

# **The transitional phase of the crisis: The era of riots**

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Jul 12, 2011

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## Introduction

From the writing of the text “The transitional period of crisis: the era of riots” published in June 2011 in the 5th issue of *blaumachen* journal to date (early September of 2011), two very important events have been produced through the development of class struggle. The first event was the emergence of the ‘indignant’ movements in Spain, Greece, and Israel. The second one was the burst of riots last August in England.

To be sure these two events are important on their own, but from the point of view of our theoretical practice it is *the relation between the two*, i.e. *the rift* between the practices of the participants in these movements, that is of utmost importance. The notion of ‘rift’ (*écart*) was first used by Théorie Communiste: “From struggles for demands to revolution there can only be a rupture, a qualitative leap, but this rupture is not a miracle, neither is it the simple realization on the part of the proletariat that there is nothing else to be done other than making the revolution given the failure of everything else. ‘One solution, revolution’ is nonsense symmetrical to that of the revolutionary dynamic of the struggle for demands. This rupture is produced positively by the unfolding of the cycle of struggles which precedes it and, we can say, is still part of it. This rupture is *prefigured* in the multiplication of rifts inside the class struggle between on the one hand the calling into question by the proletariat of its own existence as a class in its contradiction with capital and on the other the reproduction of capital which is implied by the very fact of being a class. This rift is the dynamic of this cycle of struggles which exists in an empirically verifiable manner” [*The present moment, Théorie Communiste*]... “In the concept of ‘*écart*’ there are three moments: the idea of distance, that of movement and that of interiority/internality [*interiorité*]. Distance, insofar as these are activities which can be differentiated and opposed to each other; movement, inasmuch as we are not dealing with independent things only coexisting in one and the same place, but rather with a critical reflexivity/self-reflexivity (a critical reflecting back on itself) [*retour sur soi critique*] of action as a class, which gives us the third nuance of the term: it’s a question of a movement and a distance internal to the activity of the proletariat as a class. It’s a question of two faces (having as horizon nothing other than capital / being in contradiction with its own reproduction as a class) of the same action as a class – *l’écart* is the duality become visible as constraint in capital of existence as a class” [*Roland Simon*].

The rift between different practices in working-class struggle can take many different forms: it can be a rift between practices that appear in different struggles within the same capitalist state (for example, December 2008 and the movement of ‘indignant’ in the summer of 2011 in Greece). The practices of one struggle can be produced by the limits of another, and then the two sets of practices may constitute a rift (not only in the direction of struggles without demands, something that is undoubtedly related to the composition of the participants, i.e. the conjuncture of the cycle of struggles). It can be a rift between different practices in one struggle: “In 2006, in Savar, 50km north of Dhaka, Bangladesh, two factories were torched and a hundred others ransacked after workers had not been paid for three months. At first they were demanding to continue working in these factories with a higher wage, but as they were confronted with the delegitimization of demanding, they started attacking their own existence as proletarians by burning or destroying the factories. The rift is not merely the burning of factories; it is the contradictory coexistence of both the demanding and destruction of means of production” [*blaumachen, “The perspective of communisation” (in greek)*].

The rift can also appear between practices of class struggles which take place in different states. “These different aspects are *moments of a totality* that arises from the fact that the second phase of restructuring taking place now, produces a rapidly growing surplus population. Simultaneously it does

not increase the proportion of variable capital in total social capital, i.e., it intensifies qualitatively and quantitatively the impasse of the crisis and does not produce an exit from it" [The *transitional period of crisis: the era of riots, blaumachen*]. Class struggle is undoubtedly a tangible reality for the proletariat of each state: the proletariat is being exploited by capital in the state where it lives, thus the proletarians necessarily perceive reality as related to *their* bosses in *their* state. The case, however, is different in every state (the English police is not the Greek police, the specificity of class struggle in England requires another type of policing). From the point of view of communisation (for which revolution is the self-abolition of proletariat and not the 'emancipation' of workers and the transcendence of capitalist society to a 'workers' society'), the rift between practices of struggles that take place in different states is of great importance. Although it is true that the crowning moment for the reproduction of capital, the production of value and surplus value occurs specifically and separately in each state, the very existence of each state is possible only because of its special relationship with the other capitalist states, i.e. its integration in a certain position in the global articulation of states, produced as such through the competition between capitals and the (special) competition between capitalist states. The proletariat has to confront *its* state and *its* bosses, but through the global articulation of the total social capitals of the states (which of course contains contradictions and conflicts), the capitalist class exploits the whole of the proletariat. The revolution as the process of abolition of value and abolition of the state will attack in parallel against each state mechanism and it is necessarily going to destroy the articulations of the states (and will not create a worker's state power or parallel forms of self-management of production), i.e. it will necessarily have a global character.

The rift *between practices which appear in different struggles and between practices within a specific struggle* produces, in our cycle of struggle, both class belonging as an external constraint and the overcoming of this cycle of struggles (from our point of view this is produced as an abolition of class belonging, as a communising revolution). We put the emphasis on the *relation between struggle practices*: "What is important is to identify the rift between practices and not just one practice as 'revolutionary' or 'not revolutionary'. Such a distinction simply does not exist before the revolution and its invocation can only be the necessarily ideological self-reflection of the agents of different diverging practices" [blaumachen, "*The perspective of communisation*" (in greek)]. The demanding practices of the proletarians within revendicative struggles are not efficient any more and the historical production of this fact is their relation with the practices of struggles without demands: 'riots' burst all the more frequently. The historical course of the cycle of struggles is determined by the participation of ever more proletarian strata in the struggles, but this participation does not point to the direction of class unity: The *particular* rift between practices, the one that is produced between struggles which take place in parallel or within one struggle defines the stage of the historical production of the contradiction (the class of the capitalist mode of production and *because of this* class of the revolution). The evolution and transformation of the rifts between practices within the struggles is in itself the historical process that produces the overcoming of this cycle of struggles.

As this cycle of struggle evolves, the proletariat struggles, in the context of the rift between practices within struggles of particular fractions of proletarians, for its reproduction as a class and at the same time is confronted with its own reproduction (the class belonging) externalized as a constraint in capital, i.e. it struggles at the same time *for* and *against* its own reproduction (this is the rift as an internal relation between practices within the same struggle and between practices of different struggles). The crystallization of this contradiction/identity in particular practices and activities becomes increasingly apparent and it seems that it is going to produce violent conflicts inside the struggles.

