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Editorial

RENEWALS

THE LIFE-SPAN OF JOURNALS is no warrant of their achievement. A couple of issues, and abrupt extinction, can count for more in the history of a culture than a century of continuous publication. In its three years, the *Athenaeum* put German Romanticism into orbit. The fireworks of the *Revue Blanche*, the first journal of a modern avant-garde, lit Paris for barely a decade. *Lef* closed after seven issues in Moscow. These were reviews at the intersection of aesthetic innovation with philosophy and politics. Journals of criticism have often survived longer—*The Criterion*, in various incarnations, for most of the inter-war period, *Scrutiny* from the thirties into the fifties. Reasons for closure might be external, even accidental, but typically the vitality of a journal is tied to those who create it. In heroic cases, a single individual can defy time with the composition of a personal monument: Kraus writing *Die Fackel* alone for twenty-five years, Croce rivalling the feat with *La Critica*. Usually, life-cycles of journals are more adventurous and dispersed. Editors quarrel, change their minds, get bored or go bankrupt, for the most part well before they go to the grave themselves.

A political journal is as subject to the incidents of mortality as any other. In one respect, more so—since politics is always a *Kampffplatz*, a field of division, breaking ties and forcing conflicts. Wreckage through disputes or scissions is more frequent here than anywhere else. In other respects, however, political journals have a different reason for being, that makes renewal beyond their first impetus a test specific to them. They stand both for certain objective principles, and the capacity of these to decipher the course of the world. Here, editorial fade-out is intellectual defeat. Material or institutional pressures may, of course, cut off any periodical

in its prime. But short of such circumstances, political journals have no choice: to be true to themselves, they must aim to extend their real life beyond the conditions or generations that gave rise to them.

This journal, now entering its fifth decade, has reached such a point. Forty years is a significant span of activity, though not an extraordinary one—*Les Temps Modernes*, from which NLR learnt a good deal in its early days, has lasted much longer. But it is sufficient to call for an overhaul. With this issue, we start a new series of the journal marked by a break of numerals, in keeping with radical tradition, and a redesign of its appearance, in token of changes to come. Charged for the moment with the transition to another style of review, not to be achieved overnight, I set out below my own view of the situation of NLR today, and the directions it should begin to take. Billed as an ‘editorial’, the result is nonetheless a personal—and therefore provisional—statement: open to contradiction. So too will be the editorials that follow in each issue, written on topics of their choice by others, without presumption of any automatic agreement.

I

Any consideration of the future of NLR must start from its *differentia specifica*. What has made it distinctive as a journal of the Left? There would be a number of ways of answering this, but the simplest and most succinct is this. No other such review has attempted to publish across the same range of terrain—stretching from politics to economics to aesthetics to philosophy to sociology—with the same freedoms of length and detail, where required. This span has never been evenly or regularly explored, and the difficulties of moving between such completely discrepant registers of writing have consistently been scanted, to the cost of even the most patient readers. But here is where the character of *New Left Review* has effectively been defined. It is a political journal based in London that has tried to treat social and moral sciences—‘theory’, if you will—and arts and mores—‘culture’, for short—in the same historical spirit as politics itself. The best way of grasping the present situation of the review is to look back at the context in which the format of NLR was originally conceived, that made possible the combination of these interests. The conjuncture of the early sixties, when the review took shape under a new collective, offered the following features:

- ▶ Politically, a third of the planet had broken with capitalism. Few had any doubts about the enormities of Stalin's rule, or the lack of democracy in any of the countries that described themselves as socialist. But the Communist bloc, even at its moment of division, was still a dynamic reality—Isaac Deutscher, writing in *NLR*, could take the Sino-Soviet split as a sign of vitality.¹ Khrushchev, viewed as a 'revolutionary romantic' by current historians of Russia, held out promise of reform in the USSR. The prestige of Maoist China was largely intact. The Cuban Revolution was a new beacon in Latin America. The Vietnamese were successfully fighting the United States in South-East Asia. Capitalism, however stable and prosperous in its Northern heartlands, was—and felt itself to be—under threat across the larger part of the world outside them. Even at home, in Western Europe and Japan, mass Communist movements were still ranged against the existing order.

- ▶ Intellectually, the discredit of Stalinist orthodoxy after 1956 and the decline of domestic Cold War conformity after 1958 released a discovery process of suppressed leftist and Marxist traditions that, in starved British conditions, took on aspects of a theoretical fever. Alternative strands of a revolutionary Marxism linked to mass politics—Luxemburgist, Trotskyist, Maoist, Council Communist—started to circulate. Simultaneously, the various legacies of a Western Marxism born from the defeat of mass politics—from the era of Lukács, Korsch and Gramsci onwards—became available for recovery. Crucial to the influence of these Western traditions was its continuity into the present: Sartre, Lefebvre, Adorno, Marcuse, Della Volpe, Colletti, Althusser were contemporary authors, producing new texts as *NLR* was sending its numbers to press. British isolation from such continental patterns made sudden, concentrated encounter with them all the headier.

- ▶ Culturally, exit from the conformist atmosphere of the fifties was a much broader phenomenon than this, and the rupture just as abrupt. The two dominant markers of the period were the emergence of rock music as a pervasive sound-wave of youth revolt, in contrast to the generally saccharine output of the previous period—a popular form laying claim to both aesthetic breakthrough and social upsurge.

¹ 'Three Currents in Communism', *NLR* 23, Jan–Feb 1964.

Britain was itself the leading country in this transformation, whose shock-effects were not yet routinized, as they later became. The second critical shift was the emergence of *auteur* cinema, as conception and project. Here the influence of *Cahiers du Cinema* and the *Nouvelle Vague* that came out of it was decisive. In this reception, the position accorded classic Hollywood directors by French cineastes opened a loop that defined much of the period. In effect, the new ascendance of cinema and music set free a dialectic between ‘high’ and ‘low’ planes of reference in the cultural life of the sixties that looks retrospectively distinctive. Playful or serious, the ease of traffic between the two—an absence of strain—owed much to the most important theoretical current of the time, aside from Marxism, which was structuralism. The moment of the early Barthes or Lévi-Strauss (*Mythologies* or *Tristes Tropiques*), bringing a common method to the study of each, was critical for the mediation between high and low forms. Recuperating the legacy of Russian formalism, this was a structuralism whose concerns were still perfectly congruent with those of the cultural Left.

2

In this triple context, NLR undertook a range of programmes that at the time were innovatory for the English-speaking world. Politically, the review set its compass towards anti-imperialist movements in the Third World, and while parochial reflexes were still strong on the British Left, gathered a team whose interests eventually spanned most of the world—Latin America, Black Africa, the Middle East, South Asia and the Far East were all represented. At home, a set of distinctive arguments about the UK was developed, which came to have a certain influence. So when the explosion of the late sixties, triggered by the war in Vietnam, occurred in the West—first student rebellion, then labour upsurge—NLR was well placed to play some role in the ensuing tumult, and to gain an international readership by the mid-seventies.

Intellectually, the journal devoted much of its energies to the introduction and critical reception of the different schools of Western Marxist thought, a sufficiently large enterprise to occupy it for over a decade. Structuralism, formalism, psychoanalysis featured too—canonical texts or sources often first surfacing in its pages. On these fronts NLR was well ahead of the surrounding culture, pioneering a more cosmopolitan

and radical horizon of reference than was easily available elsewhere in the Anglophone world.

Culturally, too, the review developed new styles of intervention, linking interest in traditional arts to engagement with avant-garde forms, and interventions on popular cinema or music. Peter Wollen's famous series on film directors, or—say—Franco Moretti's 'Dialectic of Fear', exemplified the freedom of movement between 'high' and 'low' terrains. The initiatives released by this ferment escaped narrow classification. NLR was premonitory both of the seventies' rediscovery of feminism, and the eighties' rediscovery of work, in the same few years. It was a creative period.

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Four decades later, the environment in which NLR took shape has all but completely passed away. The Soviet bloc has disappeared. Socialism has ceased to be a widespread ideal. Marxism is no longer a dominant in the culture of the Left. Even Labourism has largely dissolved. To say that these changes are enormous would be an under-statement. It cannot be maintained they reduced the review to silence. Each in their fashion, writers associated with it have responded with spirit to the conjuncture of '89. Texts in different registers would include Robin Blackburn's 'Fin-de-Siècle: Socialism After the Crash'; Peter Wollen's 'Our Post-Communism: The Legacy of Karl Kautsky'; Alexander Cockburn's *The Golden Age is Within Us*; Fred Halliday's 'The Ends of Cold War'; Tom Nairn's *Faces of Nationalism*; Benedict Anderson's 'Radicalism after Communism'; Tariq Ali's *Fear of Mirrors*; and the list could be lengthened.² It would be interesting to trace the variety of these reactions, and of other contributors published by the review. Judgements of each will differ. But as a whole the tradition of the journal acquitted itself without dishonour.

Ten years after the collapse of Communism, however, the world has moved on, and a condition of re-launching the review is some distinc-

² Respectively: NLR 185, Jan–Feb 1991 (Blackburn); NLR 202, Nov–Dec 1993 (Wollen); Verso 1994 (Cockburn); NLR 180, Mar–Apr 1990 (Halliday); Verso 1997 (Nairn); NLR 202, Nov–Dec 1993 (Anderson); Arcadia 1998 (Ali).

tive and systematic approach to its state today. What is the principal aspect of the past decade? Put briefly, it can be defined as the virtually uncontested consolidation, and universal diffusion, of neo-liberalism. This was not so widely predicted. If the years 1989–91 saw the destruction of Soviet-bloc Communism, it was not immediately obvious—even to its champions—that unfettered free-market capitalism would sweep the board in East or West. Many East European dissidents, West European progressives, North American conservatives, foresaw some kind of ‘re-balancing’ of the global landscape—the Left perhaps gaining a fresh lease of life, once released from the crippling moral legacy of Stalinism, and Japanese or Rhenish corporatism proving superior in both social equity and economic efficiency to Wall Street or the City. These were not isolated beliefs, and could draw on authorities of distinction. As late as 1998, Eric Hobsbawm and former *Marxism Today* writers were still hopefully proclaiming the end of neo-liberalism.³

In fact, the trend of the time has moved in the opposite direction. Five inter-linked developments have changed the scene quite drastically:

- ▶ American capitalism has resoundingly re-asserted its primacy in all fields—economic, political, military, cultural—with an unprecedented eight-year boom. However inflated are asset values on Wall Street, burdened with debt private households, or large the current trade deficits, there is little doubt that the underlying competitive position of US business has been critically strengthened.
- ▶ European social-democracy, having taken power across the Union, has responded to continent-wide slow growth and high unemployment by across-the-board moves towards an American model—accelerating deregulation and privatization not only of industries but also social services, often well beyond the limits of previous conservative regimes. Britain had a head-start in deregulation, but Germany and Italy are now bidding to catch up, and France lags more in words than deeds.
- ▶ Japanese capitalism has fallen into a deep slump, and—along with Korean—is being gradually pressured to submit to deregulatory standards, with increasing unemployment. Elsewhere in Asia, the

³ ‘The Death of Neo-Liberalism’, *Marxism Today* one-issue revenant, Nov–Dec 1998.

PRC is eager to enter the WTO at virtually any price, in the hope that competitive pressures from foreign capital will weed out state industries, without having itself to take responsibility for their fate; while India is for the first time now willingly dependent on the IMF.

- ▶ The new Russian economy, the weakest link in the global market system, has provoked no popular backlash, despite catastrophic regression in productive output and life-expectation. Stabilization of its financial oligarchy under a plebiscitary leadership, capable of centralizing power and privatizing land, is now in prospect.

These are massive socio-economic changes, working their way across the globe, which have already found canonization in Daniel Yergin and Joseph Stanislaw's enthusiastic survey *The Commanding Heights*. They have been accompanied by two complementary, political and military, shifts:

- ▶ Ideologically, the neo-liberal consensus has found a new point of stabilization in the 'Third Way' of the Clinton–Blair regimes. The winning formula to seal the victory of the market is not to attack, but to preserve, the placebo of a compassionate public authority, extolling the compatibility of competition with solidarity. The hard core of government policies remains further pursuit of the Reagan–Thatcher legacy, on occasion with measures their predecessors did not dare enact: welfare reform in the US, student fees in the UK. But it is now carefully surrounded with subsidiary concessions and softer rhetoric. The effect of this combination, currently being diffused throughout Europe, is to suppress the conflictual potential of the pioneering regimes of the radical right, and kill off opposition to neo-liberal hegemony more completely. One might say that, by definition, TINA only acquires full force once an alternative regime demonstrates that there are truly no alternative policies. For the quietus to European social-democracy or the memory of the New Deal to be consummated, governments of the Centre-Left were indispensable. In this sense, adapting Lenin's maxim that 'the democratic republic is the ideal political shell of capitalism', we could say that the Third Way is the best ideological shell of neo-liberalism today. It is scarcely an accident that the most ambitious and intransigent theorization of ultra-capitalism as a global order, Thomas Friedman's *The Lexus and the Olive-Tree*, should at the same time be a brazen paean to US world hegemony,

and an unconditional advocacy of Clintonism, under the slogan ‘one dare not be a globalizer today without being a social-democrat’.⁴

- Finally, the Balkan War has rounded off the decade with a military-diplomatic demonstration of the ascendancy of this constellation. Comparison with the Gulf War suggests how much stronger the New World Order has become since the early nineties. Bush had to mobilize a vast army to reverse the Iraqi invasion of Kuwait, in the name of protecting Western oil supplies and a feudal dynasty; without succeeding in either overthrowing the regime in Baghdad, or drawing Russia—still unpredictable—into the alliance against it. Clinton has bombed Serbia into submission without so much as a soldier having to fire a shot, in the name of a moral imperative to stop ethnic cleansing, that is likely to conclude in short order with a removal of the regime in Belgrade; and brigaded Russia effortlessly into the occupation force as a token auxiliary. Meanwhile China, after the destruction of its embassy—on the heels of a respectful visit by its Premier to the US—has cooperated meekly in setting up a UN screen for the NATO protectorate in Kosovo, and made clear that nothing will be allowed to disturb good relations with Washington. For its part, the European Union is basking in a new comradeship-in-arms with the United States, and joint purpose in generous reconstruction of the Balkans. Victory in Kosovo has in this sense not been just military and political. It is also an ideological triumph, that sets a new standard for interventions on behalf of human rights—as construed in Washington: Chechens or Palestinians need not apply—around the world. The society created by the capitalist free-for-all of the past twenty years was in need of a good conscience. Operation Allied Force has provided it.

4

The intellectual atmosphere in the advanced countries, and extending well beyond them, reflects these changes. If the bulk of the Western intelligentsia was always substantially satisfied with the status quo, with

⁴ *The Lexus and the Olive-Tree*, New York 1999, p. 354. In similar vein, Yergin and Stanislaw end their glowing tour of the world-wide triumph of markets with a concluding homage to Blair’s ‘great accomplishment in fusing social-democratic values of fairness and inclusiveness with the Thatcherite economic programme’: *The Commanding Heights*, New York 1999, p. 390.

a more restless and imaginative minority flanking it to the right, the left was still a significant presence in most of the leading capitalist states down through the eighties, even if there were important national variations—the British becoming less conservative, as the French or Italians became more so, and so forth. With the homogenization of the political scene in the nineties, one would expect there to have been a *Gleichschaltung* of acceptable opinion as well. By the end of the decade, this has gathered pace. If we look at the spectrum of what was the traditional—formerly socialist—Left, two types of reaction to the new conjuncture predominate.

The first is accommodation. In its hour of general triumph, capitalism has convinced many who at one time believed it an avoidable evil that it is a necessary and on balance salutary social order. Those who have rallied, explicitly or tacitly, to the Third Way are obvious examples. But the range of guises in which accommodation can be reached are much wider, and are quite compatible with a sceptical or even derisive view of official—Blumenthal–Campbell—oleographs of the new order: extending from frank acknowledgement of a down-the-line superiority of private enterprise, without mollifying embellishments, to simple dropping of the subject of property regimes altogether. One consequence of the shift in the ideological climate at large is that it becomes decreasingly necessary even to express a position on these issues, as they fall outside the perimeter of significant debate. Clamorous renegacy is quite rare; the commoner pattern is just changing the subject. But the depth of actual accommodation can be seen from episodes like the Balkan War, where the role of NATO was simply taken for granted, as a normal and desirable part of the political universe, by a wide band of opinion that would not have dreamt of doing so ten or twenty years back. The underlying attitude is: capitalism has come to stay, we must make our peace with it.

The second type of reaction can best be described as one of consolation.⁵ Here there is no unprincipled accommodation—earlier ideals are not abandoned, and may even be staunchly reaffirmed. But faced with

⁵ It is a matter of logic that there is a third possible reaction to the turn of the time, that is neither accommodation nor consolation: namely, resignation—in other words, a lucid recognition of the nature and triumph of the system, without either adaptation or self-deception, but also without any belief in the chance of an alternative to it. A bitter conclusion of this kind is, however, rarely articulated as a public position.

daunting odds, there is a natural human tendency to try and find silver linings in what would otherwise seem an overwhelmingly hostile environment. The need to have some message of hope induces a propensity to over-estimate the significance of contrary processes, to invest inappropriate agencies with disinterested potentials, to nourish illusions in imaginary forces. Probably none of us on the Left is immune to this temptation, which can even claim some warrant from the general rule of the unintended consequences flowing from any historical transformation—the dialectical sense in which victories can unexpectedly generate victors over them. It is also true that no political movement can survive without offering some measure of emotional relief to its adherents, which in periods of defeat will inevitably involve elements of psychological compensation. But an intellectual journal has other duties. Its first commitment must be to an accurate description of the world, no matter what its bearing on morale may be. All the more so, because there is an intermediate terrain in which consolation and accommodation can overlap—that is, wherever changes in the established order calculated to fortify its hold are greeted as steps towards its loosening, or perhaps even a qualitative transformation of the system. Russell Jacoby's recent *End of Utopia* offers trenchant reflections on some of this.

5

What kind of stance should NLR adopt in this new situation? Its general approach, I believe, should be an uncompromising realism. Uncompromising in both senses: refusing any accommodation with the ruling system, and rejecting every piety and euphemism that would understate its power. No sterile maximalism follows. The journal should always be in sympathy with strivings for a better life, no matter how modest their scope. But it can support any local movements or limited reforms, without pretending that they alter the nature of the system. What it cannot—or should not—do is either lend credence to illusions that the system is moving in a steadily progressive direction, or sustain conformist myths that it urgently needs to be shielded from reactionary forces: attitudes on display, to take two recent examples, in the rallying to Princess and President by the *bien-pensant* left, as if the British monarchy needed to be more popular or the American Presidency more protected. Hysteria of this kind should be sharply attacked.

Appeals to venerable traditions or established institutions to—so to speak—live up to their own standards, form a different sort of case. A great deal of the best writing on the Left today seeks to take the ruling conventions at their word—treating official hypocrisy, the gap between word and deed, as the homage vice must pay to virtue, that promises a happy ending. This was the approach classically favoured, and eloquently practised, by the first New Left. Many contributions to the journal will continue to be couched in these terms, and should be judged on their—often considerable—merits. There is, however, a risk in this style of address. The line between the desirable and the feasible may be left unclear, allowing mystification about the realities of power, and what can rationally be expected of it. It is best to leave no ambiguity here. The test of NLR's capacity to strike a distinctive political note should be how often it can calmly shock readers by calling a spade a spade, rather than falling in with well-meaning cant or self-deception on the Left. The spirit of the Enlightenment rather than the Evangelicals is what is most needed today.

6

A decade does not make an epoch. The neo-liberal grand slam of the nineties is no guarantee of perpetual power. In a longer historical perspective, a more sanguine reading of the time can be made. This, after all, has also been a period in which the Suharto dictatorship has been overthrown in Indonesia, clerical tyranny weakened in Iran, a venal oligarchy ousted in Venezuela, apartheid ended in South Africa, assorted generals and their civilian relays brought low in Korea, liberation finally won in East Timor. These were not movements that enjoyed the confidence of investors in the West, as the spring-time of peoples in Europe had done. An optimistic view would take them as the seeds of a reckoning to come—the latest acts of a continuing emancipation of nations that constitutes the real process of democratization on a world scale, whose outcome we can barely yet imagine. Another version would point rather to the general weakening in the hierarchy of the sexes, with world-wide pressures for women's emancipation, as the leading story of the age; or to the growth in ecological consciousness, to which even the most hardened states must now pay formal respect. Common to all these visions is an intimation that capitalism may be invincible, but might

eventually prove soluble—or forgettable—in the waters of profounder kinds of equality, sustainability and self-determination.

If so, such deeps still remain unfathomable. The spread of democracy as a substitute for socialism, as hope or claim, is mocked by the hollowing of democracy itself in its capitalist homelands, not to speak of its post-communist adjuncts: steadily falling rates of electoral participation, increasing financial corruption, deadening mediatization. In general, what is strong is not democratic aspiration from below, but the asphyxiation of public debate and political difference by capital above. The force of this order lies not in repression, but dilution and neutralization; and so far, it has handled its newer challenges with equanimity. The gains made by the feminist and ecological movements in the advanced world are real and welcome: the most important elements of human progress in these societies of the last thirty years. But to date they have proved compatible with the routines of accumulation. Logically, a good measure of political normalization has followed. The performance of feminists in the United States, and Greens in Germany—where each movement is strongest—in the service of Clinton's regimen in the White House and NATO's war in the Balkans speaks for itself.

This is not to say that any other force in the advanced capitalist countries has shown a greater quotient of effective antagonism to the status quo. With rare exceptions—France in the winter of 1995—labour has been quiescent for over twenty years now. Its condition is not a mere outcome of economic changes or ideological shifts. Harsh class struggles were necessary to subdue it in Britain as the United States. If somewhat less cowed in Europe, workers still remain everywhere on the defensive. The only starting-point for a realistic Left today is a lucid registration of historical defeat. Capital has comprehensively beaten back all threats to its rule, the bases of whose power—above all, the pressures of competition—were persistently under-estimated by the socialist movement. The doctrines of the Right that have theorized capitalism as a systemic order retain their tough-minded strength; current attempts by a self-styled radical Centre to dress up its realities are by comparison little more than weak public relations. Those who always believed in the over-riding value of free markets and private ownership of the means of production include many figures of intellectual substance. The recent crop of bowdlerizers and beauticians, who only yesterday deplored the ugliness of the system they primp today, do not.

For the Left, the lesson of the past century is one taught by Marx. Its first task is to attend to the actual development of capitalism as a complex machinery of production and profit, in constant motion. Robert Brenner's 'Economics of Global Turbulence', taking up an issue of NLR, sets the appropriate example.⁶ No collective agency able to match the power of capital is yet on the horizon. We are in a time, as genetic engineering looms, when the only revolutionary force at present capable of disturbing its equilibrium appears to be scientific progress itself—the forces of production, so unpopular with Marxists convinced of the primacy of relations of production when a socialist movement was still alive. But if the human energies for a change of system are ever released again, it will be from within the metabolism of capital itself. We cannot turn away from it. Only in the evolution of this order could lie the secrets of another one. This is the sense of enquiries like those by Robin Blackburn in NLR into the trend of financial institutions.⁷ There are no certainties here; so far, all that is possible are proposals and conjectures.

7

Ideologically, the novelty of the present situation stands out in historical view. It can be put like this. For the first time since the Reformation, there are no longer any significant oppositions—that is, systematic rival outlooks—within the thought-world of the West; and scarcely any on a world scale either, if we discount religious doctrines as largely inoperative archaisms, as the experiences of Poland or Iran indicate we may. Whatever limitations persist to its practice, neo-liberalism as a set of principles rules undivided across the globe: the most successful ideology in world history. What this means for a journal like NLR is a radical discontinuity in the culture of the Left, as it—or if it—renews itself generationally. Nowhere is the contrast with the originating context of the review sharper than in this respect. Virtually the entire horizon of reference in which the generation of the sixties grew up has been wiped away—the landmarks of reformist and revolutionary socialism in equal measure. For most students, the roster of Bebel, Bernstein, Luxemburg, Kautsky, Jaurès, Lukács, Lenin, Trotsky, Gramsci have become names as remote as a list of Arian bishops. How to reweave threads of significance

⁶ NLR 229, May–June 1998; an expanded version will appear as a Verso book.

⁷ 'The New Collectivism', NLR 233, Jan–Feb 1999.

between the last century and this would be one of the most delicate and difficult tasks before any journal that took the term 'left' seriously. There seem to be few guide-posts for it.

If we look at the intellectual traditions closest in time and influence to the early NLR, the situation does not at first look much better. Most of the corpus of Western Marxism has also gone out of general circulation—Korsch, the Lukács of *History and Class Consciousness*, most of Sartre and Althusser, the Della Volpean school, Marcuse. What has survived best is least directly political: essentially, post-war Frankfurt theory and selected Benjamin. Domestically, Raymond Williams has been put out of court, much as Wright Mills in America twenty years ago; Deutscher has disappeared; the name Miliband speaks of another time.

On the other hand, the history of ideas is not a Darwinian process. Major systems of thought rarely disappear, as if they were so many species become extinct. Though no longer seen within any coherent context, strands of these traditions have continued to show remarkable vitality. It could be said that British Marxist historiography has now achieved a world readership, something it never knew before, with Hobsbawm's *Age of Extremes*—which seems likely to remain the most influential single interpretation of the past century well into this one, as the overall history of a victory from the viewpoint of the vanquished. Jameson's work on the postmodern, descending directly from Continental Marxism, has no exact counterpart as a cultural version of the age. Robert Brenner has provided the only coherent economic account of capitalist development since the Second World War, Giovanni Arrighi the most ambitious projection of its evolution in a longer timeframe. Tom Nairn and Benedict Anderson are leading voices on the political ambiguities of modern nationalism. Régis Debray has developed one of the most systematic theories of the contemporary media now on offer. Terry Eagleton in the literary field, T. J. Clark in the visual arts, David Harvey in the reconstruction of geography, are central figures for all concerned with these disciplines.

It is enough to list such names to see that no forcible unification of them into a single paradigm is conceivable. The span of different methods, interests and accents is far too wide. If that is in part a consequence of the fragmentation of the culture of the Left, it is also an expression of a creative disinhibition and diversification of lines of enquiry. Respect-

ing these, the review should seek to present an intelligible landscape, in which such bodies of work have an accessible relationship to one another.

At the same time, there is a wider intellectual spectrum with few or no Marxist origins, defining itself as loosely on the left, that is in movement today. Taking the fields of philosophy, sociology and economics, it would include the work of Habermas, Derrida, Barry; Bourdieu, Mann, Runciman; Stiglitz, Sen, Dasgupta. Here criss-crossing shifts of position can be seen, previously moderate thinkers becoming radicalized as neo-liberal hegemony has become more absolute, while others once more radical have become reconciled to elements of the conventional wisdom. But more significant than these eddies is a common feature of much of this range of work: the combination of bold intellectual ambition and broad disciplinary synthesis with timorous or truistic commitments in the political field itself—a far cry from the robust and passionate world of Weber, Keynes or Russell. Here the consequences of the uprooting of all the continuities of a socialist tradition, however indirectly related to, are very visible. The result is typically a spectacle of impressive theoretical energy and productivity, whose social sum is significantly less than its intellectual parts.

By contrast, commanding the field of direct political constructions of the time, the Right has provided one fluent vision of where the world is going, or has stopped, after another—Fukuyama, Brzezinski, Huntington, Yergin, Luttwak, Friedman. These are writers that unite a single powerful thesis with a fluent popular style, designed not for an academic readership but a broad international public. This confident genre, of which America has so far a virtual monopoly, finds no equivalent on the Left. There, at best, normative schemes of a ‘cosmopolitan democracy’ or ‘law of peoples’, bracketing or euphemizing the actual course of things, remain the lame alternative. NLR has not engaged much with either. This ought to be one of its priorities. It is unlikely the balance of intellectual advantage will alter greatly before there is a change in the political correlation of forces, which will probably remain stable so long as there is no deep economic crisis in the West. Little short of a slump of inter-war proportions looks capable of shaking the parameters of the current consensus. But that is no reason to mark time—polemical or analytical—in the interim.

The cultural scene, too, bears little resemblance to that in which the early NLR flourished. Three major changes have defined the interval. First, there has been a massive displacement of dominance from verbal to visual codes, with the primacy of television over every preceding means of communication, followed by the rise of subsequent electronic media in which the same shift has been technologically replicated. This pattern has, of course, defined the arrival of postmodern forms at large. Secondly—another hallmark of the latter—most of the tension between deviant or insurgent impulses from below and the established order above has been absorbed, as the market has appropriated and institutionalized youth culture in much the same way it earlier encapsulated avant-garde practices: but—this being a mass market—much more thoroughly. The commodity apotheosis of idols like Jackson or Jordan are the upshot. Thirdly, the voltage connecting high and low systems, whose circuit was such a feature of the modern period, has been shorted as the distance that was a condition of it has tended to collapse. The effect is mutual caricature, as the two converge on common terrain: slumming at the Royal Academy, and pretention at the Oscars—*Sensation* and Dreamworks as obverse forms of kitsch. Literature, dragged into the same vortex by prize-money and publicity budgets, generates Eco or late Rushdie.

For the journal, it is the critical side of the situation that matters. Here the pattern on the side of production has been inverted. Where once there was lively interchange between high and low levels, a polarization has occurred that tends to leave each sealed in hypertrophied discourses of their own. Thus high forms have fallen prey to tortuous routines of philosophical deconstruction, while popular forms have become the playground of ‘cultural studies’ of a sub-sociological type. Each has origins in radical lines of work in the late fifties and sixties: Hoggart and Williams on one side, Bataille to Derrida on the other. Formally speaking, the respective mutations continue to identify themselves, for the most part, with the Left: indeed, in grander moments—as critics on the Right are quick to point out—virtually *as* the Left, at any rate in America. What they too often amount to, however, is a choice between obscurantism and populism, or—still worse—a mixture of the two, parading a weird blend of the demagogic and apolitical.

Obscurantism as wilful impediment of meaning has few defenders. Populism, on the other hand, is sometimes thought to have progressive potential. But if we set aside its legendary origins in Russia, where the Narodniks would be regarded by current standards as thoroughly elitist, what populism typically means today is faking an equality of condition—between voters, readers or viewers—that does not exist, the better to pass over actual inequalities of knowledge or literacy: ground on which a cynical right and pious left all too easily meet. It is thus not surprising that of the two hermeneutics on offer, cultural studies is currently the more influential, and in its deteriorated forms the main obstacle to any recreation of an unselfconscious sense of movement between high and low. Commendable exercises in the analysis of mass culture are not lacking, in which the original intentions behind the Hoggart–Williams line have continued. All too many, however, of the progeny of the Birmingham School have lurched towards an uncritical embrace of the market as zestful fount of popular culture. In these conditions, the role of NLR should be to bend the stick resolutely in the opposite direction, while avoiding any neo-Leavisite overtones. Julian Stallabrass's contributions to the review have struck a requisite note, engaging critically both with the newest electronic media, at the level of the games arcade, and with the newest British painting, as it—in every sense—plays to the gallery.

In any radical journal, tension is always likely between two forms of criticism, equally necessary yet markedly distinct. One can think of these as, roughly speaking, 'avant-garde' and 'hegelian' approaches to culture—the first committed to staking out an aggressive, even if one-sided imperative stance, the second to deciphering in more indicative mood the historical or philosophical intelligibility of a wider scene: Clement Greenberg and Fredric Jameson as respective virtuosos. The two styles are not exclusive, and the review should encourage both. The need for one or the other varies, inevitably, according to topic or conjuncture. In an area like the cinema, earnest reflections on the meaning of the latest box-office hit from Hollywood or Elstree, even if well-aimed, are a waste of NLR's space, compared with treatment of directors, above all outside the Anglophone world, who are short of attention or difficult to see. For, counter-balancing the negative developments in the metropolitan zone of the past period, there has been one enormous cultural gain at large—the multiplication of peripheral producers in Asia, Africa, the Middle East, Latin America. This is very poorly covered in the West, and should be a priority for the Left to address. One good text on Hou Hsiao-Hsien,

Kiarostami, Sembene, Leduc is worth a hundred—no matter how critical—on Spielberg or Coppola. A sequence along these lines, extended to the new European cinema (Amelio, Reitz, Jacquot, Zonca), would be the natural successor to Peter Wollen's path-breaking series in the early NLR.

More generally, the kind of literary geography Franco Moretti has been developing, because it focuses on the market as well as the morphology of forms, provides a natural bridge between elite and mass zones of culture, as well as, most recently, an 'outward turn' to global systems that offers a model of another kind. In all fields, NLR should try to counter the provincialism—actually, narcissism—of the English-speaking world, by focusing, if necessary more than proportionately, on non-Anglophone works and producers. One of the most striking features of the current English scene (*a fortiori* American too) is that although foreign languages, literatures and politics are much more widely learnt in schools and universities than they were twenty years ago, the cultural references of the newest generations—even at their most sophisticated—are often narrower, because the hegemony of Hollywood, CNN and Bookerism has increased exponentially in the interim. A glance at the slipstream of current journalistic fashions is enough to register the paradox. In keeping with its tradition, the review should resist this involution.

9

Editing a journal with this set of concerns has always been a tightrope affair. To achieve a balance between such disparate fields as the economic and the aesthetic, the sociological and the philosophical, would be tricky enough in itself. Here they come together, by the nature of the review, under the primacy of the political, that poses its own problems of definition and selection. The order of the journal tacitly reflects its organizing focus, editorials or lead articles normally dealing with international issues of the day. NLR remains first and foremost a political journal, outside any polite consensus or established perimeters of opinion. But this is not a politics that absorbs the domains it touches on. The culture of any society always exceeds the spectrum of politics active within it, as a reservoir of meanings of which only a delimited range have to do with the distribution of power, that is the object of political

action.⁸ An effective politics respects that excess. Attempts to conscript any theoretical or cultural field for instrumental purposes will always be futile or counter-productive. That does not mean indifference. The Left needs a 'cultural politics'; but what that signifies first of all is a widening of the limits of its own culture. It follows that NLR will publish articles regardless of their immediate relationship, or lack of it, to familiar radical agendas.

A major change of the past epoch, often remarked upon, has been the widespread migration of intellectuals of the Left into institutions of higher learning. This development—a consequence not only of changes in occupational structure, but of the emptying-out of political organizations, the dumbing-down of publishing houses, the stunting of counter-cultures—is unlikely to be soon reversed. It has brought with it, notoriously, specific tares. Edward Said has recently drawn attention sharply to some of the worst of these—standards of writing that would have left Marx or Morris speechless. But academization has taken its toll in other ways too: needless apparatuses, more for credential than intellectual purposes, circular references to authorities, complaisant self-citations, and so on. Wherever appropriate, NLR aims to be a scholarly journal; but not an academic one. Unlike most academic—not to speak of other—journals today, it does not shove notes to the end of articles, or resort to sub-literate 'Harvard' references, but respects the classical courtesy of footnotes at the bottom of the page, as indicators of sources or tangents to the text, immediately available to the reader. Where they are necessary, authors can be as free with them as Moretti is in this issue. But mere proliferation for its own sake, a plague of too many submissions today, will not pass. It should be a matter of honour on the Left to write at least as well, without redundancy or clutter, as its adversaries.

The journal will feature a regular book-review section, and encourage polemical exchange. NLR has always enjoyed an undeserved comparative advantage in the language in which it is published, since English has a world-wide audience that no other idiom possesses. By way of compensation, it should try to bring to the notice of its readers important works that are not published in English, as well as those that are. The

⁸ The outstanding argument for the asymmetry of culture and politics is to be found in Francis Mulhern, *The Present Lasts a Long Time*, Cork 1998, pp. 6–7, 52–53, a book to which the review will return in a forthcoming issue.

reviews in this issue offer an improvised sample of what we might do. Of polemics in its pages, the journal has traditionally had too few. We hope to change this. The current number contains a pair, as will the next. Here, as elsewhere, the criterion is not political correctness, however construed, but originality and vigour of argument. There is no requirement of contributors that they be conventionally of the Left—there are many areas, perhaps especially in the field of international relations, where arguments against standard progressive pieties, usually shared by pillars of respectable liberalism, are superior to them. The most devastating criticisms of the expansion of NATO and the war in the Balkans often came from the Right. The review should welcome interventions like these. By contrast, surplus to requirements are apologia for official policies from the Left, of which quite a few were to be heard as the B-52s took off for Kuwait or Kosovo. These are available any day in the establishment press. The value of polemical exchange here should be to lie clear of this chloroformed zone.

Finally, a word on location. NLR was a journal conceived in Britain, a state we must hope will not last much longer, for the reasons trenchantly set out by Tom Nairn. It has had much to say about the UK, and will not stop now. At the same time, many of its editors today live or work in the US, about which the journal has also published a good deal. Over two decades, writing on America by Mike Davis—its most consistent contributor—has left an indelible mark. There is also the European background that stimulated most of the initiating ideas of the review. The scope of NLR has always been wider than this Western base-line. But while the journal has covered the rest of the world—Third and Second, as well as First, while these terms still held—for better or worse according to period, its writers have continued to come essentially from its homelands. This we would like to change. The time should come when the contributors to NLR are as extra-Atlantic as its contents. For the moment, that is out of reach. But it is a horizon to bear in mind.

R. TAGGART MURPHY

JAPAN'S ECONOMIC CRISIS

JAPAN'S TROUBLES have persisted now for nearly a decade. That the world's second largest economy and leading net creditor should remain mired in seemingly endless stagnation/recession confounds policy makers and observers around the globe. And their fears over the consequences have deepened since the onset of the developing world crisis in July 1997. It is evident that the United States alone cannot generate sufficient demand to pull the developing world out of the doldrums—that it requires the assistance of other leading economic powers. With a Europe preoccupied for the time being with its new currency, the only sizeable power left to help the United States propel the world forward is Japan. Yet far from being part of the solution, Japan appears to be a big part of the problem.

Complaints about Japan have become numbingly familiar. According to widely accepted conventional wisdom, Tokyo's inability or unwillingness to come up with a growth-restoring policy-mix blocks recovery in Asia. Japan's consumers do not spend on imports; its companies, facing weak demand at home and insulated from the pressure of financial markets to exit unprofitable lines of business, dump production abroad, squeezing out developing world competitors. The country's imploding banking system has become a kind of black hole of global finance, sucking in liquidity that ought to be going to poorer countries to fuel growth. Meanwhile, concerns that a sudden stock market reversal in the United States could bring the American expansion to a halt exacerbate worries about Japan. For without a Japan to pick up some of the slack, as it were, we would truly be staring global recession in the face.¹

What particularly frustrates so many non-Japanese is the sense that Japan's policy challenges, while severe, are neither novel nor mysterious. The policy recipe urged on Tokyo is pretty straightforward: fiscal stimulus and monetary expansion; the closing down of sick financial institutions combined with recapitalization of the rest; dismantling of anti-competitive regulations and cartels; reforms of corporate governance and financial markets that force companies to become more profitable or face bankruptcy or takeover. Most observers acknowledge that this policy mix could cause political difficulties for any government that tried to carry it out. At the same time, it appears no more onerous than the restructuring of the American economy in the 1980s or the measures implemented in a number of European countries in order to qualify for membership in the euro bloc. Japan's failure to act seems to boil down to a simple lack of political courage.

The result has been increasingly testy foreign pressure on Japan—much of it, although by no means all, emanating from Washington. It is common knowledge that the Japanese elite often relies on so-called *gaiatsu* (foreign pressure) to provide political cover for unpopular but necessary change. Indeed, the June 1998 meetings in Tokyo of central bankers and deputy finance ministers from eighteen countries are a case in point. Japan found itself totally isolated, pressed on all sides to take the necessary measures to stimulate its economy and heal its banking system. The meetings may have even contributed to the ruling Liberal Democratic Party's (LDP) losses in the next month's elections for the Upper House, and the subsequent replacement of the Hashimoto cabinet with a cabinet under Prime Minister Keizo Obuchi that gave the initial impression of being prepared to do what it took. Certainly, much of the impetus behind the sixty trillion yen bank bailout package, the seventeen trillion yen stimulus package, and the de facto nationalization of several important banks can be traced to these meetings. Yet they were actually arranged by Japan's Ministry of Finance (MOF), leading to accusations in the Japanese media that they had been deliberately staged to produce a loud chorus of foreign pressure on Japan, thereby providing political cover for an about-face by Japan's policy elite.²

¹ Originally presented as a paper at the Centre for Social Theory and Comparative History at UCLA, this article will appear in Robert Brenner (ed.), *The New World Economic Disorder*, Verso forthcoming.

² For example 'Kinkyutsuka Kaigi Seimei, "Shingen" Nihon no Sekinin Tou: Fuan no Renshadome?' (Declaration from Emergency Currency Meeting; Inquiring

More, however, lurks behind the exasperation with Japan—at least in Washington—than simple resentment at having to play the perennial heavy in an unending political drama that a supposedly mature industrial democracy should no longer need to stage. Indeed, if *gaiatsu* were all it took to elicit the changes Washington wants to see, Larry Summers and Bill Clinton would no doubt be happy to endure the painless—for them—slings and arrows of the Japanese mass media in applying whatever pressure is required. Japan's is not the first government—nor will it be the last—to find foreign pressure a convenient cover for implementing much-needed domestic change: witness the deft ends to which the Italians have employed the Maastricht Treaty obligations, or South Korean President Kim Dae Jung's handling of the IMF requirements imposed on his country. Rather, what seems to produce widespread indignation with Japan—and this indignation is certainly not confined to Washington—is the sense that the Japanese elite does not realize how bad things are, that it is kidding itself. How else to explain the incredulity with which the consumption tax increase of April 1997 was greeted in policy circles—what are these people *doing* raising taxes? Don't they know their economy is flat on its back? Or the increasing shrillness with which well-known economists such as Paul Krugman and Andrew Smithers berate Japan's monetary authorities from the pages of the *Financial Times*?³

Response of Japanese officialdom

Maybe we ought to stop for a moment, therefore, and ask ourselves why Japanese elite officials act as if they believe that Japan's economic plight is not so bad after all. Could it be that they are right; that Japan's economic situation is not so terrible? This seems like a stupid question. The numbers coming out of Tokyo do not lie. Unemployment and bankruptcies are at their post-1940s peaks. GNP shrank in 1998, and the poor third-quarter numbers for 1999 suggest that the high growth rates recorded in the first half of the year were indeed, as many had

on “Epicenter” Japan's Responsibility: Halting the Chain Reaction?) Nihon Keizai Shimbun, 21 June 1998. For an English language account from the same news organization (Japan's leading provider of news on business and finance) see ‘Japan Faces Dangerous Isolation’, The Nikkei Weekly, 6 July 1998.

