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Considering Crises and Neoliberalism: An Interview with Dr. Alex Callinicos

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Alex Callinicos is Professor of European Studies at King's College London. His research interests include European social and political theory, contemporary political philosophy and critical theory, historiography, and international political economy. He seeks to show how a Marxist understanding of capitalism can identify the interaction between deep-seated structural tendencies towards crisis and the cycle of boom and bust in the financial markets responsible for what some commentators are beginning to call the Long Depression.

disClosure Interviewers: Andrew Beutel, Delmar Reffett, and Ashley Ruderman

DC: You've had a really wonderful career. How have you seen social theory evolve over the course of your career? How do you imagine the future of social theory within this kind of global academic and interdisciplinary moment?

AC: Well, I think when I was at the kind of stage that you're all at it was a real struggle to get social theory recognized as something legitimate. There was sociological theory, but that was quite narrow and disciplinary and dominated by the thought of people like Talcott Parsons. I was trained in philosophy, but also I was trained at a British university

First of all, a connection between philosophy and a larger ideological and social context was highly contested. The idea that continental thought was relevant was highly, highly contested and so it was a battle for people of my generation to get the kind of people we were interested in: Marx, Althusser, Foucault, Derrida, you know, people who are now very, very well established reference points; it was a real fight to get them taken seriously and addressed. So in that sense, the situation is incomparably better now than it was when I was young. I think a consequence, however, of this widening and pluralization of social theory is inevitably a degree of fragmentation partly because there are all these different great masters to study, but partly also because I think that, because of the enormous impact of philosophers associated with post structuralism, fragmentation was built into the kind of intellectual agenda that they, or that their reception I should say, tended to promote.

I think in the last ten or fifteen years there has been something of a reaction against this dual fragmentation, and the emergence of figures who are primarily philosophers but have had an enormous influence right across different folds of critical theory. The prominence of people like Alain Badiou, the

unavoidable Slavoj Žižek-- we all laugh at the very mention of his name, but I hope in a good way-- the fact that they've been so influential represents a reaction against the fragmentation, and a desire of finding some kind of framework, in which, to use an old fashioned word, one can totalize, and try to establish the connections between different issues, different disciplinary demands.

DC: You mentioned post-structuralism and how it's facing a bit of a backlash. I'm kind of curious if you see that as at all connected to post-structuralism's resistance to think in a totalizing manner. Is that in any way connected to post-structuralism's inability to really think on a structural level at a time when thinking about this in relation to a lot of social crises that we've been facing? Do you think that part of that backlash is because post-structuralism has a hard time thinking as a form of a total structure, and therefore isn't able to respond to a lot of the crisis we're seeing at this juncture of history?

AC: I think that's basically right. I think there's been a problem there's been resistance, and perhaps I should distinguish between resistance and reaction. I mean there was a reaction, certainly in Britain, to the reception of post-structuralism, which was philistine. For example, when Derrida was awarded an honorary degree at Cambridge University I think the 1990s, there was a huge campaign against it on a completely indefensible basis of, you know, "we don't need this kind of fancy French theory." And I want to give that example partly to emphasize that I think there are all sorts of positive things about the influence of people like Foucault and Derrida and so on, we're clearly in their debt in lots of ways.

Essentially, in terms of the reaction against post-structuralism that we've seen over the last ten or fifteen years, I think it's been of a different character.

And I think fundamentally, it is as you say: because of the principle rejection of totalization that is common to the different thinkers we tend to describe as post-structuralists, I mean to put it simplistically, what's missing from all of their discourses is capitalism. And capitalism is something that I think is very hard not to totalize about. In this context, Fredric Jameson is a very interesting figure because he of course is famous for insisting on the necessity of totalizing, but doing so in a way that is open to the positive and productive elements that we find in the post-structuralists.

Sure, capitalism is an unavoidable topic these days. To the extent that we have to talk about capitalism, we have to talk about Marx, we have to grapple with the necessity, however problematic it may seem, to be of totalizing.

