Interview with Chronis Polychroniou, 3.2001

Q1.Professor Burawoy, you are what we might call a traditional Marxist social scientist and a politically committed socialist at one of the world's renowned institutions--Professor and Chair of Sociology at Berkeley. I don't think this is something we meet every day in the American academy--so please tell me something about your background, the intellectual influences in your life and how you got to become a Marxist sociologist.

Like so many I was swept up by the 1960s when I was at university in England. Being a rather boring place, I left England for South Africa where I was a journalist for 6 months before going to Zambia for nearly four years, from 1968 to 1972. It was during those years that I became Marxist. At that time and in that place it was the obvious thing to be.

Zambia had been independent for 4 years, the colonial legacy was all around. It continued to be an enclave economy, dependent on the 50,000 employee copper industry for 95% of its export revenue. I decided to study how the copper multinationals were responding to the new Zambian government by taking a job in the industry's personnel research unit. I was amazed by the continuing racial order on the Copperbelt, the persistence of the color bar that gave no black any authority over any white employee. I saw how class forces at work determined the reproduction of the racial order – the mass of workers were not interested in the promotion of their supervisors, white managers wanted to keep their jobs, the government was so concerned not to touch their sacred cow that they turned a blind eye to the whole business, happy to know that Africans were advancing into higher positions. The mining companies, as I learnt, with the price of copper high, far from following any strategic plan would see which way the political wind was blowing, would assess the balance of forces and take the path of least resistance. In this case it meant promoting Zambians to higher positions but also promoting their white predecessors into even higher positions still, positions especially created for them. In this way the color bar was maintained even as it was raised.

After 2 years I took my research, conducted without the knowledge of the mining companies, to the University of Zambia where I enrolled as an MA student in social anthropology. My teachers, themselves Marxist, encouraged my class analysis of the postcolonial racial order. I presented my findings in a book, called the *The Color of Class*, written very much in the style of Frantz Fanon who then and now has deeply influenced my thinking. The mining industry bitterly opposed the publication of the book, but the Government Ministry responsible for Zambianization on the Mines was equally enthusiastic about that possibility. When *The Color of Class* appeared in 1972, it created a little furor and much discussion. Flexible to the end, top management in the industry used this Fanonite document to discipline its own managers, demanding they clean up their racial act. That's how I became a Marxist.

Q2. When did you leave Zambia and what did you do next?

I left Zambia in 1972. I had always wanted to return to the United States – I had been there for six months in 1965, the year of sit-ins against the War in Vietnam, a year after Berkeley had exploded onto the political scene with its Free Speech Movement. I now returned to search out the belly of the beast, the source of what I regarded as pernicious ideology – modernization theory and its complement, development theory. What more conservative place than Chicago which is why I became a graduate student there.

By 1972 the United States was no longer the vibrant place it had been in the 1960s and Chicago sociology had become quite parochial. It was here in the seminars of political scientist, Adam Przeworski, that I began to learn a more academic Marxism, influenced by European thinkers such as Louis Althusser, Nicos Poulantzas, and above all Antonio Gramsci. This was quite arcane stuff, quite a shift from the Marxism of Frantz Fanon! As ever Marxism adapted itself to the academy after the social movements that inspired it had subsided. It bore the marks of excessive abstraction and claims to true science that provided ammunition to contest the anemic, mainstream, American sociology.

Inspired by Gramsci's writings I wanted to explore his ideas around Americanism and Fordism and specifically the notion that in the United States "hegemony" was born in the factory. For a year (1974-75) I became a machine operator in a South Chicago factory. From the first day I was struck how hard my fellow operators worked and it wasn't long before I too tried, much to my astonishment, to keep up with their intense pace. Economic incentive just didn't explain why we were all so devoted to increasing the profit of capital. Rather, we participated in a piecework game of "making out" that alleviated boredom, that turned work into a challenge to our ingenuity. All the operators played the same game and we evaluated ourselves and others by the ingenuity and stamina with which we turned out our pieces, or discovered a new angle. But we weren't complete managerial cronies, we would never turn in more than 140% of the expected rate and when jobs were impossible to make we would restrict output to levels as low as 70%. Making out seduced us all, and time passed more quickly. I don't think this is peculiar to my machine shop – the attempt to make boring work meaningful is ubiquitous. Paradoxically, attempts to compensate for alienated labor redound to capital's benefit.

It was not only the game of "making out" that led to spontaneous consent, there were other aspects of production that coordinated the interests of workers and managers. First, there was the "internal labor market" which allowed workers to "bid" on vacant jobs which were then distributed according to seniority and experience. Lay offs came to those who were most recently employed through an elaborate system of "bumping". So the longer one worked in the factory the better one's job and the more costly it was to leave for another firm where one would land up at the bottom of the heap. Second, there was the internal state, the way workers were constituted as industrial citizens with rights and obligations. The grievance machinery specified this internal legal order that mystified class relations by its presentation of workers as individuals. The negotiation of the collective contract explicitly created a common set of interests between labor and capital,

in which labor's benefits, wages and so on reflected the success of the firm. Once signed the union became the watchdog of the contract, an arm of management or so we thought.

