

# Rethinking the Crisis of Capital in Light of the Crisis of the Left

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*“Far from expressing a sequence of never-ending progression, the Hegelian dialectic lets retrogression appear as translucent as progression and indeed makes it very nearly inevitable if one ever tries to escape regression by mere faith.”—Raya Dunayevskaya (1)*

It may seem ironic that a moment so typified by the crisis of capital calls for a serious critique of the crisis on the Left; however, in the present moment it has become impossible to take on the crisis of existing society without facing the limitations found in prevailing leftist responses to it.

The Left's response to the financial crisis and bailout provides a case in point. One might suspect from reading the radical press in recent weeks that the government bailout of global financial institutions represents a hidden acknowledgment on the part of devotees of the free market that the socialists have been right all along. After all, has not the federal government stepped in to regulate and oversee financial institutions on an unprecedented scale? Is not the Republican Right up in arms over the specter of “socialism” that now haunts the Federal Reserve? Has not “Main Street” finally woken up to the need to impose greater state control over Wall Street? Lost in all this, of course, is the simple recognition that state intervention is as old as capitalism and is as integral to its dynamics as the market. “State intervention” and “market anarchy” are not and never have been absolute opposites. The Left, however, caught in a superficial understanding of capital and transfixed by the sudden use of the “s” word in the media, deludes itself into believing that it may one day be able to ride to victory on the backs of state intervention in the economy—even though Bush is leading the charge.

In light of this, Chris Cutrone's (Oct. 2008) [“Capital in history: the need for a Marxian philosophy of history of the Left”](#) is a refreshing contribution to re-thinking today's crises because of the way it confronts the poverty that defines most radical discourse. I agree that the main problem is “the commonplace view of capitalism as primarily a problem of exploitation.” Many frequently often overlook that capital is a unique social form of

domination defined by the logic of abstraction —viz, capital is congealed abstract or value-creating labor. The relationships established through modern labor are not merely exploitative but alienating. Capital as a social form is defined not by individual or state ownership of property but by the domination of concrete, living labor by abstract, dead labor. Capitalism cannot be annulled without abolishing capital, and capital cannot be annulled without creating non-alienated human relations at work and in society as a whole.

My main disagreement with Cutrone’s article concerns the basis of the ”historical consciousness” needed for orienting us towards capital’s transcendence. I agree that Marx held that the “proletarianization” of society —the consolidation of industrial capitalism and the universalization of wage labor— does not necessarily point to capital’s transcendence.(2) Marx certainly did not conceive of socialism as industrialized labor “coming into its own.” I nevertheless argue that the internal dynamics of capitalism generate the means by which capital can be overcome. There is a marked difference, between the proletarianization of society and the proletariat’s effort to overcome the existing society by resisting the domination of concrete labor by abstract labor. The overcoming of this distinct form of domination, however, requires the self-abolition of the proletariat as a class. That goal can be reached only by uprooting capital from within through the self-activity of the proletariat and other social forces that resist and seek to negate the value form of mediation.

There are ways to consider the overcoming of capital without the participation of the working class, but they tend towards disconcerting conclusions. Take the case of Proudhon: Marx did not consider him a representative of “proletarian socialism” despite the fact that a significant section the French workers’ movement followed him. Marx considered him instead as an exemplar of petty-bourgeois socialism, since Proudhon’s critique of capitalism centered on exchange relations instead of the domination of abstract labor. Marx held that proletarian socialism, in contrast, aims to abolish wage labor —and hence capital. In retrospect, I’d argue that Marx’s critique of Proudhon brilliantly anticipated the totalitarian “socialism” that defined the 20th century. What led to the latter was not the affirmation of the subjectivity of the proletariat but rather its denigration in the name of state planning and bureaucratic control over industry. Instead of hearing in the workers’ resistance to the despotic plan of capital a drive to surmount the domination of dead over living labor, the planners and revolutionary-intellectual “leaders” turned their attention elsewhere —to the “miracles” of modern science and state-imposed “planning” from above. The fetishism of the commodity was replaced by the fetishism of state-

planned value production(3). In doing so they lost sight of the cognitive source that could point the way to capital's transcendence.

At issue today is whether we can develop a viable conception of capital's transcendence by turning our attention away from a vital source of radical critique —the internal resistance that arises against capital. Capital is not a onedimensional entity. Though it based on the domination of dead over living labor, it cannot exist without living labor. Capital constantly runs up against an internal contradiction: it seeks to deny the human even as it remains dependent on the human in the form of living labor. No matter how hard it tries, capital cannot avoid encountering resistance. This resistance provides the material basis for our ability to criticize capital. If proletarian resistance marks not the potential negation of capital but its "fullest realization," what is the source of our own critique of capital? What gives us the right to claim insight into what capital is "really" like if it swallows up everything opposed to it? As Hegel taught us, the ability to criticize a phenomenon depends on existing in some sense beyond its limits. Otherwise, we wouldn't be able to see it as a problem in the first place.