DC: I have been reading your *Anti-Capitalist Manifesto* which is inspiring and great, and one of the things that I noticed and found interesting was the notion of

globalization that's at play in the book because it seems to constitute both a prodigious threat to the world but also an extraordinary promise for a better one. In your introduction you cite Richard Falk's distinction between two principal notions of globalization. And he says, "globalization from above, reflecting a collaboration between leading states and the main agents of capital formation, and globalization from below, an array of transnational social forces animated by environmental concerns, human rights, hostility to patriarchy, and a vision of human community based on the unity of diverse cultures seeking an end to poverty, oppression, humiliation, and collective violence." So, it would seem that everything depends on how this dialectic plays out in the future, and that if the Anti-Capitalist movement is to achieve victory over global capitalism, globalization from below must prevail. But, unfortunately, globalization from above appears to be the one picking up steam, even though globalization from below has made extraordinary advancements against it. So, I guess if one of the most pernicious effects of this globalization from above, this movement is to impose the logic of capital upon societies and individuals around the world, how can a movement of international solidarity counter and overcome it?

AC: First of all, I think the kind of ambivalence I talk about in globalization, really that ambivalence stems from the character of capitalism. I referred to Jameson earlier, and Jameson has this great comment on Marx's *The Communist Manifesto*, where he says that what Marx is saying is that capitalism is simultaneously the best and the worst thing that has ever happened to humankind; it is both incredibly destructive, but also dynamic, in certain ways liberating. It's the source of what we call "globalization," so, if there's an ambivalence, it's crucially to do with the character of capitalism. Jameson has this really good comment somewhere where he says we should experiment and replace every reference to globalization with a reference to capitalism, and I think that is a very healthy suggestion.

More concretely, on the question of globalization from below, I'm more optimistic than you are. The last time I was in the States was in the autumn of 2011, which was the moment of Occupy. Now, that's a moment that has in a certain sense passed, but it's worth stressing how incredible it was. Here we have an occupation of a park in Manhattan, close to what really is the financial capital of the world, that was inspired by what? It was inspired by the occupation of Tahrir Square in Egypt. It's astonishing that you had this movement, and I was in New York when Occupy was going on, which was having an enormous impact on the city, a city where there is a lot of support for the state of Israel, that was inspired by a revolutionary moment in the most important city in the Arab world. That's not exactly international solidarity, but it's an example of the way in which

images of resistance, and inspirations, cross what's in the past seemed like impossible barriers.

There's this cliché, of which I'm afraid that Jameson is also the source, that it's easier to imagine the end of the world than it is the end of capitalism. But it seems to me the moment of Occupy, and I stress it only was a moment, shows that we can imagine all sorts of other things. We can imagine ourselves as part of a global movement of resistance. The problem with Occupy was that it was a moment, but it was an enormously suggestive moment. So, I think there's more going for globalization from below than you suggest.

DC: Going back to your recent book, *Bonfire of Illusions*, in there you talk about how there is this prevalent mindset among the economic establishment that what should be done is that the state should come in, during this moment of crisis, prop things up, and recede. I think you compare it to the Lone Ranger coming in to save the day. This resistance to thinking crisis as symptomatic, rather than just momentary, I was wondering if you could say something about what you think that says about the way that Neoliberalism thinks about crisis, in general, and how Neoliberalism thinks itself. How does Neoliberalism sees its own weaknesses, if it sees its own weaknesses? And how does that maybe relate to the material conditions of financialization?

AC: I should say that I wrote *Bonfire of Illusions* in 2009-2010, so at a comparatively early moment in the crisis. If revolution is process, so are crises. They're not instantaneous events. Things have developed since then, and I think things are now much clearer now how particularly here, because there's a confidence about responding and handling crises in the United States, which is, for example, not the same as what we see in Europe. But I think we can be clearer about how Neoliberalism, particularly here, thinks about crises, in the sense that "sure, we use the state to save us, and to save the banks." It's one of the great ironies of the crisis that all the things that the U.S. Treasury, along with the IMF, used to tell other countries they had to do if they got into financial trouble, were completely ignored in the drive, in particular, to save the banks, but more generally to stabilize the economy. But also, the crisis was used to radicalize Neoliberalism. Now, that side, I think, is clearer in Europe than the U.S., because it was in Europe, in different ways in Britain and the Eurozone, but generally in Europe, where the drive to austerity took place. It's clear that the drive to austerity isn't just about making the books balanced, reducing the deficit, all that kind of stuff. It's about a further phase of Neoliberal restructuring, shrinking the Welfare State, and making labor markets more flexible. And, of course, we've seen that agenda, under the pressure of the Tea Party, but not reducible to the Tea Party, happen here. So, we have this kind of duality in the way in which Neoliberalism

has turned to the state: “the state will save us, but, at the same time, we need to further, if you like, Neoliberal counterrevolution.”