All those Marxist theorists who focused on the state as the factor of social cohesion misunderstood the importance of production, at least in the United States, where the "internal" state operated to "manufacture consent." I took those theories of the superstructure and relocated them within the economic structure, within the workplace itself. By a stroke of luck, I had landed in the very same factory that had been studied by a famous Chicago industrial ethnographer, Donald Roy. I was able to show that over the thirty years that spanned our two studies, the factory's political regime had shifted along the continuum from "despotism" to "hegemony." That is to say in Roy's time coercion was more present and arbitrary than 30 years later when the internal state had expanded the arena of consent. Even the application of coercion became the object of consent. Thus, I rediscovered what Gramsci had said in the 1930s – in the United States hegemony is borne in the factory.

Q3.Tell me a little bit more about capitalist production and the notion of "manufacturing consent" [Chomsky's?]. I ask you about this because it seems to me that in academic Marxism production is treated in an entirely abstract fashion, which means to say that, in the final analysis, the concept has as much explanatory power as it does in mainstream academic analyses where production and production relations are totally ignored. For example, the role of the state in capitalist production is rarely addressed in any concrete terms. Everything seems to come down to structures, structures and more structures. It's like the whole capitalist economy and society works on automatic pilot. In this context, I consider it unfortunate that Western Marxists found more relevant Poulantzas analyses of the state over those of Miliband.

Yes, Chomsky wrote his *Manufacturing Consent*, ten years after mine. The two are actually quite complementary. He focuses on the way the mass media frame questions in a normative and narrow manner, consistent with the dominant ideology. He has little to say, however, about the way consent is actually manufactured in people's daily lives which was the focus of my book. Chomsky operates with a notion of hegemony imposed from above whereas I tried to emphasize the way in which workers actively collaborate in producing a lived experience consistent with capitalism, the constitution of hegemony from below. My work was influenced by Foucault's criticism of Marxism for seeing power as concentrated at the level of the state. Like Foucault I examined the microphysics of power, although I confined myself to the political and ideological apparatuses of the workplace where he was more interested in asylums and prisons.

Unlike Foucault I was interested in the conditions under which the regime of production might induce class formation. With this in mind I wrote *The Politics of Production*, comparing workplace politics in specific industries in different countries in different historical periods, based on any ethnographies I could lay my hands on. Among advanced capitalist countries I compared Japan, Sweden, England and the United States arguing

that the forms of intervention of the state were critical to production politics and thus to class formation. I compared 19th. century despotic regimes in the textile industries of the United States, England and Russia, making the bold claim that the organization of work and its regulation was critical to the divergent patterns of class formation. I compared 19th. century market despotism with the colonial despotism I had studied in Southern Africa and the problems this posed for the postcolonial transition. I'm now slowly reinserting myself back into South Africa to see how the transition to postcolonialism is constrained by the legacies of apartheid's racial despotism.

You are right to say that so much of 1970s Marxism was a very abstract discussion of self-propelling, self-sustaining "structures." All my own work focused on concrete social processes. In this regard I was trying to live up to Gramsci's concern for the lived experience, the "common sense" of subaltern classes. But Gramsci was not the only influence. American sociology has little tolerance for theoretical mumbo jumbo, especially if it comes from Marxism. American sociology is very empirically rooted and to argue on its terrain calls for concrete studies. Of course, one can be empirical in different ways. My friend Erik Wright chose to deploy survey data in the description and theorization of class structures whereas I preferred to hobnob with workers themselves, trying to understand the social processes of consent and dissent, the micro processes that mediated between, if you will, class-in-itself and class-for-itself. Still, most Marxists tended to work with historical or survey data and few became ethnographers. Ethnography had traditionally been seen as too narrow and confined, inimical to Marxism. My life work has been to try to show how ethnography can lay the foundation of macro sociology. Just think of Engels' study of the conditions of the working class in Manchester! Of course, I'm not the only one who has taken this road. Consider, for example, the work of the English Marxist ethnographer, Paul Willis, who studied the way schools generated dissent to middle class norms and how this process of rebellion inserted school kids right back into working class culture.

While we are in England, I should say something about the influential work of Ralph Miliband, *The State in Capitalist Society*, which documented the ties that linked the state to the dominant class. A strong strain within the best English Marxism emphasized the empirical and the experiential as opposed to continental abstract theorizing. Think of Edward Thompson, the great English historian of the working class, who virulently attacked structural Marxism for never coming to terms with the concrete realities of capitalism. While I am sympathetic to this critique, the real greatness of Marx or Gramsci was the way they moved from the concrete to the abstract and from the abstract to the concrete. Among the great Marxists these are not formulae but a living practice. Theory without empirical work is empty, but empirical work without theory is blind.

