The State and Public Spending

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This essay was written by Antonio Negri in 1975 amid a situation of fiscal and political crisis in Italy. It was aimed at challenging the policies of the "Historic Compromise" between the Italian Communist party and the ruling Christian Democratic party. Beyond this immediate polemic, however, the essay is directed toward a critique of all those who believe it is possible to back away from supporting the Welfare State and who propose austerity measures to address the economic crises brought on by increasing public debt. The fiscal crisis of the State is certainly not limited geographically to Italy nor historically to the 1970s. It has become an essential function of the contemporary State to act as an agent of both legitimation and accumulation. Techniques that reduce public spending and the fiscal powers of the State thus also undermine the administrative powers of the State itself. Moreover, the power of the social forces that oppose the State is such that any decrease in public expenditures, in what we call the "social wage," has become practically unfeasible. In other words, the Welfare State is not merely one possible figure of the contemporary State; it has become its essential and irreversible element.

This essay certainly betrays the urgency of the Italian situation in the mid-seventies. The political struggles in this period extended across a wide spectrum of social sectors (both within and outside the factories) and were organized in new and powerful forms. The Italian State responded to the social unrest with emergency measures such as the "Legge Reale," which increased the powers of the police and the judiciary, and which in turn exacerbated the state of social turmoil. (For historical background of this period see Franco Berardi. "Anatomy of Autonomy.") In the context of these fiscal, political, and legal crises, the problematic of public spending provided a means of defining the lines of conflict between the social forces of contestation and the capitalist State.

The Problematic as a Whole: Conditions of Interpretation and Real Conditions

In the major capitalist countries, public expenditures (by the State and the public sector) approach or surpass half of the gross national income. The increasing rate of growth of public spending with respect to the growth of national income is an irreversible trend. "Yet despite this, there have been only isolated studies by Marx-ists which systematically examine the causes and consequences of this unprece-dented growth" (Ian Gough, "State Expenditure in Advanced Capitalism," p. 53). When such studies do appear, in fact, they only rarely grasp the new specificity of the situation in general; instead they recast the explanation of the situation in terms of the old objectivism of State monopoly capitalism, with completely unsatisfying results.
In the context of the theory of State monopoly capitalism, in fact, public spending appears as a simple financing of private capital and its direct public projections. The effects of the crisis linked to the expansion of public spending remain unexplained and unexplainable. Interpretations of the crisis of advanced capitalist countries that avoid the problematic of public spending, in its indisputable individuality, seem to me to be based on either hypocrisy or denial.

Communist State theory, however, to the same extent that it has rejected the theory of State monopoly capitalism and parallel versions, has recently addressed the new relationship that is configured by the State (as center of the collective and real imputation of the ideal capitalist) and the critical contortions of political economy. [1]

There no longer seems to be any doubt that the State acts as both a political and an economic force at the center of the process of the circulation of capital, not in a subordinate way but with essential functions. The tendential process indicated by Marx and Engels is now being completed, and at the same time the course of the complementary component of the tendency is being realized: the practices of the working class now have a definitively destabilizing effect on the system. The more the two-sided character of commodities and the processes that produce commodities is revealed in the antagonism that constitutes them, the more the mechanism of the circulation (that is, production plus reproduction) of capital develops and assumes a comprehensive figure in the State of advanced capitalism.

The general theoretical consciousness, however, comes to a halt at this point, if the State assumes such centrality, then its expenditure, that is, public spending, must be considered as the wage expenditure of the factory-State. When the critique of political economy violates the rules of political economy (as the communist critique must do), then the struggle over public spending must be seen as a fundamental terrain of conflict. Too often, however, it is not. The Statist mythology of the social-democratic and revisionist tradition takes the situation back in hand, and when it cannot avoid critique of the State, intimidates it or forces it to yield to the capitalist fetishes of equilibrium and balance! Schmidt replaces Marx and Gotha wins out over the critique.

Thus in The Fiscal Crisis of the State James O'Connor, who has pushed forward the linkage between wages and public spending more than anyone else, equivocates on the distinction between the State as social capital and the State as social spending—an analytically useful distinction but completely abstract, or even mistaken if this tends to support the claim that the production and reproduction of the elements of variable capital (this is today the pre-eminent function of public spending) must be considered unproductive expenditure. On the contrary, as the second section of Marx's schema of the structure of reproductions (Capital, vol. 2, chapters 20-21), this spending for the reproduction of the elements of variable capital is indirectly productive, and therefore productive of surplus value and this becomes even more clear as the mechanism of capitalist production extends across the entire society. (See Ian Gough, p. 57.) The gap that O'Connor rightly noted between directly productive State investments and indirectly productive State expenditures does not in itself determine an economic disequilibrium (as his schema seems to suggest). It comes to determine a disequilibrium insofar as the practice of the working class destabilizes the relationship in terms of force, in terms of continually unsatisfiable pressure, and continuous struggle.
It is even less plausible to continue to claim that the crisis induced by the rise of public spending in the State budget is internal to, and even determinant of, the crisis of the profitability of mature capitalism. [2] There is such a relation, but it is certainly not linear: the crisis does not consist in the rise of public spending, nor does it rest on the fact that this is in itself contradictory with private accumulation. Public spending becomes an element of contradiction because worker power upsets its relationship with the State's system of rule (in the capitalist relation, the State is a balancing force) and strangles it in the irrationality of proletarian pressure and workers' struggle.

Addressing the State-public spending question means, then, eliminating from the outset any simplification that might in any way lead to objectivisms typical of the "theory of State monopoly capitalism"; it means assuming in definitive terms that the State is both the field and the subject of the fundamental contradiction that capitalist development encounters when faced with the social emergence of the proletarian class; and it means, finally, recognizing that the mechanisms of the crisis follow in Marxist terms from the "explosion" (as Marx says) of the relation that constitutes capital, that is, the relation of the two classes in struggle. In the final instance, Marx explains, everything rests on the proportion between necessary labor and surplus value, or rather, between the different moments of objectified labor and living labor surrounding the problem of exploitation and its proportions Grundrisse, pp. 359-64). Public spending is the public and State form in which the relationship of the State exploitation of the worker society of productive labor is mystified. Public spending is a social wage and the analyses and destabilizing practices of the working class should be developed on the basis of this fact.

The State-public spending question, then, must be addressed by cutting away all remnants of social-democratic and revisionist Statism. any illusion about the "neutral and mediating, relatively autonomous" State, and any notions of the supposed double nature of the State, "good" when it assists us and "bad" when it finances private capitalists! unfortunately, the State is not Manichean, but is instead the organic structure of the power of the ruling class. "The modern state," Engels tells us, "no matter what its form, is essentially a capitalist machine, the state of capitalists. the personification of the ideal collective capitalist" (Anti-Duhring. p. 80). The chapter of Capital on the State, which Marx never wrote. has been written by subsequent capitalist development, following the lines of the tendency Marx foresaw. (See chapter 4.) Our task, then, is to critique it.

Let us begin by looking at public spending from the worker point of view. The working class has always known one revolutionary use of the direct or relative wage:

Struggle against the reduction of the relative wage also means struggle against the commodity character of the labour force, that is, against capitalist production taken as a whole. The struggle against the fall of the relative wage is no longer a battle on the terrain of mercantile economy, but a revolutionary attack on the foundations of the economy: it is the socialist movement of the proletariat. (Rosa Luxemburg, Ausgewählte Reden und Schriften, vol. I. p. 720)
There is a chapter of this struggle that is unknown, however, or at any rate has not reached a sufficient level of militant consciousness, and that is the chapter that will be written on the struggle over the social wage and against the State.

This is a program that involves all the productive social labour- power at a level of capitalist development that Marx described as a phase in which the potential of the entire community of labor is opposed to capital as a simple mediator of circulation-realization (Grundrisse, pp. 699ff.). The critique of political economy is thus transformed immediately into a "critique of politics" because the proletarian attack on the social wage casts public spending as a capitalist terrain of the organization of the relationship between production and consensus, between development and rule, and between political constitution and social proletarian struggles.

The theoretical practice of capital thus moves forward on a terrain that the proletariat confronts, in terms of struggle, only episodically and spontaneously. Certainly, worker spontaneity is massive and ferocious. In all the advanced capitalist countries there is not one budget (at the level of the relationship of the most direct mediation and control on the part of the State-boss) that holds its own. The capitalist attempt to extort social surplus value in order to mediate and contain the level of social struggles is in crisis everywhere. The mechanism of authorizations and controls, which is the fundamental key to the administrative rationalization of the State command of capital, has been put in crisis everywhere by waves of workers' struggles for reappropriation. With equal strength and intensity, however, and with greater continuity, capital pushes forward the work of readjustment and concentration of control, administrative planning, and spending. Capital and its science do not anticipate the problem, but working through the passage from the worker determination of the crisis to its capitalist closure, they anticipate its solution. "They" are all working on this. Cutting the ties between the State budget and public spending has become the fundamental problem, while rearticulating the differences and symmetries between the mechanism of financial control and the demands for political intervention is the second correlated essential problem. Where the principle of bureaucratic-rational legitimation has insufficient foundation and is incapable of being applied to a conflict that is so wide-spread and profound, recourse is made to charismatic legitimacy and the political pressures and participatory mystifications of social-democratic coalitions until the level of inputs of demand for public spending has been enveloped.

There are enormous stakes around these issues. Even though communist theorists do not lead us to the determination of the solidity of the problem, we are forced to confront it by the practices of the two classes in struggle: the proletarian insistence on this terrain and the capitalist attempt to anticipate it with repression. At this point, "public spending" becomes a central element of the debate. Around this issue we must try to understand if several important problems of analysis and proletarian struggle (problems of the quality and intensity of exploitation) are included and transfigured in this framework and if the eventual new relationships do not modify, from the point of view of a comprehensive worker theoretical practice, some assumptions with regard to the definition of the State and the communist struggle against the State.

