

# The Cunning of History in Reverse Gear

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## 1. 'List der Vernunft' and the 'Cunning of History'

The Marxist notion of the 'cunning of history' was formulated as a 'materialist standing on its feet' of Hegel's 'Cunning of Reason' (*List der Vernunft*). According to Hegel, the latter is: 'an artful device which, while seeming to refrain from activity, looks on and watches how specific determinateness with its concrete life, just where it believes it is working out its own self-preservation and its own private interest, is, in point of fact, doing the very opposite, is doing what brings about its own dissolution and makes itself a moment in the whole' <1>.

In the Hegelian conception a positive outcome to this clash of particular interests - through their fitting subsumption in the divinely unfolding whole - is a priori assured, since:

The rational, the divine, possesses the absolute power to actualize itself and has, right from the beginning, fulfilled itself; ... The world is this actualization of divine Reason; it is only on its surface that the play of contingency prevails.

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The apologetic character of Hegel's conception of 'being active on Reason's behalf' is brought out with particular clarity in his *Philosophy of Mind*, in his discussion of the ages of man. Hegel's treatment of this problem graphically displays the conservative nature of the liberal theory of 'transition'. For, the moment we reach 'civil society' - the structurally unalterable domain of bourgeois interests - the 'dialectical movement' becomes a pseudo-progression whose meaning resides in preserving all the 'essential' (i.e., structurally unalterable) conditions:

He (the adult man) has plunged into the Reason of the actual world and shown himself to be active on its behalf. ... If, therefore, the man does not want to perish, he must recognize the world as a self-dependent world which in its essential nature is already complete, must accept the conditions set for him by the world and wrest from it what he wants for himself. As a rule, the man believes that this submission is only forced on him by necessity. But, in truth, this unity with the world must be recognized, not as a relation imposed by necessity, but as the rational. ... therefore the man behaves quite rationally in abandoning his plan for completely transforming the world and in striving to realize his personal aims, passions, and interests only within the framework of the world of which he is a part. ... although the world must be recognized as already complete in its essential nature, yet it is not a dead, absolutely inert world but, like the life-process, a world which perpetually creates itself anew, which while merely preserving itself, at the same time progresses.

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In accord with the standpoint of political economy, Hegel uses the organic model of the 'life-process' (which operates with a time-scale radically different from that of the social world) so as to be able to project the semblance of an advancement while constantly reiterating the necessary conservation of the conditions which are said to be 'already complete in their essential nature'. As we can see, in the framework of such an 'organic' conception which takes 'civil society' for granted, the real 'must' of 'necessary submission' is transubstantiated into the fictitious 'must' - in truth an impotent 'ought': a mere Sollen - of 'advancement', culminating in the apotheosis of the philosophies of right,

ethics and religion:

It is in this conservation and advancement of the world that the man's work consists. Therefore on the one hand we can say that the man only creates what is already there; yet on the other hand, his activity must also bring about an advance. But the world's progress occurs only on the large scale and only comes to view in a large aggregate of what has been produced. ... This knowledge, as also the insight into the rationality of the world, liberates him from mourning over the destruction of his ideals. ... the substantial element in all human activities is the same, namely, the interests of right, ethics, and religion.

Thus, the organic character of the 'life-process' fits doubly well into Hegel's scheme of things. First, because it is cyclic-repetitive; and second, in that it exhibits the almost timeless temporality of natural history if measured on the dramatic time-scale of social/political events and transformations. On both counts the model of the 'life-process' can only serve the 'eternalization' of the established conditions.

Accordingly, for Hegel it would have been quite absurd to suggest that the 'cunning of Reason' might bring about a clash of antagonistic interests of such severity whereby it outwits not just the conflicting parties, but simultaneously itself as well, by bringing about the destruction of the 'whole', rather than the 'actualization of divine Reason' through the rational integration of all contradictions as happily interlocking 'moments of the self-sustaining whole' (Hegel). True to the liberal/apologetic 'standpoint of political economy', the conflict of interests was indeed both acknowledged and eternalized in this Hegelian conception. For it assigned to the mere surface what it called 'the play of contingency', thus categorically excluding the possibility of structural changes in the divinely prefigured and permanent whole.

As to the materialist transformation of the 'cunning of Reason', we must be aware of another inherent difficulty: namely, the application of an individualistic model to fundamentally non-individualistic processes and transformations. For Hegel this problem did not exist, for two main reasons:

(1) The time-scale of his organic model was perfectly in tune with the individualistic framework of his conception of interactions, in that he did not have to produce real historical progression out of the chaotic-anarchic interplay of individual wills. Far from it, since the necessary 'outcome' was anticipated from the very beginning as 'already given' and 'already complete', while the interplay of the infinity of individual wills on an infinite time-scale was destined merely to act out what was 'notionally' required by the predeterminations of 'Divine Reason';

(2) The difficulty involved in making the transition from the disparate individuals to the all-embracing universality of the historic process was easily resolved: (a) by a a priori postulating the individuals' unity with the world; and (b) by stipulating a similar unity between the human individual and humanity as such. (In Hegel's words: 'The sequence of ages in man's life is thus rounded into a notionally determined totality of alterations which are produced by the process of the genus with the individual' <5>). As we can see, the mystifying concept of 'genus-individual' mentioned in Marx's *Theses on Feuerbach* is not confined to materialism. It characterises the entire philosophical tradition that shares the

'standpoint of political economy' <6>.)

Thus, the historically relevant individuals were the genus-individuals who necessarily/rationally acted out the divinely prefigured destiny of the species on the corresponding time-scale of the 'perpetually self-renewing life-process', in relation to which the aberrations of the 'play of contingency' could only produce a mere ripple on the surface.

There are no such avenues open to a materialist conception of history. It is therefore rather perplexing to see how Engels uses the 'cunning of history' - the 'resultant' of the many conflicting individual wills - to explain historical movement:

That which is willed happens but rarely; in the majority of instances the numerous desired ends cross and conflict with one another. ... Thus the conflicts of innumerable individual wills and individual actions in the domain of history produce a state of affairs entirely analogous to that prevailing in the realm of unconscious nature. The ends of the actions are not intended; ... Men make their own history, whatever its outcome may be, in that each person follows his own consciously desired end, and it is precisely the resultant of these many wills operating in different directions and of their manifold effects upon the outer world that constitutes history.