Q.4 Would you say then that one of the reasons why Marx's prophesy about the collapse of capitalism has not come through has been the very involvement of the working class itself in sustaining capitalist production and power relations? If so, what does this tell us about the relation between class location and class consciousness?

Yes, indeed, workers actively participates in reproducing the conditions of their own oppression. And this is one of the reasons – the one I have focused on -- why Marx's prophesy about the collapse of capitalism was wide of the mark. But not that wide of the mark! Marx's account of early capitalism was valid – the production regime of his Satanic Mills, whether patriarchal or paternalistic, was despotic. As such it gave rise to a militant, sometimes even radical working class and one, moreover, that did challenge early capitalism. Marx was correct to think that early competitive capitalism could not survive, but he was wrong to think that the collapse of early capitalism was the end of capitalism tout court. In fact early capitalism gave way to a new form of capitalism, call it what you will -- monopoly capitalism, advanced capitalism or organized capitalism. In this form of capitalism workers were given guarantees such as minimum wages and were protected from managerial depredations by industrial relations machinery. Management could no longer apply arbitrary coercion but had to elicit the consent of workers. This has so far proved to be a more stable form of capitalism.

In other words, instead of workers being the grave diggers of capitalism as Marx and Engels prophesied in *The Communist Manifesto*, the working class proved to be the savior of capitalism, forcing capitalism to make concessions that laid the basis of the hegemonic regime of production. In *Manufacturing Consent* I erred in thinking that the hegemonic work organization was here to say when in fact it was but a conjunctural form, which has in many places given way, once more, to more despotic regimes of production. Not just in the United States but elsewhere labor faced an aggressive assault from capital in the Reagan-Thatcher years of the 1980s. But these new regimes are even more pernicious than their predecessors because they incorporate hegemonic legacies into despotic forms – workers' interests are still coordinated with management but instead of capital making concessions it is the working class that has to take pay cuts, work longer hours, accept poorer working conditions in order to save their jobs. Capital wages a war of attrition from above, a passive revolution that preempts struggles from below.

I want to be clear that I differ from the Frankfurt School that argued that the working class had been hypnotized, drugged, and seduced by capitalism and its consumerist glitter. The working class does not suffer from false consciousness but simply, in struggling to exist within capitalism, it manages to make a life for itself that blots out any vision of a future beyond capitalism. The link between class position and class consciousness is mediated by the regime of production – and in advanced capitalism this regime limits class consciousness to that of an economic class. Paradoxically, it is under state socialism that the regime of production had the opposite effects, that is led to the development of its working class as a political class – a class that challenged the existing order. But that's another story!

Q5.I do intend indeed to ask you about the role of workers under the former state socialist regimes and the nature of those regimes in general, but for now I would like us to continue our discussion on advanced capitalist society. Specifically, I want to ask your views on whether

capitalism is currently under a new stage of development (postfordist? postmodern? postcapitalist?) and what the implications of the new trends in advanced capitalist economies (dominance of finance, flexible production,robotics, information technology, and so on) are for progressive politics?

I don't think I have much to say that is original. In the United States the story is a bleak one as labor becomes increasingly defenseless against the employer's offensive. For all the new focus on organizing new members, the percentage of the labor force that is unionized continues to fall, now down to 13.4%. Ironically, the new great hope in unionizing comes from the immigrant populations that have had some striking successes, especially in California.

When it comes to talking about new stages of development of capitalism I'm not sure how relevant it is to talk of advanced capitalism in isolation from the rest of the world. While so much of my work has been framed by the nation-state it is increasingly obvious that this framework is less and less adequate. The nation state is by-passed from above by corporations and agencies that straddle the world and by-passed from below by flows of people, information, commodities, organizations and ideas that make up a global civil society. Social movements, whether environmental green movements, struggles against pharmaceuticals for their pernicious accumulation of profit at the cost of AIDS victims in poor countries of the world or against the WTO as the orchestrator of neoliberal economic policy, increasingly occupy a transnational space. The interesting question to my mind is whether this new global order has some emergent capitalist logic, the logic of finance capital for example, or whether we have entered a period of disorganized, fragmented, hybrid capitalisms. I don't know the answer.