Naturally, this issue could lead in another direction, to an analysis of the material dimensions of public spending in Italy and the workers' possibilities of attack. Many comrades are working in
First Analytical Approach: Evaluative Elements of the Tendency toward the Social Unification of Productive Labor

To discuss public spending it is perhaps necessary, more than in any other field, to situate oneself clearly on the Marxian terrain of the analysis of the process of the circulation of capital, as a sphere of the production and reproduction (and innovation) not only of commodities but also social relations, and thus on the terrain of the tendential emergence of revolutionary antagonism and subjectivity. This becomes difficult when, as happens in the case of the authors most firmly linked to the class point of view, the neoclassical and Keynesian mystification of the mercantile system continues to dominate the horizon.

Let us adopt, for example, the categories of public expenditure proposed by James O'Connor:

Social investment consists of projects and services that increase the productivity of a given amount of labor power and, other factors being equal, increase the rate of profit. A good example is State-Financed industrial-development parks. Social consumption consists of projects and services that lower the reproduction costs of labor and, other factors being equal, increase the rate of profit. An example of this is social insurance, which expands the reproductive powers of the work force while simultaneously lowering labor costs. The second category, social expenses, consists of projects and services which are required to maintain social harmony - to fulfil the State's "legitimization" function. (The Fiscal Crisis of the State, pp. 6-7) [6]

This distinction - which, though analytically suspect, is still useful (see Gough, p. 71 n)-becomes dangerous when it is assumed unilaterally to define the gaps and the regions of disequilibria between the sectors of spending. In this way, disequilibria, crisis, and above all inflation come to be seen as arising objectively, a la Keynes, from the dysfunctions in the organization of distribution. The gaze does not go beyond this minute barrier; it limits itself without having dared to touch on the materiality and the force of the social relationships that rule over the diversification of the sectors and the disproportions of spending (or distribution) that are determined. "Necessarily," Hirsch notes with regard to Offe's work, "in this way the concept 'society' is reduced to a phenomenological concept of structure" and the State is stripped of the concept of class that characterizes its (politically) structural intervention in society for ruling the relationships of reproduction ("Zur Analyse des politischen Systems," pp. 87, 91, and 93).

What should be addressed, instead, is the terrain of the proletarian subject and its situation in the capitalist circulation of commodities, because this is where the modifications have been so vast as to destroy the possibility of neoclassical and Keynesian interpretations of the asymmetries and the disequilibria of public spending. In short, our hypothesis is that these do not simply consist in disequilibria of distribution but reveal a much more profound and massive
structure, which is shown first by the modification of the site and nature of productive labor in mature capitalist society, and second by the level of struggle and the demand for power expressed by the proletarian subject. This is what we will try to demonstrate.

At the base of the disproportion theory of public spending and the theory of inflation as an effect of the rise of public spending (principally in the sector that O'Connor defines as "social expenses") is the conviction that workers in State-induced production are "unproductive' from the point of view of capital­ism as a whole" (Yaffe, “The Crisis of Profitability,” p. 51). The claim that workers in what O'Connor calls the "social consumption" sector are unproductive workers, however, would clearly seem to be excluded by the claim, mentioned earlier, that they are subsumed in the second part of the Marxian schema of reproduction. That only leaves the employees in the third group formulated by O'Connor, "social expenses," which (surreptitiously) leads to productive labor for "luxury" spending, or at any rate spending that does not, in Marxist terms, create value (see Capital, vol. 1, pp. 741 ff.).

What sense can this compartmentalization still have at this level of the capitalist integration of civil society through the State? Are the workers who contribute to the production of "social harmony" really unproductive'? Would it not be better instead to change the very concept of productive labor, modifying its definition in the direction that Marx himself identified: [7]

With the progressive accentuation of the co-operative character of the labour process, there necessarily occurs a progressive extension of the concept of productive labour, and of the concept of the bearer of that labour, the productive worker. In order to work productively, it is no longer necessary for the individual himself to put his hand to the object; it is sufficient for him to be an organ of the collective labourer, and to perform anyone of its subordinate functions. (Capital, vol. I, pp. 643-44)

Would not this modification of the definition of productive labor, enlarging its conceptual purchase, better correspond to the extension of the capitalist mode of production and its rule over contemporary society?

Reviewing the results of a long discussion of these questions among English Marxist economists, Ian Gough concludes, "all State workers pro-ducing either components of the real wage, for example social services, or ele­ments of constant capital, for example research and development work, are indi­rectly productive for capital" - in other words, they produce surplus value ("State Expenditure in Advanced Capitalism," p. 83).[8] Bob Rowthorn. on the other hand, insists that it is beyond doubt that "the educational and other [administrative] sec-tors of the State, even if 'unproductive', can push workers to produce surplus value, part or all of which is transferred to the capitalist sector where surplus value appears in the hands of the capitalists" ("Skilled Labour in the Marxist System," p36). This is true in the sense that the productive integration of capitalist develop­ment increasingly imputes the State with a totalizing support function with respect to productive activity. The State does not, in Keynesian fashion, organize mercan­tile relations, but, directly or indirectly, and in any case effectively, it organizes productive relations. It organizes relations that are productive of commodities and, above all, productive of relations of production.
The growth, and even the enormous expansion, of public spending does not conflict with the development of capital, but rather is organic and necessary to the contemporary productive figure of capital. In addition, public spending today constitutes the essential prerequisite of every moment of accumulation. It makes no sense therefore to speak of public spending that is inflationary in itself. At this level of the socialization of production and command, one could give an essentially positive proof of the functioning of the law of value. If the law of value does malfunction and the inflationary mechanisms are set in motion, this is due not to the organic relationship established between public spending and the composition of capital (which is dominated today by State command), but rather to the rupture of this organic relationship imposed by the workers' struggles, by the antagonism that opens at this point between the organic composition of capital and the political composition of the working class (which at this level of the unification of labor-power is, at any rate, productive).

The crisis does not consist in the disproportion between the three forms of spending identified by O'Connor, and more important, does not consist in the contradiction between, on the one hand, directly productive spending including spending to reproduce labor-power (which is thus indirectly productive), and, on the other hand, the political spending of the State, which produces not surplus value but social consensus and harmony. This contradiction cannot exist because if social consensus and harmony are indeed achieved, they are achieved as functions internal to the relations of direct and/or indirect production. The crisis consists in the inability to control the different components of the composition of capital at this level of class struggle and the development of capital; it consists in the irreducible antagonistic presence of the working class.

Why though, does collective capital run the risk of an extension of the crisis from the level of direct production to that of social production? Why does capitalist development involve itself in a dimension it cannot directly control and in which the problem of public spending (otherwise completely functional to private capitalization[9] is open to general contradictions, which are inevitably effective in their social generality[10]) Although the specific Marxian definition, of the concept of productive labor needs to be modified in the way we have outlined, Marx's analysis of the tendency whereby both the definition and the site of productive labor assume another sense still holds. This tendency moves in the direction of the development of the contradiction of the rate of profit. Little by little, the private, individual logic of profit falls away, as is illustrated by the process of concentration and the continual capitalist reform of its organic composition in the direction of a greater proportion of constant capital. (See Marx, Grundrisse, pp. 690ff.) To the same extent that the individual logic declines, capital organizes levels of social productivity, steals surplus labor from productive cooperation, and substitutes for the lost value the value produced by general social productivity, through the permanent and direct assimilation of all productive forces (and their reduction to constant capital) and through the integration of all of society into the factory of the collective capitalist. (See Marx, Capital, vol. 1, p. 635.) From this point of view, public spending represents the cash flow of the factory-State and is cast entirely in the structural gap between the fall of the rate of profit of the individual businesses and the pressure toward the rise of the general productivity of the system. The fact that within this structural gap there may be inflationary elements is secondary; the structural gap does not define the reality but simply the possibility of inflation, which is realized exclusively by the intensity and the level of the workers' struggles.
If this is true, there follow several immediate consequences. In the first place, public spending proves to be a real moment of productive spending and thus its consideration should be entirely brought back to the levels of the circulation of capital in contemporary society. In the second place, public spending, constituted by a quantity of money (means) at the disposal of the State for direct or indirect production, weighs heavily as extorted surplus value globally on the com-munity of social labor-power, and specifically on the extorted value of social coop-eration. In the third place, it follows that a public expenditure thus constituted represents a basis of asocial exploitation for capitalist accumulation and, as such, is also contracted as a wage basis and destroyed as a basis for the financing of capital: the two moments cannot be separated if Marx's analyses of the relative wage are accepted. (See Rosdolsky, pp. 293-96.) In any case, this is the fundamental terrain of class struggle at this level of the development of capitalist exploitation.

It is not by chance, then, that the "theory" of reformism focuses its effort on this terrain, trying to defend itself against the Marxian critique. The most intelligent, and thus the most dangerous, positions correctly recognize public spending as social surplus value extorted by the collective capitalist. (See, for example, Francesco Galgano, Le istituzioni dell'economia capitalistica, in particular pp. 33-38.) As a result, just as the economic expropriation of the worker can be transformed into a political demand of the citizen (as is obviously the case in the project of the historic compromise in Italy), so too, insofar as they are citizens, they can put their hands on what was denied them as producers' It is clear that the disproportion between the validity of the analysis and the miserable opportunism of the conclusion can only be explained by the relative inexperience of these authors. If this were not so, as, for example, in the much less adventurous proponents of the politics of reformism, we would be dealing simply with despicable ideological mys-tification and the vile betrayal of the masses.

