Interview with Charles Reeve

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(Interviewed by Stéphane Julien and Marie Xaintrailles. *La Bataille socialiste* and *Critique sociale*. Spanish edition: *Trasversales* #27)

You have written several books on the capitalism of the Chinese state. China has become a commercial power in globalized capitalism. Some explain this by referring to the non-convertibility of its currency and its repressive regime. There are, however, many workers struggles, or at least that is what people say. In the absence of any independent trade unionism, do these struggles always take the form of wildcat strikes or is the situation more complicated? Are these struggles always restricted to individual enterprises or are there forms of coordination or extension that embrace entire productive sectors or cities?

First of all … you can have both independent trade unions and wildcat strikes. A strike is defined as a wildcat strike with reference to the strategy of the trade union bureaucracy, even if the latter is independent of party control. And an independent trade union that functions according to the principle of negotiation and co-management is opposed to any autonomous action of the wage workers that could disturb its “responsible” and “realistic” nature. The wildcat strike is an action that shows that the interests of the workers do not necessarily coincide with the goals of the trade union, which is an institution that negotiates the price of labor power. On the other hand, there have been wildcat strikes in the history of the trade union movement, in the US and South Africa, for example, for reactionary, and even sometimes racist goals.

In China, of course, the situation is complicated. The unitary trade union (ACFTU, the All China Federation of Trade Unions) is linked to the communist party and has played the role of policeman against the working class during the years of Maoism and afterwards. After the “opening” (to private capitalism) it was transformed into a gigantic machine for the management of labor power in the service of business enterprises, including the foreign enterprises in the Special Economic Zones. It is totally discredited among the workers. It is perceived as the police and as an arm of the management of the enterprises. For several years now, the bureaucracy of the Communist Party has made efforts to restore some of the trade union’s credibility. For example, it has undertaken demagogic campaigns to “organize” the mingong, that is, to introduce a certain degree of party control over these marginalized working class communities, composed of illegal immigrants in their own country, who come from the interior of China. But this campaign has had no effect and achieved no results and the image of the ACFTU among the workers has not changed. Sometimes the central power exerts pressure to make the leadership of the ACFTU take a position against one or another management group working for an enterprise funded by foreign capital. Yet, in recent struggles, we have seen the trade union thugs attack the strikers and the pickets in defense of the very same enterprise. This proves that this organization, by its very nature, is still basically reactionary and that it is on the side of power, of all powers.

Curiously, some organizations that display an independent trade unionist spirit, such as the *China Labour Bulletin* (Hong Kong), swimming against the current and contrary to the gist of their own analyses, continue to speak of a possible transformation of this unitary trade union into a “real trade union” of the western type. They base this view on the attitude of some local and regional bureaucrats (especially in the south, in Guangdong) who are trying to play negotiating roles in order to pacify the explosive situation that currently prevails in their localities. The militants of these
independent organizations (such as the China Labour Bulletin) share the traditional vision of the workers movement. For them, the “natural” organization of the workers is the trade union and only the trade union can express working class consciousness, which, without the help of “politicians”, cannot transcend mere trade union consciousness. We are familiar with this discourse. These are the values and principles of the old workers movement that clings the social democratic ideas of the past.

In China there is no independent trade unionism and there never will be as long as the political form of the Party-State lasts. In view of the power of the strike movement over the last few years, the absence of organizations created by the rank and file provides an indication of the intensity of the repression enforced by the authorities. And all strikes are, by definition, wildcat strikes, since they must take place without the authorization and control of the ACFTU. However, every movement, every struggle, implies organization, which is a principle of the workers struggle. In China we encounter ephemeral organizations, informal strike committees, formed by the most militant male and female workers. These organizations always disappear after the struggle ends. Usually, the most active and courageous workers pay a high price; they are arrested and disappear into the universe of the prisons. It seems that, for now at least, the central power is more tolerant, less harsh in its repression. These informal organizations are not recognized, but they are less subject to oppression. This change of attitude corresponds to the profound and complicated crisis and the internal divisions of the Chinese political class. One aspect of this crisis is the conflict between the local authorities and the central power, which has caused the latter on occasion to support the strikers in order to weaken the local potentates. For their part, the strikers are also trying to take advantage of these divisions and conflicts in order to satisfy their demands. And the unitary trade union, itself affected by disagreements and conflicts among the political authorities, is becoming increasingly paralyzed.