But I must add that there is a danger of exaggerating the significance of globalization. Theorists of globalization as a juggernaut marching through history often reflect nothing more than their own privileged position as high-flying academics, conference-hopping consultants, netscaping virtuosos. You and I can conduct our interview over email, instantaneously transmitted over continents. But how many in this world have such access to the latest information technologies? Without major effort we have little sense of what it means to be left outside these global circuits, what it means to eke out an existence not only on a terrain that is being continually torn up by forces beyond our control but also on a terrain that globalization has by-passed. Disconnections are as devastating as connections. *Global Ethnography*, a book I recently completed with 9 doctoral students, makes such an effort to grasp the very different experiences of globalization, a sort of globalization from below or what we called "grounded globalization."

Q6.The book you referred to, Global Ethnography, is subtitled Forces, Connections and Imaginations in a PostModern World. That comes to me as somewhat of a surprise. I was not accepting you to find much use in such terms. So one question that instantly comes to mind is what do you

mean by the term "postmodern world?" What are the underpinnings of a "postmodern world?"

I realize that you expect Marxists to have a clear and convincing analysis of the world around them but I'm afraid I don't. The book you are referring to emerged from ethnographic projects that began in different parts of the world. They included participant observer studies of homeless recyclers, shipyard workers and breast cancer activists in San Francisco, feminists in Brazil, migrating nurses from Kerala, software engineers in Ireland, welfare mothers and environmentalists in Hungary, service sector unionism in Pittsburgh. Through our studies we wanted to understand the phenomenon of "globalization." Since we found none of the existing theories – Marxist or other -- especially helpful, we decided to proceed inductively. We developed three perspectives on globalization. The idea of globalization as an external "force" that one cannot control, that one can only avoid or work around. This position gave rise to a second perspective, demystifying forces by uncovering the processes/connections that gave rise to them and to a third perspective in which the naturalness of global forces was challenged by social movements working with different imaginations of what globalization might be. Having adopted these three perspectives we asked whether there was anything new about the globalization or was it simply academic fashion -- the lens through which social science happened to be looking at the world. We had endless debates and discussions about this matter. Globalization was certainly not new, we decided, but its character might be.

The only writer that made sense to us was the English theorist, Stuart Hall and his account of the global postmodern which has three features – the development of new forms flexible accumulation, the multiplication of identities and a new synergy between global and local that by passed the nation-state. Of course, the transition, if that is even the right word, from global imperialism to the global postmodern is neither smooth nor unilinear. At most we could say that an old order is being displaced in many different modalities – burial, erosion, subordination, transmutation, recombination, fragmentation – and in some cases the old order was even vigorously reimplanting itself. Moreover, it was not clear to us whether the global postmodern was merely a "transitional" phase between different globalizations or whether it should be regarded as a global order unto itself. To label the global order as postmodern was, in part, an admission of defeat, of confusion, of the impossibility of grasping the global order of today in any neat schema, yet still recognizing the importance of global dimensions of daily life.

Q #7. You seem to have interpreted my previous question as implying that we need to understand terms in their doctrinal sense. Far from it. I was just wondering about your use of the term "postmodern," as I think that political terms are not neutral but part of an epistemological spectrum about social reality. Having said this, I would like to ask your views on "postMarxism"--a dominant frame of analysis among social scientists today. Undoubtedly there has been a major shift in recent years in the whole center of gravity towards an intellectual agenda that questions and

undermines the traditional Marxist theory and practice. Marxism has become for most intellectuals an outmoded theory because, it is argued, it reflects a holistic ontology and an epistemology based on the premises and experiences of modernity (industrial capitalism and the subsumption of labor by capital) and pursues a project (universal emancipation from capitalist exploitation) which is incoherent, ambiguous and incomplete because it clings to a social reality (class conflict) which, simply put, no longer exists. It is within this context, I think, that "postMarxism" took flesh and bones. Do you agree?

Do I agree that Marxism has taken a beating in the last two decades, that it has lost grip on the political imagination? Yes, most definitely. But analytically, it is as powerful as ever. As I said before class is an ever more salient category in the study the United States as the rich get richer at the expense of the poor, as the country is driven by the needs of capital accumulation. While the detailed dynamics of global capitalism eludes me, there is no doubt about the power of finance capital and multinational capital. Trouble is that the lived experience of this capitalism does not seem to resonate with Marxist categories which was why we wrote of the global postmodern. But perhaps we are just waiting for another wave of protest.

The Marxist imagination has also suffered from the collapse of Soviet communism and the way postcommunist societies have invigorated neoliberalism. They may not have been a socialist mecca but Soviet societies did represent an alternative to capitalism. An alternative that allowed one to think and talk the meaning of socialism. Now socialism is utopian, banished from civilized discourse. As alternatives disappear so capitalism appears impregnable and eternal. Erstwhile Marxists turn to the study of comparative capitalism and in stressing differences they so easily, lose sight of the capitalist character they all share and the existence of a logic to which they are all subjugated. The critique of capitalism evaporates or is blunted because no one thinks of alternatives any more. The most urgent task for Marxists today is to elaborate alternatives, alternatives that are feasible that have concrete, embryonic existence.