Second Analytical Approach: On Social Accumulation. State Management, and the Contradictions of the Capitalist Foundation of Legitimacy

In the old days the business enterprise accumulated and the State legitimated (better if it was a "rights State," but even if it was not). The State has existed histori-cally as a "business committee of the bourgeoisie" in the course of capitalist development and Marx's treatment of the use of public debt in the initial phases of accumulation and in the critical phases of development demonstrates this ade-quately. (See Capital, vol. 1, Parts IV and V, and vol. 3, pp. 395ff. and pp. 464ff.) At that level of capitalist development, legitimating meant grounding the claim to right (which establishes the basis of an effective and legal relationship between the exercise of power and civil consensus) on the representative forces of the capitalist business enterprise, the values of economic development, and the direct capitalist mystification of the general interests. The State legitimated insofar as it guaran-teed the pursuit of the general interests of development. At the contemporary level of capitalist development, however, the situation seems to have changed. A series of developments in motion today-the totalizing socialization of capitalist pro-duction, the rampant processes of abstraction, the growth of service-industry jobs, the general absorption of the so-called productive forces (social cooperation, science, technology, and so forth) into comprehensive capital, and the tendency of the infrastructure of social and political services to be enveloped within direct produc-tion - all determine a structural deepening of the mediatory functions of the State in the comprehensive
production process. In terms of both organizational functions and the mass of surplus value socially extorted, the quantity directly involving the State has enormously increased. As we have suggested, this process is paralleled by the functioning of the law of the tendential fall of the rate of profit at the level of the business enterprise. (See primarily the analysis of Altvater, "Notes on Some Problems of State Intervention.") The State accumulation of social surplus value thus appears in the first instance as compensation for the fall of profit of the business enterprise (see Capital, vol. I, pp. 232-66), but in a second instance these new State functions become ever more intense and determinate. The State begins to appear as a hegemonic force in the realm of the mode of capitalist production; the State accumulates in a prevalent and determinant fashion. [11]

How is the principle of legitimacy formed at this level of capitalist development? State accumulation does not contribute to the process of the general fall of the rate of profit except in the sense (traditional to the functions of counter-tendency) of raising the mass of profit. This can no longer represent a principle of legitimacy. Capitalist exploitation must be directed toward general interests in the hope of economic development. The increase of the mass of profit, then, is not enough to legitimate; the rate of profit is what gives the power of command and imposes the obligation to obey in the capitalist mode of production. Even if the mature capitalist State were to succeed in transforming itself through a correct evaluation of the rate of profit — if it were to go far beyond the Keynesian functions of market regulation, if it were to be directly productive, if through quasi-oligopolist investments of public spending it were to create highly productive regimes in the management of public services, and if the State were to try to reorganize the extraction of social surplus value in terms of progressive and rational fiscal management (that is, in terms of the law of value) — it would still be far from being able to impose itself. [12] The very nature of social labor in its generality and abstraction, that is, in its specific quality at this level of development, prevents this from coming about. In this case, in other words, the very possibility of calculation (in terms of the law of value) is, on one hand, impeded, as in the case of cooperation, by the spontaneous valorizing quality of social labor and, on the other hand, surpassed when labor time becomes an inadequate basis for measuring the expression of superior productive capacities. (See Grundrisse, pp. 699ff.) Furthermore, indirectly productive labor, which is in large part that linked to the State, opens possibilities of extremely differentiated and complex internal planning. (See Bob Rowthorn, "Skilled Labour in the Marxist System.") At this point State intervention to maintain the mass of profit is totally "arbitrary" in terms of the law of value. We should go further, though. The econometric arbitrariness (which is, in any case, fundamental from the point of view of comprehensive capitalist planning) appears as totally irrational from the point of view of class; the use of the law of value, in this retreat of capitalist resistance, is reduced (or seems to be reduced from the proletarian point of view — and that is what counts) to the simple practice of command. [13] This is all the more clear when one considers that if capital is essentially a category of relation between class forces in struggle, the fall of the rate and the accumulation of the mass of profit mean, in class terms, the fall of the quota of the valorization of capital with respect to an implacable massification of proletarian struggles.

What principle of legitimation (of both power and consensus, both discriminating and participatory force) can sustain the capitalist direction of development today? In the realm of the social accumulation of the State there is no principle of legitimacy — this is certain. The
accumulation of social surplus value by the State operates on the basis of a growing antagonism. Capital mystifies this knowledge of its own structure and calls the effects of this antagonism a problem of the priorities and selections of public intervention. [14] In fact, the fiscal policy is hateful. as is the exploitation of social cooperation, indirectly productive labor, marginalization, and the mass capacities of scientific innovation. The capitalist planners of the State recognize this situation. [15] Within this comprehensive crisis of credibility, then, the only moment of real legitimation is still referred back to the principle of the business enterprise, to the highest level of the extortion of sur­plus value and the production of productivity on the part of the capitalist. The extension of the mode of capitalist production in the form of the State must be subjugated to these levels of productivity as essential moments of the definition of capitalist reproduction. Re-achieving high rates of profit (that is, productivity and exploitation mystified in profit) becomes a condition and criterion of the develop­ment of social accumulation through the State. The characteristic situation of the initial phase of capitalist development is thus inverted: the State accumulates and the business enterprise legitimates, pulling along (in terms of productivity) con­sensus, the fundamental element of the legitimacy of the capitalist State at its most mature level of development. The business enterprise thus becomes a support (a Trager in Marx’s sense) of development - its quality and definition. Productivity as a valorizing element of the social relation of production. is the legitimating term of the comprehensive process.

If we now return to public spending, we see that if this is one of the figures (perhaps the fundamental one) of the capitalist appropriation of social surplus value. it must yield to the norms of the productivity of the business enter­prise. We have already pointed out that this is certainly not possible for structural reasons, but that does not resolve the problem. In fact. the process presents itself in terms of this contradiction: the failure of the city of New York in the name of the productivity of the business enterprise does not mean an elevation of produc­tive capacity directly recuperable in the quantities of the accumulation-reproduction of capital, but means only the reprop­osition of a repressive, exclusive, and ter­roristic logic of domination against the uncontrollable quality of cooperative, intellectual, and innovative labor. The rates and the quantity of public spending must, at this level of capitalist development, be posed with the authority of the business enterprise, not because that modifies the average productivity of the sys­tem (which is already closed in the antagonism between the mass of accumulation, along with social struggles, and the fall of the rate of profit), but because that legit­imately imposes, reproposes, and sanctions the logic of capitalist domination.

As always, all the contradictions of capitalist development are two-sided. This reversal of the accumulation-legitimation relationship, so that the State now determines the former and the business enterprise the latter, reveals in its worker side new aspects and possibilities for proletarian struggle. In the very moment that the business enterprise opens to the wage even to guarantee produc­tivity and the rate of profit, giving the State the responsibility of guaranteeing socially the effectiveness of the wage itself and recuperating it in the social circula­tion of commodities, an enormous space of rupture is opened for proletarian struggle. This is the space, the gap that extends between the productivity of the business enterprise, as a legitimation project of developed capital, and the real ter­rain of accumulation, both that controlled by the State and that of comprehensive social cooperation.

Deepening and expanding the contradiction that is presented in the capitalist plan itself to the
point of bringing it back to the antagonism between worker interests and capitalist development can be carried out in various ways: either by lowering the productivity of the business enterprise, as workers have always done, or by accentuating the dysfunctions of the social accumulation of the capitalist State, as proletarians are spontaneously beginning to do - or by doing both at the same time. This seems to be the master line of workerist analysis. With the tendency of worker labor-power to recognize itself as the proletarian unity of unsubordinated labor, the dualities, the ambiguities, and the crises do not count. The workerist analysis makes the process dialectical and unified. from the contradictions at the heart of the proletariat to class antagonism.

The factory wage and the social wage are two poles of the figure in which the working class is mediated and subsumed in the social and State figure of capital. Capital tends to separate itself into two figures, to play the factory wage as an element of the legitimacy of the capitalist State against the emergence of the productive unity of social-labor. On the other hand, the articulation of the struggle from the factory wage to the social wage becomes a devastating power of the capitalist contradiction, which is functional to the capital's domination.

There is one final element to consider, however, which is not tactical but theoretical. In the context of this process the "relative" character of the wage negotiated by workers explodes. In fact, the "relativity" of the wage negotiated by the factory workers arrives at an equivocal relationship-dominated by capital-between the real wage and the monetary wage. Factory capital dominates the calculation of the factory wage and in the calculation makes it relative and politically functional. On the other hand, the proletarian struggle over the social wage disrupts the functioning of capitalist logic, blocking its calculation and control. It is completely clear, then, that it is not at all important whether real wages rise or fall- from a Marxist perspective there can be few illusions about this' What is important is leading the wage component back to the role of independent variable, and that is possible in the practice of the proletariat on the social terrain. [16]

Recognizing society as a factory, recognizing the State as a boss, destroying the fetish of productivity as legitimation, and bringing legitimation back to the comprehensive needs of the proletariat is, at any rate, today's subversive task. It is possible that this is enough, because when the relativity of the wage is destroyed, and when the logics of division and domination through division are broken by force, the emperor will be revealed as he was in the fable: naked and crazy.

The Crisis of Public Spending in Italy

We should pause a moment to consider the reality of the crisis in more detail. There is extensive and useful documentation of the crisis of public finances in Italy in the years following the wave of struggles in the 1960s and the resulting institutional panic. (See La finanza pubblica, edited by Mediobanca, and also Franco Reviglio, "La crisis della finanza pubblica [1970-1974].") In short, what happened was that the debt of the State and the public administration exploded in the early 1970s, rising from 1.5 percent of the gross national product in 1970 to 7.9 percent in 1973. subsequent to a significant expansion of spending (rising consistently faster than the gross national product) and insufficient incomes. This gave rise to
the formation and consolidation of a growing deficit and a rigid structure of capital expenditures and capital transfers. The situation changed in 1974, but more in appearance than in reality. The new situation offered no possibility of structural intervention. and, given the permanent strong absorption of resources by the structural debt. it was only possible to implement conjunctural interventions to support employment levels. changes that were neither significant nor organic. even given a slight economic improvement.