³ Paul Krugman ‘Personal View: Japan heads for the edge’, *Financial Times*, 20 January 1999. See also letters to the same newspaper from Andrew Smithers on 11 November 1998; 15 January 1999; 21 January 1999.

feared, simply the one-off products of huge dollops of public spending rather than signals of any fundamental turnaround. Repeated attempts to jumpstart the Japanese economy with such spending have saddled the country with a government deficit which, as a percentage of GNP, is among the highest in the OECD. The Tokyo Stock Exchange languished for nearly a decade in the grip of one of the most vicious and protracted bear markets of the century; even the recovery that set in early in 1999 is simply taking it back to levels that a few years ago would have been regarded as disastrously low. Real estate prices have fallen more than 60 per cent from their late 1980s peak, with no floor in sight; most of the nation's banks would be insolvent if Japan followed Western accounting standards. And to top it off, we have seen over the past year spikes in both interest rates and the yen. While interest rates have come back down, the forces that led to the spikes are still there; if higher interest rates return or the yen does not soon weaken again, a range of Japanese manufacturers that have been kept alive since the mid nineties on the life support of a weak currency and extremely low interest rates will not survive.

Yet the sense remains that, irrespective of whatever political difficulties may stand in the way of getting the country moving again, Japan's policy elite doesn't really think things are that bad. How could this be? Let's dismiss the notion right away that these people are stupid. Stupidity might serve to explain why they are not doing what Paul Krugman thinks they should do, but it doesn't square with the facts. This is the same policy elite with the same educational and social backgrounds that guided the country from complete devastation to the front rank of the world's industrial powers in less than three decades. In any intelligence test one cared to use, the bureaucrats who staff the Ministry of Finance (MOF), the Ministry of International Trade and Industry (MITI), the Bank of Japan (BOJ), and the Economic Planning Agency, together with the upper management ranks of Japan's corporate and banking hierarchies, could hold their own against their counterparts anywhere. Nor is their information faulty; public accounting standards in Japan may leave something to be desired and outside investors certainly fret at their inability to grasp the real financial situation of Japan's banks and corporations, but MOF bureaucrats know exactly what is going on inside the country's financial institutions. For the MOF controls bank funding powers, the opening of branches, the hiring of personnel, and approvals for all financial products. It has engineered every single bank

merger since the 1930s. Japanese bankers do very little without MOF blessing; indeed Japanese banks can be regarded essentially as institutions charged with the execution of MOF policies.⁴

So stupidity or faulty information doesn't help us explain why the Japanese elite acts as if it weren't really sure it faced a crisis. Maybe they privately know how bad things are, but don't want to give the impression of panic. On the surface, this seems like a reasonable hypothesis. If ordinary Japanese households sensed panic in their leaders, if the currency and equity markets saw a policy elite sick with worry, it could only make things worse. Central bankers and financial regulators are expected everywhere to project serene, unflappable confidence; market participants monitor their every twitch for signs of anything else. But this theory falls apart the moment one actually looks at the measures taken by Tokyo's policy elite. Far from giving the impression of attempting to project masterful control, these people act openly as if they don't quite know what to do about problems that they are not convinced are all that urgent. Everyone points fingers, yells at them to do something; since this finger pointing comes from their most important allies and foreign customers—and now from sizeable domestic constituencies, with the capacity to make trouble—they know they must respond. Yet because these problems seem to them fundamentally unreal—or at least beside the point—their policy response lacks coherence. How else to explain such seemingly monumental policy errors as the consumption tax hike of April 1997? The dithering on the bad debt problems, when the dimensions have been clear to everyone since 1992 at the latest? The mule-like obstinacy of the BOJ in refusing to spring the liquidity jaws that seem to have trapped Japan, notwithstanding a domestic and international chorus of economists and policy makers urging the deliberate creation of inflationary expectations? The about-face on government purchases of the bonds being issued to finance the latest bank bailout and stimulus packages? First the MOF says its Trust Fund Bureau won't be buying the new bonds, creating a bond-market panic and driving long-term interest rates up; a few weeks later, it reverses course and says that after all it will mop the excess debt.

⁴ Akio Mikuni writes in 'Japan: The Road to Recovery', *Occasional Papers #55* (Washington: Group of Thirty 1998), p. 33, 'The MOF has absolute power over Japan's financial institutions thanks to a licensing system that accords licensees the status of little more than subordinate, quasi-public institutions.' Mikuni is the founder and president of Mikuni & Co. Ltd., Japan's only independent, investor-supported bond rating agency.

Taken together, Tokyo's policy moves paint a portrait of befuddlement, uncertainty and serious internal rifts. Banking crises are the financial equivalent of fires; one expects alarm, panic, firemen rushing to the scene; what one doesn't expect are groups of obviously capable firemen standing around debating whether there really is or isn't a fire; if there is, should we use water to put it out, or might we run out of water, so maybe it would be better to try one of these new chemical extinguishers—except the bill for that would be too high? In the meantime, a whole field of bystanders jumps up and down shouting, 'Put out the bloody fire before it burns our houses too!' So the firemen feel they must look busy but don't really do very much.

Viewing the world from Tokyo

Maybe Tokyo's firemen have other things on their minds. Their behaviour may mystify Wall Street and neoclassically trained economists, but Japan's policy elite is not primarily concerned with the factors that usually preoccupy officials in capitalist countries: market confidence, corporate profits, sound banks, stable prices, rising living standards. Other things being equal, it's nice to have these things, but even a cursory look at the history of Japan's policy preoccupations show that other things are more important. Take something as unexceptional as sound banking, for example—seemingly as uncontroversial as motherhood. Sound banking implies prudent lending: lending directed towards solidly profitable borrowers that doesn't finance overcapacity. It implies proper matching between assets and liabilities—in other words, that banks don't use short-term funding to finance long-term lending—and concern with adequate capital cushions. Yet Japanese banks not only paid little attention to such matters; at numerous times during the post-war era they had been actively encouraged by the authorities to make funds available to borrowers who showed no signs of profitability, and to finance overcapacity in a host of industries from automobiles to semi-conductors. They were encouraged to fund long-term loans to these sectors with a mixture of short-term deposits and borrowing in the so-called call money market (Japan's short-term interbank market), with shortfalls made up by the BOJ. When, in the early 1980s, the more financially stable Japanese corporates began to reduce their reliance on bank funding, the authorities looked the other way as the banks began to shovel loans at lesser quality developers and stock market speculators—indeed, the authorities deliberately used the banks to push vast

amounts of credit into an overheated economy, creating in the late 1980s the greatest financial bubble in history. Regulators in most countries urge—or require—their banks to maintain thick capital cushions; back in the mid-1980s, at the so-called BIS negotiations to determine universal bank capital standards, Japan's officials argued that their banks did not need such thick cushions.⁵ Today, these same officials openly connive with the banks to make the cushions look thicker than they actually are.

It is tempting to say that after all Japan's regulators really must be stupid; that they don't know how to administer a modern financial system. Resisting this temptation has proven too much for an army of commentators—some of whom ought to know better—indulging themselves in a veritable orgy of gloating over Japan's current difficulties. But all this triumphalism misses the point; 'sound banking' as defined in the West has never been a policy objective for Japan's elite, any more than 'getting prices right' or 'properly' functioning markets for labour, consumer goods, corporate control and housing.

What, then, have their policy objectives been? Answering this question requires doing something quite unfashionable in today's ahistorical, ageographical, model-fetishizing intellectual world—paying attention to history and to institutions; in this case, Japan's modern history and the bureaucratic power structures that determine policy there.

This is not the place to give Japan's modern history and institutions the treatment they deserve—such an enterprise would require several lifetimes of scholarly work and occupy many thousands of pages. But at the risk of sounding simplistic and reductionist, two points must be emphasized. First, Japan was what might be called a 'catch-up' developer, obsessed with avoiding what had been the fate of most of the non-Western world—colonization. And second, Japan has not experienced what classical Marxists would term a genuine revolution—one class overturning another—since the twelfth century, when a rising class of provincial

⁵ The reference is to the Bank for International Settlements under whose aegis international bank-capital standards were worked out. By March 1993 banks were to have raised the minimum ratio of capital to total assets to 8%, with at least half this capital—so-called Tier One—to consist of equity and retained earnings. A special exception was made for Japanese banks, permitting them to count 45% of the difference between the book value of their equity holdings and the market value of these securities towards their capital requirements.

warriors usurped the prerogatives of a sclerotic centralized aristocracy. (The Meiji Restoration, while hugely important, was, in the last analysis, a struggle between elements of the ruling elite. The feudal character of power relations in the preceding Tokugawa era survived the Restoration essentially intact and indeed continues in some form to this day.)

Let's start with the 'catch-up' developer. 'Catch-up' developers from Bismark's Germany to Park Chung Hee's Korea conceive as the overriding aim of economic policy not living standards and market confidence but the building of the infrastructures of an advanced economy. If a steel industry is a prerequisite for an advanced economy, then policy makers in 'catch-up' developers will do what it takes to ensure their country has a steel industry, even if that means bank loans to unprofitable companies at subsidized rates and flagrant violations of Ricardian free-trade norms. Japan, of course, is the paradigmatic example of a 'catch-up' developer, but there is even more to it than that. Japan's frantic and successful attempts to avoid colonization in the late nineteenth century led to forced development of industries essential to warmaking, a process that accelerated with the invasion of China in 1933 and the subsequent war with the United States. Once the war ended, Japan's economic bureaucracies put the institutions of forced development to work, first in the service of those industries deemed essential to postwar recovery and then to transforming Japan into an industrial power of the first rank.

Japan's economic administrators therefore judge their performance by the criteria of the country's technological prowess and industrial strength. Anyone who has spent any time in Japan or done business with Japanese companies knows that the Japanese are obsessed with the relative standing on global markets of their manufactured products in terms of cost, quality and technological advancement. The profitability or price-earnings ratios of the manufacturers themselves have been, until very recently, almost irrelevant—even meaningless. But on top of this concern with brute industrial strength—natural in a country whose entire modern history essentially constitutes a desperate quest to avoid domination by capricious foreigners whose motives could never be trusted—has been the unique legacy of a political and social order that has not been overturned in its most fundamental aspects for 800 years. For that legacy brings with it the unspoken fear that an overturning might someday happen. Japan did in fact narrowly escape revolution

in the 1870s and again in the late 1940s.⁶ Thus we see the obsession on the part of Japan's governing class with the maintenance of social peace, and a nearly pathological aversion to anything that potentially threatens disorder or a loss of control. Indeed, Japan's 125-year-long drive for technological self-sufficiency and overwhelming industrial might is really part and parcel of the overall efforts to neutralize any threat to the existing order. For ever since the Portuguese appeared in Japanese waters in 1543 with their warships, their guns and their subversive religion, foreigners have represented arguably the biggest single source of such threats. In 1854, a 250-year-old effort to isolate Japan from the world collapsed; and 1945 saw the utter ruin of attempts to use military means in order to force foreigners to deal with the country on its terms. Japan's administrators have thus been left with the single tool of economic policy in trying to control relations with the outside world.

The 1990s—a Japanese perspective

Looked at from the perspectives of industrial might and social order, then, the 1990s presents much more of a mixed picture than do the standard measurements of GNP growth, corporate profits and unemployment rates. To be sure, even when seen through the eyes of Tokyo's policy elite, the picture is not good. Uncertainties once thought resolved have returned with greater force. Demands for change—from both inside and outside Japan—have increased in volume and frequency. After two decades of technological leadership, the country finds itself again a follower in the most widely touted new industries. Formerly reliable policy tools no longer work as they used to. Doubts proliferate about the ability of Japan's administrators to honour all the promises made to disparate groups in the country that have the capacity to make trouble.

At the same time, neither is the picture wholly bleak. In a wide range of manufactured products, Japanese companies can still provide higher quality goods at lower costs than their competitors anywhere. Japanese dominance of key industrial components is so great that it is no more possible these days to run an industrial economy without buying goods from Japan than to do so without buying petroleum. Complex machines—

⁶ See Andrew Gordon's account of the fierce and often violent struggles for 'control of the workplace', to use his term, in the immediate postwar years in *The Wages of Affluence: Labor and Management in Postwar Japan*, Cambridge, Mass. 1998.

computers, automobiles, aircraft—cannot be built without Japanese components. For all its financial troubles, the country still commands the world's largest pool of savings and remains the number one net creditor. Indeed, that is why Japan's difficulties so exercise central bankers and finance ministers around the world—if Japan were a poor country with few savings, who would care?

Japan's administrators are clearly under pressure. But at the same time, stretched as they may be, I think they believe that they still command the resources to cope with threats to the existing order, whether those originate from irate foreign countries or increasingly restive domestic groups. Indeed, one could make a convincing case that both internationally and domestically, those threats have receded somewhat in the last three years. A Clinton administration that came to office determined to force change on Japan and overhaul chronic American payments deficits with Tokyo essentially gave up pushing structural reform in the fall of 1998 with the tacit endorsement of the bank bailout and stimulus packages at the expense of the earlier much-hyped reform efforts. And since early 1999, believing that no other alternative to a disastrous Japanese economic collapse exists, Washington has sent several signals that it is once again prepared to accept a further widening of Japan's record trade and current account surpluses. Meanwhile, at home, the most far-reaching attempt in fifty years to impose political control over Japan's governing bureaucracy shows every sign of having run out of steam. The Liberal Democratic Party, which has long traded political cover for the bureaucracy and non-interference in bureaucratic policy making in return for funding to feed its principal power bases—the countryside and the bloated construction sector—has succeeded, at least for the time being, in neutralizing the first significant opposition it had faced since 1960. This is an opposition that had, back in 1993, actually managed to turn the LDP out of office for a few months with a programme of imposing political control over the bureaucracy. But the prospect scared too many influential groups in Japan—the bureaucrats themselves, of course, but also the quality newspapers which fundamentally determine what passes for public opinion in Japan. And the LDP-bureaucracy nexus now appears completely in charge again.

Which doesn't mean they don't face severe challenges—or that they have any unified notion of how to respond to them; but understanding the likely policy responses to these challenges means making the effort to see them through the eyes of Japan's policy elite.

Loss of technological leadership

Reviewing some of the biggest of these challenges, we could start with the loss of technological leadership in such industries as computers and telecommunications. This has had a profoundly demoralizing effect on Japan's administrative elite—more so, I would suspect on the basis of my conversations in Tokyo, than such widely publicized problems as the banking crisis and the exploding fiscal deficits. For by the late 1980s, Japan's policy elite believed they had achieved their century-long goal of an advanced industrial structure wholly under Japanese control—thus forcing the outside world to deal with Japan on its terms, rather than the reverse. But the unexpected resurgence of American industry in the 1990s—particularly the growth of industries clustered around software, the internet and the personal computer—meant that, at their moment of triumph, Japanese companies found they did not after all control the direction of markets in the most important new industries. Indeed, Japanese semi-conductor and computer components companies grumble that they have been reduced to the status of price-takers; that Dell, Compaq and Cisco treat them the way they treat their second- and third-tier subcontractors in Japan. Meanwhile, complaints about the American dominance of the internet are ubiquitous, but the complaints tend to be resigned rather than defiant. For Japan's administrators know full well that the price of taking on the United States head-to-head in internet and software-related industries is the importing of the free-wheeling, entrepreneurial culture of Silicon Valley, complete with maverick young scientists walking out on established university professors, billion-dollar start-ups run by boys in their early twenties, and highly developed venture capital markets immune to bureaucratic interference. Despite periodic attempts to mimic certain aspects of this culture—the Japanese electronics giants that encourage their programmers to wear jeans to work; the attempts by MITI to pass out some \$1.5 billion over the past two years to jumpstart software development⁷—Japan's bureaucrats will not willingly allow anything so threatening to the established order as a Silicon Valley ethos to take root. Instead, look for a continued Japanese drive to ensure that key hardware components are dominated by Japanese manufacturers—they may not be able to dictate the pace of development, as they once thought they could, but the world will still have to do business with them. Look for continued

⁷ MITI's software promotion activities can be viewed at the website: www.ipa.go.jp

Japanese leadership in so-called embedded software: the software incorporated into the likes of elevators and automobiles.

Banking crisis and 'credit rights'

A second challenge, of course, is that banking crisis which so exercises policy makers and observers everywhere. But Japan's administrators, even though they may use the word, do not see it as a banking crisis in the way Western regulators would—if they did, they would long ago have closed down shaky banks, recapitalized the healthier ones and foreclosed on bad debt. Instead, Tokyo's mandarins view the problem in terms of what Karel van Wolferen has very usefully termed 'credit rights'.⁸ In a capitalist society, there is no such thing as a right to credit held by any entity other than perhaps the government itself through its powers to tax and print money. No other public sector institution, private company or individual—even the strongest and richest—enjoys any automatic right to credit. But in Japan, an elaborate, although informal—that is, not codified—system of credit rights is administered by powerful official and unofficial bureaucracies. Credit is thus allocated through criteria that are fundamentally bureaucratic in nature rather than market driven—an institution or person that meets certain criteria receives a right to credit; the quid pro quo for access to credit being support for, or at least acquiescence in, bureaucratic policy goals. Once this notion is understood, then such key elements of Japan's economic structure as main banks, *keiretsu* or corporate clusters, the convoy system for the nation's banks (*gososendan*), and lifetime employment fall into place. Most companies have 'main banks' that are expected to support corporate activities irrespective of profitability. The MOF long administered a so-called convoy system that guaranteed the viability of all the banks. Corporate clusters anchored by cross-shareholdings allow each member unlimited access to group resources while imposing, on the other side of the coin, unlimited obligations to other group members. Companies are expected to provide for the life-long livelihood of core employees (*seisha-in*).

The banking crisis can best be understood as the outward manifestation of the inability of Japan's administrators to meet all the demands of those with credit rights. The reasons why this crisis developed in the 1990s—after several decades in which no such problems existed—

⁸ Unpublished paper.

are many and complex, but they boil down to an inability to generate the constant increases in nominal GNP that characterized the Japanese economy from the 1950s through to the late 1980s. Akio Mikuni has suggested that this in turn is rooted in Japan's emergence as a net creditor nation, leading to secular upward pressure on the yen and a deflationary bias in the economy.⁹ A net creditor nation is almost surely a mature economy; mature economies do not as a rule grow quickly. At the same time, claims on foreign countries generate deflationary pressures because those claims can be and are exercised through purchases of cheaper foreign goods and assets. This has been particularly obvious in the Japanese case with land. Land prices underpinned the structure of asset values to such an extent that many Japanese economists describe the Japanese system as *tochi hon-i-sei*, or land-value economy. (Loans of more than one year were typically, for example, secured by land; most Japanese banks paid little attention to corporate cash flow, instead looking at the value of corporate land holdings.)¹⁰ Many of Japan's growing claims on foreign countries have been exercised in such a way as to put tremendous deflationary pressures on Japanese real estate prices, which had reached such stratospheric levels in the late 1980s that the market value of the Imperial Palace Grounds was said to be greater than that of the whole of Canada.

Tokyo's overriding concern in this decade has been to get the country moving without a large-scale revoking of credit rights. Building a floor under the stock market with public funds in the summer of 1992, securing the help of the US Treasury to reverse a soaring yen in the summer of 1995, the extremely low interest rate regime and periodic floods of public works spending, the resolution of the housing loan crisis, the consumption tax hike and the series of MOF-administered bank mergers all make sense in this light.¹¹

⁹ Mikuni, *op. cit.* See particularly pages 8–10.

¹⁰ For the critical role that real estate played in the 'bubble economy' of the late 1980s, see R. Taggart Murphy, *The Weight of the Yen*, New York 1996, pp. 210–4.

¹¹ The consumption tax hike, implemented against the advice of the US Treasury and many independent economists, appears to have had two purposes: first, to increase the revenues available to the Japanese government, thereby boosting the discretionary funds available to honour credit rights; and second, to maintain control over the structure of interest rates. In any economy, the rate the government itself pays for funds forms the floor interest rate. But as the Japanese government's financing needs increase, the ability to borrow in defiance of market forces comes under question. The Japanese government has historically met its borrowing

By the fall of 1997, however, with the collapse of three major financial institutions and overall growth turning sharply negative, it had become evident not only that efforts to revive the economy were going nowhere but that it was going to be impossible to honour all credit rights. What we have seen since then is a kind of triage, with credit rights being revoked to politically weak sectors—small independent businesses for example, some of the lesser corporate clusters, also-ran manufacturers—not to mention much of the financial sector where the MOF has, since the late 1980s, openly forced ‘shotgun’ mergers (that of the Mitsui and Taiyo Kobe banks to form the Sakura Bank a harbinger of the mega-mergers of the past year), permitted a number of highly visible institutions to fail (Yamaichi Securities, for example, and the Hokkaido Takushoku Bank), and effectively nationalized the Long-Term Credit Bank of Japan and the Nippon Credit Bank. Highly visible tie-ups with foreigners, on the lines of the stake Renault has taken in Nissan, and the success in the last two years by foreign financial institutions in areas heretofore closed to them should not, however, be misinterpreted. This ongoing credit triage is not being decided by market forces free of bureaucratic interference. No sign exists that Japan’s administrators really want to see genuine markets in credit and corporate control take root. Even if they were so inclined, it would take at least a decade to build the institutional infrastructure of a modern capitalist economy: independent ratings agencies, a sizeable accounting profession (in an economy two and a half times as large as Britain’s, Japan has about one eighth the number of chartered accountants), enough lawyers, judges and courts to handle the reso-

needs by ‘force-feeding’ government bonds (so-called JGBs) to syndicates of banks and securities firms that had no choice but to participate, and through purchases by the MOF’s trust fund bureau, funded by the assets of the postal savings system. With the advent of the banking crisis and the desperate need to restore profitability to the banks, continued forced-feeding of unprofitable JGBs has become less tenable. Meanwhile, the assets of the postal savings system are increasingly stretched. But having to finance the Japanese government’s debt through real bond markets responding to market forces would inevitably produce a sharp hike in interest rates, as was demonstrated late in 1998 when the trust fund bureau announced it would cut back its JGB purchases. The announcement was rescinded in the wake of a sharp rise in both the yen and interest rates, but it remains inevitable in the absence of debt monetization (see discussion below) if Japan’s fiscal borrowing requirements continue to snowball. MOF officials appear to have hoped a hike in the consumption tax would forestall such a snowballing, but they miscalculated. The depressing effects on the economy more than outweighed the additional tax revenues.

lution of economic disputes. But the situation does create significant opportunities for foreigners in a number of industries, from pharmaceuticals to automobiles, where foreign participation is seen as preferable to technological backwardness, or widespread layoffs and plant closings. And there is no question but that Japan's authorities have decided that Japan's bankers and brokers simply do not possess the expertise necessary to run highly competitive modern financial institutions. In a pattern that goes back to the early Meiji period, foreigners are being temporarily welcomed in this sector and given the opportunity to make significant money until such time as the Japanese learn what they need to know.

While some of the expertise the foreigners are introducing is purely technical in nature—to an extraordinary degree, for example, cash is still used in Japan to settle obligations, cheques are almost unheard of, and even payments done via ATMs are encrusted with high and antiquated fees;¹² technology introduced by foreigners will surely shake up the payment and settlement systems—the foreigners will also bring with them market forces that have the potential to destabilize the Japanese system and threaten bureaucratic control over credit allocation. Indeed, this is already happening to some degree—Japanese corporations have been tapping international capital markets for twenty years now and money has been leaking out of the Japanese system for most of this decade as investors seek higher returns offshore. It is a mistake to conclude, however, that simply because the administrators of the Japanese system are, under duress, permitting the introduction of market forces into areas where they were previously suppressed, that they have abandoned their long-held conviction that economic outcomes ought to be determined by a highly trained bureaucratic elite rather than the free play of market forces. It is, of course, conceivable that the foreign financial institutions represent the thin edge of a wedge that will finally undermine bureaucratic control. But aside from the difficulty referred to above in creating the infrastructure of a capitalist economy out of whole cloth, the bureaucracy continues to have formidable powers at its command in forestalling outcomes that it views as undesirable. In particular, tax policy—both the policies themselves and the aggressive use of audits—

¹² To pay your rent in Japan, for example, you have two choices—you can take the cash to your landlord's bank, fill out a form, and wait a few minutes while the transaction is processed. Or you can pay your bank to do it—usual cost is about 400 yen (\$3.30), irrespective of the amount involved. You can use an ATM, but it will still cost you.

discourages many Japanese from investing overseas. Institutions which are insufficiently accommodating to bureaucratic wishes can be made the subject of onerous investigations, manufactured ‘scandals’, and the institutional equivalent of show trials.¹³

Unpredictable outside world

A third challenge lies in the growing unpredictability of events outside Japan that impinge on the country’s prosperity. Since 1952, the year that marked the end of the American Occupation, Japan’s principal tool in coping with the outside world has been a sustained, herculean effort to ensure that the United States provided a protective umbrella for Japan—or, really, two umbrellas: firstly, a military/security umbrella that made it unnecessary for Japan to have independent foreign policies and security arrangements. If the United States had not managed for Tokyo those functions by which a state is most easily identified—conducting foreign relations and providing for security—Japan would have been forced to hold some sort of internal debate that carried the potential for terrible domestic disruption in a country that has still not even begun to examine the institutional reasons for the disaster of the Second World War. And secondly, the United States provided an economic umbrella that, among other things, ensured access to world markets for Japanese goods at a competitive—that is to say, undervalued—exchange rate. For the unrestricted ability to dispose of excess production on world markets forms an absolutely essential safety valve in an economic system where investment is unconstrained by the need to compete for credit.

Broadly speaking, Japan has employed two sets of tactics in ensuring that the United States maintained these umbrellas. The first set, used until the early 1980s, involved threats that Japan would go socialist or communist unless the United States cooperated in this or that area or trade problem. Such threats have been empty since 1960 at the latest,

¹³ The plethora of rules and regulations that ostensibly govern economic life are so numerous and impractical that it is hardly possible to do business without violating one or more of them. When the bureaucracy wishes to make an example of someone or some institution, the offending party is made the target of an ostentatious investigation for following what has heretofore been accepted practice. Karel van Wolferen has written extensively about the use of ‘scandals’ in the Japanese system to maintain order. See ‘Sukyandaru ni yotte Nihon Kenryoku Kikou wa Ikinobiru’ (The Structure of Japanese Power depends on Scandals), *Chuo Koron*, October 1991, pp. 186–94.

but to a Washington trapped by its own ideological misconceptions and with inadequate resources devoted to Japan,¹⁴ the notion that leftists stood dangerously close to the levers of power in Tokyo retained some credibility well into the 1980s.

The second set of tactics that have today almost entirely supplanted the first set (which has now dwindled to the depiction of sentiment on Okinawa vis-à-vis the location of American bases there) stem from the growing financial leverage Japan has accumulated over the United States since the early 1980s. At the time, an incoming Reagan administration enacted a set of policies guaranteeing that the US national debt would explode and that the United States would become the world's leading net debtor nation. Japan emerged both as principal foreign holder of claims on the US government and as the indispensable financier of America's current account deficit—directly, through its heavy purchases since the early 1980s of US government debt, and indirectly, through the country's willingness to denominate the bulk of its claims on the outside world in dollars rather than yen. Japan has used the resulting leverage, particularly in this decade, to blunt American trade offensives (the withdrawal of American threats to impose sanctions on Japan's automakers in June 1995—sanctions that had across-the-board political support in the United States—was, for example, due solely to fears over disruptions in the bond and currency markets) and to secure essential American cooperation in reducing the value of the yen whenever it threatened to impose an intolerable burden on Japan's exporters.

But while these tactics have been successful—seen most recently in the tacit American acquiescence early in 1999 in yet another widening of the Japanese trade surplus—they carry increasingly unpredictable side effects. Case in point: the August 1995 joint interventions by the Japanese and American authorities to halt a soaring yen/dollar rate. In the weeks before that intervention, it took only 80 yen to buy a dollar. That kind of rate, had it continued for a year or more, would surely have forced a restructuring on Japan—Japanese exporters were not even covering variable costs. But Japanese officials made an extremely plausible case to then US Treasury Secretary Robert Rubin that, if left alone, that rate would end Japan's ability to prop up the

¹⁴ One former top official of the Office of the US Trade Representative told me he couldn't even get the funds for subscriptions to leading Japanese newspapers.

US current account deficit.¹⁵ That would finally have pulled the curtain down on the perennial American trade and current account deficits, but at the cost of plunging the US into recession. For the current account plugs the difference between what a country spends and what it produces. In the American economy of the 1990s, high capacity utilization rates preclude any rapid increase in output. Thus the only way in which the current account deficit can fall is through a reduction in spending; to put it in other terms, through a recession. To a politically weakened administration reeling from the disaster of the 1994 Congressional elections and facing a presidential election eighteen months off, the prospect of a recession was far more frightening than that of a widening trade deficit. And when the Japanese offered their help in forestalling such a recession—albeit at the cost of perpetuating the bilateral trade imbalance—the administration’s senior economic policy officer took it.

But as both Rubin and the Japanese were to discover, it is no longer a bi-polar world. The yen did indeed drop, pulling Japan back for a while from the precipice. At the same time, the Bank of Japan set about backing up the foreign exchange goals with extremely low interest rates.¹⁶ But as Keynes once noted, in an economy where banks won’t lend and people won’t spend, this is no more effective than pushing on a wet noodle. Instead of reviving the domestic economy, the low interest rates attracted the hedge funds, giving rise to the so-called yen carry trade¹⁷ and funding the offshore lending of the Japanese and European banks who made it available to eager borrowers in other Asian countries where

¹⁵ See John Judis’s account of the negotiations between Rubin and the Japanese officials in the *New Republic*, 9 December 1996.

¹⁶ The official discount rate, already an extraordinarily low 1.75%, had been cut in April 1995 to 1.0%. In September of that year, it was cut again to 0.5%.

¹⁷ A bit of financial jargon that refers to borrowing yen funds in Tokyo at extremely low interest rates, exchanging the proceeds for a higher interest currency (usually dollars), and on-lending in that currency. Profits come from capturing the difference between the yen and other currency interest rates, but are at risk if the yen suddenly strengthens. This is indeed what happened in October 1998, following the Russian debt moratorium. The yen soared from 135 to 115 to the dollar as many financial institutions suddenly had to scramble to meet their yen obligations when their lenders, knowing the borrowers’ exposure to Russia and fearing their ability to meet their obligations, began calling in their financing facilities. The precipitous rise in the yen wiped out most of the profits in the yen carry trade, spread the damage from the Russian moratorium far beyond those institutions exposed to Russia and helped to precipitate the near-collapse of leading hedge funds such as Long-Term Capital Management.

it financed unsustainable bubbles in property and other markets. The bubbles all burst, bringing on the worst global economic crisis since the 1930s, and crippling what had become Japan's most important export market. For not only had the competitiveness of neighbouring Asian countries been hit hard by the weakening of the yen—directly affecting their ability to earn foreign exchange through exports and thus their ability to purchase Japanese goods—but the financial crisis in these countries devastated hundreds of billions of dollars worth of investments which had been directly or indirectly funded via the Japanese banking system, thus delivering yet another blow to a set of institutions already reeling from domestic difficulties.

Now Japan must contend with the arrival of a new uncertainty: a euro that already shows signs of complicating efforts to maintain a price advantage for Japanese goods on world markets. The unanticipated current weakness of the euro helped set off the latest surge of yen strength that now threatens to destroy whatever chance of recovery Japan has. Any future surge in the value of the euro is much more likely to reflect an easing dollar than an easing yen. And a European Central Bank has much less reason to help a beleaguered Tokyo reduce upward pressure on the yen than does a US Treasury acutely sensitive to Japan's key role in sustaining the swollen American current account deficit.

Domestic discontent

Amidst the challenges from abroad, Japan's policy elite confronts what is probably an even bigger challenge at home—coping with domestic discontent. In an economy no longer growing, where credit triage is forcing the administrators to revoke many of the indiscriminate promises made to almost any domestic group with the capacity to cause trouble, political and economic life in Japan today is characterized by increasing rancour. In the absence of an infrastructure of market mechanisms and legal institutions sufficient to perform ordering functions, ever more open intimidation and arbitrary exercises of power determine who survives and who doesn't. The political gridlock reported overseas that delayed a bank bailout package until October 1998 only forms the surface of a tremendous power struggle in Japan over the disposition of the bad debt. Almost every important power group in the country is involved, one way or another, in the struggle and, of course, that very visibly includes organized crime, which has made an orderly process of foreclosure impossible.

So far, this struggle does not threaten the essence of the Japanese system; a system that survived the Second World War and the American Occupation essentially intact can cope with a decade of no growth and a trillion dollars in bad debts. But the struggle does have far-reaching economic implications, and has itself now become a cause of the country's problems, as well as a result. This is most obvious in the behaviour of Japanese households, which have had their confidence shattered in a range of institutions—lifetime employment, the Ministry of Finance, the banking system, the very foundations of postwar growth and prosperity. This collapse in confidence has not coalesced into anything resembling a serious political threat to the existing order—indeed, as noted above, the attempt by some of Japan's more astute politicians to impose political control over the bureaucracy appears for the time being to have collapsed. But it has fostered a climate of risk-averse malaise that takes concrete financial form, among other ways, in the rapidly expanding withdrawals of household funds from the banking system and the growth of cash in circulation, now running greater than five times that in the United States on a per capita basis.¹⁸ The pressure from abroad to monetize Japan's fiscal deficits¹⁹ in the hopes of creating inflation—even assuming technically it could be done in a country where banks are not lending and people are not spending—would remove the last remaining prop of consumer confidence: the purchasing power of household savings.

Interdependence and the policy conundrum

The success or failure of Japan's policy responses to these challenges forms one of the four great uncertainties looming over the global economy, whose fate in turn is wrapped up in how these challenges are met. For the other three great uncertainties—recovery in the developing world, the success of the euro, and the continuation of the American expansion—are very much connected to what happens in Japan. This is

¹⁸ As estimated by Mikuni & Co.

¹⁹ 'Monetization' is a technical term referring to creation of additional money by central bankers in amounts equivalent to additional debt issued by governments. In most cases, inflation results, which is why central bankers usually oppose the practice. Some debate exists as to whether Japan actually could monetize additional debt. The Bank of Japan can of course create additional yen funds, but it may encounter obstacles to pushing those funds out into the economy because banks are loath to lend, businesses to borrow, and consumers to spend.

not simply because the global economy badly needs the additional purchasing power that a recovering Japan could provide. While true, this point is overshadowed by something even more important: the American economic expansion depends upon Japan's ability and willingness to prop up the dollar and finance American current account deficits.

Which saddles Tokyo and Washington with an exquisite policy conundrum—a world economic engine dangerously dependent on American household consumption badly needs a revitalized Japanese economy to help fuel a broad global recovery. But the very process of overhauling the Japanese economy threatens American consumer spending.

To grasp this, recall that more American household assets today are tied up in mutual funds than in bank deposits. As households watch their net wealth grow, thanks to the booming stock market, they save less and less (another way of saying they spend more and more). Indeed, the household savings rate in the United States today is actually negative. But in an economy operating at full capacity, shrinking the current account deficit can only be done by reducing spending, thereby shutting down the last remaining engine keeping the global economic plane aloft. And the structural overhaul widely prescribed to get the Japanese economy moving and thus rev up another engine carries precisely that risk.

Thus the policy conundrum. Japan's sick banks appear to be at the heart of the country's problems but they are, in fact, symptoms of a deeper structural crisis. Decades of investment without regard for profitability or return have saddled Japan with horrendous overcapacity, which takes financial shape as bad loans on the books of the nation's banks. Doing something about this overcapacity means job losses and bankruptcies. It means acknowledging that the deposits that financed most of this capacity via the banking system are not worth anything like what people think they are. But tell Japan's households, whose savings overwhelmingly take the form of deposits with the bank or the post office, that those deposits may not be safe; tell them that their companies may close and they may lose their jobs, and you have a full-scale depression on your hands as banks collapse and people stop spending.

Indeed, this has been happening in slow motion. Ordinary Japanese are not stupid. They know that many, even most, banks are being kept from insolvency only by emergency transfusions; that the business environ-

ment is awful. They react like sensible people would anywhere—cutting back all but essential spending and pulling money out of tottering banks. Worsen this palpable unease in Japan by doing what the champions of structural reform have long been advocating—close down the shaky banks; put unprofitable companies out of business while streamlining the rest—and you risk turning a recession into a full-fledged depression. Who will then finance the US current account deficit?

The Japanese do not, of course, prop up this deficit all by themselves. Developing countries trying to export their way out of their difficulties and Europeans anxious not to miss out on the American equity boom are also helping to finance the American deficit. But financing from these other sources comes and goes, while the Japanese surplus boasts roughly the same life-span as that which it has long financed—the American deficit. Just as the latter has grown steadily through times of inflation, bear markets, recession, runaway Federal deficits, recovery, bull markets, budget surpluses and today's boom times, so the former has similarly expanded through the so-called miracle economy years, the oil shocks, the early 1980s industrial superpower years the late 1980s bubble, and the stagnation, recession, financial crises and deflation of the 1990s.

Since the sum of the world's deficits and surpluses have to balance, any country that runs a current account surplus is, by definition, indirectly supporting the US deficit. But Japan's current account surpluses have directly supported and financed the countervailing American deficits over the past two decades because of a historical anomaly: while Japan is the world's leading net creditor nation, its claims on the outside world have been denominated not in its own currency but largely in the currency of the world's leading debtor nation. Japan's exporters typically bill their overseas customers in dollars rather than yen. Equally importantly, these businesses have generally refrained from repatriating their dollar export earnings, leaving the dollars on deposit with Japanese banks where they ultimately find their way into the US banking system. Akio Mikuni and I will argue in a forthcoming book that Japan's monetary authorities have long run what amounts to a currency board, matching the dollar earnings of Japanese companies with yen credit creation, thereby permitting Japanese businesses to meet their yen expenses without repatriating their dollar earnings. Indeed, Japanese banks have traditionally supplemented the dollar deposits of Japanese businesses by raising additional funds in offshore dollar markets. Collectively, these

practices by Japan's exporters and banks, backed up by what amounts to yen monetization of the dollar earnings of Japanese companies, have been essential to maintaining a far stronger dollar (or, in other words, a far weaker yen) than that which Japan's endless trade and current account surpluses would otherwise seem to dictate. Indeed, this has been the implicit aim of the policies: to forestall a surge in the yen/dollar rate that would impose killingly high cost pressures on Japanese businesses and open the floodgates to waves of cartel-busting imports.

Problems of the yen

But Japan's economic troubles have seriously endangered these dollar-support mechanisms. The increasing publicity given to Japan's banking troubles and the lowering of bank ratings by the international ratings agencies have made it difficult or impossible for Japan's banks overseas to raise dollar funds from non-Japanese sources. As a result, while Japan's net creditor position continues to grow, its gross creditor position has been shrinking, weakening a major prop of dollar strength. And even more importantly, the perilous state of the Japanese banking system threatens the means that the Japanese monetary authorities have always relied upon to release credit into the economy.²⁰

So far, these pressures have been contained, although it should be noted that the yen now shows signs of another ruinous surge along the lines of the one that nearly destroyed the economy in the spring of 1995, when it took only 79 yen to buy a dollar. But if Japan were to experience the fabled 'hard landing' that many believe is the inevitable price of meaningful structural reform, it is difficult to see how these dollar-support mechanisms could survive. In particular, a sudden collapse of confidence in the entire Japanese banking system—something that has been a real threat now since the fall of 1997, when the Hokkaido Takushoku Bank imploded before the authorities were able to halt the crash—would make it impossible for the BOJ to continue monetizing Japan's dollar earnings. Japanese companies would be forced to repatriate dollars and

²⁰ Rather than open-market operations, where the Federal Reserve buys and sells US government securities in order to control the money supply, Japan's monetary authorities have typically relied upon bank credit creation and so-called 'administrative guidance'. See Yoshio Suzuki, *The Japanese Financial System*, Oxford 1989, particularly pp. 317–26. The author was the director of the Institute for Monetary and Economic Studies at the Bank of Japan.

exchange them for yen, driving the dollar sharply down. As the dollar fell, a US bond market crash would surely follow, as dollar interest rates rose sharply to attract investors worldwide into dollar instruments. That crash would mark the end of the American expansion.

Faced with this nasty prospect, both Washington and reform advocates in Japan seem to have concluded that pumping up the Japanese economy with the steroids of massive spending was preferable to risky root-and-branch reform. The key moment appears to have been the decision in June 1998 by the then US Treasury Secretary, Robert Rubin, to intervene in the foreign exchange markets to help prop up the sagging yen that had become the most concrete manifestation of Japan's alarming condition.²¹ On the eve of the intervention, President Clinton spoke to the then Prime Minister Ryutaro Hashimoto in a widely publicized telephone call and extracted a promise from him that Japan would inject public money into the banking system and pump up the economy. The most convincing explanation for at least the timing of these moves was Clinton's imminent visit to China and the need to avoid a devastating devaluation of the Chinese currency on the eve of the summit. Beijing had made it clear in all kinds of ways that unless something was done to halt the rapid fall of the yen and get Japan growing again, China could not be held to its promise not to devalue.

The intervention was only the first sign of the policy shift. At the hastily called Tokyo meetings of deputy finance ministers and central bankers from eighteen countries on 20 June 1998, mentioned above, Japan

²¹ Alert readers may discern a seeming contradiction here—why intervene to support a sagging yen if the long-term danger is a soaring yen which destroys the global viability of the dollar and the ability of the United States to finance current account deficits? By the summer of 1998, pessimism about Japan had become so widespread that investors worldwide were unwilling to hold any yen instruments, creating a vicious circle as expectations of further yen weakening took hold. This directly threatened the Tokyo stock market—increasingly dependent on foreign portfolio investors—and thus the capital ratios of Japan's banks. Had the situation continued, most of Japan's banks would have been forced into open bankruptcy, destroying the dollar-support mechanism discussed above. At that point, a whipsaw would probably have occurred, along the lines of the smaller one that did occur in October 1998 (see note 16), only instead of taking the yen from 135 to 115 in four days (something that astonished market participants at the time), the whipsaw could have seen the yen go from 180 or 190 to 60 or 70, finally breaking the Japanese system and global prosperity along with it.

found itself completely isolated, subject to demands on all sides that it do whatever it took to restore growth. The Obuchi cabinet finally succeeded three months later in pushing massive stimulus and bank bailout packages through the Diet.

