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Capitalism Has Failed *what next?*

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Capitalism Has Failed: What Next?

By John Bellamy Foster

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Less than two decades into the twenty-first century, it is evident that capitalism has failed as a social system. The world is mired in economic stagnation, financialization, and the most extreme inequality in human history, accompanied by mass unemployment and underemployment, precariousness, poverty, hunger, wasted output and lives, and what at this point can only be called a planetary ecological “death spiral.”¹ The digital revolution, the greatest technological advance of our time, has rapidly mutated from a promise of free communication and liberated production into new means of surveillance, control, and displacement of the working population. The institutions of liberal democracy are at the point of collapse, while fascism, the rear guard of the capitalist system, is again on the march, along with patriarchy, racism, imperialism, and war.

To say that capitalism is a failed system is not, of course, to suggest that its breakdown and disintegration is imminent.² It does, however, mean that it has passed from being a historically necessary and creative system at its inception to being a historically unnecessary and destructive one in the present century. Today, more than ever, the world is faced with the epochal choice between “the revolutionary reconstitution of society at large and the common ruin of the contending classes.”³

Indications of this failure of capitalism are everywhere. Stagnation of investment punctuated by bubbles of financial expansion, which then inevitably burst, now characterizes the so-called free market.⁴ Soaring inequality in income and wealth has its counterpart in the declining material circumstances of a majority of the population. Real wages for most workers in the United States have barely budged in forty years despite steadily rising productivity.⁵ Work intensity has increased, while work and safety protections on the job have been systematically jettisoned. Unemployment data has become more and more meaningless due to a new institutionalized underemployment in the form of contract labor in the gig economy.⁶ Unions have been reduced to mere shadows of their former glory as capitalism has

asserted totalitarian control over workplaces. With the demise of Soviet-type societies, social democracy in Europe has perished in the new atmosphere of “liberated capitalism.”⁷

The capture of the surplus value produced by overexploited populations in the poorest regions of the world, via the global labor arbitrage instituted by multinational corporations, is leading to an unprecedented amassing of financial wealth at the center of the world economy and relative poverty in the periphery.⁸ Around \$21 trillion of offshore funds are currently lodged in tax havens on islands mostly in the Caribbean, constituting “the fortified refuge of Big Finance.”⁹ Technologically driven monopolies resulting from the global-communications revolution, together with the rise to dominance of Wall Street-based financial capital geared to speculative asset creation, have further contributed to the riches of today’s “1 percent.” Forty-two billionaires now enjoy as much wealth as half the world’s population, while the three richest men in the United States—Jeff Bezos, Bill Gates, and Warren Buffett—have more wealth than half the U.S. population.¹⁰ In every region of the world, inequality has increased sharply in recent decades.¹¹ The gap in per capita income and wealth between the richest and poorest nations, which has been the dominant trend for centuries, is rapidly widening once again.¹² More than 60 percent of the world’s employed population, some two billion people, now work in the impoverished informal sector, forming a massive global proletariat. The global reserve army of labor is some 70 percent larger than the active labor army of formally employed workers.¹³

Adequate health care, housing, education, and clean water and air are increasingly out of reach for large sections of the population, even in wealthy countries in North America and Europe, while transportation is becoming more difficult in the United States and many other countries due to irrationally high levels of dependency on the automobile and disinvestment in public transportation. Urban structures are more and more characterized by gentrification and segregation, with cities becoming the playthings of the well-to-do while marginalized populations are shunted aside. About half a million people, most of them children, are homeless on any given night in the United States.¹⁴ New York City is experiencing a major rat infestation, attributed to warming temperatures, mirroring trends around the world.¹⁵

In the United States and other high-income countries, life expectancy is in decline, with a remarkable resurgence of Victorian illnesses related to poverty and exploitation. In Britain, gout, scarlet fever, whooping cough, and even scurvy are now resurgent, along with tuberculosis. With inadequate

enforcement of work health and safety regulations, black lung disease has returned with a vengeance in U.S. coal country.¹⁶ Overuse of antibiotics, particularly by capitalist agribusiness, is leading to an antibiotic-resistance crisis, with the dangerous growth of superbugs generating increasing numbers of deaths, which by mid-century could surpass annual cancer deaths, prompting the World Health Organization to declare a “global health emergency.”¹⁷ These dire conditions, arising from the workings of the system, are consistent with what Frederick Engels, in the *Condition of the Working Class in England*, called “social murder.”¹⁸

At the instigation of giant corporations, philanthrocapitalist foundations, and neoliberal governments, public education has been restructured around corporate-designed testing based on the implementation of robotic common-core standards. This is generating massive databases on the student population, much of which are now being surreptitiously marketed and sold.¹⁹ The corporatization and privatization of education is feeding the progressive subordination of children’s needs to the cash nexus of the commodity market. We are thus seeing a dramatic return of Thomas Gradgrind’s and Mr. M’Choakumchild’s crass utilitarian philosophy dramatized in Charles Dickens’s *Hard Times*: “Facts are alone wanted in life” and “You are never to fancy.”²⁰ Having been reduced to intellectual dungeons, many of the poorest, most racially segregated schools in the United States are mere pipelines for prisons or the military.²¹

More than two million people in the United States are behind bars, a higher rate of incarceration than any other country in the world, constituting a new Jim Crow. The total population in prison is nearly equal to the number of people in Houston, Texas, the fourth largest U.S. city. African Americans and Latinos make up 56 percent of those incarcerated, while constituting only about 32 percent of the U.S. population. Nearly 50 percent of American adults, and a much higher percentage among African Americans and Native Americans, have an immediate family member who has spent or is currently spending time behind bars. Both black men and Native American men in the United States are nearly three times, Hispanic men nearly two times, more likely to die of police shootings than white men.²² Racial divides are now widening across the entire planet.

Violence against women and the expropriation of their unpaid labor, as well as the higher level of exploitation of their paid labor, are integral to the way in which power is organized in capitalist society – and how it seeks to divide rather than unify the population. More than a third of women worldwide

have experienced physical/sexual violence. Women's bodies, in particular, are objectified, reified, and commodified as part of the normal workings of monopoly-capitalist marketing.²³

The mass media-propaganda system, part of the larger corporate matrix, is now merging into a social media-based propaganda system that is more porous and seemingly anarchic, but more universal and more than ever favoring money and power. Utilizing modern marketing and surveillance techniques, which now dominate all digital interactions, vested interests are able to tailor their messages, largely unchecked, to individuals and their social networks, creating concerns about "fake news" on all sides.²⁴ Numerous business entities promising technological manipulation of voters in countries across the world have now surfaced, auctioning off their services to the highest bidders.²⁵ The elimination of net neutrality in the United States means further concentration, centralization, and control over the entire Internet by monopolistic service providers.

