, would break out in New York – is fantastic". (*To Engels*, 13 November 1857) "Even though you find me personally in financial distress, since 1849 I have never felt so 'cosy' as with this outbreak". "I am working like a madman for whole nights in order to coordinate my work on economics, and to get together the outlines of the *Grundrisse* before the *déluge*". (*To Engels*, 12 December 1857). "I am working damned hard. Mostly till four in the morning. Because it is a double work: 1) the elaboration of the basic outlines of economics; 2) the current crisis..." (*To Engels*, 18 December 1857)

Over the years, writers such as Ryazanov, the editors of the *Grundrisse*, Rosdolsky, Vygodsky, and, most recently (and excellently) Sergio Bologna, have amply documented the circumstances surrounding the birth of the *Grundrisse* – its relationship with the articles that Marx was writing for the *New York Daily Tribune*, its connections through to his later work, the political situation attending the crisis of 1857-8, and the hopes and expectations nourished by Marx and Engels. For me it remains only to refer the reader back to those writers.

However, there is another element which needs to be highlighted. Namely that Marx's project with the *Grundrisse* aimed at achieving a *synthesis* at the level of both theory and practice. The impending crisis provides the groundwork for historical predictions, but it is also rendered into a practical/political synthesis. The impending catastrophe will only be a catastrophe for capitalism if and inasmuch as it represents the *possibility of the Party*, the possibility of founding the Party. Marx's description of the imminent crisis is at one and the same time a direct attack on "true socialism" and a polemic against those who would mystify and distort communism. His "damned hard work" on theory in fact showed his determination that practice should not be allowed to be eclipsed. This cannot be allowed to happen – and his *Letters* bear eloquent testimony to his sufferings on this score. Analysis is now going to have to rediscover and interpret practice at the very moment in which it takes place, because what analysis is concerned with is revolutionary subjectivity as expressed within the crisis.

This synthetic quality of Marx's work is to be found in the relationship between future programme and the *déluge*. Catastrophe (for capital) means the existence of the Party, a fully-deployed communist subjectivity, plus the will and the organisation necessary for revolution. Crisis reactivates subjectivity and reveals it, in all the fulness of its capacity for revolution, at the level determined by a given development

Marx Beyond Marx: Working Notes on the Grundrisse

of the forces of production. Synthesis in Marx means creating a connecting link between the concentrated and catastrophic moment of crisis, and the dynamics and rules of development of subjectivity. And the terrain on which these terms find their connecting link is the terrain of dialectics. So it is not surprising that, precisely while he was writing his informational and polemical articles for the *Daily Tribune* and was pursuing his critical exploration of the categories of political economy, Marx was at the same time re-reading Hegel, and was building him into the groundwork of the *Grundrisse*. “For the rest, I am making great progress. For example, I have thrown overboard all the theory of profit that has existed until now. As far as the *method* goes, the fact of having leafed through, once again, by mere chance, Hegel’s *Logic* rendered me a great service”. (*To Engels*, 14 January 1858) “By mere chance”, perhaps – but not completely accidentally, because Marx continues: “If I ever find the time for a work of this type, I would greatly desire to make accessible to the intellect of the common man... how much of rationality there is in the method that Hegel discovered, but at the same time mystified”. This element of rationality and method represented for Marx the possibility of a theory and practice of revolutionary insurgence. The impending crisis demanded this element of rationality. Marx had already settled his score with Hegel some time previously, and was to return to his theme later, in a spirit of scientific criticism. But for the moment, his intention was to make use of Hegel’s most valuable contribution – his synthesis of theory and practice.



We can now take a look at the text – or rather the texts – contained in the edition published by the Marx-Engels-Lenin Institute, Moscow 1939-41, under the title: *Grundrisse der Kritik der Politischen Ökonomie*. Enzo Grillo, in the Preface to his Italian translation (Vol. I, pp. 10-11) lists and dates the Notebooks in the following order:

- “1) The *Einleitung* (Introduction), contained in the Notebook marked M and written between 23 August and mid-September 1857.
- 2) The manuscript of the *Seven Notebooks* (the *Grundrisse* proper), numbered and mostly dated by Marx himself (except No. I), as follows:

Notebook I: October 1857

Notebook II: c. November 1857

Notebook III: 29 November – mid-December 1857

Notebook IV: c. mid-December 1857 – February 1858

Notebook V: 22 January 1858 – c. early February 1858

Notebook VI: c. February 1858

Notebook VII: end February/March 1858 – end May/June 1858.

Then follows an Appendix consisting of a series of secondary texts, closely related to the previous materials. These are:

- 3) The *Notes on Bastiat and Carey*, written in July 1857 (before the Introduction). These originally made up the first seven pages of Notebook VII of the *Grundrisse*.
- 4) The *Index to the Seven Notebooks*, prepared in June 1858 and contained, together with the Introduction, in Notebook VII.
- 5) The *Urtext* (Preliminary Draft) prepared between August and November 1858. This is contained in two Notebooks marked B' and B'' and B''II (the second being in two sections).
- 6) The *Referate* (References) related to the contents of Notebook M (Introduction), Notebooks II-VII (*Grundrisse*) and the *Urtext*. These were prepared in c. February 1859, and were at the end of Notebook B''.
- 7) The projected Plan of 1859.
- 8) A brief series of extracts concerning Ricardo's theory of money, from the fourth of Marx's 24 Notebooks dating from 1850-3, dated London, November 1850 – December 1850.
- 9) A far larger series of systematic extracts from the third edition of Ricardo's *On the Principles of Political Economy*, from the eighth of Marx's Notebooks cited above, prepared between April and May 1851. These are preceded by two brief pieces: a list of the different types of taxation mentioned in Ricardo, and an index to the contents of his *Principles of Political Economy*. These came from a Notebook which Engels dates to 1851, which also contains the hitherto unpublished final section of the manuscript *Das Vollendete Geldsystem* ('The Complete Money System')."



In what follows, I shall be concentrating on Notebook M (*Einleitung*, Introduction) and on the seven Notebooks (*Grundrisse*) that Marx wrote in the period October 1857 – Spring 1858. The *Notes on Bastiat and Carey* are also extremely important, because they link Marx's polemic against Proudhon with his "American" work. As for the *Index* and the *Referate*, these have subsequently been integrated into the text as the analytical contents list and as introductory glosses.

Now, if we leave aside the *Einleitung* (Introduction), at first sight the *Grundrisse* appears as a work that is incomplete and fragmentary. This does not mean, however, that it lacks a powerful, cogent dynamic, or that it has no centre. Marx develops his line of argument as follows: Notebook I takes us from the analysis of money to the definition of the form of exchange (value); Notebook II concentrates on the transition from money to capital; Notebook III looks at the move from surplus

Marx Beyond Marx: Working Notes on the Grundrisse

value to social capital; Notebook IV begins to consider surplus value and profit, although the main section of it is concerned with the process of capitalist crisis within circulation; Notebook V, after a long digression on *Forms which Precede Capitalist Production* (we shall examine later the likely way in which this material fits into Marx's system), returns to the process of circulation and the conditions of reproduction of social capital; Notebook VI now poses explicitly the theme of capital-as-a-collective-force and of the collective antagonism between worker and capitalist; finally, in Notebook VII, the crisis of the law of value and its transformations (once again, the theme of profit) lead us into a more precise identification of the crisis in the objective and subjective conditions of capitalist production.

So we can see that in the *Grundrisse* there is a continuous and increasingly tightly defined *forward movement of theory* towards the point where Marx identifies the fundamental moment of the *antagonism between the collective worker and the collective capitalist*, as represented in the form of crisis. There are two fundamental stages in the development of Marx's theory in the *Grundrisse*: one comes in the first section, in his definition of *the law of value in the form of surplus value* – ie in his first complete formulation of the law of surplus value; the other comes in the second section, in the way he *extends the theory of exploitation* (the law of surplus value) *to the mechanisms of the reproduction and circulation of capital* – ie in his translation of the law of exploitation into a law of crisis and of class struggle for communism.

What I have outlined so far would be enough in itself to indicate the exceptional importance of the *Grundrisse*. But its importance is further underlined by the fact that in the *Grundrisse* we can also read the plan for the further development of Marx's work – the plan for *Capital*. The following tables, taken from *Rosdolsky*, op. cit. pp. 55-6, present a list of the projected schemas formulated by Marx, and a table of the more important modifications as between the schema outlined in the *Grundrisse* (what Rosdolsky calls “the original plan”) and *Capital* (what he calls “the changed plan”).

Here we have the list of schemas formulated by Rosdolsky; the table showing the relationship between the two texts follows immediately below it.

As regards the development of the *Capital* project, in addition to *Rosdolsky* pp. 2-55, see also the very important observations in *Vygodsky* pp. 129-39.

But is a philological approach of this sort correct? Personally, I have my doubts. I say no more, for the moment; in the further course of our research we shall see whether it can be resolved positively.

Revolution Retrieved

List of draft outlines and outline notes considered by the author, which relate to the structure of Marx's work.

- 1) September 1857: *Grundrisse*, p.108
- 2) October 1857: *Grundrisse*, pp. 227-8
- 3) November 1857: *Grundrisse*, p. 264
- 4) November 1857: *Grundrisse*, p. 275
- 5) February 1858: Letter to Lassalle, 22 February 1858, *Selected Correspondence*, p. 96
- 6) April 1858: Letter to Engels, 2 April 1858, *ibid.*, pp. 97-98
- 7) June 1858: *Grundrisse*, German edn., pp. 855-9
- 8) January 1859: *Contribution*, p. 19
- 9) February/March 1859: *Grundrisse*, German edn., pp. 969-78
- 10) December 1862: Letter to Kugelman, 28 December 1862, *MEW*, vol. 30
- 11) January 1863: *Theories I*, pp. 414-6
- 12) July 1865: Letter to Engels, 31 July 1865, *MEW*, vol. 31
- 13) October 1866: Letter to Kugelman, 13 October 1866, *ibid.*
- 14) April 1868: Letter to Engels, 30 April 1868, *Selected Correspondence*, pp. 191-5.

However, my first doubt is in fact philological. I ask myself whether it is correct to consider Marx's main completed work – ie *Capital* – as being a comprehensive and exhaustive summary of his analytic labours. The accounts of *Capital's* genesis as provided by our worthy academic comrades are, in my opinion, vitiated by their presupposition that *Capital* represents the peak of Marx's analytic efforts. One example will suffice – Rosdolsky's explanation (op. cit. pp. 61 seq) of the fact that Marx "abandoned the separate 'Book on Wage Labour'". It is certainly true that this book – which was outlined in the *Grundrisse* schema – is nowhere to be found, although a part of the materials gathered for it did end up in the first book of *Capital*. But is this fact sufficient for us to say that Marx "abandoned" it?

If this first, philological doubt is then combined with others of a more substantial nature, then the situation becomes even more problematical. The wage, as it is presented in Book I of *Capital* appears either as a dimension of capital, or as a motor function of the capitalist process of production/reproduction. The pages dedicated to the reduction of the working day are fundamental in this regard, from at least three points of view: the dialectic between necessary labour and surplus labour; the reformist function of the wage; the problem of the state being directly involved in the modification/regulation of the working day. However, in the *Grundrisse* there is a further step which

Marx Beyond Marx: Working Notes on the Grundrisse

THE ORIGINAL PLAN
(6 Books)

THE CHANGED PLAN

I. ON CAPITAL

'CAPITAL' (3 Volumes)

a) Capital in general

1) Production Process

I. Production process of capital
(Sections):

1) Commodity and Money

2) Transformation of money
into capital

3-5) Absolute and relative
surplus value

— 6) Wage

7) Accumulation Process

2) Circulation process

II. Circulation process of capital

3) Profit and interest

**III. Process of capitalist
production as a whole**

1-3) Profit and profit rate

b) Competition

4) Merchant capital

c) Credit system

5) Interest and credit

d) Share-capital

**II. ON LANDED
PROPERTY**

6) Ground-Rent

7) Revenues

III. ON WAGE LABOUR

IV. STATE

V. FOREIGN TRADE

VI. WORLD MARKET

*Unbroken lines: changes within the first three books.
Dotted line: changes within the Book on Capital.*

takes us beyond these three perspectives, to a notion of the wage conceived in terms of antagonism – an antagonism which is then read into the very concept of working class. And the concept of working class in the *Grundrisse* represents crisis and catastrophe for capital, as well as a powerful allusion to communism. So, we find formal reference in the *Grundrisse* to a special book on the wage; additionally, we find in the *Grundrisse* a concept of the wage which comes close to the concept of working class and revolutionary subjectivity. Can we really say that all this is represented to the full in Book I of *Capital*?

We are going to have to answer this question, but for the moment let it suffice to say that the procedure adopted by the major interpreters of these texts is fairly unsatisfactory. Might it not be the case that – precisely as indicated in the preparatory outlines – *Capital* is only *one part* (and not the most fundamental) of Marx's overall thematic? A part which has been overvalued simply because it is the only part carried to completion and (for somewhat baser reasons) because, in its partialness, it is easier for it to be defined within limits and therefore interpreted in ways that are very much at odds with the overall spirit of Marx's work. Kautsky, for example, had Marx's manuscripts in his possession. In 1903, he published the *Einleitung* (Introduction) (*Neue Zeit*, XXI, 1), but he refrained from doing anything with the rest of the *Grundrisse*. Was this purely fortuitous? Maybe. But later developments in the revolutionary movement would tend to indicate otherwise. The fact is that the *Grundrisse* is not just a useful text for philological study of how *Capital* was constructed; it is a *political text*. The *Grundrisse* presents the theory of a dynamic relationship – combining an appraisal of the revolutionary possibilities presented by the “impending crisis” with, in the face of this crisis, a desire for a theory capable of providing an adequate synthesis of working-class communist action. So the problem in reading the *Grundrisse* is not so much to identify the extent to which it is homogeneous with other Marxian texts (and *Capital* in particular), but, if necessary, to go to the limit in picking out its differences. And perhaps *Capital*, on the other hand, really is only *a part* of Marx's analysis – a part whose importance can be judged accordingly, but which is certainly vitiated by a way of presenting categories which often limits and transforms their efficacy. For some while, the Italian comrades have seen in *Capital* an “enchantment of method” which tends to “block research”. The objectivisation of categories in *Capital* blocks the action of revolutionary subjectivity. Is it not possible (as we shall see shortly) that the *Grundrisse*, on the other hand, is a text supportive of revolutionary subjectivity? Is it not the case that it succeeds in rebuilding something that the Marxist tradition has all too often broken and split apart – ie the unity between the constitutive process and the strategic

Marx Beyond Marx: Working Notes on the Grundrisse

project of working-class subjectivity? Doesn't the *Grundrisse* perhaps present us that *whole* Marx of whom other texts present only fragments and one-sided definitions?



The *Grundrisse's* principal interpreters seem capable of providing only whispers and hints of the work's exceptional richness and density. Vygodsky's thesis is that in the 1840s Marx gained his understandings of the classical theory of value; that in the 1850s he developed the theory of historical materialism (the *Grundrisse's* Introduction – written in August–September 1857 – is to be located within this phase in the development of Marx's thinking); and that it is only with the *Grundrisse* strictly defined – ie the Notebooks of October 1857–June 1858 – that he arrives at his theory of surplus value. Well and good; this position provides a step forward. Rosdolsky, however, sees things differently. In his view, the *Grundrisse* is simply one of the stages towards *Capital* and a first and extremely important phase in the development of a continuous line of thinking (“By 1848, ‘his theory of surplus value, the cornerstone of his economic system, was established in its fundamentals’, and it only remained to work out the details of the theory, a process which we can study in detail in the Rough Draft (*Rohentwurf*).”) (Rosdolsky, op. cit. p. 2) And this line of thinking is developed via successive corrections, adjustments and polishings.

But for all that Vygodsky represents a step forward (in the sense that this way of proceeding by leaps and breaks is seen and understood as one of the *theoretical* elements of Marx's thinking), he still does not provide an adequate characterisation – not only because he fails to go beyond the discovery of surplus value, but also because he fails to appreciate fully the significance of that discovery. The fact is that Marx's development of the theory of value into a theory of surplus value, and his recognition that the historical form of value was surplus value, was an “undertaking with directly revolutionary significance”; it brought him to the starting-point of a theory of capital based on antagonism, a theory of social exploitation, and it pushed that theory further, *to take on board the subjectivity of the composition of classes in struggle*. Thus – as Isaak Rubin has already shown – the theory of surplus value becomes the dynamic centre, the dynamic synthesis, of Marx's thinking, the point which brings together the objective analysis of capital and the subjective analysis of class behaviours, and which makes it possible for class hatred to be incorporated into his scientific categories. But this too is not sufficient, inasmuch as it merely points to the importance of Marx's discovery of the law of exploitation. It still remains to follow through the implications of that discovery and to identify the extent of its

ramifications. Thus we move from the discovery of surplus value and its further theorisation, to the identification of the links between production and reproduction; circulation and crisis; social capital and working-class subjectivity; and, once again, economic development, crisis and communism. And this process advances wholly and continually in terms of the fundamental antagonism, of exploitation. So that *the dynamic unity of the process of surplus value in no case eliminates the separateness of the subjects* (wage labour and capital) but continually drives their mediations (the value-form, money, the labour-form, the form of exchange etc) forward into contradiction and further transcendence. Crisis and class struggle are so closely articulated that within this dialectic of antagonism the first takes on the form of catastrophe and the second that of communism, as the real, physical pole of a necessary and unrelenting determination to do away with the class adversary. Historical materialism – based on the specific determinate analysis of the composition of the classes – is here integrated in its own terms within the abstract form of the critique of political economy; the laws of political economy come to be mediated by historical materialism. Can there be any possible remaining ambiguity – at least of the kind that interpretations of *Capital* have given rise to? I should say not. It is simply not possible – even as a paradox – to cancel out that dynamism by hypostatizing it, rigidifying it into a totality with its own laws of development which you can grasp, manipulate or deny at will. No – in the *Grundrisse* you can only grasp or deny the process to the extent that you participate in the antagonism that lies at the root of it. Outside of that antagonism, not only does movement not exist, but neither can we grasp the categories. The originality and the freshness of the *Grundrisse* lie precisely in this incredible openness. Here we have a science which has a paradoxical *inconclusiveness* right at its heart, necessarily brought about by the fact that it has subjectivity as a determining element within it.

So why are people so timid in their readings and interpretations of the *Grundrisse*? A red thread runs through from surplus value to the nexus of social capital/crisis/subjectivity/communism (ie to the function of antagonism in the reproduction of the capital relation) – a red thread of hopes for, and the possibility of, revolution. So, we can see the *Grundrisse* as a subjective approach (“the impending crisis”) to the analysis of revolutionary subjectivity within the capital process. It represents simultaneously the highest point of Marx’s analytic work, and the peak of his imagination and his hopes for revolution. In the *Grundrisse*, all the formal dualisms that are bandied about (theoretical analysis of capital versus politics, dialectics versus materialism, objectivism and subjectivism etc) are, so to speak, burned up and fused

Marx Beyond Marx: Working Notes on the Grundrisse

into that real dualism which, in the form of antagonism, comprises the capital process.

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Obviously, all the above requires to be proven. I have spelled it out because I consider it only right and fair to outline my positions clearly and in advance, in order to avoid the reductionism and the half-hearted ambiguous interpretations to which the *Grundrisse* has been subjected. Now, having outlined the general tenor of my reading, I want to specify a number of points which I consider particularly important, and which are also going to require intensive analysis.

1) *From the money form to the value form.* In the *Grundrisse*, this relationship is fundamental. Marx's analysis of money here develops the specific terms which enable us to analyse the value form. In this regard, as we shall see, the effective mystification of commodity relations is better described by this approach than in other sections of Marx's writing where the commodity-form is the subject of analysis. Conversely, full play is given to developing the importance of use value, given that the value form is here analysed in terms of the money form. Thus the *Grundrisse's* presentation of a "*II – Money*" which appears to refer us back to a "*I – Value*" which was never written, but whose first outlines we find in Notebook VII [*Grundrisse*, op. cit. pp. 881 seq] – is not accidental. The consequences of all this require further study, because in my opinion they appear to be moving on the one hand towards a radical critique of money, and, on the other, towards an immediate definition of value in terms of mere mystification.

2) *The definition of labour.* In the *Grundrisse*, labour appears as immediately abstract labour. Only at this level can labour be understood and incorporated into theory. Labour becomes abstract inasmuch as it is immediately intelligible only in terms of the social relations of production. Thus labour can only be defined in terms of the relations of exchange and the capitalist structure of production. The only concept of labour that we find in Marx is that of wage labour, of labour that is socially necessary for the reproduction of capital. Work, as Marx describes it, is not something to be reformed, reinstated, liberated, or sublimated; it exists only as a concept and a reality to be abolished.

3) Cristina Pennavaya, in her Preface to Vygodsky's *Introduction to Marx's 'Grundrisse'*, makes the important point that, as a consequence of its analysis being conducted in terms of antagonism, "the theory of value can in no way be taken as a closed theory, nor as the basis for a theory of reproduction and circulation conceived in conditions of equilibrium". In the *Grundrisse*, *Marxism is a theory of anti-economics*; in no sense does Marx's critique allow itself to be confined within the limits of political economy; in fact his science is itself a movement of

antagonisms. This way of conceiving the law of value immediately brings into question the whole notion of so-called socialist economics. All notions of socialist economics, whether in their utopian or in their currently realised forms, can have nothing in common with Marxism.

4) The open-ended dynamism of Marx's "system" is directed wholly towards identifying the relationship between crisis and the emergence of revolutionary subjectivity. This relationship is so fundamental in Marx's thinking that we could see Marxism as, at once, both *science of crisis* and *science of subversion*. Thus those who see crisis as a sickness to be cured and healed are not only betrayers of the revolutionary movement, but are also playing with words in a way that bears no relation to the categories of Marxism. Attempts to reduce subjectivity merely to exploitation are clearly a reduction of Marx's own definition, which sees subjectivity as subversion and transition. In this regard, the *Grundrisse* is perhaps the most important – maybe the only – Marxian text on the question of *transition*, and it is curious to note that among the thousand and one positions published on the question of transition, this fact goes completely unregarded.

5) Marx's definition of *communism* in the *Grundrisse*, leaving aside its serious limitations, is an extremely radical definition. The fundamental element here is the nexus between communism and class composition. This leads to a conception of power which is radically different to traditional (and even Marxist) concepts of power in political science. The nexus between class composition and power, like that between class composition and transition, is articulated on the real material nature of forms of behaviour, of needs, of structure, and of self-valorisation. The debate about power, within Marxism, requires a thorough-going critique, and a deeper analysis of these nexuses provides the possible terms in which it could be reconstructed. We cannot overstate the importance of this task today.

6) My final specific problem relates to the dynamic of the concepts defining the *working class* in the *Grundrisse*. We have already begun to see some of the negative effects arising from the fact that Marx never wrote his book on wage labour (or on the wage), and from the fact that some important elements of the wage are defined in reduced and objective terms in the pages of Book I of *Capital*. But this observation does nothing to help us solve the problem. Thus we are going to have to trace the connection which, via many different stages, creates the conceptual link between Marx's critique of the wage and his revolutionary definition of communism and communist subjectivity. In short, we are going to have to reconstruct at least the outlines, the schema, of Marx's planned Book on the Wage, and identify its various likely articulations.

Marx Beyond Marx: Working Notes on the Grundrisse

So these are some of the fundamental problems that we shall have to bear in mind as we examine how to read the *Grundrisse* and how to define the two major elements of its analysis (surplus value and realisation).



The extraordinary importance of the *Grundrisse* in helping us to understand Marx's thinking also applies to the *method* employed. The 1857 *Einleitung* ("Introduction") and the way it was creatively applied to the *Grundrisse* project is also important in *methodological* terms: for Marx it represents a synthesis of the various questions of method that had been exercising his mind. I shall return to the *Einleitung* at length, so here is not the place to embark on a detailed analysis of it. Suffice to say that Notebook M contains an explicit elaboration of the method of *determinate abstraction* and *tendency*, the methodology of historical materialism, and that in the *Grundrisse*'s research method we see its first application, grafting the materialist method onto a refined practice of dialectics. The synthesis of these two driving elements of dialectics is in every sense open-ended. On the one hand, dialectical reason is brought to bear on the relationship between specific determination and tendency, subjectivating the abstraction, the logical/heuristic mediation, and impressing upon it a qualification and a dynamic that are historical. On the other hand, the materialist method, precisely to the extent that it is so completely subjectified, so completely open-fronted and partisan, refuses to be closed into any dialectical totality, any logical unity. Specific determination is always the foundation stone of all meaning, all tension between categories, all tendency. This method is, among other things, a strong wind, capable of sweeping away blockages in research and continually recreating new platforms of research at a higher level. In this sense we can once again say that, from the point of view of method too (albeit in hypothetical form, and still awaiting further demonstration), the *Grundrisse* is a fundamentally *open* work. And we can also restate our view that in this period Marx was in a very propitious phase – a mid-period of development that was neither eclectic nor mid-passage, and within which the wealth of his driving insights was not reduced to some indifferent average, to a banal reduction of categories, to a stifling of imagination.

However, these general observations, albeit important, are not sufficiently concrete. They provide an indication of how the "*plural*" universe (as I like to call it) of Marx's method came into being, but they provide no exemplification; they fail to show it at work in Marx's laboratory.

As we know, in his *Afterword* to the second German edition of Book

I of *Capital*, Marx describes the difference between *Forschung* (the moment of research) and *Darstellung* (the moment of scientific exposition) as follows:

“Of course, the method of presentation must differ in form from that of inquiry. The latter has to appropriate the material in detail, to analyse its different forms of development, to trace out their inner connection. Only after this work has been done can the real movement be adequately described.” (*Capital*, Vol.I, 1, p.19)

In the *Grundrisse*, the process of logic that unfolds as between the *Forschung* and the *Darstellung* can be observed in all its various stages. But bearing in mind what we have already seen, we can say immediately that the relationship is not linear, and is not one-sided either. On the contrary, the dialectic between research and exposition is open on all sides. Each expositional conclusion reached by research then opens up further areas of research and exposition. And this is true not only from what we might call a horizontal point of view (ie that successive areas of research become exhausted), but also, and particularly, from a historical and tendential point of view, whereby the identification of each new subject immediately reveals its antagonistic face, and via this sets in motion a process of the determinate emergence of new subjects. The *Darstellung* (exposition) thus sees itself followed dialectically by a *neue Darstellung* (new exposition). What we have here is a *constitutive process* capable of constituting the complexity of the real movement, always approached scientifically, and always scientifically in a process of being refounded.

So rather than linear continuity, we have a plurality of points of view continually engendered by the determinate antagonism, and forward leaps in the exposition, dictated by the constitutive activities of research, towards new expositions. It is from this point of view that the *Grundrisse* constitutes a “plural” universe – ie from the point of view of method (a method which, materialistically, always sees historical determination as fundamental; a method which, dialectically, is always able to see the dynamics and the tendency associated with every determination, as the antagonism which is proper to it is constituted, resolved and reformulated). In the course of its exposition, every research result seeks to identify its own antagonistic content, and to see it, tendentially, in terms of the dynamic that is proper to it; when this dynamism occurs, what we then see is a real conceptual explosion and redefinition of the conceptual framework. Later on I shall discuss all this in less formal manner, and I shall provide instances, for example, of how all the terms of debate are pushed a step forward in the setting up of a *neue Darstellung* (new exposition), so that the previous mode of exposition

Marx Beyond Marx: Working Notes on the Grundrisse

must itself become the subject of analysis, and thus provides raw material for the *new* exposition. For the moment, though, given that I am only presenting hypotheses, I do no more than refer to the strength of this method, as used in the *Grundrisse*: this ability to grasp a concept, then explode it, and then shift the analysis forward again into the indeterminateness of the field that has been in the process of formation, in order to redefine it, to determine it. And so on.