Q. #8.Speaking of Marxism having lost its appeal on political imagination, E O Wright and yourself are involved in an effort to reconstruct Marxism on its sociological foundations. Would you talk a little bit about this work?

Erik and I have long thought our work as complementary -- he studying what we might call *relations of production* and I focusing on *relations in production*; he the “macro” class structures of advanced capitalism and I the “micro” processes of production and their regulation; he taking as point of departure objective class locations in society and I how those locations are lived out by individuals in production. He generally focused on the variety of advanced capitalisms and I on the variety of state socialisms. For a long time we engaged in debates of a methodological character -- he much more committed to an singular model of science inspired by the natural sciences and I insisting on the specificity of social science which thematized participation in the world we study. He used to insist, therefore, on the possibility of the adjudication between theories where I

insisted on the way theoretical traditions develop through their historically motivated reconstruction.

Whatever our differences, throughout we have shared an abiding commitment to Marxism while others have slowly abandoned Marxism for various forms of postMarxism or anti-Marxism. But more than that we both consider the eclipse of credible alternatives to capitalism as the single most important challenge facing Marxism. For several years now he has been engaged in recovering concrete alternatives to capitalism whether it be the universal basic income grants or the democratic budgeting in Porto Alegre. At the same time, I have been interested in the lost alternatives to state socialism, the compelling images of socialism that were constituted from below against the party state, such as those articulated by the Solidarity movement in Poland, or the economic experiments in Hungary or the expansion of civil society in Czechoslovakia. Our two divergent approaches to alternatives are formulated within a conception of sociological Marxism which breaks with Marxist teleologies of history and catastrophe theories of capitalism and instead considers the way civil society provides the resources for the contradictory reproduction of capitalism. I think of this project as a continuation of Gramsci's project for understanding capitalism, incorporating insights of sociology within a Marxist framework. We have tried to bring together our complementary perspectives, suspending our methodological differences and appropriating sociology for Marxist ends rather than vice versa.

Q.#9.Let's begin by discussing the nature of the societies that appeared in the course of the twentieth century as alternatives to capitalism. First of all, how socialist was "socialist production" in the countries of the former socialist bloc?

To demonstrate the capitalist character of my experiences in Chicago, it seemed necessary to compare them with experiences of a state socialist factory. It was an accident of history that I landed in the same Chicago factory that had been studied by Donald Roy 30 years earlier. It was also an accident that the dissident Hungarian writer, Miklos Haraszti, served time and then wrote about his experiences in a Hungarian machine shop very similar to my own. His book, *A Worker in Worker's State*, (English title), is a brilliant and moving accounting of what it was like to work in a Hungarian factory in the middle 70s, at the same time I was working in Chicago. I was fascinated by his study because it suggested that he was working much harder than I, operating two machines at once where I had difficulty enough operating one. He truly was a whirling appendage of his machines. How could this be, I wondered, since I had been under the impression that the one right socialist workers had won was the right to not work hard? Without fear of unemployment there was no pressure to exert oneself on the shop floor. Or so I had thought.

The answer to the conundrum was not difficult to discern. The political regime of production described by Haraszti was what I called *bureaucratic despotism* in which party, union and management became agents of state regulated production. This was a

coercive regime but not one that rested not on the right to fire workers but on the right to control their wages. Whereas I was guaranteed a minimum wage at Allied, Haraszti earned what he produced and if the rates were difficult to make so his wage suffered. No wonder he entitled the Hungarian version of his book, *Piece Rates*! The almighty norm was the real dictator of the shop floor. Before the Solidarity Movement had entered the historical stage in Poland, I anticipated that this type of production politics could lead to massive working class struggle against the state. The very transparency of its domination and exploitation galvanized and unified struggle against the state's supremacy. The state could only try to legitimate its oppressive function with thin and unconvincing ideologies. Legitimation was always a two edged sword – it could be easily turned against the party state which was easily charged with failing to live up to its promises. That was the conclusion I drew after working in factories in Hungary.

Inspired by the Solidarity movement and unable to enter Poland after the 1981 coup, I took advantage of an opportunity to go to Hungary. Over the next decade I would work in a number of factories – champagne factory, a small textile factory, a machine shop, and finally my dream came true, I wriggled my way into the great Lenin Steel Works as a furnaceman. I was interested in two questions – the specificity of socialist work organization and of working class consciousness. As regards the first question I came to very different conclusions than Haraszti, whose experiences I learnt reflected his dissident status and the draconian measures that were being taken at Red Star Tractor Factory at the time he worked there. More generally, in the reform period after 1968, the Hungarian workplace was characterized by worker autonomy, or if you will flexible specialization which allowed workers to improvise in the face of the endemic shortages of materials, machinery, and labor. There was a tension, therefore, between the bureaucratic despotism of the production regime on the one hand and the necessary autonomy workers needed if they were to produce effectively on the other. Worker autonomy could provide the basis for contesting socialism on its own grounds. If the party state proclaimed socialism as efficient, egalitarian and just, then workers asked why all around them were inefficiency, inequality and injustice. In adopting socialist values workers were attacking the regime for failing to realize its claims. The regime of production manufactured dissent rather than consent!