In this text we analyse the current conjuncture (up to the burst of the movement in Spain in May 2011). By introducing the term 'era of riots' we define the transitional period of the crisis and the crisis of this transitional period: "Recent struggles reflect the two basic aspects of the process that produces the revolution of the current period: first, the delegitimization of demands, i.e. demanding is converted into a component of the reproduction of classes, which tends to be marginalized and suppressed, and second, the internal distance produced between proletarian practices in the evolution of class struggle. These two aspects of class struggle are produced in every zone of capital despite all their differences, and is imposed by the objectivity of capital, the economy. We may risk the prediction *that we are entering into an era of riots, which will be transitional and extremely violent. It will define the reproduction crisis of the proletariat, and thus of capitalism, as an important structural element of the following period.* By 'riots' we mean struggles for demands or struggles without demands that will take violent forms and will transform the urban environments into areas of unrest; the riots are not revolution, even the insurgency is not revolution, although it may be the beginning of a revolution. The internal distance between proletarian practices aggravates all social contradictions and creates a self-reinforcing process of growing conflicts that includes more and more categories of the working class and the intensification of State repression. The particularity of this 'era' is that the dynamics of the struggle cannot produce stable results. In any case, the struggles of the proletarians will inevitably reproduce the opponent class and their own class existence as a class of proletarians. The limit of these struggles, now, is the fact that they are class struggles. The only guarantee to overcome this limit is a practical attack against capital, which is identical with the attack on the very existence of the proletarian class".

The riots in England confirm the analysis regarding the 'era of riots' and they signify a historical milestone for the overcoming of the current cycle of struggles. It is very difficult to ignore the sequence November 2005 (France) – December 2008 (Greece) – August 2011 (England) even if until now one tried not to notice. Specific practices that appear in this historical sequence (looting, arsons of companies' buildings, arsons of police stations) construct the subject of the excluded, of the structurally produced surplus population within the current cycle of accumulation. These practices confirm the 'end of activism', see "The present moment"), as a particular form of the current class-struggle limits. In France, the urban ghettoization of the excluded proletarians (engineered by the state) left no room for the coexistence of the 'autonomous (in relation to capital)' activists and the insurgents. In Greece the *encounter* of the activists with immigrants and high school students produced a particular coexistence: those days some activists overcame through their own practices their activism and alternativism. In England urban planning was not an obstacle to such an encounter but the particular alternativism of the milieu was absolutely irrelevant with the practices of the looters (the activist's critique regarding looting practices was so intense that in some cases it became a practice in its own respect, and even some of them participated in the riot cleanups).

The 'indignant' movements confirm the 'end of radical democratism' (see "The present moment"), they are simply put an explosion of the contradictions of the latter. The crisis of 2008, as a crisis of globalization, made it possible for radical democratism to recover after a long absence (from 2003) and to be destroyed through its own triumph. These movements are very broad in terms of composition (ranging from young proletarians ready – only in theory – to join the labor market to rapidly proletarianised petty bourgeois and business executives) and in terms of demands (ranging from a new regulation of capitalism to an alternative management of capitalism, which is described with the word democracy and some adjectives before this word). The triumph of radical democratism is that this broad composition is expressed in its massiveness and in the fact that *the* *words* used

by the activist avant-garde fractions of the past now dominate. What seemed to be ‘*radical*’ in the end of the 1990s – beginning of 2000s (self organization, working-class control of state structures, full depreciation of political parties, ‘direct’ democracy) is now the very banality of these movements (as a result these words have no longer the old ‘radical’ content). But both sides of this triumph are in fact the destruction, or more precisely termed, the internal subversion, the collapse of radical democratism. The massiveness, as expected, failed to make the movement visible to the state, let alone to ‘legitimize’ its demands. The ‘*radical*’ words were not able to hide that they were void of content: nobody thinks that these words can mean something by themselves anymore, nobody believes in ‘another world which is possible’ (that is without a destruction of this world). Within the second phase of restructuring (see the text “The transitional period of crisis: the era of riots”) the response of the State to this impressive invasion of the movements of ‘indignant’ in the public sphere is not a ‘new’ regulation of the capital relationship; it is somehow straight and tactless: *the police*.

What is most important about the future developments of the crisis and class struggle is the evolution of the relation between the practices in England and the practices of the ‘indignant’. This relationship becomes of prime importance because of the liquidity between these two produced subjects (unemployment and precarity are at the heart of the wage relation). The form of the new limit (the police, class belonging as an external constraint) produces, as a transitional stage, a particular form of struggles that we try to approach with the use of the term ‘riot’. ‘Riots’ surround the movements of ‘indignant’ and eventually they penetrate them and produce rifts (*écarts*) between the practices of these movements. The rift dialectics work feverishly...

## **The transitional phase of the crisis: The era of riots**

The capital relation cannot overcome its reproduction crisis. This crisis, now, is not merely a financial one. It is increasingly taking the form of a generalised social crisis. Capital would have a chance to overcome the crisis, only if the destructive process produced by the crisis was to function in a full scale. A new cycle of accumulation could only start through a devaluation or an immediate destruction of productive capital of significant value (more importantly, through the devaluation / renewal of fixed capital), followed by a restructuring of the mode of production.

A massive devaluation of capital today has as a precondition the massive devaluation of financial quasi-capital (fqc, i.e., potential capital locked into the financial system and under the constant threat of a massive devaluation during the current crisis). This step is necessary because of the current structure of social capital and of the special importance of its financial form for the reproduction of capital. The importance of financial capital has marked the current historical period of restructured capitalism. The restructuring, which followed the crisis of the 1970s, resulted in the financialisation of capitalism as a whole, it did not just strengthen the financial system as a component of capital. The role of financial capital in the process of raising and allocating profit in the period between 1982 and the outbreak of the crisis in 2008 was decisive for the evolution of the profit rate. Financial capital was the ‘architect’ of the equalization mechanism of the rate of profit in the process of globalization. In the expansion phase of the cycle, financial globalization has encouraged investment by increasing the population available for exploitation and by the enforcement of competition among the labor powers worldwide (competition for the lowest price of labor power has led to the so-called descending spiral of the labor power value globally). At the same time, the mobility of capital and the success of financial capital in organizing the increase of profitability were so effective that they led to the reversal of the

relationship between interest and business profit. The gradual rise of financial quasi-capital during this phase of the cycle was absolutely necessary for the expansion of production, and simultaneously the expansion of production brought about the rise of fqc as its consequence. This increase of the financial quasi-capital established the low (compared to the previous cycle) rate of accumulation that characterized the entire period. The low accumulation rate is connected to the fact that part of the profits should be 'recycled' in the financial system, so that the latter might continue to monitor and 'engineer' the rise of profitability. Thus, the growth in the rate of profit was based on a relatively low rate of accumulation. As the cycle went on, financialisation contributed to the reduction of variable relative to fixed capital and finally to the maturation of capital overproduction crisis. Financial globalization has been the *par excellence* mechanism for restructuring and then for operating restructured capitalism, on the basis of low accumulation in the productive sectors. Financialisation (and the globalization connected with it) is a *mechanism that produced both the expansion and the crisis of this cycle of accumulation*.