There is no doubt that in this period the Italian public administration was put on the ropes by proletarian action, and that consequently the lev­els of exploitation of the social productivity of the system were blocked. From the capitalist point of view. this situation required an energetic response, and it is dear that, even if gropingly, a strategy of readjustment is being formulated. We can see this as one step further in the rationalization of circulation, the containment of spending and the drive for investment. the restoration of the global control of all the centers of economic decision making. the planning of the consolidation of debts, and above all the reaffirmation of the criterion of the legitimacy of public spending. This criterion has to function in the (controlled) mediation between the reduction of the deficit and the definition of a standard of productivity adequate to business regulations. At the same moment when the proletariat discovers the total­ity of the social terrain of its own exploitation, capital is constrained to accept this terrain, hut only when the rules of business command are re proposed there. Break­ing these sequences of proletarian pressure, putting its hands on the totality of control. defining rupture and control in terms of the rules of capitalist business -this is what "good government" means today. The reconsiderations ,and contor­tions of the theoreticians and officials of public finance are in this regard identical to, and by this point assimilated within. those of the theoreticians and officials of planning.

We can see. in fact, what is happening on the plane of restruc-turing intervention: a block on spending, new levels of austerity and provocation, a definitive disruption of the sequences of development that were poorly conceived in the last decade by the theoreticians of planning. and, most important. an active policy of displacing social labor-power and creating, on a par with the new dimen­sions and qualities of the labor market, a sort of "industrial reserve army" in the form of marginalization and/or abandonment of entire social strata. (See Massimo Paci , Mercato del lavoro e classi sociali in Italia.) In short. it is a strategy to divide internally the unity of productive labor, which is potentially revolutionary and. with its demands of recognition. completely destabilizing of the current state of politics. This is the task that the project of capitalist restructuring has to address. [17] This attack on the processes that form the new political composition of the work-ing class is what will reestablish the rule of business and support the suffocating legitimacy of the norm of capitalist appropriation of all the surplus value, in what-ever form it is produced.

The Italian situation is not unique. Although in the other nature capitalist countries the levels of public debt with respect to the gross national product have been lower than in Italy, some of them do have substantial debts, and. at any rate, the policies of restructuring and restructuring they have set in motion bear profound similarities to those in Italy. This is because it is not so much the debt that must be battled hut the new political composition of the working class. which forces both public spending and the debt to grow [18] In all the mature capitalist countries. and more so according to the larger size of the labor market, this project of consolidating social
accumulation and its legitimacy in terms of business productivity is the central focus, and it is accompanied by measures to destroy the struggles of the emergent proletarian subject. [19] This capitalist tendency defines a figure of the State that is highly centralized and functional, and that dictates norms, behaviours, and procedures serving to concretize the new foundation of legitimacy in the strict relation that links it with (and derives from it) diverse moments of the process of the social accumulation of capital. In short, State intervention for realigning and directing public spending is only the mirror that reflects the consolidation of a principle of legitimacy, which is not new but now exclusive, that is, which was not ineffective before but is now given priority in its effectiveness: the principle of business productivity, for the social accumulation of capital and against the proletarian subject, which is tending toward unity, and which is expropriated of that wealth.

It is no coincidence, then, that legality (the password of the validity of the juridical action of the State) should yield increasingly to the determinant material conditions for the legitimation of State action. The formal interpretation and definition of the juridical ordering are under increasing pressure to give way to functionalist theories, the most significant quality of which seems to be, if we do not misunderstand the German and American theorists, the insistence on the determinant criterion of administrative action [20]. Although this is paradoxical from the old juridical perspective, legality can now be reconstructed only ex post on the basis of the fulfilment of the substantial functions, that rival the system of rights capacity of address. One could develop an interesting casuistry of this phenomenon, but this is not the place for that. It is important rather to emphasize what is gradually established on the basis of this juridical and administrative initiative is not the old form of legality but an arrangement of new norms of behaviour and intervention. In this framework, capital and its State tend to make their own and make effective the utopian efforts of the various currents of "alternative jurisprudence," demonstrating an unusual open-mindedness toward their theoretical founders. [21]

At any rate, this is only a first approximation. When the new principle of legitimacy is posed with such weight and such exclusivity, the "lacuna ae" of the ordering that begin to emerge are so common and continuous that even the extensive application of evolutionary and alternative criteria does not allow the recomposition of the horizon of traditional legality. What is recomposed here, in the urgency that always characterizes its functioning, is a well-known law: the intervention is cast as exceptional and extraordinary as a result of a lacuna of the ordering and the urgency of the situation. Within the crisis, these functions multiply in frequency and extension. Extraordinary administrative intervention, preventive terror, and peremptory initiatives corroborate and develop the notions of evolution and alternative, defining (this time really effectively) new horizons of legality. [22] On the basis of these horizons, these functions, and these violent ruptures, the formalist command has to extend itself across the new legislative production and its roles of legal management. After having broken the old administrative routines with a devastating intelligence, the principle of legitimacy can allow itself to rest under the same cover with the new legality. [23]

What capitalist command asks of its functionaries today is that they rationalize (that is, make consequent and continuous) the content of the jurisdictional decisions, whenever and wherever they appear, making it adequate to the new principle of legitimacy, in other words, to the determinant and material criteria of business productivity. The entire complex of social labor is
submitted to this imperative, with coercive social norms when possible and, in the majority of cases, with jurisdictional normative behaviors. What still remains of the normative systems put in place by the struggles and the worker conflicts against the State? Nothing remains that cannot be bent to the will of capitalist command, here and now.

If we now turn back to the theme of public spending, we are struck by the freshness of the reflections that its problematic suggests. It is always useful to rediscover a terrain on which the Marxian and workerist analysis of the wage finds "further space for application" in the first place. To show how the science and practice of capital are constrained to the most severe repressive operations in order to negate the subject that the social wage reveals. and, in the second place, to identify a terrain of struggle on which, on the basis of the social wage, all the practices of the hostile power tend to be united from the mass point of view of the proletariat and determine a further terrain for the expression of the workers' hatred.

The New Proletarian Subject in the Period of Crisis and Restructuring

In a fundamental passage of the Grundrisse, Marx develops a series of notes on class composition. Even humans, insofar as they are producers, are regarded "from the standpoint of the direct production process," Marx emphasizes, "as the production of fixed capital," as the accumulation and perfecting of productive capacity (pp. 711-12). Little by little, the subject that enters into the process of direct production is transformed by it, so that the very same process of direct production "is then both discipline, as regards the human being in the process of becoming; and, at the same time, practice, experimental science, materially creative and objectifying science, as regards the human being who has become, in whose head exists the accumulated knowledge of society." "As the system of bourgeois economy has developed for us only by degrees," Marx concludes,

so too its negation. which is its ultimate result. We are still concerned now with the direct production process. When we consider bourgeois society in the long view and as a whole then the final result of the process of social production always appears as the society itself, i.e. the human being itself in its social relations. Everything that has a fixed form. such as the product. etc., appears merely a moment, a vanishing moment. in this movement. The direct production process itself here appears only as a moment. The conditions and objectifications of the process are themselves equally moments of it, and its only subjects are the individuals. but individuals in mutual relationships, which they equally reproduce and produce anew themselves even as they renew the world of wealth they create. (p.712)

We are not interested here in the philosophical relevance of Marx's materialist definitions, but rather in bringing up to date his consideration of and his insistence on the dialectic determined between "being moved by" and "moving" capital. which is grounded in the emergence of the working class. This is where both the new quantity of the wage and the new quality of worker needs. desires, and practices are determined. If it is indeed true that, in any case, the system of needs is always given in capitalist development in the form of exchange value, and that only a utopian could hope to rupture this alienating relation in an immediate way, then the progressive socialization of labor, its abstraction, and its growing productivity can and must
rupture the determinate form of social exploitation. Capital itself moves class on this terrain, and in turn moved: this is the meaning of the extraordinary development of productive social potential. From this point of view, then, the more the form of exploitation is made social and the more the form of the wage mystification of exploitation is also made social, the more the negation is deepened and becomes determinate in the body of capitalist society. [24]

In more specific terms, it seems actually that he hind the expansion of public spending (as spending for the social wage) there are practices that allude to a more advanced level, in the Marxian sense of class composition. To an ever greater degree in advanced capitalist countries, work and pay do not correspond and the worker consciousness develops levels of wage presence that are in am case unassailable, even if they are not politically organized. [25] The process of "worker education," which has been addressed by so much of the revisionist and neo-Gramscian literature, [26] has certainly not remained in the hands of the capital-ists and reformists but, reorganized by the struggles, has been structurally rooted in practices and needs that only a generalized level of the social wage and political guarantees can answer and satisfy. [27] The dialectic between capital and the working class, which is continually socialized to a higher degree, is determined at a level of political class composition that characterizes our era in an absolutely new and irreducible way.

The capitalist strategy of public spending, however, tries to negate what it reveals. As we have seen, it is forced to do so. It will have no great success, however, if it is true that, more than arriving at the lowering of levels of income and marginalizing repression, the State’s action has succeeded at most in setting in place new relative differentiations (within the permanent limits of guaranteed income). The State thus plays out, as we will see again, the relationship between functions of social accumulation and functions of business enterprise legitimation. (This is the mythology of "communist" productivity and/or cooperation against lax work habits, absenteeism, and "the capacity to enjoy" that Marx spoke of. [28]) The effort to negate the new reality of class composition, however, through a compression of public spending is nonetheless effective.