But the latest numbers suggest that all this spending has delivered only one more still-born recovery, something we have seen repeatedly since 1992. The rationale behind the attempts to jumpstart the economy seems, admittedly, clear enough: a revival of confidence by both domestic consumers and foreign investors such that aggregate demand recovers to the point where it becomes self-sustaining. With demand up, businesses begin investing. Banks start lending again and as the overall economy picks up, the shrinking of the huge debt overhang from the banking crisis can get underway. And a rising economy brings with it rising tax revenues and thus the wherewithal to repay the money borrowed to spark the recovery. Meanwhile, investors, both domestic and foreign, seeing a self-sustaining recovery, start pouring money into the Tokyo stock market, reinforcing the virtuous cycle.

This scenario or something close to it is clearly what Japanese officialdom has banked on, and they underlined their policy efforts with an extraordinary public relations campaign designed to convince sceptics both in and outside Japan that the corner had finally been turned. Whatever the policy results, the PR campaign at least worked brilliantly: the Tokyo stock market rose substantially—indeed, for dollar-based investors, the combined effects of a rising yen and rising stock prices made Tokyo the most profitable of the world's major equity markets in 1999. The foreign press saluted the supposed restructuring of the Japanese economy, while many influential economists at major international banks advised their clients not to miss out on the Japanese turnaround.²²

But while the final verdict on the latest recovery efforts is not yet in, the most recent evidence—not simply the third quarter GNP numbers

²² Deutsche Bank's well-known economist Dr Kenneth Curtis was quoted in 'Sunrise for Asia's Economy', *Los Angeles Times*, 7 March 1999, saying that if the current moves by the Bank of Japan work out, 'you will see a flood of money come into the stock market, and the economy and financial system will begin to emerge from the worst crisis of a major economy since the 1930s.' Just six months earlier in a newsletter he had written of the 'critical decisions now so desperately urgent to reverse course before the country careens into a massive financial iceberg.' *Deutsche Morgan Grenfell Global Strategy Research Asia*, 25 June 1998.

but the fact that profits for the corporate sector as a whole have, for the first time in fifty years, turned negative—suggests that the nay-sayers may have the last word. At the time of all the hype about Japan's turnaround, Ron Bevacqua, then Senior Economist for Merrill Lynch in Tokyo, warned in a newsletter of the risk that the cyclical rebound would be short-lived. Akio Mikuni maintained that 'a sustainable recovery is not possible for Japan until excess capacity is eliminated. Far from addressing the problem, the bank bailout package permitted it to continue.' Mikuni's fears that the bailout money would be used by banks to prop up borrowers who ought to be allowed to fail, have turned out to be valid.

Bluster and cooperation

Indeed, on closer examination, even the government's commitment to reflation was less than total. The MOF announcement in late 1998 that its Trust Fund Bureau, a long-standing parking place for excess government debt, would actually reduce bond purchases, produced both a stronger yen and a sharp rise in longer term interest rates as the bond market gagged on all the new debt—the opposite of what a reflationary government would presumably want. While the MOF soon reversed its decision, and both interest rates and the currency temporarily came partway back down, the underlying forces that drove the MOF's earlier announcement did not go away. As of this writing, the yen is again threatening to break the 100-yen barrier. Meanwhile, demands on the Postal Savings System—the primary source of funding not only for the Trust Fund Bureau's bond purchases but a myriad of other MOF-decreed purposes (including purchases of the bad debt of many banks)—may spiral out of control. Exacerbating these concerns are fears that in 2000 and 2001 the Post Office may see a net outflow of deposits as a wave of ten-year fixed deposits, taken down in 1990 and 1991 during a temporary spike in interest rates, mature and are not renewed. The Bank of Japan has made it clear it has no intention of monetizing the new debt to accommodate the extra spending. The strains on the Postal Savings System and the stance of the BOJ led Bevacqua to warn that at some point 'rising interest rates are likely to choke the economy.'

Even if Japan's authorities manage to take all the right macroeconomic steps, these do not address the underlying microeconomic, structural reasons that many fear will block a sustainable return by Japan to the bril-

liant economic performance for which the country was, until recently, so celebrated. For the political forces allied against reform are very great, including as they do not only many of Japan's frightened households but almost every entrenched domestic power group. One major exception is Japan's most successful companies—Toyota, Honda, Sony, Matsushita, Kyocera, Canon, Ito-Yokado and the like. Since Japan's prosperity is ultimately in the hands of companies like these, it is conceivable that if the domestic impasse seriously endangers their ability to compete on world markets, they could force far-reaching reforms. Such reforms could include, for example, the curbing of cartel-like arrangements by which strong companies have traditionally borne the burden of supporting their weaker competitors, suppliers and other corporate cluster members. Or, to translate into the language of finance, the liabilities of such companies might finally become explicit and understandable to outside investors. Indeed, unofficial bureaucracies such as the *Keidanren* which have always played a critical order-keeping role in the Japanese system have increasingly come under the control of top performers such as Toyota and Kyocera rather than old-line establishment firms such as Nippon Steel, suggesting that a powershift may be occurring. But if it is, it is probably more in the nature of a co-opting than a herald of fundamental change. For predicting that Japan's 'champion' companies will cede control of key management prerogatives to outside investors, or place profitability and the concerns of shareholders over those of the ministries, banks and the other members of corporate clusters and industrial associations into which they are bound by all-encompassing bureaucratic webs, is tantamount to predicting upheaval on the scale of the Meiji Restoration. It could happen, and if Japan's very survival were at stake, it probably would. But current circumstances, bad as they may be, do not yet begin to threaten such.

And of course whatever lip service the United States pays to reform, anything that endangers Japanese support for the dollar and the financing of the American current account deficit will ultimately be resisted by any President or Treasury Secretary who cares about keeping his job. Since the structural reform which Washington has been preaching at Japan for a generation now carries precisely that risk, future administrations are almost certain to continue the pattern set by the Clinton White House—empty bluster about the need for change; quiet cooperation in maintaining the existing order.

Thus, some form of ‘muddle through’ is, if not the most likely outcome, certainly the most likely strategy to be followed by Japan’s policy elite—as it was through the 1990s. To be sure, loud and persistent demands for ‘change’ will produce at least the appearance of a response. As stresses intensify, the weaker and less organized segments of Japanese society will be sacrificed to protect the central core—in much the same way that survivors of the Kobe earthquake affiliated with major companies soon found themselves rehoused while small shopkeepers and the like were essentially left to fend for themselves. In trying to predict the future, there is little we can say with any certainty, but we can be confident that the very last thing to ‘change’ will be the essence of the Japanese system—opaque, bureaucratic decision-making and prerogatives without accountability to voters, journalists, outside shareholders, CPAs, politicians or courts.

The problem with ‘muddle through’, however, is that it makes insufficient allowance for system-threatening shocks brought on by the law of unintended consequences in action. The damage inflicted by the developing world crisis of 1998 on the Japanese economy and on the central prop of the economic relationship between the United States and Japan—the intertwining of the Japanese current account surplus and the American deficit—exceeded what anyone had dreamed possible before the fact, and while for the time being the damage appears to have been contained, it was a very near thing. And of course the next such shock—and we have no way of knowing where it will come from or what it will be—could easily overwhelm the combined efforts of Tokyo and Washington to cope. Meanwhile, ‘unsustainable’ situations—particularly the rot at the core of Japanese finance, but also endless American external deficits, Japanese surpluses, and currency rates that bear no relation to trade and investment flows—have been ‘sustained’ for so long that many have been lulled into thinking they can continue forever. A rude awakening may be in store. Finally, ‘muddle through’ depends on the ability of powerholders in Washington and Tokyo to strike exaggerated poses of concern over ‘reform’, ‘market opening’ and the construction of ‘level playing fields’, while at the same time doing everything necessary to maintain an order which is neither open, nor level, nor reformed, but which is absolutely essential to existing power alignments and to the political and financial fortunes of ruling elites in both places.

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FRANCO MORETTI

CONJECTURES ON WORLD LITERATURE

My mission: to say it more simply than I understand it.
Schönberg, *Moses and Aaron*

‘**N**OWADAYS, NATIONAL LITERATURE doesn’t mean much: the age of world literature is beginning, and everybody should contribute to hasten its advent.’ This was Goethe, of course, talking to Eckermann in 1827; and these are Marx and Engels, twenty years later, in 1848: ‘National one-sidedness and narrow-mindedness become more and more impossible, and from the many national and local literatures, a world literature arises.’ *Weltliteratur*: this is what Goethe and Marx have in mind. Not ‘comparative’, but world literature: the Chinese novel that Goethe was reading at the time of that exchange, or the bourgeoisie of the *Manifesto*, which has ‘given a cosmopolitan character to production and consumption in every country’. Well, let me put it very simply: comparative literature has not lived up to these beginnings. It’s been a much more modest intellectual enterprise, fundamentally limited to Western Europe, and mostly revolving around the river Rhine (German philologists working on French literature). Not much more.

This is my own intellectual formation, and scientific work always has limits. But limits change, and I think it’s time we returned to that old ambition of *Weltliteratur*: after all, the literature around us is now unmistakably a planetary system. The question is not really *what* we should

do—the question is *how*. What does it mean, studying world literature? How do we do it? I work on West European narrative between 1790 and 1930, and already feel like a charlatan outside of Britain or France. World literature?

Many people have read more and better than I have, of course, but still, we are talking of hundreds of languages and literatures here. Reading ‘more’ seems hardly to be the solution. Especially because we’ve just started rediscovering what Margaret Cohen calls the ‘great unread’. ‘I work on West European narrative, etc. . . .’ Not really, I work on its canonical fraction, which is not even one per cent of published literature. And again, some people have read more, but the point is that there are thirty thousand nineteenth-century British novels out there, forty, fifty, sixty thousand—no one really knows, no one has read them, no one ever will. And then there are French novels, Chinese, Argentinian, American . . . Reading ‘more’ is always a good thing, but not the solution.¹

Perhaps it’s too much, tackling the world and the unread at the same time. But I actually think that it’s our greatest chance, because the sheer enormity of the task makes it clear that world literature cannot be literature, bigger; what we are already doing, just more of it. It has to be different. The *categories* have to be different. ‘It is not the “actual” interconnection of “things”’, Max Weber wrote, ‘but the *conceptual* interconnection of *problems* which define the scope of the various sciences. A new “science” emerges where a new problem is pursued by a new method.’² That’s the point: world literature is not an object, it’s a *problem*, and a problem that asks for a new critical method: and no one has ever found a method by just reading more texts. That’s not how theories come into being; they need a leap, a wager—a hypothesis, to get started.

World literature: one and unequal

I will borrow this initial hypothesis from the world-system school of economic history, for which international capitalism is a system that

¹ I address the problem of the great unread in a companion piece to this article, ‘The Slaughterhouse of Literature’, forthcoming in a special issue of *Modern Language Quarterly* on ‘Formalism and Literary History’, spring 2000.

² Max Weber, ‘Objectivity in Social Science and Social Policy’, 1904, in *The Methodology of the Social Sciences*, New York 1949, p. 68.

is simultaneously *one*, and *unequal*: with a core, and a periphery (and a semiperiphery) that are bound together in a relationship of growing inequality. One, and unequal: *one* literature (*Weltliteratur*, singular, as in Goethe and Marx), or perhaps, better, one world literary system (of inter-related literatures); but a system which is different from what Goethe and Marx had hoped for, because it's profoundly unequal. 'Foreign debt is as inevitable in Brazilian letters as in any other field', writes Roberto Schwarz in a splendid essay on 'The Importing of the Novel to Brazil': 'it's not simply an easily dispensable part of the work in which it appears, but a complex feature of it';³ and Itamar Even-Zohar, reflecting on Hebrew literature: 'Interference [is] a relationship between literatures, whereby a . . . source literature may become a source of direct or indirect loans [*Importing* of the novel, direct and indirect loans, foreign debt: see how economic metaphors have been subterraneously at work in literary history]—a source of loans for . . . a target literature . . . *There is no symmetry in literary interference. A target literature is, more often than not, interfered with by a source literature which completely ignores it.*'⁴

This is what one and unequal means: the destiny of a culture (usually a culture of the periphery, as Montserrat Iglesias Santos has specified)⁵ is intersected and altered by another culture (from the core) that 'completely ignores it'. A familiar scenario, this asymmetry in international power—and later I will say more about Schwarz's 'foreign debt' as a complex literary feature. Right now, let me spell out the consequences of taking an explanatory matrix from social history and applying it to literary history.

Distant reading

Writing about comparative social history, Marc Bloch once coined a lovely 'slogan', as he himself called it: 'years of analysis for a day of syn-

³ Roberto Schwarz, 'The Importing of the Novel to Brazil and Its Contradictions in the Work of Roberto Alencar', 1977, in *Misplaced Ideas*, London 1992, p. 50.

⁴ Itamar Even-Zohar, 'Laws of Literary Interference' in *Poetics Today*, 1990, pp. 54, 62.

⁵ Montserrat Iglesias Santos, 'El sistema literario: teoría empírica y teoría de los polisistemas', in Dario Villanueva (ed.), *Avances en teoría de la literatura*, Santiago de Compostela 1994, p. 339: 'It is important to emphasize that interferences occur most often at the periphery of the system.'

thesis';⁶ and if you read Braudel or Wallerstein you immediately see what Bloch had in mind. The text which is strictly Wallerstein's, his 'day of synthesis', occupies one third of a page, one fourth, maybe half; the rest are quotations (fourteen hundred, in the first volume of *The Modern World-System*). Years of analysis; other people's analysis, which Wallerstein's page synthesizes into a system.

Now, if we take this model seriously, the study of world literature will somehow have to reproduce this 'page'—which is to say: this relationship between analysis and synthesis—for the literary field. But in that case, literary history will quickly become very different from what it is now: it will become 'second hand': a patchwork of other people's research, *without a single direct textual reading*. Still ambitious, and actually even more so than before (world literature!); but the ambition is now directly proportional to the distance from the text: the more ambitious the project, the greater must the distance be.

The United States is the country of close reading, so I don't expect this idea to be particularly popular. But the trouble with close reading (in all of its incarnations, from the new criticism to deconstruction) is that it necessarily depends on an extremely small canon. This may have become an unconscious and invisible premiss by now, but it is an iron one nonetheless: you invest so much in individual texts *only* if you think that very few of them really matter. Otherwise, it doesn't make sense. And if you want to look beyond the canon (and of course, world literature will do so: it would be absurd if it didn't!) close reading will not do it. It's not designed to do it, it's designed to do the opposite. At bottom, it's a theological exercise—very solemn treatment of very few texts taken very seriously—whereas what we really need is a little pact with the devil: we know how to read texts, now let's learn how *not* to read them. Distant reading: where distance, let me repeat it, *is a condition of knowledge*: it allows you to focus on units that are much smaller or much larger than the text: devices, themes, tropes—or genres and systems. And if, between the very small and the very large, the text itself disappears, well, it is one of those cases when one can justifiably say, Less is more. If we want to understand the system in its entirety, we must accept losing something. We always pay a price for theoretical knowledge: reality is

⁶ Marc Bloch, 'Pour une histoire comparée des sociétés européennes', *Revue de synthèse historique*, 1928.

infinitely rich; concepts are abstract, are poor. But it's precisely this 'poverty' that makes it possible to handle them, and therefore to know. This is why less is actually more.⁷

The Western European novel: rule or exception?

Let me give you an example of the conjunction of distant reading and world literature. An example, not a model; and of course my example, based on the field I know (elsewhere, things may be very different). A few years ago, introducing Kojin Karatani's *Origins of Modern Japanese Literature*, Fredric Jameson noticed that in the take-off of the modern Japanese novel, 'the raw material of Japanese social experience and the abstract formal patterns of Western novel construction cannot always be welded together seamlessly'; and he referred in this respect to Masao Miyoshi's *Accomplices of Silence*, and Meenakshi Mukherjee's *Realism and Reality* (a study of the early Indian novel).⁸ And it's true, these books return quite often to the complicated 'problems' (Mukherjee's term) arising from the encounter of western form and Japanese or Indian reality.

Now, that the same configuration should occur in such different cultures as India and Japan—this was curious; and it became even more curious when I realized that Roberto Schwarz had independently discovered very much the same pattern in Brazil. So, eventually, I started using these pieces of evidence to reflect on the relationship between markets and forms; and then, without really knowing what I was doing, began to treat Jameson's insight as if it were—one should always be cautious with these claims, but there is really no other way to say it—as if it were a *law of literary evolution*: in cultures that belong to the periphery of the literary system (which means: almost all cultures, inside and outside Europe), the modern novel first arises not as an autonomous development but as a compromise between a western formal influence (usually French or English) and local materials.

⁷ Or to quote Weber again: 'concepts are primarily analytical instruments for the intellectual mastery of empirical data'. ('Objectivity in Social Science and Social Policy', p. 106.) Inevitably, the larger the field one wants to study, the greater the need for abstract 'instruments' capable of mastering empirical reality.

⁸ Fredric Jameson, 'In the Mirror of Alternate Modernities', in Karatani Kojin, *Origins of Modern Japanese Literature*, Durham–London 1993, p. xiii.

This first idea expanded into a little cluster of laws,⁹ and it was all very interesting, but . . . it was still just an idea; a conjecture that had to be tested, possibly on a large scale, and so I decided to follow the wave of diffusion of the modern novel (roughly: from 1750 to 1950) in the pages of literary history. Gasperetti and Goscilo on late eighteenth-century Eastern Europe;¹⁰ Toschi and Martí-López on early nineteenth-century Southern Europe;¹¹ Franco and Sommer on mid-century Latin America;¹² Frieden on the Yiddish novels of the 1860s;¹³ Moosa, Said and Allen on

⁹ I have begun to sketch them out in the last chapter of the *Atlas of the European Novel 1800-1900* (Verso: London 1998), and this is more or less how they sound: second, the formal compromise is usually prepared by a massive wave of West European translations; third, the compromise itself is generally unstable (Miyoshi has a great image for this: the 'impossible programme' of Japanese novels); but fourth, in those rare instances when the impossible programme succeeds, we have genuine formal revolutions.

¹⁰ 'Given the history of its formative stage, it is no surprise that the early Russian novel contains a host of conventions popularized in French and British literature', writes David Gasperetti in *The Rise of the Russian Novel* (De Kalb 1998, p. 5). And Helena Goscilo, in her 'Introduction' to Krasicki's *Adventures of Mr. Nicholas Wisdom*: '*The Adventures* is read most fruitfully in the context of the West European literature on which it drew heavily for inspiration.' (Ignacy Krasicki, *The Adventures of Mr. Nicholas Wisdom*, Evanston 1992, p. xv.)

¹¹ 'There was a demand for foreign products, and production had to comply', explains Luca Toschi speaking of the Italian narrative market around 1800 ('Alle origini della narrativa di romanzo in Italia', in Massimo Saltafuso (ed.), *Il viaggio del narrare*, Florence 1989, p. 19). A generation later, in Spain, 'readers are not interested in the originality of the Spanish novel; their only desire is that it would adhere to those foreign models with which they have become familiar': and so, concludes Elisa Martí-López, one may well say that between 1800 and 1850 'the Spanish novel is being written in France' (Elisa Martí-López, 'La orfandad de la novela española: política editorial y creación literaria a mediados del siglo XIX', *Bulletin Hispanique*, 1997).

¹² 'Obviously, lofty ambitions were not enough. All too often the nineteenth century Spanish-American novel is clumsy and inept, with a plot derived at second hand from the contemporary European Romantic novel.' (Jean Franco, *Spanish-American Literature*, Cambridge 1969, p. 56.) 'If heroes and heroines in mid-nineteenth century Latin American novels were passionately desiring one another across traditional lines . . . those passions might not have prospered a generation earlier. In fact, modernizing lovers were learning how to dream their erotic fantasies by reading the European romances they hoped to realize.' (Doris Sommer, *Foundational Fictions: The National Romances of Latin America*, Berkeley-Los Angeles 1991, pp. 31-2.)

¹³ 'Yiddish writers parodied—appropriated, incorporated, and modified—diverse elements from European novels and stories.' (Ken Frieden, *Classic Yiddish Fiction*, Albany 1995, p. x.)

the Arabic novels of the 1870s;¹⁴ Evin and Parla on the Turkish novels of the same years;¹⁵ Anderson on the Filipino *Noli Me Tangere*, of 1887; Zhao and Wang on turn-of-the-century Qing fiction;¹⁶ Obiechina, Irele and Quayson on West African novels between the 1920s and the 1950s¹⁷ (plus of course Karatani, Miyoshi, Mukherjee, Even-Zohar and Schwarz). Four continents, two hundred years, over twenty independent critical studies, and they all agreed: when a culture starts moving towards the modern novel, it's *always* as a compromise between foreign form and local materials. Jameson's 'law' had passed the test—the first test, anyway.¹⁸ ¹⁹ And actually more than that: it had completely reversed the received historical explanation of these matters: because if the compromise between the for-

¹⁴ Matti Moosa quotes the novelist Yahya Haqqi: 'there is no harm in admitting that the modern story came to us from the West. Those who laid down its foundations were persons influenced by European literature, particularly French literature. Although masterpieces of English literature were translated into Arabic, French literature was the fountain of our story.' (Matti Moosa, *The Origins of Modern Arabic Fiction*, 1970, 2nd ed. 1997, p. 93.) For Edward Said, 'at some point writers in Arabic became aware of European novels and began to write works like them' (Edward Said, *Beginnings*, 1975, New York 1985, p. 81). And Roger Allen: 'In more literary terms, increasing contacts with Western literatures led to translations of works of European fiction into Arabic, followed by their adaptation and imitation, and culminating in the appearance of an indigenous tradition of modern fiction in Arabic.' (Roger Allen, *The Arabic Novel*, Syracuse 1995, p. 12.)

¹⁵ 'The first novels in Turkey were written by members of the new intelligentsia, trained in government service and well-exposed to French literature', writes Ahmet O. Evin (*Origins and Development of the Turkish Novel*, Minneapolis 1983, p. 10); and Jale Parla: 'the early Turkish novelists combined the traditional narrative forms with the examples of the western novel' ('Desiring Tellers, Fugitive Tales: Don Quixote Rides Again, This Time in Istanbul', forthcoming).

¹⁶ 'The narrative dislocation of the sequential order of events is perhaps the most outstanding impression late Qing writers received when they read or translated Western fiction. At first, they tried to tidy up the sequence of the events back into their pre-narrated order. When such tidying was not feasible during translation, an apologetic note would be inserted . . . Paradoxically, when he alters rather than follows the original, the translator does not feel it necessary to add an apologetic note.' (Henry Y.H. Zhao, *The Uneasy Narrator: Chinese Fiction from the Traditional to the Modern*, Oxford 1995, p. 150.) 'Late Qing writers enthusiastically renewed their heritage with the help of foreign models', writes David Der-wei Wang: 'I see the late Qing as the beginning of the Chinese literary "modern" because writers' pursuit of novelty was no longer contained within indigenously defined barriers but was inextricably defined by the multilingual, crosscultural trafficking of ideas, technologies, and powers in the wake of nineteenth-century Western expansionism.' (*Fin-de-siècle Splendor: Repressed Modernities of Late Qing Fiction*, 1849–1911, Stanford 1997, pp. 5, 19.)

eign and the local is so ubiquitous, then those independent paths that are usually taken to be the rule of the rise of the novel (the Spanish, the French, and especially the British case)—*well, they're not the rule at all, they're the exception*. They come first, yes, but they're not at all typical. The 'typical' rise of the novel is Krasicki, Kemal, Rizal, Maran—not Defoe.

Experiments with history

See the beauty of distant reading plus world literature: they go against the grain of national historiography. And they do so in the form of *an experiment*. You define a unit of analysis (like here, the formal compromise),²⁰

¹⁷ 'One essential factor shaping West African novels by indigenous writers was the fact that they appeared after the novels on Africa written by non-Africans . . . the foreign novels embody elements which indigenous writers had to react against when they set out to write.' (Emmanuel Obiechina, *Culture, Tradition and Society in the West African Novel*, Cambridge 1975, p. 17.) 'The first Dahomean novel, *Doguiçimi* . . . is interesting as an experiment in recasting the oral literature of Africa within the form of a French novel.' (Abiola Irele, *The African Experience in Literature and Ideology*, Bloomington 1990, p. 147.) 'It was the rationality of realism that seemed adequate to the task of forging a national identity at the juncture of global realities . . . the rationalism of realism dispersed in texts as varied as newspapers, Onitsha market literature, and in the earliest titles of the African Writers Series that dominated the discourses of the period.' (Ato Quayson, *Strategic Transformations in Nigerian Writing*, Bloomington 1997, p. 162.)

¹⁸ In the seminar where I first presented this 'second-hand' criticism, Sarah Golstein asked a very good, Candide-like question: You decide to rely on another critic. Fine. But what if he's wrong? My reply: If he's wrong, you are wrong too, and you soon know, because you don't find any corroboration—you don't find Goscilo, Martí-López, Sommer, Evin, Zhao, Irele . . . And it's not just that you don't find positive corroboration; sooner or later you find all sorts of facts you cannot explain, and your hypothesis is falsified, in Popper's famous formulation, and you must throw it away. Fortunately, this hasn't been the case so far, and Jameson's insight still stands.

¹⁹ OK, I confess, in order to test the conjecture I actually did read some of these 'first novels' in the end (Krasicki's *Adventures of Mr. Nicholas Wisdom*, Abramowitsch's *Little Man*, Rizal's *Noli Me Tangere*, Futabatei's *Ukigumo*, René Maran's *Batouala*, Paul Hazoumé's *Doguiçimi*). This kind of 'reading', however, no longer produces interpretations but merely *tests* them: it's not the beginning of the critical enterprise, but its appendix. And then, here you don't really read the *text* anymore, but rather through the text, looking for your unit of analysis. The task is constrained from the start; it's a reading without freedom.

²⁰ For practical purposes, the larger the geographical space one wants to study, the smaller should the unit of analysis be: a concept (in our case), a device, a trope, a limited narrative unit—something like this. In a follow-up paper, I hope to sketch out the diffusion of stylistic 'seriouness' (Auerbach's keyword in *Mimesis*) in nineteenth and twentieth century novels.

and then follow its metamorphoses in a variety of environments²¹—until, ideally, *all* of literary history becomes a long chain of related experiments: a ‘dialogue between fact and fancy’, as Peter Medawar calls it: ‘between what could be true, and what is in fact the case’.²² Apt words for this research, in the course of which, as I was reading my fellow historians, it became clear that the encounter of western forms and local reality did indeed produce everywhere a structural compromise—as the law predicted—but also, that the compromise itself was taking rather different forms. At times, especially in the second half of the nineteenth century and in Asia, it tended to be very unstable:²³ an ‘impossible pro-

²¹ How to set up a reliable sample—that is to say, what series of national literatures and individual novels provide a satisfactory test of a theory’s predictions—is of course quite a complex issue. In this preliminary sketch, my sample (and its justification) leave much to be desired.

²² Scientific research ‘begins as a story about a Possible World’, Medawar goes on, ‘and ends by being, as nearly as we can make it, a story about real life.’ His words are quoted by James Bird in *The Changing World of Geography*, Oxford 1993, p. 5. Bird himself offers a very elegant version of the experimental model.

²³ Aside from Miyoshi and Karatani (for Japan), Mukherjee (for India), and Schwarz (for Brazil), the compositional paradoxes and the instability of the formal compromise are often mentioned in the literature on the Turkish, Chinese and Arabic novel. Discussing Namik Kemal’s *Intibah*, Ahmet Evin points out how ‘the merger of the two themes, one based on the traditional family life and the other on the yearnings of a prostitute, constitute the first attempt in Turkish fiction to achieve a type of psychological dimension observed in European novels within a thematic framework based on Turkish life. However, due both to the incompatibility of the themes and to the difference in the degree of emphasis placed on each, the unity of the novel is blemished. The structural defects of *Intibah* are symptomatic of the differences between the methodology and concerns of the Turkish literary tradition on the one hand and those of the European novel on the other.’ (Ahmet O. Evin, *Origins and Development of the Turkish Novel*, p. 68; emphasis mine.) Jale Parla’s evaluation of the Tanzimat period sounds a similar note: ‘behind the inclination towards renovation stood a dominant and dominating Ottoman ideology that recast the new ideas into a mould fit for the Ottoman society. The mould, however, was supposed to hold two different epistemologies that rested on irreconcilable axioms. *It was inevitable that this mould would crack and literature, in one way or another, reflects the cracks.*’ (‘Desiring Tellers, Fugitive Tales: Don Quixote Rides Again, This Time in Istanbul’, emphasis mine.) In his discussion of the 1913 novel *Zaynab*, by Husayn Haykal, Roger Allen echoes Schwarz and Mukherjee (‘it is all too easy to point to the problems of psychological fallacy here, as Hamid, the student in Cairo acquainted with Western works on liberty and justice such as those of John Stuart Mill and Herbert Spencer, proceeds to discuss the question of marriage in Egyptian society on such a lofty plane with his parents, who have always lived deep in the Egyptian countryside’: *The Arabic Novel*, p. 34; emphasis

gram', as Miyoshi says of Japan.²⁴ At other times it was not so: at the beginning and at the end of the wave, for instance (Poland, Italy and Spain at one extreme; and West Africa on the other), historians describe novels that had, certainly, their own problems—but not problems arising from the clash of irreconcilable elements.²⁵

mine). Henry Zhao emphasizes from his very title—*The Uneasy Narrator*: and see the splendid discussion of uneasiness that opens the book—the complications generated by the encounter of western plots and Chinese narrative: 'A salient feature of late Qing fiction', he writes, 'is the greater frequency of narrative intrusions than in any previous period of Chinese vernacular fiction . . . The huge amount of directions trying to explain the newly adopted techniques betrays the narrator's uneasiness about the instability of his status . . . the narrator feels the threat of interpretive diversification . . . moral commentaries become more tendentious to make the judgments unequivocal', and at times the drift towards narratorial overkill is so overpowering that a writer may sacrifice narrative suspense 'to show that he is morally impeccable' (*The Uneasy Narrator*, pp. 69–71).

²⁴ In some cases, even translations of European novels went through all sorts of incredible somersaults. In Japan, in 1880, Tsubouchi's translation of *The Bride of Lammermoor* appeared under the title *Shumpu jowa* [*Spring breeze love story*], and Tsubouchi himself 'was not beyond excising the original text when the material proved inappropriate for his audience, or converting Scott's imagery into expressions corresponding more closely to the language of traditional Japanese literature' (Marleigh Grayer Ryan, 'Commentary' to Futabatei Shimei's *Ukigumo*, New York 1967, pp. 41–2). In the Arabic world, writes Matti Moosa, 'in many instances the translators of Western fiction took extensive and sometimes unwarranted liberties with the original text of a work. Yaqub Sarruf not only changed the title of Scott's *Talisman* to *Qalb al-Asad wa Salah al-Din* (*The Lion Heart and Saladin*), but also admitted that he had taken the liberty of omitting, adding, and changing parts of this romance to suit what he believed to be his audience's taste . . . Other translators changed the titles and the names of the characters and the contents, in order, they claimed, to make the translated work more acceptable to their readers and more consistent with the native literary tradition.' (*The Origins of Modern Arabic Fiction*, p. 106.) The same general pattern holds for late Qing literature, where 'translations were almost without exception tampered with . . . the most serious way of tampering was to paraphrase the whole novel to make it a story with Chinese characters and Chinese background . . . Almost all of these translations suffered from abridgment . . . Western novels became sketchy and speedy, and looked more like Chinese traditional fiction.' (Henry Zhao, *The Uneasy Narrator*, p. 229.)

²⁵ Why this difference? Probably, because in Southern Europe the wave of French translations encountered a local reality (and local narrative traditions) that weren't that different after all, and as a consequence, the composition of foreign form and local material proved easy. In West Africa, the opposite situation: although the novelists themselves had been influenced by Western literature, the wave of translations had been much weaker than elsewhere, and local narrative conventions were for their part extremely different from European ones (just think of orality); as the desire for the 'foreign technology' was relatively bland—and further

I hadn't expected such a spectrum of outcomes, so at first I was taken aback, and only later realized that this was probably the most valuable finding of them all, because it showed that world literature was indeed a system—but a system of *variations*. The system was one, not uniform. The pressure from the Anglo-French core *tried* to make it uniform, but it could never fully erase the reality of difference. (See here, by the way, how the study of world literature is—inevitably—a study of the struggle for symbolic hegemony across the world.) The system was one, not uniform. And, retrospectively, of course it had to be like this: if after 1750 the novel arises just about everywhere as a compromise between West European patterns and local reality—well, local reality was different in the various places, just as western influence was also very uneven: much stronger in Southern Europe around 1800, to return to my example, than in West Africa around 1940. The forces in play kept changing, and so did the compromise that resulted from their interaction. And this, incidentally, opens a fantastic field of inquiry for comparative morphology (the systematic study of how forms vary in space and time, which is also the only reason to keep the adjective 'comparative' in comparative literature): but comparative morphology is a complex issue, that deserves its own paper.

Forms as abstracts of social relationships

Let me now add a few words on that term 'compromise'—by which I mean something a little different from what Jameson had in mind in his introduction to Karatani. For him, the relationship is fundamentally a

discouraged, of course, by the anti-colonial politics of the 1950s—local conventions could play their role relatively undisturbed. Obiechina and Quayson emphasize the polemical relationship of early West African novels vis-à-vis European narrative: 'The most noticeable difference between novels by native West Africans and those by non-native using the West African setting, is the important position which the representation of oral tradition is given by the first, and its almost total absence in the second.' (Emmanuel Obiechina, *Culture, Tradition and Society in the West African Novel*, p. 25.) 'Continuity in the literary strategic formation we have identified is best defined in term of the continuing affirmation of mythopeia rather than of realism for the definition of identity . . . That this derives from a conceptual opposition to what is perceived as a Western form of realism is difficult to doubt. It is even pertinent to note in this regard that in the work of major African writers such as Achebe, Armah, and Ngugi, the movement of their work has been from protocols of realist representation to those of mythopeic experimentation.' (Ato Quayson, *Strategic Transformations in Nigerian Writing*, p. 164.)

binary one: 'the abstract formal patterns of Western novel construction' and 'the raw material of Japanese social experience': form and content, basically.²⁶ For me, it's more of a triangle: foreign form, local material—and *local form*. Simplifying somewhat: foreign *plot*; local *characters*; and then, local *narrative voice*: and it's precisely in this third dimension that these novels seem to be most unstable—most uneasy, as Zhao says of the late Qing narrator. Which makes sense: the narrator is the pole of comment, of explanation, of evaluation, and when foreign 'formal patterns' (or actual foreign presence, for that matter) make characters behave in strange ways (like Bunzo, or Ibarra, or Bràs Cubas), then of course comment becomes uneasy—garrulous, erratic, rudderless.

'Interferences', Even-Zohar calls them: powerful literatures making life hard for the others—making *structure* hard. And Schwarz: 'a part of the original historical conditions reappears as a sociological form . . . In this sense, forms are the abstract of specific social relationships.'²⁷ Yes, and in our case the historical conditions reappear as a sort of 'crack' in the form; as a faultline running between story and discourse, world and worldview: the world goes in the strange direction dictated by an outside power; the worldview tries to make sense of it, and is thrown off balance all the time. Like Rizal's voice (oscillating between Catholic melodrama and Enlightenment sarcasm),²⁸ or Futabatei's (caught between Bunzo's 'Russian' behavior, and the Japanese audience inscribed in the text), or Zhao's hypertrophic narrator, who has completely lost control of the plot, but still tries to dominate it at all costs. This is what Schwarz meant with that 'foreign debt' that becomes a 'complex feature' of the text: the

²⁶ The same point is made in a great article by António Cândido: 'We [Latin American literatures] never create original expressive forms or basic expressive techniques, in the sense that we mean by romanticism, on the level of literary movements; the psychological novel, on the level of genres; free indirect style, on that of writing . . . the various nativisms never rejected the use of the imported literary *forms* . . . what was demanded was the choice of new *themes*, of different *sentiments*. ('Literature and Underdevelopment', in César Fernández Moreno, Julio Ortega, Ivan A. Shulman (eds), *Latin America in Its Literature*, New York 1980, pp. 272–3.)

²⁷ 'The Importing of the Novel To Brazil', p. 53.

²⁸ Rizal's solution, or lack thereof, is probably also related to his extraordinarily wide social spectrum (*Noli Me Tangere*, among other things, is the text that inspired Benedict Anderson to link the novel and the nation-state): in a nation with no independence, an ill-defined ruling class, no common language and hundreds of disparate characters, it's hard to speak 'for the whole', and the narrator's voice cracks under the effort.

foreign presence ‘interferes’ with the very *utterance* of the novel.²⁹ The one-and-unequal literary system is not just an external network here, it doesn’t remain *outside* the text: it’s embedded well into its form.

Trees, waves and cultural history

Forms are the abstract of social relationships: so, formal analysis is in its own modest way an analysis of power. (That’s why comparative morphology is such a fascinating field: studying how forms vary, you discover how symbolic *power* varies from place to place.) And indeed, sociological formalism has always been my interpretive method, and I think that it’s particularly appropriate for world literature . . . But, unfortunately, at this point I must stop, because my competence stops. Once it became clear that the key variable of the experiment was the narrator’s voice, well, a genuine formal analysis was off limits for me, because it required a linguistic competence that I couldn’t even dream of (French, English, Spanish, Russian, Japanese, Chinese and Portuguese, just for the core of the argument). And probably, no matter what the object of analysis is, there will always be a point where the study of world literature must yield to the specialist of the national literature, in a sort of cosmic and inevitable division of labour. Inevitable not just for practical reasons, but for theoretical ones. This is a large issue, but let me at least sketch its outline.

When historians have analysed culture on a world scale (or on a large scale anyway), they have tended to use two basic cognitive metaphors: the tree and the wave. The tree, the phylogenetic tree derived from Darwin, was the tool of comparative philology: language families branching off from each other—Slavo-Germanic from Aryan-Greco-Italo-Celtic, then

²⁹ In a few lucky cases, the structural weakness may turn into a strength, as in Schwarz’s interpretation of Machado, where the ‘volatility’ of the narrator becomes ‘the stylization of the behaviour of the Brazilian ruling class’: not a flaw any longer, but the very point of the novel: ‘Everything in Machado de Assis’s novels is coloured by the *volatility*—used and abused in different degrees—of their narrators. The critics usually look at it from the point of view of literary technique or of the author’s humour. There are great advantages in seeing it as the stylization of the behaviour of the Brazilian ruling class. Instead of seeking disinterestedness, and the confidence provided by impartiality, Machado’s narrator shows off his impudence, in a gamut which runs from cheap gibes, to literary exhibitionism, and even to critical acts.’ (Roberto Schwarz, ‘The Poor Old Woman and Her Portraitist’, 1983, in *Misplaced Ideas*, p. 94.)

Balto-Slavic from Germanic, then Lithuanian from Slavic. And this kind of tree allowed comparative philology to solve that great puzzle which was also perhaps the first world system of culture: Indo-European: a family of languages spreading from India to Ireland (and perhaps not just languages, a common cultural repertoire, too: but here the evidence is notoriously shakier). The other metaphor, the wave, was also used in historical linguistics (as in Schmidt's 'wave hypothesis', that explained certain overlaps among languages), but it played a role in many other fields as well: the study of technological diffusion, for instance, or the fantastic interdisciplinary theory of the 'wave of advance' by Cavalli-Sforza and Ammerman (a geneticist and an archaeologist), which explains how agriculture spread from the fertile crescent in the Middle East towards the North-West and then throughout Europe.

Now, trees and waves are both metaphors—but except for this, they have absolutely nothing in common. The tree describes the passage from unity to diversity: one tree, with many branches: from Indo-European, to dozens of different languages. The wave is the opposite: it observes uniformity engulfing an initial diversity: Hollywood films conquering one market after another (or English swallowing language after language). Trees need geographical *discontinuity* (in order to branch off from each other, languages must first be separated in space, just like animal species); waves dislike barriers, and thrive on geographical *continuity* (from the viewpoint of a wave, the ideal world is a pond). Trees and branches are what nation-states cling to; waves are what markets do. And so on. Nothing in common, between the two metaphors. But—*they both work*. Cultural history is made of trees *and* waves—the wave of agricultural advance supporting the tree of Indo-European languages, which is then swept by new waves of linguistic and cultural contact . . . And as world culture oscillates between the two mechanisms, its products are inevitably composite ones. Compromises, as in Jameson's law. That's why the law works: because it intuitively captures the intersection of the two mechanisms. Think of the modern novel: certainly a wave (and I've actually called it a wave a few times)—but a wave that runs into the branches of local traditions,³⁰ and is always significantly transformed by them.

³⁰ 'Grafting processes', Miyoshi calls them; Schwarz speaks of 'the *implantation* of the novel, and of its realist *strand* in particular', and Wang of '*transplanting* Western narrative typologies'. And indeed, Belinsky had already described Russian literature as 'a *transplanted* rather than indigenous growth' in 1843.

This, then, is the basis for the division of labour between national and world literature: national literature, for people who see trees; world literature, for people who see waves. Division of labour . . . and challenge; because both metaphors work, yes, but that doesn't mean that they work equally well. The products of cultural history are always composite ones: but which is the dominant mechanism in their composition? The internal, or the external one? The nation or the world? The tree or the wave? There is no way to settle this controversy once and for all—fortunately: because comparatists need controversy. They have always been too shy in the presence of national literatures, too diplomatic: as if one had English, American, German literature—and then, next door, a sort of little parallel universe where comparatists studied a second set of literatures, trying not to disturb the first set. No; the universe is the same, the literatures are the same, we just look at them from a different viewpoint; and you become a comparatist for a very simple reason: *because you are convinced that that viewpoint is better*. It has greater explanatory power; it's conceptually more elegant; it avoids that ugly 'one-sidedness and narrow-mindedness'; whatever. The point is that there is no other justification for the study of world literature (and for the existence of departments of comparative literature) but this: to be a thorn in the side, a permanent intellectual challenge to national literatures—especially the local literature. If comparative literature is not this, it's nothing. Nothing. 'Don't delude yourself', writes Stendhal of his favourite character: 'for you, there is no middle road.' The same is true for us.