I think that has, in part, to do with the enormous power that the banks have. You talked about financialization. But I think we have a much clearer sense of just how powerful the banks are. This is a striking contrast with the crisis of the 1930’s, where Roosevelt and the Democratic congress, from 1933 onwards, dealt with the banks very, very robustly. J.P. Morgan was broken up, with no hesitation about that. So the banks were subjected to much tougher controls than they had been previously. We have seen absolutely nothing like that this time, which shows how central the banks are to the way in which contemporary capitalism functions. The only other thing I’d say, though, and this is a problematic aspect of the crisis from the point of view of the ruling classes, is that, and I’d forgotten I’d used the Lone Ranger metaphor, well, the Lone Ranger is still here, he’s still having to hold the thing together. This is very clear in the fact that Quantitative Easing continues. The Fed is still creating \$45 billion a month to prop up the financial system. The European Central Bank is considering its own version of Quantitative Easing at the minute. So, in some ways, the drive toward austerity has shown the, if you like, the robustness of Neoliberal capitalism, the way in which it’s used the crisis to drive things further in direction in which it wants things to go; but, at the same time, Neoliberal capitalism is not so robust, because it depends on the crutch of support from the central banks, now nearly seven years after the crisis started. So, it’s quite a contradictory picture, I would say.

DC: I was wondering if, while we are thinking about that, you could talk a little bit about the fact that there has recently been this rash of statements coming from very wealthy bankers and tech moguls, it seems to be centered on San Francisco, there’s been a lot of, what I would characterize as very shrill claims about how they, the wealthy, the One Percent, are being persecuted by critiques of them, one [Tom Perkins] compared it to *Kristallnacht*, with the One Percent being treated like the Jews were in Germany during Hitler’s ascendancy. This contradiction that you talk about, is it perhaps connected to this sensitivity that we’re seeing on the part of those who have, for all intents and purposes, fared very well under the crisis?

AC: Yes, they’ve been behaving like spoiled brats, really. The super rich, and the corporations they control, enjoy incredible protection, and, as you say, have benefited enormously. There’s this new book by the French economist Thomas Piketty that’s attracted a lot of attention, in which he shows that the levels of inequality are now comparable to those before the First World War. So, you have these people from enormously privileged positions complaining, not because anyone is doing anything to them: their taxes haven’t increased significantly, in

reality financial regulation is a bit of a paper tiger, the banks' lobbying power has ensured that Dodd Frank has had most of its teeth removed. And then they complain because people don't like them. That's really what it comes down to, because very little has actually happened to them. I think, though, that it does reflect a change in the ideological climate, because, although Occupy was a moment, it was a moment at which they, the One Percent, although it seems like it's the .1% who are the really rich ones, stood in front of a glare of hostile publicity. And, I think that these complaints from the corporate rich and the bankers and so on reflects that one respect in which the Occupy moment has continued, is that the criticisms of the inequalities and irresponsibilities of the rich have carried on.

DC: I want to ask a follow up to that and contextualize neoliberalism within higher education especially in the United States because they've become very entangled within one another. I think especially at the state universities, who, when the state legislature puts it on the table that a significant budget cut of 5, 7%, like we are experiencing here at the University of Kentucky—when those sort of cuts exist I think universities are often forced to seek funding from corporations and that's why we have classrooms named after them and buildings named after corporations, so how do you imagine this rescue to take place if we're to begin separating, or how would we extract higher education from the neoliberal grasp that seems to be holding it?

AC: The details are different but the picture is the same in Britain. Particularly because U.S. universities are held up as a model that we have to assimilate to. And one respect in which the crisis is proved an opportunity from the neoliberal point of view is that this process has accelerated very sharply in Britain in the last few years.