So Marx's method, the method of the *Grundrisse*, is not the methodological fetishism that some teachers and polemicists make it out to be! Agreed, you find there a passion for totality, but only in the form of a multiplicity of sequences and leaps – never in a monolithic sense; above all, you find a dynamic which has all the plurality and diversity of subjectivity – thus you find a many-sided openness of possible outcomes. On occasion, in polemic with the obtuse objectivism of certain traditions of Marxism, this mobility of method has been attributed to the *political* discourse in Marx's overall work – in an attempt to distinguish this so-called "realism" from the shortcomings of a materialism that has degenerated into determinism. But this is not the way to resolve what is evidently a serious problem. Rather, we should be looking to recognise the mobility of the material content that Marx was studying, and the wealth of subjective qualifications that it expresses – which he so often proves capable of mastering. Marx's method is constitutive in the field of science, inasmuch as it provides a tool which enables us to grasp reality as a many-sided, dynamic multiplicity of factors. His method is constitutive insofar as the class struggle is constitutive of explosive antagonisms. Thus, the results of analysis are expounded – but within that exposition there is a qualitative leap, which is not simply the obvious fact that a determinate synthesis has taken place; what is important is that, with this determinate synthesis, the diffusion of antagonism is set in motion at a new level; a new terrain opens up for the constitution of antagonism and for its potential/possibility of explosion.

When we come to study the transition from the theory of surplus value to the theory of realisation, we should not be applying the former theory to the latter; certainly not. Our problem is to see how the general formulative process of capitalist domination reproduces the dynamic of surplus value at a social level – in new forms, both from capital's point of view and from a class point of view. And when we come to study the formative process of the world market and its changing relationship with national markets, here too we are obliged to *shift (displace)* our analysis (in its twin form of research and exposition) towards and within these new general levels. So – *determinate abstraction; a method based on tendency; a further stage of exposition; and the forward displacement of the field of research*: the dynamic character of this method constitutes a

Revolution Retrieved

“plural” universe wherein it is dangerous to move, difficult to comprehend, and exhilarating to win.

I should add another element of my preliminary hypothesis regarding the material used in the *Grundrisse*. This concerns the crisis of the law of value – in other words, the high point of Marx’s analytic endeavours. Now, let us accept that, broadly speaking, we have entered a phase of crisis in the material functioning of the law of value. Our method – being Marxist, materialist and dialectical – is going to have to change, in relation to the changes that have occurred. It will not suffice simply to leave the problem open-ended. We will also have to venture a few answers. In fact, this question is absolutely central.

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At this point, a brief digression would be in order; a moment’s breathing space. Nowadays, discussions of methodology in the social sciences are very often conducted in new terms, in terms of a pluralism of instances of social self-valorisation, the dynamism of the process of recomposition. This new methodological sensibility is frequently counterposed to Marxist method. At the first mention of multiplicities of instances of recomposition, or of transversality in the method of recomposition, the cry goes up: “beyond Marx”. But beyond which Marx? The Marx that is taught in Party cadre schools? Or the Marx who is relived in the theory and practice of working-class and proletarian struggle? Re-reading the *Grundrisse*, one has a very powerful sense that here we really are “beyond Marx” – but also beyond all possible methodologies of pluralism and transversality. The constitution of his field of inquiry takes place via a continuous tension between the pluralism of real instances and the explosive dualism of the antagonism. The unifying element of Marx’s system (or anti-system?) is antagonism, not as the basis for the formation of a totality, but as the source of an increasingly pressing and plural expansion of the antagonism itself. In Marx’s methodology, the more the class struggle is antagonistic and destructive, the more it involves a greater freedom of its subjects. Marx beyond Marx? The *Grundrisse* beyond *Capital*? Perhaps. What is certain, though, is that the theory of surplus value, in all its centrality in Marx, destroys any scientific notion of centralisation and domination conceived within the terms of the theory of value; that the theory of surplus value multiplies antagonism at the level of the microphysics of power; that the theory of class composition lays a new basis for conceiving the problem of power – in terms of a recomposition which is not that of unity, but that of multiplicity, of needs and of freedom. *Marx beyond Marx*: this too is an important, immediate and pressing hypothesis.

Marx Beyond Marx: Working Notes on the Grundrisse



The main commentators on the *Grundrisse* have recognised the work's seductiveness, but have been incapable of surrendering to it. For this reason (with few exceptions) they fail to read the work for what it is, and end up in distortions and reductionism. The titles of their offerings are symptomatic: *La Storia di una Grande Scoperta* ("The History of a Great Discovery"), or, even more explicitly, *Bevor 'Das Kapital' Entstand* ("A Stage in the Genesis of 'Das Kapital'"), or *Zur Entstehungsgeschichte des Marxschen 'Kapital'* ("Understanding the Genesis of Marx's 'Capital'"). Occasionally they say very useful things about the *Grundrisse* – but they always describe it as the genesis of something else, not as a focal point in its own right. The historiographic methodology applied here is not Marxist – it is satisfied with identifying a genetic continuity, a continuity in the development of ideas, and fails to pay attention (or at least sufficient attention) to the leaps, the breaks, the plurality of horizons and the urgencies imposed by practice.

The pity of it is that, on those rare occasions when these material characteristics *are* taken into account, another passion takes over – the mania for systematising and classification. Indeed, they say, the *Grundrisse* is an original work in its own right – but then they take literally Marx's comments in the *Correspondence* – that the *Grundrisse* was written in a frenzy of powerful inspiration, in the desperation of extreme loneliness, and during a temporary crisis of political practice. Written after midnight... as if in a fever.

That, as regards the form of the thing (and best to pass over in silence the particulars: his mathematical calculations are all wrong; his dialectical method confuses concepts and multiplies their definitions, etc). Then, as regards substance, the *Grundrisse* is seen as coming prior to the rigorously materialist break that characterises Marxist "theory"; it is seen as the last of his youthful writings; its conceptual connections and the tenor of its analysis are still tentative and fanciful – and while this way of proceeding can still be acceptable in terms of the theory of surplus value, the theory of realisation, on the other hand, with its explosions of subjectivism and catastrophism, is a disaster; it replaces material connections with influences that are virtually metaphysical – or at least organicist (as in *Die Formen* – "The Forms") or humanistic (as in the "*Fragment on Machinery*"). So, the *Grundrisse* is accepted as a remarkable innovatory effort, but one which goes no further than repeating and overstating Marx's initial youthful humanism. The *Grundrisse* is seen as a set of rough notes laced with idealism and the ethic of individualism; the attempted definition of communism in the *Fragment on Machinery* is a synthesis of scientific nineteenth-century idealism and libertarian individualism. I have to admit that, faced with

such criticisms, I often find myself at a loss for words. The temptation is to go through the text with Germanic thoroughness in order to show that in fact, in a reading of the text as it stands, these criticisms are unfounded. But why bother? How am I to explain that the “frenzy” of the work is not Marx’s frenzy, but the frenzy of the material on which he was sharpening his critical tools? Precisely this – ie the nature of the material and the spelling-out of its extreme consequences – is what makes the *Grundrisse* so exceptional; it is a high-point of the Marxian science of the deepening of contradictions to the point of final, material, irresolvable antagonism. “Our purpose, rather, is to develop (the contradictions contained in capital) to the full”. (*Grundrisse*, op. cit., p. 351) In this science of contradiction leading into antagonism, there is no place for humanism, even if there *is* a real place for the frenzy of the material.

Now, let us return to some of the more recent interpretations, those which, as I was saying, tend towards “genetic” readings, towards a concern (excessive, in my opinion) for theoretical continuity in the development of Marx’s thinking. Prominent among them is the interpretation offered by Vitaly S. Vygodsky. He deserves credit for having understood the *Grundrisse* as a turning-point, and for the importance of his definition and thematic reconstruction of the work. However, Vygodsky’s work is to be located within the “new look” *Diamat* (Dialectical Materialism). When the class struggle has turned against the functioning of the law of value (a functioning which by now is simply enforced – stripped of even the slightest appearance of “economic rationality”), when, in short, the revolt against valorisation becomes increasingly insistent, then Soviet Marxism is forced onto the defensive; the old *Diamat* is in need of modernisation. So what could be better, what more functional, than to take the dialecticism of the *Grundrisse* and use it in order to moderate the rigorous (but by now over-rigidified and inadequate) apparatus of the Soviet ideological system? The importance of Vygodsky’s reading cannot be denied; but neither can we deny that it has a function, a political direction, in the sense that it is a simplified and abridged version for political ends – *ad usum delphini*. The operation of combining the *Grundrisse* with the Soviet vulgate of *Capital* is designed to facilitate that modernisation of the *Diamat* which is imposed by the realities of class struggle in the USSR today – a modernisation carried through by those in power in order to be better able, dialectically and through conflict, to develop that potential for domination which economic and/or Stalinist readings of *Capital* both equally express. From this point of view, the *Grundrisse*, for all the recognition of its originality, is seen as a back-up text for a proper reading of *Capital* – in a part of the world where

Marx Beyond Marx: Working Notes on the Grundrisse

readings of *Capital* function directly as domination. Thus Vygodsky's interpretation is calculating and has ulterior motives. Even though his reading is often correct, it remains negative – just as the writings of seventeenth century commentators on the State remained ambiguous, despite their powerful scientific realism. In addition, when we take a closer look at the substance of Vygodsky's interpretation, we see that, despite his merits, at no point does he arrive at a critical breakthrough: he highlights the importance of the *Grundrisse*; he emphasises the way dialectic is posed in terms of antagonism; and he points to the centrality, and the materiality, of the theory of surplus value. But he does not extend his arguments across the whole span of Marxist categories. Far from it. In fact – as Cristina Pennavaya has correctly pointed out – he even goes so far as to state that Marx's theory is a “closed economic theory”. At this point, I'm not sure which is more absurd – to call Marxism an “economic theory”, or to label it *geschlossen* (“closed”). So that is how he sees it: as a closed economic theory, and thus as a theory of equilibrium. But (he would also add) also incorporating a bit of conflictuality and perhaps even a bit of freedom.

This now brings us to Roman Rosdolsky. It would be difficult, but also unfair, to criticise the pioneering work that this writer has done – most particularly because, in linking *Capital* to the *Grundrisse*, Rosdolsky has always sought the middle way. He has never tried to reduce the *Grundrisse* to *Capital* in linear terms. Instead he advances a revolutionary interpretation, and his readings of *Capital* are often original and innovatory. For Rosdolsky, the *Grundrisse* moves within *Capital*, and *Capital* within the *Grundrisse*, and the resulting system – for here we are still dealing in terms of systems – has a strongly antagonistic tendency – to the extent that he stresses and overstates Marx's (Grossmann's?) “catastrophism”.

However, Rosdolsky has his limitations (leaving aside actual mistakes and areas of confusion, such as his position regarding the *Book on the Wage*, and others which I shall come to later on). In my opinion, his limitations are to be understood in terms of the ideological structure of the *communist Left* between the wars: on the one hand, extreme objectivism, and on the other, the necessity of grounding that objectivism in a return to orthodoxy. Both these elements go hand in hand: the objectivism permits the existence of a largely minoritarian communist Left; and orthodoxy is supposed to legitimate it. Grossmann is one of the clearest examples of this necessity. Rosdolsky contrives to remain extremely agile as he moves within these objective limits; sometimes he achieves extraordinary levels of understanding, but in the final analysis, his positions are dictated by the conditions of his day. Thus his reading of the *Grundrisse* seeks to mediate the work's

Revolution Retrieved

extraordinary originality – which Rosdolsky often notes with the worthiness and sincerity of the true intellectual – with the continuity required by orthodoxy. I find this unsatisfactory. It's obvious why it is unsatisfactory from a theoretical point of view, as regards his reading of the text (I shall expand on this at a later stage). But it is not even satisfactory from a political point of view.

We are presently in a phase where the revolutionary movement is being rebuilt, and not as a minority phenomenon. Orthodoxies are of no interest to us. In fact, if we could, we would be quite happy to do without Marx. A breakthrough has been made, a real breakthrough. For too long, value theory has been used as a stick to beat us with. But now discovering the *Grundrisse* gives us back our Marx. Not because of any particular loyalty to the man on our part, but because of his strengths. There is no pleasure to be had in discussing with the orthodox, and there is no longer any obligation on us to do so. Our languages are distinct; the banner of contradiction has been raised. What is more, the *Grundrisse* gives us back Marx in several senses. First and foremost as the theoretician of the great upheavals of capital, in terms of the crisis of the law of value. As I said earlier, Sergio Bologna has produced important (albeit partial) research on the historical context of the *Grundrisse*, and in particular on how Marx's theoretical researches connect with his work on the debates about money, and his analysis of the American and world crisis (as developed in Marx's articles of that period, in the *New York Daily Tribune*). [trans: This text, *Money and Crisis: Marx as Correspondent of the "New York Daily Tribune", 1856-57*, is translated and available as part of the Red Notes Italy Archive.] However, it is unacceptable that the synthesis of these moments is rendered in terms of a literary image of a two-man revolution – by Marx and Engels – theoretically responding to the “revolution from above” enacted by capitalist power. The Marx of the *Grundrisse* is fully aware that the theoretical alternative does not exist – that either theory is a function of the mass movement, or it is nothing; there can be no theory by proxy. Thus the synthesis of the various elements of Marx's analysis rests on the definition of crisis as a moment of the necessary re-founding of the revolutionary movement; it rests on that continuity in the fabric of practice and politics that theory has to reach out to and grasp. We could paraphrase Hobsbawm slightly, and say that for Marx the *Grundrisse* is a kind of *collective* theoretical shorthand: it is pushing theory to the limits, for and within current class practice. And at this point we are now able to see the real meaning of the synthesis offered in the *Grundrisse*: the *Grundrisse* is the central point in the development of Marx's theory, because it represents the moment when the system which is in the process of being formed is not closed in, but rather opens itself to the

Marx Beyond Marx: Working Notes on the Grundrisse

totality of practice. The method of the *Grundrisse* is constitutive of antagonism; its categories, taken as a whole, are constitutive of a set of concepts which can be understood only in the light of their function – a deepening and a widening of the class antagonism. The catastrophism of the *Grundrisse*, of which so much has been made, is, in reality, an allusion to this political/practical nexus, to this moment which the strength of the working class has to impose over and against the value-system.

□

The process whereby the *Grundrisse* spills over into *Capital* is a felicitous one. Read in this light, the concepts contained in *Capital* turn out to be entirely adequate for an understanding of development in terms of antagonism. However, there are many instances in which *Capital's* categories do not function in this sense, so that one could well come to think that some of the worse excesses of objectivism are in fact legitimated by readings of *Capital*. As a result, while the spilling-over of the *Grundrisse* into *Capital* is a felicitous process, the same cannot be said in reverse. The *Grundrisse* represents the high point of Marx's revolutionary thinking; it is in the *Grundrisse* that the theoretical/practical breakthrough takes place which constructs the notion of revolutionary behaviour and lays the basis of Marx's differences with ideology and objectivism. In the *Grundrisse*, theoretical analysis becomes constitutive of revolutionary practice.

At this point, I should mention the reading of the *Grundrisse* provided by a young comrade, Jürgen Krahl, for the deep insight he offers of how, through the development of the categories of the *Grundrisse*, we can trace the course of a process of constitution in the class struggle. I should also perhaps clarify my position: I am not launching an abstract polemic against *Capital* – in fact all of us have been formed intellectually and brought to theoretical understanding by the class hatred that reading *Capital* nourished within us. But *Capital* is also the text which has been used in order to reduce criticism to economic theory, to the elimination of subjectivity into objectivity, and to the subjugation of the subversive proletariat by the repressive recomposing of knowledge in the form of a science of domination. It is only possible to win back a correct reading of *Capital* (and I don't mean for the enlightenment of intellectuals, but for the revolutionary understanding of the masses) if we subject it to the critique of the *Grundrisse* – in other words, if we re-read it with the help of that mechanism of categories that the *Grundrisse* has locked into the most unresolvable antagonism and has entrusted to the constitutive capacities of the proletariat. From this point of view, the *Grundrisse* is a critique of the capitalist "revolution

Revolution Retrieved

from above”, launched from within the real movement; it is faith in the “revolution from below”; it is the highest potential for destroying all theoretical and political autonomies existing separately from the real movement – that real movement which the *Grundrisse* sees (in its structure of categories) as a constitutive force.



Leaving aside *Lesson 3* (in which we shall re-read the *Einleitung* [“Introduction”] and then pose a series of methodological problems), in the other lessons, I shall progress through the substance of the *Grundrisse*. *Lessons 2, 4 and 5* will follow the process that leads from the critique of money to the definition of the theory of value; from this, to the formulation of the theory of surplus value; then to the definition of crisis and catastrophe as the theoretical conclusion of this first section of the analysis. In *Lessons 6 and 7*, we shall look at the analysis of realisation and circulation in order to see how the constitutive process of social capital (of the collective power of capital, and of its antithesis) takes place: at this point we shall try to identify a possible schema for the “Book on the Wage”. *Lessons 8 and 9* will draw conclusions from this second section of our analysis: we shall move from subjectivity and an initial definition of communism to a first overall forward shift of the analysis, involving the modification – already outlined – of a series of conditions constitutive of antagonism. In short, my intention is to reconstitute the terms of the thematic of communism in Marx, through exploring the relation between catastrophe (capitalist breakdown) and proletarian self-valorisation.

My intention in this first lesson has been to outline hypotheses and to suggest possible modes of interpretation. What more can I say? Perhaps I have already said too much. But I do like to imagine what would have been the reactions of Lenin, and Mao, if, in addition to Hegel’s *Logic*, this *Grundrisse* had also been available to them. I am certain that they would have welcomed it enthusiastically. It would have given them much food for thought, in terms of their practice. Like bees gathering pollen from flowers. This is how I like to think of “going beyond” Marx.

Crisis of the Crisis-State (1980)

Introduction

This article is the first of two of Negri's writings included in this volume from his period of imprisonment. As the style suggests, it was written as a contribution to an anthology on political and economic prospects for the 1980s – *Crisi delle Politiche*, Pironti, Napoli 1981. It was republished, along with the subsequent article "Archaeology and Project", in a Negri anthology published by Feltrinelli while he was in jail, covering the previous five years of his work: *Macchina Tempo*, Milano 1982. This title is best translated as "The Machine of Time", referring, by allusion to a neo-Platonic concept of the Renaissance, to Negri's main concern in his prison period: the analysis of the contradiction between separate time dimensions in the contemporary class struggle and, in particular, to the way in which this affects the problem (*rompicapo* or "puzzle", as Negri calls it) of the transition to communism. As the previous texts already make clear, communism for Negri is not a future Utopia in a linear process of "stages" of transition, nor simply a present "lived" Utopia. It is, as in Marx's *Grundrisse*, a material antagonism developing between class forces in the present; hence a new problem of temporality in the relation between class forces, between the "machine" time of the state and capital, on the one hand, and what Negri calls the "constitutive time" of the growth of proletarian autonomy, of the self-valorisation of life needs, on the other. Now that the class struggle is over the whole social working day and is being waged by a fully socialised proletariat, it is impossible to see relations of *reproduction* as merely a by-product or "result" of production relations: the contemporary crisis of capitalism requires a further social dimension beyond the workerist analysis of the 1960s and early 1970s – the crisis is *both* a crisis of production and of the reproduction of wage work relations as a whole.

Revolution Retrieved

Here Negri traces the development of the state's response to this crisis since the 1960s, the further accentuation of the "crisis-state" in the 1970s, a state based on command through the management, manipulation and blackmail of crisis politics. No longer is this state based on a contractual bargaining structure – the space for bargaining is narrowed to the point where all "bargains" are political and are selectively "allocated" at regional and international levels. With the crisis-state, any positive or "resolutive" dialectic between class struggle and capitalist development is decisively broken. This Negri sees as a new *state form*, ie a form of command over labour, which is permanent for the indefinite future. With this, the radical reformist possibilities of socialism – still locked in the Keynesian era – become more and more unreal. He also makes some important points about the "new Right" in today's politics: far from representing a return to *laissez-faire* neo-liberalism, this ideological masquerade is merely a cover for a vast increase in state repressive centralisation, both at the national and, above all, at the international level, through monetary, energy, food and military sanctions etc, to enforce and reimpose the constrictions and divisions of the labour market, ie in order for the market and exchange value to "operate productively". This coercive power affects all forms of social labour, waged and non-waged alike. But far from being eliminated by marginalisation and repression, these new social forces, this new "force of production", the "social worker", will continue, in Negri's view, to exercise its material power, and remains a force that the state has to reckon with. (For further accounts of this process, see the retrospective Negri interview text cited above, "From the Mass Worker to the Social Worker", Multhipla, Milano 1979; likewise his later analysis in "Archaeology and Project" below, and the retrospective account of the Italian movement written in 1983 by Negri and other defendants in the April 7th trial, "Do You Remember Revolution?", also translated below.

Many of these points had already been developed in Negri's earlier writings, for example in *La Forma Stato* (1977). Here (understandably, from his own experience) there is a greater emphasis on the "internal warfare" characteristics of the crisis-state, its proliferation of "internal enemies".

As Negri indicated in his preface to "Marx beyond Marx" (above), the net of state repression was already closing in on him and on hundreds of others in Italy by 1977-78. He was himself issued with a warrant in 1977, and it was at least partly due to this (as he states) that he was on teaching leave in Paris at the time. However, there was no indication in these earlier charges of the "terrorist conspiracy" for which he, along with many others, was imprisoned in April 1979, resulting in four years

Crisis of the Crisis-State

of high-security “preventive detention” prior to trial. The “April 7th Case”, as it was called, became an international matter of democratic legal concern. In Italy, the political system, united in the austerity pact and backed by the Communist Party through the Historic Compromise, unleashed an unparalleled wave of repression against the autonomous movements – thus drastically redefining the boundaries of legitimate opposition and narrowing the space for independent class politics. This was done under the general umbrella of the fight against terrorism – a campaign that moved far beyond its declared objective (the defeat of the armed groups) to criminalise all forms of “subversion” and to outlaw all forms of so-called “mass illegality”; from mass pickets, proletarian patrols, actions of riot, “free shopping” or expropriations, to housing occupations, organised “self-reduction” of bills for rent, energy and fares (“Can’t Pay, Won’t Pay”) and other forms of direct-action class politics common and widespread in Italy throughout the 1970s. These were reduced to one common denominator, presented as so many fronts or ramifications of a centralised terrorist conspiracy, wherein Negri and his co-defendants were grotesquely cast as being the “leaders” and “masterminds”. Nor was this wave of repression restricted to the intellectuals in the movement – the so-called “evil teachers” (*cattivi maestri*). It was followed by mass sackings in the factories, arrests of (and warrants issued against) community activists and publishers, and the forced closure of bookshops, journals and free radio stations. This preventive coup by the state, moreover, was operated *through* the party system, the media and the judiciary, ie *through* the “democratic consensus”, raising a number of issues which Negri highlights in this text. The participation of the Left parties and unions in imposing austerity, actively helping to strengthen the repressive and authoritarian rationale of the state through corporatist involvement, was a key factor in the isolation and division of movements of opposition and for class needs in society at large.

Obviously crucial to this operation was the “terrorist” factor, of which Negri himself had warned on numerous earlier occasions. The militarisation of the class confrontation, the creation of a simulated civil war situation, both on the part of the armed groups and by the security state, drastically narrowed the space for an independent class politics of needs. (For a useful critique of the Red Brigades along these lines, see L. Manconi, “The Language of Terrorism – a Critique of the Red Brigades”, *Emergency* No. 4, 1986.)

A further underestimated factor that Negri discusses was the pluralistic subjectivity of the movement itself, which failed to find a common political expression “beyond the fragments” and thus could be split up, selectively repressed and/or “ghettoised” more easily. The

Revolution Retrieved

model of centralised leadership and organisation projected by the inquisitorial logic of Negri's prosecutors is in this sense the supreme irony of the whole "April 7th" case! (See the judges' early interrogation of Negri in "Negri before his Judges", reproduced below.) The judicial process itself is fairly extensively documented in the Red Notes and Semiotext(e) anthologies already cited; see also *Italy 1980-81: After Marx, Jail!* Red Notes, London 1981; and *The Italian Inquisition*, Red Notes, London 1982.)

For an authoritative statement of the judicial irregularities of the trial process (successive substitution of vague and trumped-up charges to prolong detention for the principal defendants; absence of the key state witness, who was provided with the means to abscond abroad before the trial, etc) see Amnesty International's official report of the case: *7th April Trial - Italy*, August 1986, available from Amnesty's International Secretariat, London. The dramatic events of the trial itself and Negri's escape to France in 1983, following his election as a Radical MP, his release from prison, and the subsequent lifting of his parliamentary immunity, are covered by his diary of this period: *L'Italie, Rouge et Noire*, Hachette, Paris 1985.

Crisis of the Crisis-State

Part One

To begin with, let us summarise some developments in capitalist and state policies that seem to characterise the 1980s. These are just approximations, examples that come immediately to mind:–

- (1) the transition from the “welfare state” to the “warfare State”;
- (2) the “negative” use of Keynesian economic policy as a means of reactivating a “positive” use of the market;
- (3) the restructuring of the interstices of the economy (the interstitial economy), involving a new attack against any element of homogeneity in the social composition of the class, especially in the critical area that links production with reproduction;
- (4) the massive political and social relaunching of a “new Right”, which aims, for reasons of consensus and productivity, to recompose the fragmentation of the working class in terms of new institutional and state values.

Given the small amount of information that I have at my disposal [*trans*: Negri is writing from prison], the following comments must be taken as extremely provisional and subject to further documentation. Here are some comments, under each of the four headings listed above.

[Point 1] By the transition from “welfare” to “warfare” state, I am referring to the internal effects of the restructuring of the state machine – its effect on class relations. This produces a much greater rigidity in the reproduction of the relations of production and in the class structure as a whole. Development is now planned in terms of ideologies of scarcity and austerity. This transition involves not just state policies, but most particularly the *structure* of the state, both political and administrative. The needs of the proletariat and of the poor are now

Revolution Retrieved

rigidly subordinated to the necessities of capitalist reproduction. The material constitution of the state is certainly reshaped as regards the way in which political parties function – the pluralist party framework of the “representative state” is transformed. More importantly, there is a transformation in terms of the forces admitted to the bargaining table (parties, trade unions, localities, class strata etc). These are admitted to negotiations only insofar as they may be functional to the system and can serve its ends. From a mechanism based on formal procedures, we see a shift to a political process that is structurally geared to “benefits” (constitutional, economic etc; in general those of productivity) which have to be safeguarded. The state has an array of military and repressive means available (army, police, legal etc) to exclude from this arena all forces that do not offer unconditional obedience to its austerity-based material constitution and to the static reproduction of class relations that goes with it.

This represents the final phase in the transformation of the state-form which I define as the “crisis-state”. It is not surpassed, merely reformulated along functional lines. I shall return to this point in the sections that follow.

[Point 2] The basic weapon that capital uses for its restructuration is the deployment of monetary policies. These involve a subtle combination of controlled inflationary manipulation together with various means (financial, credit, fiscal etc) made available to the capitalist entrepreneur as an aid to reconstituting profit margins – these means being conditional on high rates of productivity. Here, in other words, we have an interaction between the instruments of monetary control, which are perfectly manipulable on the part of the state, and the proportionalities required to reproduce the relations of capitalist domination. Thus we have seen, in the long period of high inflation for example, high unemployment and irreversible cuts in public spending moving in parallel with an increase in the financing of industry and an increasing concentration of means designed to guarantee the circulation of goods and the flow of capital. Hence Keynesian instruments of intervention have been used throughout this process, with a view to restoring and bringing back into balance the “natural” framework of the market, the necessary conditions for the “spontaneous” reproduction of relations of profit and command.

To say (as is often said) that this combination represents a huge paradox, that it has little chance of succeeding, that the capitalist ideal of “spontaneous” reproduction via the market is a lurid utopia, is to say effectively nothing. What counts is that the instruments of coercion will be multiplied to ensure that the gains are made, equivalent to those that

Crisis of the Crisis-State

this market utopia offers. The counter-revolution of the capitalist entrepreneur today can only operate strictly within the context of an increase in the coercive powers of the state. The “new Right” ideology of *laissez-faire* implies as its corollary the extension of new techniques of coercive and state intervention in society at large: or, to put it better, a decisive new increase in the subsumption of society within the state. This “neo-liberal” version of the crisis-state form only brings into sharper relief what were the essential characteristics of the Keynesian state-planner form, translating them into explicitly authoritarian terms.

[Point 3] Over the past few years, I have been drawing attention to the socialisation of the proletariat as the fundamental element in the genesis of the present capitalist crisis. This proletariat is fully social – Keynesian, one might say – and it has extended the contradiction/antagonism against capitalist accumulation of profit from the factory area to the whole of society. It has been responsible for upsetting and destabilising the whole circuit from production to reproduction. And it has developed the contradiction of the social conditions of the reproduction of labour-power as an obstacle against capitalist accumulation. The formation and social quality of this new proletariat has not been just an ideal force behind recent class struggles. It has above all represented *a new quality of labour*. This in the sense that it represents a mobile sort of labour force, both horizontally and vertically, a labour-power which is abstract, and which projects new needs. This new labour force has, for a long period, bargained its working hours (susceptible to commodity production and exchange), while maintaining a relative independence at the level of the whole working day. This fact has enabled it to create conditions for equality and homogeneity in the working class; it has acted as a factor strengthening class power.