Still, why was dissent channeled into a working class movement in Poland but not in Hungary? In Poland a more relaxed regime tolerated networks of dissidence and a more cohesive and independent Church. Together they created a civil society which provided the resources and terrain on which could emerge a coherent working class movement. In Hungary, by contrast, it was less a political opening but an economic opening that defined the peculiarities of the 1970s. The second economy channeled the energies of workers in more individualistic and entrepreneurial directions. The working class was fragmented and absorbed into state corporatism. Ironically, while I was busy as a beaver in the Lenin Steel works, concentrating on working class life, Hungary's political superstructure was crumbling away. It was to make the transition to capitalism and not the democratic socialism which I had hoped for.

Together with my collaborator János Lukács we penned the epitaph to state socialism in a book titled, *The Radiant Past*, that summed up our factory studies. Already in 1981 we believed that, at least to Hungary's industrial working class, the past would look rosy as compared to the future. For all its faults, state socialism did offer a place of dignity and security for many of its workers – that would be rapidly eroded by new capitalist forces. Returning to Miskolc to talk to my fellow workers in 1999, ten years after the Fall, I discovered just how miserable was the plight of so many.

Q10. In the West the prevailing notion was that the former socialist economies were part of a single, undifferentiated system of production, with similar tendencies and contradictions. But apparently that was not a very accurate description, as your analyses of the production systems in Poland and Hungary suggest. Would you say though that the socialist systems of production represented class-based societies, or were they simply "deformed workers' states," with none, or very few, of the social and implications that capitalist relations of production entail?

No I don't think of the Soviet Union or its European satellites as "deformed workers' states." I think of them as class societies with their own distinctive means of exploitation and domination. I have used the language of state socialist mode of production in which surplus is centrally appropriated from a class of "direct producers" by a class of "planners" who then redistribute that surplus. These planners, whom Ivan Szelenyi calls "teleological" or "rational" redistributors, justify their exploitation in the name of their scientific expertise to define the needs of all. Unlike capitalism where exploitation is hidden and where *hegemony* binds workers to their oppressors through a concrete coordination of interests, in state socialism exploitation is transparent and palpable and therefore has to be *legitimated*. But, as I have already, said legitimation is a tenuous and contingent form of integration, easily turned against the legitimators.

This simple portrait has to be complicated. Just as the market economy of capitalism requires the state to regulate and compensate for its dysfunctions so state socialism depends on all sorts of informal economic processes, often associated with markets or pseudo-markets, that are called the black economy, second economy, or informal economy. State socialist countries varied according to the extent and character of this second economy and how official or legal it was. It was the most developed in Hungary of the 1980s, when it embraced a variety of subcontracting systems within the enterprise and cooperatives outside the enterprise, whether the enterprise be a collective farm or an industrial firm. In Russia, it was not uncommon for enterprises to be divided into two – one was the official enterprise while the other served as a means of exchange to garner materials, labor etc. in short supply. I never saw anything like that in Hungary. The different second economies reflected, of course, the different first economies. Hungary undertook economic reforms at the end of the 1960s that did away with physical planning, leaving it with a form of fiscal planning whereas the Soviet economy worked with physical planning, that is the setting of targets in physical quantities, until the very end. In Russia shortages were more acute and the compensatory mechanisms therefore

more drastic but also more regulated than in Hungary where rudimentary markets developed a logic of their own.

So, yes, state socialism was not of a piece. Today we see the upshot of that variation in the different fortunes of postsocialism.

Q11. In your view, what led to the collapse of the socialist societies?

As I said state socialism was a tenuous system in that its mode of integration was primarily through the legitimation of exploitation. Ideology served to cement the order but it was an ideology that galvanized opposition and dissent. In claiming to represent the needs of all, the party state asked for trouble. It was always vulnerable to the charge that it was perpetuating a class society in order to maintain its supremacy. Workers doubted that they were living in a workers' state. Instead of "building" socialism, workers were "painting" socialism! It is not surprising that at regular intervals – 1956, 1968, 1980, 1989 – workers challenged the state that was supposed to represent its interests. I do not believe, however, that these challenges from below, were the crucial ingredients in the collapse of state socialism. Rather it imploded from above when the dominant classes no longer believed that they could make state socialism work in accordance with the ideology they espoused. When a ruling class no longer believes in its own ideology, when it becomes cynical, then the regime either reverts to terror or it dissolves. With Perestroika terror was no longer on the agenda and so the regime unraveled -- there and in its satellites. In short state socialism disintegrated because there were no longer any socialists left.