I suppose I'd say a couple of things. A starting point is that there's this deep conflict about how we understand the value of higher education. Is higher education there essentially as an economic asset either to the individuals who are getting the degrees, or to their employers, or the government? Or is it something that is an intrinsic value? My personal opinion is that it makes sense to exploit both those aspects, clearly given how technologically advanced contemporary capitalism is, it needs universities and the people who are produced in them. One of the things that's happening in Britain is the much tighter subordination of academic research to corporate needs—that's *bad*, but it reflects the fact that the corporations need universities. So, I think that it's a factor in universities' subordination to capital, but it's also a source of strength. That we can say, "you need us"—us, when I say us, both the people who work and the people who study in universities—so treat us properly.

So I think we should say that. Of course the other issue is to do with education as something of intrinsic value crucially because of the way in which it contributes to people's self development quite independently of whatever economic consequences a university education might have. Now I think it's important to explore that aspect of universities. It's difficult because very often this kind of view of the university is framed in a very elitist way. There's a famous lecture that the British Catholic intellectual Cardinal Newman gave in the 1860s called "The Idea of a University" where he says "What are universities for? They're for forming gentlemen"—no, I don't think so. But, tied up with that very elitist conception of the university is an idea of university education as a process of self-development. So I think there's an ideological effort that has to be made to detach the notion of university education as something intrinsically valuable from the elitist way in which it's tended historically to be framed.

When you put those elements together both the economic value of universities and the intrinsic value of a university education, and also of course, the research that goes on in universities, we have a very powerful case. And I think, I think very often, I'm just talking about Britain—actually I may be involved as an academic in a form of industrial action in a couple of week's time because we've got a campaign to improve our pay and so on—but very often when we campaign we do it in a very defensive and depressed kind of way. But I think there's a very powerful case for what happens in universities that we should put to the rest of society, which of course, blurs into us anyway because universities are so big and so many people go to them these days, in a much more confident way. Now of course just saying things doesn't change anything, but there is an ideological struggle that we have to pursue.

DC: I was going to ask one question, I guess it's a good follow up because it's on values. Toward the end of your manifesto, I think you bring up the really important question of value, and how, sort of, a realization under Neoliberalism of some of the most important values to humanity amounts to their destruction, or if that's too strong, maybe their perversion, but you have this great quote where you say, "Neoliberal capitalism reduces freedom to the right to buy and sell and equality to a legal form. This disintegrates solidarity to privatized individualism, and threatens the very planet on which all humans depend to realize their desires and pursue their projects." That's a trenchant critique, and I see the problem as people are conditioned by capitalist society from the outset, and so their values get shaped in accordance with the logic of that society to a certain degree. So, I feel like what could happen, and I'm not saying this will necessarily happen, but, based on your account, I think you might agree, that Freedom, Equality, and Solidarity tend to get stripped of their deeper meaning, they get trivialized, they just become empty ideals. And then you get this dangerous tendency, this general

sort of depoliticization of society. With Occupy, that was great, because you saw this re-politicization of society. But, nevertheless, there still seems to be this withdrawal of, or a lessening or a weakening of, the political will that Neoliberalism tends to bring about, almost ruthlessly. But, you say, towards the end of the book, that the movement, the anti-capitalist movement, offers a radically different reading of these values, and that they could be realized in a completely different way. But it has to be done against, and through a replacement of, global capitalism. So, if the transformation of these values, which are so important, depends ultimately on the success of this movement, it follows that what is most important is that people believe in this movement. So, and I think your book when a really long way in accomplishing this, but I guess what do you think the status of such a belief is today? Belief in revolutionary change, Belief in emancipatory politics? And how do we get people to believe that Liberty, Equality, and Solidarity are worth struggling for, when every day they're being bombarded with this society that doesn't seem to value these very important ideals?

AC: First of all, talking about Liberty, Equality, and Solidarity, those aren't ideas that I picked out of my head; those are the values that represent the heritage of, among others, the American and French Revolutions. So these are ideals that emerge in a bourgeois context, and to which our own societies constantly pay lip service, and for which act as a reference point. I think that's quite important because, going back to the question of inequality, there would be societies where inequality wasn't a problem. If you complained in Feudal Britain about inequality, people would think you were completely crazy, because hierarchy was the norm. Equality is meant to be the norm in our societies. There's a very important piece by Etienne Balibar where he talks about the way in which these ideas, which he calls *Egaliberté*, a kind of fusion of equality and liberty, are open to a constant process of reinterpretation and renegotiation that radicalizes them, starting with workers and feminists in the 19th century, but carrying on with all sorts of different groups more recently. Now, it's true that we live in societies where these values are thoroughly debased, but they're quite powerful, crosscutting forces.