In the face of this new, mobile, abstract and fully socialised proletariat, we saw a sort of armistice in the class war, as the initial response of the collective entrepreneur throughout the developed capitalist world. Indeed, for a first period, the expansion of the underground economy (mobile part-time work etc) diffused throughout the interstices of the system, went ahead in proportion to the expansion of welfare. For this Keynesian proletariat, wage gains went hand in hand with advances in the social wage and the conquest of free time. The struggles and goals of the new proletariat were organised in this perspective.

The capitalist counter-revolution of today is directed precisely against this homogeneity, this subjective and material quality of mobility of a fully socialised labour-power. Hence the activation of powerful instruments of control, to stabilise and restructure this interstitial

Revolution Retrieved

economy. And hence, also, attempts to break political and behavioural unity in the struggles of this social proletariat, whenever and wherever this shows signs of appearing. Capital's need to restructure this process directly involves the whole sphere of reproduction. It has involved, for example, reactionary attempts to "roll back" the autonomous struggles of feminist movements etc; above all, attempts to reconstitute the imperatives of the family and to attack any elements tending to impair the smooth reproduction of capitalist relations. It is within this same framework that we should understand the basic role of capital's present attempts to reconquer spatial control over the territorial reallocation of the forces of production.

All these mechanisms of restructuration have an important theoretical implication. In the process of this transformation, capital, through state power, recognises its own real existence as collective, social capital. Hence, and quite contrary to the principle of pure market competition (the ideology of the new Right), capital is being increasingly centralised at a societal level, *as a social factory*. It is attempting to reorganise its command over *social labour time*, through a "correct administrative flow" over the entire time and space of proletarian life conditions and possibilities. It follows that the question of public spending and cuts is not just a question of state expenditure in the obvious sense that the state wants to extend and strengthen its control over overall spending. It is a problem, above all in the sense that *through* public spending, the problems facing social capital as a whole, and the contradictions brought about by this fully socialised proletariat, are taken on board as problems which crucially concern the very basis of the capitalist state as such; ie have to be directly subordinated by imposing a *general command over labour*.

[Point 4] It is clear that there remain strong elements of contradiction in this relation between the composition of the class and the corresponding form of capitalist command over labour. There are points of rupture, difficulties in bringing the two processes into synchronisation, in treating them as homologous. This problem makes its appearance at the level of political consensus. And this "legitimation problem" is a serious one for capital. It is serious because, seen formally, the urgent needs of "output" from the point of view of command over labour are not symmetrical with the "input" of consensus. And they must be made symmetrical, at least in hypothesis. Without this consensus, without an effective mystification and the continuous manipulations this allows, the whole system of the social factory, ie command over total social labour time, cannot function. This is where the political activity of the "new Right" is so important, in all the

Crisis of the Crisis-State

developed capitalist countries, both in terms of economic ideology, and above all in ideological control of the mass media. What is presented is a package of values – tradition, authority, law and order, the family, centralised leadership etc – which are asserted as principles which can transcend, go beyond, the supposed privatised “balkanisation” of interests, and at the same time match the need for re-establishing overall command over labour. Both the ideological and the administrative apparatuses of the state have to be purged; the contradictions brought about by the class struggle at this level too have to be expunged.

Hence the new Right, in the first instance, is a sort of “anti-body”, capable of counteracting conflicts within and between state institutions, between the corporate bodies of the state, preventing any residual elements of the old dialectic of conflict-mediation from reaching a critical point of breaking apart the institutions themselves. (In Italy this is achieved by the “national solidarity” pact of the party system). Secondly, the new Right is a powerful poison against forces that do not accept this material constitution of the state, that are not attached to those “constitutional benefits”, and which demand a fundamental transformation in the class relation. In both these instances, the production of ideologies of consent and their manipulation, turning them into industrial commodities to the point where they emerge as “common sense” and “public opinion”, play a vital and relevant role, economically as well, in the contemporary form of the crisis-state.

Having sketched these points by way of example, I do not suggest that they represent an exhaustive treatment of the innovative aspects of the present phase of development of the crisis-state form. These are only illustrations – to which others could be added – of the basic characteristic of the crisis-state: the adoption of a series of means to institutionalise, from the capitalist standpoint, and in military terms, the total rupture of any balance or proportionality between the struggles and needs of the proletariat on the one hand, and capitalist development on the other. We are now at the stage of the full maturation of this crisis-state form. What were the earlier stages in its development?

Its first emergence can be traced to the rupture in the relation between class struggle and capitalist development in the 1960s – a relation which had provided the basis for postwar reformism and democratic cohesion. This rupture came about through the *quantitative* emergence of disproportionate wage struggles, and, as a result, an upsetting of the “virtuous circle” of proportions on which Keynesian development depended. In the second stage, in the 1970s, this split became deeper. The wage variable developed its own independence, its own autonomy, to a critical point at which it no longer simply represented a quantitative disproportion: it was now transformed, in an

Revolution Retrieved

irreversible way, into a *qualitative* assertion of the wage as an expression of the *sociality* of the working class [*trans*: “political wage”].

At this point, capital began to respond by attempting to fragment and disperse the productive circuit on which the unity of social labour-power was based. But it had to do this by *taking as its basis, as its point of departure* the socialisation of the working class, the *irreversible recomposition of the class* brought about by this advanced stage in the subordination of labour to capital.

It is this final level in the unfolding of the problem, as I have already emphasised, that leads to the “crisis of the crisis-state”, in which the crisis-state is forced, as a result, to perfect its own mechanisms. (In case the title of this article reads like a tautology, it should now be clear that I am alluding simply to the fuller realisation of this crisis-state form). And it seems to me that the capitalist restoration of the 1970s, which began with a politics of national solidarity in its various forms, represents in this sense a real counter-revolution. I am not arguing a rigidity of cause and effect in the coincidence between political changes and changes in economic policy. I am only indicating obvious points of coincidence. What I want to emphasise is that anyone who thinks that the connection is *purely* coincidental, between the more profound regulation and use of the instruments of crisis, and the new special forms of state persecution against working-class struggles and their subjects, is denying not just causality in this relation, which is always a debatable point. They also end up denying that this coincidence must be considered, even when it is not regarded as necessary or essential, as a *permanent fact*, on which there is “no going back”, and hence as a *medium term forecast* for the 1980s. It is only by seeing these problems as stable and ongoing, that we can present them in such a way as to make them amenable to rational explanation. This is the point which I want to develop in the following two sections.

Part Two

What does this accentuation of the crisis-state form comprise, specifically? It means, above all, a definitive point of rupture with any possible social contract for planned development. It means that democracy (as it was understood in the good old days, as a contractual régime – whether in its liberal or socialist forms) becomes obsolete. In other words, a form of state power structurally based on a dynamic relation between capitalist development and the development of working class and proletarian struggles – the latter acting as the motive force behind the former – no longer has this dynamic basis. The result is a profound change in the ways in which social conflict is registered at the

Crisis of the Crisis-State

political level. In institutional terms, this rupture is marked by a decisive shift to a new relation of power, which is demonstrably on the side of capital. With this shift, the “natural” (ie historical) basis of modern democracy is torn away.

There is an analogy between this definition of the crisis-state form and that of fascism, provided that we do not stretch this to the point of any historical similarity. It lies in a common basic dependence of the specific nature of the form of command (separated) on the specific nature of the relationship (interrupted) between forces and relations of production. In other words, the analogy can be drawn in formal terms only and, as such, has to be filled out analytically. Nor can this analogy be seen as linear in its consequences; the crisis-state form and the fascist type of régime do not lead to the same kind of predetermined result. If a “fascist” state exists, this is not to say that there exists a fascist political economy. What does exist is a *political form*, a type of fascism: that is, a state-form premised on the rupture between capitalist development and working-class struggles, and the use of crisis as the institutional form of capitalist command.

While keeping to this analysis at the level of general tendencies, I want to focus especially on the way this deepening of the crisis-state has taken place in our more immediate situation in the European countries.

There is no doubt that in Europe the maximum development of democracy corresponded to the period of greatest working-class and proletarian struggles at the end of the 1960s. The dualistic and crisis-ridden nature of capitalist development and its democratic régime was extremely evident in that period. The degree of unity in the class movement was by now considerable. The widespread sense of being a “state within the state” enabled the proletariat to be inventive and innovative in its own ways of being. It was now able to improve its quality of life. It was able to use its power to promote legislation, and to legitimate a whole area of “counter-power”. There were also high points of struggle – and notable successes – in the fight for shorter working hours (which has always been a prime terrain of working-class and proletarian initiative).

These struggles involved, in particular, a redefinition of what was meant by “politics” in the movement. The critique of official politics, which has always been a driving force of all working-class and proletarian discourse and struggle, now not only destroyed the old ways of making politics – it also developed a new method of *autonomous class politics*, absorbing and integrating into the collective politics of direct action all aspects of the social reproduction of labour-power. One recent commentator, Claus Offe, certainly no revolutionary, has emphasised the qualitatively new subjective features of these “new boundaries of the

Revolution Retrieved

political". According to him, this new quality of political subjectivity leads to the emergence of a new kind of conflictual paradigm – within the institutions as well as outside – which stretches the framework of traditional democracy to its ultimate limit.

The capitalist response in what we may define as this *first phase* in the development of the crisis-state consisted in the analysis and practice of *functional means* to overturn these working-class successes. The working class and proletariat had forced the state to devolve a growing proportion of its budget towards maintaining and guaranteeing the process of social reproduction. The recognition on the part of capital of this *social* nature of its accumulation was imposed upon it forcibly, as always happens in the class struggle, and at once became the basis for immediate, organised and monetarised bargaining demands on the part of the working class.

The capitalist response consisted first in blocking, then in controlling, and finally in attempting to overturn the functions attributed by the proletariat to the expansion of public spending – precisely the terrain of mobility and unification of proletarian power. Capital, together with the forces of reformism, now imposed on public spending the productivity criteria characteristic of private enterprise. This “productivity paradigm” was neatly timed, launched and managed through the co-optation of the trade union movement (planning agreements etc). Thus the static principle of incorporation made its appearance through the period of the 1970s, as the main instrument for breaking up the unity of class behaviours and smoothing the way for capitalist reorganisation. A similar line was also pursued with the aim of imposing divisions on the new areas of aggregation of labour-power, such as intellectual and tertiary sectors: these had emerged as an organised and antagonistic force in the 1960s, through the increasing socialisation of production. This strategy, which we may call “separating the ghetto from the new strata of a corporate bourgeoisie”, was pursued far more fully in other European countries than in Italy. Over a long period of the 1970s, the crisis-state operated a conscious policy of demolishing all the parameters of any general equilibrium; political relations based on income policies of the Keynesian type were generally rejected.

This phase can be said to have lasted for as long as the process of fragmentation and desolidarisation of class forces, of proletarian strata, could not yet allow the further leap forward, beyond corporative responsabilisation, to the creation of a new basis of equilibrium, this time based on relations of pure command. This final step probably requires, in most cases, the active demystification and demolition of the corporatist framework of the pact – or at least those elements of it that had been adopted in the intervening period on a transitory basis. This is

Crisis of the Crisis-State

indicated by the nature and outcome of several of the major workers' struggles that occurred at this critical turning-point – such as Ford Cologne (1973); the Lorraine steel strike (1978); and the FIAT strike and mass sackings of 1980.

This, then, provides us with a three-phase schema: first phase – indiscriminate expansion of welfare and recognition of the new socialised nature of the labour force; second phase – a plan of control based on the productivity paradigm and a strategy of corporatism combined with ghettoisation; third phase – reconstruction of a general equilibrium of a “fascist” type (in the sense defined above) – which Aldo Moro, ironically, described as “the third period”. This schema we find broadly applied by all the major governing forces in Europe. It was theorised and developed through the decade of the 1970s; and the origins of the model can be traced to certain anticipatory developments in the USA. It should, moreover, be emphasised that we find a strong *coincidence* of these phases in all the European countries, and, in particular, a *coincidence of key support* given to these state strategies by established left organisations, labour movements etc. This is true at least as regards the second phase of restructuring. The PCI's Historic Compromise from 1974, the EUR line, the Pandolfi plan, are by no means exclusively Italian in their political meaning. Similar labour pacts occurred throughout Europe: an illusory practice of organising working-class consensus along corporatist lines as a defence against the Protean onward march of capitalist restructuring – while on the other hand isolating and marginalising the new socialised proletariat, which became relegated to mere subsistence level. This was the politics of socialist and communist parties throughout Europe – and especially that of the various trade union organisations. But this kind of pact is, in reality, an old and extremely two-edged political instrument; corporatism itself is a good example. Not only did this strategy fail to block the movement towards an authoritarian, command-based regime. It actually assisted in the full realisation of the crisis-state form! And so the vain and self-defeating nature of these projects was in the end made manifest. What fostered this illusion of the established Left, and led to its failure, must be made clear. Right from the onset of the crisis, it was not simply the political structure of the state that was disarticulated, requiring a new consensual basis through the party system (PCI). What had broken down was the basic structural relation between command and consensus, between administrative structures and the real world of work. And at the roots of this *structural crisis* lay the irreversible emergence of a new class composition.

Let us now go back to the characteristic tendencies of the crisis-state form in this latest phase. Two basic elements should be stressed. The

Revolution Retrieved

first is the further maturation of the theory of command: command becomes even more fascistic in form, ever more anchored in the simple reproduction of itself, ever more emptied of any rationale other than the reproduction of its own effectiveness. The second element is the necessity for this command to be exercised in a way that is intrinsic to the totality of social relations, given the real subsumption of labour to capital. Posed in these terms, however, the overall project in this "third phase" is clearly highly problematical. It implies two contradictions. The first is functional: how can command hope increasingly to transcend a reality of which it has to be increasingly part and parcel? The second contradiction is structural: how can command be articulated in a situation in which the rupture between command and consensus, between capital and the proletariat, is structurally irreversible?

The first of these contradictions has been covered in an extensive and helpful literature. Analysis has come to focus on capital's capacity to reproduce a *simulacrum* of society and to formulate command through an effective simulation of the social totality, to develop its constrictions through a *duplication* of social processes. This phenomenon should not surprise economists, who have always defined the sphere of monetary command in similar terms (functions of simulacrum). In the social factory, money is the prototype of this control *within* social relations. But while we should certainly stress this need for control over and within the social totality, of which monetary control is the prototype and lynchpin, it is nonetheless probably the cultural dimension of command that is fundamental – culture, that pale allusion to the power of money. The velocity of mystifications, and their adequacy to the process of real transformation going on, becomes a fundamental condition for command to be exercised. The first of our contradictions, in other words, is not so much overcome as deflected, overdetermined by the functions of simulacrum, organised through the automatic micro-functioning of ideology through information systems. This is the normal, "everyday" fascism, whose most noticeable feature is how unnoticeable it is. It would, however, be wrong to locate this control exclusively at this level. Not only are these mechanisms themselves susceptible to crisis; they also have effects which are secondary in relation to the real transformations taking place in the sphere of circulation. And this crisis of circulation corresponds to the real subsumption of labour to capital. It is a "secondary" crisis (if we are to continue to use Marxist terms); provided that the concept of circulation is now ridded of its economic connotations (the term "economy" can at best only be put in inverted commas). Circulation must now be redefined at the level of the real and total subsumption of labour.

The second contradiction, on the other hand, is structural and

Crisis of the Crisis-State

determinant. Its crisis-inducing character must be seen as primary. For the productive quality of social labour-power – and not simply that of the working class in traditional terms – poses a contradiction that is insoluble. The various political theories that have been put forward on this issue, attempting to resolve the functioning of the system – for example in the work of Luhmann [*trans:* cf. *Truth and Power* and *Differentiation and Society*, Columbia University Press] – are as faltering and fragile as they are utopian. Luhmann takes the productive contradiction out of its proper sphere – thus consciously contributing to the mystification of power; he then resolves it on the basis of its false duplication. The result is falsity and illusion at the point where science ceases to be meaningful; the concept of “sociological fallacy” sums up the effective mystificatory functions of this operation, which is perfectly consonant with capitalist interests. But in terms of practice, such a discourse cannot even serve as an ideological cover; in terms of the exercise of real power, it has to be dispensed with. The only theoretical guarantee to overcome the contradiction on the terrain of circulation, to construct a simulacrum functional to a real power, immediately appears for what it is: a coercive, violent negation of the contradiction on the terrain of production itself, both in theory and in practice.

In Marxist terms, this second contradiction must be located within class relations, relations that have indeed been transformed, but are no less real. On the one hand, we have the productive forces now completely embodied in a fully socialised proletariat; on the other, we have the relations of production completely reconstituted as systematic functions of mystification and domination. Moreover, this productive power of the proletariat is also exercised – directly – over the entire spatial and temporal dimensions of the reproduction process, which has now become a key sphere of antagonism. Thus the authoritarian character of the state has to be developed in this sphere with maximum coherence and power. It is only the negation of any mediatory mechanisms in the real, direct area of class relations that can allow the totalitarian scope of the state system to be effective. The basic, structural contradiction has to be forcefully – and above all preventively – negated and turned into a functional contradiction that is susceptible to manipulation. The state transforms society into its simulacrum, into money, so that capital can spend it! In these features lie the fascistic characteristics of the crisis-state in this ulterior phase of its development.

Do these features also define the Warfare State? They would appear to do so. If we go beyond the purely formal definition, a series of characteristics can be summarised: a maximum technological objectification of the state’s rationale of power (the nuclear state);

Revolution Retrieved

the maximum articulation of the state's production of consensus (the information-system state); the possible – though not necessary – mediation in static terms through interest groups (the corporative state); the consequent pushing to the limit of mechanisms of exclusion, marginalisation and selective repression (the fascistic state) – and so on. Last but not least, we have the calculated and cynical use of internal war as an instrument of control. It is worth noting that, at the level of real subsumption of labour and as a solution to the problem of circulation seen as a problem of consensus, the terrorist factor is fundamental; as “natural” to the contemporary state as fiscality was to the state of the *ancien régime*. Once again, crisis repeats and reproduces the genesis of the state form. It is a veritable Leviathan that presides over and against the forces of today's proletarian struggles.

Part Three

Working-class science today is faced with a Socratic task – that of reimposing the principle of reality. Today's climate is a strange one, reminiscent of the 1920s; but Hoover's vendetta, the deflationist attack on the working class which many think is being repeated today, is itself a phantasma, a simulacrum of reality. The transformation of the composition of the working class, on the other hand, is the real and irreversible development, and has been since the 1960s. And the more capital attempts to track down and mystify this recomposition – in the knowledge that class antagonism has become widened and extended to the social sphere as a whole – the more it finds itself bereft of any positive logic, and is forced simply to arm itself with violence and brutality in order to exercise its domination.

It seems clear, however, that while we can identify a phase of the movement in the 1960s that saw an acceleration of this transformation, and a phase of political maturation at the social level in the 1970s, the *present* phase should be seen as one of a *war of position* in the relation between classes. Certain theoretical and practical tasks arise from this definition of the current phase. Here I shall limit the discussion to some theoretical aspects of the question.

My own forecast is that, as far as the working class and proletariat are concerned, the 1980s will be dominated by the search – over a medium-term period – for more solid forms of political mediation within the class itself; between social groupings and different strata of wage labour, between the genders, across generations etc. The problems that have been passed down to us from the latest stage of confrontation are both negative and positive. The *negative* problem is how to break down the corporatist strategies of domination (where, as seems likely, these are

Crisis of the Crisis-State

not already liquidated by the dialectic within the state institutions themselves); the task here is to build a *generalised* terrain of resistance. The *positive* problem is how to find a way of *asserting as an effective force* the qualitatively new social recomposition of subordinated labour in all its forms. Hence the key theoretical task is that of completing and updating the Marxist analysis based on the mass worker class composition of the earlier period of the 1960s. The “mass worker” class composition must now be considered as a phenomenon subordinated to the socialised, abstract and mobile characteristics of the proletariat in the epoch of the transition to communism. In other words, we have to develop a phenomenology of mediations of the new proletarian subject, able to grasp its cultural and social, spatial and temporal, horizontal and vertical mobility, as the basis for an entirely new chapter in the communist theory of the present. A number of theses put forward by a growing body of Marxist theorists (for example, De Gaudemar, Fox Piven and Cloward, Hossfeld or O’Connor) suggest that the theory of class composition should once again be taken up and systematically updated within the framework of a theory of time: in other words, in a dynamic form which encompasses the internal relations within the class in their temporal dimension, and sees mobility as the key characteristic of the formation and process of re-formation of the working class.

In a self-critical sense, we should consider the “impasse” which the proletarian movement underwent in Italy at the end of the 1970s as the product of the capitalist ability to impose new strategies of division and to choose various tactics in order to discipline different sections of the class movement over time. The defeat by the corporatist pact, the blockage imposed on the further expansion of revolutionary activity of important sectors – and above all of the mass worker sectors – took place in a precise time dimension. If we were to put this in philosophical terms, we could say that the *constitutive* time of the revolutionary tendency was opposed by the *analytical* time of capitalist command; and that the task now is to reduce the capitalist *analysis* of time to working-class and proletarian *constitutive* time. But philosophical modes of problematising the issue are not in order, even though these are probably the only way correctly to pose the problem of organisation in a war of position. Hence empirical analysis should be developed in the time perspective of the recomposition of the class movement; while recognising that the *analytical* time dimension is fundamental as regards determining class antagonisms in their relation to capitalist strategies and initiatives of command.

In this strategic perspective, the importance of destructuring the class enemy should not be forgotten – indeed, it remains decisive. Temporal analysis of class relations must essentially be based on the subjectivity of

Revolution Retrieved

proletarian forces, of the various strata of the class, of their plurality. And the pluralism of proletarian subjectivity has to be seen in the temporal dimension of the total working day. As we know, class subjectivity is not a spiritual element; it is as material as all other elements that have a bearing on the working day. What we have to do is to consider *dynamically* the cultural, age, gender differences etc, in the process of class recomposition, in order to reach a new definition of class subjectivity. The basic task of today is to define and make possible an *organisational* synthesis out of these subjective processes.

To clarify my argument, it is worthwhile going back for a moment to the problematic posed for the movement in the 1970s. From capital's side, as we have already said, the restoration was carried out through policies of division and corporatist strategies of co-optation. Fox Piven and Cloward have demonstrated this process quite clearly, at least as regards the USA, in their study of *Poor People's Movements*. But what is lacking in their analysis is precisely a *constitutive time dimension*, capable of going beyond the various divisions imposed from above and grasping that new quality of class composition which is implicit in their analysis and which indicates the revolutionary tendency within the class movement as a whole. In other words, what we really need to understand is how the new quality and level of needs and new forms of mobility produce material circuits of recomposition within the class.

In the old "workerist" framework of analysis, centrality was accorded to the labour process – as distinct from the productive process as a whole. Analysis of the mass worker *as such*, within the labour process, was seen as sufficient to trace a sort of subjective circulation of struggle which was a simple reversal of the commodity process. This subjective circulation in turn provided the key to characterising the subjectivity of the struggles that took place. In a vulgar sort of way (and not only in the Italian workerist current), this technique of "reversal" was then extended to the analysis of public spending, to identify the circuits of struggle of the social worker alongside those of the mass worker: "public spending is part of your wage packet". Clearly, this analysis was insufficient. Similarly, what is needed now is not simply an analysis of working-class mobility, showing it to be the "reverse side" of the paradigm of command, and indicating the possibility of a long-term convergence in agitational terms between unemployed and factory workers, exploited housewives and old-age pensioners, students and youth working in the black economy etc. Obviously we need this – but it is still not enough. The analysis has to be rooted in a *communist perspective*. Clearly, this must encompass the practical problems of struggle against the articulations of capitalist command, the problem of resisting and overthrowing the blackmail of public spending and the

Crisis of the Crisis-State

discipline of the total working day in a global sense – but the *connecting thread* of the analysis can only be found through a progressive movement, both theoretical and practical, which anticipates a communist future.

Let us examine a specific instance of this problem by looking at another aspect of the defeat of the movement in the late 1970s. This defeat took place, not only as a result of corporatist state policies, but also through the *ghettoisation* of the movement itself; the repression and/or isolation of particular struggles which proved incapable of being generalised at the level of the new quality of the class interest as a whole, and which consequently became prey to the repressive paradigm of capitalist control over public spending. This process has been particularly evident in the large European metropolitan centres. Recently, Karl Heinz Roth (in the journal *Autonomie – Materialien gegen die Fabrikgesellschaft – Neue Folge*, no. 4-5) has directly confronted this problem in the case of Germany, where these phenomena of ghettoisation and englobement have been exceptionally evident. In Germany, the defeat of the movement was entirely due to the inability to grasp and build upon that new quality of class separation and antagonism which alone could provide general goals for the movement as a whole; not in any sense externally imposed goals, but goals arising from the *quality* of proletarian existence itself.

This raises a serious problem. The abandonment of the old Marxist framework of programmatic “general demands” and of scientific rationalism in the movement – which everyone has flirted with at some time or other, and which was needed precisely in order to grasp the new quality of subjects and struggles – has also led to a collapse of possibilities of reconstructing particular subjectivities as links in any general material project. The result, as Roth shows, is that the productivity of movements of self-valorisation (particularly evident in the ghetto underground) has been recuperated within the capitalist segregation of labour markets and within the reorganisation of the interstitial economy; and this to such an extent that capital is now free to reshape and manipulate this sector at will. Thus freedom becomes drug trafficking; self-valorisation is reduced to a business; the exercise of counter-power is negated through terrorism. The issues that provide partial contents of the struggle (anti-nuclear or ecological) themselves become detached and re-integrated within the general power of the simulacrum of social relations that governs capitalist production. The only solution to this impasse, according to Roth, is a radical recovery of the Marxist method of analysis in order to grasp the new quality of class behaviours; in a perspective that can reconstitute the class subject as a whole with its communist content and goals.

Revolution Retrieved

However, I do not want these remarks to be misinterpreted as a plea for a sort of new, up-dated Gramscianism. In no sense am I suggesting that the concept of hegemony, with its obvious theoretical weaknesses and idealistic derivation, can now simply be given a more materialist consistency, translated into the terms of contemporary society. The differences in method that divide us from any “hegemonic” resolution remain substantial, and no amount of self-criticism concerning the events of the past few years and the prospects ahead can bridge this gulf. Nor is it a question of self-criticism as regards analytical approach; indeed, the method must remain the same – a radical continuity of subversive method aimed at the destructurement and sabotage of the system. Any political determination of the future from a class point of view now requires a further leap forward in the cultural revolution of the proletariat. All the cards will have to be reshuffled in this process. What is required is a sort of Leninist “New Economic Policy” which overturns the relations of production in order to bring out the subjectivity of the transformation engendered by the new socialised proletariat. Corporatism has to be destroyed as the major static force blocking any revolutionary emergence. And we have to grasp fully the central importance of class mobility as the key element in the circuits of struggle leading to class recomposition. If the concept of hegemony – the classical conception of class unity in Leninist political science – is to have any relevance to this process, this can only be within a perspective that sets the organisation of mobility – in the continuous process of formation and re-formation of proletarian unity – against capitalist reproduction of the simulacrum (political, economic and informational) which is today’s basic weapon of domination. We have to reinterpret mobility as a proletarian weapon, discover its working-class use as a means of conquering free time and redefining the working day. And we have to see this use of mobility as a key weapon against the rigidified and fascistic forms of command of the Warfare State – the petrified and illusory command over monetary liquidity, together with its cultural and institutional reflections.

From the Italian standpoint, I think that for future indications we have to go back to FIAT. This is as true now as it has been in all previous critical turning points in the class struggle – as in 1962, 1969, or 1973. But now it is no longer sufficient to go back to the pickets on the gates. Gone are those times when the wildcat strike, the first primitive form of the insurgency of the mass worker, and the generalisation of the mass worker’s struggle-behaviour in the mass pickets, was a sufficient basis for indicating the direction of the class struggle as a whole. Now analysis has to encompass the whole metropolis and class recomposition has to be seen in terms of mobility; working-class freedom can now only be

Crisis of the Crisis-State

understood in terms of the total social working day, which – at the level of real, social subsumption of labour – is the same as life-time itself. We return to FIAT today for new answers: to prove the hegemony and the majoritarian status (both quantitatively and qualitatively) of the movements of recomposition of the social worker over all other sections or strata of the class.

