BOOK REVIEW

Ernest Mandel: Late Capitalism, New Left Books, $27.80.

Everyone knows Ernest Mandel, either as marxist scholar or as trotskyite activist. Those familiar with the former will know him through the mammoth Marxist Economic Theory (1962), Europe Versus America (1970) and Formation of the Economic Thought of Karl Marx (1971). Those who know Mandel in the latter form will associate him with the International Majority Tendency of the Fourth International, and remember him as skilful propagandist and persuasive orator.

Mandel's latest work is a 600-page volume entitled Late Capitalism.

By all appearances, Mandel has taken on the task of writing the Das Kapital of the 1970s. In his introduction Mandel notes the structural similarity of Late Capitalism to Marx's original plans for that work. Further, Mandel notes that he seeks to emulate Marx in his unique combination of theory and history, epitomised in Das Kapital. To his credit, and Althusser's, Mandel provides advice on how to read the book. From this, it appears that those who do not wish to plunge headlong into the depth of his analysis - as I did - can minimise pain and maximise pleasure by reading the first four and the last five chapters, missing the nine in between.

Basically, Late Capitalism is a systematic attempt to combine the general theory of the 'laws of motion' of the capitalist mode of production with the concrete history of twentieth century capitalism. This centres on Mandel's scheme of long-waves, of which more later. Mandel proceeds by the method he affirms is Marx's: a six-fold process, which for purposes of simplification can be reduced to four stages, perhaps: Factual/empirical; conceptual/analytical; synthetic (development of conceptual whole); and the ongoing resolution of the relation between the conceptual whole and the empirically based parts. In his procedure, therefore, Mandel refutes the ghost of 'marxism as blinkers', by displaying that this method is not one of forcing 'facts' into 'abstractions'.

Late capitalism, Mandel argues, is the second stage of imperialism. On the world market this development is manifested by a tendency, since 1940: (1) for metropolitan nations to invest in other imperialist nations rather than in the third world, and (2) for capitalist priorities in the third world to change from raw material production to local production of finished goods. This change enables both (a) maximisation of surplus profit via exploitation of high productivity labor, and (b) the development of monopoly control of local neo-colonial markets.

Mandel discerns four technological cycles - long-waves - in the history of capitalism: 1800-47, characterised by hand-made steam engines; 1847-1890s, machine made steam engines; 1890s-1940, characterised by the application of electric and combustion engines; and 1940 on, the application of electronic devices and nuclear energy (the period of late capitalism). Each long wave has two periods - an accelerated period of growth followed by a decelerated period. In the fourth (present) wave, accelerated growth occurred from 1940-45, 1948-66, leaving us, today, in the period of recession, and a lengthy one at that, which to Mandel symbolises decline. Social decay, prompted by economic crisis, ushers in the period of revolutionary possibilities.

Mandel notes capital's attempts at countering the tendency of profit to fall. The integration of women into the workforce is an example of an attempt to boost the reserve army of unemployed as a counter tendency. Further, capital attempts to undermine class solidarity between employed and unemployed workers (the dole-bludger spectre), which develops to such an extent as to impair the fighting strength of unions. A further, and more consequential measure, perhaps, is the application of automation. Automation serves the same purpose as the boosting of the unemployed, i.e. it enables the blocking of the tendency of profit to decline, and yet it simultaneously undermines it, by reducing the mass of surplus value. The replacement of living labor with dead labor through automation means, firstly, that surplus extracted through production is minimised and, secondly, that profit through sale falls, due to inadequate demand. Thus, automation, allegedly a savior, eventually causes more problems than it solves by complicating both the processes of commodity production and profit realisation. Automation, according to Mandel, is the absolute limit of capital's expansion, the innermost contradiction of capitalism, the ultimate fetter.

Mandel proceeds to cover, among other things, the permanent arms economy. Here (Chapter 9), the reader is bombarded with a barrage of algebra and polemics with selected International Socialist and Ricardian 'enemies'. 'Ricardian eclectics' also get bucketed in Chapter 11, on neo-colonialism and unequal exchange. Chapter 13 - permanent inflation - is overwhelming for those not economically inclined. In reading these chapters, it becomes clear that this is such a massive and diversified work that it is all too easy to become lost in the parts and lose sight of the whole. The documentation is a further...
distraction from the central theme, particularly in the cases in which notes swallow up more page than the text does.

