

Guest commentary

Marxism after communism

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It is with apprehension but also conviction that I defend Marxism today¹ – *apprehension* because we live in a period that is suspicious of visions of alternative futures, skeptical of grand historical narrative, dismissive of materialist explanations, rejecting of class analysis while tolerating capitalism's defects and pathologies as unavoidable and natural; *conviction* because we live in a period that ever more closely conforms to Marxist prognoses of a capitalist juggernaut, a period that cries out for a critical Marxist consciousness. While every plank in the Marxist framework is under siege, the critical intellect is in desperate need of Marxism's refusal to identify what could be with what is.

You might well ask, why the critical intellect might draw on such a supposedly moribund doctrine as Marxism? Did not the death of Soviet communism drive the final nail into the Marxist coffin as it was being lowered into its grave? Did not the burial have both concrete and metaphoric meaning, laying to rest not only a social, political, and economic order but also a whole way of seeing? Before hastening to the funeral parlor, one should remember that although Marxism may have been a specter that haunted the twentieth century, by the same token it also inspired some of the century's greatest and most creative thinking – for and against Marxism – in philosophy, history, economics, and politics, not to mention sociology. Intellectuals who celebrate the end of Marxism may be digging their own graves, too.

Marxism has an uncanny knack of reappearing when and where it is least expected. It has a boomerang-like character – the further you throw it the more resilient its return. Marxism's continuing appeal lies in its compelling account of capitalism, outlining possible challenges to capitalism and envisioning alternatives to capitalism. The magic of

Marxism lies in somehow holding together these three contradictory elements: that is to say, first, its *objectivity*, diagnosing capitalism as a totality riddled with contradictions, limits, and insurgent social forces; second, its *engagement*, challenging capitalism on its own terrain, and thereby also generating an intimate knowledge of its weaknesses and its resiliencies; and third, its *imagination*, daring to postulate a freer world beyond capitalism, knowing full well capitalism's ability to deny, obliterate, and ridicule the very idea of an alternative to itself. The vitality of Marxism lies in the tension among its objectivity, its engagement, and its imagination. The revival of Marxism depends on the reconfiguration of these three moments but without abandoning any of them.

A Marxist revival may sound far-fetched but no more so that forty years ago when, at least in the United States, a conformist, anti-Communist cloud enveloped all but the bravest intellectuals. Marxism was then reborn from its doldrums. In the 1960s, the New Left in Europe and America, national liberation movements in Africa and Asia, and socialist experiments in Latin America all drew on Marxism both for their critique of what was and their conjecture of what could be. In those heady days we read Marcuse's *One Dimensional Man*, Fanon's *Wretched of the Earth*, and De Beauvoir's *The Second Sex*. They all carried Marxism forward with new indictments of capitalism and actually existing socialism, in advanced but also dependent nations. The openness, freshness, and turbulence of the sixties stimulated the Marxist imagination, and gave intellectual critique a cosmopolitan turn. But the sixties gave way to the seventies. When the movements in the streets subsided, when liberation struggles had to settle with post-colonial realities, when socialist economic and political experiments turned sour, Marxism retreated into the academy where it enjoyed a rare renaissance, developing novel analyses of state, class, gender, race, and the economy but also of underdevelopment and of state socialism itself. Marxism was already losing touch with its inspirational connection to concrete struggles. In the 1980s, Marxism removed itself even further from the critique of everyday life, was absorbed into academic disciplines or petrified into analytical Marxisms with their obsessive devotion to clarity and consistency at the expense of substance and engagement. Critique took a cultural turn, forsaking Marxism for the more discursive critical race and gender theory, and for poststructuralism more generally.

At the same time the 1980s saw interesting developments in the Soviet world – fascinating economic departures in Hungary, Solidarity and

its aftermath in Poland, and finally Perestroika. When the Wall came down in 1989 and when the apparatchiki failed to reverse the collapse of the Soviet Union in 1991, the ideals of markets and democracy ran rife through the former Soviet world. Marxism was abandoned on all sides as hopes were pinned on the communist exit into the free world. Now ten years later, disillusion has set in as the majority are not better off than they were before and many much worse off. Neither markets nor democracy delivered their promise. This provides an opening for Marxism – a renewed critique of capitalism and its protective superstructures.

What could be this Marxism after Communism? I approach this question by considering three approaches to the Marxist tradition – to dismiss it, to plunder it, or to develop it. I defend the latter approach, seeking to reconstruct Marxism on the basis of *The Communist Manifesto*. Of all the writings of Marx and Engels I have adopted *The Communist Manifesto* not because it recently had its 150th anniversary but because so much of its analysis of capitalism resonates with our times. Of the Marxian opus, it has been the most compelling in drawing what could be from what is, extracting the potential from the real, stimulating and capturing the imagination of generation after generation. It is the prototype of Marxism *before* Communism and therefore the most appropriate point of departure for considering Marxism *after* Communism, although it need hardly be said that Marx and Engels had something else in mind than the Soviet Union when they thought of communism. If in 1848 communism was a specter haunting Europe and in the twentieth century it took up residence in the East, what will happen to its ghost in the twenty-first century? Projecting the future of Marxism calls for an accounting of its past.

In this essay, therefore, I follow the discussion of the possible fates of Marxism in general with a specific engagement with the emblematic *Communist Manifesto*. I offer three readings of this text. The first is a literal reading in which I lay out what I consider its three theses as applied to nineteenth-century capitalism. The second reading draws on shadows lurking within *The Communist Manifesto* to address the twentieth century tripartite division into organized capitalism, its nemesis in state socialism, and anti-colonial and postcolonial transformations of the peripheries. The third reading restores *The Communist Manifesto* for comprehending, challenging, and envisioning alternatives to the transnational capitalism of today.