This is even more clear when, beyond the living labor directly used (or momentarily not used in this form) in the laboring process. Indirectly productive service labor, scientific labor, and, all the components of social knowledge come into play. An enormous, literature has already contributed to our knowledge of the contemporary trajectory of the Marxist tendency on this terrain. [29] Social knowledge enters in an always clearer and more certain way in the synthesis of the determinate historical formation. The mechanism of social reproduction tends to become scientific in all its fundamental structures, from economic to infrastructural, and from communicational to political. In the continuity of the process of the social reproduction of capital, social knowledges today aggregate and become real. This store of indirectly productive human activity, however, this mass of living labor that will be exchanged for commodities on the terrain of the production and reproduction of capital. is dominated, divided, differentiated and striated by capitalist command. It is assumed, as the totality from the point of view of exploitation, in other words, from the point of view of the realization of the social circulation of exchange values, but insofar as it is represented by itself as productive labor it is pushed to the margins of social insignificance. Certainly, capital must be willing to allow some conditions for the "spontaneous" reproduction of this mass of productive social labor, but it does so increasingly in terms of a
"natural condi­tion" of reproduction. the value of which is mystified and at the same time greedily sucked into the capitalist recomposition of command, (See Massimo Cacciari, "Lavoro, valorizzazione e 'cervello sociale'.")

This completely objectivistic opposition reflects one moment of the development of relations of capitalist production. between productive forces and relations of production - when by "productive forces" one understands "science. general social knowledge, the quality of labour, the, sociality of labour, nature, machinery, the organization of labor, and so forth" (Romano Alquati. Sinidacato e partito. p. 165). This opposition. then. is completely resolved in total subordination of productive forces to capitalist relations of pro­duction and command. In this framework, public spending is entirely capitalist spending, an investment for capitalist reproduction. The capitalist negation of the creative mass of social labor-power can no longer proceed to completion. For this very reason. in the wage dimension. in the sector of the reproduction of social labor-power as such, we again find the characteristics of capitalist action on the wage in general: a continuous attempt to reduce necessary labor and extract the highest mass of social surplus value - with the- same greediness and monstrous cruelty that we recognize in every factory.

On this terrain. then. the struggle over the relative 'wage opens up again: from the workers struggle over the direct wage to the workers struggle over the social wage. Here, too. the series of traditional divisions of the struggle- - economic struggle and political struggle, syndicalist struggle and struggle for power - come down even more heavily (if that is possible). On this terrain. however, something else is in play, that is, the response to the worker pressure to reap-propietive social productivity against the State expropriation, and the need to rec­ognize the new subject of production as a revolutionary subject. [30]

This field of struggle is opened as both articulation and total­ity: from two points of view, that of capitalist command and that of the proletariat. From the worker point of view we have to ask the question if there is "the possibil­ity that the working class can use the productive forces for valorizing itself against capital, as an antagonistic class.

If an alternative use of highly developed productive forces is possible" (Romano Alquati, Sindicato e Partito; pp. l65-66). It is even more important to ask ourselves at this point if the concept of class composition, beyond its use as a descriptive and analytic category, can be translated into an operative category and an organizational schema of the conscious working-class reappropriation of productive forces. [31] As always, however, these questions have, and can only have, a partial answer. This process is in motion, but the articulation only gains meaning on the terrain of the totality of relations of force, because against the successive working-class reappropriations of productive forces is un-leashed all the power of the capitalist devastation of the worker vanguards and the articulations of the workers' struggle, Public spending’, its articulations, its tendencies, its planned priorities, and the rationality of command that runs throughout it construct one of the fundamental weapons of capital. Public spending has intro-duced into social accumulation (and the social struggle of the workers) the legiti-macy of the capitalist business enterprise founded on the rate of profit and the state guarantee of an accumulation for profit. Public spending has organized the community of labor in order to destroy its possible political form and subject it entirely to the legitimacy of the rate of profit - a
new worker world capable of communism is submitted to the dead fetish of a falling rate of profit.

The effects of State action against the revolutionary recomposition of the new subject of production can thus only be combated on the terrain of the totality. Only the living collective legitimation of the communist re-appropriation of productive forces by the proletariat, by the living labour, that unique independent productive force, can respond to the legitimacy of the capitalist state and its process of restructuring. When, necessarily, the legitimacy of the state is articulated with terror and the power of devastation against the working class, only the struggle for power - power against power, terror against terror - can give dignity to the workers struggle. The entire capitalist restructuring is centred (at all costs) on the project to destroy the new composition of productive social labour and its political potentiality. The entire process of institutional restructuring is equally directed toward the mediation between old formal instances of legality and newly emergent functional necessities in order to make itself effective. The normative soul of these processes of capitalist rearrangement is the law of the falling rate of profit, and the recognition that, as Marx says, the death knell is sounding for the civilization of capital. The tension here between the State and the new proletarian subject cannot be destructive. If on capital's side everything is conceived in the short term and the will to destruction stinks of pessimism and delusion, however on the workers' side the will to insurrection is terrible because it is articulated with the hope and the certainty that in the long fun we will win out. Today the analysis of power from the class point of view holds less and less interest. What is funda-mental is instead the attention to the practices of the new proletarian subject and the permanent illegality of its daily behaviour. The analysis of power as an analysis of the political "response" to the boss comes only after this.

Further Considerations on the Accumulation and Legitimation Functions of Public Spending

“Planning is done by big business for big business”: This is not true today nor was it true yesterday. Neither the economie concrete nor the various forms of mixed economy can ever really be reduced to this. That the logic of business enterprise dominates and legitimates planning processes does not mean that these have ever been simply projections of the immediate interests of the big capitalists. Rather, planning involves mediating among social forces determining the materiality of the infra-structures of production, stimulating the comprehensive productivity of the system, and ascribing the (active or passive) power of the organisation of the social circulation of commodities centrally to the power of the state. Public spending is the cost of these operations together, and, as a characteristic of the wage response to the state activity in the field of programming, it certainly cannot be subsumed under the will of big capital. [32] Planning primarily involves reproposing, by means of organizational mediation, a terrain of the composition of class conflicts. We should keep in mind at these levels of class struggle, the dual development intrinsic to the capitalist logic of rule is completely affirmed. [33]

All of this, though, seems to be harking back to old times when there was a reformist hope that the conflicts were really mediable and that the reorganization of the labour market through a mediation between productive social functions and social welfare could be sustained within foreseeable and controllable proportions. In fact, every highly developed capitalist country has
witnessed the crisis of this project. The economic potential of the new proletarian subject has never been reined in by the planned project and where this subject has not succeeded in manifesting itself as continuous struggle, it has nonetheless been present in the form of qualitative and quantitative insubordination on the level of the wage. Keynesianism, the Keynesian utopia, and that "alternative" presented by the Keynesian left have been burned by this tendency of class struggle. [34] Social accumulation and business legitimation are thus distinguished in hostile terms: public spending finances the social struggles rather than financing the mediation between social accumulation and business legitimation.

At this point, and on the basis of these presuppositions, capital translates the crisis into restructuring, or more precisely, it casts crisis in the guise of restructuring. The fundamental element of the capitalist strategy consists in shattering the nexus between social accumulation and legitimation, and therefore transforming public spending into a schema of the destruction (when possible, otherwise the containment) of the massive proletarian presence in society, and the encouragement of productive models adequate to the necessary rates of profit. The project seeks to block the rising cost of social-labor and exploit widely without paying for it (or rather paying the simple costs of the "natural" reproduction of social labor), by lowering necessary social labor and raising surplus social labor. At this point, public spending, which has been forced to grow in an extraordinary way by both the pressure of the working class and the capitalist recognition of the essential character of general social industriousness, destroys its own ambiguity. Public spending gradually transforms itself into an expression not of the theory of value but of its capitalist destruction; it must be a contemporary element of the capitalist practice of command.

If we take up the terms of the discourse more concretely, this means carrying the discussion to a higher level of abstraction, showing the essential passage of the worker (and Capitalist supersession of the barrier of the law of value at the very moment that it is being realized. (See the Epilogue of Roman Rosdolsky's The Making of Marx's Capital) The socialization of productive labor and the complete domination of the law of value over society, in other words, historically determine a set of State activities that negate the spontaneous levels of the law of valued this is equally true in both the "socialist" and the highly developed capitalist societies. [35] In both cases the law of value only functions under the State "enforced control." We call this "bureaucratization" in the socialist societies and "authoritarianism" in the capitalist, but the result is no different. We should not fall into any Weberian illusions here, as if the advent of a charismatic innovation could free the functioning of the law of value and guarantee the plan. The fact is that in the dialectic of productive relations and productive forces, the law of value acts as a fundamental term of the organization of exploitation. Its realization also realizes exploitation and determines absolutely particular conditions of insubordinate resistances in such a way that the spontaneity of the functioning of the law is heavily adjusted, because it is not a definitive productive arrangement but an obstacle to the expansion of the productive force that its own realization determines. Only command, then, improbably taking on the expression of social labour, represents at this point the continuance of the law of value, where all the practices of the new proletarian subject express instead, spontaneously, the intoler-ance of and rebellion against this harrier blocking productive force.

Capital and its collective rationality know all this and act on the basis of it. This is where public
spending is reformed in the repressive irra-tionality of capitalist command. This is also, however, where the critique of politi-cal economy (which has been worn out along with the law of value) gives way to “the critique of politics" tout court - not a critique of politics that looks simply to political forces but one that primarily addresses the problem of command and its institutional organization, functional to social production. It is also possible here to show the functional and structural contradictions that the demise of the law of value and the substitution of the political law of planning (and restructuring) for market calculation open for the workers' struggle. [36]

The problematic of public spending now becomes the terrain of a worker critique insofar .as the struggle over the relative social wage can be immediately functional to the deepening of the institutional contradictions and the struggle against the institutions. Critique of political economy versus critique of politics versus critique of administration, planning, and restructuring- this is the path we are travelling.