Elections are increasingly prey to unregulated "dark money" emanating from the coffers of corporations and the billionaire class. Although presenting itself as the world's leading democracy, the United States, as Paul Baran and Paul Sweezy stated in *Monopoly Capital* in 1966, "is democratic in form and plutocratic in content."²⁶ In the Trump administration, following a long-established tradition, 72 percent of those appointed to the cabinet have come from the higher corporate echelons, while others have been drawn from the military.²⁷

War, engineered by the United States and other major powers at the apex of the system, has become perpetual in strategic oil regions such as the Middle East, and threatens to escalate into a global thermonuclear exchange. During the Obama administration, the United States was engaged in wars/bombings in seven different countries – Afghanistan, Iraq, Syria, Libya, Yemen, Somalia, and Pakistan.²⁸ Torture and assassinations have been reinstated by Washington as acceptable instruments of war against those now innumerable individuals, group networks, and whole societies that are branded as terrorist. A new Cold War and nuclear arms race is in the making between the United States and Russia, while Washington is seeking to place road blocks to the continued rise of China. The Trump administration has created a new space force as a separate branch of the military in an attempt to ensure U.S. dominance in the militarization of space. Sounding the alarm on the increasing dangers of a nuclear war and of climate destabilization, the distinguished *Bulletin of Atomic Scientists* moved its doomsday clock in 2018

to two minutes to midnight, the closest since 1953, when it marked the advent of thermonuclear weapons.²⁹

Increasingly severe economic sanctions are being imposed by the United States on countries like Venezuela and Nicaragua, despite their democratic elections—or because of them. Trade and currency wars are being actively promoted by core states, while racist barriers against immigration continue to be erected in Europe and the United States as some 60 million refugees and internally displaced peoples flee devastated environments. Migrant populations worldwide have risen to 250 million, with those residing in high-income countries constituting more than 14 percent of the populations of those countries, up from less than 10 percent in 2000. Meanwhile, ruling circles and wealthy countries seek to wall off islands of power and privilege from the mass of humanity, who are to be left to their fate.³⁰

More than three-quarters of a billion people, over 10 percent of the world population, are chronically malnourished.³¹ Food stress in the United States keeps climbing, leading to the rapid growth of cheap dollar stores selling poor quality and toxic food. Around forty million Americans, representing one out of eight households, including nearly thirteen million children, are food insecure.³² Subsistence farmers are being pushed off their lands by agribusiness, private capital, and sovereign wealth funds in a global depeasantization process that constitutes the greatest movement of people in history.³³ Urban overcrowding and poverty across much of the globe is so severe that one can now reasonably refer to a “planet of slums.”³⁴ Meanwhile, the world housing market is estimated to be worth up to \$163 trillion (as compared to the value of gold mined over all recorded history, estimated at \$7.5 trillion).³⁵

The Anthropocene epoch, first ushered in by the Great Acceleration of the world economy immediately after the Second World War, has generated enormous rifts in planetary boundaries, extending from climate change to ocean acidification, to the sixth extinction, to disruption of the global nitrogen and phosphorus cycles, to the loss of freshwater, to the disappearance of forests, to widespread toxic-chemical and radioactive pollution.³⁶ It is now estimated that 60 percent of the world’s wildlife vertebrate population (including mammals, reptiles, amphibians, birds, and fish) have been wiped out since 1970, while the worldwide abundance of invertebrates has declined by 45 percent in recent decades.³⁷ What climatologist James Hansen calls the “species exterminations” resulting from accelerating climate change and rapidly shifting climate zones are only compounding this general process of

biodiversity loss. Biologists expect that half of all species will be facing extinction by the end of the century.³⁸

If present climate-change trends continue, the “global carbon budget” associated with a 2°C increase in average global temperature will be broken in sixteen years (while a 1.5°C increase in global average temperature—staying beneath which is the key to long-term stabilization of the climate—will be reached in a decade). Earth System scientists warn that the world is now perilously close to a *Hothouse Earth*, in which catastrophic climate change will be locked in and irreversible.³⁹ The ecological, social, and economic costs to humanity of continuing to increase carbon emissions by 2.0 percent a year as in recent decades (rising in 2018 by 2.7 percent—3.4 percent in the United States), and failing to meet the minimal 3.0 percent annual reductions in emissions currently needed to avoid a catastrophic destabilization of the earth’s energy balance, are simply incalculable.⁴⁰

Nevertheless, major energy corporations continue to lie about climate change, promoting and bankrolling climate denialism—while admitting the truth in their internal documents. These corporations are working to accelerate the extraction and production of fossil fuels, including the dirtiest, most greenhouse gas-generating varieties, reaping enormous profits in the process. The melting of the Arctic ice from global warming is seen by capital as a new El Dorado, opening up massive additional oil and gas reserves to be exploited without regard to the consequences for the earth’s climate. In response to scientific reports on climate change, Exxon Mobil declared that it intends to extract and sell all of the fossil-fuel reserves at its disposal.⁴¹ Energy corporations continue to intervene in climate negotiations to ensure that any agreements to limit carbon emissions are defanged. Capitalist countries across the board are putting the accumulation of wealth for a few above combatting climate destabilization, threatening the very future of humanity.

Capitalism is best understood as a competitive class-based mode of production and exchange geared to the accumulation of capital through the exploitation of workers’ labor power and the private appropriation of surplus value (value generated beyond the costs of the workers’ own reproduction). The mode of economic accounting intrinsic to capitalism designates as a value-generating good or service anything that passes through the market and therefore produces income. It follows that the greater part of the social and environmental costs of production outside the market are excluded in this form of valuation and are treated as mere negative “externalities,” unrelated to the capitalist economy itself—whether in terms of the shortening

and degradation of human life or the destruction of the natural environment. As environmental economist K. William Kapp stated, “capitalism must be regarded as an economy of unpaid costs.”⁴²

We have now reached a point in the twenty-first century in which the externalities of this irrational system, such as the costs of war, the depletion of natural resources, the waste of human lives, and the disruption of the planetary environment, now far exceed any future economic benefits that capitalism offers to society as a whole. The accumulation of capital and the amassing of wealth are increasingly occurring at the expense of an irrevocable rift in the social and environmental conditions governing human life on earth.⁴³