Three fates of Marxism after communism

What does the Fall of Soviet Communism mean for Marxism? For many, as I have already suggested, the answer is simple, Marxism is irrevocably and definitively dead. In this view, Soviet Communism and Marxism are of a piece, the one implies the other. The Marxist idea can only end up in Soviet totalitarianism and all its horrors, just as Soviet totalitarianism finds in Marx its most adequate justification. With the Fall, the illusion of communism that so dominated the Western imagination for 150 years has been finally put to rest. That, at any rate, is the conventional view. I hasten to add that Communism instigated the burial of Marxism not once but many times this century, starting with the Bolshevik Revolution itself, through the purges, the terror, the suppression of the 1956 Hungarian Revolt, and the Prague Spring of 1968. Each time Marxism was pronounced dead and each time it rose to fight another day. Curiously, Marxism keeps on returning, a corpse that is always being brought back to life. Each generation digs up its own Marx.

There is a second approach to Marxism, not the cemetery but the supermarket. Here it's a matter of choosing from the shelves what takes our fancy, sorting out the wheat from the chaff. We leave the supermarket with a *Marxist legacy*, the lasting contributions of Marx. For some, it's the moral critique of capitalism – denying human potential or producing inequality and injustice. For others, it's the idea of a capitalist system, expanding through crises. For yet others, it's the notion of praxis, theory's practical involvement in the world it studies. Even though they reject the system as a whole, many have found something worth rescuing from the enormous Marxian and Marxist corpus. Thus, even today we discover popular resuscitations of Marx's ideas in the mass media, in *The New York Times*, *The Wall Street Journal*, or *The New Yorker*, reflecting a capitalist world economy out of control.

A variety of patrons enter the Marxist supermarket, casual and serious customers, those who pop in for an odd item or two and those who stock up for the duration. *Neo-Marxists* are the most serious, seeking to revise Marxism, adopting what is most vital and rejecting what is antiquated. In the 1970s, for example, there were flourishing neo-Marxist debates about the state and its connection to capitalism, about underdevelopment, about social movements and their relation to class, about political economy's inhospitality to gender, the class character of state socialism, and much more. In the 1990s, they have become

post-Marxists, who consider the supermarket to have been demolished but nonetheless recognize traces of its scattered products. Class is important but so is gender and race. Capitalism is not the end of history, but then nor is communism. The post-Marxists are more likely to talk about *Communism after Marxism* than *Marxism after Communism*.

Marxism-as-Dead no less than *Marxism-as-Legacy* challenges and thereby invigorates the third, more holistic approach, *Marxism-as-Tradition*, that provides the grounds for the first two. In *Marxism-as-Tradition* weaknesses cannot be ignored or side-stepped, blemishes have to be attended to as well as beauty spots, lessons from defeat are no less important than celebrating success. In this view, Marxism is condemned neither to the cemetery nor to the supermarket. Instead, it is installed in the botanical gardens or a forest preserve. *Marxism-as-Tradition* is a tree with roots, trunk, branches, twigs, and foliage. Its growth has an “internal logic” of its own founded in the roots, the “fundamental” writings of Marx and Engels. But it also possesses an “external” logic responsive to the climate and winds of the time. History, itself influenced by Marxism, calls forth branches growing outward from the tree trunk – German Marxism, Russian Marxism, Western Marxism, and Third World Marxism. Each branch, itself sprouting further sub-branches, responds to its predecessors as well as to specific historical challenges. My argument here is that the latest branch – *Marxism after Communism* – can no longer be simply national or regional in character but reaches for global dimensions, and is especially difficult to construct.

As the impetus for rethinking Marxism migrates externally through time and place, its soul (its roots) migrates internally. German Marxists – Bernstein, Kautsky, and Luxemburg – clashed over whether capitalism was heading for a final crash or would evolve into socialism and over whether reform could replace revolution. The discursive terrain was the three volumes of *Capital* and Engels’s *Socialism: Utopian and Scientific*. For Russian Marxism, and particularly Lenin, his signal work, *State and Revolution*, traced itself back to Marx’s *Civil War in France* and *The Critique of the Gotha Programme*. Within Western Marxism, the young George Lukács would rely on Marx’s opening commentary in *Capital* on commodity fetishism. He would reinvent the then unpublished *Paris Manuscripts* upon which so much critical Marxism was subsequently built. Gramsci, confined to prison, would elaborate Marx’s *Theses on Feuerbach*, where Marx lays out his under-

standing of the relation of theory and practice – using them to interpret Marx’s political writings on France, *The Eighteenth Brumaire* and *Class Struggles in France*. Of course, this quick catalogue is only a first approximation that would need much qualification and elaboration. But my point is that the Marxist core is inflected according to historical location – different branches of the Marxist tree trace themselves back to different roots. At the start of a new millenium, as we search for a global Marxism, I propose to read Marx and Engels’s corpus through the lens of *The Communist Manifesto*.

From the standpoint of *Marxism-as-Dead*, the roots are simply rotten, and probably always were. The tree was simply an apparition, an illusion. At best it was barren and stunted so that it could grow in one direction only – from Marx to Lenin to Stalin. *The Communist Manifesto* could only end up in totalitarianism. Even though I find such essentialism, such idealism, unsustainable, it nevertheless does pose a key problem for the Marxist tradition, namely the complex relation between theory and practice. How can Marxism understand its own intervention in history, indeed its own responsibility for history? Those who would borrow from Marxism – the Marxism-as-Legacy school – recognize its bounty. Like wood cutters, they chop off branches that look healthy, hoping to graft them onto another tree, another body of theory. They too pose a serious challenge to the Marxist tradition, demanding justification for clinging to the whole. Finally, those who place themselves inside Marxism, defending its tradition, hope that when its malignant branches, such as Soviet Marxism, wither away, the disease has not spread, that indeed other branches will take on a new lease of life and that new twigs will sprout. The arboreal metaphor underscores the treatment of Marxism as a living tradition that can be reduced neither to its roots, nor to its most degenerate nor even to its most fertile branches. We have to take stock of the whole.