I had hoped for some fresh insights in the chapter on the state. It was a bit of a letdown, first time around at least. Mandel battles with Poulantzas, cites Miliband approvingly, covers the origins and development of the state and its function in late capitalism. The chapter following - that on ideology - shows the vitality I anticipated finding in the state chapter. The author deals with the ideology of the 'end of ideology', in the process of which the integrative factors popularised by Marcuse come under scrutiny. Mandel argues that when thinkers sincerely and profoundly hostile to capitalism claim the impotence of the proletariat in the imperialist countries to challenge the existing social order, they are, in fact, playing the role of unwitting cogs in the ideological machine of the ruling class. May '68 in France and later developments throughout Europe come in here.

Somehow, though, Mandel's line, valid enough in itself, doesn't ring entirely true. No doubt the proletariat still has revolutionary capabilities; presumably the working class always carries that potentiality. What it seems to lack is desire; it is not so much impotent as it is uninterested in radical social change. Capitalism relies far more heavily on the cultural embourgeoisement of the proletariat than it does on the influence of Marcuse's 'technological fetishism'. In a sense, this Mandel-Marcuse debate emerges as a falsely posed one: it's not a matter of whether capitalism is god-given or not but how long it will last.

In this connection, Mandel is a little reminiscent of Kropotkin. In The Conquest of Bread in particular, Kropotkin uses examples of practical developments of mutual aid - for example, co-operatives, public services (free use of bridges, libraries, parks) as 'proof' for what he perceives as the development of communist anarchism within, and undermining, the capitalist state. Mandel uses examples such as May 1968, Italy 1969 as 'revolutionary vocal practice', bourgeois publishers cashing in on marxist texts (thereby digging their own graves) and so on to document the case for the development of wider radicalisation prerequisite for the forthcoming revolution. Both Kropotkin and Mandel seem to think that 'history is on their side'. Neither case is entirely convincing, though their examples are valid enough in themselves. Mandel fits his projections neatly into his scheme of long-waves and his consequent analysis of revolutionary possibilities in the seventies. This move is logically correct; but in extrapolating from the model (ideal-type) to reality, from the logical 'should' to the empirical 'will', Mandel's theory gets a bit beaten about the edges.

By way of conclusion, Mandel lists three forms of proletarian struggle now emerging which characterise the new epoch of social revolution we are entering: firstly, critical attack on the contradiction between a growing abundance of consumer goods and the underdevelopment of collective (social) services; secondly, the frontal challenging of mechanisms which determine investments; and lastly, the popular denunciation of the contradiction between the dependence of large companies on state subvention and the preservation of business secrecy by these companies.

Mandel holds that we are approaching the limits of the adaptability of capitalism, with the traditional trotskyite implications: objective conditions are ripe but there is lacking a vanguard.

Mandel is worth reading. Like Hegel, Marx and their sophisticated heirs, he is a critic whom one neglects at one's peril, but whom one indulges in to one's own frustration. Mandel emerges more clearly than ever as a Marx fundamentalist. He is vehement in his defence of Marx throughout, refuting among other things, the age-old argument that Marx had a consistent theory of absolute immiseration. Mandel seems, however, to end up playing games with opponents (invisible) such as Edmund Wilson and Robert Conquest. 'Marx was right'. 'Was not'. 'Was so'. Mandel seems to almost disappear in this quagmire rather than gauging, instead, whether Marx is more or less useful.

Some of Marx's comments - those on the development of managerial capitalism in the third volume of Das Kapital, the development of a 'detached' middle class in volume two of Theories of Surplus Value, or automation in the Grundrisse are most prophetic and really interesting. But at times Mandel seems to be more concerned with documenting uncanny predictions than with developing his own argument.

This Marx fundamentalism seems to stretch into Trotsky fundamentalism at times. For example, on the matter of the integration of unions into the bourgeois state, Mandel suggests that Trotsky foresaw this tendency as early as 1940. Immediately Gramsci, who felt inklings of this tendency as early as 1919, pops into mind; but not into the footnote.

What I'm getting at is that perhaps the biggest thing I got from reading Late Capitalism was further insight into the way Mandel's mind works. As the foremost representative of trotskyism today, Mandel epitomises a rather intriguing school, which presents itself, and itself only, as revolutionary marxism in the twentieth century.

Late Capitalism will stand as a most substantial contribution to the critique of capitalist production a century after Marx when men still yearn for a fundamental improvement in the human condition, but the hope seems almost as far away as ever.

- Pete Beilharz.