Some would argue that China stands as an exception to much of the above, characterized as it is by a seemingly unstoppable rate of economic advance (though carrying with it deep social and ecological contradictions). Yet Chinese development has its roots in the 1949 Chinese Revolution, carried out by the Chinese Communist Party headed by Mao Zedong, whereby it liberated itself from the imperialist system. This allowed it to develop for decades under a planned economy largely free of constraints from outside forces, establishing a strong agricultural and industrial economic base. This was followed by a shift in the post-Maoist reform period to a hybrid system of more limited state planning along with a much greater reliance on market relations (and a vast expansion of debt and speculation) under conditions—the globalization of the world market—that were particularly fortuitous to its “catching up.” Through trade wars and other pressures aimed at destabilizing China’s position in the world market, the United States is already seeking to challenge the bases of China’s growth in world trade. China, therefore, stands not so much for the successes of late capitalism but rather for its inherent limitations. The current Chinese model, moreover, carries within it many of the destructive tendencies of the system of capital accumulation. Ultimately, China’s future too depends on a return to the process of revolutionary transition, spurred by its own population.⁴⁴

How did these disastrous conditions characterizing capitalism worldwide develop? An understanding of the failure of capitalism, beginning in the twentieth century, requires a historical examination of the rise of neoliberalism, and how this has only served to increase the destructiveness of the system. Only then can we address the future of humanity in the twenty-first century.

Neoliberalism and Capitalist Failure

Many of the symptoms of the failure of capitalism described above are well-known. Nevertheless, they are often attributed not to capitalism as a system, but simply to neoliberalism, viewed as a particular paradigm of capitalist development that can be replaced by another, better one. For many people on the left, the answer to neoliberalism or disaster capitalism is a return to welfare-state liberalism, market regulation, or some form of limited social democracy, and thus to a more rational capitalism. It is not the failure of capitalism itself that is perceived as the problem, but rather the failure of *neoliberal* capitalism.

In contrast, the Marxian tradition understands neoliberalism as an inherent outgrowth of late capitalism, associated with the domination of monopoly-finance capital. A critical-historical analysis of neoliberalism is therefore crucial both to grounding our understanding of capitalism today and uncovering the reason why all alternatives to neoliberalism and its capitalist absolutism are closed within the system itself.

The term *neoliberalism* had its origin in the early 1920s, in the Marxian critique of Ludwig von Mises's *Nation, State, and Economy* (1919) and *Socialism: An Economic and Sociological Analysis* (1922), both of which were written as virulent anti-socialist tracts, constituting the foundational works of neoliberal-capitalist ideology.⁴⁵ In these works, Mises, then employed by the Vienna Chamber of Commerce, insisted that the "old liberalism" had to be "re-laid" in such a way as to defeat socialism. In the process, he equated socialism with "destructionism," insisted that monopoly was consistent with capitalist free competition, defended unlimited inequality, and argued that consumers exercised "democracy" through their purchases, which were equivalent to ballots. He strongly condemned labor legislation, compulsory social insurance, trade unions, unemployment insurance, socialization (or nationalization), taxation, and inflation as the enemies of his refurbished liberalism.⁴⁶ So extreme were Mises's neoliberal views that he explicitly took the side of the crass, utilitarian pedagogue M'Choakumchild against the defiant young heroine Sissy Jupe, as portrayed by Dickens in *Hard Times*. Dickens, Mises claimed, had "taught millions to hate Liberalism and Capitalism."⁴⁷

In 1921, Austro-Marxist Max Adler coined the term *neoliberalism* to designate Mises's attempt to refurbish a fading liberal order through a new ideology of market fetishism. This was followed by a sharp criticism of Mises's neoliberal

ideology in 1923 by the gifted Austro-Marxist Helene Bauer. In 1924, the German Marxist Alfred Meusel wrote a lengthy critique of Mises, entitled "Neoliberalism" ("Der Neu-Liberalismus") for the leading German socialist theoretical journal *Die Gesellschaft*, edited by Rudolf Hilferding.⁴⁸

Building on a wealth of Marxian analysis, Adler, Bauer, and Meusel attacked Mises's claim that an unregulated capitalism was the only rational economic system and that socialism was equivalent to destructionism. They strongly challenged his ahistorical depiction of a harmonious capitalism that promoted free exchange and free trade through the market mechanism. A serious logical flaw in Mises's analysis, they contended, was the systematic bifurcation built into his neoliberal ideology, whereby trade unions were considered constraints on trade while employers' associations and monopolistic corporations were justified as consistent with free competition. Likewise, it was noted that Mises advocated a strong state to repress working-class struggles in the name of a self-regulating market system, even when state action on behalf of workers was condemned as anti-free market and a form of class terror. For Meusel, Mises was "a faithful servant of the mobile capitalist" or international finance capital. Later, in 1926, the profascist economist Othmar Spann criticized the atavistic attempt to revert to a more extreme version of classical liberalism, referring to this in his *Types of Economic Theory* as "The Neo-Liberal Trend."⁴⁹ In 1927, in his work *Liberalism*, Mises himself distinguished between "the older liberalism and...neoliberalism" on the basis of the commitment of the former to equality, in contrast to the rejection of equality (other than so-called equality of opportunity) by the latter.⁵⁰

Neoliberalism, as it first emerged from Mises's pen, was thus viewed by Marxian critics in the 1920s (and even by some figures on the right) as an attempt to rationalize a monopoly or finance capital far removed from the precepts of classical liberalism. It was designed to provide the intellectual basis for capitalist class warfare against not only socialism, but all attempts at social regulation and social democracy: a no-quarter-given attack on the working class.

Mises's assault on socialism, together with that of his protégé Friedrich Hayek, was motivated in part by a profound disenchantment with Red Vienna under the sway of Austro-Marxism, which was inspired by figures like Adler, Otto Bauer, and Karl Renner.⁵¹ Conversely, it was this same political environment of Red Vienna, which dominated Austrian politics from 1919-32, that inspired Karl Polanyi, who was strongly influenced by Adler

and Otto Bauer, to develop a crushing critique of the neoliberal belief in the self-regulating market—later to form the basis of *The Great Transformation* (1946).⁵²

In the 1930s to 1960s, following the Great Depression and the Second World War, neoliberal ideology waned in the context of the deepening crisis of capitalism. In the early 1930s, as the storm clouds gathered over Europe, Mises served as an economic advisor to Austrofascist Chancellor-dictator Engelbert Dollfuss prior to the Nazi takeover of Austria.⁵³ He later emigrated to Switzerland and then to the United States, enjoying the support of the Rockefeller Foundation and teaching at New York University. Meanwhile, Hayek was recruited by the London School of Economics at the instigation of the early neoliberal British economist Lionel Robbins.