The time has come to break definitively with all those who have mystified, divided and held back the proletariat, above all on the terrain of public spending; to push the schizoid possibilities of public spending to the limit; to accept with destructive irony the capitalist restoration of the market, while materially revealing and attacking its ideal, utopian and reactionary nature; and to affirm, above all, that principle of reality which imposes the fundamental, structural contradiction against its functionalist distortions. In so doing, we can also render ineffective the state's deployment of its military capacities against the class movement. While all this will certainly not produce a celebration banquet for us, we can now say finally and definitively: "It won't be a picnic for them either!"

Trani Special Prison:
November 1980

*Archaeology and Project:
The Mass Worker and the Social Worker
(1982)*

Introduction

This text, like the preceding one, belongs to Negri's period in prison and was published in the same anthology, *Macchina Tempo*, Feltrinelli, Milano 1982. The problematic of these essays is outlined in the introduction to the article above, "Crisis of the Crisis-State". The underlying theme is the need to redefine the class antagonism in advanced capitalism, at a level corresponding to the real, total subsumption of society, of social labour as a whole, to capitalist domination. This means, as Negri argues here – but also in earlier articles included in this volume – that the conception of the "working class" has to be broadened and extended to contradiction and antagonism in the sphere of social reproduction as a whole – ie beyond direct production as such.

It follows that the analysis of the Italian workerists of the 1960s is in urgent need of being updated in the light of the *structural crisis of labour power as such*, the main motive force underlying the present permanent state of crisis. This change in class composition, the recomposition of class antagonism at a social level, is the major issue addressed in this essay. Here Negri traces the analysis and method of *class composition* from its early exponents, in the Italian workerism of the 1960s, to the new problems posed for analysis of the recomposition of the class movement today, the "remaking of the working class" at the level of social antagonism which has now been reached.

For Negri, in contrast to the various theories of neo-functionalism and post-industrial sociology, the new movements of struggle in the social sphere represent a new level of class antagonism, which cannot be reduced to a mere proliferation of new subjectivities around life-needs, signalling the end of any class relation based on the production of value and surplus value. The crisis of the value form, seen as a class relation,

Revolution Retrieved

is rather the starting point for a new level of class antagonism. And this analysis has to go beyond the narrow definitions of productive work, the “factoryist” definitions of the working class that had dominated in orthodox Marxism for so long.

The emergence of this new social dimension of class struggle from the early-mid 1970s meant for Negri that the class analysis based on the concept of the “mass worker”, developed in the 1960s, had become too narrow to encompass the new level of antagonism, now extended beyond production to reproduction as a whole. Hence the references to the need for a critique of and surpassal of the “political economy of the mass worker”. It should be pointed out – and Negri makes this clear – that the old workerist analysis was never simply a “factoryist” conception of the class. In Tronti, for instance, the extension of the factory, and of production relations, to society was central to his whole theory of class antagonism in advanced capitalism. And his definition of “refusal of work” as the strategic direction of the class struggle was not subsequently abandoned; indeed, for Negri it remains key in his updated class analysis. What had changed was that this “social extension” could now no longer be seen simply in terms of the extension of wage demands from factory struggles. Through restructuration and the régime of austerity, the “extensivity” of the factory wage struggle had been cut off, by division and segmentation of the labour market, between “guaranteed” and “non-guaranteed” sectors, by expansion of the casual, part-time and underground economy etc, in short by what in Italy is defined by the term “diffused factory”. This was one factor in requalifying the new social nature of the working class. The other was the social nature of the capitalist response to the crisis, which consisted in an attack on the social wage as a whole, through cuts in public spending, to bring back what Negri calls the “synchronisation” between the independent reproduction of a fully socialised labour-power and the discipline of the wage/work relation.

Negri’s dynamic approach and analysis of the class antagonism today as that of a *fully socialised labour-power* clearly puts him at variance with traditional, monolithic and corporatist class definitions, restricted to waged workers in “direct” production only. His emphasis on the growth of mobility, of part-time, casual and domestic work, the absence of job fixity, the diffusion of production in the “informal” economy, the unity of production, circulation and reproduction etc, in no way signals the “end of the working class”, but rather a higher level of socialisation of the class antagonism over the whole social working day. The new social subjects of struggle are by no means “marginal” – rather, *their marginalisation is political*.

This was indeed the key issue in the debate and confrontation

Archaeology and Project: The Mass Worker and the Social Worker

between the autonomists and the established Left in Italy from the mid-1970s onwards. Negri's orthodox critics – particularly from PCI quarters, and including the erstwhile workerists of the old school – cast him in an “anti-worker” role, a theme taken up by his prosecuting judges (see below). For the PCI, the new social struggles were defined as marginal movements of a new “petty-bourgeoisie”, or “lumpen proletariat” etc, in other words in terms from the traditional Marxist vulgate for defining movements of the far Right! For the ex-workerist PCI spokesman Asor Rosa, the autonomists represented “non-privileged parasitic strata”; for Enrico Berlinguer, secretary of the PCI, nothing but “plague carriers”, and so on. For a major statement of the PCI positively supporting “democratic” austerity at this time, see Enrico Berlinguer, *Austerità, Occasione per Trasformare l'Italia* (“Austerity – An Opportunity for Transforming Italy”), Ed. Riuniti, Rome 1977. It is sad to see that this official thesis of marginality (and the portrayal of Negri as “anti-workerist”) has been broadly accepted in the few reviews and comments on Negri that have appeared from English would-be critics of the PCI (for example, Alex Callinicos, *Socialist Worker Review*, July-August 1984; or Tobias Abse, “Judging the PCI”, *New Left Review* 153, 1985). For such commentators, the “marginals” remain marginal, and the working class is a static, monolithic entity defined in narrow trade-union terms. As for how far Negri's work “anticipates André Gorz” (!) and represents “everyday anarchism” (Callinicos), readers may judge for themselves.

Negri himself answered the criticism that he denied the “centrality of the working class” in a lengthy interview in 1978 (“From the Mass Worker to the Social Worker”, cited above). He also drew attention to his emphasis on the word “worker” in the term he uses to define the composition of the new class subjects. This analysis of class re-composition, of the multiple subjectivities and movements for communism today, has continued to be the major focus of Negri's work, in dialogue with French collaborators, since his exile in France post-1983: see Negri and Guattari, *New Lines of Alliance*, Semiotext(e), Foreign Agents Series, New York 1986. For those who read French, the issues of contemporary class analysis in Italy are discussed further by Negri and others in a recent anthology: *Italie, le Philosophe et le Gendarme*, VLB Editeur, Montreal 1986. (European distribution: Réplique Diffusion, 66 rue René Boulanger, 75010 Paris, France.)

The questions raised in this article are further developed in Negri's recent work *Fin de Siècle*; forthcoming English edition entitled *Politics of Subversion*, Polity Press, Cambridge 1989; and in *Fabbriche del Soggetto*, XXI Secolo, Livorno 1987.

*Archaeology and Project:
The Mass Worker and the Social Worker*

1. Functions and Limitations of the Concept of the Mass Worker

In the wake of the 20th Congress of the Communist Party of the Soviet Union in 1956, the critique of Stalinism which developed within the Italian labour movement above all put into question the traditional conception of the trade union. This had become an area of key concern. In 1953, there had been a resounding defeat of the Communist union at FIAT; in the years that followed, there were equally resounding defeats in line for the farm workers' unions and the public sector unions (railway workers, postal workers etc). The fading (or downright disappearance) of any immediate prospect of a seizure of power, and a series of confusions at the ideological level, meant that the trade unions were being undermined as the transmission belt of the system; both their organisational form and their ideological basis were thrown into crisis.

But this crisis did not affect the radicality of the working class. There began to appear a mass form of behaviour which was spontaneous, multiform, violent, mobile and disorderly – but which, nonetheless, was able to compensate for the lack of trade union leadership in ways that were both original and powerful – and while the union leaderships stuck to a repetition of the old forms, the working class reacted in ways that were autonomous. The union would call strike action and the entire workforce would go in to work – but then, after a week, a month, maybe a year, that same working class would explode in spontaneous demonstrations. The farm workers of the South also began spontaneous struggles. However, they had been defeated in the movement to take over agricultural land; they had been sold out by the government's agrarian reform, which condemned them to the poverty of having to work small holdings. As a result, the rural vanguards chose the path of large-scale emigration. This was a mass phenomenon – its causes and

Revolution Retrieved

effects were complex, certainly, but its quality was political. Then things began to move: Milan in 1959, Genova in 1960, Turin in 1962, and Porto Marghera in 1963 – a series of struggles which pushed to the forefront of the political scene. This succession of labour struggles involved every major sector of industry and all the major urban concentrations. They were all more or less spontaneous, mass events, and revealed a degree of general circulation of modes of struggle that had not previously been experienced.

One might well ask for a definition of this spontaneity of the struggles. Because, while it is true that the struggles were in large part independent of the control and the command of the trade unions (and the unions were, sometimes, not even aware of them), at the same time, they appeared – and were – *strongly structured*. They revealed the existence of new working-class leaderships which were – as we used to say – “invisible”. In part because many people simply didn’t want to see them. But also (and mainly) because of their mass character; because of the new mechanisms of cooperation that were coming into play in the formation of workers’ political understanding; because of the extraordinary ability of these new forms of struggle to circulate; and because of the degree of understanding (understanding of the productive process) that they revealed. And whilst these new forms of struggle were at first seen by most people as “irrational”, in the course of their development they gradually began to reveal a coherent project and a tactical intelligence which finally began to problematise the very concept of working-class rationality – economic rationality? Socialist rationality? Rationality of the law of value? Rationality of trade union control? Rationality of law and order? Etc, etc. In effect, we could identify elements in the form that was taken by these struggles which were directly contradictory with the whole structure of trade unionist/socialist ideology. The wage demands, and the extremes to which they went, contradicted the way in which, in traditional trade union practice, the wage had been used as a political instrument, as a means of mediation. The partisan nature (egotism) of the struggles ran heavily counter to the socialist ideology of the homogeneity of working-class interests which had prevailed up till then. The immediacy and the autonomous nature of struggles ranging from wildcat strikes to mass sabotage, their powerful negative effect on the structures of the cycle of production, ran counter to the traditional view that fixed capital is sacrosanct, and also counter to the ideology of liberation of (through) work – in which work was the subject of liberation, and Stakhanovism or high levels of professional skill the form of liberation. Finally, the intensification (whether at group or individual level) of heightened forms of mobility, of absenteeism, of socialisation of the struggle, ran

Archaeology and Project: The Mass Worker and the Social Worker

immediately counter to any factory-centred conception of working-class interests, of the kind that has come down to us from the workers' councilist tradition. All this gradually uncovered, in increasingly socialised forms, an attitude of struggle against work, a desire for liberation from work – whether it be work in the big factory, with all its qualities of alienation, or work in general, as conceded to the capitalist in exchange for a wage.

The paradox of the situation was the fact that this mass spontaneity, highly structured within itself, negated in principle the very definition of spontaneity. Traditionally, spontaneity has been taken to mean a low level of working-class consciousness, a reduction of the working class to simple labour-power. Here, though, it was different. This *spontaneity* represented a very high level of class maturity. It was a spontaneous *negation of the nature of the working class as labour-power*. This tendency was clearly present, and later developments were to reveal it still further. Thus anybody who wanted to analyse the new forms of struggle was going to have to be prepared to problematise the entire theoretical tradition of socialism. Within these struggles, there were *new categories* waiting to be discovered.

And this was what was done. In the early 1960s, on the fringes of the official labour movement, a number of working-class vanguards and a number of groups of intellectuals active within the class struggle produced a theory in which *the mass worker was understood as the new subject of working-class struggles*.

On the one hand, their studies identified the *objective* characteristics of this class-protagonist. These characteristics were determined as follows:

- 1) within the organisation of the labour process, by *Taylorism*;
- 2) within the organisation of the working day and the organisation of wage relations, by *Fordism*;
- 3) within economic/political relations, by *Keynesianism*;
- 4) within general social and state relations, by the model and the practice of the *Planner-State*.

On the other hand, they succeeded in defining (this was absolutely imperative) the new *subjective* characteristics of this new configuration of the class. These subjective characteristics were described in terms that were dynamic and highly productive. In other words, every aspect of the capitalist organisation of the factory-society was to be seen as the product of a dialectic between working-class struggle and capitalist development (including developments in technology; in the form of the wage; in economic policy; and in the form of the State) – the product of *a dialectic whose active and motive central force was the mass worker*.

Revolution Retrieved

As our old friend Marx says, machines rush to where there are strikes. All the mechanisms of capitalist control of development were brought to bear at critical points within the system. By means of a continual theft of the information generated by the struggles, capital created increasingly complex mechanisms of domination. It was within this framework that the analysis undertaken by workerism unstitched the capitalist Moloch, following the indications provided by working-class struggle. The comrades arrived at a fundamental theoretical conclusion: that, given a certain level of capitalist development, the concept of labour-power (understood as an element of the dialectical relationship between workers and capital, a relationship in which capitalist logic has the upper hand) becomes dissolved. A dialectical relationship most certainly remains, but now the relationship of capital/labour-power becomes the relationship of capital/working class. Thus *the dialectic of capitalist development is dominated by the relationship with the working class*. The working class now constituted an *independent polarity* within capitalist development. Capitalist development was now dependent on the political variable of working-class behaviours. The concept of labour-power could no longer be substantiated; only that of working-class was adequate.

I have to admit that our theoretical and political positions in this period, while very rich in some respects, were very poor in others. Their richness lay in the fact that they provided a basis from which we could then develop an entirely political concept of labour-power. We learned a lot from developments in the capitalist revolution of the 1930s and 1940s. In particular, we learned that it was possible to carry forward revolutionary struggles having a marked effect both on the structure of the labour process, and on the structure of economic and political domination – in other words, struggles that were capable of winning *against Taylorism* and *within Keynesianism*. On the other hand, the poverty of our theoretical and practical positions lay in the fact that, while individual struggles and the struggles of individual class sectors proved capable of understanding capital and taking it on, at the same time, the potential of that struggle, its strategic dimension, the re-establishment of a centre of revolutionary initiative, remained beyond our grasp. Practice, even the very highest working-class practice – at this level of the class struggle – always contains an element of uncertainty as regards its synthesis and resolution – what Lenin used to call the “art of insurrection”, an art which the workers, today, are seeking to turn into science. This science still had to be constructed – a science which the practice of the mass worker was demanding, but which it did not provide.

In fact, capital’s science of domination was far ahead of us. At the

Archaeology and Project: The Mass Worker and the Social Worker

time when we were introducing the concept of the mass worker, and, by implication, a critique of the category of labour-power in favour of a concept of the dynamism of the working class, capital, for its part, had already made tremendous advances in its own practice, as regards its theory of domination and redressing the balance of power. (Note that within the specificities and the isolation of a few national situations – Italy in particular – we were successful in developing a remarkable level of subjective action, and in bringing about moments of deep capitalist crisis.) For, while from the working-class viewpoint the revolutionary practice of the mass worker was being advanced within individual factories, and within the overall interlocked system of factories and companies, capital was already responding in overall, global and social terms – in terms of global domination and control. Keynesianism at its roots had already demonstrated this: an awareness not only that the wage relation extended between *subjects that were different* (capital and the working class), but also – and above all – that the solution (favourable to capitalist development) was to be sought *across the entire span of production and circulation* – in other words, involving the entire sociality of the relations of production and reproduction. In the Keynesian system, state budgeting was the means of recuperating and neutralising the class struggle in the factory, and monetary policy was the means of subordinating the wage relation. Fordism, for its part, had already transformed the high level of cooperation on the assembly line (and thus corrected those elements of weakness which labour struggles, at that level of production, were able to turn against capitalist command) into a conscious policy, one might say, of the sociality of the assembly line – in other words, a policy of command over the relation between industrial production and the reproduction of labour-power, a capitalist intervention within the social flexibility of labour-power, privileging social command and divisions within society as conditions for command and division on the assembly line. *Fordism recuperated social motivations and made them functional to the Taylorist organisation of work* – it posed them as the prime and fundamental terrain of command in the factory. Gradually, the labour market and the fabric of relations between production and reproduction was becoming an operative field (this also from the theoretical point of view) for the capitalist theory of factory command: hence the development from Keynes to Kaldor's planning techniques, to Kalecki's micro-analyses of the political cycle, to the present systemic theories of neo-functionalism.

Faced with these developments in capital's understanding of the articulations of command, not only was the concept of the mass worker *late in developing*, but also, crucially, it now proved incapable of developing for itself a theory able to match the new dimensions of

Revolution Retrieved

command. Of course, the old workerists of the '60s knew that they had to go beyond the "empirical" category of the factory, and that the mass worker had to become effective over the entire span of the social factory – but the factoryist content of the concept and the circumstances of its genesis prevented its theoretical potential from becoming practical reality. Thus, in the end, this *impotence of the mass worker* left the way open for surreptitious operations of mediation and representation – and the whole old machinery of the party-form was wheeled out as the means whereby issues could be posed at the social, political and general level. We should also add (and this is not only merely of historical relevance) that this was the basis whereby the trade union was able to re-establish its powers of control over the working class. This had a paradoxical consequence: the trade union accepted the delegation of power and the general functions that the working class had restored to it, and then went on to impose rules which separated, in a corporatist sense, the working class from the other proletarianised strata of society. When the trade union (ie in its traditional function as half party and half merchandiser; in the sense that it both represents labour-power within the bourgeois political market, and also sells labour as a commodity on the capitalist market) finally caught up with and grasped (post-'68) the new composition of the mass worker, it only reduced it to corporatism, and divided it off from the rest of social labour.

Hence it follows that a methodology such as I use, which seeks to indicate possibilities for subjective genesis within the categories of class struggle, cannot rest content with this old version of the concept of the mass worker. And indeed, the conditions for further theoretical progress on this front were plentiful, especially in the years immediately following the upheavals of 1968-69. Working-class struggles, which were extremely powerful in spite of (or perhaps because of) their ambiguity as struggles both *within and against* the system of the relative wage, now brought about a *crisis in the mechanisms of capitalist control*. The capitalist response during this period developed along two complementary lines – the social diffusion, decentralisation of production, and the political isolation of the mass worker in the factory.

The only possible answer to this, from the working-class viewpoint, was to insist on and fight for the broadest definition of class unity, to modify and extend the concept of working-class productive labour, and to eliminate the theoretical isolation of the concept of mass worker (insofar as this concept had inevitably become tied to an empirical notion of the factory – a simplified factoryism – due to the impact of the bosses' counter-offensive, the corporatism of the unions, and the historical and theoretical limitations of the concept itself). On the other hand, the *emergence and growth of diffused forms of production (the*

Archaeology and Project: The Mass Worker and the Social Worker

“diffuse factory”), while it enlarged the labour market enormously, also redefined as directly productive and “working class” a whole series of functions within social labour that would otherwise be seen as marginal or latent. Finally, there was a growing awareness of the interconnection between productive labour and the labour of reproduction, which was expressed in a wide range of behaviours in social struggles, above all in the mass movements of women and youth, affirming all these activities collectively as labour. This development made necessary an innovation in the vocabulary of class concepts. As we used to put it: “from the mass worker to the social worker”. But it would be more correct to say: from the working class, ie that working class massified in direct production in the factory, to social labour-power, representing the potentiality of a new working class, now extended throughout the entire span of production and reproduction – a conception more adequate to the wider and more searching dimensions of capitalist control over society and social labour as a whole.

There are numerous problems which arise at this point, and I have no intention of trying to avoid them. In what follows I hope to confront at least some of them. It will suffice at this stage to introduce what I consider to be the key methodological concept – that of *class composition* – which will help to clarify much of my further argument. By class composition, I mean that combination of political and material characteristics – both historical and physical – which makes up: (a) on the one hand, the historically given structure of labour-power, in all its manifestations, as produced by a given level of productive forces and relations; and (b) on the other hand, the working class as a determinate level of solidification of needs and desires, as a dynamic subject, an antagonistic force, tending towards its own independent identity in historical-political terms. All concepts that define the working class must be framed in terms of this *historical transformability of the composition of the class*. This is to be understood in the general sense of its ever wider and more refined productive capacity, the ever greater abstraction and socialisation of its nature, and the ever greater intensity and weight of the political challenge it presents to capital. In other words, the *re-making of the working class!* It is by reference to this framework and these criteria, for example, that we can qualify more precisely a term like *spontaneity*. The concept of composition allows us to introduce a specific, determinate quality into our theoretical definition of spontaneity; it prevents us, in other words, from falling into the trap of ideological definitions (whether political – in which case spontaneity is conceived as an indifferent category; or economic – in which case spontaneity is reduced to the semantic emptiness of the concept of labour-power pure and simple). The category of “mass

Revolution Retrieved

worker” must accordingly be re-assessed, in its functions and limitations, within this temporal framework of the transformations of the composition of the working class. And under today’s conditions, it seems to me that this transformation is taking place through a *process of real subsumption of labour on the part of capital, which has now reached a level that encompasses the whole of society*. “Hic Rhodus, hic salta.”

2. Capitalist Restructuring: From the Mass Worker to Social Labour-Power

So, let us return to the moment when the pressure of this new spontaneity (that is, the spontaneous – but, as in the paradox we have described, both structural and structured – forms of expression of the new class composition, ie of the mass worker) brings about a crisis in the means of capitalist control over the production and reproduction of commodities.

I would suggest that this moment can be located chronologically within the decade 1960-1970. In that period, strikes and struggles created an upheaval within the existing framework of development, inducing a major series of critical phenomena (crises of capitalist control), of which the following seem to be the most important:

1) The mass worker set in motion a *mobility* within the labour market. The subversive characteristics of this mobility appear to consist in an uncontrollable increase in the speed of flow/turnover of demands, and, at the same time, in a rigid and homogeneous escalation of those demands. If we include within our definition of the mass worker the fact that the mass worker represents a certain qualitative solidification of abstract labour (which is another way of saying a high level of subjective awareness of abstract labour), then these mobility-related phenomena reveal simply the centripetal potential of abstract labour (towards averageness, mediety) in a framework of mass production in modern capitalism. And this might be consistent with development. But instead, the forms and modes in which the mobility (subjectivity) of the mass worker expressed itself threw capitalist development out of proportion, subjected it to intolerable accelerations, and in particular confronted it with the quality of this very composition – those historical differences and divisions of sex, age, culture, etc, which were now tending towards a deeply-rooted political homogeneity. *Mobility of abstract labour equals tendency for subjects and for struggles to unify*.

2) On the other hand, in a complementary process, the mass worker set in motion – both within individual factories and within the productive fabric of the metropolis – a *downward rigidity* of expectations and wage demands. This in itself (the demand for “parity”) became a subversive

Archaeology and Project: The Mass Worker and the Social Worker

force. Drives towards egalitarianism served to reinforce this rigidity: we saw the collapse of all – or virtually all – the weaponry of division in the factory (piecework; employers' unilateral control of timings of the labour process; internal mobility, etc) and of the hierarchy which controls the labour process and the organisation of production. In this period, sackings – together with all the other various forms of exclusion and marginalisation – were powerfully contested, resisted, and in large part blocked. Furthermore, the overall rigidity of the class brought about a reduction in effective labour time; it also provided defence and back-up for individual experiences of resistance to work, or refusal of work. The wage struggle, in both its qualitative and quantitative aspects, became a powerful independent variable of development: a kind of economic-political dual power which came into existence. (In some instances we find this registered in factory legislation – most notably in Italy, for example). *Rigidity of abstract labour equals qualitative consolidation of the above-mentioned unification of subjects and of struggles.*

3) Thirdly, the social mobility and the political/wage rigidity of the social worker was also articulated within the sphere of *circulation*. But, for the mass worker, circulation means a radical change in the relation between daily work-time and non-worked time. We were not yet at the point where the latter had hegemony over the former. However, this was a phase in which the social relation of production (the relation between production and reproduction) was an area of powerful contestation. Without succeeding in fully controlling and carrying through this leap in the class struggle, the mass worker nevertheless spread the infection of his subjective behaviour into the fabric of proletarian society. First – just to take one example – although not yet at the point of directly contesting the “Oedipal wage” (in other words, the wage paid for the male worker’s domination over his family), the mass worker nonetheless induced an awareness of the urgent need for new wage forms in the management and development of the social sphere – new wage forms likely to have a decisive and dissolving effect on the unified family wage, and to liberate new labour power at an extremely high level of needs. The mass worker was an active factor in the circulation of working-class objectives, and in propagating the equality implicit in abstract labour. As such, the mass worker induced subversive effects within society which tended to negate the division between productive and reproductive labour, and also to alter the established proportion between them. *The circulation of the forms of behaviour of the mass worker was an extension of the unification of the subjects and of the struggles.*

Revolution Retrieved

4) Finally, we have to stress that it is only by moving to a *political* expression that the series of subversive conditions implicit in the existence of the mass worker could be further advanced. The concept of the mass worker had an existence that was purely relative; the fact that s/he was the point of a class evolution which had not yet been fully realised, often permitted the surreptitious reintroduction of old political concepts and practices, such as the notion of vanguard and mass, and thus permitted the re-emergence of party representation and the mirroring of past forms. This political inadequacy results from, precisely, the social indeterminateness of the figure of the mass worker. We should never underestimate this limitation, but if we look beyond it, we can see that a *framework of new values* was beginning to take shape – ideas of freedom to match the fact of mobility; ideas of community, as an aspect of the rigidity mentioned above; ideas of new life and universality, as a synthesis of people's relation to reproduction and liberated time. This framework of new values was incipient, was still dawning, but was nonetheless efficacious, because it existed at a mass level.

At this point, the capitalist crisis in the management of *this* labour power, with all its strength and richness, became decisive. Capital goes into crisis every time that labour-power transmutes to become working class – by working class I mean a level of composition incompatible with command, at a given historical level of maturity of the productive forces. (It is evident that *consciousness cannot be defined outside of this relation; so that it is possible to find extremely high levels of consciousness which remain totally ineffective, and, on the other hand, spontaneous levels of consciousness which are powerfully effective in revolutionary terms*). As I say, every time that labour-power effects a revolutionary transformation in its composition and becomes working class, at that point capital enters relations of crisis, and has only one weapon with which to respond: *restructuration*. An attempt to attack and transform class composition. In other words, for capital, restructuring is a political, economic and technological *mechanism aimed at the enforced reduction of the working class to labour-power*. To put it more correctly: capital aims to reduce the intensity of the political composition of the class.

At this point, the problem becomes specific again. How did capital respond to the crisis in relations of production that was induced by the class offensive of the mass worker? How was restructuration articulated at this level of political composition of the class and its struggles? What happened after the 1960s?

It is not hard to identify and describe some major elements of the capitalist response. [Obviously, the notes that follow are very partial and indicative. They limit themselves to questions of class relations in

Archaeology and Project: The Mass Worker and the Social Worker

the sphere of production. To deal adequately with the restructuring of labour power, we would really have to consider two fundamental shifts in imperialist development in the early 1970s – the freeing of the dollar from gold parity (1971) and the energy crisis of 1973-74. There is no space to deal with them here, and so the argument, as well as being partial and indicative, is frankly insufficient. However, I would ask you to trust the author and believe me when I say that I have given a lot of thought to these other fundamental determinations of the overall framework. These, in my opinion, are not contradictory with the phenomena which are now studied at the level of production and reproduction. Rather, they present an overdetermination, an extension and a deepening of the logic which lies at the root of these phenomena.]