A hurricane has hurtled through the tree, wrecking our nests in the foliage, so that we have to begin again, working out from the trunk or even rummaging in the roots. *Marxism after Communism* cannot lose its lineage, its attachment to what came before. Au contraire, it demands reconnection to the past in order even to think the future. But what sort of future can *Marxism after Communism* portend? It will have to be a *Marxism without guarantees*, to use Stuart Hall’s felicitous phrase, a Marxism multiple in its unity that no longer guarantees a radiant future. In taking the most triumphant, the most self-assured text in the Marxian corpus, namely *The Communist Manifesto*, and in

deciphering three readings, I seek out its ambiguities in order to destabilize its assumptions and abandon its certitudes.

The three theses of The Communist Manifesto

The power of *The Communist Manifesto* lies not so much in its individual parts but in the relations among them, in the architecture of the whole. The three pillars of Marxism – objectivity, engagement, and imagination – that I alluded to in the introduction lay the foundations of *The Communist Manifesto*, specifically: (I) *a theory of capitalism and its crises*, (II) *a theory of class struggle and its intensification*, and (III) *a theory of communism and its realization*. I examine each in turn.

The first and most signal move of the Marxian opus is its point of departure – the redefinition of the division of labor. Adam Smith and his followers regarded the division of labor as having a single dimension – who does what, specialization, the organization of production, or most generally the capacity to transform nature. To this first component, what they call the *productive forces*, Marx and Engels add a second integral and parallel moment – who gets what, who owns what, who appropriates what, property relations – a component they called the *relations of production*. Where Smith simply took private property as a historical given, Marx and Engels problematized it in their distinctive concept, *mode of production*, which bundles together specific forces and relations of production. This double dimension of the economy was their greatest intellectual breakthrough, which laid the basis for everything else. In the feudal mode of production, serfs produce their own means of subsistence, while rendering a surplus (rent) to their lord. In capitalism, workers no longer produce the means of their own subsistence, but sell their labor power to a capitalist who puts them to work and returns them a wage that is less than the value they add. Here surplus is realized in the form of profit. Communism also has two dimensions. As regards property, classes are abolished and collective control over surplus replaces private appropriation. As regards production, necessary labor is organized cooperatively and limited to a small proportion of the day. Outside this “realm of necessity” in the “realm of freedom” individuals realize their rich and varied talents. This is the minimalist notion of communism.

The interaction of forces and relations of production contains the hidden secret of history. The interaction governs the succession of

different modes of production by determining first, the rise and fall of each individual mode of production and second, the transition from one mode of production to another. What unites both processes is the ineluctable expansion of the forces of production. This theory of history – historical materialism – has spawned enormous debate and research: whether history becomes a linear movement from one mode of production to another, from the ancient mode of production to feudalism to capitalism and onward to communism; whether history is reversible; whether in the long run forces of production always increase; whether each mode of production does indeed rise and fall in a similar way; what place there is for subjective forces in historical transformation. And much more. Here I just concentrate on the theory of capitalist mode of production as it is found in *The Communist Manifesto*.

Let us turn, therefore, to the first of the three theses of the Marxian project, the thesis of the rise and fall of capitalism. Under capitalism, private appropriation of the product of wage laborers together with market competition drives forward the forces of production. As each capitalist advances the techniques of producing and appropriating surplus so every other capitalist has to follow suit or cease being a capitalist. A vicious cycle of exploitation ensues, extending working hours, intensifying work, deskilling (which brings down wages and increases competition in the labor market as well as appropriating control), spreading the family wage across several of its members, and introducing new technology that facilitates all of the above. Capitalists have no alternative but to compete and therefore have no choice but to drive down wages and thereby create crises of overproduction. Workers are in need because they have produced too much. Crises are resolved through the self-destruction of capital, so that small capitalists go out of business and fall into the working class, leaving only the biggest capitalists behind. Each successive crisis is deeper than the previous one.

But crises by themselves only lead to the degeneration of capitalism, they do not lead to the next higher mode of production. This can only come about through the working class seizing state power and appropriating control over the means of production. This is the second thesis of *The Communist Manifesto*. On the one hand, capitalists show themselves to be “incompetent” because they cannot control the crises that make workers destitute and they show themselves to be “superfluous” because they are mere coupon clippers. On the other hand, the working class develops a sense of its own power through class struggle. Workers first enter local struggles, then they become organized through

trade unions as an economic class, and finally they assume a political character as they form themselves into a party in the national arena. At the same time that economic crisis begets economic crisis, class struggle begets more class struggle until the working class seizes power. “[N]ot only has the bourgeoisie forged the weapons that bring death to itself; it has also called into existence the men who are to wield those weapons – the modern working class – the proletarians.”²

We turn now to the third thesis of *The Communist Manifesto*, the realization of socialism. This rests not only on fettered forces of production (thesis one), not only on the seizure of state power (thesis two) but also on certain material and ideological conditions. At the terminus of capitalism, the relations of production or property relations have become partially socialized. The invading oligopolies, state monopolies, and banks provide the basis for *collective organization* of the economy that, together with the expanded forces of production, lays the foundation of a *regime of plenitude*. “In place of the old bourgeois society, with its classes and class antagonisms, we shall have an association, in which the free development of each is the condition for the free development of all.”³ Marx and Engels, therefore, offer not a utopia (either past or future), but a theory of the possibility (some would say “necessity”) of communism and the practice that turns that possibility into reality.