The post-Second World War years in the West were known as the age of Keynes. Spurred on by increased state spending (particularly on the military in the context of the Cold War), the rebuilding of the war-torn European and Japanese economies, the expansion of the sales effort, waves of automobilization in both the United States and Europe, and two major regional wars in Asia—capitalist economies grew rapidly for a quarter-century.⁵⁴ Meanwhile, faced with the threat of the alternative model represented by the Soviet Union, and the advent of strong unions as a result of the developments of the 1930s and '40s, the West moved in the direction of Keynesianism, social democracy, and the welfare state.

Nevertheless, the tendency toward economic stagnation already exhibited in the 1930s remained as a structural flaw of the system, temporarily masked by the so-called Golden Age of rapid growth and increasing income for workers that immediately followed the Second World War. The giant corporations of monopoly capitalism succeeded in appropriating ever-greater surplus in both absolute and relative terms, which was concentrated in the hands of ever-fewer wealth holders, leading to a tendency toward overaccumulation of capital and manufacturing overcapacity, countered in part by a massive expansion of the sales effort, militarism, and imperialism, but with ever-lessening effect in stimulating the economy.

U.S. imperialism and the proliferation of dollars abroad led to a breakdown in the Bretton Woods system that had stabilized world trade in the early post-Second World War period, causing Richard Nixon to end the dollar-gold standard in 1971. This was associated with a slowdown in the U.S. economy from the late 1960s on, as the Vietnam War was winding down, resulting in a structural crisis of the capitalist system in the mid-1970s, which was to mark

the beginning of decades of economic stagnation and a long decline in the trend rate of growth in the advanced capitalist economies. The major stimuli that sparked the post-Second World War boom had all waned, leaving the advanced capitalist economies in the doldrums.⁵⁵

The first response to the structural crisis of the capitalist system that emerged in the 1970s was to utilize Keynesian demand-promotion to expand state spending. U.S. civilian-government spending on goods and services as a percentage of gross domestic product thus reached a peak during the Nixon administration.⁵⁶ This, plus the struggles of unions to maintain their real wages in the crisis, while monopolistic corporations aggressively raised prices to increase their profit margins, led to a period of stagflation (economic stagnation plus inflation).

Inflation, which depreciates accumulated wealth held in the form of monetary assets, is a much greater immediate threat to the position of the capitalist class than is economic stagnation, while for the working class the situation is reversed. The result was the emergence of an anti-Keynesian movement within the capitalist class, which designated anything to the left of hardcore neoliberalism as socialist or totalitarian in the manner of Hayek's *Road to Serfdom*, and sought to reverse decades of modest working-class gains.⁵⁷ There was a sharp turn toward austerity and economic restructuring, initially under the guise of monetarism and supply-side economics, and later taking a more amorphous free-market character. A concerted effort to destroy unions by combined political, economic, and juridical means was carried out, eliminating what John Kenneth Galbraith in his *American Capitalism* had once called the "countervailing power" of labor.⁵⁸

Key to the reemergence of neoliberalism in the post-Second World period was the Mont Pèlerin Society, named after the Swiss spa where Mises, Hayek, Robbins, Milton Friedman, George Stigler, Raymond Aron, and others met in 1947, to promote neoliberal economic and political ideas. The members of the Mont Pèlerin Society generally referred to themselves as classical liberals in the European sense. No doubt remembering the devastating Marxist critiques of neoliberal ideology in the 1920s, they eschewed the label *neoliberal*, which Mises himself had adopted in 1927, and which had been put forward in the 1938 Walter Lippmann Colloquium in Paris that Mises and Hayek attended.⁵⁹ Instead, neoliberalism was presented by its chief adherents in the Mont Pèlerin Society not as a separate political ideology from, but as an extension of, classical liberalism and attributable to inherent features of

human nature. In this way, as Michel Foucault argued, it was converted into a kind of *biopolitics*.⁶⁰

Nevertheless, while abandoning the neoliberal label, the Mont Pèlerin Society, together with the Department of Economics at the University of Chicago, was to be a bastion of neoliberal ideology—in precisely the sense that it had first emerged between the world wars. In the Keynesian era of the 1950s and '60s, figures like Mises, Hayek, Friedman, and James Buchanan remained on the margins, though heavily bankrolled by private foundations.⁶¹ But with the return of economic stagnation in the 1970s, neoliberal intellectuals were actively recruited at the apex of monopoly capital in order to provide the ideological basis for an ongoing corporate campaign to restructure the capitalist economy, deliberately targeting labor, the state, and the underdeveloped economies of the global South.

Central to neoliberal philosophy from the beginning was the defense of concentrated corporate capital and class dynasties, which were portrayed as representing free-market competition and entrepreneurship.⁶² The very virulence of neoliberal anti-socialism meant that it represented the drive to a complete market-privatization of social life. In Margaret Thatcher's London and Ronald Reagan's Washington, figures like Hayek and Friedman became the symbols of the neoliberal era, sometimes called the age of Hayek. The new so-called Nobel Prize in Economics, or the Sveriges Riksbank (Bank of Sweden) Prize in Economic Sciences in Memory of Alfred Nobel, established by the Bank of Sweden in 1969, was controlled from its inception by ultraconservative neoliberal economists. Seven members of the Mont Pèlerin Society, including Hayek, Friedman, Stigler, and Buchanan received the prize between 1974 and 1992, while even mildly social-democratic economists were all but excluded.⁶³

Neoliberalism as an economic ideology was largely ineffectual in normal economic-policy terms, judged by its lack of success in promoting growth, since, like neoclassical economics itself, it sought to deny (or rationalize) the reality of an economy dominated by big business and concentrated power.⁶⁴ Nevertheless, it served as an effective political-economic strategy for big business and the emerging billionaire class in an age where monopoly-finance capital sought to seize control of all monetary flows in society.⁶⁵ Although capitalist economies continued to stagnate with growth rates diminishing decade by decade, the surplus capital in the hands of the corporate rich not only increased, but by virtue of financialization, globalization, and the revolution in digital technology, new forms of

amassing wealth were created.⁶⁶ Financialization—the relative shift of the economy from production to finance—opened up vast new avenues to speculation and wealth formation, relatively removed from capital investment in new productive capacity (that is, real capital accumulation).

