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Review

Empire and Revolution

- IV Online magazine - 2002 - IV341 - June 2002 -

Publication date: Saturday 15 June 2002

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Empire is a paradox. An overly long (478 pages with notes and index), often abstruse intellectual exercise, Empire would appear to be a work destined to obscurity-to be read, at best, by small groups of left-wing intellectuals ensconced in academia. However, the book has attracted enormous attention, not only in the academy, but also in the mainstream press and among anti-capitalist and global justice activists in both the US and Europe. [1]

[<https://internationalviewpoint.org/IMG/jpg/32seattle.jpg>]

Empire's appeal has a number of sources. First, its authors are not your average left-wing academics. While Hardt teaches in the Literature Program at the prestigious Duke University in North Carolina, Toni Negri is an inmate at Rebibbia Prison, Rome - imprisoned for the 'crime' of being the 'intellectual inspiration' for the Red Brigades in the late 1970s. Negri has long been associated with the 'autonomist' current of the Italian revolutionary left, which had significant influence among militant industrial workers in the 1970s, and continues to inspire segments of anti-capitalist youth in Italy today.

Seattle - the first major US demonstration against capitalist globalisation
The second source of the appeal of Empire - both in the academy and in the anti-capitalist and global justice movements - is its engagement with 'post-modernism'. On the one hand, Hardt and Negri embrace the post-modernists' substantive claim that capitalism has been fundamentally transformed in the past half century. [2] In Empire, they argue what has become 'common sense' about global capitalism among both academic post-modernists and many global justice and anti-capitalist activists. Empire is a smooth (evenly developed) network without a center, in which social production has become flexible in the use of workers and technology to meet ever changing consumer demand, non-material (decline in manufacturing, rise of information and services), and highly mobile geographically. The nation-state and inter-capitalist competition and rivalry are in decline in this new imperial world order.

On the other hand, Hardt and Negri reject the political localism and pessimism of post-modernist identity politics. For the post-modernists, the multiplication of contingent local identities and localized 'place based' movements and politics 'in which the boundaries of place (conceived either as identity or territory) are posted against the undifferentiated and homogeneous space of global networks' (p 44) are the main, if not sole, form of resistance to global capitalism today. Hardt and Negri argue that such a simple counter-position of local and global easily slides into "a kind of primordialism that fixes and romanticizes social relations and identities" (p 44). Such notions ignore the reality that "what appear as local identities are not autonomous or self-determining but actually feed into the support and development of the capitalist imperial machine. The enemy, rather, is a specific regime of global relations that we call Empire" (pp 45-46).

Hardt and Negri move from this theoretical critique, to a quite substantive and often insightful critique of various forms of 'subaltern nationalism' that post-modernists promote. They argue that post-modernism's fetish of the local and particular could quite easily elide into a political apologia for Empire (pp 105-115, 132-160). Their own argument is, in brief, that global capitalism has been transformed in the past half century, from an imperialist system (unequal economic development, sharp conflict among the dominant 'imperialist' powers organized in nation-states, centrality of industrial workers to social transformation) to a new form - 'Empire.' Specifically, Hardt and Negri claim that the mobility of trans-national corporate investment has produced a 'smooth' (evenly developed) world economy based on 'immaterial' production. In this new global economy dominated by the trans-national corporation and global institutions - the World Bank, IMF and the like - the nation-state and inter-capitalist competition have declined in importance. Finally, the global working class, as defined by its place in social production, has been displaced by the 'multitude' as the major agency of social transformation.

While Hardt and Negri's critique of the politics of post-modernism is both insightful and salutary, their embrace of its substantive analysis reduces Empire to yet another example of what Kim Moody called 'globaloney'. [3] Put simply, the analysis Hardt and Negri present in Empire of the contemporary capitalist world economy is unrealistic - it does not correspond to the realities of capitalist production and accumulation today.

At the centre of Hardt and Negri's notion of 'empire' is that they call the 'postmodernisation, or the informationalisation of production.' In this schema, the transition from 'modernity' and 'postmodernity' involves an historic shift from an 'economic paradigm' where "industry and the manufacture of durable goods occupied the privileged position" to one where "providing services and manipulating information are at the heart of economic production". [4]

(p. 280) Freed from the spatial constraints associated with industrial production, the production of services and information allows for rapid and easy geographic mobility of capital and the creation of a 'smooth' - relatively evenly developed - global economic space.

