CAPITALIST CHANGE AND GENERATIONAL SHIFTS

by ELLEN MEIKSINS WOOD

Change and Continuity

Ask anyone what single event has most decisively shaped the culture of the left in the late 20th century, and they are almost certain to tell you that it was the “collapse of Communism.” Yet look at any of the dominant intellectual currents on the left today and you will find that, even while they invoke that historic *Götterämmerung*, they situate the great cultural and political rupture of our era somewhere else, and earlier.

It has become commonplace among left intellectuals to say that approximately twenty-five years ago, in the early 1970s, we lived through an epochal shift, the birth of a new era, a major qualitative leap different from the constant changes in the process of capitalist development. These left intellectuals may be Marxist economists or postmodernist cultural theorists, and they may call the new era by different names—most commonly either the age of “globalization” or the period of “postmodernity,” or sometimes both together. But basically the same “epochal shift” runs as a kind of *leitmotif* through a wide spectrum of intellectual currents.

The general outlines of the so-called new epoch as it is commonly described are familiar to everyone. Seen from the angle of “globalization,” the first and most important feature of the epoch is obviously international capital—a global market, internationalized production, a shift of sovereignty away from

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the nation-state to international agencies of capital. If there is one long-term historical process that explains all this, it is perhaps technological change, the advent of the information age. These developments have been reinforced, but were not caused, by the collapse of Communism, which no longer stands in the way of capital's global reach.

From the vantage point of "postmodernity," we see parts of the same picture: here too there is, of course, the information age; and the global economy does figure in it, at least at the margins. But the emphasis here is on cultural, ideological, and psychological shifts: the dissolution of all the old certainties, the disintegration of all moral and political foundations, the fluidity of "identities," the "de-centered subject." Again, while the "collapse of Communism" may have accelerated the retreat from all "grand narratives" and "Enlightenment projects," that historic rupture did not usher in the postmodern epoch.

On the face of it, these sketches of our current epoch seem plausible enough. Major changes *have* occurred in the capitalist economy since the end of the postwar boom. There have, for example, been dramatic developments in the system of international finance, in the concentration of capital on an international plane, and at the same time, an intensification of competition. And there have certainly been political changes, as the long drawn-out downturn which brought the post-war "golden age" to an end—something different from, or at least more protracted than, the classic episodic crises of capitalism—has, among other things, for the time being eroded the labor movement. Certainly we have to understand these developments in terms of their own historical specificities, their own specific contradictions and dynamics—as we would any other specific moment in the history of an ever-changing capitalism. But much depends on the vantage point from which we observe these changes and how we interpret them. There is, in particular, a very great difference between interpreting these changes as an epochal rupture in the essential logic of capitalism, and, on the contrary, regarding them as the logic of capitalism universalizing itself and reaching maturity.

Just consider the conventional sketches of our current "postmodern" and "globalized" epoch against the background of some famous passages from the *Communist Manifesto*, much quoted in this anniversary year. Tomorrow's newspapers, hot off

the press, could (with some minor stylistic and ideological tinkering) happily appropriate Marx's account of "globalization": "local and national seclusion and self-sufficiency" have given way to the "universal interdependence of nations"; the internationalization of capitalism "batters down all Chinese walls" and "creates a world after its own image"; and so on. Even the current Asian crisis is prefigured in "the sorcerer who is no longer able to control the powers of the nether world whom he has called up by his spells.... It is enough to mention the commercial crises that by their periodical return put the existence of the entire bourgeois society on trial.... In these crises, there breaks out an epidemic that, in all earlier epochs, would have seemed an absurdity—the epidemic of over-production.... And who has ever surpassed Marx's own portrait of "postmodernity"?

Constant revolutionizing of production, uninterrupted disturbances of all social conditions, everlasting uncertainty and agitation.... All fixed, fast-frozen relations...are swept away, all new-formed ones become antiquated before they can ossify. All that is solid melts into air....

No one can fail to be struck by the *continuities* between the world described by Marx and our own. The point, of course, is that these passages are not about the specificities of Marx's epoch. They are not, in fact, about *any* specific epoch of capitalism. They are about capitalism itself and in general.