So, let's return to our initial question, to the analysis of the groundwork of capitalist restructuring. Let's begin by looking at *mobility*. In my opinion, as regards mobility, capital was already taking into account developments within the composition of the mass worker, and was in fact acting on their tendency to become realised, in order to throw the working class back to the position of being labour-power. While the composition of the mass worker from the 1960s onwards tended – via mobility – towards a unification in general of potential abstract labour, capital's restructuring project effectively grasps the social tendency towards abstract labour. It is against this abstract labour that capital exercises its capacity to repress, to fragment and to introduce hierarchical division. Capital does not mobilise against abstract labour and the social dimension which it assumes, but against the political unification which takes place at this level. Capital assumes subsumption of labour (abstraction and socialisation) as a process that has been realised. Experiments in job-design, segmentation of the labour market, policies of regrading, reforms of methodologies of command within production cooperation, etc – all this became fundamental. A restless, practical process of trial and error was now set in motion, aimed at destroying any possibility of proletarian unification. If we understand mobility as a tendency towards freedom, as a definition of time which is alternative to commanded time within the classic working day – and if we assume that from now on, in a parallel movement, it becomes impossible for capital to establish any fixed "reserve army" of labour – then we understand why, in political and economic terms, it is so urgent for capital somehow to *fix* this labour-power (the first, spontaneous and structural manifestation of an abstract labour that has become subjectively realised) within mobility and via mobility. On the one hand, the class struggles within and against capital's system. On the other, capital struggles within and against the new composition: within its mobility, its socialisation, its abstraction,

Revolution Retrieved

and against the subjective attitudes which these elements engender. All manpower and job-design interventions are to be understood as policies which learn from the progress of abstract labour towards its social unification: they intervene in order to block further development of its subversive potential.

Capital's reaction *against the rigidity* evident within the composition of the mass worker was even more rigorous. This is because in this area mystification is harder to achieve. Policies aimed at segmenting the labour market (which are posed as "positive", as against the "negative" of mobility of abstract labour) tend to produce a balkanisation of the labour market, and above all, important new effects of marginalisation. Marginalisation in the form of political blackmail, repression and degeneration of values – much more than the familiar blackmail of poverty. I have said that the rigidity in the forms of behaviour of the mass worker (particularly on the wages front) expressed an essence that was qualitative – a complex of needs which became consolidated as power. Capital's problem was how to defuse this power, quantitatively and qualitatively.

Thus, on the one hand, we have seen the promotion of various forms of *diffuse labour* – ie the conscious shifting of productive functions not tied to extremely high degrees of organic composition of capital, towards the peripheries of metropolitan areas: this is the quantitative response, of scale and size. (The scale of this project is multinational, and should be understood against the backdrop of the energy crisis). On the other hand, capital has attacked the problem of qualitative rigidity, and has planned for one of two solutions: it must be either corporatised or ghettoised. This means a system of wage hierarchies, based on either simulated *participation* in development and/or on *regimentation* within development, and, on the other hand, marginalisation and isolation. On this terrain – a terrain which the experience of the struggles of the mass workers had revealed as strongly characterised by political values – capitalism's action of restructuration has often made direct use of legal instruments. It has regarded the boundary between legality and extra-legality in working-class behaviours as a question subordinate to the overall restoration of social hierarchy. Not even this is new – as we know, it has always been the case – and Marx, in his analysis of the working day, makes the point several times. Law and the regulation of the working day are linked by a substantial umbilical cord. If the organisation of the working day is socially diffuse, then sanctions, penalties, fines etc will be entrusted to the competence of penal law.

Capital also acted against the way in which the mass worker had *made use of circulation* – in other words, of the increasingly tight links between production and reproduction. Restructuration once again adopted the

Archaeology and Project: The Mass Worker and the Social Worker

method of displacement – in other words, capital takes as given/realised the tendency set in motion by working-class struggles: it subsumes its behaviours (ie the awareness of the circularity between production time and reproduction time) and begins working on how to control this situation. The “welfare state” is the principal level geared to synchronising this relationship. The benefits of the welfare state are the fruit of struggles, are counter-power. But the specific application of restructuration aims to use welfare in order to control, to articulate command via budgetary manoeuvrings. “Public spending cuts” are not a negation of the welfare state; rather, they reorganise it in terms of productivity and/or repression. If subsequently proletarian action within this network of control continues to produce breakdown, and to introduce blockages and disproportions, then capital’s insistence on control reaches fever-pitch. *The transition to the internal warfare state represents the corresponding overdetermination of the crisis of the welfare state.* But it is important to stress once again capital’s capacity for displacement. The restructuring which has followed the impact of the mass worker’s struggles and the tendencies which the mass worker has instilled within the general framework of class power relations, is geared to match a labour-power which exists as completely socialised – whether it exists or potentially exists is not important. Capital is forced into anticipation. However, marginalisation is as far as capital can go in excluding people from the circuits of production – expulsion is impossible. Isolation within the circuit of production – this is the most that capital’s action of restructuration can hope to achieve. It does not succeed in bringing about a restoration of the *status quo*, and in the struggle against the mass worker it is likely to assist in the even more compact formation of a completely socialised labour-power. There is much craftiness of proletarian reasoning in all this!

Things become even clearer when we come to the fourth area in which capital’s activity of restructuration has to prove itself and be proven. In other words, the terrain of *politics*. Here, every attempt at mystification – this seems to me the most interesting aspect – is forced to assume the complete socialisation of labour-power as normal, as a fact of life – a necessary precondition of any action against the proletarian antagonism. In other words – as many writers now accept – the only remote possibility of mystifying (mystifying, controlling, commanding etc) struggles is conditional on an advancement of the terms in which the problem is considered: in other words, an approach to the problem at the level of *policies of capitalist command which see its enemy subject in proletarian society as a whole*. Capital relates to the phase of real subsumption as antagonism at the highest level. Capitalist analyses of command move from this awareness to develop two possible lines of

Revolution Retrieved

approach. The first, which I would call *empirical*, regards social labour-power as a purely economic subject, and therefore locates the necessary control-oriented manoeuvres within a continuous trial and error process of redistribution and reallocation of income – eg consumerist objectives, inflationary measures, etc. The other, which I call *systemic*, is more refined. This assumes that the empirical policies pursued thus far have resolved nothing. Thus the only way of ensuring the effective exercise of command, with an ongoing reduction of the complexity of class conflict, is to maintain command over systemic information and circulation; to maintain a pre-ordered mechanism of planning and balancing inputs and outputs. At this level, capital's science and practice of command reveal themselves as *a set of techniques for analysing the social sphere* – and as an undoubtedly involuntary recognition of the immediate sociality, structure and density of labour-power.

I consider it important to understand these fundamental changes and to highlight their conceptual character. Thus I define restructuration as a parenthesis within the evolving process of the composition of the working class. Obviously, this is a necessary parenthesis: the interaction of productive forces (capital and the working class) is in no sense illusory. But at the same time, we should stress that within this process, the motor force of working-class struggles is fundamental, as is the intensity of their composition, and the emergence of abstract labour as a social quality and as a unifying factor within production (and reproduction). As we used to say: capital's great function is to create the conditions for its own destruction. This is still the case. Thus we must recognise that in the restructuring process currently under way, these critical conditions of capitalist development are still respected. Obviously, such a recognition is possible only if our theory is up to it. And one of the fundamentals of adequate theory is to have a concept of labour power which is not conceptually indiscriminate, but which is historically and politically pregnant, is continually and materially in tune with class consciousness – in other words, with degrees of struggle and of capacity to effect change which come increasingly close to the classic concept of proletariat. However, I feel it is still necessary to live through that ambiguity of production and the relations of production, and the way they are always being newly determined.

3. Towards a Critique of the Political Economy of the Mass Worker: from Social Labour Power to the Social Worker

So, our project is to resolve this fundamental ambiguity in the relationship that labour-power (whether posed as individual commodity or as socialised abstract labour) has with class consciousness and with capital. In other words, at this point we have to ask ourselves whether

Archaeology and Project: The Mass Worker and the Social Worker

the *linear* mechanism of Marx's analysis, which locates the socialisation and the abstraction of labour within the process of real subsumption of labour under capital, is not perhaps incorrect. The process of real subsumption, in Marx, concludes in a real and proper *Aufhebung*: the antagonism is transcended via an image of communism which is the necessary outcome of the dialectical process developed up to that point. In the more banal of the socialist vulgates, the *Aufhebung* – whose schema, in Marx, is conceptual, structural and synchronic – becomes diachronic, utopian and eschatological. To further clarify this point, I shall spell out my thesis: *at the level of real subsumption* (ie at the level of the complete socialisation and abstraction of all the productive and reproductive segments of labour), *we are dealing not with linearity and catastrophe, but with separation and antagonism*. It seems to me that proof of this theory is to be sought first and foremost from empirical analysis (historical, sociological and political) of the movements of the working class. In other words, from considering the characteristics of labour-power when posed as social labour-power.

Concretely, our argument could proceed from examination of a familiar historical conjuncture: if, as some authors have done, we construct historical charts mapping developments in the quality of work, then we can see how the entire direction of capitalist development is towards the destruction of skilled labour (of specific "skill"), reducing it to abstract labour (the multilateral "job"). The socialisation of educational processes (schooling, skill training, apprenticeships etc) goes hand in hand with the process of the abstraction of labour, within a historical series of episodes which span the entire period since the Industrial Revolution. Within this time-span, the tendency is progressive and broadly balanced, beginning from the 18th century, and moving through to the 1920s-1930s: *but at this point a break takes place in the balanced continuity of the historical series*. The collapse of "skilled work" can be located precisely in the period between the two big imperialist wars – ie in the 1920s and '1930s. This resulted in the hegemony, as from that period, of the *semi-skilled* worker, the *ouvrier spécialisé* (O.S.) – in other words, what we call the mass worker. But it also turns out that *this hegemony is transitory*, because the mass worker is in fact just the *first* figure in the "collapse" of the balanced relationship between "skill" and "job"; the mass worker is the *first* moment of an extraordinary acceleration towards a complete abstraction of labour-power. The *mass worker, the semi-skilled worker* (whatever his subjective consciousness) *is not so much the final figure of the skilled worker, but rather the first impetuous prefiguration of the completely socialised worker*.

This premiss has a number of important consequences. Without

Revolution Retrieved

losing ourselves in casuistry, it is worth highlighting just one consequence, which seems fundamental in characterising a critique of the political economy of the mass worker. As follows: if “skill” collapses into an indifferent element; if the division of labour as we know it (based on vertical scales of relative intensity and of structural quality) dissolves; if, in other words, every theory of “human capital” (ie the self-investment of labour-power) reveals itself to be not only a mystification of a reality which is both exploited and subjected to command, but also pure and simple fantasising apologetics; if, as I say, all this is given, it does nothing to remove the fact that capital still needs to exercise command, by having and maintaining a differentiated and functional structuring of labour-power to match the requirements of the labour process (whether this be individual or social).

In the previous section, we noted some of the basic characteristics of capitalist restructuring in the transition from the mass worker to socialised labour-power. We can grasp the theoretical kernel of the matter by returning to them for a moment. As I said, once there is a lapsing of such vertical differentiations as between “skill” and “job”, then collective capital (and State command) tend to advance new differentiations on the horizontal terrain of command, over the *labour market*, over the social mobility of labour power. In relation to relatively advanced capitalism this is familiar territory: it is the terrain of *new industrial feudalism* (what we would call corporatism). From within this particular balance of forces, there proliferates a host of theories about the division of labour-power: the debate as to whether labour-power is primary, secondary or tertiary; whether it is “central” or “peripheral” etc. What is the substance of the problem? Social labour-power is understood as mobility, and it is as such that it is to be regulated. [A short aside: In this regard, all static theories about industrial reserve armies – and similar nineteenth century archaeological constructs – as well as needing to be politically rejected by us, are obviously logically untenable.]

But let me be more precise about what I mean when I say that social labour-power is understood as mobility. I mean that labour-power is understood as social, mobile and subjectively capable of identity. I mean that capital understands as a present reality what, for the mass worker, weighed down by the contradictions implicit in his own social gestation, was present purely as tendency. And above all I mean a substantial modification in the level at which we consider the problem.

Mobility is time, flow and circulation within time. Marxism bases its categories on the *time-measure of the working day*. In certain well-known Marxist texts, the convention of time-measure becomes so solid and unquestioned as to postulate as its base a working day that is

Archaeology and Project: The Mass Worker and the Social Worker

“normal”. Now, in our present situation, of all this there remains no trace. *The time of social labour-power* is a working day so extended as not only to comprise within itself *the relation between production time and reproduction time, as a single whole*, but also and above all to extend the consideration of time over the entire life-space of the labour market. *From the working day to the labour market, from working hours to the mobility of labour* – this transition means counterposing two opposing conceptions of time: the capitalist conception of time-measure, and *the conception of working-class freedom over the temporal span of life*. The capitalist operation of reducing life-time to abstract labour time-measure becomes an operation which is absolutely antagonistic. In its conception of time and of development, it reveals a substantial dissymmetry with proletarian life, with the very existence of social labour-power. Here we can say that the dissymmetry of command in general (the dissymmetry revealed by theories of the state) and in particular the dissymmetry which regulates the categories of exploitation, become dislocated and reshaped in the face of the long and social time of proletarian existence.

In arguing my case, I want to stress this point. The reason is clear. If it is true that the terms of exploitation are now relocated on the social terrain, and if, within this social terrain, it is no longer possible to reduce quantity and quality of exploitation, absolute surplus value and relative surplus value, to the time-measure of a “normal” working day – *then the proletarian subject is reborn in antagonistic terms, around a radical alternative, an alternative of life-time as against the time-measure of capital*. But even if we limit our arguments to a critique of the political economy of the mass worker, we are still able to achieve positive results on this question. Namely that the ambiguous concept of the mass worker here reveals its structural indeterminacy and instability: its ambiguity is that between a system of domination still internalised by the mass worker (capital’s time-measure) and a perspective of work which is calculated and envisaged over the time of an entire life. *The mass worker is still prey to ideology – his memory is of slavery, while his actions speak of freedom*. The capitalist restructuration which anticipates and outmanoeuvres the struggles of the mass worker by introducing the dimension of social labour-power, at this point arrives at a definitive contradiction, inasmuch as any transcendence of the mass worker has to be not a reproduction and reformulation of domination over socialised labour-power, but a resolution of the contradictory tensions within the figure of the mass worker, and the structural realisation of the antagonism in a new form.

The social worker. Let us define the way the antagonism has become subjectivised at this level, and call socialised labour-power “the social

Revolution Retrieved

worker". In this way, we are clearly introducing a specific methodological difference – in any event a position which differs from those developed in earlier phases of the theory of the mass worker and in the methodology which was considered adequate for the maturation of that theory. The specificity and the difference lie in the quality of the antagonism which appears at this point. In other words, this abstract, social and mobile labour-power – to the extent that it subjectivises itself around its own concept of time, and a temporal constitution of its own (which are irreducible to the time measurement of capitalist command) – brings about an *irreducible antagonism*. That is, irreducible not only to labour power conceived as variable capital, and to the theoretical dialectic of value – all of which is perfectly obvious – but also and above all an *irreducible antagonism to the far more refined dialectic of composition/restructuration/recomposition* which, from a class point of view, had been developed as a portrayal integral to the historical experience of the mass worker. In reality, this portrayal, in its further versions, maintained a concept of the working day which was modelled on the capitalist conception of time-measure. But when the whole of life becomes production, capitalist time measures only that which it directly commands. And socialised labour-power tends to unloose itself from command, insofar as it proposes a life-alternative – and thus projects a different time for its own existence, both in the present and in the future. When all life-time becomes production-time, who measures whom? *The two conceptions of time and life* come into direct conflict in a separation which becomes increasingly deep and rigidly structured. But we shall come to all this in the next section.

Let's now return to our critique of the political economy of the mass worker. At the cost of repeating myself, I must stress once again both the importance and the ambiguity of that category. Its importance lies in the fact that, with the historical emergence of the mass worker, the concept of labour-power removes itself definitively from the theory-imposed destiny of being a component – albeit variable – of capital. But in the act of revealing itself as an *independent variable* (and clashing with a capitalist restructuration which relentlessly tracks, adjusts and recomposes the struggles), the constitutive activity of the mass worker – even though it is moving within a situation of a complete socialisation of production – failed to reach a sufficient degree of maturity. This brought about powerful ambiguities, and also, in the 1970s, a degree of political retrogression: a corporatism of certain strata of the mass worker, new divisions within the class, etc. But this is the point where the character of the *social worker* emerges as a new force, and as a *subjective qualification of social labour power*. The social worker completed and concluded the dynamic which existed within the mass worker as a

Archaeology and Project: The Mass Worker and the Social Worker

tendency, and *transformed the independent variable into independence tout court*. This antagonism develops at a pace dictated by the rhythms of the real subsumption which capital puts into operation in relation to social labour. As real subsumption advances, so the social worker is brought into existence, as irresolvable antagonism. Antagonism as regards conceptions of life, the liberation of time, and thus in bringing about spatial-temporal conditions which are wholly alternative. A sort of “*a priori*” of liberation.

But before I resume this line of argument, allow me to point out an apparent paradox in the theory – which in this case turns out to be a function of mystification. In the so-called *post-modern* (or “*post-capitalist*”) *conceptions* which are so current in political debate today, the *process of subsumption* is conceived in terms of *linearity* and *catastrophe*. In some instances, these terms can also be found in Marx – and in far more developed form, and sometimes completely explicitly, in the socialist vulgate. Subsumption is given as a system, as labour-power realised within capital’s social domination, as a levelling-off of the antagonism – and therefore the antagonism is conceived as a utopian and catastrophist alternative. Such positions are fairly widespread, and sometimes also include exponents of the mass-worker theory. In these workerist theories which are flirting with theories of post-modernism (stressing tendency and objectivity, and eliminating antagonism and subjectivity), some would say that workerism is committing hari kiri. The paradox, and at the same time the mystification, consists in the fact that here Marx’s thinking (and the considerable tensions which run through it, right up to the point where he defines real subsumption, whether in the *Unpublished Sixth Chapter*, or, a good while previously, in the *Fragment on Machinery* in the *Grundrisse* – texts which must be seen as complementary) *appears* to be respected, whereas in fact it is deeply and irreparably misrepresented. In fact, the focus in Marx is always the actuality and the determinacy of the antagonism. It is indeed true that the theoretical tendency of capital, which Marx also describes (but only episodically, and, as I have said, in terms rather subordinated to the antagonistic spirit of his overall argument), on occasion accepts this criticism, and fights shy of the more banal mystifications. Nevertheless, when pushed to the limit, the most we can get from this conception of the antagonism is to see it in an *exogenous form*: catastrophe. But our task, in going beyond Marx, is to grasp the antagonism in its *endogenous form*, also at the level of real subsumption.

By this I mean that: real subsumption of labour is a form of the crisis of capital. Understanding real subsumption of labour as crisis is one of the discoveries in store for communism as it goes “beyond Marx”.

But this is not enough: In our rejection of post-modern ideologies

Revolution Retrieved

(without, of course, denying their analytical efficacy), we also retrieve another element of the theoretical history of our Italian movement since the 1960s. Namely: while the ambiguous theory and methodology of the mass worker implied a dialectic of value which today the social worker rejects, there was also articulated therein an inherent practical activity of subversion, a self-valorising independence (autonomy), which now the social worker lives as his own dignity and essence. Massimo Cacciari, [trans: PCI member since 1969] the philosopher of *Krisis* cries:

“Where there is crisis, there is no dialectic. Crisis is not a form of the dialectic. Or, rather, crisis can only be dialecticised in the form of its transcendence – an *Aufhebung*”. (M. Cacciari, *Krisis*, Feltrinelli, Milano 1978)

No, replies the social worker, here there can be no *Aufhebung*, because here the confrontation is between *subjects which are different*. In moving from formal subsumption to real subsumption, capital overcomes obstacles, lives the continual reduction of the working class to labour-power in terms of a continuous, long-term and progressive socialisation of labour – in terms of a transition between class compositions at increasingly high levels of intensity and potential. *Once subsumption is completely realised, the only possible development is a transition from socialised labour-power to the social worker, to the new class subject*. The tradition and theory of the mass worker can still be of help in stimulating us towards this new definition.

4. A Political Conception of Labour Power: the Proletariat. Some Problems

Having reached this point, we can now attempt a summary of some basic methodological assumptions which should help us to reach a partial conclusion, and to pose new problems.

To start with, I regard as logically untenable any theory of labour power as a logical construct, an ambiguous and volatile essence, caught in a dichotomy between a tendency to become variable capital (the variable part of organic capital) and a tendency to become working class (ie a receptacle for consciousness which derives from the outside, the substance of a new Aristotelian synolus). This instrumental and pure-logic definition of labour power, which is both abstract and open to manipulation, has, historically speaking, been progressively negated through (if I may simplify) at least three concomitant processes.

— The first process is the *advance in the organic composition of capital* which, as it internalises massively labour-power's relation to the structure of capital, at the same time eliminates from it all measure of proportionality, in terms of the relationship between the work done by

Archaeology and Project: The Mass Worker and the Social Worker

the individual worker and the level of productivity achieved. Labour-power as presented within the labour market as a multiplicity of individual labour-powers can now only be conceived as a totally marginal phenomenon.

— The second process, which takes the development of the organic composition of capital beyond the scope of the single firm, and which goes beyond its phenomenological appearance to see it in terms of the *realisation of the subsumption of social labour within collective capital*, has shown labour-power to be a social entity. That which is marginalised in individual terms becomes transformed, at the social level, into mobility, into an equivalence of abstract labour, into a global potentiality which has within it that generalised social knowledge which is now an essential condition of production.

— The third process, concomitant with those of individual marginalisation and collective socialisation, has brought about a conjunction between (a) the refusal of labour-power to make itself available as a commodity (I see this as the effect of individual marginalisation and the collapse of any relationship between “job” and “skill”) and (b) the socialisation of this mode of class behaviour. I designate this as a “third” process, and I consider it both innovative and conceptually very rich, since *the coming together of individual marginalisation with collective socialisation* is no simple process of addition. Rather it is a historical process which both combines material elements and becomes at the same time *subjectivised*; this in the sense that historical experience becomes transformed into irreversible qualities, into a second nature. Through the genesis of this process, *new subjective forces make their appearance*.

As a result of these processes, it should now be clear that labour-power, at this level of subsumption of social labour by capital, so far from presenting itself as an intermediate entity, suspended between being a function of variable capital and becoming working class, now presents itself as a *social subject*: a subject that has internalised at the social level its refusal to be a commodity.

At the political and social level, this subject presents a complete materialisation of consciousness within the structures of its own existence. Class consciousness, in other words, comes neither from outside nor from afar: it must be seen as completely internal to, a fact, a thing, of class composition. The concept of class composition, which was developed originally through the analysis of the mass worker – as a means of classifying changes in the nature of labour-power, and as a critique of purely logical and economic characterisations of these changes, can now be updated as a historico-political, subjective, social definition of labour-power. In view of this, we can appreciate the

Revolution Retrieved

importance of the theoretical current that developed through the analysis of the mass worker, and above all we can appreciate how the specific antagonistic subjectivity of this class protagonist contributed, through its struggles, to go beyond and overcome the limitations of the original theoretical conception. It seems to me that the mythical term *proletariat* has been given a historical dimension and has become founded as a specific material reality through the development of this theoretical approach.

Major consequences derive from all this. *First*, a *demystification* of a number of concepts and practices existing within the traditions of the labour movement. *Second*, in my opinion, important consequences (and, more particularly, problems) arise at the strictly theoretical level – in other words, relating to our conceptions of *work* and *communism*. *Third* – and not to be under-estimated in their importance – we also find *indications for method*.

Let's take the *first* point. This social labour-power which *first* exists as a political reality, this social worker, this proletariat, embraces within itself so many dimensions, both intensive and extensive, as to *render many categories obsolete*. In other words, proletarian antagonism (within real subsumption) poses itself on the one hand (intensively) as an irreversibility of the given level of needs that has been arrived at, and, on the other hand, (extensively) as a potentiality of action, as a capacity to extend its action across the entire span of the working day. If we want a tighter conceptual definition, we might say that this socialised labour-power not only (a) dissolves any possibility for capitalism to consider it as a commodity, as the variable component of capitalist command for exploitation, but also (b) *denies capitalism any possibility of transforming necessary labour into the wage and transforming surplus value (absolute or relative) into profit*. Clearly, profit and the wage continue to exist, but they exist only as quantities regulated by a relation of power – a relation of forces which no longer admits the threefold partition of the working day into necessary labour time, surplus labour time, and free time or reproduction-time. We now have a labour-power which is both social and subjective, which recognises the value-partition of the working day only as a system of command which capital may or may not succeed in imposing over and against the continuous flow of labour-power within the working day. *The conditions for the extraction of surplus value now exist only in the form of a general social relation*. Profit and the wage become forms of the division of a value content which no longer relates to any specific mechanisms of exploitation, other than the specific asymmetry of the relationship of command within society. Capital has the form and substance of profit, as an average, a mediety of command; labour-power has the form and the substance of

Archaeology and Project: The Mass Worker and the Social Worker

the wage: but in no way can a “natural rate” be said to exist between the two of them. In other words, the mechanism of transformation and mediation which characterises the Marxian genesis of these concepts has now reached its point of fullest maturity. Exploitation consists in command. It is violence against the antagonism of social subjects that are fighting for liberation.

As a consequence, the marketing of labour-power is no longer an undertaking for minions and sycophants: if anything, the marketing of labour-power today has become a totally political operation. This consists in extending Marx’s “war” between capitalism’s tendency towards the limitless working day and the tendency of the proletariat to limit (to nil, if possible) the provision of labour-power, and transforming that “war” into formalised and viable political procedures which extend from the concrete labour process (within production and reproduction) to the overall scenario of the organisation of command – ie to political and state forms of the management of the economy, management of the labour market, of public spending, etc, etc. Only in this political dimension can success or failure in the marketing of labour-power now be gauged.

All of which is another way of saying that at our given level of development, the old dialectic of labour-power within/against capital (*la dialettica della forza lavoro*) is now played out, has become obsolete, is only of archaeological interest. If there exists any real negotiation or bargaining, this can no longer be encompassed by trade union forms of bargaining, or other such antique practices. In other words, *dualism of power is now the norm*. The working day can only be described in terms of an active dualism of power, wherein the old dialectic of unity, transcendence and equilibrium is obsolete. In making this point, I need only refer, by way of example, to the inadequacy of the most normal, everyday and (as it often seems) obvious institutional form of the traditional labour movement – the trade union.

Far more dangerous, as regards potential mystification of our own (rediscovered and reconstructed) concept of the proletariat, are those ideologies which take labour-power as a material that can be led to class consciousness (although they are also more ineffective, given the historical experience of “realised Socialism” in the East). To turn labour-power into what? To transmute exploited labour into liberated labour, via the magic wand of a mystical “political consciousness”, in other words of its vanguard representatives. What has changed in reality? Nothing – only words. The dialectic of labour functions here perfectly. The word “labour” replaces the word “capital”: the system remains the same. The working day is not touched. Time-measure continues to be the regulative function of command and of partition/

Revolution Retrieved

division. No – the new (and even the old?) concept of the proletariat really cannot accept these mystifications. The truth is that, from the proletarian point of view, the process of real subsumption brings about such a massive intensification of the composition of the working class, and such an extension of its potentiality, as to eliminate any dualism between being and consciousness, any isolation of single aspects within it. The proletariat acts directly over the entire span of the social working day. Production and reproduction are, now in parallel and on equal terms, the spheres of action proper to and adequate to the reality of labour-power. Consciousness is an attribute, entirely within and of its material structure.

And now let's look at work, labour. Here we come to the *second* set of consequences deriving from our political concept of socialised labour-power, of composition (ie of the social worker). Labour is the essence of capital. It always has been so. It is also the essence of man, inasmuch as man is productive activity. But capital is real – while human essence is only a dream. *The only human essence of labour which approximates to the concreteness of capital is the refusal of work.* Or, rather, that kind of productivity which, for capital, is purely *negative* – because while it represents a *sine qua non* of production, capital nonetheless tends to reduce it, and, precisely insofar as it is an essence of human nature, to eliminate it from production. Human labour, when posed as proletarian reality, is a negative element in capitalist production. Of course, it is true to say that only labour produces. But it is also true that bosses are only happy with production when the labour within it is totally under command: command is sadistic, it requires the presence of human labour, but only in order, then, to deny it, to nullify it. This process has functioned in the past, as the classic steely scourge of capitalist domination – *until and unless labour-power presents itself as a social subject.* In other words, we have here, within the intensity and extensity of the composition of the proletarian subject, *a negative form of labour, which has such broad dimensions and is so articulated as to render problematical its very definition as “negative”.* We often refer to it as “alternative”, “self-valorising” etc. But I prefer to continue calling it “negative labour”, not in order to flirt with the language of crisis, but simply because I do not yet feel the *strength* to be able to call it liberated work (ie work that is wholly positive). It is difficult to describe any work as “positive” so long as it is contained within capital, such is the quantity of death and pain that it bears within it. For us to call working-class and proletarian work “positive” and socially useful, we would have to be capable – the proletarian subject in its overall complexity would have to be capable – of the statement in prefigurative terms of its alternative form of production. We would require a vision of how its own

Archaeology and Project: The Mass Worker and the Social Worker

productive potential could unfold. (Only certain sectors of the proletariat within the area of reproduction – the feminist movement chief among them – have so far proved capable of producing a positive image of forms of work that could be proletarian, alternative and revolutionary. But the fact that we cannot spell it out does not necessarily mean that it does not exist. It exists as a murmuring among the proletariat. Negative work, amid the whispers of everyday life and the noise and shouting of the struggle, is beginning to gain a general form of expression. What I think needs stressing particularly is the *material character* of negative work, *its institutionality*. The concept of proletariat is becoming an institutional reality. A practical emergence – not lifeless, but living. A different conception of time. A universality held within that second nature, entirely factitious (in etymological terms: *verum ipsum factum*). An institutionality, thus, which seeks order and a systematisation of its own values. The levels, the spaces of this experience are truly thousand-fold. But they all have a centripetal impulse which increases according to the extent of their liberty, their expansivity. If we are to translate the word “communism” into present-day language, then perhaps it means reinforcing and solidifying this proletarian institutionality and developing its potential contents.