This very close relationship between financial capital and the production process in the context of restructured capitalism, on the one hand, renders the devaluation of financial quasi-capital necessary for the initiation of a chain reaction of devaluation / renewal of fixed capital. But, on the other hand, it also causes it to be a very dangerous process as – given the absolute freedom of capital circulation – this process would be a huge shock to the banking systems and consequently to the economies of every capitalist country. This is a significant difference between our period of restructured capitalism and the period of Keynesianism/Fordism. The internationalization of capitalism in the period of Keynesianism/Fordism was based on a national delimitation for the reproduction of capitalist social relations and on control by financial capital; it was possible to stop (or at least to control effectively) the circulation of capital amidst crisis.

The precondition for the commencement of a new accumulation cycle is that the devaluation of fixed capital during the crisis has to be larger and faster than the variable capital devaluation. It is this phase of the crisis mechanism which allows the rate of profit to recover and the process of the expansion of production for each accumulation cycle to begin. The capitalist class has made until now anxious efforts to delay the inevitable unfolding of a destructive phase of the crisis. These efforts conceal their fear for the possible revolts of the proletariat in some countries, but also exacerbate inter-capitalist contradictions and conflicts.

## **The second phase of restructuring**

The new measures are imposed by capital almost on a global level and they constitute the second phase of restructuring (see appendix). These measures are an attempt to maintain the current structure of accumulation. This effort consists in two processes, which are linked to one another:

The first process is the partial valorisation of financial quasi-capital in those sectors and industries that are mainly linked to the reproduction of labor power and the distribution of the surplus-value produced ('efficient privatization' or 'selling off' of state-owned assets, restructuring of social-security systems, etc.). This process actually evolves throughout the accumulation cycle, and it is directed from the periphery to the centers of accumulation. It is also a significant component of all regional wars from 1980 onwards. But today this process is on the rise, especially regarding privatization of fixed capital assets which until now belong to the state or whose major stockholder is the State. The attempt

to valorise fqc includes the passage of several productive capitals under the absolute control of the financial circuit; this is the current form of the centralization of capital.

The second process is the effort to further devalue labor power through police constraint. This attempted devaluation is a result and precondition of the attempted partial valorisation of fqc (Greece is a typical example in this respect). These two processes define the second phase of restructuring (we are still in the accumulation cycle which began after the crisis of Keynesianism / Fordism) and aim to increase the rate of surplus value, partly through the extraction of absolute surplus value. *The devaluation of labor power, which was initially responsible for the expansion of production in the current accumulation cycle, is now used again as a means to overcome (or bypass) the crisis, and is resulting in a deepening of the crisis.*

Two points are important here: the first is that the attempted valorisation of a part of fqc is only possible by creating new fqc (in the U.S. after QE1 came the QE2, the Eurozone constantly discusses the refinancing of loans contracted by member states in exchange of tougher measures, etc.). This parameter tends to transform the financial crisis that is currently underway to an acute monetary crisis and next to a *crisis of value*. The second point is that the privatization of state assets – which is the result (but also a cause) of state insolvencies that happen all over the world – means that the financial policies of each state become absolutely controlled by the international circuit of financial capital. This development has resulted in the *deepening of the existential crisis of the capitalist (nation-) state as a politically autonomous entity and has led to the crisis of the very globalization of capital (at least as we know it today).*

This seemingly paradoxical reality has been produced by the contradictory relationship between capitalist states and freely moving capital, especially from 1990 onwards. The obedience of each state (of the second and the third zone of capital) to the dictates of an international and rapidly circulating capital was very important for the reproduction of capitalist social relations in the current period. In many cases a war was required in order to discipline the proletariat and/or fractions of the national capital of each state. On the one hand, the subjection to the imperatives of the Capitalist International enabled these states to be incorporated in the international circuit of accumulation during the expansion period of the accumulation cycle (often through the participation in some type of regional union). On the other hand, it gradually undermined the ability of the states to manage their internal social issues and made them increasingly vulnerable to the emerging crisis. The controversial relationship between the accelerating globalization and the administrative role of the nation state in the imposition of this process reached its limits at the beginning of the crisis back in 2008. The (financial at first) crisis imposed a (temporary) ‘rescue of the financial system’, i.e. an effort to maintain the current structure of accumulation. This ‘rescue’ was achieved by means of new liquidity which either came from ‘state property’ or was created from scratch. Both methods quickly led to state bankruptcies. Most of the states were already heavily indebted, as in recent decades they had substantially reduced taxation of capital and had thus voluntarily assisted to the undermining of their budget. These defaults make the privatization of social reproduction mechanisms (except from repression) compulsory and restrict the role of the state to the regulation of capitalist competition. Repression as the prime mechanism for labor power management is reconfigured and adapted to the modern needs (they are oriented towards riot control in urban environments and the guarding of the borders).

The other side of fqc partial valorization is the expulsion of labor power value from the cycle of capital reproduction. The restructuring of (not only) state-owned companies and services does not involve a renewal in fixed capital that could lead to the creation of an overall new demand. Instead, it solely involves layoffs, cuts and downsizing. The ‘unemployed recovery’ (every economic index



shows recovery except for employment) is simply an expression of the fact that the mechanism of crisis has not worked to the extent required in order to overcome the overaccumulation crisis. The continuous expulsion of labor power value creates explosive social conditions in all capitalist states, regardless of the zone they belong to. One important result of capital's (and proletariat's) efforts to deal with the crisis is the explosive impasse of the migration issue.

The flow of migrant workers from the third zone of the capital to the first two reaches a critical threshold and gets blocked. Here we find the paradox of a simultaneous crisis of globalization and of the nation-state. The downward spiral of the depreciation of labor, upon which the accumulation of the current period (until the outbreak of the crisis in 2008) was based, was so successful that its own continuation is now questioned. The walls that are raised on the border lines and the continuous flow of immigrants, the immigration police set up at national and supranational level, the reception-detention centers or labor camps and the riots that burst there, the cries about the end of multiculturalism in Britain (!), the leftist discourse about a possible return to some 'national development', these are all signs of the first phase (or one side) of the crisis of globalization. But when the labor power flow starts to get blocked, sooner or later the free circulation of capital will be also questioned. In any case, the first signs of the crisis of globalization are the 'currency war', the 'beggar thy neighbor' strategies of the states, and some major mergers and acquisitions, which show that the so-called foreign direct investments begin to gather closer to their initial center of accumulation (states of first zone). This does not mean that there will be a new round of investments in the second and third zone, something that would require an increase of accumulation in these areas. For nearly two decades, the net balance of capital flows is strongly positive in favour of the first zone.