If Marx could, with such uncanny prescience, and in ways so familiar to us, portray the basic features of our current epoch, one thing at least should be clear: the issue here is not just this or that stage of capitalism but capitalism's laws of motion, the systemic logic that has from the beginning governed its constant processes of change. The point is certainly not that capitalism on the eve of the 21st century is the same as it was in the mid-19th century. On the contrary, the point is that capitalism changes constantly but that its constant change is, and has been from the beginning, driven by an intelligible "logic of process"—a logic of process manifest in both its global expansion and in its constant disturbance of social conditions.

Why, then, are so many left intellectuals determined to talk about globalization as an "epoch" rather than as a *process*? Why do they insist on treating it as a historic rupture rather than as a process of change rooted in the systemic logic of capitalism from the beginning? Why are the continuities in this process being eclipsed by the discontinuities?

Generations of the Left

The answer to these questions is undoubtedly complex, but one major part of the answer is certainly political—and that political answer has specific historical roots. The culture of the academic left today is obviously shaped not just by current conditions but by the historical experience of the people who dominate that culture, and we are still living in an academic culture shaped mainly by people who grew up politically and intellectually in the 50s and 60s. Of course, not everyone who talks about epochal shifts belongs to that generation, but I think its sensibility has permeated the whole academic culture of the left.

What, then, was distinctive about that period? The first thing that comes to mind is obviously the ferment of the 60s. And one obvious explanation for where the left of that generation is today has to do with their ultimate defeat. But exactly which defeat are we talking about? We can't pretend that the mainstream of the oppositional culture in the 60s was led by revolutionary socialists—certainly not in the United States—or that these are the people who have been most central in shaping the academic culture of the 90s. Whatever we may think about the fate of Soviet-style Communism, whether it represents a defeat or the death of an albatross, we can't, therefore, really explain very much by saying that the culture of the left today has been shaped by the failure of socialism, either before or after the "fall." What, then, can we say more generally about the 60s generation that might help to explain where we are today?

Let me focus on the United States—not because I underestimate the importance of May '68 or the radicalism of the 60s in other countries, but because the current intellectual fashions I'm talking about, even when they heavily rely on French philosophical authority, are most obvious and widespread in the United States. People reading this paper will have to make their own adjustments to the conditions of their own national experiences, but I think they will find that, *mutatis mutandis* (and despite the persistent ideological and political peculiarities of the United States), much of what I say about the United States may apply in general terms to other countries too.

The 60s generation, especially in the United States, grew up in what some people call the "golden age" of capitalism. And if there was ever a real historic shift in the 20th century, it was

surely between the generation that grew up in that context and the previous generation. That earlier generation obviously had completely different formative experiences, the experience of the Great Depression and the Second World War. Their main experience of capitalism, and what they learned to think of as the normal state of capitalism, were economic crisis and war.

What about the postwar generation, then? What were their basic assumptions? What did they think about capitalism? I read an article a while ago by someone who had been a 60s radical in Britain and remains on the left (Alan Sinfield in *Radical Philosophy*). He suggested that many 60s radicals were “closet Keynesians.” What he meant was that the revolutionary rhetoric of many people was not really about revolution or socialism. It was about delivery on the promises of 1945. It was based, he said, on the assumption that welfare capitalism was here to stay, but the 60s generation had hopes of vast improvements.

So what is really ailing the left today, he said, is not the end of Communism but the end of that hope. It is not, in other words, that the left has made peace with capitalism because (rightly or wrongly) it associates socialism with the failed experiments of Communism. On the contrary, the problem is that they associate socialism with the failed experiment of a relatively humane capitalism.

Now of course he was writing in the British context, where the promises of 1945 looked rather different than in the United States. After all, the 60s generation in Britain could look back at those working class soldiers who returned from the war to elect a Labour government, and some of those workers had really revolutionary expectations. But these comments on the 60s in Britain got me thinking about whether one could say something comparable about the United States.

There are some important differences, of course, and not just in the labor movements of the two countries. Many, maybe even most, radical students in the United States, and maybe even some who called themselves socialists, were not really thinking about the capitalist economy at all, in Keynesian or any other terms. Denunciations of corporate power and the state were no doubt very widespread. But for many people in civil rights struggles, or the anti-Vietnam war struggle, the main terrain of battle was not really the capitalist economy. There were, of course, anti-imperialist and black liberation groups that

adopted Leninist or Maoist positions, and they may represent a special case, though even they, I think, had certain problems coming to grips with capitalism. But that's another story.