On the other hand. all the determinations of State practices against the working class, which develop in the specific realm of restructuring but already define tendencies for the midterm future, converge on this point: destroy every illusion of planning in terms of the realization of the law of value and, on the contrary, act on internal lines toward the devastation of the unitary potential of the proletariat as a productive and revolutionary force. Public spending must essen-tially guarantee a process of arbitrary segmentation of labor-power by destroying every relationship between production and qualification, and every valorizing sequence between comprehensive social formation and the value of production, and thereby determine not so much a division between labor-power and the reserve labor force but a ferocious division between different levels of labour--power. opposed in terms of wage differences.[ 37] The comprehensive rigidity of public spending, which has already been conceded, must here be rearticulated according to the schemas of command (in other words, restructuring). not primar-ily for the increase of profit but rather for the permanence of the capitalist mode of production.

In this situation every reformist operation. however conceived, loses credibiliiv in the space of a morning. There is no more room here for oppos-ing the State and the worker objectives on the social wage: this space has been destroyed by the subsumption of public spending entirely under the criterion of business enterprise legitimation. Every case of reform results in a capitalist attack on worker socialization and an attempt to destroy the social form of production. All the dysfunctions and disarticulations of the administration, in which reformist practice is continually more deeply rooted, are not defined on an abstractly rational terrain but on " terrain that is functional insofar as it is determined by specific structural necessities that are exclusively determined by the relations fixed by class struggle. [38] Administrative action is definitively irrational insofar as its rationality cannot reside in the social functioning of the law of value but simply in the practi-cal power of capitalist command. Administrative rationality does not become terror, it is terror. Strip capitalist society of its only rationality. that which is grounded in the greediness of exploitation, and you have this baroque monster of provocation and devastation.

Restructuring does not resolve but accentuates the capitalist crisis. The analysis of public spending demonstrates this in the clearest of terms. Public spending is cast in the contradictory
relationship between the pressure to maintain the standard of capitalist profitability and the necessity to respond in some way to the wage demands of an always more imposing social labor-power, thus grasping the processes of social accumulation in the form of the wage. In other words, public spending bridges the chasm between the collapse of the historic barrier of the law of value and the capitalist determination to make the law of value hold at all costs. and in determinate proportions, This relationship cannot he sustained, no matter what shaky supports reformism might offer. Between the emergence of a new mode of production - internal to a new composition of the working class - and the enforced persistence of the capitalist rule of command there is continually less possiblity of mediation. 

The crisis of public spending should he privileged in the analy-sis because it presents both the positive (worker, collective) and the negative (capitalist command) factors of the general crisis. It is clear, however. that here the analysis of the crisis brings us directly back to the figure of the State and the col-lapse of its dignity as mediator of capitalist production. In this case. too, the Marxian paradox is realized: the more the State resolves the conflict between civil soci­ety and the force to command social production completely within itself, the more this resolution proves to be dialectically uncertain. and the more the working class shows in real terms its hegemony over society. The revolutionary project for com-munism lives this contradiction and this possiblity.

The Ideological Collapse of the Institutional Workers' Movement: Reformism and Repression

The workers' movement, insofar as it is an institutional movement. appears today as revisionist in ideology. reformist in project, and technocratic in practice. Let us look at the effects of this situation point by point.

In Italy, the ideological revisionism of the institutional work-ers' movement has a long history. In certain respects this is a Gramscian history. Gramsci's conception of hegemony within and over civil society was a real inno-vation with respect to the Marxian and Leninist conceptions of the State. (See Norberto Bobbio, "Gramsci and the Conception of Civil Society.") On the basis of this conception, there is first of all and fundamentally a space of ideological media­tion entrusted to the social force of the workers' movement as a condition of a rev­olutionary process that attacks the heart of the social productive forces and according to models of comprehensive adherence. All of this has a dignity that the revisionism that afflicts the proposal cannot deny. This corresponds. furthermore. to a determinate phase of the development of productive forces in Italy (that is, the pre-fascist era). and consequently is reproposed as a response to the necessities of anti-fascist political action. The revisionism of the Gramscian proposal is not. then. what makes the thematic of the institutional workers' movement ideologically dan-gerous. What is dangerous is rather the contemporary usage of formulas more or less derived from Gramsci. The proposal of hegemony requires a definition of civil society, but today civil society is dead: it has been subsumed into capitalist develop-ment and reformulated by the social unity of productive labour. A hegemonic process is, in this situation, completely subordinated to the compact insistence of the social command of capital for profit - command that reorganizes civil society and makes it exist only as a projection of the production process and the structure of power. Over the collapse of the image of civil society unfold the conceptions of alliances, politics manoeuvred in the "mixed economy" and the ideological
pressure on the middle classes. The reality of the class struggle, however, demonstrates the continuity of the terrain of insubordination and the tendential unification of the proletarian subject in the struggle against the State.

On the other hand, what is left of the discourse that was pro­posed by revisionism on the terrain of institutional relations and mediations, and that is necessary and complementary to the discourse on tactics? What is left of the discourse on the continuity of the democratic struggle and the struggle for social­ism, and on the predisposition of the contemporary constitutional structures to support such a continuity of struggles' The frameworks of not only social relations but also institutional relations have unravelled to such an extent in the crisis of the late­capitalist State that the terrain of the constitutional reality has necessarily been superseded and distorted by the power of the bourgeoisie, the fundamental principles of democratic cohabitation have been selected on the basis of consensus, and the problem of consensus has been systematically resolved in terms predis­posed to specific lines of conduct, be they a­uthoritarian or r­erroristic, Today as never before the framework of legitimacy, the authoritative sources, and the very process of the material validation of power are posed so far outside the schema of democratic legitimation that, just as Luxemburg foresaw, radical democratic struggle, far from being a first stage, becomes the fundamental material of the workers' struggle.

The working­class struggle puts the functioning of the law of value in definitive crisis, not only in the sense that its practices determine and rein­force the functioning of the law of the tendential fall of the rate of profit, but in the even more profound sense of destabilizing the very terms on which the law holds, in other words, taking away the meaning of the relation between necessary labor and surplus labor (which, as Marx says, is in the final instance the foundation of everything. At this very moment. socialism becomes impossible. Socialism and all the socialist utopias try to put forth the actual realization of the law of value, which amounts to saying the complete real subsumption of social labor into capital. This is possible, however, only in terms of the dialectic of the classes, only as a moment of class struggle. At this point, all the variants of the socialist utopia, both the objectivist ones (socialism as the socialization of the means of production and the rationalization of command) and the subjectivist ones (the new mode of production, cooperation, participation, co­management, and so forth) are put in crisis, because the law of value is never realized except by at the same time shattering itself apart, imposing at an extremely high level the new antagonism among capital­ist labor, command (however legitimated). and the set of productive social forces of the proletariat.

The collapse of the reformist model, tied to the ideology of the planned realization of the law of value, still appears, and even more heavily at this point. It is sufficient to look again at the problematic of public spending. how it is posed from a reformist perspective, and what new antagonisms the reformist will create. Public spending is seen by the reformists as spending that is either directly or indirectly productive. Correctly, they tend to rationalize its management, mold it in, terms of the schemas of priorities, and use it to guide development and influence its direction. As we have seen, however, beyond these formal criteria, there is a contradiction between the form of social accumulation and the source (measure and proportion) of its legitimation - a class contradiction that demonstrates both the tendential unification of the productive social subject and the irrationality of the criterion of the proposed business enterprise legitimation by its own standards. As the contradiction becomes subjective in class terms it also
becomes explosive. The pressure on public spending becomes a wage pressure, as the political pressure of the working class on the relative wage and - principally, and specifically in the present period - the struggle against capitalist labor becomes a worker allusion to the new emerging productive force, which demands payment as such.

In this web of contradictions the attempt to rationalize public spending - a rationalization that must necessarily follow business parameters and explain the business figure of the State - becomes immediately repressive. This happens not so much because it employs the instruments of the repressive power of the State (and all its multiplying separate bodies) to this end, but because it uses them within the intensity of an unresolvable structural contradiction. If socialism is impossible, reformism is even more so. Every reformist practice, in fact, is immediately repressive. [39]

It begins to become clear here that the revisionism and reformism of the official workers' movement suffer not only the blow of the collapse of their conception of class relations. Beyond the unreasonableness of their project there is the unreasonableness of a will positively directed, whatever the costs, toward the realization of an old design. The adhesion to the project of capitalist restructuring on the part of this reformism follows from the necessity to repress actively the proletarian subject that is coming together, straining the State budget, demanding payment for extorted social labor, and putting pressure on the barrier of the order constituted to legitimate the empire of business profit over all aspects of social cooperation. Actively repressing the proletarian source, restructuring the productive social subject, segmenting the markets of labor-power, guaranteeing the processes of mobility that destroy workers' power, and marginalizing terroristically entire social strata - these operations have become, in Italy as in all capitalist countries under social-democratic management, the foundation and the Content of reformism. The content of the "first phase" of reformism, which is being perpetuated all over, becomes the foundation of the will to repropose an impossible socialism. The collapse of the ideological project is here completely indistinguishable from the contemporary repressive practices of reformism.

These are the reasons, once again, for the increasing practices of class division, primarily in the sector of productive intelligence that, as it has become more social and more concentrated in the service industries, has begun to represent the true connective tissue and the central nervous system of the processes of the social accumulation of capital. Denying or masking the class nature of these new roles and sectors, and mystifying their functions by casting them back into the old dimension of the "middle classes," are fundamental operations. They are not painless operations, however, because although they are directly social functions of productive force, their operation is decreasingly legitimated socially, and instead the authoritarian legitimation of their role is ever more heavily felt. This is their proposition and imposition to be the Trager or supports of the bureaucratic-terroristic mediation of socialism with an authoritarian face, a productive rationality that reproduces the dead logic of the business enterprise and mystifies the social density of the process of accumulation. Negating the very nature of their productive labor and reducing it to the parameters of command, the subordinated and subordinating function. As the roles of the State administration are increasingly implicated in the contradiction they create, the crisis of reformism becomes ever more serious. The technocratic figure that is increasingly attributed to State administration also experiences a
crisis, subjectively, as the functionality of its rationalizing practices is shown to be directly terroristic.