Q12. Does this mean that there were no other alternatives in Eastern and Central Europe other than the transition to free-market capitalism?

At the time, around 1989, when I was still in Hungary, I thought there were alternatives, if not a new form of democratic socialism then at least a new form of capitalism. I based my hopes on the peculiar forms of production that had grown up with Hungarian socialism and the sudden emergence in 1988 of a factory council movement which was a potential factor in the privatization of enterprises. Neither alternative bore fruit. The Hungarian state first recentralized all property in the hands of a State Property Agency and then accepted economic bids for various types of firms. In the end there was no space for any socialist alternatives. My colleague János Lukács was deeply committed to passing legislation to facilitate Employee Stock Ownership Plans (ESOP) but even such an unthreatening alternative had an up-hill battle. Others still insist that Hungary is developing its own road to capitalism based on an array of hybrid forms of ownerships, recombinant forms that join private and public ownership in new ways. Today I'm skeptical about this being a lasting solution as global capitalism and in particular foreign investors play an increasing role in the Hungarian economy. If before, under the umbrella

of state socialism, Hungary could experiment now it is forced to conform to the dictates of international capital.

I might add that I don't think state socialism was a bankrupt economic system. Quite the contrary the variety of economic forms created from below suggest it was quite flexible. Like early European capitalism at the end of the 19th. and at the beginning of the 20th Century faced economic crises so state socialism faced similar crisis at the end of the 20th. century but it simply did not have the room to maneuver of its older brother. The preexistence of a mature global capitalism provides a context hostile to the reconstitution of state socialism, even though the latter did have plenty of scope for revitalization.

Q13. How significant do you think was the role of the Eastern European intellectuals in the transition to and legitimation of free-market capitalism?

I think they played a very significant role in both failing to articulate alternatives that could be built on the terrain of state socialism and also, of course, in embracing capitalism and all its wonders. Just as so many intellectuals of Eastern and Central Europe had embraced socialism in the 1950s so now they swung to the other extreme by embracing capitalism. Because so many saw only evil in state socialism, they projected capitalism into some utopia. One might even say that Central European intellectuals have been responsible for the revitalization of neoliberal ideology. Their enthusiasm has been untempered by reality. In rejecting Marxism they became the vanguard of neoliberal resurgence. In 1978 Konrad and Szelenyi wrote their famous book on state socialism whose main thesis was that by virtue of the centrality of the planning function in state socialism intellectuals were on the road to class power. It is now difficult to sustain such a picture except possibly for short periods in the 1960s and 1970s. Ironically it was in the immediate postsocialist period that intellectuals took the road to class power, often dominating legislatures. Since then they have retreated -- as they have not adapted well to the exigencies and compromises of political power and as the population have become disillusioned with their performance. In Russia, in particular, intellectuals have abdicated responsibility for articulating critique of the new capitalism, and instead have exploited the new opportunities and wealth it offered. Their involvement in discrediting the old order has made it difficult to articulate a critique of capitalism that is forward looking and not just an exercise in nostalgia. They also face a regime that has little patience for or interest in intellectuals. In leading the infatuation with capitalism, intellectuals fed the machine that would destroy them as an autonomous stratum.

Q14.I see the role the Eastern European intellectuals played in the transition to free-market capitalism in a similar fashion, and the universalistic rhetoric they used during the transition period was effective indeed in legitimizing the subordination of labor to the new capitalist class and the indiscriminate attack on social welfare provisions. In this context, I have a two-part question to ask you: first, did the intellectuals represent a temporary class or are they more or less a permanent fixture of the power

elite in postsocialist societies? And, second, is there an indigenous capitalist class today in the former socialist bloc of the kind that appeared and evolved in the West?

It's hard to say that intellectuals formed a class at all even on a temporary basis. As I said there was a resurgence of intellectuals in the parliamentary arena in the first years of postsocialism but many have since retreated of their own accord or have been voted out of office. They have been disillusioned with politics or their constituencies have been disillusioned with them.

As to the constitution of the capitalist class in these countries, I think this varies a great deal. If you take Central Europe, for example, where privatization has proven to be much slower than expected, indigenous capitalists are either small entrepreneurs (shop keepers and owners of small businesses), foreign capital or the state. You might say that here we have what Gil Eyal, Ivan Szelenyi and Eleanor Townsley call "capitalism without capitalists," a sort of managerial capitalism. In Russia the situation is very different. There the reaction against state ownership and state regulation was a much more dramatic privatization in which enterprises were effectively given over to managers. Instead of "capitalism without capitalists" we have "capitalists without capitalism". The financial, legal infrastructure does not exist so that you find a very primitive, criminalized capitalism that has wreaked havoc with the economy. In either case, of course, this postsocialist capitalism is built on the terrain of the prior state socialism and under pressures from international capitalism – both of which make it a very different creature from 19th. Western capitalism.