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If this is an accurate account, it is somewhat mysterious why some kind of an order (history) rather than total chaos should result from the many wills relentlessly pushing in 'innumerable different directions'.

The 'cunning of history' as the lawful resultant of millions of self-oriented centrifugal forces is not a very plausible explanation of history. For if there is no cohesion or direction of some sort already in the individual wills themselves (though, of course, not in their every momentary or capricious fluctuation), then one would either need some magic power to account for the ultimate cohesion and movement, or one would be forced into a position that tends to underestimate the importance of conscious individual determinations in favour of some 'inner general laws' and separate 'historical causes'. As a matter of fact, there are times when Engels's formulations fall into the second category. (As, for instance, when he insists that: 'the course of history is governed by inner general laws. ... the many individual wills active in history for the most part produce results quite other than those intended - often quite the opposite; their motives, therefore, in relation to the total result are likewise of only secondary importance. ... What are the historical causes which transform themselves into these motives in the brains of the actors?' <8>.)

✦ The genus-individual and the 'cunning of Reason' represent Hegel's way of avoiding the conclusion of anarchy and chaos while conveniently retaining the individualistic framework of eternalised 'civil society' in which fundamental social antagonisms are mystifyingly transubstantiated into individual conflicts. Neither the genus-individual, nor the 'cunning of Reason' are suitable to be assimilated into a materialist conception of history, because they represent two sides of the same coin. Together with Hobbes's bellum omnium contra omnes (war of all against all), they belong to a certain type of theory with which Marx's conception of the social individual - oriented and motivated within a framework of a specific social consciousness - has really nothing in common.

The fundamental difference between a speculative and a materialist conception of history is not established by renaming the 'cunning of Reason' as the 'cunning of history', but by identifying the dynamic constituents of actual historical development in their radical openness: i.e., without any preconceived guarantee of a positive outcome to the clash of antagonistic forces. This is why in the Marxian conception the 'new historic form' can only be intimated (Grundrisse), since its actual constitution involves the neces-

sity (the one and only 'inevitability' in these matters) of traversing the nuclear minefield of capital, with its far from happy implications for history itself. Marx firmly stated that:

A social order never perishes before all the productive forces for which it is broadly sufficient have been developed, and new superior relations of production never replace older ones before the material conditions for their existence have matured within the womb of the old society. Mankind thus always sets itself only such tasks as it can solve, since closer examination will always show that the task itself arises only when the material conditions for its solutions are already present or at least in the process of formation.

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The actual historical development is, thus, by no means closed here, notwithstanding the vulgar-fatalist view attributed to Marx by some followers and adversaries alike. For he only talks about the process of formation of the material conditions of a possible solution (which is 'necessary' in the non-fatalist sense of being required, as well as in the equally non-fatalist sense of predicating the ultimate maturation of the contradictions themselves, but in no way the happy solution of these contradictions). And though the sentence that follows the last quote - 'The prehistory of human society therefore closes with this social formation' <10> - might create the impression of a closure, even there the issue is simply to stress that inasmuch as the process is successfully accomplished, it marks a qualitatively new phase in the development of mankind.



To claim that Marx guarantees the 'inevitability' of socialism, on the sole ground of the ongoing (and far from finished) formation of the material conditions of a possible solution - while, in fact, he dedicated his whole life to the task of realising some other vital conditions, such as the elaboration of an adequate socioeconomic theory and political strategy - is nothing short of preposterous. His statement is concerned with the general tendencies of a certain type of social development: one marked by the rather blind determinations of 'prehistory' in which the 'cunning of history' is allowed to run riot. That is to say, it is not concerned with the tortuous ways, and disconcerting transitional specificities, through which the formation of the material and non-material conditions of a possible solution may be retarded, endangered, and even reversed for a shorter or longer period of time, under the ever-increasing pressure of capital's global articulation through which 'alle Widersprüche zum Prozess kommen' ('all contradictions come into play') <11>.

## 2. The Reconstitution of Socialist Perspectives

How did it come about that the 'cunning of history' - which was supposed to help, so to speak ex officio, the rising historical forces against the old ones, so as to secure the actualisation of the new order - instead of doing its job, went into reverse gear and started to move in the opposite direction, extending beyond recognition the vitality of that 'social anachronism' which seemed to be on its last leg (as

the 'last possible form of class rule', etc.) in the middle of the nineteenth century? And, in view of the fact that these developments did not take place in the Hegelian speculative universe but on the real ground of human history, what are the chances and conditions of bringing to a halt this reckless driving at full rearward speed towards the precipice, with visibility confined to the miserable little rear-view mirror: a far cry indeed from the claimed totalising vision of the 'cunning of Reason'?

The answer to the first question presents itself in two parts, in that:

(1) since the middle of the nineteenth century the socialist forces developed some internal contradictions whose negative impact well exceeded the depressing prospects that already induced Marx to draw the sad conclusion in his Critique of the Gotha Programme: dixi et salvavi animam meam (I said it and saved my soul), 'without any hope of success', as he himself put it; and

(2) in the same period of time capital itself succeeded in significantly changing its character and mode of operation: not with respect to its ultimate limits, but as regards the conditions of maturation of its contradictions as known to and theorised by Marx.

As to the second question, concerned with changing the present situation for the better, the answer obviously depends on the full maturation of the contradictions themselves. For only this objective process can block both 'the line of least resistance' and the existing outlets for the displacement of the contradictions, on both sides of the social antagonism.