The most recent attempt to create a permanent working class structure, characterized by a trade unionist spirit and independent of the Communist Party, took place in 1989, during the Peking Spring, with the formation of the Independent Workers Union. The massacre of Tiananmen Square on June 4 dealt a particularly hard blow to these militants. ([Bureaucratie, bagnes et business, Insomniaque, 1997]. [1]

Today there is a network of NGOs, created for the most part in Hong Kong, which fills the vacuum and plays a kind of trade union role, carefully avoiding any political confrontation with the central power. ([Avis au consommateur, Insomniaque, 2011]. [2]

Until very recently, the workers struggles have been isolated by enterprise or by region. However, this isolation must be put into perspective and it must be recognized that the situation is changing. Isolation does not necessarily mean separation. There is a kind of unification that is realized by way of common demands, by the consciousness of an enormous, shared social discontent, of belonging to the society of the exploited, of opposing the mafia of power and the red capitalists. The role of the new technologies, of the blogosphere in particular, is fundamental. ([Les mots qui font peur, Insomniaque]. [3] We are almost tempted to say that information circulates more quickly today in China than in the societies of “free expression” like ours, where we can say and know everything and nothing is said and nothing is known; where information is subject to the consensus of what is “important”, of what is considered to be “news”. In China, thanks to the network of the new technologies, information regarding an important struggle, a popular revolt or a demonstration against a polluting factory is rapidly transmitted to hundreds of thousands of workers.

“Forms of coordination” are not common and those that exist are totally clandestine. However, today we can verify a new tendency in these struggles: their extension. For some time now the struggles have been spreading rapidly beyond the enterprises and are directed against the local authorities, city halls, party headquarters, police, courts….

We also observe how the struggles are spreading and becoming generalized in the industrial zones. Class solidarity is growing and there are workers who travel in order to support workers struggles in
other localities. The presence of the *mingong*, communities of violently exploited undocumented workers, plays an important role in this extension. It is an ongoing process, very consciously experienced, and very political, in the sense that it rapidly exceeds the boundaries of immediate demands and confronts the institutions of repression and administration of the ruling class. It is also political in the sense that these struggles express the desire for a different kind of society, a society that is not based on inequality, a society that is not repressive, and is not controlled by the party mafia. Thus, a parliamentary democratic project of the western type, advocated by dissident currents, can take root. It is inevitable and logical. That it might succeed, and thus foreclose any perspective for social emancipation, is also possible. Everything depends, ultimately, on the scope and the radicality of the social movements.

In the biographical note on Paul Mattick (Sr.) that you included in “Marxisme, dernier refuge de la bourgeoisie ?”, you speak of an “exhaustion of the Keynesian project”. This is more or less what Pierre Souyri said in his posthumous and now out of print book, “La Dynamique du capitalisme au XX siècle” : the use of the State to “palliate” the class struggle and to stimulate investment and production has not survived the vicissitudes of the oil crisis and the global mobility of capital. Since then the State has appeared to be more of a victim than a savior. But aren’t there signs of stagnation in the neoliberal project that replaced Keynesianism, after populations resisted the excessive privatization of services and the capitalists began to have qualms about fictitious capital after the crisis of 2008 ?

It is an excellent idea to start with Paul Mattick and then to speak of Pierre Souyri. They are two similar theoreticians, despite different careers and distinct historical contexts. Both of them are little known, almost never studied, and ignored outside of small radical circles. Souyri even more so than Mattick, despite the fact that he had a university career after his participation in *Socialisme ou Barbarie* (under the pseudonym of Pierre Brune). Souyri was familiar with Mattick’s ideas, and was an attentive reader of Mattick’s works. His posthumous book, *La dynamique du capitalisme au XX siècle* (Payot, 1983) went almost entirely unnoticed and is almost never cited.