A return to the previous model of capitalist organization, in which the nation state had a central role, is practically impossible. This structure of capitalist relations belongs to the past. Intercapitalist conflicts and the intensification of class struggle will probably produce a *regionalization of accumulation*. This product of the crisis, which includes a lot of conflicts, does not appear currently to be able to lead a new cycle of accumulation even if it implies a de facto devaluation of financial quasi-capital. The relations between the regions of the new regionalisation of capital will of course be hostile. These regions originate from the historical evolution of the previous cycles of capital accumulation. Some areas, especially in the third zone, which do not belong to any of the regions of accumulation, but also some areas of the second zone for which it is difficult to remain included in the model currently applied by financial capital are already, or will be, the first fields of intensified class struggle and inter-capitalist conflict. Centers of accumulation of the first zone intend to plunder resources and manage the reproduction of the proletariat that lives in these regions. This does not mean that the bourgeoisie of these states is going to 'resist' this onslaught. Instead, the most powerful factions are facing this crisis as an opportunity to be placed higher in the internal hierarchy and devour the weaker factions. The weaker factions of capital and the petty bourgeoisie strata get compressed, and in times of crisis they will lean towards the nationalist tendencies in order to get protected. The social contradictions in these areas are exploding, as it becomes more and more clear to the proletarians who live there that the continuation of capitalism does not include (a large part of) them as labor power. On the other hand, it should not be considered certain at all that the objective trend toward regionalization of accumulation will be implemented. Serious frictions are created between key players of the Eurozone around the immigration issue. New forces appear in the wider Middle East and the Persian Gulf, such as Iran, Turkey and even the group of states constituting the 'Gulf Cooperation Council', and they are trying to become as much autonomous accumulation regions as they can be. The reproduction crisis

of the proletariat, on the one hand, is pushing for regionalization and, on the other hand, tends to completely dissolve the global system.

The imperialist attack against Libya takes place in the context of the globalization crisis. This reflects the frantic efforts of the Capitalist International to take advantage of the chaos created by African and Arab uprisings. Additionally, it is a warning for the proletariat (and the middle strata) in the other countries of this area about what will happen if they continue the uprising. Arab and African uprisings, which are a catalyst in the development of the crisis, also belong to this context. While the political form of dictatorship is questioned by the proletariat (and not only), rebellion has an 'anti-state' (but not anti-national) character and this is the way in which it expresses the crisis of globalization. This dimension of the insurgency is essentially an attempt to rescue capitalism itself, by saving the status of 'free' worker from the standpoint both of the proletariat and of fractions of capital which were suffocating under this political form and demanded 'free' competition. On top of that, this questioning is happening precisely at the moment that the political form of capital (a New Totalitarianism) tends to be applied to Greece and possibly to other countries of the second zone of capital. This creates a contradictory double movement. On the one hand, the Greek state is faced with the difficulty to impose the new measures as it fears unrest and, on the other hand, it is possible that the Arab and African revolts, as they contribute to the deepening crisis of restructured capitalism (which also results in increased migration flows), will make more immediate the need to accelerate the second phase of restructuring in Greece and Europe in general.

The other pole of the contradiction, the proletariat, tends to appear more and more on the other side of the barricades of the conflict produced. Undervalued as labor power, fragmented, highly redundant and without worker's identity and pride, the proletariat in most countries of the world is in turmoil. In the text 'The historical production of the revolution of the current period' we dealt with some important aspects of this activity: bosses' kidnappings in order to claim redundancy payments in Europe, wild strikes in the centers of accumulation of East Asia, continuous localized riots in China, riots that rocked Greece and France but did not reach production sites and the 'rebellion with demands' of the Caribbean in 2009. We may summarize the highlights of the last year as follows: in October 2010, the 'stable' part of the proletariat in France made an unsuccessful attempt to delay the imposition of the second phase of restructuring (in the form intended for the countries of the first zone). In autumn the students rebelled against cuts in Britain and Italy. Public workers rebelled in their own way in Wisconsin (prefiguring a conflict similar to which has not happened during the last decades in the U.S.). In Mozambique, in a foretaste of what would follow in early 2011, food riots burst in September 2010. Wild strikes continued in East Asia, unrest against the repressive form of social reproduction across the African continent intensified. In December 2010-January 2011 the Arab-African revolt burst, and it turns out that it is going to be the historical catalyst for entering the 'era of riots', the transitional stage of this crisis. *The activity of the proletariat in the current crisis produces (through its various manifestations) class belonging as an external constraint.* This reality is expressed as a lack of class vision, as a lack of class organization, as a lack of a vision for the transformation of the capitalist society to a 'worker's society', to a society that is supposed to consist of a single class. The production of class belonging as an external constraint is emerging in different ways in each zone of global capital, but also in every state of each zone of capital. These different aspects are moments of a totality that arises from the fact that the second phase of restructuring taking place now, produces a rapidly growing surplus population. Simultaneously it does not increase the proportion of variable capital in total social capital, i.e., it intensifies qualitatively and quantitatively the impasse of the crisis and does not produce an exit from it.

## France: Radical or not, it is still trade-unionism

If however the limit of present-day class struggles is not any more this “other world that was possible”, what is the new form and content defining class struggle? Maybe better than anywhere else, the seriousness of the present situation was made apparent in France with the revindicative movement of past autumn. The State suddenly lodged a bill to increase the age of retirement, posing an implacable dilemma to the proletariat: either we will slow down the increase of debt at your own expense or the country’s creditworthiness is going to suffer, as Sarkozy said pointing threateningly his finger at Greece. This plan was connected to the crisis of the Eurozone and the need for the French State to accelerate the restructuring. But the result was the breakout of a movement which, from the very start, was clearly confronted with the objectivity of capital : the economy.

An important element this time was the coexistence, within the French movement, of young and older proletarians (who were developing parallel activities). Most of the older participants in the movement belonged to the salaried middle strata, while most of the younger ones were not University but high-school students. The relation between these two segments of the movement was particularly complex. There was undoubtedly a common starting point: pensions. But this was a *common preoccupation*, not a common perspective. The older participants belonged to the pool giving rise to the imaginary figure of the average consumer: they could almost appear as a faded advertisement dating from the Fordist period. Undermining their chance to survive their working life was just another step in the *breach of the social contract* of Fordism. The younger participants are not only confronted to the additional two years of the retirement age, but they should work for forty years in order to qualify for retirement, whereas they know that they are unemployed persons in waiting. The trap of a life containing solely precarious work or unemployment and death was becoming common to all.

The placards stressing that immediate practical interests of the youth living in France are under attack, as the raised retirement age makes their entry in the labour market even more difficult, constituted one aspect of practices that marked this coexistence. The other aspect was their total absence of demands as well as their stance towards repression. The young demanded nothing; the State was immediately sending police against them from the moment they were in the streets, although they blocked just their devalued schools, not production. Both these elements show that neither of the sides admitted the other as an interlocutor for arranging the future. The youth saw the State as a tyrant, and the State saw the youth as the surplus workforce of the future which it should repress at any cost. The police intervention in schools was clearly aiming at teaching discipline, the only useful lesson for the youth. As objective situation and as activity, the youth embodies in condensed form the absence of future.