Globalization meant not only new markets, but, more importantly—through the global labor arbitrage—the appropriation of huge economic surpluses from the overexploitation of low-wage labor in the periphery that ended up in the financial coffers of multinational corporations and wealthy individuals in the rich countries.⁶⁷ The benefits of imperialism to workers in the center of the capitalist economy no longer included incremental gains in employment and income associated with the global dominance of production, but, at best, could be said to contribute to cheaper prices from the outsourcing of production by multinational corporations, symbolized by the growth of Walmart. Meanwhile, digital technology created the basis of a new globalized surveillance capitalism, buying and selling information on the population, primarily motivated by the sales effort, leading to the creation of enormous information-technology monopolies.⁶⁸

Vast increases in inequality and wealth were justified as returns for innovation, always attributed to a very few rather than as the collective product of society. In the new era of expropriation, all was up for grabs: education, health systems, transportation, housing, land, cities, prisons, insurance, pensions, food, entertainment. All exchanges in society were to be fully commodified, corporatized, and financialized, with the funds flowing into financial centers and feeding speculation on capital gains, leveraged by debt. Human communication was itself to be turned into a commodity. All in the name of a free-market society.

For the powers that be, this strategy was enormously successful. Capitalism, despite Adam Smith, had never been about the wealth of nations so much as the wealth of the capitalist class. The financialization process managed to counter economic-stagnation tendencies to some extent, but at the cost of periodic financial crises layered over the normal business cycle. Nevertheless, the amassing of wealth at the top continued to accelerate, with financial crises themselves leading to even greater financial concentration and centralization. In this situation, neoliberalism increasingly took on the logic of financialized expropriation and accumulation.

The state too became subject to the financialization policy, shifting its overall role to protecting the value of money.⁶⁹ In the Great Financial Crisis of 2007–09, the big banks and corporations were almost all bailed out; the population

was not. Rather than representing a severe crisis for neoliberalism itself, the Great Financial Crisis only gave it further impetus, reflecting the fact that neoliberal politics had become the ideological expression of an all-encompassing system of financial expropriation.⁷⁰

A characteristic of this new era of financialized accumulation is that it is progressively removed from the realities of production and use value, heightening the conflict between exchange value (the value form) and use value (the natural form) within the overall production and accumulation process.⁷¹ The result is “a social and ecological planetary emergency.”⁷² This is most evident in the rapid destruction of the natural environment. Fossil fuels are entered as financial assets on the books of corporations, even when they exist only in the form of reserves buried in the ground. In this way, they are integral to the entire financialized accumulation process of monopoly capitalism. Trillions of dollars of Wall Street assets are thus tied up in *fossil capital*.⁷³ This has made it doubly difficult to shift away from the extraction and use of fossil fuels to more sustainable alternatives, such as solar and wind power. No one owns the sun’s rays or the wind. Hence, there is less of a vested interest in these forms of energy. In today’s capitalism, more than ever before, current and potential future profits dictate all, at the expense of people and the planet. The human population stands by, seemingly helpless, watching the destruction of the climate and the loss of innumerable species, all imposed by the ostensibly overwhelming force of market society.

Neoliberalism has always been directly opposed to strict *laissez faire* since it has invariably emphasized a strong, interventionist, and constructionist relation to the state, in the direct service of private capital and market authoritarianism, or what James K. Galbraith has critically referred to as the *predator state*.⁷⁴ In the neoliberal view, capitalist absolutism is not a spontaneous product—it must be created. The role of the state is not simply to protect property, as maintained by Smith, but, as Foucault brilliantly explained in his *Birth of Biopolitics*, extends to the active construction of the domination of the market over all aspects of life.⁷⁵ This means refashioning the state and society on the model of the corporation or the market.

As Foucault put it, “the problem of neo-liberalism is...how the overall exercise of political power can be modeled on the principles of a market economy.” The state must not “correct the destructive effects of the market,” where these fall “on society” outside the market, but rather take advantage of these destructive effects to impose further measures that extend the reach and penetration of the market.⁷⁶ The goal is not to transcend the state altogether,

but to shackle it to the monopolistic-competitive ends of capital, a view forcefully propagated by Buchanan.⁷⁷ The shackles imposed on the neoliberal state dominated by monopoly-finance capital are specially designed to limit any changes that would negatively affect the value of money. Hence, both fiscal and monetary policy are increasingly put out of reach of the government itself—in those cases where changes going against the vested interests are contemplated. Central banks have been transformed into largely autonomous branches of the state, in fact controlled by the banks. Treasury departments are shackled by debt ceilings. Regulatory agencies are captured by monopoly-finance capital and act, for the most part, in the direct interest of corporations outside governmental control.⁷⁸

The result of such an attempt to construct a so-called self-regulating market society—in fact requiring constant state interventions on behalf of capital and the creation of a predator state—is, as Polanyi powerfully demonstrated, to undermine the very foundations of society and life itself.⁷⁹ But, in terms of capitalism today, there is no going back. Stagnation, financialization, privatization, globalization, the marketization of the state, and the reduction of people to “human capital” and nature to “natural capital,” have made neoliberal politics an irrevocable characteristic of monopoly-finance capital, which only an anti-capitalist politics can supplant.

Neoliberalism has thus become integrated into the system in the context of the structural crisis of capitalism in its globalized monopoly-finance phase. It extends this structural crisis to all of society and makes it universal and insurmountable within the system. The answer to every failing of capitalism is thus to turn the screw further, which accounts for much of the allure of the market principle, since it is perpetually seen as the solution to the problems it causes—with each failure opening up new areas of profitability for a few. The result of this irrational logic is not merely economic and ecological disaster, but the gradual demise of the liberal-democratic state itself. Neoliberalism thus points inevitably to market authoritarianism and even neofascism. In this respect, Donald Trump is no mere aberration.⁸⁰

As Mises openly declared in 1927 in *Liberalism*: “It cannot be denied that Fascism and similar movements [on the right] aiming at the establishment of dictatorships are full of the best intentions, and that their intervention, has, for the moment, saved European civilization. The merit that Fascism has thereby won for itself will live on eternally in history.”⁸¹ Hayek, along with other neoliberals such as Friedman and Buchanan, actively supported General Augusto Pinochet’s coup in Chile in 1973, overthrowing the

democratically elected socialist government of Salvador Allende and imposing an economic shock doctrine on the population. In this context, Hayek, in a trip he took to Chile in 1978, personally warned Pinochet against a resurrection of “unlimited democracy.” During a second visit in 1981, he stated that “a dictatorship...may be more liberal in its policies than a democratic assembly.”⁸² As he wrote in 1949 in *Individualism and Economic Order*, “we must face the fact that the preservation of individual freedom is incompatible with a full satisfaction of our views of distributive justice.”⁸³

Neoliberalism, in short, is not a mere paradigm that can be dispensed with, but represents the absolutist tendencies of the system in the age of monopoly finance. As Foucault pointed out, the “survival of capitalism” could only be ensured for a time by the singular application of its economic logic to all of sociological existence.⁸⁴ Reduced, however, to a pure Midas principle, capitalism could only end up by destroying everything in existence with which it came into contact. But if capitalism has now failed, the question becomes: What next?