Mattick and Souyri shared the same theory of capitalist crisis, based on the fall of the profitability of capital and the difficulties of extracting the surplus value required for accumulation. Both of them thought, contrary to the position of most of the currents of radical Marxism (radical with respect to social democracy), that the problem that confronted capitalist accumulation is that of the extraction of surplus value rather than its realization. This distinguishes them from those who explain the crisis on the basis of underconsumption, who were, and still are, basically Keynesian Marxists … or Marxist Keynesians. The ideas defended by Mattick are part of a broader current, which includes, among others, Souyri in France and Tony Cliff in Great Britain.

Souyri viewed the oil crisis of 1974 as evidence for a reversal of the trend of the cycle of capitalist accumulation that started after the war. [6] In *Le Jour de l’addition* (Insomniaque, 2009). [7] Paul Mattick Jr. (who shares his father’s political views, another aspect Mattick also had in common with Souyri and his son…) also showed how the crisis of 1974 signified a turning point after which capitalism attempted to overcome its crisis of profitability by means of the constant resort to increasing amounts of indebtedness.

For Souyri, classical Marxism (social democracy and its Bolshevik left wing) underestimated the transformations of capitalism and its ability to integrate the working class. For his part, Mattick never ceased to analyze the role played by the organizations of classical Marxism in this process of integration. The debate on the function and the limits of Keynesianism starts from the basis of the verification of this underestimation. Souyri was interested in the question of the transition to planned capitalism, where the State would intervene not only to correct the shortfalls of accumulation, but also to prevent them, in a dynamic that would lead to a rationalized economy.

We know that this idea was also held by eminent theoreticians of social democracy, such as Hilferding. For Souyri this transition rendered the capitalist integration of the proletariat necessary, since the persistence of the class struggle made planning impossible. And this is why, in the 1970s,
he thought he could conclude that this transition, this ability of the State to plan the economy, would not take place.

How are we to judge this idea in view of the current situation? Rather than having been integrated, today’s proletariat is being lacerated by the measures of capitalist restructuring. The capitalist class does not subscribe to this project of rationalizing the economy; instead, it has returned to the idea of laissez faire, and the invisible hand of the market. Thus, the question must be considered from another perspective. This is what Souyri did, for whom, beyond class conflicts, there is “a more profound problem: that of the profitability of capital and its decline” (*La dynamique du capitalisme au XXe siècle*, p. 29). Furthermore, Souyri claimed that the regulatory activities of the State were only possible in periods of growth and that since growth has been interrupted the limits of State intervention have become apparent, “…the first symptoms of the destabilization of the system allow us to establish that the real barriers faced by the continuing accumulation of capital are those that limit the extraction of a sufficient quantity of surplus value” (p. 30). “The crisis of 1974 clearly shows that planning for constant growth is a myth that collapses as soon as the rate of profit declines” (p. 38).

Thus, it is in the problem of profitability and the tendential fall of the rate of profit in the private sector, where one must seek the exhaustion of the Keynesian project, and of its vacillating measures to regulate capitalism. Here Souyri’s views converge with the analysis of the limits of the mixed economy offered by Mattick. For Souyri and for Mattick, “the profitability of private capital has undergone a gradual erosion that has deprived it of its capacity for self-expansion” (p. 35). Keynes also acknowledged this and this is why he attempted to contribute a “solution” capable of preventing a possible social breakdown and its revolutionary dangers. However, Mattick argues that this “solution”, economic intervention, causes the very conditions upon which its effectiveness is based to disappear, and it thus becomes a new problem. The growth of demand by means of State intervention affects general production without actually restoring the profitability of private capital or the possibility of the further extension of accumulation. It increases indebtedness and further exacerbates the insufficiency of private profits.