And in a sense it almost was a reality. The paradox of *The Communist Manifesto* was that Marx and Engels were brilliantly correct in their diagnosis. The capitalism that they knew could not survive and did not survive. It succumbed to the crises and the class struggle it generated. Not for nothing were the years 1890 to 1920 Golden Years of Marxism when socialism was very much at the forefront of the political agenda in Germany, Austria, Italy, France, and Hungary. The First World War can be seen as a struggle over the conditions of reproduction of capitalism that sounded the death knell of competitive capitalism. Marx and Engels did, however, make a slight error! They failed to appreciate that the end of competitive capitalism was not the end of capitalism tout court. Even Engels, writing as late as 1880, thought that the rise of trusts, cartels, oligopolies, and state control of industry on the one side and the expansion of trade unions and socialist parties on the other signified capitalism tottering on its last legs, when in fact it was the dawn of a new robust capitalism – organized capitalism.

I perhaps exaggerate the acuteness of Marx and Engels’s analysis. Between 1890 and 1920, there was not perfect synchrony among the

advance of the productive forces, the development of crises, and the intensification of class struggle. The center of gravity of socialist struggles moved from country to country, from France to Germany to Russia. England and the United States with their advanced forces of production were peripheral in their importance for the socialist movement. The uneven development of capitalism due to nationally specific combinations with precapitalist modes of productions, fragmented class struggles, dissipated crises across countries, and allowed capitalism to survive, albeit in a new form.

Organized capitalism

The genius of *The Communist Manifesto* lies not just in the plausibility of the triumphant simultaneity of deepening crisis, intensifying struggle, and prefigurative transition but also in planting the seeds of its (the *Manifesto's*) own transcendence. On close inspection, this trunk of the Marxist tree reveals green saplings that would later grow into vigorous branches. First, in Part I *The Communist Manifesto* offers a panegyric to capitalism's power to accumulate productive forces: "Subjection of nature's forces to man, machinery, application of chemistry to industry and agriculture, steam navigation, railways, electric telegraphs, clearing of whole continents for cultivation, canalization of rivers, whole populations conjured out of the ground – what earlier century had even a presentiment that such productive forces slumbered in the lap of social labour?"⁴ But in the next paragraph they establish the model for the collapse of capitalism by appeal to the fettering of productive forces by feudal property relations. Of course, it is precisely the dynamism of capitalism, its ability to transform itself, both its forces and its relations of production, that distinguishes it from feudalism and enables it to survive the crises it produces. Indeed, crises become the vehicle through which capitalism restructures itself. As Joseph Schumpeter was to show, crises are not only destructive they are also creative. In other words, Marx and Engels did not take sufficiently seriously their own account of the flexibility, adaptability, creativity of capitalism. In particular, they did not see how the relations of production – competition among capitalists, compromise between capital and labor – were not fixed but adapted to the new technologies they stimulated.

But capitalism cannot transcend its self-generated crises by itself. It requires the assistance of the state. Marx and Engels do write, "Political power, properly so called, is merely the organized power of one class

for oppressing another,”⁵ in which the state is the instrument of class oppression. That is the conventional view of the Marxian state. However, they also write in an often misquoted passage, “The executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie.”⁶ Marx and Engels did not recognize the profundity of their conception. Contained in this quotation is the unexplored essence of organized capitalism. For wherein lies the common interests of the whole bourgeoisie, if not in the reproduction of the capitalist system even at the expense of individual capitalists? If, on the one hand, by themselves capitalists, driven by market competition, will in turn drive capitalism into the ground, until “the proletarians have nothing to lose but their chains,”⁷ on the other hand, the state protects capitalism against capitalists as well as workers. The state provides the necessary infrastructure for capitalists. It organizes their competition, so that it is neither too great nor too weak. It limits capitalists’ compulsion to exploit the working class, its tendency to kill off the working class that feeds it. Marx and Engels did not appreciate the significance of their own claims about the state. They missed the truth of their own aphorisms.

How does the state manage this feat? Here too Marx and Engels hint at an answer, elaborated twenty years later in Volume One of *Capital*, but already prefigured in Part I of *The Communist Manifesto* when they write of an organized working class that “compels legislative recognition of [its] particular interests.”⁸ Responsive to class struggle, the state forces the manufacturing class to limit the length of the working day as in the Ten Hours Bill. This is just one example, but for Marx and Engels the most important, of the working class advancing its interests within capitalism. Such victories are tactically important. Thus, Marx and Engels insist that “The Communists fight for the attainment of the immediate aims, for the enforcement of the momentary interests of the working class.”⁹ But the Communists are caught in a bind: if they fail to realize immediate interests then they lose support, but if they succeed then they demonstrate to workers that gains are possible within the limits of capitalism, and with that revolution loses its urgency. By struggling for immediate concessions, by compelling the state to limit exploitation, by improving its lot, however unevenly, the working class transforms itself from the *grave-digger* of the bourgeoisie¹⁰ into its *savior*.

Marx and Engels seem to recognize the dilemma because in Part IV, which deals with political tactics, immediately after urging the Com-

munists to fight for momentary interests, they add: "...but in the movement of the present, they also represent and take care of the future of that movement."¹¹ Easier said than done as Antonio Gramsci, perhaps the greatest Western Marxist of the twentieth century, appreciated in his theory of hegemony. For Gramsci, organized capitalism not only delivered material concessions but created an expanding civil society – a dense network of trade unions, political parties, mass education, popular newspapers, and various voluntary organizations – through which the state organizes working-class consent. Class struggle could no longer be limited to the seizure of state power, a *war of movement*, he argued, but it required a prior and prolonged *war of position*, a reconstitution or replacement of the existing civil society with one favorable to the spread of socialist ideology and to the consolidation of prefigurative institutions. Reading Gramsci impresses one just how difficult a socialist revolution will be under organized capitalism as challenges are absorbed, deflected, and fragmented.

In Russia, however, revolution was possible, because there “the State was everything, civil society was primordial and gelatinous.”¹² As Gramsci argued, the problem of civil society in Russia lay not in making the revolution but in building a democratic socialism *after* the revolution. Under the most adverse circumstances, the Bolsheviks did haltingly promote creative expression in art and politics in the 1920s, that is, until Stalin cut them off. Before turning to the fate of the Russian Revolution, we consider the revolutions it helped to inspire in the Third World.