In Italy, for example, the "historic compromise" entirely pre-sents the advanced form of the social-democratic figure of the State for the man-agement of the capitalist crisis. The entrance of the Italian Communist party (and probably of all the communist parties of Latin Mediterranean Europe) into the block of power of European social democracy changes all the political terms of the class struggle. As for the figure of the State, we have begun to see in what sense the demands of command increasingly define the class struggle.

The point of intersection of the development of reformism and the structure of the State has probably already been reached. From now on, the class point of view must keep in mind this new political synthesis. This, in the long run, is certainly the enemy to attack.

Old Tactic for a New Strategy

Why should we choose public spending as the topos for our discussion of the gen-eral problematic of the State? Because around the issue of public spending, the analysis of the objective contradictions, which constrain capitalist restructuring and the reformist State, can be transformed into a subjective terrain, This is a potentially subjective terrain in that it is the terrain of wage struggle, with all the political qualities that theorists like Rosa Luxemburg have to attribute to the struggle over the relative wage, Public spending corresponds on one hand to the social terrain of production, and on another hand to the terrain of the social wage. It corresponds, in short, to an (ever more relevant) aspect of the expression of social capital in its internal dialectic and thus poses the problem of worker antago-nism within the relationship between society and the State. The problematic of public spending indicates both a form of the capitalist subsumption of labor and the fabric on which the antagonism can be determined subjectively.

It is not enough to insist on the opposition that has opened in the society of mature capitalism between the accomplished arrangement of rela-tions of domination for exploitation and the "worker society" that, in an always more continuous and complete way, creates the totality of social wealth between, in other words, a formed economy and a forming economy (like the ancient distinction between natura naturata and natura naturans).[40] Neither is it sufficient to insist on the enormous progress of directly and indirectly produc-tive social labor, and pose it against the process of social accumulation. which is firmly in the capitalist hands. Man saw this very clearly (Grundrisse, pp. 690--711). These discussions on machinery, Roman Rosdolsky observes while reading the Grundrisse, "despite the fact that they were written more than a hundred years ago, still generate a feeling of awe and excitement, containing as they do some of the boldest visions attained by the human imagination" (The Making of Marx's 'Capi-tal,' p. 425). Marx already saw the end of the material barrier of the law of value, the automation of productive force, and the liberation of innovative forces as a material and immediate precondition of the construction of communism.

This, however, is not enough. Subjectivity here becomes, and cannot help but become, the keystone of the process. Within the possibility of communism is an enormous set of needs and
desires that begin to be liberated. Individually, we can only achieve "rough" prefigurations of them, Man suggests. (See the chapters titled "Private Property and Communism" in the Economic: and Philosophic Manuscripts of 1844 and "Communism" in The German Ideology.) The only real prefiguration we can collectively accomplish, however, is through struggle. Assuming a terrain of struggle does not, and cannot, exhaust the totality, nor can it allude to a significant set of realized needs. Assuming the struggle is assuming first of all the negative need for destruction. The wage is a terrain of struggle that, reposed at every level, can set off the explosive potential of needs and desires. Only at this point, then, does quantity pass into quality in such a way that innova-tion, proposition, and a desiring restlessness are unleashed. Our task cannot be the prophecy of the future but the identification of the contradiction on which the future may be realized. With a breadth and intensity that no individual can achieve, the masses know how to produce. "The social wage against the State" is not, there-fore, a strategy but the practical identification of a terrain of struggle, on the basis of the determinations of the insoluble contradictions of reformism and power, and in the theoretical certainty that every open and conscious class struggle is today immediately and necessarily a struggle for communism. On the terrain of public spending, the old tactic of the struggle over the relative wage opens the proposal that leads to the strategy of communism. Every mass space constructed by the struggle today cannot but be a breach out of which rises the mass of desires con-tained and repressed by the mode of social production for capitalist accumulation. We see it in everyday life: how many and how intense these desires, how impatient and how resounding their force of expression! All this is due to the form of capital-ist production, the socialization of exploitation, and the weight and totality of the process of the capitalist irrationalization of social relations. It is also, however, due to the resistance and the recognition of the generality of exploitation on the part of the great mass of laborers. The wage is the category in which capital grasps and mystifies, in a fundamental form. the complex of political, social, historical, and human aspects of the proletariat. Today capital has been constrained to marshal the wage, or a large part of it, in the form of public spending. Here, primarily, the contradictions can explode again-the social wage against the State.

Some elements show that, in a new form, the contradictions are already exploding. Resistance to the expropriation of the surplus value of social production is no longer exercised simply in the old forms of trade-union defense, directly planted in the large factories; instead, new forms of political positioning and attack immediately address social levels of accumulation. The forms of struggle for "autoreduction" in Italy, for example, are primarily an expansion of the work-ers' wage struggle. [41] This, however, is not the only new element emerging. Gradu-ally, as class consciousness grows, so too grows the awareness of a new terrain of struggle, across the entire social plane. The worker reappropriation of labor time and free time, which has always developed in the factories, develops today in the struggle of social reappropriation and the struggle over the social wage. Autore-duction is the last, highest form of the struggle of the mass worker, and the first figure in which the social reappropriation of wealth is determined on the basis of the new proletarian subject of the class struggle - the negation and sublation of the mass worker. [42]

The passages of the dialectic of class composition are given here in subjective form. Resistance, autoreduction, appropriation: these forms of struggle run along the same path as the transformation of class composition. This is undoubtedly and immediately the terrain of the
social wage. These political initiatives are oriented toward exacerbating the contradictions that capitalist command undergoes on this terrain. The three forms of struggle dovetail in a progressive way: the second transforms into an attack on the limits of the first, and thus the third with respect to the second. Through these qualitative passages the elements of class composition are transformed into reality and tend toward political consciousness and will. The wealth of the working class becomes palpable and class consciousness takes its own development as its primary objective. Thus the bad characteristics of a dialectic that is otherwise always unfinished and inconclusive are resolved. Mediation and immediacy begin to approach one another when the material terrain of the mediations of consciousness is oriented toward the direct recuperation of wealth and power.

All of this has practical value to the extent that the social worker expands its power and that capitalist socialization is inverted in the social recomposition of the proletariat, through the subjectivation of abstract labor. There are also, however, a series of examples of the communist struggle over the social wage to be found in the large factories, amidst the highest levels of proletarian consciousness and activity. Here the relationship between the social power of production and capitalist command is located along the axes of the organization of labor and the structure of fixed capital. In this case, too, during the most recent struggles and strikes in Italy, the collective will of reappropriation has managed to express itself in terms of power: taking control of the factories, putting them to work not to produce but to demonstrate positively the associative productive power of the working class in preparing the best possibilities of sabotage and struggle in the near future. This is what has been accomplished. Worker consciousness has not produced a fixed model but rather indicated a collective, mass path for deepening the struggle. At the social level and in the factories, the will for reappropriation realizes the worker tendency toward communism to the extent that through mass action it liquidates the implacably hostile power of the socialist mediation of social rule. When the single episodes of this project are consolidated in the field of appropriation, the struggle over the social wage demonstrates the worker tendency to transform the use of specific new contradictions of the capitalist mechanism of social accumulation in the struggle for power, in the struggle for communism.

Another element of the political and structural contradictions of public spending that is extremely important relates to the analysis of the State and the roles played by administrative employees in the management of spending. This involves a deepening of the critique of the political economy of administration. Given, as we have emphasized several times, that the role of the State becomes ever more internal and structural to the development of accumulation, we should investigate which contradictions are related to the State management of social capital. The tendency to define these administrative roles as productive was already indicated paradoxically by the heavy pressure capital placed on them to be productive. This is not simply bureaucratic rationalization. Here the functioning of the administration becomes indirectly productive (in the proper sense, that is, productive of surplus value), because the functioning of administration processes links social accumulation to processes of business legitimation. The role of the administrative employees becomes immediately contradictory at this point. Because on one hand they constitute a moment of the process of social labor, but on the other hand they are required to manage that labor for profit. Expanding and ensuring the productivity of public administration means, in the final instance, "living this contradiction in completely capitalist
terms of efficiency. The contradiction, however, is very large. In the first place, in fact. the awareness of being a participant in the productive social fabric assumes an always greater extension, driven by the effort to perfect the State machine. In the second place, however. the comprehensive lack of rationality in the capitalist command over the State apparatus brings on moments of crisis, and at times elements of insubordination. Certainly, the ideology of participation, technocracy, and reformist and bureaucratic socialism has a significant impact on employees in these social strata. hut perhaps its influence is not complete, or perhaps it can he challenged and defeated on the basis of contradictions and antagonisms arising from capitalist socialization. This ideology is. in any case, vulnerable to being contested and, to a certain extent, overturned by the organization and action of the proletariat.

It makes no sense, however, to talk about reappropriation in this case. That would amount to proposing a socialist alternative that preserves State command! oat must be accomplished at this level is rather the awareness of the participation of certain administrative sectors and employees in the social community of worker production, and thus the awareness of the possibilities of struggle even on the enemy's terrain. The struggles within the administration will be more like the activities of spies and informants. reporting on the movements of the enemy and provoking disruptions. This is the only way to avoid the socialist utopia that proposes "alternative" uses of State command and State apparatuses and thus to unveil the mystifications of the "revolution from above." What is proposed instead, then, is a strategy of the refusal of command and a tactic of the anomalous usage of administrative functions - as a practice of class struggle within the administration. All of this is only possible once it is recognized that administrative functions are in fact productive - indirectly productive, yes. nut nonetheless productive of surplus value.