TOM NAIRN

UKANIA UNDER BLAIR

CONSTITUTIONAL ALTERATIONS normally require an alteration of the communal will: that is, a national or nationalist identity motion of some kind, whether of resentment, ascendancy, defeat or rebirth. Such a will might be stimulated and led 'from above'; this entails, however, the existence of a dissentient ruling elite which thinks in constitutional terms, and puts state reform resolutely ahead of social reform and economic policy. But such an order of priorities is quite alien to the modern United Kingdom ruling class—indeed nothing has been more alien to it. Constitutionalism had been familiar enough to its early-modern predecessors of the period 1640–1707. But the state constructed at that time was then reconfigured primarily through contests *against* what appeared as the more aggressive modernity shown in the revolutions of 1776 and 1789—that is, the modern constitutionalism out of which today's nation-state world has mainly arisen. In those contests the pioneer itself had become tradition-minded and custom-bound—'empirical' in its philosophy and pragmatic in its political attitudes. British parliamentarism grew perfectly inseparable from such attitudes and Blair's New Labour victory of 1997 was still far more an expression of them than a repudiation.

Without that more decisive break—a rupture on the level of grammar, as it were, rather than rhetoric—New Labour's political renaissance could only be undertaken 'the wrong way round'. It was fated by its own history to move periphery-first. Authority had to be conceded outwards without the prior establishment of a new central framework capable of encompassing all the new energies and demands. When General de Gaulle decided it was time that France 'married its own century', he set up a new republican constitution to consummate the wedding. In Germany and Italy, new federal or regional patterns of government were imposed

after Fascism, in order to modulate and confine the unitary state. In Spain the post-Franco democracy designed and enabled the Catalan, Basque, and other autonomous governments, by first of all erecting a radically novel political and juridical mainframe.

But in the United Kingdom the mainframe itself has remained sacrosanct. Behind a firework-display of fizzling rhetoric about change and modernization, it has simply been carried forward, and trusted to go on 'evolving'. Trust it, and therefore us: things will settle down and generally sort themselves out, while in the meantime (which could mean a lifetime) things can go on in the comfortable, circular kind of way people (i.e. England's people) are used to, albeit with some changes round the edges. In France and Spain new state constitutions were seen as the necessary condition of a political break with the past. But after Thatcher, only a new *politics* was demanded, not a new framework for political living—and that in order to redeem and continue the past, not to break with it. Recent episodes of UK history may have come to be despised and rejected; but not the longer perspective of Britishness, within which success and world leadership had been for so long celebrated. Only on the periphery had 'radical' changes become unavoidable, in the more European sense of ruptures or definite new departures. For 'Middle England' itself, these were reckoned to be superfluous—or at least indefinitely postponable.

There were in fact interesting poll and survey indications in the later 1990s that English opinion may have been a lot more open to new departures than party political leaders assumed. Unfortunately, it was the assumptions of the latter which counted. They continued to believe that dramatic departures of style and communication accompanied by minimal, adaptive changes to the constitution were most in accord with the subjacent mood. Hence some departures from the stick-insect rigidity of Thatcherism were in order—but not of such a kind as to frighten the horses. Socialism had been exorcised in accordance with the same supposed mood. After which, it would have seemed damnably un-British to start imposing a Hispanic-style revolution up top: surely some modernization-touches would do instead? Enhanced (only cynics would say 'disguised') by brilliant new ideas? Might not some thoroughly intelligent *bricolage*, plus a strong dose of accelerationism, technicism (etc.) restore the basis of Anglo-British statehood for long enough? And keep the restorers in governmental business for long enough, too?

Vectors of archaism

The past does not simply ‘survive’. To be reproduced effectively within modernity it requires vehicles, social devices and intentions. Through these what would otherwise be fossils become allied to new interests and passions, acquiring the style (even the fashionability) demanded by what the Situationists originally called *la société du spectacle*. One of the key vectors for this is economics. It is still a common error to believe that the Habsburg Empire so wonderfully captured in Robert Musil’s *The Man Without Qualities* was economically hopeless or doomed. In fact it did fairly well until killed off by war and defeat. David Good and other historians have shown how notably it was advancing by 1914, after a period in which Austria–Hungary had indeed lagged behind industrially. Society there may have been unviable, and particularly the contradiction-riven state—but this was not for reasons rooted in economic development alone. Like other deplorable truisms of the time to come, ‘It’s the economy, stupid!’ was quite familiar in Vienna.

‘Was the Habsburg Empire an economic failure in the sense that it could not engineer modern economic growth prior to its collapse?’ asks Good. His answer is ‘an unequivocal “no”.’ The Empire grew at a significantly faster rate than the United Kingdom over the period between 1570 and 1914, and its GNP per capita was by then equivalent to that of France. Of course it straddled the ancient socio-economic gap between West and East, and hence contained within its own borders a steep ‘development gradient’. Yet the latter, Good points out, was less steep than the one between the North and the South of the United States. The latter’s ‘impeccable credentials’ as a model of successful capitalist evolution have been largely the result of backward projection from post-1945. Although it had not caught up with Belgium, the English Midlands or the Ruhr, Franz-Joseph’s Empire stood comparison with Mediterranean and peripheral Western Europe (which meant, with most of it). The implication is plain, if disagreeable to economics-worshippers: there was no straightforward relationship between development and political success or stability. ‘Modernization’ never fails to create contradictions and stir things up. It provided Vienna (today, London) with greater resources to buy off opposition, dangle bribes and be terribly broad-minded; but at the same time, it made the unbribable, the resentful and the contrary far more aware of their unequal, left-behind status. Not everyone can be bought off equally. Any measure of success—like the arrival of a

railway, the opening of the first supermarket, sudden access to college education—generates an irascible appetite for more, and more quickly. The broad-minded (blueprint in hand) perceive this as unreasonable: impatient narrowness, egotism, jumping the queue. Thus a grander, encompassing, controlling sort of identity comes to oppose more particular, self-assertive, ‘I’m-as-good-as-you’ identities. The sharper the impact of socio-economic change, the more this clash turns towards nationalism—the sense that life-or-death may be at stake here, unless control of development is made to lie where it should (with us, not them).

Success in statistical tables and growth-leagues does not automatically favour a grateful, conserving philosophy of evensong, egotism and familial values. The British Conservatives discovered this in the late 1980s, not long before they fell helplessly through the floor. Neither does stagnation and the sense of retreat or confinement encourage either revolution or nationalism (except among tiny minorities who know in the abstract that what people tolerate is actually ‘intolerable’, and inform them of this). There may have been some formative periods of industrialization when such combinations were possible—times when modernity existed only in pockets, as the privileged accident of one nation or another. But its generalization has swept this away. Along with the debris has gone what Emmanuel Todd has recently baptized as *L’Illusion économique*—the notion that economic development itself is the sufficient condition of any specific political or state pattern, or of the triumph of any particular ideology. The universal necessary condition of all advance ceases to be the special explanation of any one forward movement.

Modernity required—and in its later evolution goes on requiring—certain new economic and social circumstances. It does not follow that these circumstances determine modernity in the concrete sense of its lived and acculturized evolution. However one-sided, the socio-economic renaissance of Thatcherism had more strongly undermined the class basis of a traditionalist state than anything before it. Its deregulation and attacks on corporatism corroded the familial sense of a societal order which—like that of the Habsburgs—had evolved over time an arm’s length rapprochement with an earlier phase of capitalism. After the demolition of this structure, nation and state no longer retained their long-established fit. Yet at the same time Thatcherism worshipped and propped up the state. On that level it was utterly philistine. Exaggerated

loyalism and hysteria over timelessness became a kind of compensation for the regime's self-conscious economic radicalism—as if only endorsement of monarchic and other rituals, and of the state's untouchable unity, could prevent *everything* that was solid from melting into the air.

Much did melt, of course. But by no means everything. It was probably the successful—or half-successful—side of Conservative economic regeneration which helped to carry forward the archaisms of Britishness into a new age. Although at a heavy cost, that aspect of it furnished a comparative advantage and stability which the 1997 change of political regime then inherited and exploited. In striking contrast to all previous Labour governments, Blair was able to undertake his devolutionary measures against the background of an over-strong currency and significant business support. His pro-European stance and agreement (albeit mainly 'in principle') to the common currency ensured a new level of City and big-business tolerance—or even approval—reflected in the climate of a famously Moosbruggerish British press.

Yet that same good fortune was bound also to rehabilitate some of the anachronism carried forward with it. A half-revolution must constantly insure itself against whatever has not been destroyed—against the past still there and in arms, as it were, against an identity discountenanced, even humiliated, yet not really broken up and cast into the tail-race of history. Huge New Labour efforts had gone into presenting this insurance policy between 1995 and 1997. It seemed the only way to win the kind of electoral victory which the British system prescribed. Over-adaptation to the economics of Thatcherism and deregulated liberalism, extreme caniness over all matters fiscal and financial, and a convert-like disavowal of Socialist money-throwing antics: these now became the surprising preconditions of renewal and change. Yet it would obviously be quite hard to avoid a general or blatant conservatism from arising around foundations like these. Hence the absolute necessity for an ostentatious, perfectly sincere and fireproof form of 'radicalism' to balance that tendency. The Tories had counterposed a mummified statism against their radical economic upheavals. The Labourites now had to offset their mummified economics with an ostentatious display of verbosely political radicalism. We have seen something of what this meant—'youthism', high-technicism, millennial and style-mania, and the accumulation of think tanks and divining rods in appropriate official, quasi-official and entirely spontaneous polyhedrons.

Rather than from plutocratic plotting and self-interest, it is important to observe how this arose out of an objective dilemma. It derives from the structural fate of a decrepit multinational polity whose inherited nature renders it incapable of either solving its problems or dissolving them. It can only pretend to do both, with a kind of mounting insouciance and *braggadocio*. Ultra-prudent and custodial economics could not help favouring an equivalent conservation of the state—and so the prolongation of 1688–1707 anachronism. But at the same time, real changes of state had become unavoidable on the periphery, as had a distinctly unconservative style of ideas and public policy. Thus the Scots were given back their Parliament, the Welsh were awarded a political voice, and the Northern Irish were reconciled to a new and only half-British Protectorate—all amid a clamorous fanfare of radicalism suggesting that these were but early installments of a gathering revolution.

At the centre of affairs, however, the ‘revolution’ was meant from the start to be far more decorous, indeed not revolutionary at all. Some changes to Europe’s most grotesque political relic, the House of Lords; a mild form of proportional representation (if approved by referendum); a half-Freedom of Information Act; an upgraded style of monarchy, affected (but not carried away) by Princess Diana’s example; a proper place at Europe’s heart (when economics permit, again via referendum)—all these decorous shifts were to occur within a comfortably indeterminate time frame, implying further long cadences of stable British existence. From its first day in office, Blairism has planned to last longer than Thatcherism did. Thus what counts most in the ‘gathering revolution’ is clearly the gathering part; execution will come later, as and when opportunity allows (or quite possibly, fails to allow). And what if it gathers only to clear away again, or to be politely refused in referenda? Well, the deep assumption remains that Britain and ‘Middle England’—the imaginary repository of the national life-force, nowadays usually assigned to southern suburbia—will survive that. Deeper down, in the central processing unit (or as would once have been said, the controlling instinct) of Britishness, this continuity is what matters most. Survival: in whatever grandeur remains possible.

A prophecy of end-time

About the contradictions of Blairism one thing will never be said: ‘they could not have known’. In fact the *responsables* of the New Order were

told, and it is already revealing to see how clearly they were told, that this time survival, continuity and grandeur would no longer be enough, however ably modulated and publicized. Political revolution was required. Only six months after Blair's electoral triumph, a study appeared with precisely that title: Anthony Barnett's *This Time: Our Constitutional Revolution*.¹ It had a cover picture showing the Union Jack at half mast over Buckingham Palace, in a nostalgic September light. This was appropriate, for the book's story is like Musil's, only much more amazing: the foundering of a crown-state recounted day by day, sometimes word by word, in contrast to the long ironic retrospect of *The Man Without Qualities*.

The British flag had only been raised over the royal London residence by popular demand. Previously the royal standard had only ever flown there when the monarch was physically present, a demonstration that regality was of greater importance than mere nationality. Kingdom was the important half of 'United Kingdom', even if Parliament had made inroads on the rest of it. However, the bare flagpole now looked offensive to the huge crowds mourning the death of the Princess of Wales. Its indifferent nakedness seemed to accuse their grief, and their caring—as if Queen Elizabeth and her household (then on their annual holiday at Balmoral) were also indifferent. Did they not care—or might they even be pleased—about the loss of their outcast daughter? In death the latter had acquired a title: 'the People's Princess'. Prime Minister Blair confirmed this after the fatal crash in Paris, in what was immediately seen as a stroke of public-relations genius. It was as if he scented from extremely far off the odour of a revolution from below.

There was a lot of goeey sentiment and romanticism mixed up with the resentment, of course, as both left- and right-wing critics of the mood insisted. But what did they expect? A century and a half of patient effort had gone into the formation of romantic-popular monarchism. It was a broader elite project pursued by governments of both left and right, which had long since cast national identity into this specific mould. That mould had been a form of control. Yet now, briefly, the same force was out of control and in the streets, as a mass idolization of somebody both 'inappropriate' and dead. Yet there were both Socialists and Reactionaries who found nothing to say but: 'This is a bit much!' In

¹ Vintage Books, December 1997.

truth nothing could have indicated more clearly the malaise of the electorate which had voted so resoundingly for radical change four months previously. Barnett was surely right to devote so much space to analysing the incident. It showed the availability of public opinion for a sort of change previously unthinkable. For all its sentimentality, he observes, the Diana cult none the less 'expressed a form of the contemporary that connects to the landslide of May 1st', and implied the possible 'normalization' of British political life. Under Thatcherism society had in an almost literal sense become 'divorced' from the old state, including its petrified monarchy. In the September Days of 1997 the divorce had been spontaneously completed, in 'a vast movement of people who by their very existence demonstrated that the premise of the 300-year-old British Constitution had been swept away. The people are now independent-minded and capable . . . The question now is whether the political elite will allow the constitutional transformation to proceed.'

His argument is of course that the renovated elite must not just allow but compel it to proceed: 'this time' is the only time likely to be available for a widely popular reconstruction of the state, a genuine revolution from above. Hence the urgency of tone in the book, and its sometimes hectoring manner. Behind it lies the sense (also the fear) of there being no other time coming. Even if launched from above, a revolution can only be 'genuine' when it meets and is modified by some positive response from below. The moments when such conjunction is possible are rare. To let one go would be folly.

There was only one way of realizing that moment—the route described in some detail over a number of years by Charter 88, the vigorous reform group which Barnett helped to found in the 1980s, and for some time led in the 1990s. It is not as if *This Time* were a lonely or eccentric cry from somewhere beneath the stones. The message came right out of the most significant non-party campaign of the 1990s, and many Labour Party leaders had professed warm sympathy with its aims. Since the somewhat miserable 300th anniversary commemorations of 1688's original revolutionary imposition, the Charter had pleaded passionately that enough was enough—even a standard UNO-issue off-the-shelf constitution would (some now thought) be better than William and Mary's quaint palimpsest of cod-feudal shards, early-modern scratchings and bipartisan 'traditions' reinvented so often that no one had the slightest idea what purpose they originally served. And surely, with some imagi-

nation and national pride, wouldn't the unthinkable become possible? A new British Constitution meriting its capital letter, inspired by the approaching century rather than the one before the one before last?

Barnett's indictment of the *ancien régime* takes up all the first part of his book ('The Meaning of 1997') and overflows constantly into the second ('Voicing the Constitution'). The reader is left by it in a kind of trance, like the suspension of belief that used to attack Ethiopian intellectuals of the 1970s when they returned home from studying abroad to confront the court of Lion-King Haile Selassie: *How is all this still possible? At the end of the twentieth century? With the democratization of the globe in full spate, and Nelson Mandela running South Africa? How dare it endure one day longer on earth?*

The least that could be expected after May 1997 was surely a statement of some exit plans, and a sketch of the replacement. This need not be a *pronunciamento* accompanied by a detailed blueprint: instead, what the author recommended was something like Anthony Giddens's 'Utopian realism'. What this meant was 'articulating clear, principled goals and then setting about them with practical measures that are given the space necessary to be assessed in a context of consent.'² On the other hand, such a programme does have to be uttered. With all the respect due to Karl Popper and George Soros (both suitably endorsed in *This Time*) even a pragmatic, anti-grand-theory prospectus must at least be adumbrated, since without that 'the country has no clear idea what "the greatest constitutional change for a century" means and where it is supposed to lead'.

By the end of the year Blair took office, however, there was still no such idea in place. As Barnett worriedly pointed out in December 1997, the statement had been promised before the election, and then simply never delivered. Now the democratic revival which had been so strongly in the air of both 1 May and early September needed its momentum to be kept going. The practical measures undertaken (like devolution) demanded 'a sense of larger purpose ... In terms of the constitution, a clear statement of principles and purpose. The sooner the better.'

² *This Time*, p. 273

Methodone kingdom

Alas, 'the sooner the better' implies the later the worse. As winter turned into spring, the government's first anniversary was celebrated, and Mr Blair's first Cabinet 'reshuffle' of July 1998 ensconced New Labour's authority more firmly, it became steadily clearer that the first installment might well be the last. The maximal and daring might already have collapsed into the minimal and safeguarding. No statement of grand constitutional renewal was ever to come. Instead, there would be another long-lived 'regime' of decline-management—a generational reign, as it were, comparable to that of Mrs Thatcher in 1979–97. Once more, 'radicalism' would boil down to staying afloat, albeit in an interestingly different way.

As with the early concessions to Scotland, Wales and Ireland, some constitutional changes were still needed to secure that way. One was a form of proportionality in political elections, to qualify the desperate lurches and 'landslide' turnarounds of the past. The second was some change to Great Britain's revising chamber. Alongside the 'modernized monarchy' rendered critical by the Diana affair, a more 'acceptable' House of Lords was also needed. These vectors of continuity had themselves to be upgraded, simply to pursue the time-honoured role assigned them. They certainly represented overdue episodes of modernization. But in the hardening context of Blair's 2000 regime they could also be stability-reforms. Thus the 'radical' would be a realignment of the archaic, rather than the straightforward replacement which Charter 88 and *This Time* pleaded for. Electoral change was the more important of the two. The fantastic lurches of 1979 and 1997 had become too dangerous for an antique creaking across the threshold of the Third Millennium. In a Europe and (soon) an archipelago regulated by proportional electoralism, the boxing-ring pantomime of 'first-past-the-post' was no longer easily sustainable. True, Blair's party had benefited from the old mechanisms in May 1997, but only in the wake of prolonged adversity, during which both the Left and the Centre of UK politics had been under-represented for nearly two decades. If the system was left intact, nothing could be surer than an eventual surge in the other direction. The instinct of Labourism (even the New sort) was that in Britain, and particularly in England, this reversal action would happen sooner rather than later, and was more liable to affect the Left than the Right.

The ancient theory had been that knock-outs ensured 'strong government'. This might have been all very well when the British Empire possessed a fundamentally strong ruling class—the old patriciate, culturally at one although ruling via different parties. But things had altered fundamentally. The combination of decline and Mrs Thatcher had ruined that elite. She started off her reign with a Cabinet of grandees and great acreage, and ended with one of journalists, estate-agents and sleaze-merchants. These put her out of business in 1990, then revealed themselves as incapable of setting up on their own account. So 'the system' now came to mean nothing but inebriate parliamentary majorities based on a minority of the votes cast, generating machismo-power, think-tank mania, mediaeval staggering fits like the Poll Tax, unrestrained petty bourgeois opportunism, and Sovereignty-delusions which the rest of the world now sniggered at.

New Labour was second-born into this post-patrician world. Which meant that its 1997 majority bore the wounds of four successive KOs, and the scars from a prolonged agony of internal modernization. Was it not due some compensation? That meant not just obtaining but staying in office. On his first day in power, Tony Blair launched an electoral campaign for the post-millennium ballots of 2002 and 2007. What was most 'new' about reformed Labourism was this hardened and re-oriented will—the determination to construct not merely a stand-in government, but a different and more stably based British elite order.

Rapid assemblage of new ruling class

This meant in turn that New Labourism, unlike the Thatcherites, was directly confronting what one must call the sociological problem of Great Britain *in extremis*. That is, how to replace the former ruling class by a plausible substitute. 'Britain', the empire's rump-state, can only be kept going by some new regulating and stabilizing cadre, one really capable of taking over from the gentlemen. Hostile critics claimed from the outset that Blairite 'radicalism' is mere conservatism; but actually it is more like *conservationism*. One should not judge it solely in terms of the former Left-Right spectrum. Seen rather in terms of curatorship, as a form of state survival-kit, it becomes more comprehensible. The Conservative first-born ('natural party of government', etc.) had been smashed into pitiful wreckage by the farce of Thatcher's last days and the May 1997 landslide. It would be in a life-raft for years to come. To the second-in-

line now fell the spoils, but also the onerous duty, of preserving and renewing one of history's outstanding polities—the oldest existing state in the world with any claim to modernity.

From 1997 onwards, much effort would be expended around a single question. Just what *is* Tony Blair's project?—asked many sceptical minds, particularly on the Left. The replies have been curiously sparse and unconvincing. But that may be because these inquirers have generally been searching for a socialism-substitute—some novel formula for social-policy redemption and advance. Accompanying this quest went a perfectly logical idea: the new government may as yet be professing no such formula, but at least some Cabinet craniums (preferably those in charge) must surely have one? Surely they must know what they're doing, if only they would tell us (and meanwhile, listen to our advice, engage in dialogue, etc.).

However, what if the logic itself were erroneous, in the sense of misdirected? What if, that is, there is neither a 'project' of that kind, nor the smallest chance of one being concealed in private ruminations anywhere round the Cabinet table? Would it not then follow that the only effective 'project' of end-Britain is *diminuendo* survival—transition from the management of decline into the management of disintegration, leading eventually to a suitable testament and funeral arrangements? Both countering economic decline ('Thatcherism') and re-engineering the political control-system ('Blairism') have naturally presented their aims as 'radical modernization'. But both these words have become terms of bluster, especially 'radical'. After the eighteen years of Mrs Thatcher and Blair's 1997 election campaign, it has come to signify little more than 'Have a nice day!' in the United States.

The problems addressed may indeed be 'radical' (basic, through-and-through, fundamental, etc.) but the available or short-term answers are really of a theme-park nature. There is no conceivable radical solution, in the sense so much bruited about by Mr Blair's thinkies and cultural gossellers. The unwritten goal of 'youthism' is death, even though—as in Mexican ritual commemorations—its processions and exhibitions may be filled with exuberant, even hysterical, life. The stage-management and scripting of the interval can (naturally) only be the work of the party in power. But the existential dilemma structuring its parade means that the party must be (or anyway try to be) the Party. That is, it must be a

class-substitute—a permanent-seeming elite which makes the end-time bearable. New Labour had to justify its ‘-ism’ by both being and showing that it was much more than a ‘movement’ in Tony Benn’s or Michael Foot’s sense—an ethical crusade occasionally permitted into office. It had now mutated into a replacement patriciate, the armature of a farther phase of British statehood, indelibly Great in both name and nature. While manoeuvring towards election-worthiness in the years 1994–97 it had been in reality transforming itself into such a cadre—an elite-surrogate. So, state-worthiness turned out to be the winged creature inside the dull chrysalis of Old Labour, still so fatally encrusted by Clause Four and the Socialist old-stagers of the historic Left.

As it showed at once, even before the liberation of 1 May, this creature flies by different rules from the mouldy night-moth of the 1970s and 1980s. Having lost its officer-class, the drifting multinational ship of state needed a new discipline and direction. The administration of these demanded an equivalent discipline and brio from the replacements. Their movement was assuming nothing less than the task of being Britain. Promotion to long-range heritage-governance was sustainable only via ostentatious rigidity and uniformity—through ‘discipline’ in an enhanced and visibly enforced mode, much greater than that usually associated with political parties (except in the former Communist countries). The result was that ‘totalitarianism’ of public relations and the predominance of censors and message-watchers which has been so much satirized by critics. Sometimes such Blairite symptoms have been explained in terms of malevolence, or the sheer egotism of a new Machiavellian Prince. But to some extent, surely, they can be seen as arising from quite objective constraints. Are they not also a response to the prolonged withdrawal symptoms of collapsing Britishness?

It is simply not possible to grow a new political elite overnight, or even in a few years. Revolution alone could accomplish that. Blairism is not revolutionary, and not even a revolution from above. It is the cautious avoidance of revolution-from-above by a whipped-on evolution-from-above (interspersed, of course, with colourful appeals to the populace). Under the conditions of Ukanian decay, evolutionary stability and sang-froid are demanded even of the undertakers. ‘Trust us!’ remains the law of surrogacy as it was that of empire—in some ways possibly even more so than during the preceding history of the British elite.

New ruling class considers options

The simulation of caste-power is a miserable affair, whose hollowness can only be concealed by a lordly affectation of utter unity and inflexible will. For some years Mrs Thatcher had provided a personal version of this, until it became insupportable to both her own party and the system. She had demonstrated both the force and the limitations of personal charisma as a compensation for decline. Hence a more systemic approach was now needed, which the corporate traditions of Labourism naturally strove to furnish (once Socialism had been purged). The traditional corpus of Labour offered a more collective ethos and organization to build on, in conjunction with the personal *rayonnement* of Blair.

However, that combination needed ideological reinforcement of the developing cadre-structure—‘discipline’, daily ideal methodone, unremitting morale-boosting—plus a minimal political plan for permanence. On this side, Thatcher had banked simply on prayer-book endorsement of the old Ukanian apparatus. Blair’s intuition saw the folly of this, above all in the light of New Labour’s inescapable commitments to the periphery. The sole advance-route possible was one of ‘adaptation’ to the new-old dilemma, through minimal remodelling of the Westminster machinery. In the House of Commons, this implied a coalition policy—the replacement (or modification) of simple-majority aberrancy via the construction of a more sustainable centre ground. The material was present, in the shape of the traditional centre-ground movement, the Liberal Democrats. The latter had been a permanent minority since the 1920s, but one with strong regional foundations as well as a powerful historical presence going back to the 1688 foundation of Britain. Traumatized like the Labour Party by the Thatcher-Major decades, the Liberal Democrats were also now more aligned with post-Socialist Labourism in ideological terms. This provided the conditions for a more enduring power-alliance—but only if the electoral system was reformed to give the Liberal Democrats a more reasonable representation in the Commons. For half a century they had been protesting against the unfairness of two partyism, a system which had condemned them to representative limbo.

Thus an empirical way forward presented itself to New Labour: minimal changes to the unwritten constitution which would simultaneously avoid the perils of Charter 88’s projected shake-up and confirm them

in power as a long-term elite of redemption. Would they not eventually seem 'the natural party of government', the conservatives of a century to come? In the first year of Blair a Commission was set up to recommend the new election system, headed by former Labour Minister Roy Jenkins (now a Liberal Democrat, as well as a Lord). There was little doubt from the day of its inception that his committee's recommendation would be for a minimally proportional voting system. Nor that the New Labour majority would, after the humphing and haaa-ing time demanded by abandonment of any tri-secular ritual, endorse the changes. Then the public relations bravura associated with Blairism would surely win a referendum on the proposal?

Or would it? In the summer of 1998 some doubt must have developed over even these modest proposals. Lord Jenkins's suggestions would certainly be reasonable. But would they be Project-worthy, and safe? How else may one understand the strange affair of 'The Constitutional Declaration', and its even stranger aftermath? Dated 11 June, the full title of this statement was: 'Constitutional Declaration Agreed by the Government and the Liberal Democrat Party at a Meeting of the Joint Consultative Committee'. That committee was founded before the 1997 election, to discuss and coordinate Labour and Liberal Democratic policy on reforming government. After an age of total immobility on this plane, it had been felt that the main opposition parties should combine on a broader platform, and help win popular support (probably by referendum) for changes to the sacred device. But its fifth meeting was to be more than simple reaffirmation of previous joint-party aims. It was a declaration, presumably to the people, and presumably intended to affect them in some way. Also it was 'launched', not just put out: 'Blair and Ashdown Launch Constitutional Declaration'. As it happened, I was at around that time called on to present evidence to a House of Commons Select Committee, the one on Scottish Affairs. It was investigating future relations between Westminster and the new Edinburgh Parliament, and the new pronouncement seemed likely to have some bearing on its deliberations. I tried to get a copy.

This sounds simple. And so it should, surely, for the citizens to whom (in Declaration-speak) power is being brought day by day closer, and whose rights to Information (etc.) are now so regularly endorsed. In the week after 11 June 1998 I made three calls to the No. 10 Downing Street Press Office. The first surprise was how difficult it proved to

identify just which Declaration/Appeal/Statement was being requested. On each occasion the assumption at the other end was that callers would want copies of Chancellor Gordon Brown's announcement about privatization—'launched' at the same moment. 'Constitutional declaration? Ah . . . just a minute please' was each time followed by a pause, and on one occasion by: 'Oh . . . you mean the *Party* declaration . . . got you, right!' There followed the standard name-and-address ritual, plus assurance it would be in the post. But a week later, nothing had come in the post.

In one of the few press comments on the Constitutional Declaration, Matthew D'Ancona suggested in the *Sunday Telegraph* on 14 June that its timing was no accident: 'On an ordinary day the long-planned Blair–Ashdown statement—a poorly-written pledge to 'put power closer to the people'—would have been subjected to much sterner scrutiny. In practice, it was all but forgotten in the excitement surrounding the Chancellor's auction of state assets.' 'The last thing we want at the moment is a big debate about the constitution', one Minister had told him. The Declaration was in truth a consoling gesture towards the Liberal Democrats, who had begun to suffer from growing suspicion about the government's reforming intentions. It was the sort of thing which would once have crept out of 'smoke-filled rooms', rather than been launched—a party stand-off, as it were, curiously disguised as a ringing *pronunciamento* to the farthest corners of the land.

Still, D'Ancona's comments made me yet more anxious to see the document. I phoned again, carefully repressing any hint of outraged citizenship. The Select Committee was meeting the next day, so time was short. Would it not be possible for Downing Street to deliver a copy of the Declaration to the Houses of Parliament, where I could pick it up by hand? 'Ah, well, I suppose so . . .' came the answer, 'but I don't think that's a good idea. No. Things just tend to get lost down there. Wait a minute . . .' Out-of-earshot confabulation followed, and then: 'Tell you what. Just go to the police box at the Downing Street gates tomorrow morning on your way to the Commons. We'll make sure it's waiting for you.' And so it came about that on a fine June morning, strolling down Whitehall to my seat of government, I turned into Downing Street for guidance. Two iconic policemen were indeed there, in shirtsleeves, and carefully inscribed the request in a large notebook. But they had no Declaration. 'Just hang on there, Sir!' said one of

the officers, picking up the phone. Ten minutes went by. And then at last a lady secretary emerged out of the famous glossy black door carrying a large brown envelope. She hastened up to the police cabin. The Constitutional Declaration was mine. Ten minutes remained to read it before the Committee was due to convene.

They were more than enough. Even allowing for the five-minute walk to Parliament Square, seconds sufficed for a three-page document of such nerve-stunning banality. D'Ancona had been exaggerating: the pledge was not 'written' at all, but ground out of a word-processor programmed entirely with exhumed clichés and rubber-stamp exhortations. At the end came the 'Declaration': 'We ask for the support of the British people in putting power where it belongs, in their hands'. But what the Declaration meant was something like this: the gladsome torrent of constitutional modernization has subsided into a stagnant puddle in which, none the less, appearances have to be kept up.

Options have to be kept open; but only just. Lord Jenkins's Report was always likely to be 'accepted'; but once accepted, it was also at once perceived as likely to benefit from some farther years of contemplation and reconsideration. 'Years'—or even parliamentary sessions? Two months later it was repeatedly rumoured that the changes, and the referendum, would be put off until after the next General Election. By September, we find Matthew D'Ancona noting how opposition has mounted to the reform within Blair's own party, while the experience of power has simultaneously diminished the enthusiasm of its modernizers. Hence the most probable compromise may 'postpone the changes until, at the earliest, the election after next' (that is, until 2006 or 2007). He may have been exaggerating again. The likely timetables cited after publication of the Jenkins document were that it might be realizable *in eight years or so*. On the other hand, one never knew. All things considered (Boundary Commission changes, elections) eleven years might be a more realistic prospect. Thus old-fashioned reform had been triumphantly replaced by virtual reform, a mantle for inertia and will-lessness. Robert Musil would have been delighted by such ingenious procrastination, the gymnastics of sincere deceit. He never invented anything half as Byzantine.

Another of the truisms in the 11 June Declaration does admit: 'Constitutional change requires the widest possible consensus, and that

will take time to deliver in full . . .’ But more significant (especially for Liberal Democrats) was the fact that it was not *against* anything. It was not (for instance) opposed to time-wasting, unnecessary delay, or futile postponement in the hope that the issue itself would somehow vanish from human ken. No, for collaborators of the new regime the only real enemy loitering out there is separatism. As Peter MacMahon pointed out in *The Scotsman*, one finds the document’s solitary tooth on page one. It turns out to be sunk into Plaid Cymru and the SNP—those wreckers, out to destroy the old thing, even before it has a chance to get itself modernized. Years or even decades are fine for reforming (or perhaps after all, not reforming) things British. But what counts now is to stop the separatist scoundrels in their tracks. Among all the other bromides, a faint whiff of Third Way chloroform also arises from this test: ‘This is the new politics: between an old-fashioned centralized state and disintegration. . .’

The fate of Lordship

Secondly there is the problem of aristocracy. Reform of the UK’s second chamber was needed to underwrite the new class’s tenser and more focused authority. When Blair came into office he and his nation were still confronting a genuinely astonishing possibility: that the globe’s ‘oldest democracy’, ‘Mother of Parliaments’ (etc.) might soon be embarking upon the Third Millennium AD with a still-functioning hereditary system. In the nineteenth century Radicals had sometimes made tactical pacts with the nobility, usually against what are now called ‘market forces’. But in the twenty-first century? Reborn as ‘youthism’, could House of Commons ‘radicalism’ really cut some unprecedented deal with bloodline voting and genetic entitlement? Under Thatcher’s economic version of the radical credo, Lordship had counted for little. Her political philistinism occluded the anomaly, assisted by the crude bloodline fact that most Lords were Conservatives, and did whatever the government told them between 1979 and 1997.

Clearly this would change. But there was also the question of status and ideal appearance—much more significant for a regime forced forward on to a terrain of political salience and constitutional adjustments. It would simply be ridiculous for any new-style hegemony to try and coexist with the world’s outstanding reliquary of feudalism. The national theme-park implications would be intolerable. However—as with the electoral

reform quandary—certain features of the ancient regime’s prodigious accumulation of bric-à-brac helped in the formulation of a ‘compromise’. In the course of the previous half-century pseudo-Lordship had been added on to the real bedline product. Each Honours List (New Year and Midsummer) now announced a number of ‘Life Peers’—non-hereditary baronages granted solely for the individual’s lifespan. These are like non-elective Senatorships, terminable only by decease. Nomination is via a committee system concerned both with ‘proper’ party representation (mostly rewarding veteran MPs) and with supposed civic or social merit—‘outstanding achievement’, preferably in some politically harmless arena. Life Peerages carry the same voting rights as those inherited from the Norman Conquest, but are still far fewer in number. The rise in sinecure and patronage since Harold Wilson’s (subsequently Lord Wilson’s) period of office has not sufficiently outpaced the breeding power of lineage.

The House of Lords is these days restricted to censure and recommendations on the legislation passed by the ‘Lower Chamber’ (as it is still called). Since the latter has now appropriated United Kingdom sovereignty, or crown-power, a convention had since World War One ensured that the Upper Chamber would never finally refuse to pass Commons laws. However, they could still delay legislation as well as query it, and sometimes spoke of disregarding the gentleman’s convention and reverting to earlier practice. One such episode had left a particularly deep mark on the consciousness of both the Labour Party and the general public. In 1988 the Life Peers who mostly attend to the business of today’s House of Lords had become alarmed by Mrs Thatcher’s Poll Tax. Even time-serving has-beens could sense the likelihood of mutiny over this. Thus an alliance of pseudo-feudal off-scourings with popular resentment was briefly threatened, which might have rejected the infamous law. It was to prevent this that the true-Brit Peerage was called forth from its hinterlands to ensure passage of the measure.

What ensued was unforgettable. Even a Man quite Without Qualities could not have failed to be impressed. It was a fully Ethiopian spectacle worthy of some Benjamin Disraeli novel. Bentleys and ambulances laden with Thatcher-worshippers converged upon St Stephen’s Palace from every decayed estate in the kingdom, so that the undead might vote through the century’s most unspeakably stupid legislation. A kind of hole was burned into the climate of opinion by the event, which still left

strong traces a decade later. That episode alone (one might have thought) should have been enough to guarantee straightforward and instant abolition of this institution by any government with the faintest claim to being ‘radical’ in any older and more honourable sense.

Not, however, by a government whose pretensions were to virtual radicalism alone. Or (more precisely) to virtuality fused with profound caution and a mounting sense of stately duty. The Blairites decided to abolish hereditary-right voting, while retaining the institution. Instead of moving over to an elected Senate in the classical pattern, the life-peer principle was to be evolved farther. These Lords-for-a-day would become, in effect, like a working extension of the monarchy—a ceremonial political guard-room, permitted to tut-tut about legislation and counsel to their heart’s content, but without even vestigial powers of interference.

Governments would in this way retain the valuable authority of seniority-reward and status-endowment, plus that sense of stable continuity which even grotesque traditions are keen to foster—the feeling of social life going on, unanxious and ‘time-honoured’. ‘Time-honoured’ is an important concept—not on any account to be confused with ‘time-worn’, ‘exhausted’ or ‘as-good-as-dead’. Nor should the uniforms, furniture and wigs be overlooked. While absurd in themselves, they have never functioned ‘in themselves’: they exist invariably in an intimate alliance with quite interesting and gossip-worthy matters—like who gets what, why, in recompense for which favour or in compensation for which injury or failure? This sort of thing is less awesome than descent from Normans and Plantagenets, but also more interesting and more appropriate to a pot-noodle regime seeking (against obvious odds) to evolve a new courtly style of its own.

In late July 1998, one of the most ‘sparkling’ representatives of Labour Newness was appointed to superintend Lords reform: Baroness Jay. I cite the term ‘sparkling’ simply because it was employed in all newspaper accounts of the event. The *Independent on Sunday* of 2 August 1998 (for example) described her promotion under the headline: ‘How Labour aristocrat Jay walked effortlessly to the top’. Margaret Jay happens to be the daughter of ex-Premier James (now Lord) Callaghan, and was formerly married to journalist and one-time diplomat Peter Jay, son of another Labour Ministerial eminence, Douglas Jay. The Baroness had ‘perfect credentials for the job’, and was ‘known for her formidable talent

for networking . . . as a key member of the Prime Minister's trusted inner circle'. Another Baroness is quoted as declaring: 'Margaret Jay is the ideal person to quell any discord in the House of Lords over Labour reform . . . She is a discreet gossip, and not in the least bit pompous.' Much of the rest of the article is devoted to amplifying this point. As was invariably said in the past of all genuine blue-bloods (including Queen Elizabeth II) Mrs Jay turns out to be full of human warmth, has a sense of humour, and will have time left over to cook for you even when terribly busy. The new life-peer ruling class is surprisingly like the old.

I merely quote this account without elaboration, lest any reader should think that elements of misplaced irony may have intruded upon some of my earlier arguments. The *Independent on Sunday* story was accompanied, incidentally, by a preposterous diagram of the new elite 'network' around Mrs Jay, which apparently extends from Cherie Blair to Meryl Streep, via the BBC's John Birt, Rabbi Julia Neuberger, the Seventh Duke of Marlborough, Barry Humphries, Anna Ford and Sir Stephen Spender—'Poet, now deceased'. In the contemplation of Blairism, no irony can be misplaced and satire grows daily more redundant. A Musil of today's United Kingdom would have to pit himself against a self-satire now routinely built into the system, and unavoidably replicated in even the most straightforward or pedestrian accounts of it.

Following abolition of the shameful body, a further logical move might have been to replace Lordship with regional or national representation—that is, with a second chamber on German or Spanish lines, in which the different populations and territories of the UK could voice distinct opinions and interests. After devolution one might have thought in fact the case for such a body was stronger. The very existence of assemblies in Wales, Scotland and Ulster will in any case generate demand for some new representation at the centre. Would it not be better to give such voices formal status within the renewed framework of state?

But of course this cannot be, for reasons already noted. Such logic would still be suicidal for Britain, and no smooth talk of federalism, or even of asymmetrical pseudo- or semi-federalism, will make any difference to this fact. The English would have to find representation in such a body, surely. And there is no obvious way that could happen without their being automatically over-represented. The potential conflicts of a non-unitary state, unregulated by a new constitution, could not really be

arranged by a crypto-lordly surrogate for such a statute and law. Far safer, therefore, to stick to pseudo-nobility and Mrs Jay's 'networking'. The termination of mere Inheritance is now required in order to safeguard and rebuild Heritage. It is time bloodline gave way to focus group. Fibreglass Lords and Ladies (suitably extended in terms of recruitment) will provide a stronger buttress for the still-crystallizing new elite. The latter's interests now require that Middle England be appeased and comforted on this important level of the old imagined community—not stirred up and worried by new and quite needless challenges.³

A prophet ignored

Barnett's *This Time* had the misfortune to be proposing the non-available answer: revolution. Its whole tone was damnably and deliberately un-British, even though—as the author patiently explains a number of times—he is actually trying to save Britain in a more serious sense, by acting pre-emptively against threats of secessionist or exclusionary nationalism. Such a noble wish still leaves out something indispensable. To be recast in twenty-first century constitutional mode, Britain must first be saved from the British. Unfortunately, Blairism is at bottom last-ditch Britishness, and this turning was rapidly defining itself during the very months when Barnett's clarion call was making its way through the presses. By the time it was published, the current of renovation had already clearly gone into contraflow.