If it is true that a social order never perishes before all the productive forces for which it is broadly sufficient have been developed, this truth has far-reaching implications for the ways in which a particular social formation may be replaced by another. For it is not a matter of indifference in this respect, whether a crisis leads to a total breakdown and collapse of the social order in question - in which case the productive forces obviously cannot be further developed within its framework - or, under the impact of a major crisis, new modalities of functioning are introduced in order to prevent that breakdown. Once, however, such changes are introduced, they become more or less consciously adopted - at any rate integral - parts of the new set of 'hybrid' relations, thus radically redefining the terms in which a subsequent fundamental (i.e., not just 'periodic') crisis may be envisaged. This is because the 'hybrid' adjustments have significantly extended the potentialities for a continued development of the productive forces within the established framework, thereby imposing the need for a profound re-adjustment also in the strategies of the adversary.

In this sense, the old order's viability is now positively affected to a degree simply unimaginable before. Nor should one assume that this is a 'once only' option. On the contrary, such changes generate the conditions of their own self-renewal, by injecting a number of new 'variables' - each with objective characteristics and potentialities of its own - whose interplay becomes yet again the objective ground for generating new potentialities and their combinations, carrying with it the further extension of the earlier limits and productive powers (though, of course, not the ultimate limits) of the established social order. And since the forces involved in such interchanges are themselves inherently dynamic social forces, with consciousness (and 'false consciousness') of their shifting interests, on both sides of the fundamental social antagonism, these readjustments must be conceptualised as an ongoing process whose ultimate or 'absolute' limits cannot be readily prefigured, although they exist nonetheless. The more or less explicit denial of such limits produces the futile submissiveness of 'revisionist' or 'social democratic' perspectives (from Bernstein to Anthony Crosland and his even smaller present-day followers), while their voluntaristic direct translation into crisis-consciousness assumes equally damaging political form, from varieties of Stalinism to manifestations of small-group sectarianism

which imaginarily act out the 'permanent revolution' by adopting the psychology of a permanent state of emergency.

The ultimate limits mentioned above concern the broadest historical conditions of the process, and not its transient fluctuations. For so long as these transformations unfold on an antagonistically contested terrain, no emancipatory step is safe from the dangers of retrogression, no matter how favourable the ultimate historical relation of forces for the 'new historic form' might be once the old order fails to develop the productive forces. While the social confrontations effectively persist, the outcome remains fundamentally open. This is because the stakes in the actual confrontations are not summarily 'everything or nothing' - except in very rare situations of quasi-apocalyptic crisis (and even then not for long) - but the solution of this or that particular set of problems or contradictions, with the possibility of regrouping after a partial defeat, or, indeed, of losing out as a result of the unsuspecting consumption of some indigestible fruits of victory.

It is in the innermost nature of the confrontation between capital and labour that neither of the two principal antagonists can be simply left slaughtered on the battlefield. The 'abolition of capital' as an act (in contradistinction to a long-drawn-out process of restructuring) is just as completely unrealistic as the 'abolition of the state' or the sudden 'abolition of labour'. The three stand and 'fall' together. (In fact Marx speaks of 'Aufhebung', which is a complex historical process of 'supersession-preservation-raising to a higher level'.) This makes the transition to socialism not only complex but, at the same time, opens up a vast terrain for the manifestations of the supposedly benevolent 'cunning of history' at its worst.



When Malenkov was First Secretary of the Soviet Party, he summed up his view of history by assuring his audience that since the first world war resulted in the victory of the Soviet Revolution, and the second was instrumental in the emergence of the Peoples' Democracies and China, the third world war will produce with historical inevitability the victory of socialism all over the world. The whole thing now sounds like a macabre joke, although Malenkov was speaking quite seriously, on a solemn occasion. The point is, though, that no reassurance can be derived from the broadest general perspectives of historical development. For the issues are always decided in their actual context, on the ground of their shifting social/historical specificities, transitional determinations, as well as retrogressions.

Thus, the historical perspectives of a socialist transformation cannot be simply reaffirmed. They must be constantly reconstituted on the basis of fully acknowledging the actual transformations (by no means always for the better) of the social forces involved in the changing confrontations. If we cannot account for the negative aspects of social development since Marx's death as they affect the prospects of a transition to socialism, any amount of faithful self-

reassurance is bound to sound like singing in the dark.

As we know, Marx unequivocally stated that each nation is 'dependent on the revolutions of the others', and, therefore, 'communism is only possible as the act of the dominant peoples "all at once" and simultaneously, which presupposes the universal development of productive forces and the world intercourse bound up with them' <12>. Many years later - in fact as late as 1892 - Engels reiterated essentially the same position by saying that 'the triumph of the European working class ... can only be secured by the co-operation of at least England, France and Germany' <13>.

In the same work of 1845 in which Marx spoke of the simultaneous revolutions of the 'dominant peoples', he also considered, as an exception to the rule, the possibility of a socialist revolution erupting in an underdeveloped country, as a result of uneven development. In his view, thanks to the objective potentialities of the latter, 'to lead to a collision in a country, this contradiction need not necessarily have reached its extreme limit in that particular country. The competition with industrially more advanced countries, brought about by the expansion of international intercourse, is sufficient to produce a similar contradiction in countries with a less advanced industry (e.g., the latent proletariat in Germany brought into more prominence by the competition of English industry)' <14>.

Another important passage of this work explored the problem of uneven development both internally and in its broadest international context:

It is evident that large-scale industry does not reach the same level of development in all districts of a country. This does not, however, retard the class movement of the proletariat, because the proletarians created by large-scale industry assume leadership of this movement and carry the whole mass along with them, and because the workers excluded from large-scale industry are placed by it in a still worse situation than the workers in large-scale industry itself. The countries in which large-scale industry is developed act in a similar manner upon the more or less non-industrial countries, insofar as the latter are swept by world intercourse into the universal competitive struggle.  
<15>

Thus, alternative types of development for the eruption of socialist revolutions were also considered by Marx and Engels, even if they were not put into the foreground of their overall strategy.

As it happened, actual historical developments disregarded the rule and produced a complicated variant of the exception. Naturally, Marx's adversaries never ceased to repeat ever since, with self-congratulatory delight, that history refuted Marxism. Let them have their fun while they can, since they refuse to see the obvious: namely, that what really matters is the undeniable fact of the eruption of such revolutions, and not their particular variations under determinate historical circumstances. And in any case, Marx did not leave this problem in the form in which it appeared in The German Ideology, indicating the possibility of socialist revolutions in less advanced countries. He developed that idea further, in his correspondence with Vera Zasulich, with regard to the specific conditions - and potentialities - of Russia where the anticipated revolution later unfolded.