The reality of the capitalist world economy is quite different. It is true that the percentage of workers employed in industry - the production of material goods and services - has declined continuously for over a century. As Harry Braverman argued in his classic Labor and Monopoly Capital, [5] this is the inevitable result of capitalism's continuous mechanization of production, and the resultant reduction in the percentage of workers needed to produce goods. However, the number of industrial workers, in most industrialized societies, has remained stable or grown slightly. Even more important, the proportion of total output industrial workers produce has increased over the past fifty years. [6]

The growth of service and 'information' production is unrelated to industry. Most investment and employment in the 'service sector' is not in the provision of personal services (restaurants, hair and nail salons, etc), but in 'business services' - legal and financial operations that facilitate industrial production. Similarly, most of the growth of the 'information sector' over the past 20 years has taken the form of the application of computer technology to industrial production (regulating inventories, controlling complex machinery, etc). While information flows easily around the world, the hardware that is the backbone of the new telecommunications network is among the world's most immobile investments. Capitalist competition has led to vast over-capacity in fibre-optic networks and electronic switching equipment in the past few years, none of which can be easily relocated or even abandoned by its owners.

Given the continued dominance of industrial investment, even the largest trans-national corporations are not 'foot-loose and fancy free' - moving from place to place in search of the lowest labour costs. The global capitalist economy is not a 'smooth' - evenly developed - space. The vast majority of global production and consumption still takes place within the boundaries of the advanced capitalist nation states. Consider the following statistics: [7]

- The 'third world' produces approximately 20% of global output (mostly clothing, shoes, and common consumer goods - not complex consumer appliances, industrial machinery and technology). 80% of global manufacturing output is still produced in the US, Western Europe and Japan.
- Foreign direct investment constitutes only 5% of total world investment - 95% of total capitalist investment takes place in the boundaries of the industrialized countries. Of the 5% of total global investment that is foreign direct investment, 72% flows from one industrialized country to another. Only 2% of total global investment flows from the 'north' to the 'south' of the world economy.
- 75% of foreign direct investment, especially the investment in Africa, Asia and Latin America, takes the form of buying existing plant and equipment - the form of mergers and acquisitions of existing privately owned companies, or the purchase of recently privatised public enterprises (telecommunications, oil, etc) Only 25% of foreign direct investment takes the form of building new plants overseas.

A more realistic way to understand contemporary capitalist globalisation is through the lens of the internationalisation

of 'lean production'. [8] In the face of falling profits and sharpened international competition beginning in the mid 1960s, capitalists have reorganized production to cut costs by eliminating 'waste' - excess materials, activities and workers. Lean Production has many familiar features: speed-up, deskilling, multi-tasking, increased use of 'flexible' (part-time, temporary) workers, greater managerial control in setting hours and tasks, and the contracting out of work previously done by unionised employees.

The key is understanding that the transform-ation of the capitalist world economy since the early 1980s, is the contracting out of work previously done by unionised or relatively well-paid workers. Labour-intensive operations - those that rely on low-wage labour to be profitable - have been the most common work 'outsourced.' In the automobile industry this has meant outsourcing parts production. In the electronics industry it has taken the form of contracting out the manufacture of printed circuit boards, computer chips and other components. In the clothing and shoe industries, more and more of the cutting and stitching has been outsourced, leaving the 'final manufacturers' to do finishing work and packaging. In financial services, low-wage data processing has been outsourced, while higher paid employees continue to advise and service corporate clients.

[<https://internationalviewpoint.org/IMG/jpg/33usdemo.jpg>]

Most of the work outsourced has gone to non-unionised workers in areas of labour-surplus and depressed wages in the industrialized countries (southern US, southern and eastern Europe). However, much of the trans-national corporations' foreign direct investment in Africa, Asia and Latin America has been in buying existing or building new plants for labour-intensive, low-wage production. Most of what we refer to as 'globalisation' in the last twenty years is the growth of international production chains organized by the trans-national corporations. As the trans-nationals reorganized work in the 'north' along the lines of 'lean production', they moved low-wage, labour-intensive work to the 'south.' These parts and components are then 're-exported' within the transnational corporation for final assembly in the 'north.'