Third world revolution

Marx and Engels did not anticipate the road blocks that civil society would present to revolutionary movements in the most advanced capitalist societies. They usually gave primacy to the laws of motion of the economy. Thus, it was in England that the forces of production were most advanced, that the contradictions were most crystallized and therefore where the revolution would arrive first. Indeed, Marx famously addressed his German audience in the preface to the first edition (1867) of *Capital* (vol. I), “de te fabula narratur,” of you the story is told, i.e., Germany can only follow England’s lead. Marx and Engels subscribed to a simple diffusionism not just with respect to capitalism but also with respect to communism. Both radiate from the most advanced center. Yet, there is another register within the Marxian

corpus, more focused on nationally specific terrains of class conflict, which anticipated revolution in less advanced countries. As against Part I of *The Communist Manifesto*, in Part IV Marx and Engels instruct the Communists to pay particular attention to Germany where the retarded bourgeois revolution, taking place under the impetus of an advanced working class, could be the “prelude to an immediately following proletarian revolution.”¹³

Trotsky would apply this argument to Russia, anticipating in 1905 that the feeble indigenous bourgeoisie, foreign investment in large-scale factories marooned in the cities of Moscow and St. Petersburg, and wage labor recently torn from the integuments of a feudal hinterland would form the tinderbox to ignite the Russian autocracy. A bourgeois revolution led by a working class, however, can only move forward to socialism – whose viability depends on it catalyzing a chain reaction of working-class revolutions in the economically advanced West. When these did not occur, the Russian Revolution rather than turning outward into a world revolution, turned inward, tore up its peasantry, and terrorized its working class. Trotsky was a tragic figure doomed to play out on the stage of history the theoretical script he had, unwittingly, written for himself. He would fight strenuously, hopelessly against his worst forebodings.

The Russian Revolution was the first Third World Revolution inasmuch as it took place in an economically backward country and provided both a model and lessons for many anti-colonial struggles. In colonial territories, civil society was not only gelatinous and primordial but bifurcated between settlers and native populations. Frantz Fanon would be the major theorist of liberation struggles, taking Gramsci to the Third World. There class forces are balanced between two blocs. The first centers around urban educated classes who aspire to replace the colonizers as the new ruling class. Aided and abetted by international capital of which it becomes an appendage, the national bourgeoisie secures the support of the urban working class. In the colonial context, Fanon maintains, industrial workers form an aristocracy of labor with everything to lose from revolution. But there is a second bloc, rooted in a volatile peasantry, led by disaffected urban intellectuals, striving together for a socialist revolution that would bring participatory democracy and economic justice. The peasantry finds its natural allies in the marginalized but unreliable sectors of the urban population. The two blocs – the rural and urban – vie for the allegiance of the one remaining class-fraction, the traditional chiefs who had been

agents of indirect colonial rule. If, as Marx and Engels claim in *The Communist Manifesto*, a revolutionary class is one that has “nothing to lose but its chains,”¹⁴ then it would not be the workers of organized capitalism but the wretched of the earth, the marginalized peasantries of Africa, Asia, and Latin America, who would win for themselves a new world.

Looking back now on the postwar history of Africa one sees country after country following the road of the national bourgeoisie, confirming Fanon’s most pessimistic anticipations of ruthless, parasitic elites – the leaders of the urban bloc – imposing their will through violence and corruption, and, with the aid of international capital, plundering their countries of their wealth. But his optimistic scenario has not fared any better. Even where liberation struggles were most extensive, for example, in the settler colonies of Algeria, Mozambique, or Zimbabwe, the outcome has been no more reassuring. Fanon’s panegyric to violence was not cathartic but only begot more violence.

He might argue that the economic conditions for his theory were never realized, that economic strangulation and subordination by world capitalism overdetermined political trajectories. In that case South Africa should be different. The last stronghold of white rule, apartheid, gave way after a long history of struggle. Reflecting the advanced character of South African capitalism, it was a struggle whose center of gravity lay with the African working class. One might say that this was, to use Gramsci’s expression, an extended “war of position,” surfacing in the middle 1970s and forging alliances among civic associations, between civics and trade unions, across classes, and even across races. In the end it was a negotiated and peaceful transfer of power. But the ascent to power of the triumvirate coalition – African National Congress, Congress of South African Trade Unions, and the South African Communist Party – coincided with the crumbling of the socialist vision that had held the coalition together. The dissolution of the Soviet Union left the ANC bereft of ideology, an exodus without a map. Into the vacuum stepped the protagonists of a new moral order, based on universal human rights, that would try and weave a new consensus among races, classes, and regions. The new government succumbed to external and internal pressures for privatization, market liberalization, integration into the world economy, accentuating the already deep and visible disparities between rich and poor.

Disillusioned with the trajectories of the Third World and with the dependency theories that explain those trajectories, the *postcolonial* thought of Ranajit Guha, Gayatri Spivak, Dipesh Chakrabarty, Partha Chatterjee – who disavow Fanon’s humanism, his socialism, and even his nationalism as disempowering, trapping ex-colonies within the hegemony of Western ideas. They turn instead to the recovery of sub-altern knowledges, to suppressed indigenous narratives that problematize Western ideology. But they offer little in the way of coping with poverty and violence. In an even more pessimistic vein, postcolonialism returns to Fanon’s earlier psychoanalysis of the permanent scars colonialism seared into the native psyche, scars that outlive the structures of colonial domination and hobble the Third World.

If the Bolshevik Revolution expanded the realm of the possible, the end of Soviet communism has had the opposite effect, feeding the ideology that there can be no alternative to global capitalism. If the Bolshevik Revolution was the first Third World Revolution then Russia’s Neoliberal Revolution was the last, capturing the plight of marginalized populations the world over, who now find their limited choices further narrowed. But were their choices, between capitalism and socialism, illusory in the first place? What was this Soviet socialism that, according to Marxist orthodoxy, should never have existed and certainly should not have survived as long as it did?