While recalling this, it is nevertheless important to recognise the weighty implications of the fact that once the exception succeeds in asserting itself on the scale at which it actually did, from then on it becomes the rule in relation to which everything else has to adjust itself.

To be sure, ideally 'it would have been better', had the original hopes and expectations prevailed. For such bewildering act of the real 'cunning of history', whereby the exception is turned into the rule, is bound to prolong the 'birthpangs of the new historic form'. However, actual history does not deal in counterfactual conditionals. The emergence of 'brute facts', produced by the complex inter-

play of multi-faceted social/historical forces, always significantly reconstitutes the ground itself on which further action may and must be carried on.

In this sense, social history is really made of exceptions. For its 'laws' are tendencies actualised by particular social agencies - which follow conscious aims and, within limits, constantly readjust their actions in relation to the more or less successful realisation of those aims - and not physical laws of the natural universe that carry radically different determinations, on an incomparably longer time scale. On the model of the natural sciences, the unexpected occurrence of the exception could be treated as an aberration, reasserting thus the validity of the original rule. In the social universe, however, there are no such solutions (or consolations). There is no way of going back on the world historical impact of events like the October revolution, since they create radically new equations for all social forces, as well as for the original terms of the theory. Once such monumental 'exceptions' consolidate themselves, any continued insistence on an eventual return to the 'classical rule' would be like 'waiting for Godot'.

### 3. The Emergence of Capital's New Rationality

Today it remains as true as ever that 'communism is only possible' as the sustained action of the 'dominant peoples', but its conditions of realisation have fundamentally altered. It would be an oversimplification to say that this change occurred suddenly, in 1917, although the Soviet revolution, obviously, brought an immense further change in the complex determinants involved.

The point is that the emergence and consolidation of several important factors many years earlier pointed in the same direction. To sum it up in one sentence: the transition to socialism has become incomparably more complicated in view of the fact that capital, in response to the challenge presented by the development of the socialist movement, acquired a 'new rationality' as a form of self-defence and a way of counter-acting or neutralising the gains of its adversary. While this new rationality did not and could not mean the elimination of its 'irrationality' and 'anarchic character' noted by Marx, it nevertheless significantly extended the earlier limits. (It must be stressed though that these characteristics were never treated by Marx himself - unlike some of his followers - as absolute determinations, but as relative and tendential factors, affecting the relationship of the parts with the whole, as well as the contradiction between the immediate measures and their long-term consequences. In this sense, partial and short-term rationality was never denied to capital; only the possibility of a successful and lasting integration of the partial determinations in a comprehensive whole, which is evidently a question of limits.)

Let us have a brief look at some of the most important aspects of this problematic.

(1) The Marxist theory of class consciousness - including its treatment by Lukacs - is in need of 'significant modification' (Lenin). While the concepts of 'class of civil society', 'class in civil society', and 'class for itself' remain valid as far as they go, they obviously do not go far enough and cannot come to grips with a number of serious difficulties. The problem is not merely that Marx's discussion of classes in Volume III of Capital is broken off at its very beginning, but that later developments modified in reality itself some important characteristics of the class consciousness of both capital and labour. (One might legitimately ask here: is it purely coincidental that Marx's analysis of classes in Capital was interrupted - six years before he died - precisely at the time when the new complications, arising out of these developments, just started to become visible? Or, could it be, perhaps, that such new problems added to Marx's internal difficulties which are identifiable also in other contexts?)

The 'latent proletariat' (Marx), for instance, has been 'actualised' in every major country; and by no means always

in the sense in which it had been anticipated. To mention only one important aspect of this problem: the proletariat, through its - however 'partial' and 'short term' - interests in the prevailing capitalist order in the countries of some 'dominant peoples', has also become a 'class of civil society', against the original expectations. And unless the timescale of such developments, as well as the conditions of their reversal, are defined with some precision, the various theories of 'working class integration' will continue to exercise their disorienting influence.

Similarly, the limitations of bourgeois class consciousness need a more realistic assessment than we have become accustomed to. This concerns above all the ruling class's ability to unify to a very large extent its fragmented constituents in line with its overall class interests, both internally, vis-à-vis its indigenous working class, and externally, in its confrontation with the international dimension of labour's self-emancipation. All these problems directly or indirectly involve the need for a thorough reexamination of the relationship between the ruling class and the state, in its comprehensive international as well as local setting. In other words, it requires a sober reassessment of the ruling class's ability to reproduce, relatively undisturbed, the totality of state and inter-state relations, despite their inner contradictions: safeguarding, thus, a vital precondition to the continued survival of capital in the global framework of the world market.

(2) Politically, the ruling class responded to the challenge of its adversary by more or less consciously 'suspending' some of its sectional interests and divisions. This trend came to the fore with dramatic force at the time of the Paris Commune: brutally suppressed within a short time, thanks to Bismarck's complete turnabout, releasing the French prisoners of war against the Communards and providing thus a most devastating material, political and military proof of bourgeois class solidarity. Nor did it all stop just there. For Bismarck was busying himself in 1871-1872 with the establishment of an international framework of action against the revolutionary movement. In October 1873 his plan was in fact implemented, through the formation of the Three Emperors' League of Germany, Russia and Austria-Hungary, with the conscious unifying aim of taking common action in the event of a 'European disturbance' - caused by the working class - in any particular country.

At the same time, this shrewd representative of the ruling classes internally did not confine his strategy to repressive measures such as his Anti-Socialist Law, a fitting equivalent at home to his international scheming. He simultaneously pursued the - complementary - plan of trying to accommodate the German working class, and by no means entirely without success. Indeed, one of the main reasons why Marx truly detested Lassalle was his conviction that Lassalle was 'intriguing with Bismarck' <16>. Furthermore, certain practical measures, introduced into the economy by the 'Iron Chancellor', created such confusion among socialists that Engels had to take them to task in no uncertain fashion:

Since Bismarck went in for State-ownership of industrial establishments, a kind of spurious socialism has arisen, degenerating, now and again, into something of flunkeyism, that without more ado declares all State-ownership, even of the Bismarckian sort, to be socialistic.