The result of the internationalisation of lean production over the past two decades has not been a 'smooth' or 'decentred global network' or 'empire' that Hardt and Negri claim. Quite the opposite, the centres of accumulation and social power remain in the centres of advanced capitalism in Western Europe, the US and Japan. Global uneven and combined development - the growing gap in incomes, production and the like - between this global 'north' and the global 'south' has only grown wider. Some regions of the former 'third world' have become centres of labour-intensive assembly and parts production (the 'Newly Industrialized Countries' of Mexico, Brazil, South Africa, South Korea, Taiwan), becoming extensions of capitalist accumulation centered in the 'north.' However, vast expanses of the globe (sub-Saharan Africa) remain at best sites of raw material extraction, or at worst huge labour reserves, marked by extreme poverty and capitalist-created famine and natural disasters.

Hardt and Negri's claims that the nation-state and inter-imperialist rivalry have declined in importance with the rise of 'empire' and various institutions of 'global governance' (World Bank, IMF, WTO, G7, EU, NATO, etc) lack theoretical and even empirical plausibility. The 'declining effectiveness' of the nation-state can be traced clearly through the evolution of a whole series of global juridico-economic bodies, such as GATT, the World Trade Organization, the World Bank, and the IMF. The globalisation of production and circulation, supported by this supranational juridical scaffolding, supersedes the effectiveness of national juridical structures (p 337).

Clearly, this 'supranational juridical scaffolding' has been crucial in changing the political environment for capitalist accumulation over the past two decades. Clearly, 'neo-liberalism' - the dismantling of the rules that restrict corporations at home and abroad - would be impossible without these 'global juridico-economic bodies.'

However, the growing importance of these trans-national organizations does not mean that, in the words of Hardt and Negri 'state functions and constitutional elements have effectively been displaced to other levels and domains' (p. 307). On the contrary, the ability of these global political bodies to operate effectively requires, in many ways, the

strengthening of the national-capitalist state.

Kim Moody presents a compelling alternative analysis. The trans-national corporations (TNCs) have neither the desire nor ability to create a world state. They have opted instead for a system of multilateral agreements and institutions that they hope will provide coherence and order the world market. Through their 'home' governments, the TNCs have attempted to negotiate forms of regulation through the GATT, the new WTO, and the various regional and multilateral trade agreements. They have also transformed some of the old Bretton Woods institutions, notably the World Bank and IMF. [9]

To ensure the unhindered operations of the trans-nationals and protect private business property, these global political institutions require national capitalist states capable of denationalising industries, abolishing social welfare programs and labour regulations, generally deregulating their capital, labour and commodities markets, and containing challenges from below. Put simply, rather than representing a simple shift of political powers 'upward' from the nation-state to the 'global juridico-economic bodies', the development of the WTO, EU, and the like actually enhance the role of the nation-state.

Hardt and Negri's go further along this path. They claim that 'Empire' "is a decentred and deterritorialising apparatus of rule that progressively incorporates the entire global realm within its expanding frontiers" (p xii) in which "what used to be conflict or competition among several imperialist powers has in important respects been replaced by the idea of a single power that overdetermines them all, structures them in a unitary way, and treats them under the one common notion of right that is decidedly postcolonial and postimperialist" (p 9).

There is, clearly, no denying that there has been a marked ideological shift in the justification of imperialist military adventures since the collapse of the bureaucratic 'Communist' regimes in the East. Defence of 'human rights' and the 'war on terrorism' have replaced 'anti-communism' or 'national interest' in the defence of US and NATO wars from Serbia to Afghanistan. However, just as the emergence of trans-national organizations has not spelled the decline of the nation-state, so a new ideological justification for imperialist aggression has not marked the end of inter-imperialist conflict.

Clearly, the US capitalist class and its state assume a political and military position that is unique among the advanced capitalist powers. No other imperial power can and does project its political and military power in any way comparable to the US. However, renewed and strengthened US political and military (and economic) hegemony in the capitalist world does not spell the end of inter-capitalist, inter-imperialist rivalry: it merely changes its form.