State socialism

Part III of *The Communist Manifesto* is devoted to alternative socialisms – feudal, petty bourgeois, German, conservative, utopian – showing how their primitive character corresponds to capitalism in its immature forms. Extrapolating, we see that organized capitalism inspired its own form of socialism, what we might call organized socialism or what I call “state socialism.” This is the “actually existed socialism” of the Soviet Union and those countries it compelled to follow in its footsteps.

What was this state socialism, the nemesis of organized capitalism? Just as we can find an undisclosed premonition of organized capitalism within *The Communist Manifesto* so we can also find portents of state socialism, portents that the great nineteenth-century anarchist Mikhail Bakunin, sworn enemy of Marx and Engels, saw much more clearly than they. In the final throes of the capitalist epoch, write Marx and

Engels, sections of the bourgeoisie go over to the proletariat, "in particular, a portion of the bourgeois ideologists, who have raised themselves to the level of comprehending theoretically the historical movement as a whole."⁵ Intellectuals will play a crucial role in giving vision to the working class and in fabricating the new order. Hungarian intellectuals, George Konrad and Ivan Szelenyi, take this very seriously. In their *Intellectuals on the Road to Class Power*, they argue that state socialism creates a special place for intellectuals as its potential ruling class. A planned economy requires technicians who will organize the articulation, aggregation, and realization of society's needs and it requires ideologists who will justify the ensuing plan as indeed in the interests of all.

Konrad and Szelenyi claim, therefore, that state socialism is the rule of intellectuals, the rule of cultural capital over direct producers. Ironically enough, intellectuals achieved their mission only after the Fall when many became leaders, if only for a short time, in postsocialist regimes. No matter. If the nomenclatura of state socialism were not intellectuals by background and disposition, they nonetheless performed an *intellectual function*, justifying their definition of the collective need, legitimating central appropriation and redistribution. Systems of authority that rest so centrally upon legitimation – in contrast to the negotiated hegemonic orders of organized capitalism – are especially precarious. They invite counter-legitimation and immanent critique. Thus, the marginalized intelligentsia defended alternative principles of democracy and markets, while workers staged their protest in the name of "real" justice for the proletariat. A self-proclaimed workers' state was self-defeating in that its deceptions prompted workers to grasp history for themselves – in the German Democratic Republic in 1953, in Hungary in 1956, in Czechoslovakia in 1968, in Poland in 1980, in Russia in 1989 and 1991. In an ironic twist of history we can say it was the nomenclatura that produced the working class and thereby its "own grave-diggers." To be sure in 1989 the working class was relatively silent across Eastern Europe. Instead it was those intellectuals, appealing to alternative ideals that brought down the curtain on the old order, that took the helm. Still, even if intellectuals played a prominent role, their success in challenging state socialism had been paved by workers who had been the real force that had softened up the nomenclatura, fomenting its own self-destruction.

Class struggle is not a sufficient explanation for the disintegration of any mode of production, state socialism included. This is only the

second thesis of *The Communist Manifesto*. According to the first thesis, a system gives way to another when its relations of production turn from being forms of development of the productive forces into their fetters. Before we rashly condemn state socialist economies as irrational and inefficient, it is important to compare state socialism not with an ideal typical model of capitalism but with actually existing capitalism. When we do this, comparing the *allocative efficiency* of capitalism and socialism, then it turns out that state socialism and organized capitalism are not significantly different, even though there is a lot of internal variation among societies belonging to each system. How can this be? We are accustomed to associating state socialism with queues, red tape, and waste. Capitalist markets are also notoriously inefficient in producing and distributing public goods. Only with the aid of the state can we develop transportation, communications, minimal welfare, regulation of transactions, etc. so that capitalism's irrationality can be obtained. In the same way, successful state socialism, e.g., Hungary, augmented its formal administrative apparatus with all sorts of second economies, independent cooperatives, and small-scale entrepreneurs. Furthermore, just as capitalist enterprises incorporate bureaucratic hierarchies, so state socialist enterprises developed internal markets for subcontracting. Each system has its own distinctive logic and borrows from the other, mechanisms that compensate for its central dysfunctionality.

But there's more to efficiency than matching supply and demand, there's also *dynamic efficiency*, the capacity of systems to generate innovations or, as Marx and Engels would say, to develop the productive forces. Here the evidence goes against state socialist economies. They were able to adapt to exigencies and pressures but rarely in a dynamic, innovative way. Innovation was organized centrally for specific projects but was not systemic. But even here we should be careful not to overplay the superiority of market competition operating by itself. Evolutionary economics points to the social preconditions, the common understandings, trust, skills, etc. necessary for innovation, risk taking, and dynamic efficiency. In other words, for markets to produce dynamic outcomes, they needed to be regulated by and embedded in stabilizing institutions.

In light of these observations shock therapy was precisely the wrong therapy to replace communism with capitalism. Installing a market economy overnight destroyed allocative efficiency without creating institutions needed for dynamic efficiency. It is difficult to compare

Russia with Poland, Czech Republic, and Hungary, but one reason the latter countries have done so much better is that their governments were as bent on creating and bolstering the new as much as destroying the old. China is perhaps an even more instructive comparison. Over the last decade, its growth rates have matched the figures for Russia's decline in large measure because in China market reforms developed under the auspices of the state, while in Russia the state was swallowed up by a domestic oligarchy colluding with global finance that wreaked havoc with the economy.