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In the long decades that followed the defeat of the Commune, the bourgeoisie on the whole successfully maintained its claim to being the 'national class', as the fate of Social Democracy during the First World War clamorously demonstrated. Even with respect to colonialism, the class as a whole emerged stronger than ever after the end of its direct political-military rule, despite the fact that sections of the British and French ruling classes suffered a temporary set-back through the dissolution of their Empires. It did so by instituting in the form of neo-capitalism and neo-colonialism an incomparably more 'rational', 'cost-effective'

and dynamic system of exploitation than the earlier version of direct colonial/military domination.

Parallel to these developments, the ruling class as a whole successfully adapted itself in international terms to the loss of vast areas of the planet - the Soviet Union, China, Eastern Europe, parts of South East Asia, Cuba, etc. - and internally strengthened its position through the invention and successful management of the 'mixed economy', the 'welfare state', and the politics of 'consensus'. And last, but definitely not least, the institution (again, by the ruling class as a whole) of a 'new international order' which succeeded in eliminating - in what was supposed to be the 'Age of Imperialism and inevitable world wars' - violent collisions among the major capitalist powers for more than forty years now, and, given the existing constraints with regard to the possible consequences, it looks like doing so indefinitely.

We must remember in this respect that Stalin repeated as late as 1952 - in a work hailed as his 'political testament' - his fantasies about the benevolence of the 'cunning of history', by proclaiming his belief in the inevitability of another imperialist world war and through it the self-destruction of capitalism, insisting that the fundamental contradiction was among capitalist powers and not between 'capitalism and socialism'. Thus he assumed a totally anti-Marxist position, since Marx always maintained that the basic social antagonism was between capital and labour, while the contradictions between particular capitals were secondary and subordinate to the former. This is how Stalin 'argued' his case, in a chapter entitled 'Inevitability of Wars between Capitalist Countries':

Take, first of all, Britain and France. Undoubtedly, they are imperialist countries. Undoubtedly, cheap raw materials and secure markets are of paramount importance to them. Can it be assured that they will endlessly tolerate the present situation, in which, under the guise of 'Marshall plan aid', Americans are penetrating into the economies of Britain and France and trying to convert them into adjuncts of the United States economy, and American capital is seizing raw materials and markets in the British and French colonies and thereby plotting disaster for the high profits of the British and French capitalists? Would it not be truer to say that capitalist Britain, and, after her, capitalist France, will be compelled in the end to break from the embrace of the U.S.A. and enter into conflict with it in order to secure an independent position and, of course, profits?

Let us pass to the major vanquished countries. Germany (Western) and Japan. These countries are now languishing in misery under the jackboot of American imperialism. Their industry and agriculture, their trade, their foreign and home policies, and their whole life are fettered by the American occupation 'regime'. Yet only yesterday these countries were great imperialist powers and were shaking the foundations of the domination of Britain, the U.S.A. and France in Europe and Asia. To think that these countries will not try to get on their feet again, will not try to smash the U.S. 'regime', and force their way to independent development, is to believe in miracles. ...

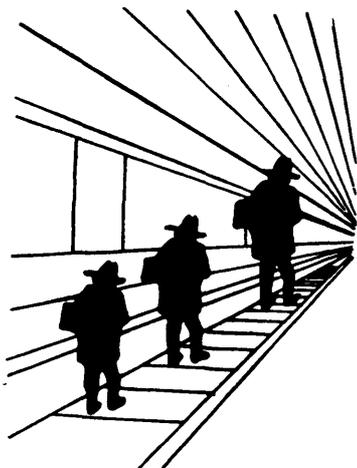
What guarantee is there, then, that Germany and Japan will not rise to their feet again, will not attempt to break out of American bondage and live their own independent lives? I think there is no such guarantee. But it follows from this that the inevitability of wars between capitalist countries remains in force.

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Written at a time when German and Japanese 'economic miracles' were already in full swing, not to mention the first major steps for establishing the EEC, the logic of these lines - 'I think ... therefore ... it follows' - was truly remarkable, on account of its subjectivism and voluntarism.

The relevance of the change in inter-capitalist rivalry

must be assessed in its broadest context. For as a logical extension of competition at its most extreme, violent collisions among capitalist states used to constitute an integral part of capital's development and normal functioning. Thus, the change we have witnessed in this respect provides a major proof of capital's ability to rectify some of the most perverted aspects of its irrational rationality, even if such change came about through the nuclear constraint, and not as a result of a positive deliberation. At the same time it must be stressed that the question of limits is all-important also in this respect. For this forced expansion of capital's rationality simultaneously deprives it of its ultimate competitive weapon: the destruction of its antagonist. This, in its turn, blocks a formerly vital avenue for the displacement of contradictions, and thus reactivates some explosive tendencies of the internal social dynamics, with potentially extreme severity.



(3) In the last hundred years the capitalist order has gone through some major economic developments whose impact greatly extended its rationality and ability to cope with its problems. While the first 'mainstream' reaction to the new tendencies was always rather narrow, the more imaginative representatives of the ruling class tended to prevail in the longer run. This was because they received powerful support from the beneficial economic developments themselves, which objectively changed the conditions in favour of the adoption of - from the point of view of the class as a whole - more rational policies and measures.

To mention but a few:

- the successful development of the consumer economy <19>;
- the adoption of Keynesian strategies in the aftermath of a disastrous economic crisis;
- the acceptance of nationalization on a substantial scale;
- the flexible adaptation of capital to the demands and strains of the 'mixed economy';
- the establishment of the International Monetary System and the creation of a large number of multinational institutions (from the EEC to EFTA, GATT, IMF, etc.), in conformity with the overall interests of capital;
- the so far highly successful adaptation of the bourgeois national state to the needs of the 'multinationals' and to the expanding system of the 'military-industrial complex';
- the formation of a growing network of highly profitable economic relations with postcapitalist societies;
- the successful operation of a global system of domination which maintains the 'third world' in paralyzing dependency, supplying the bourgeoisie not only with vast resources and outlets for capital-expansion, but also with a revenue large enough to offset to a significant extent the tendential fall in the rate of profit. And while the aggressive fantasies of a military 'roll-back' of 'actual socialism' proved to be an utter failure, the success of neo-capitalist penetration through its growing economic tentacles represents a much

more serious danger in this respect.