What Next?

In his magisterial *The Age of Extremes: A History of the World 1914–1991*, Marxist historian Eric Hobsbawm, viewing the approach of the twenty-first century, indicated that there were reasons to be concerned that the new century might be even more threatening to humanity than the “age of extremes” that had preceded it, a century that had been punctuated by world wars, imperial conflicts, and economic depressions—and in which humanity was confronted for the first time with the possibility of its own self-annihilation. Yet, looking forward, he concluded, the new century (and millennium) offered even greater dangers.

“We live in a world,” Hobsbawm observed in 1994,

uprooted and transformed by the titanic economic and the techno-scientific process of the development of capitalism, which has dominated the past two or three centuries. We know, or at least it is reasonable to suppose, that it cannot go on *ad infinitum*. The future cannot be a continuation of the past, and there are signs, both externally, and, as it were, internally, that we have reached a point of historic crisis. The forces generated by the techno-scientific economy are now great enough to destroy the environment, that is to say, the material foundations of human life. The structures of human societies

themselves, including even some of the social foundations of the capitalist economy, are on the point of being destroyed by the erosion of what we have inherited from the human past. Our world risks both explosion and implosion. It must change.

We do not know where we are going. We only know that history has brought us to this point and—if readers share the argument of this book—why. However, one thing is plain. If humanity is to have a recognizable future, it cannot be by prolonging the past or the present. If we try to build the third millennium on that basis, we shall fail. And the price of failure, that is to say, the alternative to a changed society, is darkness.⁸⁵

Hobsbawm left little doubt as to what the principal danger was at present, namely “the theological faith in an economy in which resources were allocated *entirely* by the totally unrestricted market, under conditions of unlimited competition,” carried out by evermore-concentrated corporations. Chief among the dangers of such a system was the likelihood of “irreversible and catastrophic consequences for the natural environment of this planet, including the human race which is part of it.”⁸⁶

Hobsbawm’s position was roundly criticized at the time, even by many on the left, as overly “pessimistic” with regard to the course of capitalist development.⁸⁷ Today, however, a quarter-century later, it is clear that he hit the mark, as the concerns that he voiced then are even more evident today. Nevertheless, such realism in approaching the failure of capitalism in our time is still rare on the part of left intellectuals in the wealthy countries, even in the face of decades of neoliberal assault combined with economic stagnation, financialization, growing inequality, and environmental decline. One common response is to refer to Polanyi’s notion of a *double movement*, in which the recurring myth of a self-regulating market society inevitably gives rise to *defensive movements* to protect society and the environment.⁸⁸ This has fed the hope that the pendulum will swing back again, leading to a more affirmative-style liberalism or social democracy. This sustains the belief that the failures of unregulated capitalism can be countered by a return to regulated capitalism, a new Keynesian age—as if history had stood still.

Pinning hopes on a double movement of this kind, however, denies four material realities. First, social democracy came about and persisted only as long as the threat of actually existing socialist societies was present and union strength endured, and faded immediately with the demise of both. Second, neoliberalism today is ingrained in capitalism itself, in the phase of

monopoly-financial capital. The earlier age of industrial-capital dominance, on which Keynesian economics was based, is now gone. Third, social democracy was in practice reliant on an imperialist system that was opposed to the interests of the vast majority of humankind. Fourth, the liberal-democratic state and the dominance of a purportedly enlightened industrial-capitalist class willing to engage in a social accord with labor is largely a relic of the past, with its structural bases having all but disappeared.

Even when social democratic parties come to power in these circumstances, promising to work within the system and create a kinder and gentler capitalism, they invariably fall prey to the laws of motion of capitalism in this phase. As Michael Yates writes, in the context of a failed capitalism: "Today, it is impossible to believe that there will be a recovery of even the modest political and economic project that labor unions and political parties once embraced and helped bring to fruition."⁸⁹

On the so-called liberal-left, some have adopted a broad technological-modernization approach, largely disregarding social relations. Here, in an implicit technological determinism, digital technology, social engineering, and wise liberal management are expected to reign supreme. It is true, such thinkers argue, that the capitalist absolutism of neoliberalism points to unending disaster. But capitalism can be altered, presumably from above, to fit any exigency, even the sidelining of profits and accumulation, conforming to current technological imperatives. What will remain of the system, in this conception, will be the bare frames of corporations and markets now devoid of any class or acquisitive drive, mere engines of efficiency.

As Jørgen Randers, one of the original *Limits to Growth* authors, declares in 2052—his forecast (in 2012) of the world society forty years into the future—that the "modified capitalism" that will emerge mid-point in this century "will be a system wherein collective well-being is set above the return of the individual." Modified capitalism will be subject to the guidance of "wise government," directed by technocrats, while being characterized by "less democracy and less market freedom." Rather than directly facing up to the failures of capitalism—though he projects forty years of economic stagnation for the major economic powers and continued poverty in the "rest of the world"—Randers sees such questions as largely irrelevant to his vision of the world in 2052. The dominant reality, he predicts, will be a more efficient and sustainable, if more physically constrained, version of the present-day capitalist world.⁹⁰

Yet, in the barely seven years since his book was written, it is already clear that Randers's predictions were wrong in every respect. The situation confronting the world is qualitatively more serious than it was in 2012, at a time when gradualist, technocratic solutions to climate change still seemed feasible to many even among those on the left and when the liberal-democratic state appeared perfectly stable. Today, in the context of accelerated climate change, continuing economic stagnation, political upheaval, and growing geopolitical instability, it is clear that the challenges that the world is facing will be both more cataclysmic and epoch-making than progressive ecological modernizers like Randers envisioned. The choices confronting us are now much harder.