During the decades of the Right, when Charter 88 got going, radicalizing Britain had seemed to mean saving Ukania from demented economists, fake Americanizers and astrological misreadings of Adam Smith. After May 1997, its sense abruptly shifted: Britain had now to be saved by the Left. But no longer by the stalwart old Left, still vaguely comparable to the Austrian Social Democrats—patrician to the heart, liberal-impe-

³ The worst fears of critics were to be boundlessly exceeded by what surfaced in early 2000: an A5 'summary' of the Royal Commission's report ('A House for the Future', 99-5271/0001/D160; cd-rom attached). As if in deliberate mimicry of the contents, the cover shows ghostly images of the Britannic landmass fading away into an ochreous middle distance. The proposal is for an appointee body selected by other appointees, plus an unspeakably bathetic 'regional' component elected through some 'model' yet to be decided. The spirit of the whole collapsed soufflé is best conveyed by Recommendation 128 (Chapter 18, p. 27): 'The question of the name of the second chamber and the titles of its members should be left to evolve . . .'

rial, Protestant, morality-encrusted. Such had been the party of Attlee, Stafford Cripps, Lord Callaghan and (ultimately) of John Smith. But that lay now in the grave alongside these gentlemen.

In its place there stood general disorientation in search of legitimacy. The new Blairite 'Left' remained so by historic descent and affiliation, and yet had cast aside almost everything related to previous British left-wing ideology, in order to gain power. There was no successor ideology to 'British Socialism'. No one could have accomplished such a feat in the short time following John Smith's death in 1994—least of all in a world where State Socialism was still in accelerating and general retreat. Thus the idea-free inheritor could only be a vanguard of hungry but somewhat empty 'modernizers' . . . still in search of their own blueprint of modernity. It stood condemned to compose such 'modernity' on the hoof. Many of its policies were simply appropriated from the earlier, popular phase of Thatcherism—lessons wisely if ungratefully learnt, and accompanied by the firm intention of never returning to Old-Left corporatism and dependency. But this alone would never a New Age make. A stronger display-identity was needed: hence the 'virtual revolution', and the cacophony of polyhedrons and post-modern circus-acts—the unconscious mimicry of Britain's great Central European predecessor.

Even in decline, however, a social and state fabric remains far stronger than those who would change it by incantation. It is likely to reimpose itself, or most of itself. This is exactly what Anthony Barnett sensed might happen, if the will faltered, and what he was publishing his eloquent sermon against. The one guarantee against such underlying continuity (he maintained) was a new state, based upon a new constitution; which entailed, for a time, an absolute priority of constitutional over other issues; which implied a government that would assert this priority over the economic and social-policy questions customarily central to British politics; which demanded that reform be made the sort of popular-national cause that Charter 88 had fought for.

These imperatives hang together. But if they failed to hang together, he could see they might all be defeated separately. And in such a defeat, even the positive piecemeal reforms applauded in the pages of *This Time*—devolution, Ireland, electoral reform, the opening to Europe, the Lords—would end up as survival-rafts rather than new departures. The British 'constitutional revolution' had to cohere; the trouble is that the

ancien régime coheres as well, even after the battering it took during the 1980s, even so close to its quietus.

The collapse of party-political Conservatism in 1997 meant there was little for it to cling to but the new raw would-be elite. Which meant that in a quite novel sense (as we have seen) the way was open for New Labourism to at least temporarily become ‘Britain’—that is, a replacement for the ruling class broken and demoralized by the grim abrasion and failures of the two decades since the late seventies. Much in the regimentation and rigidity of New Labour may have from the start responded to this challenge. Was its famous mobilization of the post-1994 period just to win an election? Or was it (as I have argued) about power in a much profounder, more salvationist sense—the stiffening of a now struggling collective instinct to keep the British polity going? Would ‘modernization’ come to mean basic survival, rather than the creative choice of futures which so much future-oriented rhetoric suggests?

The subsequent fate of Barnett’s polemic surely supports a gloomier interpretation of events. His book fell straight into a black hole of indifference bordering on hostility. Its assumption had been a continuing, even a rising, tide of support for planned central change—for constitutionalism as the coherent and determined *raison d’être* of the new power. But what the book’s reception showed was the almost total absence of such a tide. Far from captaining the onward momentum, Charter 88 was marginalized into a vaguely supporting role, a gadfly to the Left. Critics on the conventional Left denounced the government’s failure or capitulation on social or economic matters, and particularly on welfare. But their emphasis was already the contrary of Barnett’s. Governmental faltering over constitutional issues came to be perceived as secondary—even forgivable. What was a written constitution, after all, compared to the past achievements of Liberal-Left Britain or the grim necessities of welfare shrinkage and an underclass being attacked from above?

Thus in the early-Blairite cultural atmosphere there was a deadly mixture of toxic influences, all already hostile to plain Painite radicalism. On one hand a wing of nostalgics, voicing elegiac regret for past Socialist achievement, which they considered betrayed by the new administration. But their factional answer was self-evidently useless: resuscitation of the world now lost, or else invention of a new-model doctrine which could hardly help smelling and feeling awfully like the old one. Or,

on the other hand, there was public-relations postmodernism: smart devices and conceptual ways around 'outmoded' problems or attitudes. The latter could, all too easily, be made to include dreary old nation-state constitutionalism. If everything solid is melting into the air in that sense, why bother trying to pin it down again into an old-fangled constitution?

The prophetic admonition of *This Time* fell exactly between these current streams of thought. It clearly despised the tomb-cults of nostalgic Leftism, yet insisted that real novelty depended upon pushing through a few plain-talking, 'old-fashioned' reforms—the sort eschewed historically by the Britishness of both Left and Right. As if by slide-rule design, therefore, Barnett managed to utter what almost nobody at that moment of time wanted to hear. The most significant political diagnosis of Ukania's *fin de siècle* passed practically unnoticed amid the court gossip, the hand-wringing of defunct Socialism, and the deranged séance-mentality of William Hague's refugee Toryism.

One gets the sense from reading *This Time* that it will be small consolation to the author to have his prophecies fulfilled. While exhorting a new regime to get it right, he could not help cataloguing the ways it could go wrong. As he was writing, those ways piled up around him. By December 1997, when the book appeared, they loomed over him: the spectre of a less-than-half revolution, already contracting into its own compromises and conceits. Thatcher also had brought about a less-than-half redemption, which had ruined both her and her party. But this was even more serious. If, as I have argued, 'Blairism' is really a last-ditch attempt at maintaining the United Kingdom by the formation of a pot-noodle ruling class, then nothing much can be visible beyond it. In different ways the nations of the old composite state are likely to end by throwing it off; and afterwards, they will evolve into differing selves—the identities for so long occluded by the superimposition of Britishness. The fall from such an apotheosis can only be into depths as yet unplumbed. Whether or not the great renewal prospected in *This Time* was possible, its failure must leave us 'after Britain', in a genuinely post-imperial condition.

'Corporate populism'

In the summer of 1998 Blair's government submitted an *Annual Report* to the people. The business-style title was deliberate. It began with a 'ten-point contract', and a full page portrait of the Leader in his boardroom (the Cabinet Room at 10 Downing Street). 'Changing a government is like sweeping away the entire senior management of a company,' he announced. In spite of critics saying 'this Government is more concerned with style than substance', he insisted it had made a good start. To underline boardroom confidence the *Annual Report* was full of full-colour illustrations of customers, with improbable messages scrawled over them—for example, a girl sitting in front of the Bank of England saying: 'I am pleased with changes that have been made and am looking forward to the improvements in the transport system.'

Barnett followed up *This Time* with an incisive account of the *Report's* assumptions. Unable to implement a new conception of the state, Blairism had defaulted to the model of a business company. Great Britain had in all earnest become what journalists had so often dubbed it in the past—Great Britain plc, 'the image of agency provided by big companies'. So socialism had lapsed finally into 'corporate populism'. This is neither ancient subjecthood nor modern constitutional citizenship. It is more like a weak identity-hybrid, at a curious tangent to both. Voters are seen as customers (like the girl at the Bank of England), while the Party Executive 'manages party, cabinet and civil service as if they were parts of a single giant company whose aim is to persuade voters that they are happy customers who want to return Labour to office.'

This is certainly better than mere deference. After all, customers are expected to object and criticize a bit (even if most don't, most of the time). But then, by taking their protests into account, the management normally expects to reinforce its own market share. It is 'the modernization of subjecthood', rather than a replacement for it. The sovereign crown gives way to the Managing Director and his unanimous executive board, devoted at once to profitability and (again in the *Annual Report* language) to Britain 'regaining its pride and ambition, at home and abroad' and telling the right story at all times: 'we are a great nation, filled with creative, innovative, compassionate people.' A great nation, but much more emphatically a capitalist one. Where the Poll Tax had failed, an *Annual Report* now appeared to be signalling success.

So here was the economic vector of archaism, seriously at work. Mrs Thatcher's 'economic revolution' was still advancing, and no longer beneath the level of the state. Thanks to the English economy's traditional strength—the global force of the City of London and finance capital—economic modernization was still possible, and still comparatively effective. Manufacturing modernization was far less attainable, and in fact had been largely abandoned under Thatcher. But the remainder was capable of taking over the ideological garb of statehood at least for a time—a 'business' nation if no longer an industrial one, appealing to a business-minded folk. Cost-effective-conscious to the core, New-Labour Britishers no longer needed *un plébiscite de tous les jours*, Ernest Renan's formula for civic nationalism—daily reaffirmation of the French, American or other dream through moments of pride and aspiration. Now a daily visit to the supermarket would do just as well, coupled with reminders of sterling's strength and the foreign conquests of our 'world-class' business. Blair was right: style is substance, it sells things in the global supermarket and guarantees cybernetic prosperity. This is also why the Millennium Dome is identified with the national interest.

'Corporate populism' is absolute philistinism. Another reason for the business class to support New Labour, of course, but one which seems inseparable from a frightful risk. Its apparatus of consumers and 'stakeholders' mimics democracy, substituting brand loyalty and ordinariness for hope and glory. This can seem possible, even attractive, *while things go well* in the narrowly economic terms to which the creed awards priority. Even then there may be a resentful underclass that has no stake, and public sector or non-commercial enterprises which fall behind; but rapid growth for the majority cushions and conceals these downsides. When the growth momentum ceases, however, such compensatory effects are likely to vanish totally.

People will then have to fall back on the non-corporate, less than cost-effective nation—on a national community and state as Renan (and so many others) have perceived them. That is, on communal faith and justice, the extended family of egalitarian dreams. Everyone knows that a corporation will not 'support' customers in any comparable sense, beyond the limits of profitability; but everyone feels that is exactly what a nation should do. Brand-loyalty is precisely *not* 'belonging' in the more visceral sense associated with national identity. Indeed it easily becomes the opposite of belonging: sell-out, Devil take the hindmost, moving on

(or out) to maintain profitability. Since the national factor cannot really be costed, it is easily caricatured as a question of soulful romanticism or delusion. However, such commonsense is itself philistine. It fails to recognize something crucial. When Marks and Spencer betrays its customers the result is an annoyance; for a nation-state to let its citizens down can be a question of life or death, and not in wartime alone.

Peoples have not 'imagined' such communities by chance, or out of irrational impulsions from the soul. 'Identities' are not aesthetic choices but ways of existing, or of trying to exist better. This is the 'nation' which has counted in modern, nationalist times, and it is not very like the portraits in Blair's *Annual Report*. The national-popular has generally been not-so-great, hard done by, struggling, threatened, at war, filled with not always 'creative' and sometimes angry people who think they can't afford so much compassion, and look around for redemptive leadership. They turn to the nation of war memorials, oaths, poetry, sacrifice and mythic blood. It is the coiner of the phrase 'imagined community', Benedict Anderson, who has himself underlined the contrast between these two worlds in a recent essay, 'The Goodness of Nations'. Democracies must feel themselves more than the data of annual reports, even euphoric ones. He uses an odd selection of things to make the point—the war memorial at New Haven, Connecticut; an episode of *The Simpsons*; the North Indian 'celibacy movement'—but since he wrote, post-1997 Britain may already have supplied a more telling one.

It lay in the contrast mentioned earlier, between the popular reaction to the death of the Princess of Wales and New Labour's response—the reaction typified, about a year later, by this *Annual Report*. In late August to September 1997 the living (in Anderson's terminology) were in the streets and trying, however sentimentally and confusedly, to 'secure the Rightness of the country' and reorient it away from the shame of a rotten decade. A year later, they had become ridiculous illustrations in a kind of annual sales report. Populism had been recuperated and rendered respectable, and also given this small-minded and neo-liberal cast. Somehow business as usual had resumed, and normalcy been enhanced as never before, carrying forward much of Mrs Thatcher's *Geist* but with the added panache and excitement of a new sales drive. 'Britain' was buzzing once more, but the sound was a reassuring one: safety-first *redressement* rather than the unsettling music of republican constitutionalism.

‘England-and- . . .’

Just how safe the *Annual Report* country is meant to become was convincingly shown in early 1999. Although Scotland is the biggest problem for Blairland, Wales remains its closest neighbour. As well as the physical intimacy of a long north-south marchland, the two countries were historically united by early conquest and absorption. In the modern era that union of unequals has normally been awarded a strange name of its own, which appears in all legal documents where it is necessary to treat Scotland, Northern Ireland or other dependencies separately: ‘England-and-Wales’. The term conveys a bare modicum of recognition with an associated stress on functional unity. Whatever gestures may be needed elsewhere, here we have two who are truly as one.

The post-imperial return of Wales has therefore been very distinct from that of Scotland. It has resembled much more closely the typical ethno-linguistic trajectory of repressed nationhood—cultural mobilization directed towards nation-building and the eventual formation of a state. After Blair’s electoral victory of 1997 a first Welsh Parliament was part of the pay-off. This was conceived quite differently from the Edinburgh one—as a ‘first-installment’, non-legislative body with executive control over the existing Welsh Office budget but otherwise limited to debating and offering advice. When it came to power, the Cardiff ‘National Assembly’ members were to be consumers indeed. In the Year 2000 *Annual Report* they will no doubt have their own colour-spread and appropriate pseudo-critique, most likely along the lines of—‘So far so good in Wales, but give us more . . .’ (something or other . . . roads; language facilities; Life Peers).

But six months before the National Assembly met, the New England-and-Wales was already in trouble. The Assembly was conceived as a voice. But the trouble with allowing a national voice to speak up is that it may say something. Alas, speech can indeed be a form of action. It may even say (do) something disagreeable or (as in this case) something vexingly Welsh. Blair’s reading of the old Austro-Marxist runes made cultural Welshness a blessing, naturally. But only provided it did not impinge upon the deeper peace signalled by the ‘and’ of England-and-Wales, whereby England will go on conducting the orchestra to which choir and harp would continue to make their traditional contribution.

In 1997 and early 1998 the Welsh Assembly plan was guided by the Welsh Secretary of State (and leader of the Welsh Labour Party) Ron Davies. He led the successful cross-party campaign for a 'Yes' vote which reversed the decision of a previous referendum in 1979. Critics commented on the narrowness of the victory, compared to Scotland, but usually overlooked the huge shift in opinion it represented. Mr Davies himself never made this mistake. He frequently emphasized the continuing trend, as distinct from the arrangements of any one moment. 'Devolution is a process, not an event,' was his way of putting this. Such an attitude might in time have boded ill for London but we shall never know, for Davies was prematurely struck down in the summer of 1998. It was not a London omnibus or a fatal illness that did for him, but scandal. The after-effects of an ill-understood fracas on Clapham Common forced his resignation as government minister, party leader—and almost certainly first Prime Minister of the new Assembly in 1999. A successor had unexpectedly to be elected. And this accident of history cast a revealing light on how devolution was now regarded at Westminster.

For Blair and his Cabinet, devolution is emphatically an event, not a process. Nothing could have been done about Ron Davies. He came with the territory and had been responsible for the referendum success. But after his disgrace they were determined no other process-merchant would take his place: only the safest and most pliable of leaders would do—preferably someone impeccably British, and 'not too keen' on the whole autonomy project. They had already had to change the British Constitution in Northern Ireland for the sake of a peace 'process', and were extremely disinclined to do so again to placate a new form of local government in England's oldest internal colony. A line had now to be drawn.

Once more, the actual phenomenon of Blairism at work preempts any conceivable satire. Suppose a hostile Tory commentator had written something like this, for example: 'Power-freak Blair, like the tinpot dictator he actually is, has chosen the most notoriously supine, cardboard figure in the Welsh Party to do his bidding, using every rotten trick in the old Party rulebook to get his own way while continuing to rant about reform and third-way democracy—just the way Eastern Europe used to be!' He would, alas, only have been saying in tabloid-speak what every other journalist was then to write in his or her own fashion. In *The Times* William Rees-Mogg put it this way:

Wales has been insulted . . . by the way in which the choice of Leader for the Assembly has been manipulated. When Tony Blair was chosen as Leader of the Labour Party, the trade union section of the electoral college operated 'one man, one vote'. When Alun Michael was chosen Labour Leader for Wales, the majority of the trade unions returned to the old block vote principle. Three trade union leaders were sufficient to cast the votes which gave Alun Michael his victory.

Thus in the end a resounding majority of actual Welsh members voted for Rhodri Morgan, a well-educated dissident with trouble written all over him; and Mr Michael was wheeled on to centre-stage by traditional Old Corruption, amid a tropical downpour of Radical and New-Life protestations. As Rees-Mogg concluded, a great number of those whose vote was scorned in this way were likely to think 'devolution to Wales is a sham, a cover for the maintenance of English supremacy, enforced by the Blairite rigging of the leadership election', and turn to Plaid Cymru. Six months later, at the first elections, they did so turn.

It was not as if the government's attitude was confined to Wales. Although less crassly, analogous pressures were being applied in Scotland as well, and also in London, around the selection of Labour's candidate for the new Mayor. At the same time, a BBC *Panorama* documentary was broadcast on just this wider theme, and gave a convincing picture of a regime backpedalling furiously to undo, or at least restrain, some of the awkward political consequences of devolution. A general counter-revolution was under way designed to preserve 'England-and-. . .' everywhere else too, in approximately their traditional roles within the mystery play of Britishness. Too many voters had been taken in, concluded Rees-Mogg. They had thought the rhetoric was authentic and 'believed that the three 'D' words—Devolution, Diversity and Democracy—meant something, were more than mere slogans . . . Neither in Wales, Scotland nor in London does that now appear to be true.' Peter Preston arrived at a similar verdict in the same day's *Guardian*: 'The troubles that begin to flow in irksome abundance—resurgent Scots Nationalists, roaring Rhodri, taunting Ken—are not, it is becoming clear, isolated events. They are part of a structure. They won't go away.'

England's England

The 'structure' Preston complains of is 'Britain' or, more accurately, England's Britain. Unshed save in emptily radical terms, this armature of fate was bound to reassert itself after the shocks of 1997. The core of the problem is that behind England's Britain there lies England's England, the country which has not merely 'not spoken yet' but, in effect, refrained from speaking because a British-imperial class and ethos have been in possession for so long of its vocal cords. A class has spoken for it. This is the evident sense in which England has been *even more* affected and deformed by imperial globalization than other parts of the archipelago.

What might come 'after England'? In Julian Barnes's fantasy novel *England, England* the whole sclerotic culture is transplanted in theme-park form to the Isle of Wight. Sir Jack Pitman, a business and media tycoon reminiscent of Robert Maxwell, 'reconstructs' Englishness on the island, complete with a downsized Westminster, Windsor, Manchester United, White Cliffs, Imperialism, Harrods, whingeing, etc. Invented tradition is everywhere, like 'the old English custom of downing a pint of Old Skullsplitter with a twiglet up each nostril'. 'We are not talking heritage centre,' he rumbles, 'we are offering *the thing itself*.' This project is disastrously successful, and declares independence as a microstate of truly corporate populism. Meanwhile, the real 'real England', a mainland thus deprived of its essence, sinks slowly backwards into time. 'Anglia' takes over from Britain. 'Quaintness, diminution, failure' create a different landscape, possessed by a new-old innocence and goodness:

Chemicals drained from the land, the colours grew gentler, and the light untainted; the moon, with less competition, now rose more dominantly. In the enlarged countryside, wildlife bred freely. Hares multiplied; deer and boar were released into the woods from game farms; the urban fox returned to a healthier diet of bloodied, pulsing flesh. Common land was re-established; fields and farms grew smaller; hedgerows were replanted.

Martha Cochrane, who has abandoned Isle-of-Wight England for this arcadia, asks herself 'if a nation could reverse its course and its habits', but of course the answer is her own life in this country isolated from Europe and the world, in which items are again 'sold by the hundred-weight, stone and pound for amounts expressed in pounds, shillings

and pence', where 'four-lane motorways peter out into woodland, with a gypsy caravan titupping over the lurched, volcanic tarmac', and thunder has regained its divinity.

In *This Time* Anthony Barnett acknowledged the necessity of English reaffirmation as part of the new constitutional process. It has to be more than the rebranding advocated by Mark Leonard's Demos pamphlet *BritainTM* (1997), which would amount to acquiescing in Jack Pitman's futurescape. Such modernization of the theme park won't do, even given the *rayonnement* of the Millennium Dome. Nor is 'mongrelization' a solution—that is, a self-conscious embracing of multicultural diversity in preference to ethnic majority nativism. That was argued for in Philip Dodd's *The Battle Over Britain* (1996), where ethnic minorities and regional identities capture the dissolved essence of the nation and remanifest it as an inherently variegated democracy. But such a 'preference' has to be expressed. How can it be shown, without a constitutional mode of expression, and a prior redefinition of sovereignty? Democracy is not popular instinct or the simple prevalence of a majority: it is a constitution, or nothing. If this is not put first, then it will come last—and quite possibly too late.

In *The Times* of 12 February 1998 (coinciding with the devolutionary debacle in Wales) Political Editor Philip Webster announced something else. It was like a cloud the size of man's hand, in a diminutive box on page ten. But behind lies a great storm, gathering below the horizon: 'Beckett to give England a Voice'. Mrs Beckett's ministerial plan is to 'give England a distinct voice in Parliament after Scottish and Welsh devolution' by setting up a committee of English MPs. Although humbly named the 'Standing Committee on Regional Affairs', there is no one in Scotland, Wales or Ireland who will be deceived for a second by this: it would be the *de facto* English Parliament, convened on its own for the first time since 1546 (when Wales was formally incorporated). Since no provision was made for the majority in Blair's radical project, it will be forced to make its own, erupting bit by bit, using disguise and alias, proceeding through an obstacle course of tactical accidents and afterthoughts. The Government's 'Modernization Select Committee' was supposed to agree Mrs Beckett's scheme and (the report concluded) 'will almost certainly back the idea'.

Whether it does or not, evolution in that sense is unavoidable. On that plane, Tam Dalyell's old 'West Lothian Question' was certainly not mistaken, even if he himself drew so many mistaken conclusions from it. The impact of Scottish and Welsh self-government upon the former constitution of the United Kingdom is bound to be significant. The Parliamentary elite will be disrupted in its business, even if the majority of voters remains indifferent. A disruption of the establishment will be translated into a concern, even a scandal, for the masses. All issues will be seen as aggravated, if not provoked, by ill-considered changes on the periphery. Since these cannot be undone, the centre itself will have to act, and affirm its own rights. The Standing Committee of English Members will be called upon to speak, and not in a hushed Select-Committee monotone. It will speak for England, the people and nation, and its very informality—its air of having arisen from the regional ranks—may bestow upon the body a spontaneous, even revolutionary appearance: 'It's time someone spoke out!'— and stopped 'them' having things all their own way.

Populism like this finds its own way to nationalism, and there is nothing new or inherently harmful in that. However, it would have been better to plan for it, by putting a coherent, overall constitutional change first, rather than leaving it in this way to the uncertain and possibly uncontrollable last. An intelligible *Grundgesetz* would at least have paved part of the way towards equality of representation and treatment. In Austria-Hungary the Germans may not have wanted such equality, but at least they had the choice: nobody pretended they were not there, or 'took them for granted' in that curious sense which has dogged Englishness throughout the long decline of Britain. It is from this occlusion that the dominant scenarios of English futurity seem to have come. On one hand, the idea of reversion to an irrecoverable rurality—the natural wilderness or village condition of a post-British culture. On the other, the more advanced (but also more negative) longing for a virtual dissolution of identity into multiculturalism or 'Europe'—meaning here a broader identity-format within which nations somehow disperse or painlessly cease to matter.

There is no available formula for a post-British England: the issue has simply been avoided in these ways. It would have been better tackled straightforwardly, as Charter 88 demanded—and yet this was impossible, because of the very nature of the old system to which the Charterites

were forced to appeal. Hence it can only be done in a crabwise, half-avowed and belated fashion. Blair's 'project' makes it likely that England will return on the street corner, rather than via a maternity room with appropriate care and facilities. Croaking tabloids, saloon-bar resentment and backbench populism are likely to attend the birth and to have their say. Democracy is constitutional or nothing. Without a systematic form, its ugly cousins will be tempted to move in and demand their rights—*their* nation, the one always sat upon and then at last betrayed by an elite of faint-hearts, half-breeds and alien interests.

PETER WOLLEN

MAGRITTE AND THE BOWLER HAT

VISITING BRUSSELS three years ago, to see the centennial exhibition of Magritte, I was amused to find the city festooned with images of bowler hats, on banners, posters; old placards. There were even real bowler hats in window displays. Magritte had become, so to speak, the patron saint of Brussels and the bowler hat had been chosen as his emblem. It was an apt choice. Magritte painted several dozen images of bowler hats, as well as a large sheaf of drawings and a quantity of recycled versions of the paintings as gouaches. Moreover, Magritte himself was frequently photographed, and filmed, wearing a bowler hat. It seems quite plausible to consider many of these paintings as self-portraits, as his dealer, Alexandre Iolas, did. In that sense, Magritte chose his own emblematic attribute, his own trademark headgear. He consciously became ‘The Master of the Bowler Hat’. Why? And what did it mean? Most accounts stress the ordinariness of the man in the bowler hat, his unindividuated character as Everyman, his classlessness or perhaps, more precisely, his petit-bourgeois character, neither cloth-capped nor top-hatted, nor even trilbied or homburged or boatered. I would like to approach the meaning of the bowler hat in a different way, stressing its rich semantic complexity rather than its banality or its blankness.

Magritte’s first major work to feature a bowler hat was *The Musings of A Solitary Walker* which dates from 1926, when the artist was in his late twenties. It is dusk. A bowler-hatted man stands with his back to the viewer, silhouetted against a cloudy greeny-blue sky, looking out across the gloomy landscape towards the horizon. To his (and our) left

runs a river, the same colour and tone as the sky, with light glinting off its surface. Some distance down, there is a simple wooden bridge, just where a clear view is broken by some trees, illuminated by some hidden source of light. In the foreground, at the level where the bowler-hatted man's hands have delved into his pockets, floats the naked torso of an androgynous man, rigidly horizontal, his ribs clearly marked and his long neck leading to a shaven head. He has no hair. His eyes are closed and only the lips show any colour. He appears to be floating or levitating, with no visible means of support. His pallid form appears top-lit by some unknown source of illumination, possibly even from within, since it does not affect the ground beneath him, which remains dark. Some commentators have wondered whether this painting might not be related to Magritte's memory of the night his mother committed suicide by jumping from a bridge into the river Sambre and drowning; but he himself always denied any reference of this sort. This is the first appearance of the man in a bowler hat, the characteristic figure, back turned, face invisible, eyes gazing into the distance.

His next appearance is in *The Meaning of Night*, painted the following year. This time there are two figures, one facing away, the other towards us, standing with exactly the same posture, as though they were twins or doubles. Again it is dark. They are standing on a cliff, a few yards from the edge, overlooking the sea, whose white-crested waves are catching the light, like the surface of the river in the previous painting. Fluffy clouds litter the ground, which is illuminated from a light source high up to the left, casting shadows diagonally to the right—towards the sea. In the foreground is what I can only describe as an erotic apparition, floating at knee height above the ground, all fur and lace, feminine, with a single white glove, fingers outstretched, reaching towards the top of two pale silk-stockinged thighs, pulling back the fur to reveal the lace. The silhouette turned away from us, gazing away, is more or less the same as the one in the previous painting. The double, the one turned towards us, is more or less as we might have expected, almost like a fashion plate: hands in pockets, overcoat with five buttons fastened, stiff white collar with neatly knotted dark tie. It is the face which is striking—mask-like, white with no trace of colour, completely symmetrical; a long narrow nose, eyes shut tight beneath arching eyebrows. It is the figure of a dreamer or a somnambulist. If his eyes are closed, we might presume, so are those of his double. He is not gazing out over the cliff and the waves towards the horizon. He is dreaming.

We will never see this face again. It is the only image we have. In this painting, we have been privileged to see the dreamer and the dream. In all the many that follow, we shall have to imagine the dream for ourselves. The next painting with bowler-hatted men is very different. In *The Threatened Assassin*, painted the same year, 1927, we see a murder scene. This time, it is an interior. A woman's body lies stretched out on a couch, naked, blood streaming from her mouth. A man, presumably her murderer, is standing idly, at his ease, one hand in his pocket, listening to a record being played on a phonograph with a horn. His overcoat and hat (not a bowler) are draped over a chair. In the distance, through an open frame, we can see a mountainous landscape and three identical faces, witnesses, peering over a balcony into the room. In the foreground there is a similar proscenium frame opening onto the room, somehow as if it were a stage-set. Lurking, pressed up against the wall on either side, are two bowler-hatted men, dressed exactly like the somnambulist, but with eyes open, looking at an angle in our direction, unable to see the murder scene. One is carrying a cudgel, the other a heavy net. It is often remarked that these two men are detectives of some kind, waiting to apprehend the killer, positioned as if they already knew he had committed the crime, although he still remains hidden from their eyes.

Polyvalence

Also in 1927, or possibly the next year, 1928, Magritte painted *The Reckless Sleeper*, another painting with a bowler hat, related to those I have described but different in that the bowler hat is depicted as an isolated object, enclosed in a bowler-hat-shaped hollow in what is generally described as a lead tablet, with an irregular curved shape of a kind Magritte often favoured. There are a number of other objects enclosed in hollows in a similar way—a bird, a lit candle, an apple and so on. The lead tablet takes up about two thirds of the picture. Above it, in the remaining third, separated by a clean horizontal line is a wooden box, rather like a coffin, marked in whorls and stripes by dark wood-graining. Inside the box, a man with a bald head is lying asleep under a blanket, his head resting on a pillow. Most viewers have assumed that the objects beneath are somehow elements of his dream or, at least, objects we might imagine as such. In fact, a bowler hat soon reappears in an oneiric context in the 1930 painting, *The Key To Dreams*, a reprise of a 1927 painting with the same title and structure, but no hat. This time, the canvas is divided into six equal rectangular spaces, two across

by three down, in which six objects are represented—an egg, labeled ‘the Acacia’; a woman’s high-heeled shoe, labeled ‘the Moon’; a bowler hat, labeled ‘the Snow’; a lit candle, labeled ‘the Ceiling’; a glass, labeled ‘the Storm’; and a mallet, labeled ‘the Desert’.

Magritte did not paint another bowler hat for eight years—a work in which the hat is worn by a horseman, followed by one in his ‘Renoir’ or ‘Plein Soleil’ period, another horseman and then three, I think, in his ‘Vache’ period. All the rest, the overwhelming majority, were painted in the fifties and sixties. The foundations, however, were laid in the works I have just described, all executed between 1926 and 1930. In my view, the bowler hats in these crucial early paintings can already be interpreted within five different frames of cultural meaning. In using the phrase, ‘cultural meaning’, I am talking not about reference or denotation—obviously an image of a bowler hat refers to the everyday object we call a ‘bowler hat’, even if it is labeled, disjunctively, as ‘the Snow’. Nor am I talking about ‘connotation’, in Roland Barthes’s sense, of the way in which an image can support a rhetorical or mythological construction. I am more sympathetic to Carlo Ginzburg’s controversial idea, outlined in his account of the hat worn by the Emperor Constantine in Piero Della Francesca’s fresco cycle of the Legend of the True Cross, in Arezzo, that we should look for a trail of clues in the historical and social context which will enable us to establish a specific interpretation, rather than treating it as an abstract emblem. It is a happy coincidence, of course, that Ginzburg’s iconographic analysis concerns a hat.

In his essay on the Arezzo cycle, Ginzburg seeks to explain the significance of the Emperor’s ‘white hat coming to a point in front’ by relating it to the very similar hat worn by Pope John VIII Paleologus as depicted on two commemorative medals designed by Pisanello. This connection, in turn, serves as a clue that enables Ginzburg to develop a train of argument leading to an overall re-interpretation, via the hat, of the meaning of the cycle. Rather than seeking a single, precise signification for Magritte’s use of the image of the bowler hat, I want to suggest that he drew on a variety of different sources from different discourses—discourses which we could see as being compressed, like the rabbit fur and shellac which are the raw materials of a bowler hat, in order to make the dense amalgam which we know as felt. This amalgam carries a polyvalent cultural meaning, not so much a delimited ‘signified’ in Saussure or Barthes’s sense, as a complex field of signification. There are five

quite different discursive sources that I want to discuss, each of which, I believe, fed into Magritte's iconography of the bowler hat. These are the discourse of detective fiction; the discourse of the performing arts; the discourse of Purism; the discourse of fashion; and the discourse of patriarchy. The relevance of these particular sources should come as no surprise when we consider Magritte's own valuation of 'mystery'; his abiding interest in film, both as a viewer and as a performer; the importance of his family background; his origins as a modernist artist; and the impact of his commercial work as an illustrator.

Detectives

First, detective fiction. Magritte, it is well established, was a fan of crime mysteries. He was an avid reader of the adventures of Judex and Fantomas and a viewer of Feuillade's serial film versions, the explicit source of his *The Flame Rekindled* and *The Barbarian*, alongside which he posed to be photographed wearing his bowler hat. He also treasured the Nick Carter and Nat Pinkerton stories, which were neighbours of Poe, Lautréamont and Breton on his bookshelves. Magritte must have been aware that the detectives in both the Fantomas and Judex cycles wore bowler hats, as was customary for fictional detectives in general. Back in 1908, A. A. Milne, author of *Wind In The Willows*, described the party chasing Toad of Toad Hall after his escape from prison as led by 'shabbily dressed men in pot-hats, obvious and unmistakable plain-clothes detectives even at this distance, waving revolvers and walking-sticks.' Ernest Shepard's vivid illustration of the scene clearly shows that the 'pot-hats' were, in fact, bowlers. The bowler-hatted figures in *The Threatened Assassin* are just such a pair of plain-clothes men, armed not with revolver and walking-stick but cudgel and net, denizens of an uncanny and mysterious realm whose unsettling and dreamlike quality Magritte hoped to emulate in his own art.

In this context, it is also worth mentioning another pair of bowler-hatted Belgian detectives—Dupont and Dupond (or, in English translation, Thomson and Thompson) who first made their appearance, as yet unnamed, in Hergé's second Tintin story, *Tintin In The Congo*, published in 1930, just three years after Magritte had painted *The Murderer Threatened*. Albert Algoud, in his entertaining survey of the Dupondts' career, traces the ancestry of Hergé's pair back to Jules Verne's novel of 1879, *The Tribulations of A Chinese in China*, with its twin pair of lookalike and

bowler-hatted agents, Craig and Fry. He also mentions the possible influence of Laurel and Hardy, whose first films together in bowler hats were actually made in 1928, two years before Hergé launched his farcical double act, but one year after Magritte's painting. Hercule Poirot, another Belgian detective, who made his first appearance in 1931, is also represented in visual images as wearing a bowler hat, although I have not yet been able to find any textual warrant for this—the first book in which he appears, *The Mysterious Affair at Styles*, confirms that he was something of a dandy and indeed wore a hat, but never specifies precisely what sort of hat it was. The tradition of the detective in a bowler hat, I am glad to note, lasted right through to the 1960s, with Steed in the British television serial, *The Avengers*, a kind of latter-day *Fantomas* fully in the Feuillade tradition.

Comedians

Dupond and Dupont themselves combined the discourse of the detective with that of the performing arts, specifically the knockabout comedian. Their hats are jammed down over their eyes, sat upon, knocked into the water, exchanged by accident, dissolved into glop and repeatedly subjected to ludicrous disaster. The great precursor of the comic use of the bowler hat, of course, was Charles Chaplin, who first donned his 'Tramp' or 'Little Fellow' costume in February 1914, either for *Mabel's Strange Predicament*, as Chaplin himself recalled, or for *Kid Auto Races In Venice*, which was released earlier, but probably shot later. Chaplin had often worn a bowler hat, on and off stage—there is a photograph of him sporting one in 1906, a young man appearing in *Casey's Court Circus*, a knockabout musical act, and he certainly wore one when he was featured in Fred Karnos's troupe. But the 1914 costume went beyond just wearing a bowler hat as a comic accessory. It created a character. As Chaplin remarked, it was based on the formal idea of contrast—at the extremities, a hat which was too small and boots which were too large, in the middle, a tight jacket and a pair of baggy trousers, all topped off with a 'hooky malacca cane'. Chaplin is important, not so much because we can demonstrate any specific influence on Magritte, but because he dominated the iconography of the bowler hat in general. Perhaps if there was a direct relationship, it lies with the importance of the back-view silhouette that became Magritte's favoured pose for his own bowler-hatted man, with the difference that Chaplin's silhouette was dramatically mobile whereas Magritte favoured the ponderously static.

Most important of all, Chaplin fixed the image of the bowler hat firmly in the public consciousness in a number of contradictory ways, reflecting the paradoxical character of Chaplin's own screen persona. Chaplin combined knockabout comedy with pathos and childlike innocence. He could be both cruel and sentimental. His behaviour was often futile and ludicrous, but he retained a threadbare dignity and stubborn self-confidence throughout. Chaplin's antics had both an ethical and a nihilist dimension. He appealed to intellectuals as well as to vulgarians. Magritte, like almost everybody else, was an admirer of Chaplin, as well as Laurel and Hardy, whose films he collected on Super-8 and whose bowler-hatted comedy routines he enthusiastically imitated in his own home movies. Old music hall routines like the exchange of bowler hats re-surface in Magritte's films just as they do in Beckett's *Waiting for Godot*—and at roughly the same time, too. Bowler hats, umbrellas, tubas and pipes are all repeated elements in his film farces—he mimics his paintings by putting a bowler hat on a shrouded head, he puts a series of hats on a bust, he uses the shadow silhouette of a bowler hat. In one sequence, his wife Georgette (wearing a von Stroheim-style spiky military helmet) salutes a painting of a bowler-hatted man standing with his back to us. Magritte's art is often treated as though it was always basically serious. We should not forget that it was often ludicrous and absurd, even stupidly so. As his close friend Louis Scutenaire put it, 'his genius lies in his imbecility.'

Chaplin's influence also penetrated the artistic avant garde, particularly after the success of *The Kid*. Moreover, it was in France that the first recognition came—in Cocteau's script for the ballet *Parade*, his 'Little American Girl' did a Charlie Chaplin imitation as well as dancing a ragtime, composed by Satie. But Picasso's pantomime horse took the theme further than Cocteau had intended—instead of being a thundering charger, it turned out to be a dilapidated beast that only provoked hilarity. In Cocteau's words it was a 'fantomas taxi horse mounted by Charlie Chaplin.' At Picasso's insistence the horse stayed. (A footnote: Picasso had already painted a *Still Life With Bowler Hat* back in 1910, usually construed as a joking reference to Georges Braque, who habitually wore a bowler at that time (in its turn a homage to Cézanne whose own tall bowler, known as a 'Kronstadt', figured in his self-portrait of 1883–85). Then, in 1921, Louis Delluc's book *Charlot* came out, applauding Chaplin for turning the cinema into a modern art form. It was translated into English the following year and its influence spread world-

wide. In 1923, Fernand Léger made his famous drawing of Charlot for Ivan Goll's *Chaplinade* and, the same year, bowler hats figured prominently in his film, *Ballet Mécanique*, as they also did in another 1923 avant-garde film, Hans Richter's *Imps Before Breakfast (Vormittagspuk)*, with its bewitched bowlers flying through the air, tormenting their would-be wearers. Soon after came two more major Léger still lifes featuring bowlers, and the first of his life-long series of *Three Musicians*, with the tuba player always bowler hatted. Léger's original Chaplin is clearly puppet-like, not simply a figure for a modern *commedia dell'arte*, as in *Parade*, but rather more like Mr Punch.

The same is true of the bowler-hatted stick figures that inhabit the Lancashire mill towns painted by L. S. Lowry. Lowry, too, was a great music hall fan, a particular admirer of Chaplin's mentor, Fred Karno, whose troupe made him laugh 'until the tears ran down his cheeks'. His bowler-hatted figures, he agreed, were like marionettes 'and if you pulled the strings they would cock their legs up', as Chaplin did, of course, when he skeetered round a corner. 'I look upon human beings as automatons,' Lowry once observed. 'They all think they can do what they want, but they can't you know,' which makes them 'funny beyond belief'. At the same time, he 'liked the working-class bowler hats, the big boots and shawls.' Lowry was a great admirer of Magritte's work, especially the bowler-hatted figures, 'because they all looked so ordinary', as John Rothenstem recalled. About his own work, he noted that 'all the people in my pictures, they are all alone, you know. They have all got their private sorrows, their own absorption. But they can't contact one another. We are all of us alone—cut off. All my people are lonely. Crowds are the most lonely thing of all.' He could almost be discussing Magritte's figures. Léger represented Chaplin with this same object-like quality, turning him into a marionette, just as Magritte's figures often remind us of tailor's dummies. In his 1953 *Golconda*, serried ranks of bowler-hatted men float in front of an urban backdrop, all staring forward. *Golconda*, Magritte explained, is 'a magical city'. 'The bowler, on the other hand, poses no surprises. It is a head-dress that is not original. The man with the bowler is just bourgeois man in his anonymity. And I wear it. I am not eager to singularize myself.' Wigan—working class anonymity and somnambulism. Brussels—bourgeois. The same lonely crowd, each imprisoned by self-absorption, free only in their dreams.

Purists

In his early pre-Surrealist years as an artist, Magritte went successively through the influence first of Purism and then of Dadaism. During the Purist period, he became a close colleague of a fellow painter, Victor Servranckx. Servranckx was artistic director of a wallpaper manufacturing firm in Brussels, Peeters-Lacroix, and obtained a job there for Magritte, work which supported him for a number of years. Servranckx considered himself a Purist and contributed to the central journal of the movement—Le Corbusier and Ozenfant's *L'Esprit nouveau*, as well as co-writing an unpublished Purist manifesto with Magritte, *Pure Art, in Defence of Aesthetics*. Perhaps the primary tenet of Purism was its insistence that everyday manufactured objects were the proper subject for modern art—and indeed were aesthetic objects in their own right. Léger's Purist works of this period are full of such objects—keys, ball-bearings, jugs, balusters, bowler hats, bottles, pipes and so on. In this context, it is worth looking, too, at Le Corbusier's impact on Magritte. Not only did Le Corbusier programmatically wear a bowler hat, as a good Purist should, but he wrote a crucial manifesto celebrating it as an aesthetic object. The point I wish to make is that Magritte's later use of the bowler hat owed a great deal to Purism, as indeed did Surrealism in general, although Breton's cult of the 'poetic object' may seem, at first sight, the polar opposite of Le Corbusier's rationalism and functionalism. The crucial point of shared reference was their interest in everyday objects, first as evolved 'types' and then as sites of magical power.