The movement in France largely took, however, the form of a trade-unionism in a process of radicalisation. It was a purely defensive revindicative movement, with its strategy and its tactics, and also with the unavoidable confrontational coexistence of self-organisation and official trade-unionism. The weakening of official trade-unionism is so clear that it has practically been transformed from a mechanism for negotiating the price of labour power to a mechanism for the management and allocation of individuals, mostly of the middle strata of the working class, at various hierarchical levels – a mechanism that is undoubtedly fully identified with capital, but also one for which there is no substitute. Just like parties, trade unions are institutions without members, the remains of the defunct worker’s identity. It is in this vacuum that activism emerges. Activism, a tendency characterised by intense mobility, aims at becoming a catalyst of developments through the objective consequences of this mobility on the economy. The attempts at internal policing of the movement by the trade-unionists

of CGT and their inability to propose a solution, a decent end for the movement, combine with the pressure of militants on trade-unionists for the continuation of the struggle. The inevitable cooperation with them, this sort of permanent osmosis, reminds us that *trade-unionism is not just a form, but it is also content*.

The content of radical trade-unionism, or activism, or “movementism” as it has been called in France, was expressed more markedly in blockages. Its most dynamic manifestation was the blockage of oil refineries – its strength and also its limit. Blockages were the result of a contradiction: the pressure of the rank and file for action on the one hand, the inability to strike and lose revenue on the other hand. But they constituted a more appropriate substitute for strikes as compared to demonstrations, and they reached the menacing limit of their becoming real blockages. The fact that demonstrators have persisted in demonstrating for so long was connected to blockages. The strategy of the trade-unions, namely weakening the movement through duration, failed, and it led to an overcoming of the practice of demonstrating. Blockages were considered by militants as a means for *blocking the economy*. This objective shows, on the one hand, the importance of distribution as an integral part of the cycle of capital. On the other hand, however, it expresses an ideology declaring that the question does not lie in production of value but in its circulation. Whatever the case, in the end the economy was not blocked. But the sheer fact that, from the beginning of the movement, blocking the economy was an acceptable objective, or at least wishes, shows an overcoming relatively to the anti-CPE movement. The practice of blockages aggravated contradictions and confrontations within the revindicative movement. The question was posed whether, and to what extent, blockages should be *symbolic or real*, and trade unions had a hard time controlling the people who flocked to Grandpuits. The priority set by trade unions was the protection of the refineries’ installations, and in this way it became even more obvious that the protection of labour is above all the protection of capital. *As an activity, blockages did not put demands into question, but they constituted the limit of the activity produced by the delegitimation of demands*.

What is more generally the product of an unstable and circumstantial trade-unionism? In France the State waited for the strikers of the refineries to get tired and stop the blockings. It treated them as a bothersome but inevitable stage in the evolution of the situation. In fact, the militants blocking the refineries were begging the State to negotiate with them in search of a solution. But the State could only let them “dance around” for some days and then send in the police. The internal contradictory dynamics of the movement was however not so confrontational as to lead to a calling of its revindicative character into question to a significant extent. The limit of the French movement expresses the limit of today’s class struggle. It is a dipole corresponding directly to the concrete reality of two opposing classes. On one side, the *class* character of the proletariat’s action, expressed in all its demands which could be condensed to the demand of a perpetuation of its class existence, and thus also of capital. On the other side, “the police”, that is the enemy class ready for battle.

The conclusion that can be drawn from the French movement is that *the delegitimation of demands is so advanced as not to permit any stable establishment of radical trade-unionism in the place of the anti-globalisation movement’s alternativism*. The absence of a political program should not however entail a mechanistic perception of reality. “Programmatism” is an inherent element of class struggle and will continue to manifest itself, at least during the first stages of most struggles. As long as the proletariat remains the proletariat, it will produce the same thing as every living organism: the demand for a perpetuation of its existence. Through the contradictory development of this demand, the proletariat’s activity against capital, exploitation as a contradiction between classes, historically produces revolution. The fact that the demand of a perpetuation of its existence, and revolution as

its self-abolition, are embodied in the same class is not only apparently but also really tautological: it defines the “necessary and impossible tautology”, it defines the capitalist relation as a “moving contradiction”.

## **In what follows we cite comments by some comrades on the French movement. These comments were found in the website dndf.org:**

This movement never believed that it could win. The point was not there. The point was to express that enough is enough. [...] If there is no more the possibility of a confirmation, there is no implication guaranteed by capital either (this is why there are no more any real negotiations with trade-unions). [...] Radical democratism is dead for good. No counter-proposal to the government’s plan was heard. The Socialist Party tried to mutter something, but very soon shut its mouth. [...] When the unavoidable demanding is illegitimate (when it is not systemically integrated in capital’s self-presupposition which has to reproduce the class opposite to capital), there is this empty self-confirmation, this hatred that wears down its own brakes. [...] In the illegitimacy of demand, trade-unionism becomes impossible, and it can lead to the emergence of a rank-and-file trade-unionism with various unstable or outright informal organisational forms, since every class organisation before the revolution can only be trade-unionist. [...] *There is a tendency for a hatred of the economy as a mode of life to take root, without a demand for ‘another economy’.* This is precisely the specificity of the October movement.

[...] I consider it more promising to see in these events the crisis of demanding. Its generalised delegitimation. A further step has been taken. Between the CPE and the pensions, we passed from a movement that ‘obtained’ the withdrawal of the bill (something that is not a positive demand as such) to the absolute revindicative failure of the present movement. [...] In the obsolescence of programmatism and the collapse of radical democratism – democracy is no more, from either side, but a reference of principle, devoid of alternative content, and some followers of radical democratism lose in this way their ideological marks – *the programmatic Marx tends to be inverted: every anti-union struggle cannot but be anti-political.* Class struggle will find its terrain. [...] The most important point is to understand that these [unionist] limits are acquiring today a different character through the illegitimacy of demands; that these limits emerge within a permanent restructuring of the class contradiction at a worldwide level. The most important point is to see that this produces an anti-economic struggle, and thus by necessity, in a given conflict, confrontations with trade-unionism, which is by definition enclosed in this terrain. [...] The dynamic content of anti-unionism is the anti-economic one. Trade-unionism comes to a conflict with itself when demanding becomes illegitimate.

[...] Every revindicative struggle follows a course, and the initial aims, triggers, motives and causes evolve in the process in order to tackle the totality of the problem as posed now, not yesterday or tomorrow. Those struggling can change change their attitude and position. It is wrong to state that the aim of this conflict was the ‘sharing of wealth’. On account of that, we frequently acted for principle, in order to be ‘within’, in order not to sit idly by, although most of us doubted about the possibility of a positive issue. This situation leads to a generalisation of desperate struggle. At a given moment we might hope and think that, in a situation of crisis (when capital can no more reproduce the proletariat, which is a precondition of its own existence), the proletariat, for the most part, will not be willing to return to the proletarian condition.