To understand the relative importance of the latter trend, we have to bear in mind that the indebtedness of several East European countries - especially Poland and Hungary - to Western capitalism is quite phenomenal. Hungary, for instance, is in debt to the tune of approximately 1,000 dollars per head of population. (Given the lower level of income in these countries in comparison with their Western counterparts, the per capita debt is thus even higher than it appears at first sight.) Naturally, such debts must be serviced, and the sheer magnitude of interest payments alone may impose enormous strains - as the Polish economy testifies - on the countries concerned. Not to mention the ironic consequences of importing inflation into the 'planned economy' with the blessings of Western capital. And this is only one of the many ways in which the growing network of economic relations functions in capital's favour. Others include:

- disproportionately one-sided trade relations;
- exporting, for the sake of Western currency, goods in which there is a shortage at home (including food, disregarding even the danger of food riots, as we have seen in the case of Poland);
- developing certain sectors of the economy primarily for the sake of Western markets;
- producing finished products on behalf of capitalist concerns, for sale abroad;
- subcontracting for the supply of components to Western firms;
- production under capitalist licence and disbursing the concomitant royalty payments;
- purchasing entire capitalist plants, involving, again, substantial royalty payments, sometimes for antiquated products and processes;
- highly inflated 'unofficial' conversion rates for Western currency, in the context of the tourist trade and elsewhere;
- constructing luxury hotels and even gambling casinos (economic 'no-go areas' for the local population) and leasing them to Western enterprises on terms highly advantageous to the latter.

Moreover, we can also identify some baffling developments that display the direct negative impact of East European societies on the livelihood and struggles of the Western working class itself. Thus, three years after this essay first appeared in Italian <20>, the Hungarian periodical Magyar Hírek <21> proudly reported that:

This year 280,000 blue jeans will be produced under the licence of the English Lee Cooper firm by the Karcag factory of the Budapest Clothing Cooperative. This quantity is more than double the number of farmer trousers (the Hungarian name for blue jeans) they made last year.

By coincidence, the same week it was announced in Britain that the Levi-Strauss firm - a major competitor of Lee Cooper's - was closing down two of its Scottish factories, adding 500 more workers to the already very high number of unemployed in Scotland. While the date is, of course, a mere coincidence, the real connection is very far from being accidental. It represents, in fact, one of the many ways in which Western capitalism can turn its ability to exploit even the relatively underpaid East European workforce to its own advantage and use the mobility of capital - while preaching the 'need for labour mobility' as the magic remedy for unemployment - against its own labour force.

Another significant, as well as extremely painful, example has been provided by the doubling of Polish coal exports to Margaret Thatcher's Britain during the miners' strike. Indeed, to make things worse, this happened under circumstances where Lech Walesa's Solidarnosc organisation (in contrast to some local groups of Polish workers) failed to make so much as a verbal gesture of solidarity towards the British miners.

But perhaps the most ironic case is the one that raised

some eyebrows even in conservative newspapers. As The Times reported on 11 April 1985:

Mr Eddy Shah, the owner of Messenger Group Newspapers, will print his new national newspaper on presses leased through the London Subsidiary of the Hungarian National Bank, it was disclosed yesterday. The financial alliance has taken unions by surprise, as the Hungarian International Bank is wholly controlled by Hungary's Communist Government.

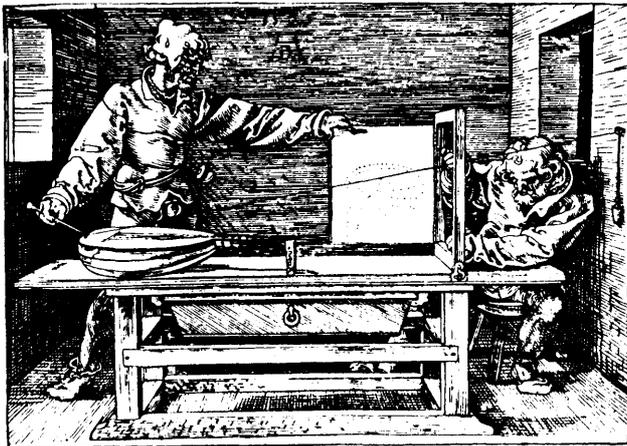
Mr Shah is widely seen as an anti-union employer, since he defeated the National Graphical Association in late 1983 in a dispute at his Warrington works over the closed shops.

Mr Shah said he had approached several British banks and financiers, but they were all 'scared of the political implications'. ... Mr Tim Newling, managing director of Hungarian International, said his Hungarian directors had been consulted and had agreed that Mr Shah's plan 'stacked up very well'.

What is particularly disturbing about such 'purely financial' deals is not merely that a socialist country should get involved at all in the business of someone who is 'widely seen as an anti-union employer', but that it should acquire - of necessity, on account of the 'risk capital' which it puts at the disposal of its curious business partner - a stake in the success of an enterprise that could not help being intensely political (and no one has any doubt on which side of the political divide) even if Mr Shah wanted his national newspaper to stand above politics.

One could go on, but there is no need to do so. For the trends and measures already listed are more than sufficient to show that such developments are quite serious as regards their weight and impact on the societies of 'actual socialism' even as things stand today, not to mention their implications for the future.

In view of all these transformations, we may well find Engels's optimistic assertion - according to which 'The capitalist has no further social function than that of pocketing dividends, tearing off coupons, and gambling on the Stock Exchange, where the different capitalists despoil one another of their capital' - somewhat premature and utopian <22>. The problem is not simply that certain expectations did not materialise. Much more important is the positive aspect of this issue: namely that the intervening developments created some objective conditions and functions which must be realistically tackled, by devising a suitable alternative to the existing - significantly rationalised - mode of functioning of present-day capital. For a one-sided negation carries with it the danger of merely losing the instruments of capital's undoubtedly limited, but within its limits most effective, rationality, finding oneself badly entangled in chronic economic difficulties of which the societies of 'actual socialism' provide many an unhappy example.