In Le Corbusier's polemical book, *The Decorative Art of Today*, a collection of essays written in response to the massive 1924 Paris Decorative Arts Exhibition, a crucial chapter was headed 'Other Icons—The Museums'. Le Corbusier's purpose was to attack the underlying assumptions of contemporary Decorative Arts museums and suggest an alternative aesthetic programme that they should adopt forthwith. I quote:

Let us imagine a true museum, one that contains everything, one that could present a complete picture after the passage of time, after the destruction by time (and how well it knows how to destroy! So well, so completely, that almost nothing remains except objects of great show, of great vanity, of great fancy, which always survive disasters, testifying to vanity's indestructible powers). In order to flesh out our idea, let us put together a museum of our own day with objects of our own day; to begin:

A plain jacket, a bowler hat, a well-made shoe. An electric light bulb with bayonet fixing; a radiator, a table cloth of white linen; our everyday drinking glasses, and bottles of various shapes, in which we keep our Mercurey, our Graves, or simply our *ordinaire*. . . A number of bentwood chairs with caned seats like those invented by Thonet of Vienna—and then on to the wash-basin, the watch, the suitcase, the filing cabinet and the illustration of a pipe.

The importance of Le Corbusier's manifesto, of course, in the context of Magritte's development as an artist, lies in its unremitting stress on the significance and aesthetic value of the ordinary and its distaste for show, for vanity and for fancy, all things which Magritte strongly distrusted—including surrealist fancy, like that of Delvaux. In fact, towards the end of *The Decorative Art of Today*, Le Corbusier goes on to discuss the Surrealists' attitude to the object. He comments that 'the supremely elegant relationships of their metaphors—as they impress one who is not such a 'high dreamer'—are all the time very clearly dependent on the products of straightforward conscious effort, sustained and logical, cross-checked by the necessary mathematics and geometry—the necessary exactitude for the functioning of mechanisms, etc.' Magritte, too, fiercely resisted automatism and always insisted that he worked consciously and precisely. Le Corbusier went on to conclude:

So the poets of Surrealism can only base their poetics on realism, this realism which is the magnificent fruit of the machine age and of which we are still so far from tired that they themselves hook onto it in the skein of their dreams. The product of the machine age is a realist object capable of high poetry. We approve so much of this object, we are so fond of it, we would so much like to live with it, that our desire adds to its utility the higher dignity! *The realist object of utility is beautiful*. Such is the final conclusion of the spirit forged in the labours of the age. So we have to reconsider what is beautiful for us, to recognize what is beautiful for us. *A beauty* that is made from objects whose relationships exalt us.

Magritte's conversion to Surrealism did not require as great a rupture with Purism as one might have imagined. He took from Purism, of course, only those elements necessary to the new vision that Surrealism imparted, but among those images that crossed the divide was that of the bowler hat. From the start, the bowler was intended to be functional—it was designed at the request of an English landowner as protective head-wear for his gamekeepers, made of compressed felt and fitting snugly,

so that it was securely fixed on the head. (He was worried it might be dislodged during an encounter with a poacher.) As such it was a model of simple, purified design, a hemisphere resting on an annular brim shaped in a symmetrical wave pattern. At the same time, this masterpiece of functionalism was open to a multitude of metaphoric expansions of meaning. The hard, shaped, static, black object could be labeled as 'snow': soft, shapeless, mobile, white. Its very ordinari-ness could become mysterious. In the 1950s and 1960s, when Magritte painted the great majority of his bowler-hatted figures, their poetic beauty emerged from their being, as Le Corbusier put it, hooked on to the skein of their dreams—dreams which themselves involved everyday objects—the moon, the glass, the loaf of bread, and even the *Primavera* of Botticelli, which Magritte preferred as a mass-produced image on a postcard, rather than as a great painting, a unique masterpiece. He was not impressed when he saw the showy original in Florence.

Fashion

From early on, through his work as a fashion illustrator, Magritte must have thought of the bowler hat as a functional and commercial object. While he never designed posters simply for bowler hats as such, he did work on advertisements for a wide range of everyday products, which are represented in a precise geometrical Purist style—cigarette packs, glasses, bottles. In 1924 he had left his job at the wallpaper company and begun to work for the fashion designer, Norine, the wife of Paul-Gustave Van Hecke, an art dealer and close friend of Magritte's own friend E. L. T. Mesens. As Carine Fol has pointed out, a number of Magritte's familiar motifs are first introduced in his Norine fashion plates, such as the picture within a picture and the stage curtain framing a scene. We might add the Stockman 'form' or display dummy, often converging with Magritte's familiar *bilboquet* shape. Then, in 1926, he also began to work for the Samuels fur company. His images, at that time, became much more realistic, moving away from the last, lingering post-Cubist influences—'Around 1925, I decided only to paint objects with all their visible details because this was the only way in which my research could develop.' In the second Samuels catalogue, on which Magritte worked closely with Paul Nougé, he collaged a photographic image of himself with eyes closed, playing the somnambulistic dreamer, while, in the background, we see a model wearing a fur coat, foreshadowing

The Meaning of the Night. And in 1928 he illustrated a Norine gown for *Psyché, le miroir des belles choses*, while on the directly opposite page there is an ad for 'Maison Basile, Piccadilly's Hatters' (*sic*), featuring a bowler hat.

The confusion of dummy, *bilboquet* and human figure can also be seen in Magritte's 1926 painting, *Nocturne*, in which a man dressed in black and white, with a high collar and black tie, leans over a female figure sitting up in bed—each of them with the familiar, spherical *bilboquet* head, like a chess piece. In *The Conqueror*, also from 1926, a dummy with white shirt, stiff high collar, black tie and black jacket occupies the foreground of the painting. In the place of his head there is a simple wooden plank, protruding up from the collar. The *Denizens of the River*, painted in 1927, also features a clothed headless dummy. These amalgams of fashion plate with surrealist scene lead directly on to the very first bowler hat paintings, in which mannequin and human figure merge in the bowler-hatted man. I would like to suggest that Magritte favoured the bowler hat precisely because of its hemispherical shape, rhyming, so to speak, with that of the 'head' of the chesspiece, itself a stylized anthropomorphic form of the *bilboquet*. It is, after all, the natural hat to place snugly on a mannequin's bald head—like those in *The Face of Genius* or *An End to Contemplation*, both works from 1927, which was also the year in which groups of isolated objects first appeared in Magritte's repertoire, as in the suggestively named *One Night Museum*.

Fathers

It is significant, too, that Magritte's parents were both employed in the garment business. His grandfather had been a tailor and his father, Léopold, was described as a commercial traveller, thought to mean that he was a garment salesman, since on Magritte's birth certificate he is described, more grandly, as a merchant tailor. On the marriage certificate, Magritte's mother, Régina, was designated a *modiste* and other sources characterize her as a specialist in hats. His father was even photographed in a shirt with a stiff, high collar and an overcoat, carrying what could be either an umbrella or a cane and wearing, of course, a bowler hat. This brings us, in turn, to the fifth form of the discourse of the bowler hat—the patriarchal. A surprising number of artists who used the bowler hat in their work themselves had fathers who wore bowler hats—not only Magritte, but also Beckett, Lowry and Hergé, for example.

(Hergé's father was actually one of a pair of bowler-hatted twins.) The wearing of the bowler was passed on from father to son and failure to comply could lead to family drama, as Samuel Beckett discovered when he returned home from Paris wearing a beret. Among Irish Protestants, of course, the bowler hat had long carried a particularly strong emotional charge, as we are still reminded every year by the ritual marches of bowler-hatted Orangemen through the streets of Ulster. Beckett was also expected to undertake the definitive act of filial piety, of full incorporation into the world of bowler hat, by going into the family business. In a way, Magritte did just that, if we can interpret his fashion illustration for Norine, Samuels and the others as entering the fashion trade. He had fulfilled his duty and earned the right to wear his bowler hat.

In Beckett's story *First Love*, the narrating monologist recalls that 'they gave me . . . a hat. Now the truth is they never gave me a hat, I have always had my own hat, the one my father gave me, and I have never had any other hat than that hat. I may add it has followed me to the grave.' In another story, *The Expelled*, the monologist asks, 'How describe this hat? And why? When my head had attained I shall not say its definitive but its maximum dimensions, my father said to me, "Come, son, we are going to buy your hat," as though it had pre-existed from time immemorial in a pre-established place. He went straight to the hat. I personally had no say in the matter, nor had the hatter. I have often wondered if my father's purpose was not to humiliate me, if he was not jealous of me who was young and handsome, fresh at least, while he was already old and all bloated and purple.' It was a sign of premature aging, of loss of freedom. Hats for Beckett, and particularly bowler hats, are also associated with civility (straightening, adjusting, tipping, touching, albeit gingerly, doffing, removing, the flurrying of hats at funerals), with separation (grabbed, seized, snatched, fallen to the ground, trampled on, sailing through the air, flying off but not getting far because of the string), with protection (against stones, against rain, against the roof of the cab), with exchange (for the phial of calmative which will ease eventual death, for a kiss, for another hat or series of hats, tendered and taken), for study (peering into, examining, contemplating, feeling into, judging), for emptying (shaken, knocked on the crown, blown into) and finally, for display (mincingly, like a mannequin). Beckett's hats also suffer from refunctioning, practical or metaphoric—as begging bowl, as milk pail, as helmet, as chamber pot, as frisbee (shades of Oddjob!), as cathedral dome, as a second pustular skull.

Modernity

Magritte's hats, in contrast, are usually just bowlers, sitting on the head or exhibited as simple objects. The only exceptions I have noticed were the 1952 *Everyday Magic*, showing a smouldering bowler hat with a baby suspended above it in the smoke, two works from the 'Vache' period, one featuring a hat with an eye looking out on the world, the other with a protruding tap as if from a cistern. Then there is *The Patch of Night*, a bearded bowler hat from 1965 and *The Horrendous Stopper* (1966), a single bowler labeled 'For External Use Only', as though it were the stopper for a container filled with something dangerous—for a mind, perhaps, filled with dreams or subversive thoughts. (After he was crowned, Babar, the elephant king, gave his bowler hat to his chief minister Cornelius because Cornelius was good at thinking.) *The Horrendous Stopper* is the same Magritte work, incidentally, which the Young British Artist Gavin Turk, best known for his waxwork of himself as Sid Vicious, included in his slide piece on the theme of Britishness, a cascade of metaphoric British objects—the bowler hat following logically after a cup of milky tea, Stonehenge, fish and chips, William Morris's Red House and so forth. Magritte, however, eschewed metaphor. He always claimed that his objects were just ordinary things, like his figures who were not 'characters' or 'individuals' but generic 'human beings'—and yet there are still many affinities between Magritte and Beckett. Primarily, I think, this is because their sense of the bowler hat as typically a patriarchal object leads both of them to associate it with the traditional—the singular, after all, is usually associated with the new, the commonplace with the old.

In his 1938 work, *The Endless Chain*, painted for Edward James, Magritte depicted three riders on a single horse, each representing, as he explained to his patron, one of three historical epochs—the first, a curly-headed rider in a short tunic, representing antiquity; the second, a gallant musketeer, 'all top-boots and plumed hat'; the third, 'our modern cavalier, with bowler hat and flowing cravat.' Here, in contrast, Magritte explicitly assigns the bowler hat to modernity, to the period since 1850 when Lock's of St James sold their very first bowler to William Coke. Yet already, even at that time, the bowler was inscribed into the register of tradition. William Coke, after all, was a landed aristocrat, the future Earl of Leicester. Gradually the bowler hat seeped down through the social

order, from aristocracy to gentry, to bourgeoisie, to petty bourgeoisie, to proletarian, to underclass. In this sense, as Fred Miller Robinson argues in his pioneering book on *The Man In The Bowler Hat*, it became the universal classless hat of modern times. Yet, from another point of view, it began and remained a traditional hat, a hat which always aspired upwards, towards the world of the aristocracy, with its timeless, unchanging, fetishized values. A dyed-in-the-wool traditionalist like King Edward VII of England would expostulate with rage when he saw a bowler hat being worn in London. He considered it a country hat. In the country it began and there it certainly should remain, on the heads of the gentry and their gamekeepers. In the late nineteenth century, so the story goes, a traditionalist French lawyer would wear his bowler on the train into Paris. At the station he would hand it to a servant, who would hand him his top hat in exchange. All day, he would wear the top hat and then in the evening, at the station, the exchange would be repeated in reverse and he would return to the country in his bowler. On the side of the future, Lenin himself wore a bowler hat as he played chess with Gorky in Capri. Yet, thirty years on, the actor Maxim Straukh would wear another bowler hat as period costume when he portrayed Lenin in Stalinist films. The bowler could never quite shake off the echoes of the past and, in the end, it was fated, once again, to be seen as traditional.

George Melly tells a story of how, while Magritte was in England, painting for Edward James, Mesens tried to persuade him 'to buy a superior bowler hat from Lock's in St James's Street, but that Magritte had indignantly refused on the grounds (which the choice of objects in his work makes obvious) that he preferred a mass-produced model.' Magritte, Melly notes, was forced to shop at 'cheap gent's outfitters' from poverty, but then made a virtue of necessity by turning his 'clerk-like off-the-peg appearance' into a trademark. When Magritte became richer, in the 1950s, as a result of his increasing fame and the exertions of his dealer, he stuck with the trademark. But by now the bowler hat was no longer the anonymous headgear of Everyman. On the contrary, it stuck out. It signalled an allegiance to 'retro' traditionalism, whether for defiantly reactionary or for studiously parodic, even camp reasons. Bowler hats disappeared from the Simpson's catalogue but clerks in the City of London still went on wearing them, as Pooter's colleagues had worn them in the Grossmiths' *Diary of A Nobody*, as T. S. Eliot had worn a bowler when he worked for Lloyds Bank at 17 Cornhill and later at Faber and Faber, just as MacHeath in *The Threepenny Opera* had worn a

bowler to show his ambition to become a banker. British Guards officers were instructed 'to wear bowler hats and carry rolled umbrellas' when in mufti. In the sixties, outrageous reactionaries like 'Lucky' Lucan, with his closets full of identical Saville Row suits, and Evelyn Waugh, in his loud checked-tweed and Gilbert Pinfold period, both affected fetishistic bowlers. At the same time, reactionary Edwardianism was parodied by the dandified wave of 'mods'. Across the street, so to speak, the 'trad' fans of revivalist jazz musicians like Acker Bilk wore bowlers as a cult item, harking back nostalgically to the great black musicians who had clowned their way into the affection of whites by using their derby hat as a mute.

Fetish

The bowler hat was now entering the period when it became an erotic fetish-wear for women—dancers and singers in Bob Fosse movies, Madonna on the stage, Armani models on the catwalk. The key artistic reference here is to *The Unbearable Lightness of Being*, first published in 1984, but largely set in the 1960s, when Magritte's assembly-line production of bowler hat paintings was reaching its greatest intensity. It is a book which centres around two symbolic women—Tereza, the protagonist's wife, and Sabina, his mistress, standing respectively for the 'heaviness' and 'lightness' which mark the extreme poles of 'being'. Tereza returns to eke out her days in her native village. Sabina's ashes are scattered into the Pacific off the California coast. It is Sabina, of course, who wears the bowler hat, as an erotic come-on and a fetishistic prop in her sex life. Tereza is unfamiliar with bowler hats. Kundera notes, writing of her first encounter with the hat on a fraught visit to Sabina's apartment, that 'it was the kind of hat—black, hard, round—that Tereza had seen only on the screen, the kind of hat Chaplin wore.' It takes her far back over the years, back to what now seems like a golden age, those happy but distant Chaplinesque times. For Sabina, in contrast, the hat has a number of very personal meanings, which Kundera carefully expounds for us:

First, it was a vague reminder of a forgotten grandfather, the mayor of a small Bohemian town during the nineteenth century.

Second, it was a memento of her father. After the funeral her brother appropriated all their parents' property, and she, refusing out of sover-

eign contempt to fight for her rights, announced sarcastically that she was taking the bowler hat as her sole inheritance.

Third, it was a prop for her love games with Tomas.

Fourth, it was a sign of her originality, which she consciously cultivated. She could not take much with her when she emigrated, and taking this bulky, impractical thing meant giving up other, more practical ones.

Fifth, now that she was abroad, the hat was a sentimental object. When she went to visit Tomas in Zurich, she took it along and had it on her head when she opened the hotel room door. But then something she had not reckoned with happened: the hat, no longer jaunty or sexy, turned into a monument to time past.

In an uncanny way, all five of these meanings apply also to Magritte—the bowler as patriarchal heirloom, the bowler as fetishized object, the bowler as witness of dandyism, the bowler as sign of eccentricity and, last but not least, the bowler as ‘monument to time’. ‘The bowler hat,’ Kundera notes, ‘was a motif in the musical composition that was Sabina’s life. It returned again and again, each time with a different meaning and all the meanings flowed through the bowler hat like water through a river-bed.’ Each ‘semantic river’, Kundera explains, would give rise to a new meaning, ‘though all former meanings would resonate, like an echo, like a parade of echoes, with the new ones.’ It is with this metaphor in mind that we can best understand the complex meanings which the bowler hat acquired for Magritte. The different echoes were often incongruous and, as time went by, their resonance would change. The first time Magritte’s bowler-hatted man stared out over the landscape he was ‘light’, in Kundera’s terms, mysterious and mobile. But by the time that Magritte’s repetition compulsion had worked its way through year after year and image after image, he had become ‘heavy’, recognizable and rooted.

For Seurat, Lautrec, Cézanne or Caillebotte, the bowler hats they painted were simply part of everyday life, the leisure wear of a Sunday tripper at Asnières or the habitué of a Montmartre dance-hall. For the Cubists, for Picasso and Braque, painting a bowler hat involved an element of homage. For Le Corbusier and Lowry and Chaplin, all born at the end of the 1880s, it had become an everyday ‘type’, a commonplace. For Ernst and Raderscheidt and Magritte, it could be invested with a certain mysterious melancholy. For Beckett, the Chaplinesque was re-invented,

imbued with melancholy and even abject despair. For Kundera, the bowler hat had become a monument. By now it was useless rather than useful, eccentric rather than universal, fetishistic rather than poetic. Magritte entered the chain in the 1920s, but unlike his coevals he was still stubbornly painting bowler-hatted men forty years later, at the end of the 1960s. In the very last paintings of this lifelong series, their figures have become completely transparent. In each, only the familiar outline silhouette is left, cut into a monochrome background, with stormy sea or moonlit night or mountainous landscape inscribed luminously within. It is as if the bowler-hatted man himself has vanished clean away. He is less than a phantom now. He is an empty screen.

HENRI JACOT

AN UNSUSPECTED COLLECTIVISM?

THE STARTING POINT of Robin Blackburn's study of 'Grey Capitalism', published in *New Left Review* 233, is unimpeachable. He is right to say that the complex and anarchic world of contemporary capitalism cannot be tamed either by the Keynesian welfare state or traditional, 'autarchic' communism. This is an argument all the more welcome for resisting the siren song of a 'New Age' in which the distinction between Left and Right has ceased to be relevant, and a 'Third Way' lies ahead, trumpeted nowhere more than in the land of Blair and Giddens. If we wish to keep faith with the historic aspirations of the Left, we must begin with a critical analysis of the new configuration of global capitalism. A merely practical opposition to the present drive of neo-liberalism, of the kind represented by current social or ecological movements, is not enough. A new vision of a society founded on the values of social and political equality, public intervention and democratic control of the economy will not emerge spontaneously. We cannot depend merely on more or less instinctive condemnations of individualism and the free market. Our task must be, as Marx would have said, to 'penetrate the secret laboratory of production', to capture the inmost nature of this society and find ways of mastering it. Blackburn is therefore quite right to focus on problems of socializing the process of accumulation, as the ground on which social, civic and ecological movements should converge.

Is Blackburn correct, however, to suggest that what he dubs our current 'grey capitalism' might be reformed into a 'new collectivism' through popular control of pension funds? This recalls a line of argument already

strongly advanced in France by Michel Aglietta, to whom he refers in his introduction.¹ Blackburn employs the term 'grey capitalism' to indicate both that the financial structure of contemporary capitalism now rests essentially on the pension and insurance funds of those in or approaching retirement, and that the exercise of property rights in this sort of capitalism is delegated to managers who act according to financial criteria of their own, rather than in the interests of the supposed fundholders.

In the US and Britain, pension and insurance funds hold about half of the value of shares and bonds quoted on Wall Street and in the City; but these pseudo-collective property rights are in fact playthings in the hands of managers whose only goal is to 'outperform' average returns in a footloose international financial system. It is just here, however, that Blackburn thinks the vulnerability of this sort of capitalism lies. His thesis is that these funds, the driving force behind the present casino capitalism, could be transformed into the nucleus of a new collectivism if a number of conditions were met. These he spells out as follows: firstly, all citizens must be covered by such funds; secondly, they must be able to have a direct say in their management; and thirdly, there must be a fiscal and legal framework for such funds which embodies a new definition of the general interest. Certainly, these conditions are far from being met in either the United States or Britain, the cases Blackburn considers in detail.

Thus the proportion of wage-earners covered by a pension fund in the United States, far from increasing, actually fell between 1987 and 1995, from 53 to 40 per cent. Moreover, these employees are now covered increasingly by funds with defined contributions (DC) and decreasingly by funds with defined benefits (DB)—the proportion of the latter falling from 28 to 19 per cent between 1989 and 1995.² The difference between the two systems is very pointed. Under DB, the size of the retirement pension is determined in advance and guaranteed by the employer and/or state; under DC, the size of the pension depends on the speculative performance of the funds, so that the pensioner bears the entire financial risk.

¹ See Michel Aglietta's afterword to the new Verso edition of his *Regulation and Capitalist Crisis*, to appear in the spring of 2000, first published in English as 'Capitalism at the Turn of the Century: Regulation Theory and the Challenge of Social Change', NLR 232, November–December 1998; and his brochure *Le capitalisme de demain*, Fondation Saint-Simon, Paris November 1998.

² See in particular Jacques Nikonoff, *La comédie des fonds de pension*, Paris 1999.

So far as collective intervention by wage-earners or their representatives in the management of these funds is concerned, we can scarcely speak of anything more than vague ideas. Since 1996, when John Sweeney became leader of the AFL-CIO, there has been some talk within the unions of attempting to shift such funds—especially those with defined contributions—from the ‘downward competitive pressures’ of ‘short-termism’ to a more ‘long-termist’ approach where competitive pressures would be ‘upwards’, with the trade-unions taking a more active hand in their management.³ But so far it is only talk. As for a fiscal system capable of making pension funds an instrument of egalitarian progress, with redistributive measures to assist the working poor, the unemployed and under-employed, no such thing is even remotely on the horizon. On the contrary, as Blackburn himself rightly points out, all that exists today is a system of tax relief designed to hand most advantage to those who have most money to save.

Thus, even if we confine ourselves to Anglo-American capitalism, the notion that a ‘new collectivism’ is on any plausible agenda seems highly questionable, so distant are current realities from the conditions it supposes. There is an element of paradox, at the very least, in the mention of Clinton’s suggestion to Congress that a proportion of public retirement funds be invested on the stock exchange as a way of increasing their yield. Even Greenspan pointed out that this would expose them to the risks of already very inflated share prices. We need, moreover, to make more of a distinction between the United States and the United Kingdom. For British capitalism is even more thoroughly ‘financialized’ than its American counterpart. In the US, unlike the UK, there are local pension funds run by public bodies—teachers, municipal employees, firemen, policemen, and so on—which play a not insignificant role in financing small and medium enterprises in the locality, by investing ‘below the market’.⁴

Pension funds are a reality in the Anglo-Saxon countries, and it does not look as if they are going to go away; so any proposal that social or trade-union forces take part in their management seems welcome. It is another matter altogether, however, to extend this concept to other coun-

³ See for example Regina Markey, *Workers’ Pension Funds and the ‘Low Road’ to Profitability: the Downsizing Dilemma*, AFL-CIO Public Employee Department, www.uswa.org

⁴ This is rightly pointed out by Nikonoff, *La comédie des fonds de pension*. For the now highly financial character of British capitalism, see notably Richard Farnetti, *Le Royaume désuni*, Paris 1995.

tries where the retirement system is not already based on them. This brings us to the particular case of France, and in a more general way to continental Europe.

The French example

Blackburn at one point rightly remarks that the precise form a hypothetical passage from 'grey capitalism' to a 'new collectivism' might take would depend heavily on 'existing arrangements' in each country or region—but then proceeds to argue as if the various capitalisms were more or less identical in the way they link pension systems to capital accumulation. In fact, however, it is plain that in the Anglo-American model the heavy—though not exclusive⁵—reliance of the pension system on capitalization is related to a process of accumulation principally based on 'financial markets' in the true sense of the term, whereas in continental Europe an essentially pay-as-you-go pension system⁶ is associated with an accumulation process organized, at least to date, mainly around 'financial centres', to use F. Morin's suggestive distinction.⁷ Although, of course, there are many differences of detail between the French model of holding companies with 'overlapping directorships' and the Rhenish system of 'industrial banks', both have been relatively independent of financial markets, and both have been coupled with pension systems based almost exclusively on pay-as-you-go principles. It is just this pattern that is now under threat from the twin pressures of liberalization and globalization, so it is no surprise that in both France and Germany public debate has started to focus, albeit in confused fashion, on pension funds.

⁵ In his exhaustive survey *Retraites et fonds de pension—état de la question en France et à l'étranger*, Paris 1997, E. Charpentier rightly emphasizes that in every country, with the single exception of Chile, but including the US, a considerable part of the pension system remains based on general taxation, in acknowledgement of the extent to which all citizens belong to the same society.

⁶ Translator's note: Pensions paid out on a pay-as-you-go basis are covered by current contributions from employees, employers and the state. In the French system, this scheme is jointly administered by representatives of employees, employers and the state, and pensions have been set a comparatively generous rate, linked to final salary.

⁷ Morin's more recent works include his Report to the Ministry of Finance on *Le modèle français de détention et de gestion du capital*, April 1998, and his article 'La rupture du modèle français de détention et gestion des capitaux', in *La Revue d'Economie Financière*, November 1998.

In Germany, despite the joint Blair-Schröder manifesto, proposals for compulsory contributions to complementary retirement pensions—drawn up by the Minister of Social Affairs Walter Riester, formerly deputy head of IG–Metall—have had to be abandoned by the government in the face of strong hostility from Klaus Zwickel, the leader of IG–Metall, not to speak of opposition within the SPD itself. In France the Commissioner for Planning, Jean-Michel Charpin, has submitted a report to Jospin on the future of the French pension system.⁸ One of its weaknesses is that it fails to distinguish two problems that need to be separated before they can usefully be related: financing of pensions and financing of the economy.⁹ In the French discussion, most of what needs to be said about pension funds as a false solution to the first question has been widely aired. Indeed, the whole notion of ‘demographic ageing’ has come under sharp fire, with its associated social panic at the prospect of increasing levels of dependence or declining participation in the labour force, based on often dubious assumptions concerning real rates of unemployment, growth and productivity. The bogus superiority of capitalized over pay-as-you-go schemes, the lack of realism in proposals to extend contributions in periods of under-employment and so forth, have been thoroughly criticized.¹⁰ In my view, there is little more to be said. It is perfectly clear that the only reasonable future for the French pensions system is a strengthening, if also perhaps recasting, of its pay-as-you-go principles.

There is, however, a further argument to be heard for the introduction of private pension funds in France. It maintains that French capitalism is vulnerable in its structures of capitalization. Because France lacks powerful institutional investors able to dominate stock markets, so the argument goes, France may be in the process of losing control of its own productive enterprises, as British or American pension funds supplant traditional French ‘banking complexes’ as principal players on the Paris Bourse. The sudden collapse in the share price of Alcatel in September 1998, triggered by the partial divestment of its stock by American Fidelity, was a vivid reminder of this danger.

⁸ See Pierre Khalfa and Pierre-Yves Chanu (eds), *L'Avenir de nos retraites au péril du libéralisme*, Fondation Copernic, Paris 1999.

⁹ See the chapter on ‘the rise of pension funds’ in the annual report of ISERES, the CGT’s institute for economic and social research, *À la croisée des chemins*, Paris 1999.

¹⁰ See notably A. Lechevelier, ‘Les retraites: idées fausses et vrais enjeux’, *Mouvements*, 3, March–April 1999. I would also mention ‘Retraites—les enjeux de l’emploi et de la solidarité’, *Analyse et Documents économiques*, 79, May 1999.

For those who believe that the structure of ownership in a capitalist economy is of vital importance, this is an argument that cannot be simply dismissed.¹¹ But the solution is not to substitute Anglo-American pension funds pursuing maximum speculative targets (yields of 15 per cent) with 'French' versions which in practice would have to operate on the same lines. The logic of individual enrichment through financial assets is plainly incompatible with social solidarity between wage earners. Even the partial introduction of a so-called 'third' source of retirement benefit through pension funds, additional to the basic and supplementary benefits that exist at present, would pave the way for a 'cannibalization' of pay-as-you-go schemes by capitalization.

Savings from salary: the real problem

But that is not all there is to it. For there is another problem that needs to be directly addressed in contemporary capitalist societies, in which ninety per cent of the population are wage or salary earners. This is the ownership and management of the disposable 'savings from salary'. In earlier times, during the Keynesian or Fordist phase of capitalism, saving was something the non-wage-earning classes did. 'Wage-earners consume what they earn, and capitalists earn what they invest', as Kalecki put it. This dictum is now out of date. It no longer describes the situation in France or any other West European country today.

At the end of 1997, for the first time since reliable figures became available, the value of financial assets held by French households (in various forms—cash, securities, and so on) exceeded their material assets (essentially land and buildings): 15,900 billion against 14,790 billion francs. Their total assets, at 31,690 billion francs, were about four times GNP, and constituted 84 per cent of national wealth.¹² Stocks accounted for 5,200 billion; life insurance policies for 3,100 billion; contractual savings schemes (mortgages et al) for 1,600 billion; saving accounts in public banks (*livrets A*, etc.) for 800 billion; and 'savings as salary' in the true sense¹³ (profit-sharing schemes, share options, company savings

¹¹ Something too easily done—although other aspects of the problem are covered well—in *L'Avenir de nos retraites au péril du libéralisme*.

¹² For all these figures, see *Insée Première*, no. 595, July 1998.

¹³ To avoid any ambiguity, one must distinguish clearly between what I call 'savings from salary' (that is, the total savings of employees) and what is usually called 'savings as salary' (in other words, savings as a supplement to salary).

plans, and so on) for 260 billion. The distribution of these assets is, of course, yet more unequal even than that of incomes, calling for drastic fiscal reform.

Michel Aglietta properly addresses these aspects of contemporary capitalism. We can set aside here the dubious vocabulary to which he sometimes resorts—terms like ‘labour society’ and ‘heritage capitalism’. The actual question he raises is this: what forms of savings from salary should be encouraged if we want to preserve or enhance the rights of employees to participate as savers in the management of their financial assets, and to exercise the influence—in both workplace and society—that such large collective investment funds should give them? The obvious contexts for an answer are local development and small and medium enterprises, but others are the social economy and public service enterprises which have been partially privatized. Would not all of these permit experiments with management criteria other than simple financial profitability?

It should be clear enough that this issue—the mobilization and collective control of savings from salary—has no direct link with the question of whether retirement pensions ought to be based on capitalization, as in the US, or pay-as-you-go, as in France. Two separate problems exist, which it would be dangerous to try to solve at a single stroke by the introduction of funded pensions. On the one hand, there is the problem of financing retirement and the character of the right to a pension (whether by pay-as-you-go or by capitalization); on the other, the problem of financing economic development and of the ownership structure of productive enterprises (on which their management depends). In my view the second problem becomes more tractable—if still by no means easy—to resolve in the interests of employees, if the first is already settled on a pay-as-you-go basis that guarantees a pension at least equivalent to that in France today (about 70 per cent of salary at retirement). There is much to be done if we are to move in this direction, against the tide of decisions to date, not to speak of the recommendations of the Charpin Report.

But if pension schemes should give priority to the unity and solidarity of employees, this does not mean falling back on any narrow or immutable definition of the working population.¹⁴ To use Marx’s terminology, it is necessary to take at least as much interest in the side of the wage

contract that gives rise to the 'creation and accumulation of wealth' as to the side that ensures the 'reproduction of the labour force'. This calls for resolute interventions in the control and management of capital. Where an earlier 'collectivism' conceived the solution to be nationalization of the means of production at the level of 'society as a whole', what is needed today is a gradual and multiform process of socialization, whose first steps have yet to be taken. Robin Blackburn remarks that 'Marx was surely right to insist on the fact that the structure of social relations is crucially determined by what happens to the economic surplus'. Just so. He neglects, however, the determining prior question of how the economic surplus is produced in the first place. Nevertheless, his stimulating essay has the merit of drawing attention to some decisive aspects of contemporary capitalism.

¹⁴ See the contributions by J. P. Gaudillière, N. Murad and A. Lechevalier on B. Friot's book *Puissance du salariat: emploi et protection sociale à la française*, in *Mouvements*, 4, May–July 1999.

ROBIN BLACKBURN

REPLY TO HENRI JACOT

I AM GRATEFUL to Henri Jacot for his critical reflections on my proposals for pension reform. Pension funds are a form of capitalist property, albeit a rather strange one. It might seem to some socialists that such funds should simply be abolished and that there is therefore something paltry about a mere programme for their reform. I am therefore pleased that Jacot notes the radical nature of the package I recommend. It aims to create a quite new pension fund regime—one entirely distinct from that associated with pension funds as we know them today, whether in the UK, the US, Chile or the Netherlands. In these countries, and a widening circle of imitators, large tax breaks are given to pension funds and professional fund managers, subject to the narrowest commercial objectives, supplant both policy-holders and any wider notion of the public interest.

My proposals start from the recognition that pension funds represent a problematic and anomalous kind of property, which has great weight within the global capitalist order. Though he does not flatly deny their importance, Jacot may still underestimate it. He points out, for example, that in the United States those covered by personal or occupational schemes are a declining proportion of the workforce. This is true, but not because the absolute numbers of those covered by such schemes are in decline. The recent expansion of employment in the US has mainly swelled the ranks of temporary, part-time or short-term contract employees who do not qualify for occupational pensions and whose modest earnings do not furnish them with the resources to take out personal pension plans. The number of employees participating in occupational pension plans based on 'defined benefits' has dipped from slightly over to slightly under 40 million, while those in so-called 'defined contribution' or 'money purchase' schemes have risen from 40 to 45 million over

the last decade.¹ The total value of these funds has grown dramatically during the bull market of the nineties.

The 'defined benefit' type of pension, with its guaranteed link to salary levels, has fallen out of favour with employers, who have sought to replace such schemes with so-called 'defined contribution' or 'money purchase' pensions, which pay the contributor only what their 'pot' will buy as an annuity at retirement. The trend away from 'defined benefits' should probably be seen as a gain to employers, though it may also reflect the fact that the 'defined contribution' system is more adaptable to job mobility. But it remains the case that funded provision as a whole is hugely important. White collar and managerial strata do well out of such schemes, of course, but so do most public employees and union members. The majority of such workers are covered by occupational schemes and their trade unions would strongly resist any plan to wind them up. On the other hand proposals that gave policy-holders and their representatives a real say in the running of the schemes, and which rewarded funds which comply with wider social objectives, could be attractive to this constituency as well as to social movements.

In Britain, it is true, the widespread sale of individualized personal pension plans led one and a half million employees to become victims of a gigantic mis-selling scandal. This experience itself demonstrated the need for far-reaching reform. But note that the victims were those who had bought an individual plan, not those joining occupational schemes; indeed many had been tempted to desert the latter for the former. The bad personal schemes are bad because of the heavy administrative charges and marketing costs associated with them, and not because they invest in equities. The generality of occupational schemes also play the stock market.

Henri Jacot's comments are not entirely free from a paradox—or even self-contradiction—often displayed by left critics of proposals to extend funded pension provision. On the one hand, it is objected that funded provision is the preserve of the more privileged; on the other, it is argued that it would be wrong to bring the excluded into such arrangements, on the grounds that they are supposedly expensive and risky. While many schemes could indeed be improved, the holders of occupational pension

¹ *The Economist*, 27 November 1999.

funds of all types find them generally a good investment. Middle-class and professional people generally take good care to enrol themselves in such occupational pension schemes. This would be perverse behaviour if the idea of pensions invested in equities were really as dubious as their critics claim. Social movements, more reasonably, tend to object to specific investments but not to the very notion of investment as such.

As a socialist I look forward to a society in which stock markets no longer hold society in thrall. But so long as social relations are organized in a capitalist way then it is surely unlikely that holding stakes in capitalist private property will be ill-advised in a purely economic sense, as Jacot implies when he cites Greenspan's objections to ideas of investing public pension funds in Wall Street (Greenspan also, of course, complained that it would lead to political interference in the market).

If one is quite sure that socialism will already have arrived by the time one reaches retirement age, then there is no point in joining a pension scheme since, almost by definition, a socialist society will give decent pensions to all. But those confident of this have dwindled to insignificance. Paradoxically—and this time it is a paradox embraced by my own approach—it could well be that it is only when all employees acquire a collective stake in capitalist private property through retirement provision that they will find themselves probing the limits of capitalism as a social regime. What I envisage here is, of course, not a smooth escalator to social responsibility and justice, but a new type of social and class struggle over the nature of the regulations and institutions which define the regime of accumulation.

My argument in NLR 233 was framed by the observation that any hope of imposing a socially progressive logic on European monetary union would be lost without vigorous measures of macro-regulation, for which a new pensions regime would furnish a powerful lever (as Keynes pointed out in his essay on 'How to Pay for the War'). Soon afterwards, the fate of Oscar Lafontaine offered us a vivid illustration of the obstacles to such macro-management, and in part it is the climate of general drift since then that has led to lack of confidence in the euro. Events have already shown the dangers of neglecting a potential tool of macroeconomic regulation that is peculiarly adapted to conditions of globalization.

Instabilities

Jacot refers scathingly to the alarmist projections so often broadcast by advocates of pension privatization. In societies still afflicted by mass unemployment they try to make our flesh creep at the idea that there will not be enough workers to do the jobs available; while in countries with restrictive immigration codes they ignore the ease with which more generous policies towards immigrants could make up for any eventual shortfall. But such valid criticisms should not lead us to neglect the advantages of foresight and planning. Thus China should certainly ponder the implications of a future demographic structure in which the proportion of older people is rising steeply while that of younger people shrinks. Nearly everywhere, socially-regulated investment funds would help to reduce the burden of public debt on future generations while fostering a more progressive and sustainable pattern of economic growth.

In the West, a combination of demographic shift and commercialized pension provision could aggravate economic instability, in ways to which proponents of pension privatization are blind. For the rise of pension funds sets in motion tidal waves of cash flowing through them, with hugely distorting effects on share-prices. In one demographic phase a surplus of contributions over payments is likely to foster a stock-market bubble. But once baby-boomers begin reaching retirement age, fund managers will need to become net sellers to finance their pension commitments. Thus unless vigorous steps are taken to counter-act this automatism, demographic shocks will be fed through into the financial system, adding a further layer of instability to it. In my original article I cited the anxiety of an experienced former fund manager at this prospect.² More recently Jan Toporovski, studying the institutional basis of today's asset inflation, found that pension funds have contributed greatly to Ponzi dynamics in capital markets, which now abound in speculative constructions that resemble pyramid selling schemes.³ There is also now a considerable literature tracking the evidence of a clear link between demographics and stock market prices, mediated by pension funds. Thus Mosebach and Najand estimate that in February 1997, 65 per cent of all US full-time employees participated in a 401 (k) plan or its

² Malcolm Crawford, 'The Big Pensions Lie', *New Economy*, Spring 1997, pp. 38–44.

³ See Jan Toporovski, *The End of Finance: Capital Market Inflation, Financial Derivatives and Pension Fund Capitalism*, London 2000.

equivalent, and that this implied a total investment of some \$266 billion annually with penalties for any early withdrawal, a level at which there was a significant inflationary impact on share prices.⁴

Equities and bonds

While there is a strong case for pension funds investing in equities—a case that could be very strong in the aftermath of a crash—the current dearth of alternatives in the UK is pushing the fund managers to over-reliance on this type of asset, even on standard assumptions. Gerald Holtham, economic adviser to the Norwich Union, has lamented the scarcity of long-term public bonds and has proposed that the British government float a series of bonds maturing in 25 or 30 years to underwrite improvements in health and education.⁵ Billions of needed investment in the railway system could be raised in the same way, and such bonds could be sold at preferential rates to pension funds which were owned by their members, which gave formal representation to them, accepted social priorities, and held most of their assets for, say, at least five years. Naturally, such arrangements are not going to be contemplated by the Blair government. But it is enough to sketch them to see that social property could be used as a lightning rod to earth otherwise menacing storm clouds of speculative capital. The element of public subsidy would be designed to ensure that those funds shouldering the burden of social investment were not penalized by lower returns.

Jacot points to similarities between my proposals and those made by Michel Aglietta. I was happy to acknowledge a degree of overlap because I was well aware that my proposals could be thought naively to underestimate the systemic logic of capital. Thus so-called 'ethical' investment funds, which abstain from speculating in corporations which produce arms, or practice discriminatory hiring practices, or condone dangerous industrial processes, could still find themselves complicit in other social evils or even in these very same practices further down the supply chain. Or they could even find their initiatives counter-productive, simply

⁴ Michael Mosebach and Mohammed Najand, 'Are structural changes in mutual funds' investing driving the US stock market to its current level?', *Journal of Financial Research*, Fall 1999, p. 318.