Q15.Quite a number of sociological interpretations about large-scale trends and developments in the former socialist bloc nations are leaning toward the Latinoamericanization account of Eastern Europe? Do your own analyses of postsocialist societies support such an interpretation?

Political scientists have tried to draw parallels between democratization projects in Latin America and in postsocialist countries but that overlooks the legacies of the past and the specificity of the economic character of the transition. It also homogenizes postsocialism. As I have said the Russian trajectory is very different from the Hungarian and Polish trajectories. Having observed Russia's descent into "capitalism" for the last decade I think of it as a process of "involution" in which the dynamic moment has been in the spheres of circulation and distribution (the realms vacated by the collapse of the party state). Exchange – trade, finance, mafia -- has been the driving force and at the expense of accumulation which has declined continuously. The result has been not only a fall in living standards but the recentering of the household as unit of production, the importance of self-provisioning through subsistence production and other forms of domestic work as well informal networks of reciprocity. This has happened in agriculture no less than in industry and we might say that Russia has undergone repeasantization -- an enormous economic regression. That's at one pole, where the majority live. At the other pole a comprador bourgeoisie lives off the proceeds of the natural resource industry (especially the export of gas and oil), that has been integrated into the circuits of the

global economy. In short, Russian is divided into two parts hurtling away from each other – "hyper-modern" financial-natural resource-media bourgeoisie that has appropriated the country's resources, propelling the mass of the population in a "premodern" direction. I am reminded of the searing attacks Frantz Fanon made on the African national bourgeoisie in the postcolonial period and in this way there are indeed parallels with Latin America.

The fate of the mass of Russians is reflected in an unprecedented demographic decline as life expectancy, especially for men, fell to around 58, although it has crept up a little in the last two or three years. The United Nations Development Report for 1999 referred to the loss of 6 million men which is a loss of human life of the order of Stalinist terror. It is not only an ideological mania for markets but the loss of real life that leads to labeling the new economy as market Stalinism. The gender gap in life expectancy is enormous, some 12 years, reflecting I believe the marginalization of a high proportion of men by the dissolution of industrial jobs. While both men and women have suffered in the market transition, women have proven more flexible than men, many of whom have lost their reason for existence. Their monopoly of the household, a legacy of Soviet legislation, has given women a strong base for economic adaptation. But again, even here, one should be careful not to exaggerate the peculiarities of Russia. Similar trends can be found in Third World countries. For example, students have applied my conception of involution to the consequences of deindustrialization in South Africa.

Q16.Given all the radical changes that have taken place on the world Scene since the later part of the 20th century, and in light of the fact that One significant problem area for Marxism and social science in general has always been their treatment of issues of change and disorder, where do you think new conceptual thinking is required?

I suppose the answer to your question in part depends upon what one thinks are those radical changes. For the last 20 years I have been interested in real rather than utopian alternatives to capitalism. My studies of state socialism were driven by dissatisfaction with the comparison between the harsh realities of capitalism and the unproven wonders of a speculative socialism. We should compare like with like, advanced capitalism with state socialism. For me the end of Soviet communism and the transition to market capitalism is, therefore, the most significant movement of the last 20 years. But that is no reason to cease exploring the lost potentialities that were buried in and with state socialism.

I began by studying how postcolonialism in Africa and elsewhere belied the original hopes for independence and I'm now watching the parallel disillusionment with postsocialism. Just as the failed promises of "independence" gave way to postcolonial theory that was critical of the very nationalist enterprise that was at its core, so now I expect that the failures of market transition will lead to postsocialist theory -- revisionist history that will see state socialism in its contradictory tendencies, and that will critique the capitalist visions that informed the rapid turning away from state socialism. It's still too early to reconsider the past but that time will come.

Social science and particularly classical sociology was born in what Polanyi called the "The Great Transformation," the rise of the self-regulating market economy in the 19th. century, and so I expect a new social science to be born in the second "Great Transformation," the transition from state socialism to capitalism. Marxism itself will inevitably be reborn as a critique of global capitalism. Its character will be shaped by the anti-capitalist movements that global capitalism generates. As ever the vitality of Marxism depends upon its connection to and dialogue with such movements. It will, I expect, be a Marxism that will relocate the place of the nation state within a global context, a Marxism that will begin to resolve the tensions you noted in my own work between the attempt to break beyond the nation state to a seemingly postMarxism and the continuing power of what we might call classical Marxism to grapple with change within nation states.