## **Middle East and Maghreb: Repression and exploitation, the two matches that lit the fire of the ‘popular uprising’**

While in France the situation is getting serious with the consolidation of a total delegitimization of wage demands that is currently underway (and which may appear even more intensely in the US in the near future), in the Arab and African countries it is clearer than ever that the marginalization of the vast majority of the youth taking part in rebellions is the very definition of a new phase of the crisis. No doubt the situation is not identical in every state. Each state has its own class structure and may differ from others in important respects, like the influence of religion, the gender issue, and the position in the global hierarchy of capitalist states. Yet we cannot overlook certain common aspects that stem from the objective situation, and from the activity of the proletariat and of the local middle strata (the petty bourgeoisie and the upper layers of waged workers) that are being rapidly proletarianized. On a first level, it is important to look at those elements that are common between these states and not at their differences. Besides the structural common aspects of these states (language, and to a large extent religions and the subjection to Western centers of accumulation guaranteed by the authoritarian regimes) there are also important common elements relating to the conjuncture. The economic situation in Tunisia and Egypt right before the uprising was similar, *mutatis mutandis*. Growth rates were about 5% and structural unemployment and precariousness were very high, especially for the young generation, whose social significance is huge because of the particular demographic structure. In Egypt, the great majority of the proletariat is very poor, with an ‘average per capita income’ of approximately \$2,000 per year, as over one fifth of the population’s ‘average income’ is \$2 per day. The impoverishment of the middle classes has been intensified in recent years, especially since 2008, thanks to the increase in food prices.

The evolution of each state from Nasserism to neoliberalism, although different in intensity and speed, also has certain common elements: the overwhelming and ever-evolving repression promoted and protected the ‘breach of the social contract’ until the burst of the revolt, but also gave the uprising its anti-repression characteristics. Repression in these states was devastating even for the middle class. A typical example was the assassination of Khaled Said in the summer of 2010 in Alexandria. His assassination caused protests that prefigured the current revolts. His murder was important enough to mobilize the youth of the middle class. It was the straw that broke the camel’s back! The devaluation, the absolute dependence on the state and the lack of future ceased to be tolerated by the young generation. The importance of the demographic issue is illustrated by the fact that in all political factions (from the left to the Islamists) there is a horizontal division between the older and the younger generation. Repression as social reproduction, as devaluation of labor power, was simultaneously the motive force for the economic development in these states and the limit of this form of political rule: on December 17, 2010 Mohamed Bouazizi lit the match which, together with the fire that killed him, also lit the fire of revolt. His self-immolation was the negative side of the current impasse of capitalism. The expulsion of labor-power value from the reproduction cycle of capital, the continuous devaluation, and the destruction of variable capital that dominates the crisis so far, defined the context of the suicide of a young Tunisian with no future. At the same time, the effectiveness that this suicide had on class struggle confirmed that we are now in a transitional period of this crisis – in the era of riots.

Apart from the dependence of the middle and petty bourgeois strata on the state, the repressive neoliberal management of social relations had as its main objective the devaluation of labor power. The

attack against the working class did not remain unanswered; we could say that there was symmetry between the intensity of this attack and the reinforcement of strikes in recent years. The most important strikes took place in Egypt in 2006, and in Tunisia in 2008 at Mahalla and Gafsa respectively. At least 2 million workers participated in the strikes in Egypt over the last decade. These strikes involved wage demands. The important characteristic was that they occurred locally, as the workers only trusted their interpersonal relationships. This was due to the former Stalinist left being integrated by Mubarak and unions becoming instruments of the state mafia. The link between the exploitation of the working class and the absence of future for the new generation of the middle class was materialized in the youth 'movement of April 6', that would later play a role in the events of the Tahrir Square.

State and/or religious repression and over-exploitation resonate in the issue of gender. The temporary installation of an Islamist prime minister (Ganoutsi) in Tunisia and the jeering of women from male bystanders in Tahrir Square on March 8 were facts that justified an ominous expression of concern from an old militant of the feminist movement: "*History has taught us how popular revolutions are aborted by <em>remnants of the ousted regime, and the first thing to be abandoned is the rights of women</em>*", (Al-Ahram Weekly, 26 February 2011). In Tunisia, several women marched on January 29, in order to make clear that they would not accept any devaluation of women neither by the Islamists nor by 'anyone else'. Sana Ben Achour said that they did not overthrow a dictatorship only to enter into a new one 'of another type'. Women are the most oppressed subjects in these (more or less) Islamist and at the same time neo-liberal authoritarian regimes. Their activity is clearly a qualitative indicator of social unrest, whether it is the women of the April 6 movement in Tahrir Square, or the women in Benghazi whose relationships grew deeper during the protest movement against the slaughter at the Abou Salim prison.

All these said, the conclusion is that the rebels appear to be aware of the fact that this region is intended for predatory exploitation and repressive management of the overabundant proletariat. This situation produces a whole range of practices and ideologies among rebels according to class origins, sex, age, the State they live in, and the complicated dynamics of the interactions between these factors.

## **Bread, water and oust Ben-Ali**

For sure the participation in the rebellion is itself a dissolving process. The previously important social ties and institutions that define the capitalist social relations are questioned in the process of revolt. Revolt entails the self-transformation of each person into a struggling proletarian, it entails a sudden and violent proletarianization of every social category, since the everyday life of rebellion is merely action, solidarity, direct relations (even personal conflicts tend to be unmediated) and confrontations with the forces of repression. If this observation is important for answering once and for all the state propaganda that speaks of a purely "political movement", at the level of analysis it is important *to see the differences between the practices of the rebels. It is important to reconstitute dialectically the fragmented reality of these revolts to understand what is both its power and its limit, that is, how they define and how they are defined by this transitional phase of the crisis.*

The most important differentiation within the practices of the rebels was the one between the riots, the pillages, sabotage, attacks on prisons and police stations on the one hand, and on the other hand the rhetoric of democracy, civil liberties, elections, and so on. The second pole of this contradiction represents the schizophrenia of the rapidly proletarianized petty bourgeois and of the middle strata.