You said you were interested in Castoriadis. Now, Castoriadis has this really good argument where he says that no capitalist enterprise can function without the creative input of the workers and the kind of cooperation among themselves that allows the enterprise to function in a way that, on its own, it wouldn't. My experience has always been that, if you look at any workplace, it's precisely because the way in which the workers sidestep the formal rules. Very often, the managers don't have a clue what's happening.

And this is true in social life more generally. There are all sorts of informal ways which people cooperate and, in their daily lives, actually enact those values. Without overstating it, there are elements of the alternative society that are sort of embedded in the everyday life that we experience under capitalism. And capitalism, as in the example that Castoriadis gives, lives off and exploits that kind of creative cooperation, but it's an important reference point if we're feeling too depressed about the banality and depoliticized character of our societies; it's worth remembering how much they depend on us.

The question is how to tap those resources of creativity and solidarity. That can be hard. It can be hard partly because the fragmenting, individualizing and depoliticizing pressures that come from the structures of the societies, but also because it was a precondition of Neoliberalism being successful that movements of resistance were radically weakened. And I think what we've seen in the last 10 years or so is a series of protracted efforts to rebuild much stronger movements that can cease just to be movements of resistance and become movements of emancipation. And it's difficult. You have steps forward, like at Seattle, or with Occupy, or with the beginning of the Arab revolutions in Tunisia and Egypt. And then there are setbacks; forces get dispersed, there can be repression, as there is in Egypt at the minute, and so on. So, I would say we're in the middle of quite a long process of rebuilding, reconstructing, the emancipatory forces in our societies.

DC: Going off that, I was curious: when we think about revolution, we tend to, at least historically, think of the proletariat as the revolutionary subject, as the group, the organization, which will bring about revolution. Because the proletariat's position as revolutionary subject was, in many ways, an outcome of industrial capital, I'm wondering if the proletariat still maintains an important role in becoming the revolutionary subject in financialized capitalism. And, if not proletariat, then who is implied by financial capital to step up as the revolutionary subject?

AC: Well, I think that what we see in the Neoliberal era is a great extension of proletarianization. That's happened extensively. Look at all those Chinese peasants who are now powering the biggest industrial complex in the world in Southeastern China. But it's also happening intensively. When I'm referred to the fact that I might be involved in industrial action in a couple of weeks, that reflects the way in which university professors have been proletarianized in Britain. I mean, I don't want to whine about it; lots of people have suffered worse. But I've been on strike quite a lot over the past 10 years, which I never was in the earlier part of my academic career. In Britain, even more amazingly, lawyers have been on strike a couple of times recently because they've got a dispute with the

government about the legal aid program that the government funds. Now, if lawyers can go on strike, anyone can, really. I mean, that's an exaggerated example, but the point that I'm trying to make is that the scope of the proletariat, in the sense of wage labor subordinate to capital, has greatly increased in the last generation. What happened, though, was the particular form that the working class movement took, which was very much centered on the great Fordist factories of the second Industrial Revolution. If you look at the great wave of working class militancy that took place, including here, in the '60's and '70's, tremendously it centered on auto factories. That working class was broken up, and defeated, and dispersed. That was necessary for Neoliberalism to triumph, and we, and I say "we" in the largest possible sense, haven't yet come up with a secure basis for reconstructing the working class movement.

It would be a very different working class movement, because of the proportion of women in the wage labor force, because of the importance of migrant workers almost everywhere these days, South as well as North. Certainly in countries like the U.S. or Britain, there would be a lot fewer people working in factories in that new working class movement. But part of the process I was talking about is the process of creating a different kind of working class subject and it's still, I would say, early days in that process. But it's something that's happened a number of times in the history of capitalism. The Chartists, the great British working class movement of the 1830's and 1840's was composed of workers in textile factories, in very brutal and oppressive conditions. The kind of trade union movement that emerges toward the end of the 19th century, after Chartism was defeated, was of a very different character. So, these processes of recomposition and reconstruction have gone on throughout the history of capitalism.