We here encounter a major stumbling bloc in radical theory. An array of radical thinkers, from Lukacs to Adorno, affirmed the "totalizing" character of capital. However, they never succeeded in explaining what enabled them to gain privileged insight into the "real" nature of capital if it is a totalizing subject that annuls all internal efforts to transcend it. Lukács sought to respond to the problem with his famous theory of "imputed class consciousness." Whereas the workers, according to this view, are trapped within the alienated horizon of capital, "the party to lead" directs the masses to victory by instructing them as to what is really going on. But what gives "the party" this privileged access to truth? Lukács never adequately resolved the problem. Lenin was honest enough (in *What is to be Done?*) to rely on Karl Kautsky for an answer. He quoted Kautsky's view that "socialist consciousness" is a form of scientific insight that transcends the standpoint of those trapped in the capital relation. Yet where did Kautsky get his notion that "the vehicle of science is not the proletariat but the bourgeois intelligentsia"? From Ferdinand Lassalle, whom Marx lambasted as a "workers' dictator."(4) As I see it, Marx had a distinctly different conception of the relation between spontaneous struggles and historical consciousness than most "Marxists."(5) In this sense I would agree with Cutrone's statement, "Unfortunately, beginning in Marx's own lifetime, the form of politics he sought to inspire began to fall below the threshold of this critically important consciousness of history."

I am not arguing that grasping the role of spontaneous forms of resistance —especially at critical historical turning points— solves the problem of articulating a viable alternative to capital. That is only where our work first begins. Once theory listens to the voices of the “wretched of the earth,” it becomes imperative to fully develop a conception of a different world that is implicitly contained in them. There is no substitute for being philosophically responsible to history. Although narratives of resistance serve as an important antidote to begin thinking past the capital relation, they are by no means a sufficient condition for constituting an alternative to capital.

The problem that we face today is that the absence of a philosophically grounded alternative to capital negatively impacts the revolutionary potential of ongoing forms of resistance by producing diffidence about the ability to fundamentally change the world. Why should masses of people be expected to rise up against the totalizing nature of capital if radical theorists cannot even manage to point to a viable alternative to it? This is not a mere rhetorical question. The breakdown in projecting a viable conception of socialism represents the greatest failure of Marxism. In this day and age does anyone really expect “the masses” to “storm the heavens” when all that is offered them in the “new society” is to remain imprisoned by the tyranny of the factory clock?

We cannot adequately challenge today’s regression by leaving a gap between “is “ and “ought”—between our critique of capital and our conception of the alternative to it. One reason why many leftists settle for halfway houses and partial solutions is that alternative views that leave us with an unresolved “ought” are so unpersuasive. Just as the educators need to be educated, so we who subject the Left to criticism must examine whether we are living up to the historical task of projecting a viable alternative to its shortcomings.

### Notes

- 1) See *The Power of Negativity: Selected Writings on the Dialectic in Hegel and Marx*, by Raya Dunayevskaya, edited by Peter Hudis and Kevin B. Anderson (Lanham: Lexington Books, 2002), p. 330.
- 2) For more on this, see “The Death of the Death of the Subject,” by Peter Hudis, *Historical Materialism*, 12 (3), pp. 147-168.
- 3) This argument rests on the claim that “Soviet”-type societies were state-capitalist. For more on this, see *The Marxist-Humanist Theory of State-Capitalism*, by Raya Dunayevskaya, edited with an Introduction by Peter Hudis (Chicago: News and Letters, 1992).

- 4) See Marx's letter to Engels of April 9, 1863: "His attitude is that of a future workers' dictator." For a detailed discussion of how Lenin's organizational concepts owed much to the views of Kautsky and Lassalle, see "Developing a Philosophically Grounded Alternative to Capitalism," by Peter Hudis, *Socialism and Democracy*, 19 (2), July 2005, pp. 1-8.
- 5) The assumption that workers are incapable of achieving class or socialist consciousness on the basis of their struggles at the point of production was not held by many of the greatest Marxists, such as Pannekoek and Luxemburg. For a discussion of Marx's understanding of this problem, see *Rosa Luxemburg, Women's Liberation, and Marx's Philosophy of Revolution*, by Raya Dunayevskaya (Lanham: Lexington Books, 1991).

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Cutrone, C. (Oct. 1, 2008), "[Capital in history: the need for a Marxian philosophy of history of the Left](#)," *The Platypus Affiliated Society*

Cutrone, C. (Nov. 1, 2008), "[Remember the future! A rejoinder to Peter Hudis on 'Capital in History.'](#)" *The Platypus Affiliated Society*.