Last but not least, on the basis of an analysis of public spending, we can begin to bring political tactics together with lines of strategy. and, moreover, we can begin to propose a study of the political composition of the working class, with particular attention to the new strata that have come to he in- vested by the socialization of the mode of production and the proletarianization of their conditions of life and struggle. The politics of public spending, as it is further expanded as a system of social control, on one hand invests new social sectors. bringing them potentially into conflict with the State, and on the other hand cre- ates class contradictions within the State machine, among the administrative employees of the State. Recognizing these phenomena clearly and proceeding in research and political practice - now more analytically than we were able to before - can bring about significant innovations in class analysis. The Marxian terms of the potential discussion are more or less given, nut the creative deepening of the analysis still remains to be done. We must give the subjects of the State administration - those who work for the State. who are both subjects of exploitation and transmitters of capitalist command - the lead in this discussion. This project would involve an analysis of the State, a critique of politics and administra-tion. and a new step forward in the analysis of the political composition of the working class - all of this against the reformist conceptions of power, the State, and administrative functions.

Notes

1. See the review of this literature in chapter 4, "Developments of the Structural Analysis of the

2. David Yaffe, following the work of Manel, makes this argument. See "The Crisis of Profitability" and "The Marxian Theory of Crisis, Capital and State." Joachim Hirsch also seems to DU into this ambiguity. See his "Zur Analyse des politischen Systems," in particular pp. 95 and 97. Hirsch's work, however, represents nonetheless an enormous contribution that pushes forward the Marxist theory of the State, and we will consider it greater in detail.

3. Many authors have recently expressed reservations regarding Roman Rosdolsky's interpretation of the Grundrisse in The Making of Marx's 'Capital,' in particular with respect to the concept of "comprehensive capital." See, for example, W. Schwarz, "Das 'Kapital im Allgemeinen' und die 'Konkurrenz' in okonomischen Werk von Karl Marx." According to these authors, Rosdolsky confused Man's different levels of scientific abstraction, falling to distinguish between "comprehensive capital" as II simple logical category and "comprehensive capital" as the level on which competition comes into play, which is not a logical but a historical category. It is certainly necessary that studies of the Grundrisse be evaluated on the basis of central aspects of Man's analysis, and certain passages of Rosdolsky's won should indeed be revised, but in my opinion this is not the case with his conception of "comprehensive capital," a concept fundamental to Man's thought. Rosdolsky clarifies the net that this is a tendential category that only today begins to approach its real effectiveness. On the other hand, it does not seem that Schwarz has fully appreciated the complexity of the relationship between logical categories and historical categories in Marx's thought.

4. The US literature on this crisis is already enormous. Allow me to refer only to Peter Bachrach and Morton Baratz, Power and Poverty, and Francis Fox Piven and Richard Cloward, Regulating the Poor.

5. For these problems in general, see James O'Connor, The Fiscal Crisis of the State, in particular p. 9 and the final chapters.

6. O'Connor may have developed these distinctions on the basis of the Claus Offe's analyses of the political structures of the state. For a development of these themes, see Offe's Strukturprobleme des kapitalistchen Staats, pp. 27ff. and 123ff. and "Crisis of Crisis management," pp. 57ff.


and "Defining Productive Labour for Capital."

9. See Man's investigations and conclusions about the public debt in private accumulation.

10. The extension of the concept of productive boor to the domain of domestic labor has proved
to be a par-ticularly interesting point in the debate among English economists. See J. Harrison,
"The Political Economy of Housework," and Ian Gough and J. Harrison, "Unproductive Labour
and Housework, Again."

11. Joachim Hirsch argues convincingly mat there is an inherent continuity between the
processes of socialization and the structure of the contemporary State. See "Zur Analyse des
politischen Systems," in particular pp. 89. 91, 93, and 103. On this line, see also Johannes
Agnoli, Uberlegungen, zum burgerlichen Staat, in particular the chapter titled "Der Staat des
Kapitals."

12. Confronting the difficulties posed by State administration on this terrain, it is useful to keep
in mind the writings of Claus Offe discussed in chapter 4, Strukturprobleme des kapitalistischen
Staats, and "Crisis of Crisis Management. " For a good critique of Offe's sociological and
structural objectivism and an evaluation of the positive contributions of "Crisis Theory" to this
field in Germany, see Josef Esser, Einfuhrung in die matrialistische Staataanalyse.

13. See Antonio Negri, "Crisis of the Planner-Sure" and "Partite operaio contro il lavoro."

14. Hirsch provides a very dear example of the attempt to refer the fundamental problems of
political science and the theory of planning to the fundamental antagonisms of the socialization

15. The contributions to the so-called Planungsdiskussion that has developed in West Germany
testify to this "negative" consciousness. Hirsch provides a bibliography of these sources in "Zur

16. See Rosdolsky's critical reconstruction of the Marxian theory of the wage in The Making of

17. For an extension of this analysis, see Antonio Negri, Proletario a Stato .

18 See. for example, the documentation on the German situation provided by H. J Weissbach in
Plannungswissenschaft

19. *****

20 With respect to the functionalist theories, see Norberto Bobbio, "Intorno all'analisi funzionale
del diritto.' For more on the German and American theoretical developments, see the work of
Niklas Luhmann and Willard Hurst,
21. For an analysis of this phenomenon from a communist perspective, which, however, is very ambiguous, see Jurgen Seifert, Kampf um Verfassungspositionen.

22. A useful study of this is presented by a series of young German authors in Die Kommune in der Staatsorganisation, edited by Rainer Emenlauer. Particularly important is the essay by Thomas Kramer--Badoni that challenges Offe's theory of crisis, "Krise und Krisenpotential im Spatkapitalismus."

23. Here we have to refer to the dramatic passages written by Franz Neumann in the 1930s in The Democratic and Authoritarian State. No less interesting are the notes and analyses that Alfred Sohn-Rethel devotes to these questions in The Economy and Structure of German Fascism.

24. On all of these themes, and in particular on the reconstruction of the thematic of class composition and the dialectic of needs, set Antonio Negri, Proletario e Stato.


26. See Oskar Negt, Sociologische Phantasie und exemplarisches Lernun. His works on "education" inspired the set of ideological positions that surrounded the debate over the150-hour worker education legislation in Italy.

27. It is interesting that there has been a rebirth of discussions about "class composition" among German authors. See in particular Christel Eckart et al., "Arbeiterbewusstsein, Klassenzusammensetzung und okonomische Entwicklung."

28. See the Introduction to Claus Offe’s Industry and Inequality

29. On these topics, see Ulrich Rodel, Forschungsprioritaten und technologische Entwicklung: Carl Rolshausen, Wissenschaft und Gesellschaftliche Reproduktion and J.H Mendner, Technologische Entwicklung und arbeitsprozess.

30. See the collection edited by B. Vahrenkamp, Technologie und Kaapital, in particular the article by Alfred Sohn-Rethel, "Technische Intelligenz zwischen Kapitalismus und Sozialismus."

31. When we speak of "productive potential- here we are not alluding to the Sweezy-Baran notion of "surplus," as they formulated it in the theory of "underconsumption." Our conception points in a very -different direction.

32. For a definition of the planning model posed in political science terminology, see Stephen S. Cohen, Modern Capitalist Planning: The French Model.

33. It is useful to keep in mind here the seminal contributions of Nicholas Kaldor, Cause of the
Slow rate of Economic Growth in the United Kingdom, and Michio Morishima, Marx's Economics: A Dual Theory of Value and Growth.

34. It is sufficient to look at the pathetic proposals advanced by the Cambridge Political Economy Group in "English Crisis, Causes and Remedies."

35. On the socialist countries, see Renate Damus, Wertkategorien als Mitter der Planung. We know from the reports of workers' struggles that this "enforced control" also results from the planning process in the Soviet union. See, for example, M. Holubenko, "The Soviet Working Class: Discontent and Opposition." On similar phenomena in capitalist countries, see H. Haussermann, "Die administrative Organisation als Problem politischer Innovation."

36. See Claus Offe, "Rationalitatskriterien und Funktionsprobleme politisch-administrativen Handelns"; Dieter Freiburghaus and G. Schmid, "Techniken politischer Planung"; Willi Ehlerl, "Politische Planung - und was davon ubrig bleibt"; and Volker Ronge "Entpolitisierung der Forschungspolitik."

37. See F. Gerstenberger, "Produktion und Qualifikation." The "dual labor market" is not a recent phenomenon, but it was transformed in the 1970s and became an active political strategy for the segmentation of the labor marker. See Peter Boeringer and Michael Piore. "Unemployment and the 'Dual Labor Market,'" and Dieter Freiburghaus and G. Schmid, "Theorie der Segmentierung von Arbeitsmarktken."

38. In Claus Offe's most recent work, Berufsbildungsreform. Eeine Fallstudie uber reformpolitik, his structuralist conception and his class perspective seem to have reached a new level of equilibrium, in which the moments of antagonism proper to the pro-cesses of socializarion ern be expressed more forcefully.

39. See Karl Heinz Roth. Die andere Arbeiterbewegung und die Entwicklung der kapitalistischen Repression von 1880 bis zur Gegenwart, and C.J. Bolbrinker, Klassenanalyse als Organisationsfrage


41. For a description of the practices of "autoreduction" in Italy in the 1970s, see Eddy Cherki and Michel Wieviorka, " Autoreduction Movements in Turin. " In general, on the range of political practices in this period in Italy, see the entire issue of Semiotext(e), Ataonomy: Post-Political Politics,

42. For an analysis of the historical progression from the mass worker to the social worker, see Antonio Negri, " Archaeology and Project: The Mass Worker and the Social Worker. "