This contradiction also stems from the violent elimination of the future for nearly the whole of the new generation (official unemployment rate of the youth is near 60%). Personal accounts of the insurgents in Egypt express this schizophrenia to the utmost. One can see that the educated unemployed, or the almost starving underpaid young public workers, do not realize that their situation is a picture of the future of their European and American counterparts. While they understand capital as something totally alien to them (they constantly refer to corruption and kleptocracy), they don't understand (at least not yet) that this period of capitalism, and its crisis, produces them as 'estranged'. The thirst of the middle strata for democracy is in fact a thirst for justice, i.e. meritocracy. They require to be used for what they were educated to do, that is for the continuation of capitalism and its effective management. They require from the capital, that produced them as such, to find a way to incorporate them in the production process, they require the period of prosperity that neoliberalism reserved for Europeans and Americans of the same class. This section will not be happy with anything less than that. This is illustrated by the fact that part of them is rapidly radicalized, but also by the fact that the questioning of neoliberalism is expressed with a discourse on the nation (and not on religion), i.e. the discourse over the practical questioning of globalization, the challenge of the international circuit of capital whose functionaries are not considered credible interlocutors any more. But this part of the insurgents is caught in a double trap: on the one hand, the capitalist class pushes them all the more violently in the hell of surplus population and, on the other hand, part of this surplus population, instead of asking for democracy and justice, just riots, pillages, destroys, meaning that it does not demand anything, or it doesn't participate at all in the revolt. The petty bourgeoisie and the middle strata participating in the riots are disintegrating into the proletariat, but this does not mean that their ideology is vanishing. Instead, this dissolution produces even more intensively the democratization of the movement (which is inherent in a class movement): a communique distributed by the steel-industry workers included among other demands the 'immediate resignation of the President and all the symbols of the regime, the dissolution of the union federation that was 'Mubarak's minion' and the immediate creation through general assemblies of their own independent union, without any permission or agreement of a regime that has fallen and has lost all legitimacy, the confiscation of all state companies that were privatized and their re-nationalization, the creation of a new management of these companies which will consist of workers and technicians and will be accountable only to the people, the creation of workers' committees for production management, pricing and wages, the creation of a general assembly of all political trends of "the people" that would realise the constitutional convention and would elect truly popular committees regardless of what the regime wants.'

*Fortunately, this menacing human mass (the proletariat from ashwa'iyyat) was entirely absent from the revolt...*

*(ashwa'iyyat is the Egyptian word for the slums in the outskirts of Cairo)*

Excerpt from the interview of a left sociologist in the *New Left Review* journal

The fragmented and precarious or unemployed proletariat had its own distinct presence (as in December 2008 in Greece) expressed by the complete absence of demands and the unmediated organization of the rebels (except for Libya: it is still too soon to talk about the events there). Ultimately, however, their practices were synthesized with the demand-formulating democratic practices that dominated the movement. This synthesis was based on the proletarian, class, 'programmatic' reality and ideology of the proletariat. The dialectic between the fractions of the movement did not lead to a rupture; it did not result in the overcoming of this dipole. Instead, it resulted in a provisional and precarious foundation, namely the coexistence of these practices, which marks a transitional phase of this crisis.



As long as the proletariat is struggling as a proletariat it will always be faced with the issue of the continuation of its reproduction, i.e. the continuation of proletarian existence. The most controversial and important turn of events in Egypt was the appearance of the working class as a unified subject, through the trade unions. *Only when the working class turned to a supposedly neutral State, the one represented by the army, only then did the scales tip in favor of Mubarak's fall.* Only then did the revolt meet its demands, and simultaneously its counter-revolution came to triumph. In Egypt and in Tunisia 'democracy' triumphed right before the *great* massacre. No surprise that democracy took the form of military dictatorship in Egypt, and of a new government with members of the old Ben Ali government in Tunisia.

The massiveness and therefore the multi-class composition defined the uprisings that swamped all these states. The coexistence of different classes should not be perceived as 'the struggling working class' with the external addition of the middle strata. In contrast, the participation of these social categories and their dismantling into the movement has been crucial for its evolution. This development opens up an important theoretical question about the dialectic generated between the surplus population and the rest of the proletariat and the petty bourgeois strata that are rapidly proletarianized. The coexistence of different social classes has not been so much confrontational because no question about communist measures could be posed, since that would practically challenge any vision of the middle strata for the continuation of capitalism. The multi-class composition of the movement was simultaneously its power and its limit. Due to this composition the movement managed to complete a titanic task, to challenge harsh dictatorships which were in power for decades. But the practices produced from the dynamics of this composition also gave the State the right to raise itself above its concrete form, even to denounce it, to change camp, to go with the insurgents and to implement the counter-revolution entailed by the revolt itself. The State must be preserved outside class struggle in order to continue to be the State of the capitalist class. The activity of the rebels made it possible for the State to play this role. The necessary internal distance between the practices of the rebels which would undermine the ability of the State to play a mediating role was not created.

Democratic dictatorships and referenda do nothing other than to underline that we are in a transitional phase. Reuters points out aptly: 'Egypt presents a new dynamic. It could become a magnet for investors as the labor power and land are cheap'. In other words, although the political maneuver was necessary for the restoration of order, what really matters for capital is the continued devaluation of labor power. But the class struggle has the specificity to function as a chain reaction, therefore is itself a cause for its own reproduction. The energy emitted by the riots and protests against these regimes was so strong that it let all hell loose. We should not underestimate the fact that the call for democracy is above all a claim to the right to strike. In less than two months, the network of independent unions was strengthened in Egypt. These unions are now active and cause blockages in the production process. Also, violent incidents in everyday life reveal that social relations have undergone significant disruption, social roles have been challenged. On March 23, 2011 the new (blessed by the rebellion) Egyptian junta passed a law that criminalizes strikes, demonstrations, and rallies, and on April 9, on the two-month anniversary of the fall of Mubarak, they applied this law: they killed 6 protesters and injured hundreds more on Tahrir Square. The Ministry of Justice of the junta issued a statement with which it reassured the proletariat that it has every right to complain but it should be careful 'not to impede the production process and not to cause chaos.' The counter-revolution carried within the revolt in the Arab and African countries has not been promoted only by the State. We read in an article by K. Anderson about developments in Tunisia: 'Youth from all over the country have continued to gather from time to time in Kasbah Square in Tunis to pressure the interim government.'

In early March, they succeeded – after a new round of confrontations with the police – in getting more old guard politicians to resign. As part of these efforts, a High Commission to Safeguard the Revolution has been created, which includes among its members trade unionists and Marxists.’ In the article by P. Anderson in the *New Left Review* we find the condensation of this counterrevolution expressed in a language more familiar to the proletariat than the harsh language of state repression: ‘The strategic priority for a re-emergent left in the Arab world must be to close the rift in the revolts by fighting for the forms of political freedom that will allow these social pressures to find optimal collective expression. That means, on one side: calling for the complete abolition of all emergency laws; dissolution of the ruling party or dethronement of the ruling family; cleansing the state apparatus of the vultures of the old regime; and bringing to justice its leaders. On the other side, it means careful, creative attention to the detail of the constitutions to be written once the remnants of the previous system are swept away. Here the key requirements are: unrestricted civic and trade-union liberties of expression and organization; undistorted—that is, proportional, not first-past-the-post—electoral systems; avoidance of plenipotentiary presidencies; blocking of monopolies – state or private – in the means of communication; and statutory rights of the least advantaged to public welfare. It is only in an open framework of this kind that the demands for social justice with which the revolt began can unfold in the collective freedom they need to find any realization.’