[<https://internationalviewpoint.org/IMG/jpg/34bush.jpg>]

Examples of sharp conflicts amongst the advanced capitalist powers abound in recent weeks. The fissures within the imperialist coalition that backed the US-UK 'war on terrorism' in Afghanistan, appeared almost as soon as the Taliban were overthrown. Most of the EU, with the exception of the Blair government (which faces dissent within the ranks of the ruling Labour Party), sharply oppose unilateral US military action to bring about a 'regime change' in Iraq. There are also sharp divisions over how to handle the crisis in the Middle East, with the bulk of the European ruling classes sharply critical of the Bush administration's refusal to rein in the Zionists in the interest of restoring a pro-imperialist 'stability' in Palestine-Israel.

Conflicts between the major imperialist powers are not limited to political and military issues in the 'war on terrorism.' There are ongoing and important divisions over global economic policy. While there is consensus among the ruling classes of the advanced capitalist world about 'neo-liberalism' and 'free trade', tensions remain. The furore over the US imposition of tariffs on foreign steel is only the most visible example. The WTO, EU, IMF, G7, NATO and almost all of the 'global juridico-economic bodies' are, in the words of Alex Callinicos, 'shaped by the conflicts that divide these powers, setting in particular the US against Japan and the EU (itself a far from homogeneous entity).' [10]

Continued inter-imperialist rivalry and conflict flows from the profoundly un-'smooth' - uneven and combined - character of the world capitalist economy. The internationalisation of lean production has taken the form of regional production chains. Trans-national corporations headquartered in the US, western Europe or Japan, outsource parts and assembly work to local 'peripheries' - Mexico and parts of Latin America for the US, southern and eastern Europe for the western Europeans, and east Asia for Japan. Most of the finished products are sold in the 'core' of the world economy. Thus the regional trading-production blocs in North America, Europe and east Asia are competing for each others' markets for finished goods in the 'north', and constantly attempting to gain access to each others' production chains in the 'south'.

Finally, the relationship between capital and labour is fundamentally redefined in Hardt and Negri's 'decentred' and 'smooth' imperial world, where "power is distributed in networks, through mobile and articulated mechanisms of control" (p 384) and "immaterial labour and cooperation become the dominant productive force".

Production becomes indistinguishable from reproduction; productive forces merge with relations of production; constant capital tends to be constituted and represented within variable capital, in the brains, bodies and cooperation of productive subjects. Social subjects are at the same time producers and products of this unitary machine. In this new historical formation, it is thus no longer possible to identify a sign, a subject, a value, or a practice that is 'outside' (p 385).

In this world, all those who are subject to the vicissitudes of capitalist production and reproduction - whether they labour collectively in workplaces under the command of capital, or are excluded from social production through unemployment, forced migration and the like - are equally part of a new revolutionary subject. According to Hardt and Negri "the multitude has internalised the lack of place and fixed time; it is mobile and flexible, and it conceives the future only as a totality of possibilities that branch out in every direction" (p 380). Almost any act of 'negativity' - the refusal to work, migration from one part of the world to another, confrontations with the police, strike action - are equally powerful forms of resistance, because "the construction of Empire, and the globalisation of economic and cultural relationships, means that the virtual centre of Empire can be attacked from any point" (p 59).

The notion of the 'multitude' confronting the 'Empire', at all points and through all 'acts of refusal', rests on the questionable claims that production has been 'informationalised' and social production has become 'decentred' and 'smoothly' diffused across the globe. As we have seen, the reality is quite different: industrial production remains dominant within capitalism, and the centres of industrial production remain geographically concentrated in the advanced capitalist 'north' and select parts of the 'south.' Not surprisingly, the potential and actual power of industrial working class activity has diminished in the past thirty years.

Clearly twenty years of political defeats and economic restructuring at the hands of capital, undermine the confidence and ability of workers to take action at the point of production and in the streets. However, in the past decade we have begun to see a turn-around in the class struggle, that again demonstrates the power of organized workers in strategic sectors of the economy. Beginning with the public sector strikes in France - spearheaded by the transport, postal and telecommunications workers - we have seen a new rise of industrial action across western Europe, and to a lesser extent in the US (the UPS strike in 1997 being the most important example).

This new wave of struggle against the effects of lean production and neo-liberalism has spilled over into political struggles - mass political strikes against privatisation, and new alliances between sectors of the European labour movement and anti-capitalist youth in the global justice movement. This alliance of 'teamsters and turtles' is much more fragile in the US, where the pro-war and pro-Democratic party union officialdom has constantly distanced themselves from the global justice movement. However, the power and impact of the anti-WTO demonstrations in Seattle in 1999 flowed from the unity, in the streets, of young global justice activists and militant teamsters (mostly UPS workers), longshore and steelworkers.