The threat of working-class organization combined with the fettering of the forces of production to precipitate the end of Soviet communism but a third factor was equally critical. The ruling class lost confidence in its own ideology. Try as it might it, reform after reform, the nomenclatura could not bring reality into conformity with its enunciated claims. It could not, however, forsake an old ideology without a compelling alternative that would grip its collective imagination. It found the alternative to its crude Marxism-Leninism an equally crude market ideology. Soviet and post-Soviet regimes both treat ideology as the prime mover in history, a curious paradox for a regime that had called itself Marxist but nonetheless explicable in terms of its defining character as a rational redistributive economy, requiring legitimation.

The three theses of *The Communist Manifesto*, which were supposed to apply to capitalism, are more obviously suited to the demise of state socialism. Undoubtedly the forces of production did expand under state socialism but they were then fettered by the administrative apparatus. Second, state socialism engendered working-class struggle that took an ascending trajectory as it spread from country to country over communism's last forty years. Third, state socialism prompted intellectuals to switch their allegiance from socialism to capitalism, becoming the ideologues of free markets and liberal democracy. Could it be that *The Communist Manifesto* applies to every mode of production *except capitalism*? We need to return to the analysis of capitalism.

Transnational capitalism

So far we have considered how Soviet Communism's collapse has affected Marxist readings of the past and present. We must now turn our Marxist readings to the future, to the *World after Communism*. But let me first recapitulate the argument so far.

Marx and Engels were so overawed by capitalism's short history that they expected it to overrun the world, destroying in its wake all pre-capitalist modes of production, and eventually destroying itself but not before establishing the grounds for a new, higher communist order. They thought that the end of competitive capitalism would be the end of capitalism tout court. In reality the early capitalism that they observed gave rise to the familiar imperial order of three worlds: organized capitalism, state socialism, and colonized peripheries.

This imperial order is indeed *inter-national* in that its elementary unit is the nation state, a state that mediates global transactions. As David Harvey argues in *The Condition of Postmodernity*, metropolitan states contained capitalism's crises of overproduction in two ways: first, by expelling them to the periphery, from where capitalism drew its raw materials and cheap labor and to where it discharged excess commodities and capital. Second, it would postpone crises into the future through public expenditures on welfare and warfare. States not only mediated economic transactions, they were also central in organizing or repressing class conflict. The state developed its own coercive machine of police and military and at the same time expanded administrative, legal, welfare, communications, and educational institutions that reached into the furthest corners of society. At the same time, a more or less dense civil society of semi-autonomous organizations, such as trade unions, political parties, churches, and so forth, dispersed, blunted, and mystified class relations. The expansion of the nation state and its extension into society took different forms but it was a signal feature of the twentieth century, affecting state socialism, fascism, and even authoritarian regimes of the Third World and not just democratic forms of organized capitalism. Finally, the state, aided by its penetration into society, successfully instilled a national identity for its citizens, one that could be called upon for sacrifices and compromises.

Capitalism is now bursting the bounds of the nation state, and doing so in ways prefigured in Part I of *The Communist Manifesto*. Recall those lyrical passages that describe capitalism unbound: "All fixed, fast-frozen relations, with their train of ancient and venerable prejudices and opinions, are swept away, all new-formed ones become antiquated before they can ossify."¹⁶ Capitalism resolves its crises not through the agency of the state but by continually transforming itself, and at an ever accelerating pace. Production and consumption, restless and ephemeral, produce a life of transience and spectacle. Flexible adap-

tation is the watchword of the nineties. Capitalism inaugurates a period of hypermodernity the world over. "It must nestle everywhere, settle everywhere, establish connections everywhere."¹⁷ Established national industries are destroyed by global production, which takes in raw materials from the remotest regions and turns them into products consumed in every quarter of the globe. Transnational connections shoot across the globe: "... intercourse in every direction, universal interdependence of nations."¹⁸ A global imagination displaces the limited visions of the local and national: "National one-sidedness and narrow-mindedness become more and more impossible, and from the numerous national and local literatures, there arises a world literature."¹⁹ The advance of the means of production, especially the means of communication, combined with its cheap commodities breaks down local resistance. "[The bourgeoisie] compels all nations, on pain of extinction, to adopt the bourgeois mode of production."²⁰ What more apt description of Russia today, of capitalism rushing over the shallow trenches of collapsing communism, flooding its territories with new wants and cheap products, wrecking industry, destroying agriculture, creating a new huckster, parasitic bourgeoisie, transmission belt of global capital. After Communism, *The Communist Manifesto* becomes the Manifesto of the Bourgeoisie!

Marxist ironies don't stop here. Lenin, after all, considered imperialism as the highest stage of capitalism. Imperialism, he argued, would not be able to solve or contain capitalism's contradictions. It would have to give birth to communism. Well, the opposite turned out to be the case as Bill Warren told us long ago in his *Imperialism: Pioneer of Capitalism*. Today we may say that the imperial order gave birth to a new dynamic global capitalism – capitalism, one might say, is the highest stage of imperialism. As I have suggested, this transnational capitalism finds its reflection in *The Communist Manifesto*, but we can exaggerate the parallels. Each realm of the imperial order – organized capitalism, state socialism, colonized peripheries – has left its mark on this latest phase of capitalism.

Organized capitalism, far from being stagnant, developed new fangled forces of production that broke through the imperial shell. Manuel Castells's recent three-volume treatise, *The Information Age: Economy, Society and Culture*, captures this new globality in his concept of the network society that carries transnational flows of finance, technology, information, and specialized labor, all facilitated by the electronic pulse. As Castells puts it, the space of global flows displaces the space

of local places. Power has become placeless, while places have become powerless. The major axis of inequality is governed by access to these global flows and those that are excluded are condemned to marginality. Castells sees this at work in Europe and the United States no less than in Africa.