Taking into account the issue of regionalisation and the related intercapitalist conflicts, one can see that the “victory of the revolutions” in Egypt and Tunisia produces a new impasse. Libya and Syria – two States in the class structure of which racial and religious conflict plays a key role – could be only the beginning of the bloody future of class struggle and intercapitalist conflicts. Recent struggles reflect the two basic aspects of the process that produces the revolution of the current period: first, the delegitimization of demands, i.e. demanding is converted into a component of the reproduction of classes, which tends to be marginalized and suppressed, and second, the internal distance produced between proletarian practices in the evolution of class struggle. These two aspects of class struggle are produced in every zone of capital despite all their differences, and is imposed by the objectivity of capital, the economy. We may risk the prediction *that we are entering into an era of riots, which will be transitional and extremely violent. It will define the reproduction crisis of the proletariat, and thus of capitalism, as an important structural element of the following period.* By ‘riots’ we mean struggles for demands or struggles without demands that will take violent forms and will transform the urban environments into areas of unrest; the riots are not revolution, even the insurgency is not revolution, although it may be the beginning of a revolution. The internal distance between proletarian practices aggravates all social contradictions and creates a self-reinforcing process of growing conflicts that includes more and more categories of the working class and the intensification of State repression. The particularity of this ‘era’ is that the dynamics of the struggle cannot produce stable results. In any case, the struggles of the proletarians will inevitably reproduce the opponent class and their own class existence as a class of proletarians. The limit of these struggles, now, is the fact that they are class struggles. The only guarantee to overcome this limit is a practical attack against capital, which is identical with the attack on the very existence of the proletarian class.

Even if the crisis will not soon occur as globally as it appeared in 2008, the intense regional crises like the ones emerging in the States of rebellion, in Japan or in the debt ridden Eurozone, will define in a different way the universality of the crisis as a composition of chaotic local situations . Whether we are referring to France or to the insurgent Middle East and Africa, to the U.S. or China, we see that the inherent tendencies of this phase of restructured capitalism are developing rapidly and with tremendous momentum. All these tendencies converge towards the devaluation of labor power as a

common component and the conversion of an ever larger part of the workforce into a structurally surplus population. The possible success of this phase of restructuring, i.e. the partial restoration of the rate of profit, whatever form it takes, will not lead to a new cycle of accumulation. This will only happen insofar as the structure of class relations is changed. The representatives of fqc, who enjoy the benefits of a delay of its devaluation (through repression), or those who appear as opponents of the fqc fraction –in some cases they really are – and who defend another Keynesian form of capital, will ultimately be in the same camp even if the conflict between them intensifies today during this transitional phase.

Capital is in every sense a moving contradiction: while in the second phase of restructuring it completely fragments the proletariat, at the same time it creates a strong unity on the basis of its objectivity. It pushes each proletarian category from its own perspective to a common ascertainment: that such a profound lack of future entails a relentless gnawing of the present. This awareness creates the ideology of our time, the one of a struggling subject that does not use the old ideological signs of class unity; it has no existence outside capital and also has no future inside capital. The development of this contradiction in the form of the internal distance between practices in the class struggle, which will inevitably become confrontational, will show whether and how this lack of future will be produced, not as an objective movement of capital, but as an activity of the proletariat against capital, i.e. against itself as proletariat, i.e. as a continuous self-transformation through the communist measures that will be taken as the revolution will eventually abolish the proletariat.

## **ANNEX: On the “second phase of restructuring”**

The notion of a “second phase of restructuring” is based on three fundamental ideas. First, capital’s counter-offensive after the end of the Fordist cycle of struggles was the restructuring that transformed capitalism from Keynesianism/ Fordism to globalised and financialised neoliberalism. Second, this restructuring marked the beginning of a new phase of the real subsumption of labour under capital. The dissolution of workers’ identity and the continuous undermining of the reproduction of the working class, as a class relying on direct and indirect salary for its reproduction, are decisive characteristics of this phase. Third, a basic characteristic of this restructuring, which has established a dynamic that continuously undermines any internal coherence of the working class, consists in its being a process that *continuously renews its own dynamic*. The restructuring has been realised; a new model of accumulation has been established; nonetheless, and however paradoxical that might seem, the restructuring is maintained as a dynamic and is being intensified through the internal crises of this period.

On the basis of the above, it is obvious that we have a difficulty in attempting to establish an internal periodisation of restructured capitalism, although the present crisis forces us to try. This difficulty is related to a *historical novelty* of restructured capitalism. This novelty is the “tendency to a double disconnection” (of the accumulation of capital from the reproduction of the working class and disconnection of income and consumption from wages, according to the terminology used by *Théorie Communiste*). To put it in a nutshell, it is the fact that, for the first time in history, we witness the following paradox: whereas every restructuring, as a counter-revolution, contains necessarily an attack on the value of labour power, the restructuring effected from the mid 70s to the mid 80s has incorporated this attack as a permanent, necessary, structural characteristic of restructured capitalism. In the present crisis we are faced with the fact that this attack was already structurally incorporated in the situation prevalent before the crisis.

Besides the present crisis itself, the attempt to counter it brings automatically into question the reproduction of the capitalist relation and, specifically, of the proletariat. Why specifically of the proletariat? Because capitalism is really globalised and every national or regional proletariat is treated in an abstract way as a part of the global proletariat, perfectly interchangeable with any other part. This leads to a vicious circle. On the one hand, we witness a deepening of hierarchy due to an aggravated devaluation of the proletariat in countries occupying the down-most posts in capitalist hierarchy. On the other hand, we witness a devaluation of the proletariat in countries of, mostly, the second but also the first zone, in the framework of a global competition that in neoliberalism translates, to a large degree, in competition for the lowest price of labour power.

Capital's attempted response, from the breakout of the crisis up to now, looks like blindly forging ahead. It is a restructuring internal to the cycle of accumulation, or, more aptly formulated, it is the second phase of restructuring itself, which by its nature must always be renewed based on its fundamental orientations. Logically, this second phase of restructuring will also acquire some geopolitical characteristics. The more we approach the production of the revolution of this cycle of struggles, more "internal restructurings" of this type will be needed: the time distance between them will be shortened as historical time condenses and the historically productive process accelerates.

Today's measures, although pointing in the same direction, do not have the same historical importance as those implemented in the period when the arrangements of the previous accumulation model and of the reproduction of the working class were swept away. The "first phase of the restructuring" (which can be called like that only today, in the crisis and with the new measures) represented a change of the model of accumulation; the second phase of the restructuring is an attempt at continuation, an attempt to tackle a crisis internal to the cycle of accumulation, a crisis so serious as to produce the present situation. Continuing the attack on the value of labour power and undermining the reproduction of the working class are already contained in capitalism's *modus operandi*. Whence the concept of a "second phase", which is not a new restructuring but expresses the fact that the "first phase" of restructuring represented the beginning of a historical period whose production will be revolution as communisation. This problematic opens the road for an issue that is still more difficult and more important, that of the concept of *conjuncture*, which we intend to discuss in the near future.

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