DC: In your book [*An Anti-Capitalist Manifesto*], you pose a crucial question: "Is the enemy neoliberalism, that is, the policies embodied in the Washington Consensus and the Anglo-American model of capitalism that those policies seek to universalize or the capitalist mode of production itself?" The primary goal of the anti-capitalist movement, I believe that you argue rightly, should be the struggle against the capitalist mode of production itself and not so much its negative side effects. But I think that's important distinction that needs to be carefully unpacked because when one says the "problem of capitalism" or describes capitalism as a problem in and of itself and stresses that neoliberalism, for instance, springs from the capitalist mode of production, it is not always clear what that means exactly or people may simply not believe it. So, I see the problem of capitalism or, more precisely, the capitalist mode of production as proceeding from a system that is driven by a desire for profit and by an aggressive, competitive accumulation of capital—a system that has little to no

interest in the democratic values of equality, justice, and autonomy. In my opinion, that's the central tension of our society. Now, I know, generally speaking, that social democrats want to reconcile, or try to reconcile, the democratic drive with the capitalist drive, but I don't see them as being reconcilable. And I don't think that it's cynical to make that claim; I just don't see how one can overcome their opposition. This being said, if you had to unpack that distinction between neoliberalism and the capitalist mode of production and try to articulate what the problem of capitalism actually is, a problem that is often overlooked, how would you do that?

AC: I would say that the defining features of capitalism, as Marx develops his critique in *Capital*, are two. First of all, there's the exploitation of wage labor; in other words, the system rests on the way in which economic pressures force the people who do the producing to sell their labor power, their ability to work, but on the basis of weak bargaining power, which leads them to being exploited at work. Secondly, competitive accumulation; in other words, the capitalists who exploit the workers aren't this kind of unified blob, but are internally divided and compete with each other, and that process of competition then leads to accumulation--in other words, the bulk of the profits being reinvested in expanded and more efficient production. Those are the fundamental features of capitalism. Now, that's a very abstract set of statements. Those structural features can be realized in a wide variety of institutional forms. In Britain, it was on the basis of small family firms and free trade. At the beginning of the twenty-first century, you have the emergence of what the Austrian Marxist Rudolf Hilferding called "organized capitalism" where by which the stage the firms are much bigger, they often collaborate in cartels, and, at least in countries like Germany, big industrial firms and the banks are closely integrated together with the state kind of coordinating the whole entity, which is primarily nationally organized, so it's nationally organized, organized capitalism. Now, crucial to the context of neoliberalism is the way in which between the fifties and the eighties that nationally organized capitalism breaks down, competition is increasingly international, dominated by transnational corporations, and the kind of financial markets that broke down during the crisis of the 1930s re-establish themselves and come to drive investment internationally and so on. And it's those structural changes that then create the conditions in which neoliberalism, in the sense of an ideology and a policy that gives priority to competition and the market, comes to prevail. So, neoliberalism is one institutional realization of the basic structural features that arose in a very specific historical context. Now, I would say that the position that I argued for in my book—that the enemy is capitalism—was a minority in the anti-globalization movement. Most people, and this is very clear in Europe, thought that the problem was neoliberalism and that it would be possible

to return to a more regulated, if you like, organized form of capitalism, although there was a lot of puzzlement, and still is, about who's going to do the regulating. Is it back to the nation-state? That's problematic because of the much greater level of globalization and of international integration. In Europe, you had the argument that maybe the European Union can do the regulating, and then the crisis has shown that the European Union can't regulate anything. But it's certainly true that some very intelligent critics, like the French Marxist Gérard Duménil and Dominique Lévy, argue that the recent crisis is an opportunity to create a more humane and regulated version of capitalism. But what we can see is how deeply entrenched the neoliberal variant is. That doesn't mean that there couldn't be some reconstruction of capitalism to move away from neoliberalism, but the obstacles seem to be much bigger than I personally had thought and the people who positively advocate it seem to realize.