⁵ Gerald Holtham, 'Why the government needs to borrow more, not less', *Guardian*, 16 August 1999. I have further thoughts on Britain in 'How to Restore Collectivism', *New Statesman*, 14 January 2000.

opening up opportunities for less scrupulous investors. What interested me in Aglietta's argument was that he thought it realistic to propose new principles which might structure the market as a whole while not being subordinate to its logic. As it happens, the measures I propose are more far-reaching than any actually specified by Aglietta and they are not bound, as perhaps his are, by an insistence that capitalist institutions are now impregnable and can only be restrained rather than replaced. The institutional innovations envisaged would be considerable, so I am likewise encouraged by the fact that an authority such as Peter Self has proposed that 'superannuation funds' should be made available for 'longer-term investments which would yield environmental benefits (such as more durable products or energy savings), or which would make a socially informed use of the many new and disturbing inventions (such as genetic engineering) which would otherwise be left to commercial exploitation.'⁶

I am glad that Henri Jacot noted my observation that any reform of pension funds aimed at making them engines of self-management should take heed of the experiences of each country and in particular of the different historic forms of its social achievements. It would be absurd to introduce Anglo-Saxon-style individualized pension plans to a country where they were unknown, only to reform towards a more collective model. One of the strengths of Meidner's famous plan for wage-earner funds was that it grew out of Swedish conditions. An interesting aspect of current debates in Venezuela about the role of pension funds is the way they are seen as appropriate vehicles for channelling the country's oil wealth into social reconstruction.⁷ It is usually not difficult to see how a funded approach to retirement provision can be used to strengthen existing public or social systems of administration. These issues are now sharply posed in France, where the employers have announced that they are withdrawing from a pension system they have jointly administered with the trade unions since 1945.⁸ The French trade unions will certainly wish to defend the gains represented by this system. But if the joint commissions had the backing of an accumulated social fund with its

⁶ Peter Self, *Rolling Back the Market: Economic Dogma and Political Choice*, Basingstoke 2000, pp. 215–6.

⁷ For this, see Richard Gott, *In the Shadow of the Liberator* (forthcoming), Verso: London 2000.

⁸ For a laudatory report in the business press, see Robert Graham, 'An End to Patronage', *Financial Times*, 20 January 2000.

own pattern of investments, this would surely strengthen their ability to withstand threats from the employers.

When faced with such direct challenges to today's pension provision, it may seem a luxury to dream up schemes for funds which will only deliver in the medium or long term. But actually the tying together of pension funds, social objectives and fiscal reforms has a logic that would help us not only to honour current pledges for retirement, but also to provide decent pensions to those, like many women, who do not qualify for even the supposedly 'universal' full state pensions because they lack the requisite contribution records. Obviously state pensions should be paid at proper rates—say at least 50 per cent of average earnings—to all those over 65 or 70, regardless of their contributions. But henceforth contributions should be placed in a special fund and not diverted, as is presently the case in both the UK and the US, to general government expenditure. Since such contributions would then count as savings they would leave room in the public finances for more generous treatment of today's pensioners; and while expanding current options, they would at the same time reduce claims on future streams of wealth from rentiers and capitalists. Thus flagging aspirations to redistribute income can be revived by redistributing capital. Jacot worries that this means neglecting the sphere of production. But what it actually means is recognizing, as Harry Shutt and Jim Stanford have argued so persuasively, that in an era of globalization the sphere of production is mortgaged to that of global finance.⁹ The implication is that without a socialization of investment mechanisms there can be no socialization of production.

⁹ See *The Trouble with Capitalism*, London 1998; and *Paper Boom*, Toronto 1999.

LUISA PASSERINI

DISCONTINUITY OF HISTORY
AND DIASPORA OF
LANGUAGES

Eve in the garden of Eden, after unnamng the animals Adam had named: 'I had only just realized how hard it would have been to explain myself'. Ursula LeGuin, *She Unnames Them*

TIMOTHY BEWES'S review of my book *Europe in Love, Love in Europe* in NLR 236 has helped me to rethink some of the presuppositions and implications of my work, against a background of *ego-histoire*. I am grateful for this. Having been a pupil of Norberto Bobbio in my youth, and followed his work more or less consistently thereafter, I have learnt that no historian can avoid incorporating a philosophy of history, tacit or explicit, into their work. This philosophy can be unsystematic and eclectic, but it will inform the architecture and approach of the historian, and define what is considered historically significant.

Let me make explicit what is often, although not always, implicit in my own recent work. I willingly admit that it is guided by a belief in the discontinuity of history. For I am convinced that a primary task of the historian today is to avoid the exclusive pretensions to continuity of traditional narratives, which filled in all gaps and ignored everything that did not fit the writer's paradigm—without acknowledging its omissions. This kind of continuous narrative is still with us today. It purports to establish or explain sequences of events in terms dominated by politi-

cal and economic forces, while excluding aspects that matter a great deal—to some of us—such as subjectivity or daily life, and ‘subaltern’ figures such as women. Claims to continuity between present and past have often been the basis for ideological appropriation of terms and concepts, and the self-legitimation of the historian. A recent example is the presumption by some members of the French intellectual Right of an unbroken continuity of values from Aristotle to Maastricht. But even innovative and progressive historiography still often relies on traditional continuous narratives, which do justice neither to leaps in history, nor to the new domains and subjects studied by historians.

Discontinuities and temporalities

The idea of discontinuity of history means in the first place an alternation of repetitions, developments and sudden complete breaks. It is also a methodological safeguard of the distance between history and historiography—in other words, between the experience of humanity and the itineraries of the historian. I believe that in the writing of history the representation or *Darstellung* never reproduces the *Genesis* of the phenomena to be studied—a lesson learnt from Marx. Discontinuity further suggests the distance between the intentions of subjects and the outcomes of history, which notoriously proceeds by its bad side. It denotes, too, the coexistence of the times of the particular (as studied by micro-history) and of the general (macro-history). That the particular cannot be reduced to an example of the general is something most historians have yet to understand or accept. Finally, discontinuity indicates the dialectical way in which the same phenomenon may possess two opposite values and implications in the same period, of conservation and subversion—an example would be groups in the 1930s like *Ordre Nouveau* or *New Europe*. I have reached these conclusions from my practice as a historian, but also from my reading of philosophers of history such as Horkheimer or Benjamin.

Hence too the crucial importance, in my view, of psychoanalysis. Its findings—or more accurately, the findings of some Freudians, some Lacanians and some Jungians—enlarge and deepen the possible range of historical research. They remind us that many processes have semi-conscious or unconscious dimensions; that diachronic forms of development are marked by all kinds of associations and circularities; and that the link between historical events and processes is often not at all that of a

cause to an effect, but of a symptom to an 'illness'—that is, of a sign whose relation to what it hides or reveals is indirect and oblique. Similar presuppositions are, of course, shared by other disciplines such as semiotics—no wonder, since language is here the common focus of attention. In fact, it is strange that historians have so often forgotten that they deal largely with words and not immediately with facts. Acknowledgement of the unconscious dimensions of history involves not only a more complex view of issues of subjectivity, but also procedures of interpretation that try to find the hidden substrata of source-texts—the ground where psychoanalysis meets literary criticism. In this sense, the gaps, voids and discontinuities of history are also the risks that subjects take in attempting to become masters of their lives and times, or interpreters of them. The continuity of the subject is neither guaranteed nor given—it is a possibility that is always in question; and this element of risk should be reflected in a historical narrative. We need to take account of the silences and oblivions of history, its ironies as well its tragedies. Irony, like laughter, is a royal road to the unconscious.

Generational shift

It should be clear, then, that the task of the kind of historical writing to which I am committed is not to pursue—or construct—direct links between past and present, but to study traces of various kinds of the past with the utmost philological attention to them and their contexts, in search of strands which have gone unseen or ignored, or become forgotten. Our aim will be new visions of the past, founded certainly on primary and secondary sources, but likely to be at odds with current opinions of what is historically significant. It should also be plain why cultural processes are of such crucial interest. The shift of so many historians of my generation from social to cultural history—it includes myself—does not necessarily imply lack of interest in older questions, such as: what is a revolutionary subject, or how can we help it towards self-awareness and recognition. But it reformulates them drastically. The questions now become: what is subjectivity, as agency of decision and as inherited legacy? How do individuals and groups constitute such subjectivity and become constituted by it? What are the relations between subjectivity and change, and which were the points in history at which different choices could have been made—if we understand the past, in Croce's formula, as the history of freedom, which in my translation is another way of denying the absolute privilege of 'what actually happened'.

I thought that much of this was implicit in *Europe in Love*. Why did I not make it explicit? Partly because much of this is familiar, if not widely accepted, and partly because we still lack a collective understanding of the reasons why a generation of scholars on the Left moved from Marx to Bakhtin, from Sartre or de Beauvoir to Camus, from the instruments of political economy to the eclecticism of cultural studies, with its various methods and techniques, including textual analyses that owe much to structuralism. Reciprocal accusations of renegacy or pan-politicism bring no light to this problem. But reading Timothy Bewes I realize how extreme the diaspora of languages has become within what was once the Left, even the New Left. What we seem to face is a break-down of any common tradition or transmission of meanings between political generations. That suggests not only a multiplication of different intellectual languages, but great difficulty in translation between them.

Burckhardt and Hobsbawm

I say this, since Timothy Bewes at one point argues that I put ‘the greatest possible distance between myself and the philosophy of history, the grandest, and malest, of historical approaches’, yet at another taxes me with historicism—here, supposedly, a position outside history. He goes on to propose Burckhardt (puzzlingly cited from a secondary source) as an inspiration for my thinking about history and culture: Burckhardt, for whom the origins of European modernity lay not in Provençal culture but the Renaissance, who rejected the ‘impressionism’ of the Romantics, and insisted that historians must make moral judgement. As it happens, despite all this, I would not reject Burckhardt as an antecedent in every respect, since he did after all refuse to consider the present as the ‘consummation of all times’. On the other hand, one historian I have taken as an inspiration is Eric Hobsbawm, whose attitude to the past Bewes counterposes to mine. *Si parva licet componere magnis*, I can say that while there is indeed a great gulf between my kind of exposition—deliberately fragmentary in *Europe in Love*: it does not (for example) offer any new interpretation of the Spanish Civil War—and Hobsbawm’s, since he does construct the sort of continuous analytic narrative I was referring to, this should not obscure the fact that his work was very important in my own formation. I not only read his books, but translated one of them—the Italian edition of *Labouring Men*. Between such work and mine, or that of some of my contemporaries, I see the mixture of continuity and discontinuity that typically unites and divides different

intellectual generations. Changing forms of historical expression are an important aspect of such conflictual bonds.

Among dozens of examples of the lack of congruence between the meanings I attach to words, and those given them by Timothy Bewes, let me simply cite a few. I do not read the journal *New Age* as 'spiritualist'. I do not define Burckhardt as 'ahistoricist'. I do not advance a gendered distinction between a feminine Europe of life and a masculine Europe of death. I would never use phrases like 'purely historical', 'purely theoretical' or 'purely political', since they strike me as illusory and prejudicial. I deny that 'culture' in any of my books 'means poetry', although it certainly includes it—but what about psychoanalysis, which Bewes does not mention at all?—let alone that 'politics means Mosley and Hitler'. I will not attempt to refute any of this. I am simply pointing out radical differences in understanding between two well-intentioned subjects, cast in the respective roles of author and reviewer.

So far as 'historicism' goes, what I mean by this term is either the line of thought that connects Gramsci with Croce and Hegel, or that which runs from Ranke and Droysen to Dilthey and Meinecke. For Bewes, by contrast, historicism seems to indicate just a 'refusal to draw comparisons between the Europe of 1939 and that of 1999'. Once defined in this way, it easily turns into something called 'ahistoricism', that Bewes then equates with Eurocentrism. He forgets the attack by the *Annales* school—in some ways an inspiration for my work—on historicism and its characteristic forms of narrative; and ignores what is actually the defining feature of historicism, the assumption that any particular aspect of reality can always be subsumed under higher forms that place it within some vaster conception of reality as a whole. This procedure strikes me as the exact opposite of the charge Bewes lays against me in *Europe in Love*.

Bewes's alternative to 'historicism', as he understands it, would yoke together history and politics, past and present, subject and the object of discourse. We can see this from the way he often assumes that I share the views of those whom I study. Thus he can write: 'Blair shares Passerini's vision for the future of international relationships, as couched in the rhetoric of the New Europe Group. The NEG, she writes, preferred to "visualize Europe as a great political and cultural family".' It is a novelty for me to be suspected of taking the family as a model for anything.

Where we do agree factually, if from opposite judgements of value, is at the point when Timothy Bewes remarks that in the way I read my sources, ‘there is no possibility of mobilizing them as any sort of solution to our own political malaise’, for the stories I tell in *Europe in Love* ‘seem to have no persuasive purpose, and are, in effect, required to be their own justification’. I would, indeed, never think of ‘mobilizing’ the individuals and groups I study in my historical work in the service of any solution for my own political malaise—which in some way I perhaps share with Timothy Bewes. I do not consider this to be a task of the historian. In fact, I see it as dangerously close to the *attualizzazione*—‘updating’—of history by philosophy advocated by Giovanni Gentile, which inevitably leads to ahistorical, if not outright anti-historical, versions of the past.

Utopians and good Europeans

Bewes is therefore right that I accord no priority to current political concerns, such as might be posed by the Labour Party in Britain, in my historical work. Actually, I believe that a certain engagement in the cultural field is a way of contesting current forms of—especially European—politics, of keeping alive a memory of what politics might be, and a hope that something worthy of its name may reappear in other forms. In that sense, I can see no similarity—rather, the deepest of differences—between the ‘lover’s discourse’ conceived by Roland Barthes, which I try to translate into historical terms, and the sentimental jargon of the media employed by the British Prime Minister. Barthes’s discourse has nothing to do with the cult of life- (or death-) styles of pop stars. It is fragmented and solitary, and ‘untimely’ in a Nietzschean sense: unfashionable and possible only in the interstices of the existing order. It is not identical with the Provençal discourse of love, although it has a memory of it. It projects itself towards a possible future, that can at any step be check-mated. Frank Thompson, by the way, understood both. He had experienced a traditional form of impossible love, and expected in a future Europe to be able to find a different kind—a hope shared by some poets of the Spanish Civil War. Yes, this was utopian. But it was so not in the sense of a ready-made scheme projected onto the real world, but rather as a criticism of existing conditions springing from an intuition of changes potentially immanent in the present.

So too today, I see a great difference between the official rhetoric of humanitarian Europeanism espoused by our leaders, and my suggestion that we try to sketch an identification with Europe that passes through a critique of all forms of Eurocentrism. There is no space here to develop arguments I have set out elsewhere,¹ but let me indicate a few basic points. The generation of 1968 has begun, slowly and unsteadily, to move towards what I call a 'last identification' with Europe. The reasons for this are complex, but I believe they include the following:

- ▶ a discovery of the cultural dimensions of public action, beyond or apart from strictly political engagement, and a recovery, through works of cultural history, of the utopian dimensions of the idea of Europe, which were strong in the inter-war period, and then temporarily annihilated by the Second World War;
- ▶ a lasting attachment to internationalism, now aware of the need to move one step at a time in search of intermediate forms, between the sorts of belonging possible today, and a future horizon conjured up by that lovely metaphor, 'citizens of the world';
- ▶ a sense of reconciliation with the generation of the Resistance, and above all with its liberal-socialist wing, represented in Italy by Gobetti and the Rosselli brothers—a tradition with a very strong sense of European culture and identity (Communism, apart from a few slogans in Lenin and isolated Trotskyist currents, was never Europeanist).

In my own research, I seek to trace elements that have determined identity in Europe, in a recent or remote past, on the 'left' or the 'right', by reconstructing historically what people have believed it meant to be European. My intention is to pass through these determining elements and to abandon them, drawing awareness from them along the way, not as examples, but as terms of comparison. In this itinerary I am determined to give up continuity. It is impossible to derive a linear path from the Greeks to Maastricht without counter-productive violence

¹ I take the liberty of referring to two essays of mine: 'The Last Identification: Why Some of Us Would Like to Call Ourselves Europeans and What We Mean by This', in *Europe and the Other and Europe as the Other*, edited by Bo Strath, Brussels 1999; and 'From the Ironies of Identity to the Identities of Irony', in *The Idea of Europe. The Politics of Identity from Antiquity to the European Union*, edited by Anthony Pagden, Cambridge forthcoming.

to the record. It is better to think of Europe primarily as a space whose coordinates have shifted in different directions in different periods, and in which there lies between one cultural phenomenon and another, or one historical idea and another (each to be understood as premisses, even if *ex negativo*, of our quest), a Kierkegaardian abyss and leap, both in the short and long run. What we find in our research are points punctuated by ruptures, contradicted by what is 'other' than themselves, without fixture.

In this respect, I would like to recall one of the thinkers who has most influenced my view of these questions. Nietzsche's ironic portrait of the 'good European'—wandering, clownish, unstable, without fatherland—still saw this figure as stumbling somewhere beyond the 'men of fatherland', obsessed by their own nations and nationalisms. It is such ambiguities a historian should respect. Rather than generating simple dichotomies, my hope is to propose new configurations and connexions. I will gladly put on my bill—if I may use an Italian phrase—the possibility of failing in this task.

So although I believe we must not understate the distances between historical and political discourses, this does not mean I wish to be distant from today's Europe and its wars. Incidentally, we cannot speak of the conflict in Kosovo as 'the first European war for fifty years', since wars have been raging in what was once Yugoslavia for ten years now. In these, I refuse to consider only Blair and not Milošević too as responsible for massacring fellow Europeans. Within the framework of an international women's organization against the censorship of women's voices, I have begun a project to collect the life-stories of women in Kosovo—from every group: Albanian, Montenegrin, Rom, Serbian—to help create an archive of their memories. What has struck me is how many of them, while they express scepticism or bitterness at the long immobilism of Europe towards their region, also give voice to a desire to be recognized as Europeans themselves, in a full sense. It is this desire—and not only the wars—that reminds us we are a long way from being 'all Europeans now'.

TIMOTHY BEWES

SQUEAMISHNESS AND SCHOLARLY RIGOUR

LUISA PASSERINI is committed to a method that looks at ‘the silences and the oblivions of history’ as closely as, or more closely than, the manifest continuities. Her response to my review of her book *Europe in Love, Love in Europe*, like the book itself, is fascinating and illuminating as much for what it omits as for what it states explicitly. The clarification that she offers of the methodological assumptions of her style of cultural history is very welcome, and I am glad to have this opportunity to respond to it. Passerini is an authentic and rigorous scholar; her theoretical consistency is unquestionable, as demonstrated in her reply above; and her refusal to wrench the subjects of her research violently out of context is irreproachable. Scholarly propriety is, in fact, the principal theme of her response; thus her ‘puzzlement’ at my quotation of Burckhardt from a secondary source should certainly be read as a polite reproach.

Less nuanced is the charge that I have ascribed to the author views held by the objects of her study. Interestingly, I am not the only reviewer of *Europe in Love* to have been criticized by Passerini for this.¹ Furthermore, she claims, I have ignored the importance to her work of psychoanalysis, which enables, indeed obliges us to read historical phenomena less in terms of cause and effect than as symptoms of metaphorical ‘illness’. Finally, she objects to my use of the terms ‘historicism’ and ‘ahistoricism’—in particular, to my suggestion that her diligence in treating historical traces with ‘the utmost philological attention to them *and their contexts*’ is pursued with such excessive rigour that it leads, in effect, to ahistoricism, that is, to the presumption to speak from a position outside history. Such an idea, Passerini intimates, testifies to ‘the break-

down of a common tradition' which, with characteristic generosity—or is it excessive historicism?—she attributes to the 'diaspora of languages' within different generations of the Left.

The term 'historicism', as is clear from her response, is indeed used by Passerini and myself in quite different senses. Raymond Williams distinguishes (at least) two usages: the first, positive, denotes 'a deliberate emphasis on variable historical conditions and contexts, through which all specific events must be interpreted'. This is the sense in which I have used it, in relation to cultural history in general and what I take to be Passerini's methodology in particular. The second, hostile sense, associated with Karl Popper's assault on Marx and Hegel, refers to 'forms of interpretation or prediction by "historical necessity" or the discovery of general "laws of historical development"'.² As Passerini notes, it is the opposite of this that I criticize in *Europe in Love*. Thus—*si parva licet* etc.—I am not at all sure that the 'discontinuities' between Passerini and myself, a generational break and/or different intellectual traditions, are as significant as she thinks they are.

The rationale for resuscitation

After all, Passerini virtually concedes that *Europe in Love* advances no explicit argument as such, adding that to 'mobilize' characters from history as political solutions in the present is potentially dangerous. I would agree that such caution is justified, as is her reluctance to condemn, with casual hindsight, the fascist sympathies of her subjects. What then is the role of the historian for Passerini? What, in particular, could be the rationale behind her scholarly interest in a collection of largely forgotten, often unattractive or even politically reprehensible figures? This is a question I posed in my original review, but the only answer Passerini offers here is entirely negative, no less so for its symptomatic use of the indefinite article: 'a primary task of any historian today' she writes, 'is to avoid the exclusive pretensions to continuity of traditional narratives'. The reason for resuscitating Mitrinovic et al., in other words, is nothing other than the fact of their current obscurity. Is it any wonder that review-

¹ See for example Robert Tombs's review of *Europe in Love, Love in Europe* in the *Times Literary Supplement*, 6 August 1999, and the subsequent exchange between Passerini and Tombs, 22 October 1999 and 29 October 1999.

² Raymond Williams, *Keywords: A Vocabulary of Culture and Society*, London 1983, p. 147.

ers, desperate to locate a position in—or a point to—Passerini’s project, have assumed that her vision for the future, unstated and implicit as her methodology requires it to be, might nevertheless have something to do with the views of the characters whom she champions in the book? The rediscovery and sympathetic portrait of the little known communist partisan Frank Thompson, executed in Bulgaria in 1944—the elder brother of the historian E. P. Thompson—is one of the real achievements of Passerini’s book. With her refusal to harness Thompson for our times, however, one is led to conclude that the real object of her study is the fetishized methodology itself.

In this respect, I would argue, Passerini’s anxious concern for methodological propriety verges on the squeamish. She is dismayed at the prospect of what Heidegger calls *Zuhandenheit*, literally ‘readiness-to-hand’, instrumentality, or (Lucien Goldmann’s translation) *la manipulabilité*.³ Yet this revulsion, theoretically founded as it is, leads her towards an intellectual position disconcertingly similar to what is called, in non-academic circles, ‘hedging’.

This is most apparent in the question of Passerini’s ‘antecedents’. She objects strongly to my comparison of her work to Burckhardt (a comparison which is heavily qualified in the original review), as well as to my contrast of her perspective with that of Eric Hobsbawm—yet she then goes on to qualify her own rejection of Burckhardt, on precisely the grounds that I compared them, and to distance herself from Hobsbawm, on precisely the grounds that I counterposed them! I cannot remember ever reading a sentence that hedges more than the following: ‘between such work and mine, or that of some of my contemporaries, I see the mixture of continuity and discontinuity that typically unites and divides different intellectual generations.’

This is a point that was central to the concerns of my review. Passerini’s book is an ideal object to read ‘symptomatically’—as a text spooked by its own contemporaneity. She reacts with distaste when she is mentioned in the same sub-clause as Blair—yet her preferred ‘lover’s discourse, translated into historical terms’, gives her, and us, no tools to think politically that are distinguishable from suspect official discourses. As Roland

³ Lucien Goldmann, *Lukács and Heidegger: Towards a New Philosophy*, London 1977, p. xviii.

Barthes writes, 'the lover speaks in bundles of sentences but does not integrate these sentences on a higher level, into a work'.⁴ Passerini is faithful to this method of proceeding. The problem is simply the difficulty of invoking her fragmentary narratives in the developments of an accessible political position. That it is 'impossible to derive a linear path from the Greeks to Maastricht' is undeniable. But need this mean 'abandoning' every historical determination of European identity, leaping across an 'abyss' between all certainties? It seems a politically defeatist conclusion.

In her reply, Passerini mentions Nietzsche as another of her antecedents. Yet Nietzsche too, in his essay on history, warns us against a trap into which Passerini risks falling. *An excess* of the historical sense, he writes, 'makes its servants passive and retrospective; and almost the only time the sufferer from the fever of history becomes active is when this sense is in abeyance through momentary forgetfulness'.⁵ There comes a point, he says earlier in the same text, when 'the past has to be forgotten if one is not to become the gravedigger of the present'.⁶ For all its theoretical rigour, Passerini's work cannot bring itself to pronounce on the present, nor indeed on the past. Her parsimony, which refuses to 'generate dichotomies', ends up by underwriting the very world she wants to question, on the basis of possible 'new configurations and connexions'. Her decision to leave these implicit is a corollary of her method—for there are no new configurations to emerge out of the morbid solitude of the lover.

It may be, of course, that our disagreements can be put down, as Luisa Passerini seems to wish, to mistranslations, heterogeneous intellectual traditions or different, 'well-intentioned' subjectivities. The trouble with such a resolution is that, like the solitary lover's discourse, it remains unverifiable. Nevertheless, if my discussion of Luisa Passerini's work has been affected by any miscomprehension, or discrepancies of historical situation, I will happily pick up the bill.

⁴ Roland Barthes, *A Lover's Discourse: Fragments*, trans. Richard Howard, Harmondsworth 1990, p. 7.

⁵ Friedrich Nietzsche, 'On the Uses and Disadvantages of History for Life', in *Untimely Meditations*, trans. R.J. Hollingdale, Cambridge 1983, p. 102.

⁶ *Ibid.*, p. 62.

Luc Boltanski & Ève Chiapello, *Le Nouvel esprit du capitalisme*
 Gallimard: Paris 1999, 195 Fr (hardback)
 843 pp, 2 07 074995 9

SEBASTIAN BUDGEN

A NEW 'SPIRIT OF CAPITALISM'

Politically, France is moving at the governmental level in much the same direction as the rest of Western Europe. Behind official rhetoric, the Jospin regime has accelerated privatizations (more public assets have been sold off than under the Juppé government), take-overs and cuts in social spending. The establishment press, after mourning the fall of 'modernizing' Finance Minister Strauss-Kahn on corruption charges, welcomes the reassurances of his successor Sautet that there will be no change of course. As in Britain, the Right is paralysed by rancorous internal disputes, and the official political scene devoid of any effective opposition. Intellectually, however, neo-liberal hegemony is weaker than elsewhere. Open advocacy of *la pensée unique*—the homologue of Anglo-Saxon TINA—has now become rarer. A generalized sense of discontent, of impatient and puzzled indignation, has found expression in a range of publications that have found a mass market. Publishers continue to find, rather to their surprise, that books denouncing the free market, globalization, labour flexibility, poverty and inequality are best-sellers. These are not mild sedatives of the sort produced in Britain or America by Will Hutton or Robert Reich. *La Misère du monde*, edited by Pierre Bourdieu, has sold 80,000 copies; *L'Horreur économique* by Viviane Forrester 300,000; *L'Imposture économique* by Emmanuel Todd, 50,000; *Ah! Dieu que la guerre économique est jolie* by P. Labarde and B. Maris, 70,000. Serge Halimi's merciless attack on sycophancy in the media, *Les*

Nouveaux chiens de garde, has been another spectacular success. However powerful conformist reflexes remain—with rare exceptions, reactions to NATO's blitz in the Balkans were no advertisement for Gallic intellectual independence—the moral climate has moved some way from the enthusiastic self-abasement and all-out Americanization of the eighties.

The appearance of *Le Nouvel esprit du capitalisme* by Luc Boltanski and Ève Chiapello is the most important event of the turn so far. This massive book is an astonishing combination—an ideological and cultural analysis, a socio-historical narrative, an essay in political economy, and a bold piece of engaged advocacy. Like two experienced rally drivers, Luc Boltanski and Ève Chiapello take the reader on a dizzying theoretical tour of the past thirty years, at each point where one fears that they might skid off the road with a gross generalization or incautious formulation deftly turning the wheel with an astute qualification or a whole new level of conceptualization. The work has been widely perceived as likely to become a classic.

Boltanski—of the same generation as Bourdieu, with whom he was once associated—is a sociologist who first came to public prominence with the work he co-authored with Laurent Thévenot, *De la justification*, a sophisticated and sometimes abstruse study of the different intuitive notions of justice people bring to their encounters with the world of social relations and objects. Associated, via Thévenot, with economists concerned with the conventions of market exchange—criticized by some for 'harmonicism'—Boltanski confesses a primary debt to Albert Hirschman, to whom *Le Nouvel esprit* is dedicated. Chiapello, by contrast, is a young instructor at a business school, whose first book was on the relationship between artists and managers. An established sociologist and a youthful management theorist do not make an obvious couple for a ferocious critique of contemporary capitalism. But this is, among other things, what *Le Nouvel esprit* delivers.

Its starting point is a powerful statement of indignation and puzzlement. How has a new and virulent form of capitalism—they label it a 'connexionist' or 'network' variant—with an even more disastrous impact on the fabric of a common life than its predecessors, managed to install itself so smoothly and inconspicuously in France, without attracting either due critical attention or any organized resistance from forces of opposition, vigorous a generation ago, now reduced to irrelevancy or cheerleading? The answer to this question, Boltanski and Chiapello suggest, lies in the fate that overtook the different strands of the mass revolt against the Gaullist regime in May–June 1968. There have always been, they argue, four possible sources of indignation at the reality of capitalism: (i) a demand for *liberation*; (ii) a rejection of *inauthenticity*; (iii) a refusal of *egoism*; (iv) a response to *suffering*. Of these, the first pair found classic expression in bohemian milieux of the late nineteenth century: they call it the 'artistic critique'.

The second pair were centrally articulated by the traditional labour movement, and represent the ‘social critique’.

These two forms of critique, Boltanski and Chiapello argue, have accompanied the history of capitalism from the start, linked both to the system and to each other in a range of ways, along a spectrum from intertwinement to antagonism. In France, 1968 and its aftermath saw a coalescence of the two critiques, as student uprisings in Paris triggered the largest general strike in world history. So strong was the challenge to the capitalist order, that at first it had to make substantial concessions to social demands, granting major improvements of pay and working conditions. Gradually, however, the social and the artistic rejections of capitalism started to come apart. The social critique became progressively weaker with the involution and decline of French communism, and the growing reluctance of French employers to yield any further ground without any return to order in the enterprises or any increase in dramatically falling levels of productivity. The artistic critique, on the other hand, carried by libertarian and ultra-left groups along with ‘self-management’ currents in the CFDT (the formerly Catholic trade-union confederation), flourished. The values of expressive creativity, fluid identity, autonomy and self-development were touted against the constraints of bureaucratic discipline, bourgeois hypocrisy and consumer conformity.

Capitalism, however, has always relied on critiques of the status quo to alert it to dangers in any untrammelled development of its current forms, and to discover the antidotes required to neutralize opposition to the system and increase the level of profitability within it. Ready to take advantage of even the most inhospitable conditions, firms began to reorganize the production process and wage contracts. Flexible labour systems, sub-contracting, team-working, multi-tasking and multi-skilling, ‘flat’ management—all the features of a so-called ‘lean capitalism’ or ‘post-Fordism’—were the result. For Boltanski and Chiapello, these molecular changes were not simply reactions to a crisis of authority within the enterprise, and of profitability within the economy, although they were that too. They were also responses to demands implicit in the artistic critique of the system, incorporating them in ways compatible with accumulation, and disarming a potentially subversive challenge that had touched even a younger generation of managers who had imbibed elements of the ‘spirit of 68’.

Capitalism is conceived here, in Weberian fashion, as a system driven by ‘the need for the unlimited accumulation of capital by formally peaceful means’, that is fundamentally absurd and amoral. Neither material incentives nor coercion are sufficient to activate the enormous number of people—most with very little chance of making a profit and with a very low level of responsibility—required to make the system work. What are needed are justifications that link personal gains from involvement to some notion of the common good. Conventional political beliefs—the material progress achieved under this order, its efficiency in meet-

ing human needs, the affinity between free markets and liberal democracy—are, according to Boltanski and Chiapello, too general and stable to motivate real adherence and engagement. What are needed instead are justifications that ring true on both the collective level—in accordance with some conception of justice or the common good—and the individual level. To be able truly to identify with the system, as managers—the primary target of these codes—have to do, two potentially contradictory longings have to be satisfied: a desire for *autonomy* (that is, exciting new prospects for self-realization and freedom) and for *security* (that is, durability and generational transmission of advantages gained).

The title of *Le Nouvel esprit* alludes, of course, to Weber's classic study of the Protestant ethic. Boltanski and Chiapello, however, argue that historically there have been three successive 'spirits of capitalism'. The first took shape in the nineteenth century. Its key figure was the Promethean bourgeois entrepreneur, a captain of industry with every capacity for risk, speculation and innovation—offset by determination to save, personal parsimony and austere attachment to the family. By the inter-war period, however, this model came to be felt as outmoded. Between 1930 and 1960, there emerged a new figure—the heroic director of the large, centralized, bureaucratic corporation. The dream of young planners became to change the world through long-term planning and rational organization, linking self-realization and security, as plotted by ascent through a fixed career structure, with the common interest of satisfying consumers and overcoming scarcity. In turn, the crisis of 1968 dealt a deathblow to this spirit of capitalism, discrediting its forms of justification as archaic and authoritarian fictions, with less and less bearing on reality (degrees no longer a guarantee of a stable career or pensionable future, etc.).

To mobilize sufficient human energies for it to survive and expand, the system now needed a third 'spirit'. This is the specific object of the enquiry Boltanski and Chiapello undertake, following the example of Sombart and Weber, through a comparative analysis of management texts from the 1960s and 1990s. These are prescriptive texts, that aim to inspire their target audience by demonstrating that the techniques they recommend are not only exciting and innovative, but also compatible—beyond mere profits—with the greater good. The contrast between the two periods is striking.

In the 1960s, management literature was constitutively troubled by the discontents of managers and the problems of running giant corporations. It offered to solve these by decentralization, meritocracy and limited autonomy for managers, without loss of overall control. Most feared was any survival of patriarchal or familial taints among employers (favouritism, nepotism, confusion of the personal and professional), that might compromise the rationality or objectivity of the management process as a whole. By contrast, the literature of the 1990s rejected anything that smacked of hierarchy or top-down control, as uneconomic in transaction costs and repugnant in moral overtones. The key tropes of such

texts now became the permanence of change and the ever-increasing intensity of international competition (the ‘threat’ of Asia or the Third World replacing the East–West conflict of the Cold War years), encapsulated together in the master-term of globalization. The central organizational figure of the contemporary world becomes the ‘network’. Indeed, so rhizomatic has management literature become that Boltanski and Chiapello almost suggest, in mischievous mood, that Deleuze and his followers could be taken for management gurus rather than anti-establishment philosophers. The flexible network is presented as a distinct form between market and hierarchy, whose happy outcomes include *leanness* of the enterprises, *team-work* and *customer satisfaction*, and the *vision* of *leaders* or *coordinators* (no longer managers) who *inspire* and *mobilize* their *operatives* (rather than workers). The ideal capitalist unit is portrayed as a self-organized team that has externalized its costs onto sub-contractors and deals more in knowledge and information than in manpower or technical experience.

Charisma, vision, gifts of communication, intuition, mobility and generalism become the ideal traits of the new leaders—dressed-down, cool capitalists like Bill Gates or ‘Ben and Jerry’ (particular targets of the anger of the Seattle protestors), who refuse to surround themselves with the formal trappings of bureaucratic authority. For in the ‘liberated enterprise’, control has become internalized in each employee, who ‘shares the dream’ of the leader, and externalized in the customer (‘the client is king’) and the pressures of competition. Taylorist separation of design and execution is overcome by integrated tasks of quality control and equipment maintenance, enhancing personal experience and autonomy. ‘Trust’ becomes the general lubricant of a world virtually without bosses, where everyone can realize themselves by involvement in the ongoing ‘project’, and has a chance of becoming a ‘visionary’ of their own dreams.

The downside of this utopian vision is partially conceded by neo-management writers, who note that the freedoms of this new organization of labour come at the expense of the sense of security offered by the more fixed career paths of the second spirit of capitalism. As partial recompense, they sketch a life-pattern of involvement in successive projects that continuously improve one’s ‘employability’ as a form of ‘personal capital’. The brittleness of the new spirit of capitalism shows through here, as it does too in the inordinate importance accorded by this literature to questions of reputation—integrity, sincerity, loyalty and so on: gestures towards personalization that only too clearly hint at the risk of their abuse through deception and opportunism.

Boltanski and Chiapello proceed to outline a model of the new moral framework of this emergent order, whose ideal figure is a nomadic ‘network-extender’, light and mobile, tolerant of difference and ambivalence, realistic about people’s desires, informal and friendly, with a less rigid relationship to property—for renting and not absolute ownership represents the future. By now it should be fairly clear how Boltanski and Chiapello connect the new spirit of capital-

ism with the libertarian and romantic currents of the late 1960s. In however perverted a fashion, the challenge these threw down to *bourgeois society*, as traditionally conceived, have been rendered compatible with a new form of *capitalism*. In the process, the metaphor of the network, originally associated with crime and subversion, has been transformed into an icon of progress, upgraded by favourable discourses in philosophy and the social sciences (Kuhn, Deleuze, Braudel, Habermas, Anglo-Saxon pragmatism, symbolic interactionism and ethnomethodology, among others) as well as in new material technologies of communication and transport.

Such ideological and cultural analyses are then interwoven with analysis of socio-economic transformations and political processes, in a panoramic synthesis far beyond the scope of Weber's originating essay. In chapters devoted to the balance of forces in the enterprise, that have seen a steep decline in an already far from strong French trade unionism, Boltanski and Chiapello insist on the central importance of a reality that mainstream sociology, not to speak of political science, now effaces: social classes. But in accounting for the changes in these years, the weight of their explanation rests neither on conscious collective strategy nor impersonal structural pressures—although they do give consideration to both—but rather on the cumulative effects of many molecular actions leading to unintended or perverse consequences. Thus, the radical critiques of trade unionism and shop-floor representation from the far left after 1968 in the longer run furnished ammunition for an employers' offensive that weakened any chance of resisting the new ways of organizing the labour process; while after the oil shock, and recession of 1974–75, interaction between 'enlightened' employers and sociologists of work helped to neutralize any challenge to managerial prerogatives from below.

In the late 1970s, while the *nouveaux philosophes* were tirading against the evils of Communism, a silent counter-revolution was at work, slowly reversing the balance of power on the shopfloor. This was the decisive phase for morphological changes in the enterprise. But the Socialist victory of 1981 in turn accelerated the process, as the Auroux laws of 1982–83, supposedly strengthening the unions by shifting wage-bargaining to plant level, actually helped the employers to weaken them, while *énarque* economists enforced competitive deflation and former *soixante-huitards* became business consultants. As the social critique of capitalism was abandoned to a discredited PCF by the rest of the Left, former radicals pressed what remained of the 'artistic critique' into the service of various employers' initiatives—naturally, in the name of 'transcending capitalism', but also, thereby, anti-capitalism.

This ideology, however ascendant, could not occupy the whole space of representations in such a polarized society. As classes disappeared from any respectable discourse, the theme of social exclusion emerged as a relatively innocuous substitute. Boltanski and Chiapello trace the way humanitarian impulses in turn

gave rise to new social movements that embody a 'hesitant and modest' revival of the social critique of capitalism: rank-and-file *coordinations* that have mounted a number of strikes in recent years; movements of the *sans*—those 'without' the necessities of modern life, lacking documents, homes, jobs; or the autonomous SUD unions. All these, they argue, are faithful reflections of their time. Far from reproducing the traditional structures or practices of the labour movement, they display a 'morphological homology' with the network form of capitalism: flexibility and focus on specific projects, punctual agreements around particular actions, heterogeneity of composition, indifference to the numbers or forms of membership, and so on.

What, then, are the political conclusions of the book? For Boltanski and Chiapello, the discourse of 'exclusion' is much too weak to offer a sustained basis of resistance to the system. What is needed instead is a new conception of exploitation, adequate to the connexionist world, that links the mobility of one actor to the immobility of another, as a new form of the extortion of surplus value. The result is, in their view, a proliferation of relations of exploitation: 'financial markets *versus* countries; financial markets *versus* firms; multinationals *versus* countries; large order-givers *versus* small sub-contractors; world experts *versus* enterprises; enterprises *versus* temporary employees; consumers *versus* enterprises.' It is along these ramifying lines that the social critique of capitalism is to be renewed. Nor should the artistic critique be surrendered to its latter-day complicity with the established order. Rising rates of anomic suicide and depression are symptoms of the contradictions and limitations of capitalism's endogenization of its critical other. The notion of authenticity, too often decried as a value (by thinkers like Bourdieu, Derrida or Deleuze), can and should be rescued from its commodification by the market, without reverting to conservatism. The new spirit of capitalism demands a new critical combination against it, capable of uniting demands for solidarity and justice with those for liberty and authenticity.

What criticisms are to be made of a work ending on this note? The case for the 'new spirit' itself suffers from a certain under-motivation of its primary materials. The sample of management texts used is relatively small, and does not distinguish between local and translated works, or discuss relative sales or penetration. More importantly, no strong evidence is advanced for the general influence of this literature in French society at large. It is quite possible to believe that it has had a powerful impact on executives, without accepting that workers—even in the new 'lean' enterprises—really imbibe much of this ethos. It is also true that *Le Nouvel esprit* lacks any comparative dimension. Deregulation of finance, flexibilization of production, globalization of trade and investment are, after all, not confined to France.

Boltanski and Chiapello pay virtually no attention to Anglophone debates on these matters. Since major structural changes in contemporary capitalism

have been international in range, one must wonder whether they do not overestimate the weight of May 1968 and its aftermath in their causal account. The arrival of neo-liberalism in France was clearly over-determined in important ways by features of the local situation. But Boltanski and Chiapello can still be suspected of underplaying systemic pressures in favour of national and conjunctural variables. It would be interesting to know whether management texts since the mid-nineties (their sample is from 1989–94) continue to strike the same ‘critical’ note, or whether the pressures of global accumulation have led to more straightforwardly aggressive and war-like tropes.