Indeed, history has been unkind to all such attempts to provide detailed forecasts of the future, particularly if they simply extend current trends and leave the bulk of humanity and their struggles out of the picture. It is for this reason that a dialectical view is so important. The actual course of history can never be predicted. The only thing certain about historical change is the existence of the struggles that drive it forward and that guarantee its discontinuous character. Both implosions and explosions inevitably materialize, rendering the world for new generations different than that of the old. History points to numerous social systems that have reached the limits of their ability to adapt their social relations to allow for the rational and sustainable use of developing productive forces. Hence, the human past is dotted by periods of regression, followed by revolutionary accelerations that sweep all before them. As the conservative historian Jacob Burckhardt declared in the nineteenth century, "a historical crisis" occurs when "a crisis in the whole state of things is produced, involving whole epochs and all or many peoples of the same civilization.... The historical process is suddenly accelerated in terrifying fashion. Developments which otherwise take centuries seem to flit by like phantoms in months or weeks, and are fulfilled." He called this the "acceleration of historical processes."⁹¹

Burckhardt principally had in mind social revolutions, like the French Revolution of 1789. This was an acceleration of history that, as the modern French historian Georges Lefebvre explained, commenced as a series of widening revolutions, mutating with terrifying speed, from an aristocratic revolution to a bourgeois revolution to a popular revolution and then a peasant revolution – finally taking on the character of a historic "*bloc*, a single thing," seemingly unconquerable, which reshaped much of world history.⁹²

Could such a revolutionary acceleration of history, though on an incomparably greater scale, happen in the twenty-first century? Most establishment commentators in the hegemonic countries of the world imperialist system would say no, based on their own narrow experience and limited view of history. Nevertheless, revolutions continue to break out in the periphery of the world system and are, even now, only put down by imperialist economic, political, and military interventions. Moreover, the failure of capitalism on a planetary scale today threatens all of civilization and life on the planet as we know it. If drastic changes are not made, global temperature *this century* will increase by 4° or even 6°C from preindustrial times, leading to conditions that will imperil humankind as a whole. Meanwhile, the extreme capitalism of today seeks to expropriate and enclose all the bases of material existence, siphoning off almost the entire net social surplus and robbing the natural environment for the direct benefit of a miniscule few.

As a direct result of capitalist social relations, the material challenges now facing humanity are greater than anything ever seen before, pointing to an accumulation of catastrophe along with the accumulation of capital.⁹³ Hundreds of millions of people under these circumstances are already being drawn into struggles with the system, creating the basis of a new worldwide movement toward socialism. In his book *Can the Working Class Change the World?* Yates answers yes, it can. But it can only do so through a unifying struggle by workers and peoples aimed at genuine socialism.⁹⁴

It may be objected that socialism has been tried and has failed and hence no longer exists as an alternative. However, like the earliest attempts at capitalism in the Italian city-states of the late Middle Ages, which were not strong enough to survive amongst the feudal societies that surrounded them, the failure of the first experiments at socialism presage nothing but its eventual rebirth in a new, more revolutionary, more universal form, which examines and learns from the failures.⁹⁵ Even in failure, socialism has this advantage over capitalism: it is motivated by the demand for “freedom in general,” rooted in substantive equality and sustainable human development—reflecting precisely those collective social relations, borne of historical necessity and the unending struggle for human freedom, crucial to human survival in our time.⁹⁶

The great conservative economist Joseph Schumpeter, who, as Austrian finance minister in Red Vienna, had allied himself for a time with the socialist

government and found himself attacked on all sides, once wrote that capitalism would perish not because of “the weight of economic failure,” but rather because its “very success” in pursuing its narrow economic ends, had undermined the sociological foundations of its existence. Capitalism, Schumpeter exclaimed, “‘inevitably’ creates conditions in which it will not be able to live and which strongly point to socialism as its heir apparent.”⁹⁷ He was, it turns out, in many ways correct, though not entirely in the way he expected. The global development of monopoly capitalism and financialization spearheaded by the very same counterrevolutionary neoliberalism that first arose in response to Red Vienna in the interwar years—at a time when Schumpeter himself was a major actor—has now undermined the material bases, not so much of capitalism itself, but of global society and planetary ecology. The result has been the emergence of an “atmosphere of almost universal hostility” to the prevailing social order, though, playing out in the confused context of the present, less as opposition to capitalism itself than to neoliberalism.⁹⁸

It is capitalism’s undermining of the very basis of human existence that will eventually compel the world’s workers and peoples to seek new roads forward. An inclusive, class-based movement toward socialism in this century will open up the possibility of qualitative new developments that the anarchy of the capitalist-market society with its monopolistic competition, extreme inequality, and institutionalized greed cannot possibly offer.⁹⁹ This includes the development of a socialist technology, in which both the forms of technology utilized and the purposes to which they are put are channeled in *social* directions, as opposed to individual and class gain.¹⁰⁰ It introduces the prospect of long-term democratic planning at all levels of society, allowing decisions to be made and distributions to occur outside the logic of the cash nexus.¹⁰¹ Socialism, in its most radical form, is about substantive equality, community solidarity, and ecological sustainability; it is aimed at the unification—not simply division—of labor.

Once sustainable human development, rooted not in exchange values, but in use values and genuine human needs, comes to define historical advance, the future, which now seems closed, will open up in a myriad ways, allowing for entirely new, more qualitative, and collective forms of development.¹⁰² This can be seen in the kinds of needed practical measures that could be taken up, but which are completely excluded under the present mode of production. It is not physical impossibility, or lack of economic surplus, most of which is currently squandered, that stands in the way of the democratic control of investment, or the satisfaction of basic needs—clean air and water, food,

clothing, housing, education, health care, transportation, and useful work—for all. It is not the shortage of technological know-how or of material means that prevents the necessary ecological conversion to more sustainable forms of energy.¹⁰³ It is not some inherent division of humanity that obstructs the construction of a New International of workers and peoples directed against capitalism, imperialism, and war.¹⁰⁴ All of this is within our reach, but requires pursuing a logic that runs counter to that of capitalism.

Humanity, Karl Marx wrote, “inevitably sets itself only such tasks as it is able to solve, since closer examination will always show that the problem itself arises only when the material conditions for its solution are already present or at least in the course of formation.”¹⁰⁵ The very waste and excess of today’s monopoly-finance capitalism, together with the development of new means of communication that allow for greater human coordination, planning, and democratic action than ever before, suggest that there are countless paths forward to a world of substantive equality and ecological sustainability once the world is freed from the fetters of capital.¹⁰⁶

The answers to the crises before us are both social and ecological. They require the rational regulation of the metabolism between human beings and nature under the control of associated humanity—regenerating and maintaining the flows, cycles, and other vital processes of healthy, local, regional, and global ecosystems (and species habitats)—in accord with the needs of the entire chain of human generations. The mainsprings of human action throughout history lie in the drive for human freedom and the struggle to master our relation to the world. The first of these ultimately demands equality and community; the second, human development and sustainability. It is on these struggles for collective advancement that we must ultimately rely if humanity is to have a future at all.