Today, as we are experiencing the effects of a profound crisis of capitalism, the debates concerning its nature are rare or take place in very restricted forums. There is still a great deal of talk about a “monetary crisis” but this crisis is not actually explained. It is basically the neoliberals who criticize Keynesianism. And the voices that dissent from the official discourse are those of neo-Keynesian economists. This is the case, in France, with the circle of *Les économistes atterrés* and Frédéric Lordon, whose discourses occupy a central place in the post-ATTAC sphere of influence and in *Le Monde Diplomatique*. In one of his most recent articles, Lordon proposes “a great political commitment, the only way to make capitalism temporarily acceptable, the minimum that an even slightly serious social democratic policy must demand (…)”, which, in its essentials, amounts to the acceptance of the destabilization created by capitalism in exchange for a commitment on the part of the capitalists to “assume collateral damage”, and “to make capital pay for disorders which it incessantly inflicts on society with its relocations and restrukturings”. This neo-social democratic “great commitment” would be a pale copy of those of the past; it does not even propose to “correct” or to “prevent” crises, but “to coexist with” and “to pay for the disorders” engendered by the system (Frédéric Lordon, “Peugeot, choc social et point de bascule”, *Le Monde Diplomatique*, August 2012). It is against this ruinous program of the “left” that we may measure the importance of the work of Paul Mattick and his critique of Keynesianism from an anti-capitalist point of view.

Souyri writes: “There is a quantitative difference, which is tending to become qualitative, between an economy in which the public sector is limited and subordinated to monopoly capitalism, and an economy in which the state sector is predominant while the private sector is tending to become residual. Bourgeois society cannot completely nationalize the economy without ceasing to be bourgeois society” (Ibid., p. 18).

This debate concerning capitalism’s dynamic and its possible evolution in the direction of a form of
State capitalism is also present in Mattick’s work. He thought that the limits of the mixed economy would, over the long term, pose the problem of the expropriation of private capitalism due to State expenditures, which are transfers of private profits to the public sector. This dynamic cannot fail to generate opposition from the bourgeois class.

And this “qualitative difference” raises an important political question. Today’s neoliberalism is a militant ideological reaction against this tendency and this threat; it is the acknowledgment on the part of the bourgeois economists of the limits of the mixed economy. However, despite the impact of this anti-Keynesian discourse, the current level of State intervention is higher than it has ever been since the end of the Second World War. And, as Mattick pointed out, any reduction in this intervention plunges the economy into recession. The demise of the neoliberal project is to be found in this narrow margin, between the absence of private capitalism’s “capacity for self-expansion” and the impossibility of the continued increase of State intervention in the economy.

In these conditions, this danger that threatens bourgeois society explains why private capitalists cannot allow interventionist tendencies to proceed unhindered. And it also explains why the neoliberal political tendencies cannot yield. Over the long term, the survival of the bourgeoisie is riding on the outcome of this process. The State is not its prisoner, but it is still its political institution, which it uses to plunder the entire economy, to protect and to assure the functioning of the networks of speculation, and to appropriate profits without, however, actually bringing about a resumption of the accumulation process. Nonetheless, we can imagine a situation of social revolt against which the only way to preserve the capitalist mode of production would be a return to generalized interventionism, and a nationalization of the economy, where even the bourgeoisie would give its tactical support to a “state socialist” program. Once again giving new meaning to Rosa Luxemburg’s observation that Mattick used as an epigraph for his last book: “Bourgeois class rule fights its last battle under a false flag, under the flag of revolution itself.” But the flag of social democracy, of state capitalism disguised as “possible socialism”, is today quite discredited. Social democracy has gotten lost in the swamp of neoliberalism. Given the state of development of society and our accumulated historical experience, we may hope that such a situation would open the door to other possibilities, and to a struggle for social emancipation.

We have not reached that point yet. For now, the capitalists are ruthlessly striving to increase the rate of exploitation with the expectation that they can substantially increase their profits and reverse the tendency towards disinvestment. But Souyri had already written in 1974: “A thoughtlessly retrograde policy with regard to wages could have the effect of causing an increase of desperation and a dangerous rage among the proletariat, without thereby leading to a significant modification of the rate of profit in a positive sense” (“La Crise de 1974 et la riposte du capital”, ibid.). This is the situation in which we find ourselves today.

If the economic depression gets worse it will provoke the disorganization of society. Social struggles will also undergo a qualitative modification. Resistance will not be enough, the subversion of the old social order will seem to some people to be a necessity. From the point of view of capitalism, given the state of accumulation it has attained, in order to reestablish profitability something more than mere super-exploitation will be necessary; the destruction of capital and labor power on a vast scale will be required. Isolated, limited wars, such as the ones that are currently taking place, will not be enough, since capitalism, with its nuclear technology, now finds itself facing its capability for self-destruction.