Hardt and Negri's notion of the 'multitude' is not only an unrealistic representation of the relationship between labour and capital today: it has a long and problematic political history. Negri first argued that a new 'revolutionary subject' had displaced the 'collective worker' in the large factories of northern Italy in the late 1970s, as growing unemployment and employer victimization of worker militants crushed the wave of industrial militancy that began in 1968-69. Negri and the 'autonomist' current in the Italian revolutionary left argued that the 'social worker' - all those oppressed by capitalism, whether employed or unemployed - had become the new force for social revolution. In fact, Negri and his cothinkers privileged the unemployed - those who 'refused work'. These ideas provided solace to a political current whose support among employed workers in the large factories had disappeared by the late 1970s, reducing them to a base among students and unemployed youth. However, these notions also justified acts of political desperation: most notably, 'autonomist' youth mounting ideological and physical attacks on organized and employed workers for their unwillingness to 'refuse work'. [11]

Today, none of the currents influenced by Negri and autonomism, like the Tute Bianche in Italy, engage in physical attacks on organized workers. While the Tute Bianche have engaged in solely non-violent forms of direct action, they often take action against the police without regard to the real relationship of forces in society. In practice, they often substitute their own courageous, non-violent action for mass action by working people. Negri and Hardt's theories do not simply justify such practices, but actively discourage the hard strategic thinking, about building alliances between anti-capitalist youth and rank and file workers, that is crucial to the long-term success of the new struggle for global justice.

[1] Alex Callinicos' recent discussion of Negri's work and influence on 'autonomist' currents in Italy [Toni Negri in Perspective, International Socialist Journal (New Series) 92 (September 2001)] discusses the mainstream press' reaction to Empire. Callinicos' essay provides a very useful review of Negri's theoretical work and political impact, and has shaped my reading of Empire. For a representative sample of the enthusiasm for Empire on the academic left, see Dossier on Empire in Rethinking Marxism, 13, 3-4 (Fall-Winter 2001).

[2] For discussions of post-modernism as an intellectual and political current, see Alex Callinicos, *Against Postmodernism: A Marxist Critique* (New York: St Martin's Press, 1990); Bryan D Palmer, *Descent into Discourse: The Reification of Language and the Writing of Social History* (Philadelphia: Temple University Press, 1990); Ellen Meiksins Wood and John Bellamy Foster (eds), *In Defense of History* (New York: Monthly Review Press, 1997).

[3] Kim Moody, *Workers in a Lean World: Unions in the International Economy* (London: Verso, 1997), Moody's analysis of the contemporary global economy in Parts I and II of *Workers in a Lean World* is the basis of most of my theoretical and empirical critique of Hardt and Negri.

[4] I cannot present a detailed criticism of Hardt and Negri's account of the transition from a 'modern/industrial' to 'postmodern/informational' economic paradigm during the past forty years. However, their claim that the strength of the working class 'multitude' provided the impetus for the capitalist restructuring of the 1970s and 1980s flies in the face of the reality of the defeats of workers and the labour movement in all of the industrialized capitalist countries between 1975 and 1995.

[5] (New York: Monthly Review Press 1974) chapter 10.

[6] Kim Moody's *The Industrial Working Class Today: Why It Still Matters - Or Does It?* *Against the Current* 58 (September-October 1995), 25 is the source of these statistics.

[7] These statistics are drawn from Moody, *Workers in a Lean World Part I*; and from Moody, personal correspondence with the author, May 15, 2002.

[8] For a more detailed account of 'lean production' see Moody, *Workers in a Lean World*, chapters 4-5; and Charlie Post and Jane Slaughter, *Lean Production: Why Work is Worse Than Ever, and What's the Alternative?* (Detroit, MI: Solidarity Working Paper, 2000) - also available on the

web at <http://www.igc.org/solidarity/LeanProduction.html>.

[9] Moody, Workers in a Lean World p 137.

[10] Callinicos, Negri in Perspective p 52.

[11] For a discussion of the evolution of the Italian autonomists in the 1960s and 1970s see T Abse, Judging the PCI, New Left Review (Old Series) 153 (September-October 1985).