#### 4. Contradictions of an Age of Transition

The negative consequences of the same period of development for socialist forces may be summarised much more briefly, since the obverse side of capital's success - given in the form of fairly obvious negative implications on each point mentioned above - need not be spelled out here. Nevertheless, it is necessary to underline some particularly important problems.

In the first place, the split of the socialist movement into radical and reformist branches, as well as its fragmentation into national particularisms, against the expectations of a growing international cohesion, remain a major challenge for the future. Similarly, the institutionally entrenched opposition between (ineffective) theory and self-sustaining (manipulative-bureaucratic) political practice shows very few signs of changing, and thus remains an equally serious problem for socialists today.

On another plane, the immediate pressures on the Western working class movement - for securing and safeguarding employment; for improving or even just maintaining the attained standard of living; etc. - make it objectively interested and involved in the continued success of 'organised capitalism', with the concomitant temptations of complicity in sustaining even the 'military-industrial complex', with the frightening 'justification' that the latter is a major provider of jobs. An equally striking complicity is manifest in the 'metropolitan' working class's participation, as a beneficiary, in the continued exploitation of the so-called 'third world': an integral, but structurally dependent and exploited part of the one and only real world.

As to the 'societies of actual socialism', even today we are still very far from the end of the process of socialist accumulation'. Which means that for a long time to come we must continue to suffer the consequences of the 'brute historical fact' that it was not the 'dominant peoples all at once and simultaneously' who initiated the 'socialist revolution, but a tragically underdeveloped country, under the strain of massive internal and external pressures, sacrificing too much - a great deal of its own socialist forces - in the course of defending itself while trying to accomplish an aim (the production of the 'material presuppositions and preconditions') which Marx simply - and from the epochal frame of reference of the overall theory justifiably - took for granted. Furthermore, under the impact of the arms race, with its astronomical and still multiplying costs, every partial socialist achievement is constantly endangered and potentially nullified. The issue is not only the staggering, and ill affordable, size of the material resources themselves which must be locked up in arms production, instead of developing and satisfying the needs of Marx's 'rich social individual'. It is equally a question of the overall orientation of the economy, directly or indirectly linked to the requirements of 'high technology' arms production, in competition with Western capital; not to mention the type of social control which is suitable to keep in tune with such an economy.

It transpires, thus, that the 'cunning of Reason' today is, at best, a simpleton, and the 'cunning of history' is bent on terminating history itself.

But even so, it would be quite wrong to take them too seriously and draw unduly pessimistic conclusions. For while time is not necessarily on our side, the objective limitations of capital as such should not be understated.

This takes us back to the all-important question of the ultimate limits which remain in operation - this cannot be stressed enough, precisely because they often slip out of sight - at all times. They remain operative even when a successful readjustment and extension of the earlier limits creates an economically and politically stable and, for the 'old order', favourable situation for a relatively long period of time. They operate underneath all adjustments by circumscribing the range of feasible options, thus emphatically preventing the successful reversal of the

fundamental trends themselves. In this sense, but in this sense only, there is a real irreversibility of historical time, even if its particular moments must be treated with utmost care and sober evaluation.

On a historically relevant scale, an age of transition is initiated the moment the dominant forces of the old order are forced by an acute crisis to adopt remedies which would be totally unacceptable to them without that crisis, introducing, thus, an alien body into the original structure, with ultimately destructive consequences, no matter how beneficial the immediate results.

To be sure, any self-respecting oyster would strongly object to the injection of sand - a nasty irritant - into its flesh. Yet, once it is there, the oyster manages not only to survive for a considerable time, but even to produce a shiny pearl which may appear to have solved the problems forever, by multiplying perhaps a millionfold the oyster's value. As we know, however, none of the real problems of our world are solved by pearl production. Nor is it the case, as reformists think, that the introduction of sand into capital's flesh, and the ensuing multiplication of its value, turns capital-oyster into a transitional formation happily on its way to the Social-Democratic paradise and its strange idealisation by the propounders of 'market socialism'. For an oyster is an oyster - and eventually a dead oyster - no matter how inflated its exchange value.

The age of transition to socialism - our inescapable historical predicament - does not mean in the slightest that the various countries involved in such transformation all actually exhibit a determinate degree of approximation to the socialist goal on a linear scale. It does not even mean that we are bound for sure to get there, since the frightening and ever-increasing accumulation of the powers of destruction - thanks to the suicidal inclinations of the 'cunning of history' - may precipitate us into Rosa Luxemburg's 'barbarism', rather than guaranteeing the socialist outcome.

Nevertheless, we may speak of the age of transition to socialism meaningfully in that:

(1) We are beginning to witness a change in the relation of forces, with a tendency toward diminishing returns for capital on its adoption of measures and remedies of increasing severity and 'foreignness' in terms of its own character and fundamental constitution. It is enough to think in this respect of the qualitative difference between the earlier nationalization of certain branches of industry, which could be easily turned into extended support bases and welcome forms of subsidy for private capital - such as the transport system and energy production - and the more recent nationalization of some necessarily competitive sectors, like the motor car industry, for instance, which represented a very mixed blessing indeed. In other words, the first type of nationalization produces benefits to the totality of capital, reducing its 'unit costs' through the provision of cheap energy and transport (a form of subsidy out of general taxation), in addition to maintaining in existence areas of economic activity which are absolutely vital to the social metabolism itself, after the disastrous failure of private capital to operate them the only way it would and could: namely, in the interest of profit. Besides, the fact that the substantial losses of many such operations must be balanced, by definition, from the general tax revenue also provides the welcome ideological weapon through which private capital can turn its failure into a propaganda victory, by making a meal out of the loss-making character of 'public enterprise' as such, when in fact the very existence of capitalistically nationalized and managed 'public enterprise' represents the living proof of its own growing structural bankruptcy. At the same time, when the formerly denounced 'public enterprise' becomes profitable, it can be conveniently denationalized, without acknowledging, of course, the role of the public purse in giving to a formerly failed private firm (or even to a failed branch of industry) a capitalistically viable new lease of life.