In any case, even some very radical anti-racist and anti-imperialist positions were not necessarily anti-capitalist. To the extent that people did think about the capitalist economy, many were probably thinking less about abolishing it than about including excluded groups in it. So it would not be unreasonable to say that they were, in a sense, closet Keynesians or unconscious social democrats (though since the United States has never really had a social democracy or a welfare state in the European sense, the emergence of such a formation would indeed have constituted a significant development). At any rate, I think it is probably true that the highest aspiration of many radicals of my generation, if they thought in these terms at all, was some more humane and democratic kind of capitalism—without racism and without imperialism but still basically capitalism.

But the situation is more complicated than that. Even if the “revolutionary” aspirations of many student activists stayed within the bounds of capitalism, powerful obstacles stood in the way of what they wanted from it. Whether or not they were anti-capitalist, they came up against the powerful forces of racism and of course, the Cold War. More particularly, they came up against the full power of the state, sometimes in fairly dramatic ways. So there was a disproportion between what they got and what they had to do to get it.

In other words, the fact that the 60s looked to some people like a revolutionary moment may have had less to do with the scope of their transformative objectives than with the opposition they confronted even to their more limited objectives. Important things were accomplished. But capitalism being what it is, the world did not get much better. In fact soon, when the postwar boom was over, and when capital went on the attack with a vengeance, things in many ways got worse.

So what I'm talking about here is the story of a historic disappointment. And for many, it *was* a disappointment in the failure of a more humane capitalism. The point I'm making is basically this: here we have a generation which had more reason to believe in the possibilities of capitalism than any generation before it, certainly more than people brought up in the 30s. But it also had its own very particular and historically specific rea-

sons for being disappointed. In a way, people were disappointed and defeated as much by what they did achieve as by what they failed to achieve.

There's another point too. Many people of that generation, especially in the United States, had stopped expecting the working class to be the agent of change. This was true to varying degrees elsewhere too, but the United States may have been distinctive in the degree to which even the socialist left became convinced that consumerism had bought off the working class. Probably the most lasting intellectual legacy of that tendency has been the work of those who came to believe that they themselves, as students and as intellectuals, could replace the working class as the agents of history. For some, this may have aggravated the sense of historic disappointment. After all, if students and intellectuals were supposed to be the agents of revolution, the failure of the revolution was no one's failure but their own. But some took a different lesson from that failure. Instead of simple despair, they lapsed into a kind of hubris, an odd sort of defeatism combined with extreme intellectual arrogance: having given up on any social transformation, they shifted the terrain of "revolution" to the academy, to the academic politics of the text, replacing social revolution by post-modernist deconstruction and "transgression."

At any rate, whichever path they would ultimately take—"globalization" and TINA (There Is No Alternative), "postmodernity" and academic "transgression," or some other option—that generation may have been the first to come up against the real limits of capitalism. It may have been the first generation both to experience a relatively successful capitalism *and* at the same time to confront, in fairly dramatic ways, what capitalism even at its most successful cannot deliver.

Now there were two principal ways of reacting to that rude awakening—or to put it another way, it was a ruder awakening for some than for others. Some might have said in the first place that capitalism could *never* have delivered the better world the 60s generation wanted. But others might say that what capitalism could have delivered before it cannot deliver now. And why might that be so? Because we have lived through an epochal shift, a massive historical change, and that historic rupture has changed the basic logic of capitalism in some fundamental way.

Against that background, it is not hard to see why the language of epochal shifts seems so attractive. Suppose you used to think that a humane capitalism was a real and sustainable possibility. It may even have looked like the inevitable outcome of capitalist development and progress, which just needed some help from popular struggles. It might then be perfectly natural to say not that there was something deeply unrealistic about that hope in the first place but that there has been a major historical shift, a fundamental change in the logic of capitalism, so that things are now impossible that were possible before. In particular, globalization thus becomes not a long-term historical process rooted in the basic dynamics of capitalism since the beginning but instead a new historical epoch, with a new and different capitalist logic.

In fact, it is almost as if some people have discovered capitalism itself for the first time. What they are calling a new epoch may be just the basic logic of capitalism asserting itself again after the exceptional, anomalous moment of the postwar boom. They may call it globalization or postmodernity, but it is really *capitalism* that seems to have been born for them in 1972, or thereabouts, and brought all their hopes to an end.