We are witnessing the dawn of a long period in which capitalism will prove its dangerousness as a system. We are not yet capable of imagining the political consequences. The alternative, social emancipation or barbarism, will once again be posed. The forms that a possible emancipatory movement will assume will be new, as will those of the possible political barbarism, since they are now no longer those of the old fascism, the political and social system of the counterrevolution, a totalitarian variant of State interventionism. Today, reading Mattick and Souyri, among others, can help us to discern where we are heading and which roads we should avoid.
With regard to the current mobilizations against “austerity” measures, which have assumed various forms such as the “Occupy” movement in the United States and the “indignados” in other countries: do you think they are new forms of class struggle? And more generally, what is your analysis of the reactions of the workers to the consequences of the capitalist crisis that the ruling classes have made us endure?

We can begin with the second question. In Spain, in 2011, the banks evicted, obviously with the help of the police, between 160 and 200 persons each month. These figures continue to rise. At the same time, the number of evictions prevented by collective mobilizations has averaged approximately one per day. If the disproportion is enormous, it does not however obviate the fact that there is a powerful movement of opposition against the evictions. It has formed the basis for the development of actions on the part of workers in the street to occupy—they call it “liberate”—vacant real estate that belongs to the banks or real estate corporations. Large agricultural properties (owned by agrobusiness or the banks) are also beginning to be occupied by agricultural wage workers and the unemployed, especially in Andalusia, in the province of Cordoba.

These direct actions are examples of new forms of action carried out by workers who are directly affected by austerity programs. In Europe, the Spanish case is, undoubtedly, the one in which the struggles are becoming most radicalized. And this radicalization, and the popularity of these actions, cannot be separated from the impact of the movements of the indignados, known in Spain as the 15M. In the United States, where the Occupy movement has been crushed by harsh repression on the part of the federal government and the local authorities, the local groups that still support the Occupy movement also persist in the struggle against evictions in poor neighborhoods. These struggles are characterized by the fact that they depart from the purely quantitative framework of immediate demands. They are directed against the law and pose the question of the necessary reappropriation of the conditions of life for those men and women who make the wheels of society turn.

The movements of the indignados have proceeded, with differences and contradictions, in accordance with the specific conditions of each society. They are full of contradictions and ambiguities, but they are unlike anything we have seen before. Where their dynamic has been most intense, where the movement has successfully managed to occupy public space for the longest time, in Spain and the United States, these divergences have ended up assuming an organized form, pitting reformists against radicals. Gradually, the latter tendency, opposed to electoralism and negotiation, has invested its energy and creativity in direct actions, such as support for strikes and occupations of empty buildings, and actions against evictions and against the banks. They dissociate themselves from previous forms of action, they try to come to terms with the dead ends and defeats of the recent past, and they debate principles of engagement and negotiating tactics.

Very critical of the political class and the corruption with which that class is associated, they question, in a more or less extreme way, the very foundations of representative democracy. They seek new methods, they examine the priority of physical confrontation with the mercenaries of the State and are particularly sensitive with regard to the need to extend the movement. They are skeptical of the projects to manage the present situation, and reject today’s capitalist productivist logic and pose the need for a different society. (Courant Alternatif, May 2012 )[8]

These concerns are clearly contrary to the consensual and normative activity of the institutions of the parties and traditional trade unions. The creative energy unleashed by these movements has contributed to their social extension, sometimes beyond what could have been foreseen. One recent example: the great student movement that is shaking the society of Quebec, despite the fact that it began with simple corporative demands.[9]

Among the ideas contributed by these movements, that of Occupation seems to have encountered a widespread echo. As has the proposal that those who have an interest in something must act directly for themselves in order to resolve their own problems. The insistence on grassroots organization has been a driving force for these movements, through the constitution of non-hierarchical collectivities,
which distrust political manipulations, and do not submit to the charisma of leaders. When the most accommodating press (Paris Match and Grazzia, to cite only two recent examples) takes a paternalist interest in the indignados, it is only in order to complain that they have distanced themselves from traditional political life and have refused to give themselves leaders, shortcomings that are obviously referred to as the principle causes of their failure.