Theoretically, Boltanski’s previous work with Thévenot was sometimes welcomed as a salutary rejection of the sterile rhetoric of ideological exposure and denunciation supposedly represented by Bourdieu’s school—a ‘pragmatic turn’, giving due weight to the beliefs and justifications of actors themselves, rather than consigning them to categories of false consciousness. Nourished by the best of communitarian philosophy—Walzer and Taylor—and by an ‘embedded’ microeconomics, this would be a new sociology capable of reconciling the interests of justice with the logic of the market. *Le Nouvel esprit* is clearly a more radical work than *De la justification*. But much of its theoretical apparatus remains continuous with the earlier book, without there ever being a satisfactory articulation between the two. What is common to them, however, is a conception of the state as a site of compromise—between different logics and norms—and thus of social constraint and regulation. It is this that allows Boltanski and Chiapello to focus so intensively on micro-displacements at the level of the enterprise, going behind the back of traditional corporatist arrangements or welfare institutions, and so to envisage a package of juridical reforms as the antidote to an unfettered development of network capitalism. The agents of such a programme, they suggest, might include high-level bureaucrats, executives and even enlightened capitalists. Here, clearly, is the limit of any such pragmatism, the point at which it deserts any sense of realism.

Dick Morris, *The New Prince*
 Renaissance Books: Los Angeles 1999, \$22.95 (hardback)
 256pp, 1 58063 079 0

TOM MERTES

COUNSELLOR TO CLINTON

Few political operatives in the US enjoy a reputation as tawdry as Dick Morris, pioneer of the use of 'focus groups' for devising candidate platforms. Hired by Clinton mid-way through his first term to rescue his prospect of re-election, Morris devised 'triangulation' as the winning strategy to foil his likely opponent, Dole. Playing to Clinton's own instincts, he counselled him to jettison all pretence of commitment to a traditional Democratic agenda, even the watered-down version on which he had campaigned in 1992, and take over much of the substance of the Republican legislative programme instead. Calculating that two-fifths of all voters were in the 'independent middle' of the electorate, Morris targeted this centre, reckoning that by stealing the Republicans' clothes, Clinton would drive them further to the right in search of some still distinctive Presidential apparel.

He was well placed to urge this manoeuvre, as a long-time mercenary willing to serve either party, provided the fee was large enough. Most of his recent work had been for Republicans: Trent Lott, Senate leader from Mississippi, was a key client. In 1995-96 his message to his two patrons was to bury the hatchet. If Clinton and Lott would come together to crack down on crime, reform welfare, erode immigrant rights, devolve federal responsibilities and the like, Clinton could keep the White House and Lott continue to command Capitol Hill. Politics could be confined to narrow limits.

Morris's strategy gave Clinton the winning formula for the 1996 race, though massive doses of corrupt finance, extracted from donors all the way from New York or Chicago to Djakarta and Beijing, were a vital lubricant of victory. Morris himself, however, did not survive to enjoy its fruits. During the Democratic

Convention, it emerged that he had been in the habit of lolling in bed with a paid concubine while on the line to the President, and passing the phone across the pillow for her to savour important exchanges on domestic and state affairs. Evidently, prostitution was an attraction not to be confined to politics. The symbolism of the affair was too pointed, and Morris had to resign. The next year, he cashed his time under Clinton into a standard narrative of service with the President, *Behind the Oval Office*, complete with a lachrymose letter to his wife begging for forgiveness, and unctuous tributes to his master: 'The press has given me much credit for President Clinton's triumph in 1996. It will become obvious throughout this narrative that the mind behind the victory was that of President William Jefferson Clinton.'

At the same time, Morris took the opportunity, with feigned regret, to lace his tributes to Clinton's accomplishments with insinuations that all was not quite well in the White House. There was a 'Saturday Night Bill' whose conduct, albeit in private, was at odds with the regal 'Sunday Morning Bill' of public office. By bringing this into the open, Morris assured his readers, he was helping to save Clinton from himself. For whatever his peccadilloes, 'history will in time dig beneath the scandals and retrieve his record of achievement for the American people. What he has done to help the United States and its citizens is too sweeping and too profound to remain buried for all time.'

The New Prince—subtitled 'Machiavelli Updated for the 21st Century'—is a more ambitious work, presenting itself as a technical manual for power-holders or -seekers of any stripe in the United States. On the face of it, Morris might seem well placed for such a conceit. Could there be better credentials for it than a famously cynical lack of principle? Any reader coming to it with this expectation is going to be disappointed. The Florentine is way off as a model. This is not just because of the dissimilarity of positions. Machiavelli, writing *The Prince* in 1513 to win the favour of Lorenzo de Medici, was a powerless exile; the Medici had just returned to rule Florence, in an Italy beset with wars and civil wars. Morris has the ear of almost any political figure he wants to influence, in an America quiescent under a neo-liberal order. There is a more important difference than this, however. Far from displaying any ruthless or consistent cynicism about US politics, Morris's book is a litany of gurgling pieties about them—the antithesis of everything represented by *The Prince*. If one were to take Morris's conceit seriously, which is impossible to do, a closer forebear might be *le père* Joseph, Richelieu's henchman in diplomatic intrigue and domestic manoeuvre, whose Capuchin robes created the legend of the grey eminence, since he not only had real influence as confidant of the Cardinal, but was a devout man of the cloth. But there any analogy would break down: where the friar was legendary for his discretion, Morris cannot conceal his exhibitionism.

What is the good news *The New Prince* brings? American democracy has never been in better shape. Voters are well-informed and expert judges of public

affairs, skilled at discounting bias in the media and filtering out irrelevant issues. Their decisions are consistently superior to those of bureaucrats, ideologues, academics or journalists. The role of money in electoral politics is greatly exaggerated. 'Special interests' are paper tigers. Race no longer matters much. Images are over-done. Citizens respond not to negative campaigns but to positive messages. They do not want to hear about failures or scandals, but issues of substance. Successful candidates are those who offer bold hopes and high ideals, rather than mere appeals to economic self-interest. A warm-hearted morality is the best policy for winning or holding office.

Who could better embody these prescriptions than the President? At the beginning, admittedly—Morris notes—Clinton's Health Plan was an embarrassing debacle. But once he had learnt how to 'update Machiavelli', under his adviser's guidance, he proved a star performer. One legislative success followed another. Even his early setbacks were redeemed: 'The far-reaching reform Clinton failed to achieve in his 1994 health-care legislation happened incrementally through the private sector and through gradual expansion of health-care coverage to children.' We have seen an administration of remarkable domestic reforms, not to speak of rare diplomatic skills in the service of peace: 'President Clinton has been particularly successful in establishing a reputation for patience, empathy, reliability, resourcefulness, idealism, and subtle diplomacy in his repeated and usually successful interventions in global trouble spots', since he is 'able to make everyone feel he knows their pain, empathizes with their position, and secretly wants to do all he can to help them.' None more so than Iraqis, Tutsi, Chechens, Sudanese, Yugoslavs, Colombians.

In fact, in its recipes for success, Morris's manual aptly captures the character of Clinton's rule, with its combination of sanctimony and cynicism: the incumbent on his knees in prayer with the Reverend Jackson, or at the rostrum lecturing black teenagers on the evils of promiscuity, while taking hefty back-handers from the Riady family or Johnny Chung, and raining bombs on civilians in Baghdad or Khartoum to screen squalid perjuries at home. In this duality, Clinton is the New Prince in person. For Morris, too, cannot avoid letting cats out of the bag. The other side of his glutinous receipts for high office quickly shows through. The voter cannot be expected to focus on a political message longer than thirty seconds—for 'the competition for his attention is steep: the ham sandwich and the beer in the refrigerator'. But half a minute suffices to convey the substance of any issue. Television advertising is the life-blood of any modern democracy. News broadcasts, on the other hand, indeed reportage in the media of any kind, is a noxious irrelevance (perhaps still smarting from the role of the press in his downfall, Morris shows unconcealed animus against the Fourth Estate). Reporters are not under control; advertisements are. Candidates should remember when they speak to the media that 'the most important part of the story is the sound-bite. The rest of the statement can be boilerplate or detail.'

If coverage is unfavourable, its impact can be quashed by a happily chosen background for the speaker. For the viewer, what counts is the visual not the verbal. In short, the more flatteringly feel-good the rhetoric, the more contemptuously manipulative the reality.

Morris frames his advice in a grander scheme of political evolution. The US, he argues, is moving from a Madisonian republic of indirect representation to a Jeffersonian direct democracy. Jefferson's promise to destroy parties has come to fruition with the decline of stable alignments and the recession of ideology. California-style referenda are overtaking the functions of state assemblies. In his latest work, *Vote.com*, Morris expatiates on a vision of the future in which the Internet will create 'virtual town meetings' where citizens can log their desires and transmit their political will without the need for representative mediation at all. Today, focus groups signalling the mood of the US public are anticipations of this panglossian democracy. Morris's own website—for example—offers another step towards it. Internet politics will not be divisive. There are no longer any 'big issues'; prosperity has dissolved populist discontents. The politicians of the future will eschew doctrines: 'men of affairs who respond to each new situation with practical, specific ideas unfettered by ideological constructs increasingly dominate our political process.' Aspirants should ignore the prejudices of parties and embrace new issues; organizations will fall into line behind any candidate who 'polls' well with focus groups and so has garnered the other measure of viability—money.

What Morris is projecting is not, of course, Jeffersonian. For Jefferson, democracy was based on a virtuous yeomanry, with the intelligence to elect members of a 'natural aristocracy'. If any analogy were to be made between Clinton's style of politics and historic predecessors, the Jacksonian regime would be a little closer. Emotional appeals to the 'common man', castigations of entrenched power and promises of a new, less federal-centred style of government were staples of King Andrew's fare; as were kitchen cabinets of political hacks, manipulation of opinion, and double standards at all levels of operation. But, of course, Jacksonian politics was for better or worse aggressively populist—just what Morris would take off the agenda today, and of which Clintonian emollence is the opposite.

The 'historical' dimension of Morris's books is little more than a gesture, however. Here, as elsewhere, the contrast with previous political analysts who were also advisers is stark. Take the case of Kevin Phillips, who helped devise Nixon's strategy in 1968. Phillips based his advice on a complete mastery of demographic and electoral data at constituency level across the country. His statistical and historical analysis suggested that the Republicans could capture the Presidency by targeting Sunbelt states and appealing to law-and-order themes calculated to swing blue-collar workers out of the Democratic column. Phillips's meticulous regional and social reckoning was born out. After breaking with

Nixon, he went on to write hard-hitting accounts of class polarization in the Reagan era and studies of longer historical patterns in American politics, as an outsider to any establishment.

The complete vacuity of Morris's landscape, by comparison, is a telling sign of the times. No regional, social, sexual, or any other kind of complications are allowed to disturb the flow of bromides on the importance of national television or the need for uplifting messages. He never registers (although of course he knows) that the American electorate comes predominantly from upper and middle-income brackets: whoever does not or cannot cast a ballot does not exist in the world of *The New Prince*. Morris cannot even bring himself to concede that the economy matters much. Clinton has delivered endless prosperity, so citizens now have less divisive concerns. He ends *Vote.com* by announcing that 'the United States is the most democratic nation on earth', though less than half of the nation even makes it to the ballot box. This is a country with one of the lowest participation rates and highest-per-voter spending rates on earth. The United States is now more than ever the economic model to be taken as a paragon by the rest of the industrialized world. How long will it be before it becomes a political model for Schröder or Blair, Cardoso or Lagos? Morris at least, despite his disavowals, plainly sees some useful future for himself in America. Only one politician receives a more unconditional paean than Clinton in *The New Prince*. Who else but Albert Gore?

Ernst Jünger–Carl Schmitt, *Briefwechsel 1930–1983*
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 893 pp, 3 608 93452 9

GOPAL BALAKRISHNAN

TWO ON THE MARBLE CLIFFS

The publication of the correspondence between Carl Schmitt and Ernst Jünger is an intellectual event of some moment. The letters collected in this volume span a full half century—from 1930, when the two first met in Berlin, to 1983, shortly before Schmitt died at the age of 97. Jünger survived him by over a decade, dying in 1998 at the age of 103. The care and skill with which this collection has been edited by Helmuth Kiesel makes it an impressive accomplishment: German literary scholarship at its best. Detailed notes and background information are provided on nearly every letter, ending with an authoritative afterword on the relationship between the two thinkers. In a handsome production, only an index is missing. The volume makes compelling reading. In range and level, it stands comparison with Benjamin's correspondence with Adorno or Scholem, or the thematically closer exchange between Leo Strauss and Alexander Kojève. The letters are usually more laconic, sometimes enigmatic, than such counterparts. But they are never dull or cumbersome. Schmitt and Jünger were in different ways masters of a German prose running against the grain of the language: terse, clear and elegant.

When the two men met in 1930, each enjoyed a distinctive eminence in Weimar intellectual life. Schmitt had risen from an obscure Catholic background in Westphalia to become one of Weimar's foremost legal authorities. But his wider reputation rested on a series of remarkable essays spanning a much broader range of themes: a political critique of German Romanticism; exploration of the theological background of Emergency Powers; portrait of the Roman Church as European bulwark against Bolshevism; diagnosis of the crisis of contemporary parliamentarism; and—not least—a theory of politics as a field

constitutively defined by the distinction between friend and foe. Oscillating between moderate republicanism and counter-revolutionary decisionism, his main political links were with the Catholic *Zentrum*.

Jünger at this stage enjoyed a more dramatic notoriety. From a somewhat more respectable, though by no means elevated, Protestant background (his father was a pharmacist), as an 18-year-old he ran away to enlist in the French Foreign Legion. Brought home from Africa, he fought for Germany during the First World War on the Western front with such distinction—he was wounded seven times—that he was awarded the highest Prussian medal for courage, *Pour le Mérite*. His celebration of modern warfare in a coldly burnished, clinically exact prose, *Im Stahlgewittern* (*In the Storm of Steel*) was an immediate best-seller in 1920. An active participant in the paramilitarism of the Freikorps, he won further renown with works portraying the life-world of front-line soldiers as the model for a totally mobilized society of war and work to come. As a writer, Jünger was closely associated with ideas of a ‘conservative revolution’; after a brief flirtation with the NSDAP in the mid-twenties, he moved towards the circle of ‘National Bolsheviks’ around Ernst Niekisch. His record was much more engaged with the far Right than was that of Schmitt. But in the vision of the latter’s *Concept of the Political* he found reason to exalt. The correspondence opens with his salute to it, just after they became acquainted at Schmitt’s initiative. ‘You have invented a special technology of war: a mine that explodes silently. One sees as if by magic the ruins collapse; the destruction is over before it becomes audible.’

If the two were drawn together by similarities of style and outlook—both were adventurers, to some extent loners, in their respective mileux—their paths crossed over when the Nazis came to power. Schmitt, after spending the last years of the Republic as constitutional advisor and confidant to von Papen and Schleicher, and warning of the dangers of Nazism, rallied to the Third Reich and became a top figure in its legal establishment, under the protection of Goering. His adhesion to the regime, if it was certainly in part opportunistic—he was soon piling up honorary titles and strategic positions in a severely purged corps of academic jurisprudence—also answered to certain of his convictions. Hitler’s regime seemed to offer a drastic solution to many of the problems of political order that Schmitt had posed so starkly in Weimar times.

Jünger, unexpectedly, took the opposite route. Initially an activist in the sub-culture of right-wing paramilitarism from which the Nazis had emerged, he later became detached from any organized movement, maintaining friendships not only on the Right but on the anarchist or deviant Left as a well, in a spirit closer to literary bohemia than political faction. When Hitler came to power in 1933, he retired from Berlin to the provinces, where he was viewed with some suspicion by the new authorities. In these conditions, letters between the two men necessarily became allusive. Behind them, however, were more forthright and

face-to-face political discussions. From the outset, Jünger warned Schmitt of any too close association with the new regime, whose inner circle he knew all too well. When Schmitt was offered a position on the Prussian State Council in 1933, Jünger advised him to leave the country and go to Serbia to live with his in-laws, as a scholar in voluntary exile, instead of accepting this poisoned chalice. In the following year, when Hitler staged the murderous Roehm purge and Schmitt publicly defended the assassinations, Jünger told him he had committed political suicide and advised him to equip his domicile with machine-gun nests.

Two years later Schmitt was evicted from his niche in power, under a withering attack from the SS as a crypto-Catholic careerist who had no place in the regime. Confined to academic life again, he continued to be intellectually productive, with publications—on Hobbes; the structure of international relations; land and sea-power—which might help him recover the favour of the regime, without committing himself too expressly to its policies. Jünger, meanwhile, was writing his coded novel on tyranny, *Auf den Marmorklippen* (*On the Marble Cliffs*), published just before the war broke out in 1939. Shielded as a war hero by the Army High Command, he was awarded the Iron Cross for his part in the defeat of France, and posted to Paris as cultural attaché in the occupation regime. There, at the centre of literary and artistic life under the occupation, he knew Cocteau, Céline, Drieu la Rochelle, Brasillach, Sacha Guitry and many others; and in the autumn of 1941 arranged for Schmitt to be invited to speak at the German Institute, with a side-trip to Port-Royal on which the two exchanged reflections.

When the Officers' Plot struck in July 1944, narrowly failing to kill Hitler, the *Kommandantur* in Paris was deeply implicated, and leading generals shot. Jünger, aware of the plan to overthrow Hitler although not a participant, was lucky to escape into retirement. Schmitt, a close friend of civilian participants in the plot in Berlin, was not taken into their confidence. The two men ended the war in the humble capacity of air-raid wardens. After it, their fates diverged dramatically. Schmitt was arrested, jailed and interrogated for the better part of two years by American prosecutors, stripped of all academic positions, and released into ostracism—a forbidden figure in the Bonn Republic. Jünger, on the other hand, suffered no sanctions in the French Zone, and was soon publishing his *Parisian Diaries* to general acclaim. The next fifty years saw a brilliant second literary career, in which successive novels and essays established him as lucid ecological sage and counter-cultural anarchist, whose passing was a national event. The author who made his name by exalting the approximation of humans to machines became a writer calling for the protection of nature against humans—without great alterations of style; a unusual case in German, or perhaps any letters.

Schmitt was not without admirers in West Germany, and had back-door influence on the framing of the post-war constitution. But his reputation as

a former Nazi jurist was too lurid for him ever to be able to re-enter public life again. His bitterness at this exclusion found often venomous expression in his diaries, where his jealousy of contemporaries who had survived the collapse of the Third Reich without damage is unconcealed. Here he gave way to a resentment of Jünger that he generally mastered when writing to him. Their correspondence—always formal, even when cordial – aims at a more dispassionate level. Contemporary political developments come into view, but rarely in the form of direct theoretical generalization. The letters written under Nazism, which comprise about two-fifths of the whole, approximate to what Leo Strauss thematized as the art of writing esoteric criticism without oppositional intent, under tyrannies. Sharp differences of outlook between the two men are apparent here, that confound easy labelling.

The relationship between Schmitt and Jünger was based on an attempt to grasp and shape the often unfamiliar idioms of the other. Both were deeply dissatisfied with the intellectual traditions of German conservatism: it was this shared antipathy that in part gave them a preliminary rapport with each other. Jünger, not unaffected by Nietzsche or Spengler, had a more familiar background in this respect, but was willing to take his cues from Schmitt, who remained an inveterate enemy of the local intellectual scene. Schmitt guarded his prerogatives as a theoretical mentor, which Jünger calmly conceded to him from the beginning. This is all the more striking, in that the letters are conspicuous for their consistently aesthetic points of reference. Innumerable exchanges focus on points of agreement or dispute over the significance of a wide range of writers held in shared esteem.

One strand here is a search for authentic representations of evil, maps that plot the brutal co-ordinates of existence in an era of total civil war. Hieronymous Bosch, Edgar Allen Poe and Herman Melville repeatedly come into consideration. Céline and Malraux figure as the latest representatives of the French moralist tradition, whose dispassionate literary pessimism is held superior to the German metaphysical variety of moralism and its obverse in Faustian amorality. In these discussions, the heterodox Catholic fanatic Léon Bloy looms large—Schmitt introducing him as an antidote to Jünger's Nietzschean understanding of nihilism. Schmitt's tacit objective seems to have been to keep the exchange focused on literary topics, where he might influence Jünger's development as a writer, while preserving the division of roles between them, in which he held the more political and philosophical ground. Here, however, it is Jünger who lets drop the most arresting historical observation, when he remarks that the tragedy of modern German history stemmed from the absence of a strong nationalist Left. The argument, initially made in conversation with Schmitt in 1930, that Germany's core historical problem was the absence of a local Trotsky had an unsettling effect on Schmitt, who for decades repeatedly recollected it.

This idea, of course, came from Jünger's association with the circle round Niekisch, a sign of his more experimental political outlook. Schmitt, on the other hand, always had a deeper intellectual grasp of the challenge to traditional conceptions of politics posed by Marxism, after the victory of the Bolshevik Revolution. A similar pattern can be seen in their respective attitudes toward liberalism. Schmitt, more deeply implicated with the criminal regime, paradoxically had a much better understanding of the strengths of classical liberals, expressing sympathy and admiration for figures like Constant and de Tocqueville. In a letter of 1934 he characteristically remarked that the most consequential liberal theorists—Hobbes and Constant, thinkers self-confessedly creatures of 'fear' and 'indolence', were cases in point—had a fundamentally illiberal vision of human nature. Traditions like these were not a reference for Jünger. Such differences, of course, were in part explicable in terms of intellectual interest and orientation.

They were also questions of temperament. From his Parisian vantage point, Jünger viewed the Nazi order with a frigid, caustic detachment. On occasion revulsion broke through, even to admission of his own role in helping to unleash an 'underworld of slave-drivers and murderers'. One of his most chilling letters reports a scene from hell—worthy, as he says, of Bosch—on the Russian front, seen from a cable-car while on duty in the Caucasus. But he gazed on moral condemnation and political resistance with the same general detachment. Fatalistically inclined to view Nazism as a force accelerating the nihilistic destruction of all Old European values, he would comfort himself with the belief that it might be clearing the ground for some transvaluation to come.

Common to Schmitt and Jünger, however, was a repression of the moral and political crisis of the time into metaphysical realms of parable and myth. As early as 1941, Schmitt was comparing himself to Benito Cereno, the Spanish captain of Melville's story, prisoner of a slave mutiny—whose image he made into the fable of his position under the Third Reich, after the war.

The cloak of legend as medium of estrangement and exoneration fell, inevitably, over the fate of the Jews. In the Weimar period, Jünger had for a time brushed close to radical anti-Semitism; Schmitt, on good terms with Jewish colleagues and pupils, had shown no interest in it. But when Hitler came to power, their positions reversed. Jünger expressed disdain for official racism, as a new Inquisition, while Schmitt moved to establish impeccable anti-Semitic credentials, organizing a campaign to root out Jewish influences in the legal world, though without convincing the SS. Driven back to the academic margin, he started for the first time to weave mythical motifs into his theoretical texts, taking Leviathan and Behemoth as Jewish monsters of sea and land in the Old Testament whose fateful after-life defined the direction and imagery of Hobbes's work. A giant pterodactyl of the air from Kabbalistic sources—'so powerful that an egg falling from its flight will shatter a thousand cedars of Lebanon'—appears

in the letters soon afterwards. Cruelty and destruction are the marks of this Judaic bestiary.

Neither man had much doubt that the war was lost for Germany by 1943. By the end, it is clear that both were aware of the Judeocide, and each sought to distance themselves from it—not for the sake of the Jews, however, but for those who persecuted them. In the maelstrom of the final months of the Third Reich—February 1945—Jünger recalled Flavius Josephus's account of 'the obstinacy of the Jews in the siege of Jerusalem'. Nazi attacks on the ethics of the New Testament had profited only those of the Old: the extermination of the Jews was setting their morality loose in the world at large. Schmitt replied with a quotation from Bruno Bauer: 'But in the end God created the Jews, and if we kill them all, we will suffer the same fate.' The idea could be seen as a deranged corollary of Schmitt's argument in Weimar times that if an enemy always defines the horizon of a political project, he must be respected as such, since any attempt to annihilate him will destroy the project itself, politically annihilating the annihilator.

The enormity of these responses, as an odious casuistry of absolution, needs no comment. After the war, the differing circumstances of the two writers separated them. Paradoxically, if the sincerity—or intensity—of Schmitt's anti-Semitism as a subjective conviction can be doubted under Nazism, it is clear that once he was driven from public life after 1947, he became an unbridled anti-Semite, as the notebooks posthumously published in *Glossarium* (1991) make clear, since he now blamed Jews, from America or elsewhere, for his humiliation and expulsion. Jünger, now well adapted to post-war conditions, had no time for such phobias.

This led to the sharpest clash of their fifty-year correspondence. When Schmitt complained of Jünger's favourable portrait of the Jews, thinly disguised as Parsees, in his novel *Heliopolis* (1949) Jünger immediately issued him a 'friendly warning'—'you know the neuralgic point well enough'. Schmitt's reply was furious. Jünger then reminded him of their disagreement after the Night of the Long Knives: 'I have a right to advise you in this matter, as I showed at the most fateful decision of your life—you will recall the night I left you in Friedrichstrasse, in my distress', he wrote. 'If you had followed my advice and example then, you would perhaps no longer be alive today, but you would have the right in the highest court to judge me. If I had followed your advice and example, today I would certainly not be alive, either physically, or otherwise.' *Capisco et obmutesco*, Schmitt replied tersely. But in his notebooks he gave vent to a boiling rage, with virulent comments on Jünger. It was seven months before they renewed contact again. After Schmitt's death, Jünger, though shaken by the revelation of Schmitt's animosity, did not hold it severely against him.

If Jünger comes out well from this episode, this was certainly in part a question of character—he had many qualities Schmitt lacked. But it was also a

symptom of the way events had treated them. By the 1950s, Jünger seemed to embody an image many Germans wanted of their lives under the Nazis: stoically performing the motions of duty, all the while living in internal exile. Schmitt, punished with post-war humiliation, when others—some with worse records—escaped unscathed, loomed by contrast as an uncomfortable reminder of the lost worlds of European fascism. It would be premature to think we have buried the legacy of either.

Francis Wheen, *Karl Marx*
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 431 pp, 1 85702 637 3

SUSAN WATKINS

THE NINE LIVES OF KARL MARX

For all his posthumous fame, Marx has so far defied any attempt to write a definitive version of his life. Each political period has found something different to say about him. It was the mud and mustard gas of World War One that spurred Franz Mehring to write the first biography in 1918. The work was dedicated to his fellow SDP members, Rosa Luxemburg and Clara Zetkin, whose friendship, Mehring wrote, 'has been an incalculable consolation to me at a time when blustering storms have swept away so many "manly and steadfast pioneers of socialism" like dry leaves in autumn winds.' The importance of Marx's life for Mehring—a witty and independent-minded Berlin editor and *bon vivant*—was political: a salutary message for the party that had so calamitously failed to oppose the war, in which 'lifelong followers of Marx, men who had brooded for three or even four decades over every comma in his writings' he wrote, 'failed utterly at an historical moment when for once they might and should have acted like Marx.'

David Ryazanov, born in Odessa in 1870, made his way to Europe at the age of 21 to visit the Russian Marxists in exile. Arrested at the frontier on his way home, he was sentenced to four years solitary confinement and hard labour under the Tsar but escaped again to Berlin in 1907, where he pored over the Marx-Engels letters and writings (bequeathed to the German SDP on Engels's death), becoming their expert archivist and eventually piecing together the miced nibbled pages of the Paris manuscripts of 1844. After the October revolution Ryazanov set up the Marx-Engels Institute in Moscow and, taking issue with Mehring's freehand characterization, produced a joint biography of Marx and Engels. His work fused the two into an indivisible pair, embedding them firmly

within a patiently dogmatic exposition of the Enlightenment and the Industrial Revolution, the francophile Moselle valley and the Bremen cotton mills; it still retains the narrow intensity redolent of the nineteenth-century artisans groups. (Ryazanov himself was arrested on Stalin's orders and died in prison in 1938.)

Boris Nicolaievsky, born in the Northern Urals and seventeen years Ryazanov's junior, joined the revolutionary movement while he was still at school and got his Menshevik education in the Tsarist prisons. Director of the Historical Revolutionary Archive in Moscow from 1919 to 1921, he was imprisoned by the Bolsheviks and then expelled. In Berlin, he worked closely with the SDP through the Weimar years. The biography he co-wrote with Otto Maenchen-Helfen, *Karl Marx: Man and Fighter*, was written on the eve of the Nazi seizure of power. 'When Marx was asked what his idea of happiness was,' they wrote, 'his answer was, "to fight" . . . Our theme was dictated to us by the time in which we live. He who opposes Marxism today does not do so because, for instance, he denies the validity of Marx's theory of the tendency of the rate of profit to fall . . . The arena in which Marx is fought about today is in the factories, in the parliaments and at the barricades.'

Werner Blumenberg, the social-democrat son of a German pastor, coalminer, journalist and fighter in the underground anti-Nazi resistance (first in Germany and later in occupied Holland), was the first of Marx's biographers to publish, in 1962, Louise Kautsky's letter testifying that Marx had had a child with the family's housekeeper, Helene Demuth ('Heaven protect us from small-mindedness!'). In 1964 Heinz Monz brought out his portrait of Trier at the time of Marx's birth, a densely detailed social canvas of a small and ancient Catholic town locked in a catastrophic agricultural slump. In Yvonne Kapp's rich portrait of the London years (*Eleanor Marx, Volume One: Family Life*), Marx is the father, both a sheltering presence and a stormy, troubled one. David McLellan's 1973 *Karl Marx: His Life and Thought* was the most punctilious of all as to dates and proper names, although the ultra-left complained of a bourgeois plot to send proto-Marxists to sleep. In *Karl Marx and World Literature*, published in 1976, S. S. Prawer attempted, if not exactly a biography, certainly a 'life'; but here, a chronological narrative of Marx's inner life, chronicling the engagement of his imagination with the world.

And now, for these post-communist and perhaps post-Marxist times, left-liberal *Guardian* columnist Francis Wheen presents an affable and readable new biography of Marx, whom he finds 'astoundingly topical', a prophet of globalization with 'much to teach us about political corruption, monopolization, alienation, inequality and global markets.' Following, perhaps, Mehring's ambition to be 'within the reach and comprehension of at least the most advanced workers', Wheen's text is laden with references to kiwi fruit, Monty Python, Haagen-Dazs, Pizza Hut, Arnold Schwarzenegger, Bill Gates and MTV—day-

time television as the heart of a heartless world, as it were, *Oprah* the sigh of the oppressed.

Like others, he rehearses the childhood pranks, the student duels, the discovery of Hegel; the apprenticeship on the *Rheinische Zeitung*; the meeting with Engels at the Café de la Régence; Brussels; the *Manifesto*; the year 1848; and then Soho, journalism, *Das Kapital*. Wheen has a fine feel for the energy of Marx's prose and quotes plenty of heaven-storming periods. He has dug up some entertaining anecdotes and memoirs from the early Cologne days, such as Heinzen's recollection of helping Marx back to his lodgings after several bottles of wine: 'He sat down astride a chair with his head leaning forward against the back and began to declaim in a strong singing tone which was half mournful and half mocking, "Poor lieutenant, poor lieutenant! Poor lieutenant, poor lieutenant!" This lament concerned a Prussian lieutenant whom he had "corrupted" by teaching him Hegelian philosophy.'

He gives a spirited account, too, of Marx's defence of press freedom in his first article for the *Rheinische Zeitung*, published in May 1842:

Naturally he criticised the oppressive intolerance of Prussian absolutism and its lickspittles; this was brave enough, if unsurprising. But, with an exasperated cry of 'God save me from my friends!', he was even more scathing about the feeble-mindedness of the liberal opposition. Whereas the enemies of press freedom were driven by a pathological emotion which lent feeling and conviction to their absurd arguments, 'the defenders of the press in [the Rhine Province] Assembly have on the whole no real relation to what they are defending. They have never come to know freedom of the press as a vital need. For them, it is a matter of the head, in which the heart plays no part.' Quoting Goethe—who had said that a painter can succeed only with a type of feminine beauty that he has loved in at least one living being—Marx suggested that freedom of the press also has its beauty, which one must have loved in order to defend.

It is Marx the journalist to whom Wheen really responds, praising his eloquence, daring and originality, and defending him against the charge of 'intellectual bullying' in his polemics. 'Marx was no coward, tormenting only those who wouldn't retaliate: his choice of victims reveals a courageous recklessness which explains why he spent most of his adult life in exile and political isolation.' Wheen makes good use of Marx's 1850s journalism for the New York *Tribune*, quoting nimbly from polemics against Palmerston ('What he aims at is not the substance, but the mere appearance of success') that have more than one topical echo.

There are times ('praxis makes perfect') when Wheen goes a soundbite too far, or when his popularizations truly appal ('There was nothing wrong with Hegel that couldn't be cured by standing him on his head'). The metaphor of the dating agency ('opposites attract') is dismally inadequate for a discussion of dialectics and there is no excuse—nor even historical basis—for describing Jenny von Westphalen as 'a bit of posh'. But there is no doubt that this is a friendly

enough account of Marx—which leaves one wondering: should not a ‘Marx for our times’ be a little more critical than this? A little more questioning?

‘To some periods of Marx’s life we have given far more space than others,’ declared Nicolaievsky and Maenchen-Helfen. ‘Our standard was not mere length of time but the importance of events in Marx’s life. The years of revolution in 1848–49 and those of the First International are two or three times as important as the rest.’ Despite Wheen’s interest in his journalism, Marx’s year in Cologne as editor of the *Neue Rheinische Zeitung* at the height of the 1848 revolution gets only 12 out of his four hundred pages (the maverick russophobe Tory David Urquhart does almost as well). That stormy year is in fact one of the duller moments of Wheen’s book, devoted largely to Engels’s walking tour through the vineyards of France. There is not much here, either, of the sweep of nineteenth-century history that so enriched some of the earlier Lives—no wider panoramas of pre-Bismarckian Germany, the Brussels of *Villette* or Balzac’s France. Wheen gives little sense of the world in which Marx was a combatant; and so little idea of whom he was fighting, or what for.

Wheen seems to have something of a blind spot about the political commitment that was the driving force of Marx’s life. ‘He steadfastly rejected the temptation to save himself in the peaceful harbour of some bourgeois career,’ declares Mehring proudly, ‘although he might have done so without dishonour.’ Wheen seems to think this rather a pity. If only he had stuck to it, Marx ‘could have made his name as the sharpest polemical journalist of the century,’ he remarks wistfully.

Marx, then, with the politics left out. The one moment at which Wheen does pose a critical question is during his discussion of the *Communist Manifesto*: ‘How could Marx be so wrong and yet so right?’ Wheen goes on to answer this by discussing Marx’s chess technique (‘brilliant strategy, fragile tactics’) and concludes by remarking that, at the end of the millennium, the *Manifesto* is still a best-seller (so that’s all right). But tactics surely are irrelevant here: strategy is the whole point.

Marx’s early biographers wrote out of urgent political necessity: Mehring to put some backbone into a party that had capitulated to the generals in the moment of need; Ryazanov to further the political education, as he saw it, of a class newly risen to power; Nicolaievsky to rally opposition to German Fascism. In more tranquil times, Praver’s book might stand for the cultural energies of the Marxist imagination, and Kapp’s (though certainly not Kapp herself) for the Freudian and feminist questioning of Marx. McLellan’s Marx is rather that of the liberal establishment, or perhaps of the social democratic bureaucracy: a museum figure, the fire extinguished. In this light, Wheen is more in the tradition of McLellan: his is a feel-good Marx, freed from history and political commitment, a floating bundle of good quotations; Marx with the heart taken out.

Mike Davis, *The Ecology of Fear*
 Metropolitan: New York 1999, \$14 (paperback)
 484pp, 0 37570 607 0

DOREEN MASSEY

ANGELENO ANOMALIES

Los Angeles is an exception among cities. Or, at least, we like to think of it as such. Its sprawling refusal to conform to Western notions of what a proper metropolis should be has generated continual debate amongst architects, planners and sociologists. Paradoxically, in one ethnocentric teleology, the urbanism that starts in Athens and Rome, and runs through Paris and New York, inevitably ends in Hollywood. (Quite where Beijing, Timbuktu or Tenochtitlan would fit into this scheme has never been very clear.) Los Angeles is a dream city of sunshine and mobility, and the infernal setting of every second disaster movie. It is also, of course, the home of an industry whose obsessive self-concern distorts its global image even more.

The Ecology of Fear—subtitled ‘Los Angeles and the imagination of disaster’—weaves together maps and words, dreams and matter, the physical city and (some of) its social divisions, and above all its human inhabitants and its natural environment, in startling and luminous ways. The heated reactions of academics, journalists and real-estate agents to this book can be taken as back-handed tributes to its unsettling power. Beautifully written, it constantly offers disconcerting insights and associations. Early on, recalling the arrival of Anglo-American conquistadors in this Mediterranean ecology, Davis observes that ‘in the most fundamental sense, language and cultural inheritance failed the newcomers. English terminology, specific to a humid climate, proved incapable of accurately capturing the dialectic of water and drought that shapes Mediterranean environments. By no stretch of the imagination, for example, is an *arroyo* merely a “glen”.’ The passage captures something of the strangeness of this land, as it must have appeared to each of those who entered it for the first time, but it also

points ahead to a larger claim: that the Los Angeles basin still remains opaque as a historico-natural phenomenon to Anglo paradigms of urbanism.

Thus in an already famous chapter entitled 'The Case for Letting Malibu Burn', Davis demonstrates the madness of building houses in a fragile, fire-prone zone of chaparral, and the further insanity of fire-fighting strategies calculated to intensify the inevitable conflagrations when they occur. The grim injustices of a city committed to boosting the property values of the super-affluent, regardless of fiscal cost, while tenements in inner-city barrios burn, come out in stark relief. But Davis does not offer a conventional picture of power and powerlessness. One of the most distinctive motifs in *The Ecology of Fear* is the way in which the elements, monstrosly disfigured by nature-defying patterns of habitation, wreak their revenge on even the enclaves of the privileged. The dialectical retaliation of nature can visit well-nigh biblical retribution on human indifference.

The 'fear' of the book's title refers, before all else, to the interactions between the two, particularly in the border regions between them. These are zones which give rise to phantasms that transpose social categories onto nature and natural categories into society. The denizens of Malibu project the rolling flames that threaten their way of life into 'a new breed of terrorist', 'black gangs', vagrant hobos camping out in the canyons, and other anthropomorphic evils—even as, ironically, 'the burning hills [are] full of hundreds of present and former gang members: all risking their lives on state and county fire crews'. Mountain lions are denounced as 'serial killers', while gang members are cast as 'animals'.

But could such tales be told of other cities? Refreshingly, Davis does not seek to present Los Angeles as the *Bladerunner* future of urbanism in the twenty-first century. But at times he cannot resist a tendency to cast LA in exceptional or superlative terms. It is too often 'unique' or in various ways 'the most', with geographical categories finessed to sustain the claim. Thus the six-county Los Angeles region is 'unique in the Northern Hemisphere' for the intensity of interaction between humans, pets, and wild fauna; Los Angeles has the longest wild edge 'of any major non-tropical city'; while 'only Mexico City has more completely toxified its natural setting, and no other metropolis in the *industrialized* Northern Hemisphere continues to grow at such breakneck speed' (my italics).

Whatever the empirical validity of particular such claims, a more general phenomenon may be at work here—the US habit of calling a local sporting event 'The World Series'. For example, in 1971 the San Fernando earthquake killed 64 people, and in 1994 the Northridge earthquake 72; both were followed by hysterical dread of the terminal Big One, and 'literary and cinematic aftershocks'. But in September 1985, between these two, there was an earthquake in Mexico City with a death toll of about 10,000. Number of films made about it? None that I know of. While writing this review, BBC Radio News announced a number of times that there had been a small tremor outside Los Angeles; no-one had been killed. That same week, Mexican states from Veracruz through Hidalgo to

Guerrero were disappearing under floods and mudslides, with hundreds dead or injured, and thousands left homeless. No item on the news. Davis is of course aware of the power of the LA-based media to select and stage events. But while he meticulously excavates media-induced ecological amnesia, like the suppression of evidence of local tornadoes, his own tendency to overstate LA's exceptionalism as a site of disasters can succumb to a radical version of the same kind of metropolitan self-absorption.

In the last two chapters of the book ('The Literary Destruction of Los Angeles' and 'Beyond *Bladerunner*'), Davis explicitly addresses media representations of LA as Apocalyptic ground zero, and the different ways this has been overdone. Dismissing the predictive relevance of *Bladerunner* as a condensation of old preoccupations, Davis suggests that the LA of the future might be best understood using models from the Chicago sociology, but with fear of the social and natural unknown, overdetermined by media-generated phantasms, as the decisive variable of settlement. Here Davis places racial panic at the centre of his analysis. Rightly so. But the underpinnings of his account seem to rely too much on a generalized 'terror of the other'. What is lacking—although one can find it in his earlier work *City of Quartz*—is an explanation of the conditions that reproduce these racisms. Davis underscores the significance of the transformation which LA underwent during the mid-seventies, when it went from being 'the most WASP-ish of large American cities' to being one of the most ethnically diverse and fractured conurbations in the industrialized world. But he tends here to simplify the mosaic of the city into a polarization between the Anglo rich and the ethnic poor. Other factors of tension and division are side-lined—gender, for example, is not attended to at all. Similarly, although class is certainly not ignored, one is left wondering whether the city contains no poor whites, or prosperous ethnic minorities.

Immigration is, of course, one of the defining features of any 'world city', which no one would dispute Los Angeles to be. But if world cities really are global condensations of forces and relations of international scope, then writing about them should not remain local. Other analysts—Roger Keil in his pedestrian but informative volume *Los Angeles: globalization, urbanization and social struggles* (1998), for example—track the flows of incoming capital and labour to LA. One of the few times we go abroad with Mike Davis is to follow the routes of a plague—a strange wandering. This too is still the story of an arrival in Los Angeles. Global cities do gather many far-flung elements into themselves. But that is only one side of the story. They also throw out long tentacles beyond themselves. For extended relations of power run out from these centres. They are seats of control over considerable parts of the planet. Their pull on migrants can both devastate and save (through remittances) rural communities in other countries, hundreds and thousands of miles away. Their cultural exports can change those places too. Their environmental impacts may beggar the imagination.

At one point Davis criticizes Angeleno environmentalism of the seventies for its parochialism; yet his own call for a 'more subversive but necessary politics' typically stops short at local issues of urban design. The relationship of the city with the outside world remains to be explored. Yet this is a limitation that can be remedied elsewhere. Davis's tale of injustice and greed, natural and social disaster, tightly focussed within the city, urgently needed to be told. *The Ecology of Fear* has seized attention; provoked argument; brought new issues into the public sphere. A more moderate account might have passed without much notice. Who could ask more of a radical intervention?