DC: Connected to that, you were discussing the question of whether we can use the nation-state as a means of regulating capitalism, which is, as you know, a very fraught notion. In *Bonfire of Illusions*, near the end of the book, you criticize a lot of people. You particularly talk about John Holloway and his idea that we should avoid taking state power, and I think [Alain] Badiou has a similar concept when he talks about his politics of subtraction. I'm wondering, on the one hand, since the state is no longer the central organizing unit of capitalism--it is now transnational in neoliberal times--and because you do advocate that the state is important, how can the state be revolutionary in these transnational times?

AC: Well, first of all, I don't think that the state has been transcended. As I was saying earlier, the nation-state has been critical to dealing with the crisis, not simply with the bailouts. Austerity is essentially a state project. The European Union is a slightly strange entity, but part of its strangeness is that it's still dominated by national governments and some national governments in particular at the minute, especially Germany. So, the nation-state remains the crucial political form through which capitalism is managed and part of the mistake I think that people like Holloway make, and it's particularly clearly in Hardt and Negri, is that they bought a lot of the publicity for globalization, which is that it's doing away with the nation-state. The nation-state is still very powerful. One of the things I argue in *An Anti-Capitalist Manifesto* is that the anti-capitalist movement needs not just to recognize that, but also to recognize that there is also positive stuff you can do with the state. The state is a very powerful mechanism for redistribution and because the welfare state is essentially a system for limited redistribution within a capitalist framework, that's a resource that could be exploited by a powerful movement to force greater redistribution from the existing state. But at the limit, I don't think that it is possible to get rid of

capitalism—well, how shall I put it?—I’m a very orthodox Marxist, so I agree with Marx that you can’t transform society from capitalism to socialism using the existing state. So, again, as he puts it in one of the things he wrote after the Paris Commune, what we need is a revolution against the state. But my difference still with people like Holloway is that that doesn’t mean evading politics, but rather developing a movement that is strong enough to confront the existing state and to replace it. Holloway is basically arguing that we can build kind of islands, that is, we can exploit the cracks that exist in capitalism to create islands of emancipated existence and therefore we don’t need to worry about the state. My argument is that the state and capitalism more generally won’t leave those islands alone, and therefore we need to develop a movement that has the strength to confront the state and to replace it and, in doing so, to develop the kind of political forms that can provide the framework in which we move to an emancipated society. I know that that probably sounds like a set of slogans more than anything else. It’s the definition of a problem, not a solution.

DC: To finish up, I’m not sure how much you want to disclose, but we wanted to ask you about your future work and what you’re working on now and any ideas percolating in your head about stuff you want to write.

AC: Well, I’ve just finished a book, which is a study of Marx’s *Capital* that will be published later on this year. It’s going to be called *Deciphering Capital*, and it’s a study that it’s particularly concerned to clarify the nature of Marx’s method in *Capital* and, through clarifying that, to throw light on more concrete debates both about *Capital* and within Marx’s political economy. And I did my PhD on Marx’s *Capital*, so, in a sense, this is something that I’ve been working on for a frighteningly long period of time and it’s a project that’s particularly important to me. What I’m going to do now that I’m finished with it, to be honest, I’m not particularly sure because I’m trying to recover from the process of finishing the book. But there are a whole series of debates in Marxist political economy that I expect that I’ll pursue. Perhaps it’s worth emphasizing that this is a quite a creative moment in Marxist political economy. I looked at an article that I wrote fifteen years ago where I said that the Marxist theory of crisis had fallen on hard times. I wouldn’t say that now with people like David Harvey and Dominique Lévy and all sorts of other people who are working on developing Marx’s political economy. But one of the things that’s interesting about this renaissance is that it’s combined with a tremendous amount of discussion of *Capital* itself. So, you have Harvey writing books about capitalism but also writing his commentaries on *Capital*. And I find that quite a good combination because I think it is important to try to recover and understand properly what Marx argued, but there’s always a danger that that becomes purely philological or like a form of

piety. On the whole, however, the recovery of Marx's own thought is combined with an attempt to use that thought or how you interpret that thought to better understand capitalism itself. So, I would like to think that my book is part of that, and I hope to continue to contribute to this renaissance in Marxist political economy.

DC: Okay, we would like to thank you on behalf of the Social Theory Committee at UK for an extremely rich and productive conversation.

AC: Thank you, and thanks for all your good questions.