However, for the moment, we still require a long period of clarification, of study, and of specific struggles. The method remains tactical. *Methodological consequences* derive from our definition of *the proletarian subject as antagonism within realised subsumption* – and they derive, above all, from our understanding of the various aspects of the transition from mass worker to socialised labour-power, to the social worker. Within this transition, simultaneously with the breakdown of the regulatory principles of capitalist development (the market; value; the division between production and reproduction etc), there also unfolds the impossibility of any homogeneous/unified determination not only of the overall design of development, but also – and particularly – of its categories, its norms. When the concept of labour-power is realised within a socialised and subjectified class composition – and this, precisely, takes place at the highest point of unity from capital’s viewpoint (real subsumption) – then all the established terms of scientific argument break down. They become blocked, definitively non-recuperable for the old dialectical logic of unity and transcendence. The only way that any scientific category, whether in logic or in ethics, in politics or in political economy, can constitute itself as a norm, is as a *negotiated settlement*: a formalisation and balancing of opposing forces; in the human sciences, as a moment of voluntary agreement. It is clear that none of what defined the old conception of scientific norms is present here. What we have instead, exclusively, is the logical results

Revolution Retrieved

brought about by the development of class composition – *subsumption to capital realised in the form of permanent crisis*. What we are presented with is the positive emergence of negative labour as an institutionalised counter-power acting against work that is subsumed within capital. While labour subsumed within capital corresponded to a logic of unity, of command, and its transcendence, *negative labour produces instead a logic based on separateness*: a logic that operates entirely within, is *endogenous to*, that separateness. The institutionalised forms now assumed by labour-power as a *separate* entity also represent its de-institutionalisation in relation to the present framework of economy and politics, to capital and the state. This relation is precisely a negative one, and inasmuch as negative labour has the power and possibility of imposing it on the system, the only unifying logic that remains is one of duality, two-sidedness: a logic that is ephemeral, that is reduced to mere semblance. In reality, it can only represent a moment in a historical phase of crisis, in which the point of reference for all rationality or intelligibility is being rapidly shifted towards a fully socialised labour-power, the new class subject, the “social worker”.

So, we have covered, in outline, some aspects of the formation of labour-power into a social subject. A very rich phenomenology could be provided for this transformation, starting from the mass worker and the history of the mass worker’s struggles. I think that such an account would confirm the theoretical and methodological assumptions I have outlined here.

In conclusion, however, I would stress that so far this is only a half-way stage in the analysis. For, if it is true that every scientific category concerning the relation of capital can now only be understood within a *dualistic matrix*, then a further logical problem is posed: the question of the multiplicity and mobility of the forms of this transformation of the class subject, and how this multiformity can be grasped *within* a mature political concept of labour-power. In other words, how we can develop a theory of the new institutionality of the proletariat in its multiple matrices. But this will have to wait for another occasion.

Do You Remember Revolution? (1983)

A Proposal for an Interpretation of the Italian Movement in the 1970s

by Toni Negri and Others

Note: This document was written from prison by eleven of the defendants from the Workers' Autonomy movement, arraigned on trial in the "April 7th" show trial in Rome. It was published in the Left newspaper Il Manifesto (20-22 February 1983), shortly before the trial began. Against the prosecution's attempt to reduce ten years of independent communist opposition struggles in Italy to a single conspiracy on the part of a centralised leadership (allegedly linked to the armed terrorist groups), the defendants here present their own reconstruction of the changing shape of the movement since 1968.

Preface

Looking back to re-examine the movement of the 1970s, one thing at least is clear to us. The history of the extra-parliamentary oppositions, and then of the autonomy, was not a history of marginals, fringe eccentricity or sectarian fantasies from some underground ghetto. It is important to affirm that this history (part of which is now the object of our trial) is inextricably part of the overall development of class struggle in the period and the decisive changes and discontinuities that took place at a national level.

From this point of view (which might seem banal, were it not for the times we now live in, so full of fears and provocations), we want to propose some historical-political theses on the past decade, which go beyond our own immediate defence concerns in the trial. The problems we are posing are not addressed to the judges, but rather to all those involved in the struggles of these years, from the comrades of '68 to those of 1977; to all those intellectuals who "dissented" (as we now say), judging rebellion to be rational. So that they may intervene in their turn to break the vicious circle of memory distortion and conformity.

We think that the time has come for a realistic reappraisal of the movement of the 1970s. Against the distortions imposed by the state and

Revolution Retrieved

the *pentiti* [*trans*: “terrorists” who have turned state witness], we need to clear the way for our own political clarification as a movement, to arrive at a proper political judgement of the relation between the movement and the institutions in the context of the new situation of “post-terrorism” today.

That we have nothing in common with armed terrorism is obvious. That we have been “subversive” is equally obvious. Between these two truths lies the key issue at stake in our trials. But it is important that our defence in court, which will be fought with the appropriate technical-political means, is paralleled by a wider debate in the movement, among the social subjects who have been the real protagonists of the “great transformation” of these years. This debate is vitally necessary in order to confront adequately the new tensions facing us in the 1980s.

*Signed: Lucio Castellano,
Arrigo Cavallina, Giustino
Cortiana, Mario Dalmaviva,
Luciano Ferrari Bravo, Chicco
Funaro, Toni Negri, Paolo
Pozzi, Franco Tommei, Emilio
Vesce, Paolo Virno.
Rebibbia Prison, Rome,
January 1983*

Do You Remember Revolution?

1.

The specific characteristic of the “Italian ’68” was a combination of new, explosive social phenomena – together with the classic paradigm of communist political revolution.

The critique of wage labour, its refusal on a mass scale, was the central driving force behind the mass struggles, the matrix of a strong and lasting antagonism, the material content of all the future hopes that the movement represented. This gave substance to the mass challenge directed against professional roles and hierarchies; to the struggle for equal pay, for income separated from productivity; to the attack on the organisation of social knowledge; to qualitative demands for changes in the structure of everyday life – in short, to the general striving towards concrete forms of freedom.

In other countries (Germany and the USA for example), these same forces of transformation were developed in the form of molecular changes in social relations, without directly posing the problem of political power – ie an alternative running of the state. In France and Italy, owing to institutional rigidities and a somewhat simplified way of regulating conflicts, the question of state power – and of its “seizure” – immediately became central.

In Italy especially, despite the fact that the wave of mass struggles from ’68 onwards marked, in many ways, a sharp break with the labourist and state socialist traditions of the established working-class movement, the classical political models of communism still found a real space in the new movements. The extreme polarisation of the class confrontation, and the lack of any real political mediation or adequate response at an institutional level (in factories, the “internal commissions”, or in social welfare, an overcentralised structure with no

Revolution Retrieved

local/regional bodies) created a situation where struggles for income and new spaces for freedom became linked to the classic Leninist question of “smashing the state machine”.

2.

Between 1968 and the early 1970s, the problem of finding a political outlet and outcome for the mass struggles was on the agenda of the entire Left, both old and new.

Both the Communist Party and unions, and the extra-parliamentary groups, were working for a drastic change in the power structure, one which would carry through and realise the change in the relation of forces that had already occurred in the factories and the labour market. About the nature and the quality of this political solution – generally held to be necessary – there was a prolonged battle for hegemony within the Left.

The revolutionary groups, which held a majority in the schools and the universities, but with roots also in the factories and service industries, realised that the wave of struggles and social transformations coincided with a sharp rupture with the framework of legality that had hitherto existed. They emphasised this aspect of the situation, in order to prevent any institutional-reformist recovery of profit margins and capitalist command. The extension of the struggles to the entire social sphere at a territorial level and the building of forms of counter-power were seen as necessary steps against the blackmail of economic crisis. The Italian Communist Party (PCI) and the unions, on the other hand, saw the breaking up of the Centre-Left government and “structural reforms” as the natural outcome of the mass struggles. A new “framework of compatibility” and more institutional mediations would, in their view, guarantee a more active role for the working class in the relaunching of economic growth.

Polemics and divisions took place both within and between these boundaries of the old and new Left. It is sufficient to recall, for example, the polemics of the PCI right wing (Amendola) against the Turin engineering workers’ federation (FLM) on the question of a “new unionism” representing the movement; or, within the far Left, the sharp differences between the workerist current and the Marxist-Leninist organisations.

These divisions, however, revolved around the common basic problem: how to translate into terms of political power the upheaval in social relations that had developed from the wave of struggles post-1968.

3.

In the early 1970s, the extra-parliamentary Left posed the problem of

Do You Remember Revolution?

the use of force, of violence, in terms that were completely within the classical communist tradition; judging it as one of the means necessary for any struggle on the terrain of power.

There was no fetishism of the use of violence. On the contrary, it was strictly subordinated to the advancement of the movement. But there was a clear appreciation of its relevance. The development of mass conflicts throughout society undeniably posed the question of political power in new terms. After the violent clashes of Battipaglia, near Naples, or Corso Traiano, Turin (1969), the state's monopoly of the use of force appeared as an unavoidable obstacle, which had to be systematically confronted.

Hence the programme and slogans of this period conceptualised the violent breaking of legality as the manifestation of a new counter-power. Slogans such as *Take Over the City* or *Insurrection* synthesised this perspective, which was considered as inescapable, albeit not in any immediate sense.

On the other hand, in concrete terms of the mass movements themselves, organisation within the framework of illegality had much more limited and modest defensive goals: defence of pickets, of housing occupations, of demonstrations, security measures to prevent possible right-wing reaction (which was seen as a real threat after the bombing provocation of Piazza Fontana, Milano, December 1969).

In short, a theory of attack was widespread, based on the combination of a communist outlook and the "new political subject" that emerged from 1968. It remains a fact that for thousands of militants following the "Red Years" of 1968-9 – including trade union cadres – the organisation of struggles on an illegal level, and public debates on the forms and timing of confrontation with the repressive structures of the state, were widespread and commonplace themes in the movement.

4.

In these years, the role of the first clandestine armed organisations (the GAP – Partisan Action Groups – and BR – Red Brigades) was quite marginal and outside the general outlook and debate within the movement.

Clandestine organisation itself, the obsessive appeal to the partisan tradition of the wartime resistance, and the reference to the "skilled" working class that accompanied it, had absolutely nothing in common with the organisation of violence in the class vanguards and revolutionary groups of the movement.

The GAP, linked to the old anti-Fascist resistance and the Communist Party tradition of organising at "dual levels" (mass and clandestine) which goes back to the 1950s, put forward the need for preventive measures against what they saw as an imminent Fascist coup.

Revolution Retrieved

The BR, on the other hand, were formed from a confluence of Marxist-Leninists (Trento), ex Communists, and Communist Youth Federation personnel from the Milan and Emilia areas. Throughout this early phase, they looked for support and contacts among the PCI rank and file, and not at all in the movement. Their operations were characterised by anti-Fascism and “armed struggle in support of reforms”.

Paradoxical though it may seem, the adoption on the part of the revolutionary groups in the movement of a perspective of struggle that included illegality and violence, made the gap between this and the strategy of “armed clandestinity” even wider and more unbridgeable. The sporadic contacts that existed between the groups and the first armed organisations only confirmed the gulf in language, outlook and political line that divided them.

5.

In 1973-74 the political context within which the movement had developed began to disintegrate. Within a short period of time, there were multiple ruptures in the movement, sharp changes in political perspective, and changes in the very conditions of the conflict itself. These changes were due to a number of interacting factors. The first was the change in the policy of the PCI, which now judged the situation at the international level such as to render a socialist alternative government impossible. Hence the PCI turned to its compromise strategy of finding an immediate political solution within the existing balance of forces.

This led to a split, which became increasingly deep, within the political and social forces that had, up to this time, in spite of internal differences, shared the common goal of finding an alternative power structure that would reflect and realise the radical content of the mass struggles. The PCI and its union federation now began to draw nearer to the government and became increasingly opposed to wide sectors of the movement.

The extra-parliamentary oppositions now had to redefine themselves in relation to the PCI’s “Historic Compromise”. This led to a crisis and a progressive loss of identity for the groups. The struggle for hegemony on the Left, that had to some extent justified the existence of the revolutionary groups, now seemed to have been resolved unilaterally in a way that closed the debate altogether.

From now on, the old question of “finding the political outlet”, a “solution in terms of alternative government” etc, was identified with the moderate politics of the PCI compromise. Those extra-parliamentary organisations that still followed this perspective were forced to try to go along with the PCI, influencing the outcome of the compromise as best they could – for example, participating in the 1975

Do You Remember Revolution?

(local) and the 1976 (national) elections. Other groups found that they had reached the limits of their own experience. They found no alternative but to dissolve themselves. (This was the case with *Potere Operaio* – “Workers’ Power” – 1969-73, which is the main object of the prosecution in the current trial.)

6.

The second factor in this change of 1973-74 was the fact that the central class force behind the mass struggles post 1968, i.e. the assembly line workers of the major factories, began, with the union-employer contracts of 1972-73, to lose their role as a vanguard of class recomposition in an offensive sense. The restructuration of large-scale enterprises was beginning to take its toll.

The increasing use of redundancies (*cassa integrazione*) and the first partial though radical changes in technology and work organisation, blunted the thrust of preceding forms of struggle, including the mass strike. The homogeneity of the shop floor and its capacity to exercise power over the overall process of production were undercut by new machinery, new systems of control, and by the restructuring of the working day. The representative functions of the new “Factory Councils”, and hence their division into Left and Right, had a paralysing effect on the unity and autonomy underlying the preceding struggles.

Not that the power of the line worker (the “mass worker”) was weakened by any reserve army or competition from the unemployed in the traditional sense. The point is that industrial reconversion tended towards investment in sectors outside the sphere of mass production. This brought sectors of labour-power which had been relatively marginal – such as women, youth, highly educated new strata etc – to a central position in social production as a whole. These new strata had less organised history behind them. Hence the terrain of confrontation began to shift from the “factory” (in the literal sense) to the overall mechanisms of the labour market, public expenditure, the social wage, reproduction of the proletariat and in general to the distribution of income independent of remuneration for work.

7.

In the third place, a change occurred within the subjectivity of the movement, in its culture and outlook towards the future. To summarise: a complete rejection took place of the labourism of the official working-class tradition. The idea of revolution as “seizure of power” and “dictatorship of the proletariat” in its orthodox forms, was rejected, along with the residual baggage of “realised Socialism” in Eastern Europe, and any project of “alternative management” of the system.

As for the links that had existed within the post-’68 movement

Revolution Retrieved

between new qualitative goals and the old model of communist revolution, these were now totally broken. Power was now seen as a foreign enemy force in society, to be defended against, but which it was no use “conquering” or “taking over”. Rather, it was now a question of its reduction, of keeping it at a distance. The key to this new outlook was the affirmation of the movement itself as an “alternative society”, with its own richness of communication, free productive creativity, its own life force. To conquer and to control its own “spaces” – this became the dominant form of struggle of the new “social subjects”. Wage labour was no longer seen as the terrain of socialisation and the mass reference point. It was now regarded only in an episodic sense, as something contingent and of negative value.

The feminist movement, with its practices of communalism and separatism, its critique of politics and the social articulations of power, its deep distrust of any form of “general representation” of needs and desires, its love of *differences*, must be seen as the clearest archetypal form of this new phase of the movement. It provided the inspiration, whether explicitly or not, for the new movements of proletarian youth in the mid-1970s. The referendum on divorce (1974) itself gave a first indication of this tendency towards the “autonomy of the social”.

From that point on, it becomes impossible to regard the Left movement as a “family tree” – unless one is referring to a family in crisis! The new subjectivity of the movement was totally alien to the official working-class movement. Their language and objectives no longer had any common ground. The very category of “extremism” no longer explained anything. One can only be “extremist” *in relation to* something similar: but this similarity, these common points of reference etc, were fast disappearing. Those who look for a continuity at this point of the story (as the prosecution does in our trial!) can only find that “family album” of continuity in the separate and sectarian existence of the Marxist-Leninist “combattant organisations”.

8.

All these factors, but especially the latter, contributed, between 1973 and 1975 to the birth of “Workers’ Autonomy”.

The autonomous movement was formed against the PCI project of the Historic Compromise, in response to the crisis and failure of the revolutionary Left groups, and as an analysis and practice of struggle which sought to go beyond the previous “workerist factory” perspective and to understand the changes in the labour process which were taking place. But above all, it expressed the new subjectivity of the movement, the richness of its multiple differences, its rejection of formal politics and of mechanisms of representation. It did not seek a “political outlet” or

Do You Remember Revolution?

“solution”. It embodied an immediate exercise of power within society.

In this sense, localism and pluralism are a defining characteristic of the experience of autonomy. Rejecting any perspective of an alternative running of the state, there could be no centralised leadership of the movement. Every regional or local collective which was part of the “area of autonomy” had its own particular characteristics of class composition and class interests. These differences were not seen as a limitation, but as their *raison d'être*. It is therefore absurd and impossible to try and reconstruct a unitary history of these movements between Rome, Milan, the Veneto and the South.

9.

From 1974 to 1976, the practice of mass illegality and violence became more intensified and diffuse. But this phenomenon had no overall “anti-state” objective behind it. It was not a preparation for any “revolutionary” project. In the big cities, violence developed as a function of the need for an immediate satisfaction of needs, the conquest of “spaces” that could be autonomously controlled, and largely in response to cuts in public spending.

In 1974, the self-reduction of transport fares, organised by the unions in Turin, relaunched a mass illegality that had already been practised particularly during rent strikes. From now on, and in relation to the whole range of public services, this form of “guaranteed income” was widely put into practice. While the unions had intended this self-reduction to be a symbolic gesture, the movement transformed it into a generalised, material form of struggle.

But it was the occupation of housing in San Basilio, Rome (October 1974) which above all marked a turning point: a massive and spontaneous militarisation by the proletariat as a defensive response to violent police aggression. A further step for the movement was the big Milan demonstrations in the Spring of 1975, following the killings of Varelli and Zibecchi by Fascists and police. Violent street confrontations were the point of departure for a whole series of struggles against the government’s austerity measures – the first steps in the so-called “politics of sacrifice”. Throughout 1975 and 1976, we experienced the trajectory – in many ways classic – of the history of welfare struggles: from self-reduction to appropriation; from a defensive struggle in the face of increases in prices and bills, to an offensive struggle for collective satisfaction of needs.

“Appropriation”, of which the greatest example was the “looting” during the night of the New York Blackout, became part of collective behaviour in all aspects of metropolitan life: free or “political” shopping; occupation of premises for free associative activities; the custom of young people refusing to pay for cinemas or concerts;

Revolution Retrieved

overtime bans, lengthening of rest periods in factories, etc. Above all, it represented the appropriation of free time, liberation from the constraints of factory command, the search for a new community.

10.

By the mid-1970s, two distinct tendencies in class violence had become apparent. These may be approximately defined as two different paths in the birth of the so-called “militarisation of the movement”. The first path was the movement of violent resistance against the restructuring of production taking place in the large and medium-sized enterprises.

Here the protagonists were above all worker militants, formed politically in the period 1968-73, who were determined to defend at all costs the material basis on which their bargaining strength had depended. Restructuring was seen as a political disaster. Above all, those factory militants who were most involved in the experience of the Factory Councils tended to identify the restructuring with defeat; this was confirmed by repeated union sell-outs on work conditions. To preserve the factory as it was, in order to maintain a favourable relation of force – this was their aim.

It was around this set of problems and among this political/trade union base, that the Red Brigades – in their second phase, from 1974 to 1975 – found support and were able to take root.

11.

The second path of illegality, in many ways diametrically opposed to the first, was made up of all those “social subjects” who were *the result* of restructuring, of decentralisation of production, and of mobility in the labour force. Violence here was the product of a situation of part-time work, of fragmented forms of income, of the immediate impact of the social organisation of capitalist command.

This new proletariat that was emerging from the process of restructuring violently confronted local governments and the administration of income transfers, and fought for self-determination of the working day. This second type of illegality, which we can more or less identify with the autonomous movement, was never an “organic project”. It was distinguished by the fit between the form of struggle chosen and the attainment of specific objectives. This also meant an absence of separate military structures specialised in the use of force.

Unless we accept the views of Pasolini – of violence as “natural” to certain lumpen social strata – it is impossible to deny that the diffuse violence of the movement in these years was a necessary process of self-identification. It was a positive affirmation of a new and powerful productive agency, born out of the decline of the centrality of the

Do You Remember Revolution?

factory, and exposed to the full pressure of the economic crisis.

12.

The movement that exploded in 1977, in its essentials, expressed this new composition of the class and was by no means a phenomenon of “marginalised strata”.

Described at this time as a marginal “second society” (by PCI cultural spokesperson Asor Rosa), this new class composition was already becoming the “first society” from the point of view of its productive capacity, its technical-scientific intelligence, and its advanced forms of social cooperation. The new social subjects reflected or anticipated in their struggles the growing identity between new productive processes and forms of communication – in short, the new reality of the information-system factory and the advanced tertiary sector.

The movement of 1977 was itself a productive force, independent and antagonistic. The critique of wage labour now took an affirmative direction: creatively asserting itself in the form of “self-organised entrepreneurship” and in the partial success of running, “from below”, the mechanisms of the welfare system.

This “second society” that confronted the state in 1977 was asymmetrical in its relation to state power. No longer was there a frontal counterposition; rather there was a search for freedom and income, in which the movement could consolidate and grow.

This asymmetrical relation was precious, a great achievement, and showed the authentic basis of the social processes that underlay it – the emergence of a great new social force of antagonism. But it needed time, and needed new forms of mediation, a “New Deal”, in order to come to fruition.

13.

However, this outcome was denied. Instead, the forces of the “Historic Compromise” reacted to the movement entirely negatively, denying it any time or space, and imposing a symmetrical relation of opposition between the struggles and the state.

This was quite different from the process in other European countries, most obviously in the case of Germany, where the repressive operation was accompanied by forms of bargaining with the mass movements, and hence did not directly attack their reproduction. Not so with the Italian “Historic Compromise” government; here, the repressive net was cast exceedingly widely; legitimacy was denied to any forces developing outside of the “social pact”; the new avenues of corporative regulation of conflict were denied. Repression itself developed a generality that was aimed directly against spontaneous *social* forces.

Revolution Retrieved

14.

The organisations of Autonomy (*autonomia organizzata*) found themselves caught in a dilemma between consignment to a marginalised role and a social ghetto; or immediate confrontation, at a tempo imposed by the state. Their eventual defeat can be traced to the attempt to close this gap – by maintaining roots in the social network of the movement, while at the same time confronting the state.

This attempt proved, quickly, to be quite impossible, and failed at both levels. On the one hand the political acceleration imposed on the movement led to the organisations losing contact with the social subjects, who rejected “traditional politics” and followed their own various solutions – at times individualist, or through constitutional channels, in order to work less, live better, and maintain their own spaces for freely creative production. On the other hand, this same acceleration pushed the autonomous organisations into a series of splits over the question of militarisation. The contacts with the militarist groups were rejected, and these soon became a separate tendency in the movement, pushing for the formation of armed organisations.

The dilemma was not resolved; it only became deeper. The whole form of autonomy, its organisation, its concept of politics, was thrown into question and crisis.

15.

From the end of 1977 and throughout 1978, there was a growth and multiplication of formations operating at a specifically military level, while the crisis of the autonomous organisations became more acute.

Many saw in the equation “political struggle equals armed struggle” the only adequate response to the trap that the movement was caught in by the reactionary politics of the Historic Compromise. In a first phase – in a scenario frequently repeated and typical – numbers of militants made the so-called “leap” to armed struggle, conceiving this choice as an “articulation” of the movement’s struggles, as a sort of “servicing structure”. But the very form of organisation specifically geared to armed actions soon revealed its lack of links with the practices of the movement. It could only sooner or later go its own separate way. Thus the numerous armed groups that proliferated in the period 1977-78 ended up resembling the model of the Red Brigades (which they had initially rejected) or joining them. The BR, as the historic guerrilla formation, totally separated from the dynamic of the movement, ended by parasitically growing in the wake of the defeat of the mass organisations of the movement.

In Rome especially, from the end of 1977, the BR made a large-scale recruitment from the movement, which was in deep crisis. Autonomy

Do You Remember Revolution?

had come up against all its own limitations, opposing state militarism with street confrontations, which only produced a dispersion of the potential the movement represented. The repressive straitjacket, and the real errors of the autonomists in Rome and some other areas, opened the way for the expansion of the BR. The Brigades had been external to, and critical of, the mass struggles of 1977. Paradoxically, they now gathered their fruits in terms of reinforcing their organisation.

16.

The defeat of the Movement of 1977 began with the kidnapping and killing of Aldo Moro in March-May 1978.

The BR, in a sort of tragic parody of the way the official Left had developed its policies from the mid-1970s, pursued their own politics in complete separation from and outside of developments of currents of resistance in society at large.

The “culture” of the BR, with its “people’s courts, prisoners and trials” – and its practice of an “armed fraction” totally within the logic of a separate sphere of “politics” – played against the new subjects of social antagonism, as much as against the institutional framework.

With the Moro operation, the unity of the movement was definitively broken. There began a situation of emergency, terror and State blackmail, a closing-off of space, in which the autonomy frontally attacked the BR, while large sectors of the movement retired from the struggle. The emergency proclaimed by the state and the PCI was not successful as far as “anti-terrorism” was concerned; on the contrary, it tended to select its victims from among those publicly known as “subversives”, who were used as scapegoats in a general witch-hunt. Autonomy soon found itself facing a violent attack, starting in the factories of the North. The Factory Collectives of the autonomy were denounced by trade union and PCI watchdogs as “neo-terrorists” and were weeded out. Right in the period of the Moro kidnap, the autonomists were launching a struggle at Alfa Romeo against Saturday working. They were branded by the official Left as “terrorists”. Thus began the process of the expulsion of a new generation of autonomous militants from the factories, a process that reached its climax with the mass sackings at FIAT in the Autumn of 1979.

17.

After the Moro operation, in the desolation of a general State of Emergency and a militarisation of the whole of civil society, the state and the Red Brigades now faced each other as if opposite reflections in the same mirror.

The BR rapidly went down the path already set for them; the so-called “armed struggle” became terrorism in the true sense of the word.

Revolution Retrieved

From 1977 to 1978, the targets on the death list were selected only according to their functions – police, magistrates, factory managers, trade unionists etc – as the revelations of those who turned state evidence have shown.

The repressive wave of arrests and imprisonment against the movement of autonomy in 1979 eliminated the only political network which was in a position to fight against this logic of terroristic escalation. This can be demonstrated in practice by the fact that between 1979 and 1981, the Red Brigades were able to recruit, for the first time, not only militants from the lesser armed combattant organisations, but also more widely from a desperate and scarcely politicised youth, whose anger was now deprived of any political outlet or expression.

18.

The state witnesses, those who have turned state evidence in exchange for remission of sentences (the *pentiti*) are only the other side of the terrorist coin.

The state informers, the supergrasses, are only a conditioned reflex of terrorism itself. They are the final truth of its total abstractness and separation from the struggles of the movement. The total divorce of the “armed struggle” from any relation to the struggles of the new social subject is revealed in a distorted, horrendous way by this merchandising of state informers.