Perhaps the information society's greatest transparency is in Russia, by virtue of its forced, rapid, and late entry into the world economy. Here the global nexus passes through cosmopolitan Moscow, an island of wealth surrounded by a sea of deepening poverty. The regions try to latch onto Moscow's wealth but only create for themselves more conduits to poverty, as populations are thrown back on their own resources, eking out a self-contained life of barter and subsistence. The last seven years have been the growth of the sphere of exchange from trade to finance, regulated by a shadow state, sometimes referred to as the mafia, and all at the expense of industrial and agricultural production. As the most recent arrival on the scene of global capitalism, Russia exposes its anatomy most clearly. We can see that this new transnational capitalism, dominated by flows of finance and debt, is not without its own crises that ricochet from one country to another, barely controlled, some might say promoted, by supranational agencies of finance.

In our obsession with the fate of transnational capitalism with its emerging supranational monitoring agencies, we should not overlook the effects of the imperial order on class formation, the imprint of the past on the present. Organized capitalism packed the working class into national containers, constituting workers as citizens, dividing them by race and gender, stratifying them by labor market and occupation, building attachments to national ideas and the politics of reform. Marx's "workers of the world unite," was a vain clarion call if it was to be led by workers from the most advanced capitalist countries for they had developed real interests in the exploitation of the periphery and its popular classes. In fact, as Gay Seidman argues in her *Manufacturing Militance*, the deepest challenges of the working class have come either from state socialism or from the semi-peripheral nations, such as South Africa, Brazil, and Korea, where industrial implants created the ground on which workers could organize around the expansion of democratic rights. But in every case, they have been contained within the fabric of the nation state.

In the modern transnational economy we have to rethink the very meaning and basis of class struggle, recognizing that capitalism churns up the ground upon which classes can take root – whether workplace or community. The dislocation of conventional places also dislocates conventional identities. Moreover, capitalism no longer homogenizes identity (if it ever did), but exploits and recreates heterogeneities, differences, whether ethnic, racial, or gender. These identities are fluid and fragile and therefore call for a politics of position that carefully stitches together alliances across national boundaries, around such questions as human rights and environmental justice or even local sovereignty. As civil societies unhinge themselves from the state and reconnect across national boundaries through ethnic and racial diasporas, through non-governmental organizations, through global assemblies, so there are created new terrains of struggle. The axis of struggle moves from class against the state to the local against the global. The marginalized have made their voices heard both in the periphery, where they have struck out with new identities (Chiapas) and in the core where they appear on the doorstep of their erstwhile colonizers (immigrant workers).

If organized capitalism primed the productive forces and disorganized the working class, if the decay of colonialism released multiple voices around which movements can cluster, what has been the legacy of state socialism? It has effectively discredited the idea of an administered socialism. One can discover among its ruins, however, alternative images of socialism, I'm thinking here of Polish Solidarity with its "self-limiting" revolution that refused to engage the state and concentrated on reconstituting civil society. This movement threw up all sorts of proposals and programs for a self-regulating society. Or of Hungarian socialism that sprung from the interstices of state socialism, again operating against rather than through the state, building all manner of new forms of cooperative self-regulation. Here indeed were the embryos for a dynamic, participatory economy, coexisting within and alongside planning. Even in Russia, the coal miners, isolated though they were in 1989, demanded the abrogation of the party state, the recognition of independent trade unions, election of all state officials, control over the distribution of their coal. Their experience of Soviet order led them to expound proposals for a radical and decentralized democracy.

As organized capitalism was busy burying any notion of alternative to itself, the flaws of state socialism were breeding images of a more perfect socialist world. The power of state socialism, especially once

public discourse was uncorked, was its unstoppable prclivity toward self-criticism and transcendence. This was, of course, what its ruling classes found so frightening and why they preferred to opt for the safer capitalist road.

As Marx himself was at pains to point out, each form of capitalism develops its own vision of socialism. Today we have to think of socialism not in or even against the nation state but above and below the nation state, in the global-local nexus – regional communities strung together on a global net, inspired by imaginaries that descend from the critique of state socialism. Yet it is difficult to discern anything more concrete. We should remember that, although *The Communist Manifesto* lays out a blueprint of sorts, an intermediary program appropriate to the time, it also insists that visions of an alternative future emerge in close connection to revolutionary movements. When such movements are in abeyance, as they are today, we fall back on showing how what exists is fickle, that it is neither natural nor eternal, but the product of specific conditions. Our last line of defense is critique: contrasting reality with potentiality, “what is” with “what could be.” Without a sensibility to alternatives there can be no effective struggles, and without struggles there can be no realistic visions.

We can dredge up whatever images, whatever lost opportunities we like but compared with a century ago it is simply harder to be a socialist. Then, it was more plausible to believe the end of capitalism was at hand and so the theoretical pressure to formulate the meaning of socialism was correspondingly less. Then, working-class organization was ascendant and so one could leave it to the movement to generate spontaneously its own vision of an alternative future. Then, there were no examples of socialism’s success, but more importantly there were no examples of its failure. Today Marxist intellectuals have to work much harder to convince others that “they have a world to win” not just after capitalism, but after communism too.

Notes

1. This commentary is a revised version of a lecture delivered at Princeton University to mark the occasion of the 150th anniversary of the publication of *The Communist Manifesto*. As ever, I would like to thank my two critics, Margaret Cerullo and Erik Wright.
2. Karl Marx and Frederick Engels, *The Communist Manifesto* (London, Verso, 1998), 42.

3. Ibid., 62.
4. Ibid., 40.
5. Ibid., 61.
6. Ibid., 37.
7. Ibid., 77.
8. Ibid., 46.
9. Ibid., 76.
10. Ibid., 50.
11. Ibid., 76.
12. Antonio Gramsci, *Selections from Prison Notebooks*, edited and translated by Quintin Hoare and Geoffrey Nowell Smith (New York, International Publishers, 1971), 238.
13. *The Communist Manifesto*, 77.
14. Ibid., 77.
15. Ibid., 47.
16. Ibid., 38.
17. Ibid., 39.
18. Ibid., 39.
19. Ibid., 39.
20. Ibid., 40.