But suppose instead that, though you always supported the welfare state and all the major victories achieved by popular struggles within the capitalist system, you always doubted the long-term sustainability of capitalism with a human face. Suppose you always doubted the capacity of capitalism to sustain a really democratic and humane social order. Suppose you always thought that social democracy was a short and passing moment in the history of capitalism, that it was not the end result of capitalist progress but that it depended on very specific and transitory historical conditions. Suppose you always believed that capitalist imperatives of accumulation and profit-maximization place very strict limits on democracy, social justice, environmental health, and so on. Current developments might then look to you not like a major change in the logic of capitalism but exactly like the logic of capitalism as it has always been. Of course you would recognize many changes during the process of capitalist development, but you would have less reason to think of recent developments as a great historic rupture.

Change and Contradiction

There is no question that capitalism has become more universal, more unchallenged, more pure and unadulterated, than ever before. But the universalization of capitalism looks very different depending on the point of view from which you see it. The globalization-as-epochal-shift model tends to see nothing but capitalist triumph. The globalization-as-historical-process sees what Marx saw: the system's fundamental contradictions, the contradictory logic of capitalist expansion. Seen from that perspective, globalization confirms Marx's expectation that every effort to overcome capitalist crisis paves the way for more destructive crises and narrows the options for preventing future ones. The contradictions of capitalism are manifesting themselves in new and aggravated ways precisely because the old ways of pulling out of crisis are, as Marx said they would be, less and less available, in other words, precisely *because* capitalism is so universal.

For instance, capitalism used to extricate itself from crisis by moving outward, by imperialist expansion. Now that capitalism has become virtually universal, the old forms of imperialism, colonial expansion by military force, are less available. The new forms of imperialism—financial control, manipulation of markets, debt, and so on—are more deeply rooted in the logic of the capitalist market and hence more subject to its systemic contradictions.

The universalization of capitalism means that more capitalist economies are entering into global competition, major capitalist economies are depending on export to almost suicidal degrees, and more competitors are producing for the same global market. At the same time, to make themselves "competitive," they restrict the buying power of the very consumers they are competing to reach. And instead of the creation of real use-values, phony wealth is being shuffled around at lightening speed, in a stock-market boom completely detached from material reality. Maximum profitability for capital today depends less and less on absolute growth or outward expansion and more on redistribution and a widening gap between rich and poor, both within and between nation-states. Meanwhile, labor movements in various places are showing signs of life again, and we have seen protests in the streets—from Canada to Mexico to France to South Korea—against neoliberalism and globalization. And at this moment the

contradictions of capitalism are manifesting themselves in what looks like the most serious crisis since the Great Depression.

Today's changes are part of a long-term process, the process of capitalist development and expansion. That process has always been, and still is, deeply contradictory. Capitalism's strengths are also its vulnerabilities. This is just as true now as it ever was. In fact, what people call globalization, with all its increasingly transparent contradictions, may be starting to make an anti-capitalist politics not less but more possible than it has been for a long time.

The contradictions of capitalist expansion, then, mean two things. The first, again, is that a truly humane and democratic capitalism has never been a sustainable possibility. The second is that a socialist politics may turn out to be more rather than less possible.

(Continued from inside back cover)

We wish we could say that the left is different, that we do know how to talk about both race and class. But on the whole that simply isn't so, at any rate not now. Critics these days love to attack the "old" left for reducing racism to material causes, and no doubt some of the more "reductionist" versions of Marxism have given an inadequate analysis of race and class. But at least Marxists have tried to tackle the complex relations between them, and some have done so in very nuanced and sophisticated ways. Monthly Review Press, in fact, will soon be reissuing a classic of that genre, Oliver Cox's *Caste, Class, and Race*.

But today, too many people on the post-Marxist and postmodernist left are inclined to evade the issue. Race and class are treated as personal "identities," in a particular sense that seems to suggest they are just conditions of the individual psyche instead of complex social relations with material roots and interconnections. Or, more precisely, race is often treated as an identity and class as a figment of the Marxist imagination. How far away is this from the trivializing discourse that "constructs" U.S. politics as Monica Lewinsky, and race in the United States as sex between Warren Beatty and Halle Berry, while it "deconstructs" class out of existence altogether? Can't we do better than that?

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