The system of remission for state informers (set up by law in December 1979) has given rise to a logic of destruction of the whole judicial framework, as well as a judicial, public destruction of the memory of the movement. The individual memory of the *pentiti* is manipulated and distorted, with indiscriminate vendettas being settled en route. Even when they tell the truth, they abolish the real motivations and context of what they describe, establishing hypothetical links, effects without causes, interpreted according to theorems constructed by the prosecution.

19.

The sharp, definitive defeat of the political organisations of the movement at the end of the 1970s by no means coincided with any defeat of the new political subjects which had emerged in the eruption of 1977.

This new social subject has carried out a “long march” through the workplaces, the organisation of social knowledge, the alternative economy, local services, administration and communications. It proceeds by keeping itself to the ground, avoiding any direct political confrontation between the underground ghetto and institutional deals, between separateness and co-management. Though under pressure and often forced into passivity, this underground movement today

Do You Remember Revolution?

constitutes – even more than in the past – the unresolved problem of the Italian crisis.

The renewal of struggles and debates on the working day; the pressure on public spending; the question of protection of the environment and choice of technologies; the crisis of the party system; and the problem of finding new constitutional formulae of government – behind all these questions lies the density and living reality of a mass subject, still entirely intact and present, with its multiple demands for income, freedom and peace.

20.

Now that the Historic Compromise has come to an end, and in the post-terrorist situation today, the same question is again, as in 1977, on the agenda: how to open spaces which can allow the movement to express itself and grow.

We come back to the basic issue: how to relate struggles and their political outlets; how to relate the struggles within a New Deal at the institutional level. This perspective, in Italy as in Germany, is both possible and necessary, not because of the backwardness of social conflict, but because of the extreme maturity of its content.

We must now take a clear stand, to take up once more and develop the thread of the movement of 1977. This means opposing both the militarism of the state and any tendency to relaunch that of the “armed struggle” (there is no “good versus bad” version of “armed struggle”, no alternative to the elitist practice of the Red Brigades: *all* versions end by being antithetical to the new movements). A powerful new social force, both individually and collectively, outside and opposed to the framework of wage labour, has emerged. The state is going to have to take this phenomenon into account, not least in its administrative and economic policy calculations. This new social force is such that it can be at one and the same time separate, antagonistic, *and* capable of seeking and finding its own mediations.

Interview with Toni Negri
(1980)

Question: *You have now been in jail since April 7th 1979, and since this date objective evidence has cleared you of what one might call the “black or white” criminal charges against you, such as involvement in the Moro assassination. The charges which remain are precisely those which cannot be answered with fingerprints or alibis. These accusations reside in a realm in which the legal system is badly adapted to intervene – the realm of ideas and theoretical and historical continuity and compatibility between various political groups. Can you say something about those charges, and the legal situation in which you and the other comrades in jail find yourselves?*

Answer: Our trial will take place in another couple of years or so, since Italian law allows a period of “preventive detention” of up to 5 years and 4 months, and 10 years and 8 months before the final trial. The basic charge which my comrades and I will probably face at our trial is “armed insurrection against the powers of the State”. This charge carries a sentence of life imprisonment.

This is the first time this charge has been brought in Italy since the fall of Fascism. Under Fascism, the sentence was the firing squad: we are therefore happy that Fascism has been overthrown. It is, however, the only reason for us to feel any pleasure in the fall of Fascism. In all other respects, the law is unchanged. In fact, repressive laws have since been increased enormously in number and carry far heavier sentences. Legal procedures have taken on the characteristics of those applying in wartime: you can be arrested and interrogated without legal assistance and held for long periods of time. But as I said above, it is the periods of preventive imprisonment that have reached levels that are quite incredible.

Anyway, let’s return to the charges being levelled against us. We stand accused of having attempted to incite an armed insurrection. The state accuses us because it recognises a real danger in the actions of the proletarian and working-class agitation that we carried on throughout the 1960s. Now, I and the comrades who were working for the development of proletarian and working-class autonomy in the 1970s would have been very happy if we had really placed

Revolution Retrieved

the reproductive institutions of capital in such extreme peril. Unfortunately, our actions, despite their undeniable importance, were never this significant: even the bourgeoisie never seems to have felt there was a real danger of insurrection. But on 7th April 1979 this accusation was nevertheless brought against us.

Who made this accusation? It was made by a few judges, whose political alignment with the Italian Communist Party is by now notorious. It was brought because the actions of *autonomia* had, through our mass action, effectively impeded the PCI's chances of entering into government through an alliance with the Christian Democracy.

This very serious charge of insurrection was therefore brought because we struggled on the class terrain, on the mass terrain, against this betrayal of the class struggle perpetrated by the PCI in its strategy of Historic Compromise.

Question: *The "trial of autonomia", as has been remarked by many, appears as a step in the attempt at criminalisation of the autonomia movement. You, as I remember reading in an article, were shocked by the projection of yourself in the daily press as a "monster". What were the processes called into play in this projection of autonomia as a criminal organisation, and of its theoreticians as monsters? And do you think this project of criminalisation is now failing with the failure of the "hard evidence" against the accused?*

Answer: The accusation cannot fail, because it is not based on objective evidence against the individuals accused. The truth is that *autonomia* has never been an organisation, but rather an often-fluctuating ensemble of organisations. At the organisational level, it was non-existent. *Autonomia* was a movement. The judges, though well aware of this, have claimed that *autonomia* was something other than a movement and that those responsible for certain newspapers, free radios and organisational fractions which lived within the movement were politically responsible for the whole.

The judges themselves have constructed central committees where only spontaneous initiatives existed, and criteria of objective responsibility where there were only individual initiatives. The great social phenomena of the workers' pickets, the blockading of transport, the "self-reduction" of prices, the occupations of housing and so on, have been linked artificially to an operational strategic centre which was supposed to have commanded and assumed responsibility for all these actions. This is pure fantasy.

Through a lunatic journalistic campaign of mystification, figures were created (such as my own) who were supposedly capable of directing these impressive social phenomena through orders, communications from little secret committees, special agents etc etc. A huge movement which has assailed Italian society throughout this decade was in this way reduced to the pitiful sum total of the experiences, however interesting, of a few individuals, to the ideas and writings, however important, of a few persons.

Social and mass class autonomy, and the organisations living within it, have, in this hypothetical accusation, been tied to an organisational centre, at whose head presides Toni Negri the "monster". And why a "monster"? Because this gentleman, while lecturing in Paris, sent off orders which on the one hand set

Interview with Toni Negri

into motion hundreds of thousands of young people throughout Italy, in the factories, in the schools, and on the streets. On the other hand, this gentleman was busy organising all of the military and underground struggles that were going on in Italy in the same period: in other words, he was the head of the Red Brigades, of Prima Linea, and of all the other underground groups.

There's no doubt that if I had really been all this, I would have been an excellent manager. But I was not. In reality, the stance taken by myself and my friends against terrorist action has always been amply evident. The writings in which we detach ourselves from terrorism are innumerable. The judges continue to maintain this to be a falsity, an attempt at a cover-up. At this point, the figure of the "monster" is complete. All that I wrote and said must be considered as a cover-up for my real position as a terrorist. In effect, the only real interest which those in power have in us consists in the criminalisation, through our poor personages, of an entire movement of social opposition.

This operation is entirely political, and has very little to do with the law. The trials, when they come about, will be political trials. The important thing that those in power wish to achieve, with our arrests and the arrests of the thousands of comrades arrested after us, is to be able to add terrorism against the state to their criminalisation of the movement.

Question: *A personal question. What has your experience of prison been like?*

Answer: My life in prison isn't bad. There are about 3,000 comrades currently held in the Special Prisons (for "terrorists"). There is therefore a very rich level of political discussion. Our strength, even in prison, is indubitable. So, our conditions of imprisonment are not of the worst. They are without doubt better than those that the common prisoner had to undergo before the influx of comrades into the prisons. The truth is that the warders and prison governors are afraid. Furthermore, everyone knows that the comrades inside represent the best of a whole generation of communist militants. Some warders are communists, and some governors are on the left.

Life in prison, however, is not improved all that much even by these conditions. But communist life within the prisons is not only strong; it is also rich in vital initiatives. The worst part of prison, or rather of this sort of concentration camp where we have been herded, is above all the lack of news and information, and the impossibility of joining in the struggle. Over the last few months, during the struggle at FIAT, the comrades looked forward with enormous excitement to the television news broadcasts. And this was true not only for the four or five FIAT workers who are here in my camp: it was true for us all. It was central to all our discussions. It was fundamental in increasing our feeling of anger and desire for freedom to return to struggle alongside our comrades in the working class and proletariat outside prison.

Question: *It seems to me that the Moro assassination provided the lever which the Italian ruling classes needed. It has served to "justify" heavy intellectual repression and the strangling of political space on the pretext of stamping out terrorism in Italy. Are your hopes high for a speedy recovery of the Italian Left?*

Answer: The assassination of Moro was the most absurd and senseless initiative

Revolution Retrieved

the armed groups could possibly have undertaken. In 1977 the proletarian movement had reached an extremely high pitch of mobilisation in all the big Italian cities, bringing to a climax the process of reformulation of the homogeneity of aims of struggle which had begun in 1974. But the movement, precisely because of its extensive nature, was extremely weak. Its problem was how to develop an organisational form springing from its roots in the city, in the factories, in all the various workplaces.

We were all involved in working towards this development. In September 1977, there was a mass assembly in Bologna which saw the participation of about 30,000 activists: everyone had understood that the principal and fundamental problem was to find roots and an organisational form. It was still necessary to press ahead with the extension of the movement. And it was possible.

Onto this "tissue", the Red Brigades (a group holding a Marxist-Leninist ideology) grafted its theory of the taking-over of the leadership of the entire movement by the armed vanguard. The murder of Moro after a month of imprisonment was supposed to demonstrate the Red Brigades as being the leading force, the hegemony, the "Bolshevik" leadership of the movement.

In reality, the result was the opposite to what the RB expected. The movement was fully engaged, in all its weaknesses and all its strength, in the project of rooting itself and finding an organisational form. The RB were shown up for what they were – a wild variable. But on this basis, the basis that the Moro assassination determined in the bourgeoisie, the most terrifying campaign of repression we have ever known was set into motion. *3,000 comrades have been thrown into jail in these last two years.*

The repressive forces of the bourgeoisie, with the cooperation of those of the trade unions and the Communist Party, have swept the board clean of an entire generation of militants. The movement's political space has been enormously restricted. Practically all of its papers and its journals have been banned. The space held by the comrades of *autonomia* inside the universities and factories has been closed. In the name of stamping out terrorism, a great proletarian movement of an entirely new sort, developing on the left of the PCI, a movement of young workers and metropolitan proletarians, a movement of resistance to work, has been struck a severely weakening blow.

I don't know if the recovery will come about quickly. I rather doubt it. What is certain, though, is that the movement still exists, that it has not yet been beaten. Today the problem is the revival of mass struggle, together with the reconquest of political space and the release of the comrades from prison.

Question: *Calogero (the public prosecutor) has a theorem: Potere Operaio equals Autonomia equals Red Brigades. The Left has another: Calogero equals PCI equals Historic Compromise equals the solidification of political/hegemonic control by the ruling bloc in Italy. Can you comment on the role the PCI has played in recent years?*

Answer: The equation whereby the PCI is supposed to consolidate its own hegemony via the repressive operation mounted against the class Left has already been thrown into crisis. The PCI has helped the bourgeoisie to emerge

Interview with Toni Negri

from the deepest crisis it has ever had to undergo, and now it has unceremoniously been shown the back door. Despite this, the PCI has not gone back on the question of repression. Its Stalinist soul has got the better even over political and opportunistic considerations. The enemy to its left must be fought by whatever means possible. It matters not that this repressive operation serves as a testing ground for operations which, tomorrow, the bourgeoisie might use against the PCI itself. The revisionists' hatred of the Left is blind.

The masochistic behaviour of the PCI, however, is not only apparent at the level of repression. The last decade has seen a development in the class struggle in Italy which has been able to find in the PCI an element of mediation with the bourgeoisie. In this context the PCI attempted to win back its hegemony over the more active layers of the class, the hegemony it had lost in 1968-69. When it realised that this recuperation was impossible, it unleashed the repression. But without a left wing capable of acting within the factories and the cities, the mediatory action of the PCI proved to be useless to the bourgeoisie. The PCI has therefore been thrown back into opposition.

At this point, gripped by a last tremor of resistance, the PCI placed itself at the head of the struggle. But it was not to last. The unions, by now used to transformism and opportunism, abandoned it forthwith, while the working-class Left correctly regarded with great suspicion any foray into the class struggle by the PCI. It was this fact that led to the defeat of all the struggles to which the PCI had offered its protection.

Today, within the PCI, a series of political theses of autonomy have begun to develop. But nobody deludes themselves that the Stalinist sectarianism of the PCI can be overcome.

Question: *In your view, what were the major contributions of Potere Operaio to working-class thought and struggle, which led to its leadership being singled out for particular attack in the "case against autonomia".*

Answer: This is a difficult question to answer. *Potop* was a complex phenomenon. Its most significant organisational characteristic was without any doubt the fact of being able to unify organically the working-class vanguard in certain big factories in the North and the leaders of the students' movement in the big Italian universities. This organic link provided a very specific political personnel, capable of both mass action and theoretical analysis.

Potop was perhaps the only group among those arising from 1968 able to maintain an incredible homogeneity of political positions after its dissolution. This fact has caused the magistrates mistakenly to believe in an entrism operation conducted by *Potop* throughout the entire movement, through its dissolution. Furthermore, *Potop* was for a long period – both in its group constitution and in the later phase of dispersal – firstly the carrier of the debate on the refusal of work, and second the initiator of the debate on the new subject-figure of the metropolitan proletariat. *Autonomia* was really born, as far as theory is concerned, from the concepts developed by the *Potop* cadres who continued to work politically after the dissolution, either as individuals, or in small groups within the movement.

Potop was dissolved at the Rosolina Convention in 1973. But in 1977, at the,

Revolution Retrieved

Bologna convention of *autonomia*, nearly all the speakers on the Italian situation were *ex-Potop* comrades. Despite the many different approaches, the central argument which emerged – that which saw the working-class tendency towards refusal of work emerging within the social make-up of the metropolitan proletariat – was brought to the centre of the debate through the theoretical and agitational contribution of the *ex-Potop* comrades.

Today the prisons are full of these comrades. I've never tried to work out how many there are, but there are many... very many. The institutions of power have thus singled out the leadership of *Potop* because of their evaluation of both the centrality of their theoretical arguments and the continuity of their political action. Personally, I'm very happy this has happened: it's the proof that, at the moment that other comrades and myself (a minority, but a far-seeing one), realising the enormous intellectual wealth *Potop* had accumulated, and convinced of the group's poverty of experience, imposed its dissolution, we had taken a historic and fundamental step.

Question: *What happened in 1977 which makes that year such a radical "break" for working-class struggle and culture in Italy?*

Answer: What happened in 1977 was that which we did not have the strength to bring about in 1969: the mass break of the proletariat from the reformist organisations. In 1969 we had built up a radical and democratic class behaviour in the factories. The PCI and the unions ably disposed themselves of this transformation of political behaviour through the creation of Factory Councils. We knew that this was an opportunistic operation by the trade unions, but we were too imprisoned by the ambiguity of the operation.

On the other hand, the relationship which emerged in 1969 between the new class layers and the old vanguard of the "mass worker" was very external, essentially founded on agitation. Furthermore, the relationship between working-class antagonism in direct production and proletarian antagonism on the social terrain was very unclear: "Take Over the City", a slogan of those years, was a slogan based completely on the extension of the action of the factory proletariat, rather than on the uncovering and unfolding of what was a complex social subject-figure. Between 1969 and 1977, we had the formidable existence of a powerful women's movement. It was in the confrontation – often bitter, always important – with the women's movement that the debate was pushed ahead. Without wishing to exaggerate (because there's always been a certain coyness in the admission) I believe that the reasons which lay behind the dissolution of *Potop* in 1974 came essentially from developments in the women's movement, from the positive transformation that the frustrations of the women wrought on many *Potop* cadres.

In the meantime, between 1969 and 1977, the initial ambiguity of the trade union debate on the Factory Councils was clarified for all, workers and proletarians alike. The unions, from 1969 on, were making a concentrated effort to weaken the authority of the Councils. Above all, they were trying to bend them to the austerity policies which were the war-cry of the PCI in its march towards government. In those years, we not only managed, continuously and relentlessly, to demystify the PCI line, but also to live and promote a new

Interview with Toni Negri

social experience: the experience of the movement as a community, promoted directly through a mass experience of expropriation and counter-power. Right. At this moment in time, 1977 “broke out”. First in Bologna, where the clashes of the new student proletariat (students forced to work in the “black economy”, exploited by the Communist Party administrations in the big cities) raised enormously the level of revolutionary desire; then in Rome, where the PCI’s attempt to recuperate the movement ended in Lama (the PCI’s trade union leader) being physically expelled from the University.

Once again we had anticipated and accelerated the rhythm of events: it would be 1980 before Lama was expelled from the gates of FIAT too. But the transformation set in motion in 1977 is still fundamental. As I have already said, we would probably have managed to consolidate organisationally the social reality of the new mass Left, if the Red Brigades had not intervened, with their choice of the path of homicide and terrorism, a choice which we continue to see as at best a tragic error and at worst a betrayal and a provocation.

Question: *The movement of autonomia claims to speak as part of a “new social majority of the proletariat”, a majority which includes all those sectors of the working class thrown to the margins of society by the present world-wide crisis racking the capitalist economy. This clearly raises some major question marks for traditional Marxist class analysis. How far do you see your own ideas and those of your comrades inside and outside of jail as a radical departure in Marxist theory?*

Answer: My comrades and I do not believe that our analysis is other than a Marxist analysis. It’s a completion, a development of it. We believe that the proletarian subject is formed in the conjunction between work time and life time: that society is subsumed in capital, forming a homogeneous tissue of exploitation. The crucial problem is this: capital has become really “social capital” and capitalist society has become – really, not by analogy – a “social factory”. Education, welfare, family life, transport, culture etc. are all implicated in capitalist accumulation. The conflict between human desires and capital is direct. The mechanism of the production and reproduction of labour power is wholly internal to capital. This is the fundamental point. If all this is true, and if in consequence the proletarian subject develops within all of these life conditions, then the true barrier to the valorisation of capital consists in the relationship between production and reproduction. Our subject is not so much an extreme fruit of the crisis of capitalism, as a product of its restructuring.

I don’t believe that anything I am saying is less than orthodox Marxism. It is, at any event, the truth, even if it is not orthodox. Orthodoxy does not concern me much. I am a Marxist solely because Marx’s analysis is in agreement with phenomena and behaviours that I perceive. As for the fact that our subjectivism is not in agreement with the established currents of Marxist tradition, this means only that other authors are in error. We are not inventors of anything. We are just readers of Marx, and political revolutionary agitators in our time.

The unification of the struggle of one layer of society with that of another cannot be imposed through ideologies and value-systems – this is the road taken by the Right. We must find the immediacy of the interests of particular groups,

Revolution Retrieved

the political mediation of the common interest, the desire for communism. We comrades in jail, we 3,000 revolutionary militants shut away inside the Special Prisons of the democratic Italian state, are sure that this desire lives within the masses. Above all, we must press forward a mediation rooted in reflection on the interests of the individual strata: class unity is to be found deep within the process of self-valorisation. Not in ideology, but in concrete action and revolutionary thought.

Interview obtained in the
Trani Special Prison
November 1980

The Revolt at Trani Prison (1980)

The following article is translated from *Trani: Basta coi Supercarceri*, a pamphlet published by the Comitato Autonomo Operai, via dei Volsci 6, Rome, January 1981. It is an account of the revolt at Trani Special Prison, drawn up immediately after the event, on the basis of conversations with prisoners during visits etc. Negri and other April 7th prisoners found themselves caught up in these events, and that is why we include the piece.

Trani: A Story of State Brutality

This is Trani, seen through the eyes of Giorgio Baumgartner, Luciano Nieri, Emilio Vesce and Toni Negri, reported via their comrades.

A difficult and fragmented account, drawn up only two weeks after the events, and highlighted by their bruised and swollen faces, by their bitter mood, by the disgusting conditions of prison visits – dividing glass partitions, communication via microphones, the confusion, the twenty short minutes of a prison visit...

The Background

On December 12th 1980, the Red Brigades kidnapped the magistrate D'Urso, in order to "get Asinara closed" [*trans*: an antiquated prison island]. Some days later at Palmi prison, prisoners held a brief stoppage during their association period. At Fossombrone prison only one section of prisoners backed the kidnap.

At Trani, up until the 28th of December, there was nothing.

In Trani Special Prison, the political geography has developed as follows:

- a) The Struggle Committee (around the Red Brigades) – an organised structure.
- b) The Autonomous Collective (around Prima Linea) – an organised structure.
- c) The April 7th comrades – who do not recognise themselves in any existing organisational structure.
- d) The comrades of the Policlinico Collective – ditto.
- e) Other comrades – ditto.

Revolution Retrieved

The Special Wing is situated on 3 floors of a separate block. A stairwell divides each floor into two sections.

On the ground floor there are “dangerous” criminals.

On the first floor there are Red Brigaders and Prima Linea members.

On the third floor (A-Section), there are single-room cells: these hold a number of Red Brigaders, as well as Toni Negri and others. In B-Section – cells holding 5 people in only 2 rooms – Baumgartner, Nieri, Ferrari Bravo and one other are held. Emilio Vesce is held in a separate cell.

The cells have double doors – an internal door, made of iron bars, which is closed all day, and an outer door, of sheet steel with a spy-hole, which is closed at night.

The Revolt

It is 3–3.30pm on the afternoon of December 12th. Most people have returned from the afternoon exercise period. Luciano, Giorgio and Luciano are already in their cell and the barred door is closed. A short while later our comrades gather that something is up, because the guards start shouting. They come and lock the cell's outer door, and will not explain what is happening. Luciano manages to use a small mirror to see that masked men are moving around the wing. After an hour and a half, their cell-door is forced off its hinges and broken open by the “masked” prisoners.

Prison warder Telesca was taken hostage, after being wounded with a makeshift dagger, by elements of the Struggle Committee. It was not clear whether this happened during the return from exercise, or after they had returned to their cells (whose bars had previously been sawn through). Then, using his keys, the Struggle Committee released their associates from their cells. The other guards were taken hostage, and the whole wing was soon under their control.

From 5.00pm to Nightfall

The prison authorities' first act of retaliation is to cut off electricity, water and heating, and the TV. The Struggle Committee negotiates with the Governor via the internal telephone on the first floor. Luciano and the other comrades stay out of the way on the second floor. The guards are then taken up to the second floor and divided up between A-Section and B-Section.

Guard Telesca's Condition Worsens

The Struggle Committee telephoned the authorities to come and take Telesca, because his condition is getting worse and they do not have the medical means to see to him. The authorities reply: “Get your doctor to look after him” (referring to Giorgio Baumgartner). Only at this point did the Struggle Committee approach Giorgio. He offered first aid, and himself asked the authorities for antibiotics and other medicaments, along with professional opinion, and sedatives to calm the hostage guard. Giorgio also asked for the electricity to be switched on again so that he could see to the wounds. He received no reply. Our comrades spent the night in their cell.

The Statement by Scamarcio

This publicity-seeking Socialist Senator has stated various things about

The Revolt at Trani Prison

Baumgartner and Negri that are entirely false. Not only did Toni *not* lead the revolt, but he dissociated himself from it. Furthermore, Giorgio never came down from the second floor, and never took part in any negotiation or delegation – which anyway all took place either on the first floor or the ground floor.

The Blitz

December 29th – the following day. The Struggle Committee had not foreseen the Blitz, since they felt safe, by reason of holding the hostages. All through the morning, and right up to the last moment, Governor Brunetti was asking the Struggle Committee to release the hostages in order to avoid the worst.

But the worst had already been decided on. The “political situation” required a certain type of response. Brunetti was over-ruled, and lost his job. The political parties put on their khaki!

4.30pm

The sun is about to set. The dull noise of helicopters overhead announces to the prisoners that the solution is to be military. A general stampede, and cries of “They’ll kill us all”. The Struggle Committee withdraw to the first floor, and barricade themselves in their cells. On the second floor, the guard-hostages cling to Giorgio, seized with hysteria: “Doctor, save us, we don’t want to die”. In fact they prevent him from seeking refuge in his cell. He stays with the guards, and they all sprawl on the floor, sheltering from the grenades and bullets behind tables and washstands.

The air shakes with a tremendous noise of explosions and flying helicopters. The Assault Squad arrived via a trapdoor in the roof of the second floor. There is a blinding, deafening crash as they throw thunderflashes. More Assault Squad troops pour through, and start shooting like madmen. All you see is their robot-shadows caught in shafts of light as their torches slice through the dark of the prison cells.

The Sadism and Violence of the Assault Squad

- Vesce has two ribs broken by a kick.
- Baumgartner, who was sprawled on the floor, has his hand stamped on, breaking his fingers.
- Nieri has his arm dislocated.
- Negri is kicked in the head.

The comrades are in a state of terror. They are deafened by the din, dazzled by the light. When they hesitate in giving their surnames, the troops react even more violently.

Vesce’s Account

“Ribs broken, a stabbing pain, loses his sight, struggles for breath, is sent crashing down the stairs. They pull his hair to raise his head. They ask his name. They make fun of him: ‘Are you afraid?’ After pointing their guns in his face, they fire half an inch over his head. Then, after this mock execution, they send him tumbling down to the Mufti squad”.

Revolution Retrieved

Nieri's Account

"Remembers one guard-hostage, who tried to identify himself, but the Assault Squad kicked him down. Nieri was made to get up, hands and face against the wall. They took him to the stairwell and put a gun in his mouth: 'Coward... are you afraid...?' 'Yes... I'm afraid.' Then they fired a single shot over his head, and lumps of plaster from the wall fell on him. He was pushed and kicked from the second floor to the ground floor, where the Mufti squad were waiting."

Baumgartner's Account

"Giorgio didn't react. He was stunned by the deafening noise and the pain in his hand. They took him to a stairwell and put a gun in his mouth. Then they fired over his head, as if they were an execution squad. In the dark he was sent tumbling down to the ground floor. He thought he was now out of the 'pogrom', but didn't realise that he was now in the hands of the Mufti squad."

The Mufti Squad Beat the Prisoners

In the corridor that led outside there were two lines of hooded men, the Mufti squad, armed with clubs. (The hoods are part of their official equipment.) It is thought that they were prison guards, because they knew the prisoners by name and by the case they were involved in.

Emilio Vesce: The Muftis shout: "It's the Padovan". Emilio, in agony with his broken ribs, was unable to protect himself from the hail of blows. He was clubbed up and down the line twice before being dragged out into the exercise yard.

Nieri and Negri: Got off more lightly, because they were the first ones down.

Baumgartner: "It's the one with the missiles". He receives an immediate blow to the stomach. His glasses fall off and he falls to the ground. They kick him. Half-fainting he tries to drag himself outside, but they bring him back for a further kicking. He glimpses a Carabinieri saying to the Muftis: "That's enough... You're killing him". The Carabinieri try to get him away from the Muftis, but they drag him back, kicking and clubbing him. Then they hurl him bodily towards the cells. Semiconscious, all he feels is two hands dragging him into the cell. This is Negri and Nieri.

But this is not the end of it. In the cells, the Muftis come in to count them. Everyone has to stand up. Vesce and Baumgartner, in a state of agony, are told to stand up. They can't – so they receive a kicking – until an officer calls off the Mufti squad and shouts: "You can thank the hostage-guards... they say you didn't treat them badly... now you can go to the medical wing".

The comrades thought it was a trick, and didn't move. Eventually some put their names down.

The records show:

- 41 people given medical treatment.
- 17 broken limbs
- 8 of the most severely injured are forced to spend the night in isolation cells: Baumgartner (broken fingers), Jovine (badly beaten up), Ricciardi (teeth

The Revolt at Trani Prison

smashed), Naria (many stitches) and others.

The Screws' Revenge

The prisoners were kept all night in the exercise yard, barely clothed and freezing. From the wing they heard noises of smashing and laughter. This was the orgiastic ritual of destruction – of the prisoners' personal things, of a large part of the wing. The barbarous war-prize of the victors over the vanquished, the reward for the State's "armed bands".

Hardly a stitch of clothing survived their orgy intact. The wing was flooded, radiators were pulled out, toilets were smashed and windows broken, and the shoddy prison furniture destroyed. The prisoners' letters, lovingly kept, their books, their legal defence documents, were piled onto a bonfire and burned.