By contrast, the second type of nationalization is inher-

ently divisive - in virtue of its competitive potential - hence subject to the most intense controversy among various sectors of capital. (We may recall in this respect the bitter sectional-capitalist denunciation of the 'waste of money', addressed to the Conservative Government, for financing the 'survival plans' of both British Leyland and the British Steel Corporation.)

Naturally, nationalizations of the second type are implemented not for their own sake, but primarily because the survival of the firms in question - including some former pillars of British capitalism, like Rolls Royce - directly or indirectly affects the fate of a large number of other capitalist firms. The divisive competitive dimension comes to the fore with particular intensity at times of recession, when on the one hand the impact of the nationalized product may bankrupt other firms, and on the other, the fight for state funds is greatly intensified by an ever-increasing demand for a diminishing real revenue. (Endemic inflation has its causes to a significant extent in these and similar factors.)

(2) Capital is presented with a dangerously narrowing range of feasible alternatives to the full activation of its structural crisis. Thus:

- the shrinking size of the world directly controlled by private capital;
- the sheer magnitude of the resources required for indefinitely displacing its contradictions, within the constraints of an ominously diminishing return also in this respect;
- the slowly emerging saturation of the global framework of profitable capital production;
- the chronic difficulties encountered in, and generated by, raising the necessary revenue for keeping in existence the parasitic sections of capital, at the expense of its productive parts;



- the noticeable weakening of the ideological power of manipulative institutions - which were originally established under the circumstances of economic expansion and its twin brother: the 'welfare state' - at times of prolonged recession and growing 'structural unemployment'.

Characteristically, this is the only context in which the apologists of capital have, at long last, taken notice of the existence of structural conditions and determinations. But, of course, the admission that unemployment is now 'structural' is stated - with a logic worthy of capital's 'analytical' wisdom - not so as to call for a change in the structure (the social order) in which such consequences are unavoidable. On the contrary, in order to justify and maintain the self-same structure intact, at whatever human cost, accepting 'structural unemployment' as the permanent feature of the one and only conceivable structure.

We can see here, again, the 'eternalisation of bourgeois conditions', even in the face of a dramatically obvious and highly disturbing historical development. Yesterday the oracle said: 'Full Employment in a Free Society' (see the Lib-Labouring Lord Beveridge's book of the same title); today it talks about 'structural unemployment'. But, of course, nothing has really changed, and especially: nothing ought to change. For unemployment is 'structural', and therefore it is here to stay to the end of time.

All these trends indicate a very real movement towards the ultimate limits of capital as such, and hence they show the historical actuality of a painful but inescapable process of transition.

- 1 Hegel, The Phenomenology of Mind, Allen & Unwin, London, 1966, p. 114.
- 2 Hegel, Philosophy of Mind, Clarendon Press, Oxford, 1971, p. 62.
- 3 Ibid., pp. 62-3.
- 4 Ibid., p. 63.
- 5 Ibid., p. 64.
- 6 With regard to the fundamental methodological and ideological boundaries of this tradition, see Part Two, Chapter 5, of my book, The Power of Ideology, Harvester Press, Brighton, 1986.
- 7 Engels, Ludwig Feuerbach and the End of Classical German Philosophy, in Marx and Engels, Selected Works, Vol. II, p. 354.
- 8 Ibid., pp. 354-5.
- 9 Marx, 'Preface to the Critique of Political Economy', in A Contribution to the Critique of Political Economy, Lawrence & Wishart, London, 1971, p. 21. Unfortunately, in this translation the word 'always' ('immer') is rendered as 'inevitably', thus encouraging a fatalist/determinist reading.
- 10 Ibid.
- 11 Marx, Grundrisse, p. 228.
- 12 Marx and Engels, Collected Works (henceforth quoted as MECW), Vol. 5, p. 49 (The German Ideology).
- 13 Engels, Introduction to the English Edition of Socialism: Utopian and Scientific, Marx and Engels, Selected Works, Vol. II, p. 105.
- 14 MECW, Vol. 5, pp. 74-5.
- 15 Ibid., p. 74.
- 16 See Engels, Letter to Kautsky, 23 February 1891.
- 17 Engels, Socialism: Utopian and Scientific, Selected Works, Vol. II, p. 135.
- 18 Stalin, Economic Problems of Socialism in the USSR, Foreign Languages Press, Peking, 1972, pp. 34-6.
- 19 Though it is politically understandable, events and developments which represent just as much capital's success as labour's victory, are often one-sidedly hailed by socialists, overrating their importance for the advancement of the movement itself (from the repeal of Bismarck's Anti-Socialist Law and other versions of anti-labour legislation to the 'welfare state' and the consumer economy).  
To be sure, the working class has a vital share in all such achievements. However, it is more than a mere coincidence that these conquests become possible at times when capital is in a position not only to digest them, but also to turn the extracted concessions into major gains for itself. In other words, these improvements come into being at times when, as a result of capital's inner dynamic - of which its relation to labour is, of course, a key factor - the repressive posture proves to be not only outdated and redundant, but indeed a fetter to the further expansion of its power and wealth.  
Naturally, for exactly the same reasons - which assert capital's prevalent interests in these matters - things may move in the opposite direction for a shorter or longer period of time, under specific historical conditions and circumstances; as not only the emergence of Fascism demonstrated, against the background of a massive economic crisis, but also the recent emergence of the 'Radical Right', with its ruthless legislative measures directed against labour.
- 20 As part of a longer study. See I. Meszaros, 'Il rinnovamento del marxismo e l'attualita storica dell'offensiva socialista', Problemi del Socialismo, No. 23, Jan-April 1982, pp. 5-141.
- 21 2 February 1985.
- 22 Ironically - yet another 'irony of history'? - this judgment is made in a work entitled: The Development of Socialism from Utopia to Science, Selected Works, Vol. II, p. 136.

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# THESIS ELEVEN

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