In the United States the impact of the Occupy movement and its ideas have been enormous and it is too early to analyze its scope and its consequences. (Occupy, cette agaçante interruption du “business as usual”). [10] If at the beginning it mostly affected the young student-workers living in precarious conditions, who constitute a growing fraction of the “working class” in sociological terms, the movement subsequently attracted, as it did in Spain, the great mass of the damned of contemporary capitalism, the excluded, the homeless and others forced to live itinerant lifestyles. In many large cities these latter categories finally comprised an important part of the street encampments. But Occupy also cultivated relations with the most combative sectors of the workers movement, the rank and file of the trade unions. This says much about the state of development in which the conscious workers find themselves in the dead end of trade unionism faced by the crisis and the violence of the capitalist assault.

The slogan, “We are the 99%”, beyond its reductive simplification, has destroyed the ideological expression, “middle class”, a category that included the entire wage earning class, and every worker, with an average level of consumption, on credit, of course. It also revealed the current tendency of capitalism, the concentration of wealth and power in the hands of a minuscule part of society. Therefore, after Occupy, the concepts of exploitation, class and class society have returned to the surface of public discourse. In a territory-continent as vast as the United States, where conflicts, strikes, and mobilizations are increasingly more separated from each other, the word Occupy from now on constitutes a unifying reference point in every local or sectoral struggle.

The occupation of the street is not the occupation of the workplace. But in the United States and Spain, the spirit of Occupy and 15M has infected the “world of the wage workers”. It finds an echo in the workers who are conscious of the fact that the trade union struggle of the past does not aspire to the overthrow, or even the weakening of the operation of capitalism and the aggressive decisions of the capitalists. Its only objective, faced with the decline of industrial sectors, is to get a higher wage, and to sell their skins for the highest price it can get. In this sense, the struggle of the workers at Continental is a model. To insist on making this or that enterprise viable, or this or that sector, only anesthetizes the victims. The idea of “self-managing” an isolated enterprise seems most ridiculous today, in view of the globalization of capitalism. We can see the kind of form and content the future struggle will assume in the French automotive sector. We shall see if it can unite with other struggles, and other sectors where the capitalist class is getting ready to attack. At first, the government and the trade unions restricted themselves to a discourse of “restructuring”, although the automotive sector is subject to global competition in saturated markets. The militants of the trade union left (the last historical mission of the Trotskyists !) will do what they know how to do best and always have done : create a committee of struggle, obtain access to the enterprise’s account books and demand the prohibition of layoffs. Beyond that, they have nothing to say, or else they censor themselves from saying anything else because of tactical considerations regarding the social, human and ecological meaning of automobile production and regarding how and why they can defend such logic, a production that consumes men and societies.

We could, of course, criticize the movements of the indignados, and draw attention to their contradictions and ambiguities. But how can we compare these movements that have in a few months shaken the foundations of modern societies, with the flaccid condition of the workers struggles, where there is currently not even the slightest alternative proposal, or the least idea of a different world, except for resistance and the desire to return to the recent past, the same past that gave birth to the current disaster ? Are the movements of the indignados a “new form of the class struggle” ? They are actually a form of struggle that corresponds to the current period of the class struggle. They have awakened society and the most conscious elements among the exploited by
making them see the dangers of capitalism, and the need to leave behind the classical litany of immediate demands in order to pose questions about the future of society. The workers movement is old and cannot offer either opposition or alternatives to the ongoing capitalist attacks. It is dying and it would be futile to want to resuscitate it. We have to build a new movement on the basis of the struggles of those men and women who are dissociating themselves from the old principles and forms of action. This will take time. Occupy and 15M, among others, have opened up new roads, and new forms of action. The labor of the Mole will do the rest. It is only a goodbye and the forms and contents of these movements will reappear transformed, somewhere else and at another time, in other movements with new dynamics.

Charles Reeve August 15, 2012

Translated from the Spanish translation by Libcom.

Notes:
3. Les mots qui font peur, Insomniaque.
5. Pierre Souyri (1925-1979)
7. Le Jour de l'addition (Insomniaque, 2009). A longer version of this text was published in the United States in 2012 by Reaktion Books and in Germany by Edition Nautilus.