The Present Situation is Desperate

Since December 31st the prisoners have been transferred to the ground floor. They are being locked up 12-15 to a cell.

Their conditions are horrific. A mattress and one blanket to sleep with. An earth closet as a toilet, in front of everyone. Locked up for 23 out of 24 hours, lying down because they can't stand up. Given these terrible, sub-human hygienic/sanitary conditions, they are protesting by throwing their excrement out into the corridors.

The reprisals are continuing. The atmosphere is very tense.

Before the Release of Magistrate D'Urso

Woken at 2 in the morning, half naked and frozen, they were taken off for interrogation under a warrant from Judge Sica.

– A prisoner tried to punch a warder who called him a bastard. Not only was he charged, he was also taken to a basement cell, stripped and beaten by the Muftis. The prisoners had to organise a protest in order to get him back and stop the beating.

After D'Urso's Release

The night-search on January 21st, looking for arms, based on an "internal rumour". This was carried out in such a way as to provoke trouble and tension, and so allow further reprisals by the Muftis.

Statements by the Prisoners' Families after the Prisoners had Accepted Visits "behind Glass" in order to Let the Outside World Know of their Situation

Gabriella Vesce: "Emilio can hardly breathe, he was in a state of complete exhaustion. He has been within the Special Prison circuit since April 7th 1979. First Rebibbia, then Termini Imerese, Palmi and Trani."

Paola Negri: "This is the second time that I have seen Toni in such a condition. The first was when he came out of solitary confinement 30 days after his arrest. He is really angry, and exhausted. The things that made him most angry were the beatings, and the destruction of their things. They destroyed one of his manuscripts that he had been working on for 5 years, as well as some books from the University of Padova."

Bianca Baumgartner: "Think of the wounds and injuries. Stitches in his head; a

Revolution Retrieved

gash across his face; a fractured finger in his right hand; a splint on his left hand; he's limping visibly and suffering from dizzy spells. Despite everything he's been through, in two whole weeks he's only been able to send out one message – a telegram saying: 'I'm well. I hope to hug you soon'."

Lili: "Luciano was one of the first to leave Trani, for a trial in Rome on January 14th. The national TV made out that there was something sinister in this transfer, and that Luciano was a spokesman in the negotiations over D'Urso. Nothing could be further from the truth, Luciano was very happy to leave Trani and come to Rebibbia. Now the conditions in Trani are sub-human, and he is on the transfer list."

Why has Marini, the Trani procurator who continues to leave the prisoners in these appalling conditions, not opened an inquiry into the beatings and into this destruction of public and private property? And what is the Minister of Justice doing?

Our comrades' answer to the Inquiry into the prison revolt has been to bring a lawsuit against the warders of the "Mufti squad", against the prison authorities, and against the people who sent in the assault squads.

Rome, January 1981

*Letter from Toni Negri
to Felix Guatari, after the
events of the Trani Prison Revolt*

Rome 8.2.81

Dear Felix,

I am writing from Rome, where I was transferred after a month of indescribable events at Trani. I am uncertain as to the reasons for the transfer. Events of all kinds: war of captivity... judicial war... ferocious, insensate, sadistic. One day I shall describe them. We shall recount them to the world. Life and death seized on the instant are not very gay. Every moment is problematical. But when the thought of death insinuates itself into the banalities of the everyday – day after day – in a political scenario dominated by the polarity of opposing, extremist initiatives (of resistance, of repression), which has lasted without interruption for a month now, at these moments the entire thing becomes absurd.

In addition, as soon as I arrived in Rome, I witnessed a succession of atrocities in the prison. What sort of world is this? The whole story is leaden and absurd. The prison drama is unfolding apace with the judicial proceeding. The charges have been presented by the public prosecutor. Nothing has changed as regards the substance of the accusations which have been hanging over me for two years now. The basis of the accusations is flimsy, but their scope is menacing. They are clearly animated by the will to destroy. This trial is an integral part of a comprehensive political strategy of state repression. The accusation has been elaborated at this level. Which is why it isn't simply a case of a judicial accusation, but rather a public test through which the State is searching for an authoritarian legitimation of its political policies.

You understand very well how difficult it is, perhaps impossible and in any case ineffective, to fight against this over-determination. Personally, I am very tired. I don't know today where I am going to spend the months to come, whether in Rome or in another prison. I'm waiting for news. I hope to avoid being shut up in a special security prison. In the special prisons, one ends by being crushed. Crushed between the violence of the prison authorities – the very face of the State – and the militarised violence of the resistance. The result is the loss of one's identity and the collapse of all autonomy – personal and political.

Revolution Retrieved

I don't know how this horrible story is going to finish. But I see less and less clearly.

For the rest, life carries on – in the most dreary fashion. At Trani, after the revolt, all, or almost all, of my work was destroyed. To start over again isn't easy for me. I have always worked on accumulated material. To see it destroyed destroys a little bit of oneself. At the same time as the logic of my progression with research. However, I've been able to resume a certain working rhythm. I'm animated by good, rational intentions, but lack a certain dynamism and vital stimulation.

It's fairly grey today. Excuse me, I'm in bad form. But my temper is no worse than when the sun shines. After two years of prison, it becomes intolerable. One doesn't get used to it.

A propos. My book on Spinoza has come out. I hope that Sylvie has sent a copy to you and to Gilles Deleuze.

Ciao, dear Felix
Je t'embrasse très fort,
Toni.

Negri Before His Judges (1979)

Toni Negri was arrested, along with others of the Autonomy movement, on 7th April 1979. He appeared before his judges a few weeks later, to answer questions based on the allegations made against him. The following transcript is invaluable, inasmuch as it exemplifies the bizarre procedure adopted by the prosecution – not the presentation of specific charges, but rather a kind of fishing operation.

Interrogation: April 1979

Judge: Tell us what you have written about armed struggle.

Negri: As regards the armed struggle, my position is expressed primarily in my book *33 Lessons on Lenin*, in which a reconstruction of Lenin's thought leads to the acceptance of armed struggle as an essential moment in the development of mass and class revolutionary struggle. In the second place, in all my public statements, I have always expressed the deepest, widest, reasoned rejection of any form of armed struggle that involves clandestine vanguard activity and the militarisation of the Movement.

Judge: You have said that most of the militants of Potere Operaio were opposed to clandestinisation and to armed struggle. I want to show you two documents which you had in your files. The first is a mimeographed sheet which praises the armed struggle of several Potere Operaio comrades arrested for possessing Molotov cocktails. The second, also a mimeographed sheet and signed by Potere Operaio, explains "why Idalgo Macchiarini and Robert Negrette (these being two corporate managers, one from Sit-Siemens, Milan, and the other from Renault, Paris) have been kidnapped and put on trial. I must remind you that Macchiarini was kidnapped in 1972, and that the action was claimed by the Red Brigades.

Negri: These are leaflets which could have been found among the documents of any of the organisations of '68. In any case, they do not indicate a Potere Operaio line as such, but rather the general, indiscriminate and non-problematical praise that the movement bestowed on the first initiatives of mass armed struggle.

Revolution Retrieved

Public Prosecutor: Have you ever distributed this kind of leaflet?

Negri: I stopped doing it about ten years ago, around 1970.

Judge: I want you to look at this typewritten material, which seems to contain notes in your handwriting. Would you care to verify the contents?

Negri: The document contains analysis of the current situation, which I think I can agree with. The document in its entirety seems to be mine, although it is possible that represents the outcome of a collective discussion, and hence contain some points which I could not accept. In general, the document is characterised by the assumption of the irreversible fact of extremely antagonistic class relationships. Therefore it talks about a “Vietnamese” strategy within the movement, within this given and irreversible situation. What does this mean? It means highlighting the major aspects of the mass struggle at that time – aspects which are clarified in the central part of the same document, the section covering the *four campaigns*: the campaign on wages and a shorter working week; the campaign on public spending; the campaign on nuclear power; and the campaign against state terrorism. It is clear that when it speaks of offensive struggle, it is referring to the material conditions of exploitation in relation to the new conditions of social production (ie socialised work, the underground economy, women’s work, various methods of extracting absolute surplus value and therefore more brutal exploitation). All this brings about a situation of extreme social antagonism among classes and social groups, for which the conclusion inevitably tends to be posed in terms of civil war. Notice the huge and fundamental difference between these positions and the line of the Red Brigades.

Judge: I do not quite see this fundamental difference.

Negri: It is the difference between the destructuring of power and the destabilisation of the political system. The fundamental problem is indeed one of destabilising the political system, but through the dismantling of the social system of exploitation. This is the revolutionary process as I understand it – a material process which simultaneously both breaks the entirety of domination by capital’s machine and liberates the fundamental needs of the proletariat (self-valorisation). The insurrectional process (therefore the process connected to civil war) can only be posed at the end of the complexity of this social movement. It is at the point of the explosion of objective contradictions that the struggle is intensified and the economic system of exploitation has difficulty keeping its laws functioning. As a consequence, the system that represents it lives only out of the terroristic irrationality of domination – a political class that is not capable of producing surplus value is a dead political class.

Public Prosecutor: But I have still not understood the difference with the Red Brigades.

Negri: The difference between what I said and the ideology of the Red Brigades is profound and rests on the following points. First, the concept of organisation. The Red Brigades have an ultra-centralised idea of organisation (the party), which is presented as the fundamental and exclusive weapon and the determining factor in the clash with the state. While they claim that the relationship to the mass movement is fundamental, they regard it as ineffective

Negri Before his Judges

without the external guiding role of the party. This is classic Third International ideology. *Autonomia Operaia*, on the other hand, on the basis of the tradition of Italian revolutionary Marxism, considers organisation to be mass organisation that filters and translates into itself the capitalist organisation of social production and overthrows it. In autonomist thinking, the problem of the state is seen as a subsidiary indicator, subsidiary to the immediate needs of the proletariat. It is a moment to be destructured – but via a struggle against exploitation and through a fight to liberate proletarian struggle-needs.

Secondly, the concept of insurrection. For the Red Brigades, the concept of insurrection is linked to the notion of seizing state power. For *Autonomia*, this seizure of power is a meaningless term on at least two counts; that no state power exists outside the material organisation of production; and that there is no such thing as revolution except as a transitional process in the making and in part realised. It is therefore clear that *Autonomia* rejects any idea of a state “coup”, through actions directed merely against the institutions. Any action must direct itself towards providing for the fundamental needs of the proletariat. For the Red Brigades, the notion of liberation of the proletariat – and of striving and struggling in this direction – is inconceivable if the structure of state power has not previously been attacked and destroyed.

Judge: I now want to show you a series of documents on trade union issues, which speak, among other things, of “attacking” and “overthrowing”. I believe that these objectives are the same as those pursued by military and clandestine organisations such as the Red Brigades.

Negri: Most of these documents, like the ones we discussed earlier, were published in the journal *Rosso*. I believe that the call for “attack against even democratic trade union representation” is part of the constant and ongoing line of *Autonomia*, and that it is justified by the general course of political relationships in this society. When one speaks of an attack against the trade union structure, one is referring to the mass opposition to the union and the exercise of the radical democratic rights of the workers and the proletariat.

Judge: Would you explain the meaning of the expressions “the organised axis of autonomy” and the “complementary axes”.

Negri: When I speak of the “organised axis of autonomy”, I am referring to the autonomous mass vanguard acting in the factories, in the service sector and in the communities. By “complementary axes” I mean small spontaneous groups that are moving within the area of autonomy.

Judge: But do you or do you not share the same objectives as the Red Brigades?

Negri: It seems to me hazardous, to say the least, to maintain that there is an unambiguous relationship between the anti-union polemic which was widespread in the movement of the Marxist Left, and the military practice of the Red Brigades.

Judge: I note that you also had in your files this document, entitled “Outline for the Construction of a Workers’ Coordination”. Among other things, this typewritten document states: “The battalions of the bosses’ lackeys need to be rendered harmless. Foremen are the first link in the organised chain through which the employers’ command is exercised.” It continues, “Let us organise

Revolution Retrieved

proletarian patrols in order to eliminate scabs from the factories; let us make these patrols an instrument of permanent organisation inside and outside the factory..." There is no question but that these objectives are typical of the Red Brigades.

Negri: From a cursory reading of the document, I think I can say it is not mine.

Public Prosecutor: But in your files there were other documents, handwritten or typed by you, with the same content!

Defence Lawyer: You have to tell us what this document is supposed to prove! The penal code requires that the accused be made aware "clearly and precisely" of the material basis for the charges brought against him, as well as the evidence on which these charges are based.

Public Prosecutor: You are simply attempting to prevent him from answering the question.

Negri: There's no point in getting worked up, because I am willing to answer the question. In my files I was collecting not only material which I had written, but also documents from the various political positions existing in the movement. The whole of this would have been donated to a foundation, as I did once before, in the 1960s.

Judge: For completeness, I now want to show you three other documents: a manuscript entitled "The Proletarian Patrol, the Brigade, the Red Guard in Training Shoes"; typewritten material in which, among other things, it is stated that "proletarian patrols in their training shoes cover the territory and they strike at the enemy, recomposing the class"; and a letter addressed to you, in which the sender agrees with you concerning the practicability of the proletarian patrols.

Negri: The manuscript is the outline of an article I wrote for *Rosso*. The idea of the proletarian patrol seems to me to be a useful organisational tool for today's proletariat, which is forced into territorial dispersion of productive activity, forced into the black economy, into diffused work, into tertiary work. Only these proletarian patrols would be able to create an aggregation of these forces not gathered inside the large factory of capital and therefore allow the ripening of class struggle in terms that matched the mobility of this new work force. The function of these patrols is to represent, economically and politically, the productive proletariat involved in "off-the-books" work, in order to improve working and living conditions.

Judge: We believe that what you define as the "ripening class struggle" is carried out by these proletarian patrols through the use of illegal and violent means.

Negri: In the majority of cases, the work of the patrols is not carried out through illegal and violent means, but rather through political pressure and negotiations. The cases in which there are elements of violence would, I believe, be the kind that are well-known in the history of class struggle when sectors of the unorganised labour force ask for union recognition. One should not forget that the history of union organisations in the large factories has included considerable violence, violence, first of all, in reaction to the repressive forces of capital.

Negri Before his Judges

Judge: The next exhibit is another series of documents that you had in your files. They speak of “columns”, “political-military cadres”, “logistical sections” and “mass work”. There is specific reference to the tasks of the military structure, including “action against the enemy; defensive action; training; expropriations”. They end by referring to providing arms, raising finances and clandestinity. What do you have to say in this regard?

Negri: It is not my material. These documents have not the slightest relation with the kind of political line that I have been pursuing. The hand-written notes in the margins are not in my handwriting. These documents were circulated in Milan, as discussion documents within the movement, by people that I presume later ended up in Prima Linea.

Judge: Who are these people?

Negri: I am not able to tell you their names. They were people who hung around in the Autonomia coordinating meetings. The organisational model in these documents, however, is pretty much terroristic. A debate on these issues went on around 1976, with these ideas meeting with substantial opposition in the movement.

Judge: But why have you saved several copies of the same text?

Negri: Probably those documents were given to me in order to get my opinion and support. I want to make it clear that it is precisely the abundance of information made available to me that has enabled me to oppose such positions more effectively.

Judge: But you should be able to remember who these people were, who gave you these documents and asked for your support.

Negri: I repeat, I cannot answer. Terrorists never introduce themselves as such! This material circulates during public meetings and is often just passed around.

Public Prosecutor: When you speak in that excited tone, you remind me of the voice in the phone call to Mrs Moro! [*trans:* Reference to Red Brigades phone calls to Aldo Moro’s wife, prior to his assassination.]

Negri: You have no right to make these insinuations! You have to prove what you say first. You are insulting me!

Defence Lawyer: I demand that this incident be put on record.

Judge: Agreed. Let us record everything. But let’s be calmer.

Negri: In short, it is just about impossible for me to identify who it was who supplied these documents.

Judge: “Elementary Standards of Behaviour” is the title of another piece taken from your files. The concepts presented here are similar to the ones contained in another typewritten page, with the title “Security Standards and Methods of Working in the Irregular Forces”, by the Red Brigades, which was found in the apartment on via Gradoli. These documents have provided us with evidence as to the existence of illegal, clandestine and militarised bodies within the movement to which you, Professor Negri, are not extraneous.

Negri: Needless to say, I did not write this document. It belongs to documentary material that I have been collecting. You should bear in mind that the process

Revolution Retrieved

of gestation and political identification of autonomia which has been developing in Milan in recent years requires the overcoming of the militarist “impasse” inside the movement. It should be clear that the organised Autonomia of Milan is struggling against this “impasse”.

Judge: There are handwritten notes in pencil on a leaflet I have here concerning trade union issues.

Negri: They are notes for a discussion concerning the organisation of the struggle against Saturday working.

Judge: What does the word “me” near the word “leaflet” mean?

Negri: Probably that somehow I was supposed to take care of the thing, or that I wanted to take care of it.

Judge: Is this pamphlet, “Workers’ Power for Communism” yours? If it is the fruit of a collective endeavour, did you participate in that work?

Negri: It is not a pamphlet of mine, and I did not collaborate in drawing it up. I have never been a part of the Revolutionary Communist Committees which are given as authors on the first page.

Judge: Who are the persons who supported, as you said earlier, the “leadership line of the Red Brigades”, and the BR’s initiatives, as a moment of unification for the movement? And who formed the “little groups” that supported the “clandestine” and “terrorist” line?

Negri: It is difficult, indeed impossible, to answer that question.

Judge: You speak of your constant rejection of armed struggle. We have obtained a transcript of your statements during the third Organisational Conference of Potere Operaio in September 1971. You had stated then that “appropriation” on the one hand and “militarisation” on the other were absolutely related, and that the development of the “confrontation” and of “organisation” had to proceed hand in hand.

Negri: That position (bearing in mind that it was off the cuff and made in the course of a very complex and confused conference) was consistent with the positions that I developed subsequently. It is clear that the perspective of armed struggle, as it is called here, refers to the perspective defined in the Marxist classics and in no way corresponds to any specific programme for the militarisation of the movement.

Defence Lawyer: These questions are not relevant. The accused is being forced at each point to provide not concrete answers on specific evidence, but rather to engage in analysis concerning philosophical premises, a specialised lexicon, and observations on political and historical issues. It seems to us that you expect some element of evidence from these answers. We thus ask that the accused be questioned directly in relation to the charges. In particular, the two reports by the Digos [*trans:* secret police] and the various witness statements.

Judge: I agree. I would invite the accused to prove his innocence in relation to the following probative elements against him, the sources of which cannot be revealed without prejudicing the judicial inquiry:

1) Statements according to which Negri on several occasions formulated a programme to develop, on the one hand, the military actions of the Red

Negri Before his Judges

Brigades, and, on the other, to strengthen the mass actions of Autonomia, the one being coordinated with the other via centralised (central and peripheral) structures. The link between the armed vanguard and the base of the movement was to be assured via the rigid centralisation (the so-called *centralismo operaio* – “workers’ centralism”) of the mass and vanguard initiatives;

2) Statements according to which, in the course of meetings among members of the organisation, Negri advocated the necessity of raising the level of confrontation (sabotage of industrial plants; the beating-up of factory supervisors; proletarian expropriations; and kidnappings and confiscations relating to trade union leaders, judges and factory managers), with the aim of conquering power;

3) Statements according to which Negri referred to the Red Brigades and Potere Operaio as being connected structures, and according to which he participated in Red Brigades planning initiatives;

4) Revelations made by a Red Brigades member to a person who later informed the judicial authorities, about direct links between Potere Operaio and the Red Brigades;

5) Statements according to which Potere Operaio militants in Padova had available arms and explosives, and were training themselves in military techniques;

6) Statements according to which Negri taught the “technique” of making Molotov cocktails.

Negri: I am completely astonished by the accusations stated here. These accusations are not only untrue – they are also completely implausible, and incompatible with everything that I have said and done during the period I belonged to Potere Operaio and Autonomia. The opposition between the Red Brigades and Autonomia is clear from the Red Brigades’ critiques of Autonomia and the Autonomia’s critical publications about the Red Brigades. It is preposterous to say that I taught people how to make Molotov cocktails, which, by the way, I do not know how to make. I have never spoken in support of making links between the Red Brigades’ military actions and the mass actions of the organised Autonomy. The accusations are based on pure fabrication – pure fantasies!

Judge: At this point we are questioning all your writings gathered in evidence, on the basis that you present programmes tending towards armed struggle and the establishment of a dictatorship.

Negri: I refuse to accept the legitimacy of your questions and of the reports which were used to justify my arrest. Nothing in my books has any direct organisational relationship. My responsibility is totally as an intellectual who writes and sells books.

Judge: If you have always expressed the rejection of armed struggle, tell us then how you justify this phrase contained in the leaflet: “The heroic struggle of the BR and the NAP [*trans:* Armed Proletarian Nuclei] comrades is the tip of the iceberg of the movement”. I want you to note that the document, taken from your own files, has notations and corrections, some of which appear to be in your own handwriting.

Revolution Retrieved

Negri: Yes, the document seems to be mine; at least, some of the margin notes are mine. But it contains classic expressions of Marxism. For “democracy” one should understand the dictatorship of the bourgeoisie, and for “proletarian dictatorship”, the highest form of freedom and democracy. As for the sentence in question, it is indeed necessary to recognise as a fact the emergence of the Red Brigades and the NAP as the tip of the iceberg of the movement . This does not require one in any way to transform this recognition into a defence, and this does not in any way deny the grave mistakes of the line taken by the Red Brigades. At one point I defined the Red Brigades as a variable of the movement gone crazy.

I have expressed in the most emphatic way my disagreement regarding the BR initiatives, a position that I believe coincides with a very large majority of the comrades of Autonomia. Therefore, let there be no confusion. At the same time this does not mean that the BR comrades should not be respected. For it is necessary to have some respect for all those who are seeking proletarian communist goals, even as one deeply criticises their “regicide” strategy, which is contrary to all the premises of Marxism. Marx himself tipped his hat to Felice Orsini. Nevertheless, I state again that terrorism can only be fought through an authentic mass political struggle and inside the revolutionary movement.

A Biographical Note

Antonio Negri was born in Padova in 1933. At the age of 23, he graduated in Philosophy with a dissertation on German historicism. For two years he then studied with Chabod at the Benedetto Croce Institute for Historical Studies in Naples. In 1959, very young by Italian standards of the time, he won the Professorship of Philosophy of Law at Padova. However, he remained an Assistant until 1967, because in Padova, a notoriously Catholic town, the University was largely in the hands of the fascists. The only exceptions were two prestigious institutes: the Faculty of Philosophy of Law, where Curiel, Rava, Bobbio and Opocher had organised the Resistance against the Germans, and the Faculty of Neuropsychiatry, which used to hide partisans, disguising them as mental patients.

Negri married Paola Meo (but not in a church, which gave cause for scandal) and had first a daughter, in 1964, and later a son, in 1967, the same year in which he won the Professorship of State Doctrine.

Around him a group of reputable scholars and researchers gathered: Sergio Bologna, Luciano Ferrari Bravo, Sandro Serafini, Guido Bianchini, Alisa del Re, and Maria Rosa Dalla Costa, whose writings on feminist theory originated a wide debate nationally and internationally. By their presence, the Institute for Political Sciences became a national and international meeting point, something of a rarity in the rather provincial environment of most Italian universities.

In addition to his academic work, Negri was intensely involved in political and journalistic activity. In 1956, he worked as the director of *Il Bo*, the journal of the Padova University student body. In 1959, he was elected municipal councillor for the PSI (Socialist Party of Italy), and edited the journal of the party's Padova section, *Il Progresso Veneto*, until 1963, the year of the first Centre-Left coalition (alliance of the Christian Democrats and the Socialist Party in government), when he left the PSI.

The summer had been "hot". Veneto had fast transformed from a sleepy rural backwater, to become an important industrial centre. In a period when the

Revolution Retrieved

Communist Party was intent on external objectives (eg getting Italy out of NATO), the working-class base was poorly organised, with a low level of unionisation. It was among these workers that Negri began to work. In August 1963, a supplement to *Il Progresso Veneto* was issued, entitled *Potere Operaio* (“Workers’ Power”). In the same month, Negri, Paola Meo and Massimo Cacciari (a well-known philosopher, later to become a Communist party MP) organised a *Capital* reading course among workers at the Porto Marghera petrochemical complex. In the same period, *Quaderni Rossi* was started. It began life in Torino, but also had editorial boards in Milano, Rome, and above all Padova, centred on Negri. *Quaderni Rossi* was the magazine which, under the initiative of Raniero Panzieri and Romano Alquati, gave voice to the workerist perspective, in its first phase. Bologna, Tronti, Asor Rosa, Fortini, Rieser, Fofi – ie the best intellectuals on the Italian left – were also involved in *Quaderni Rossi*. From (friendly) splits other publications then emerged, including *Classe Operaia*, *Contropiano* and several other journals.

By 1967, *Potere Operaio* had become the newspaper of the workers at the large petrochemical centre of Marghera. Negri contributed to it, as later on he was to contribute regularly to many other publications: *La Classe*, *Potere Operaio* (national weekly), *Aut-Aut*, a philosophy journal edited by Enzo Paci, and *Critica del Diritto*, the journal of the democratic magistrates’ organisation, which publishes essays on philosophy of law and introduces foreign authors not well known in Italy. During Italy’s “1968”, which began in 1967 and slowly died out in 1977 at the very moment when the armed struggle was at its peak, Negri’s political activity was mainly focused around the large factories and around political objectives largely ignored by the unions: safety issues, reduction of line speeds etc.

Contrary to what happened in the rest of Europe, in Italy the struggles of the students merged with the workers’ struggles, in the “Hot Autumn” of 1969. Political groups formed up to the left of the Communist Party (PCI): *Lotta Continua*, *Avanguardia Operaia*, *Movimento Studentesco* (later to become *MLS – Movimento Lavoratori e Studenti*) and *Potere Operaio*, of which Negri was both one of the founders and also its most famous theoretician, nationally and internationally. *Potere Operaio* was also the first of these organisations to dissolve, in 1973.

Negri’s theory of the “mass worker”, in fact, was undergoing a transformation, inasmuch as his concept of “refusal of work”, tried and tested over a four year cycle, with the entrance into the factories of younger and more militant generations of workers, changed his analysis of the composition of the working class. He began to outline the concept of the “social worker”, ie a worker no longer confined within the boundaries of the individual workplace, but extending his/her conflictuality to every articulation of social reproduction, in the broader “diffused factory”.

These were the years of the self-reduction of fares on public transport (in which the engineering workers’ union was actively involved), of self-reduction of electricity bills, occupation of houses, mass squatting and the explosion of the women’s movement.

This was also the time when the *Autonomia* (“Autonomy”) was born,

Biographical Note

beginning with “autonomous committees” inside the factories and extending out into a restless youth movement, hostile to all codified ideologies. The refusal of the organisational forms that had emerged in 1968 (by now grown sterile and repetitious) and the definition of new needs, new objectives, aimed at liberating time from work, were the themes that united the different autonomous groups – groups which were otherwise very different in their practices. The younger ones and the women gathered around the free radios (like Radio Alice in Bologna) which played a large role in the protest Movement of 1977 – the “Metropolitan Indians” – against the politics of “austerity” and the “sacrifices” that everybody, unions as well as parties, were demanding of the working class.

This protest movement touched Negri as well. In the course of demonstrations and rallies inside and outside the University, facilities at the Institute were seriously damaged by the students. Negri was charged with inciting the disorders in the city. As the first court investigations into the Institute for Political Science began in the Spring of 1977, Negri was forced to leave Italy. He became *chargé de cours* at the University of Paris VIII (Jussieu) and at the Ecole Normale Supérieure, directed at that time by Louis Althusser. After he was completely cleared in the course of the investigation, he returned to Padova at the end of 1977, to join his colleagues in continuing their radical courses. In fact he also continued his courses in Paris, thus commuting between the two countries.

This was to last until April 1979, when upon returning from France to his house in Milan, he was arrested in the context of an investigation opened by Judge Calogero of Padova, who claimed that Negri had been “the brains” of Italian terrorism from 1971 to the present day.

The story of the “April 7th Trial” – as it came to be known – involving Negri and many other defendants from the Autonomy movement, is told in several **Red Notes** booklets published to date. Suffice to say that today Negri is in exile in France, is working with Felix Guattari, and has been sentenced to 30 years imprisonment in his absence.

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