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 52. Karl Polanyi, *The Great Transformation* (Boston: Beacon, 1944); Felix Schaffer, "Vorgartenstrasse 203: Extracts from a Memoir," in *Karl Polanyi in Vienna*, ed. Kenneth McRobbie and Kari Polanyi-Levitt, (Montreal: Black Rose, 2006), 328–46; Kari Polanyi-Levitt, "Tracing Polanyi's Institutional Political Economy to its Central European Source," in *Karl Polanyi in Vienna*, 378–91; Eduard März, *Joseph Schumpeter: Scholar, Teacher, and Politician* (New Haven: Yale University Press, 1991), 101.
 53. Gareth Dale, *Karl Polanyi: A Life on the Left* (New York: Columbia University Press, 2016), 102–3.
 54. Harry Magdoff, "International Economic Distress and the Third World," *Monthly Review* 33, no. 11 (April 1982): 3–5.
 55. These economic developments are presented in great detail, as a running commentary, in the extraordinary set of books, based on collected articles, written by Harry Magdoff and Paul Sweezy in the late 1960s to the late 1990s: Paul M. Sweezy and Harry Magdoff, *The Dynamics of U.S. Capitalism* (New York: Monthly Review Press, 1972); Paul M. Sweezy and Harry Magdoff, *The End of Prosperity* (New York: Monthly Review Press, 1973); Paul M. Sweezy and Harry Magdoff, *Stagnation and the Financial Explosion* (New York: Monthly

- Review Press, 1987); and Paul M. Sweezy and Harry Magdoff, *The Irreversible Crisis* (New York: Monthly Review Press, 1988).
56. Hannah Holleman, Robert W. McChesney, John Bellamy Foster, and R. Jamil Jonna, "The Penal State in an Age of Crisis," *Monthly Review* 61, no. 2 (June 2009): 2.
 57. Friedrich von Hayek, *The Road to Serfdom* (London: Routledge, 1944). As Paul Sweezy wrote of Hayek's *The Road to Serfdom*, "the choice of liberalism—in the sense of individualism and competition—as the standard of judgment, deviation from which is to be regarded as error, permits him to lump all anti-individualist thought and policy together as simply totalitarian." Paul M. Sweezy, *The Present as History* (New York: Monthly Review Press, 1953), 285.
 58. John Kenneth Galbraith, *American Capitalism: The Concept of Countervailing Power* (London: Hamish Hamilton, 1957).
 59. Philip Mirowski, *Never Let a Serious Crisis Go to Waste* (London: Verso, 2013), 24, 37–50; David Stedman Jones, *Masters of the Universe* (Princeton: Princeton University Press, 2012). Mirowski and Jones, despite providing detailed accounts of the formation of neoliberalism in the post-Second World War years, have little or no awareness of the Marxian (and other) critiques of neoliberalism in the 1920s, nor of the conflict as it arose in the context of Red Vienna.
 60. Michel Foucault, *The Birth of Biopolitics* (New York: Palgrave MacMillan, 2008), 317. An extreme example of such naturalization is the corporate use of the term *ecosystem* to refer to commodity supply chains, such as *Apple's ecosystem*—a way of avoiding reference to the system of exploitation embedded in the global labor arbitrage. See John Patrick Leary, *Keywords: The New Language of Capitalism* (Chicago: Haymarket, 2018), 72–76.
 61. Friedman's role as a spokesperson of neoliberalism is well known. On the role of James Buchanan, see Nancy McLean, *Democracy in Chains* (New York: Viking, 2017).
 62. Foucault, *The Birth of Biopolitics*, 133–38; Mirowski, *Never Let a Serious Crisis Go to Waste*, 64; Mises, *Socialism*, 344–51. In his memoirs, Stigler emphasized that a key objective of the Chicago School of Economics, and of neoliberalism more generally, was the destruction of the concept of monopoly power in order to counter "the growing socialist critique of capitalism [that] emphasized monopoly"; "'monopoly capitalism' is almost one word in that literature." George J. Stigler, *Memoirs of an Unregulated Economist* (New York: Basic, 1988), 92, 162–63.
 63. Avner Offer and Gabriel Söderberg, *The Nobel Factor* (Princeton: Princeton University Press, 2016), 101, 130–31.
 64. See John Cassidy, *How Markets Fail* (New York: Farrar, Straus, and Giroux, 2009), 3–110; Foster and McChesney, *The Endless Crisis*, 1–28.
 65. On how neoliberalism took on new significance in the age of the financialization of the accumulation process, see Gérard Duménil and

- Dominique Levy, *Capital Resurgent: Roots of the Neoliberal Revolution* (Harvard: Harvard University Press, 2004), 119–20, 156–67; Foster and McChesney, *The Endless Crisis*, 44–45.
66. Foster and McChesney, *The Endless Crisis*, 4, 18. On the concentration of wealth, see Thomas Piketty, *Capital in the Twenty-First Century* (Cambridge, Massachusetts: Harvard University Press, 2014), 336–76.
 67. Smith, *Imperialism in the Twenty-First Century*; Ernesto Screpanti, *Global Imperialism and the Great Crisis* (New York: Monthly Review Press, 2014).
 68. Foster and McChesney, “Surveillance Capitalism.”
 69. Prabhat Patnaik, *The Value of Money* (New York: Columbia University Press, 2009).
 70. Mirowski, *Never Let a Serious Crisis Go to Waste*, 1–6.
 71. Karl Marx, “The Value-Form,” *Capital & Class* no. 4 (1978): 134.
 72. Fred Magdoff and Chris Williams, *Creating an Ecological Society* (New York: Monthly Review Press, 2017), 25–47.
 73. Andreas Malm, *Fossil Capital* (London: Verso, 2016).
 74. James K. Galbraith, *The Predator State* (New York: Free Press, 2008); Foucault, *The Birth of Biopolitics*, 133.
 75. Mirowski, *Never Let a Serious Crisis Go to Waste*, 56–57; Foucault, *The Birth of Biopolitics*, 131.
 76. Foucault, *The Birth of Biopolitics*, 131, 145.
 77. Mirowski, *Never Let a Serious Crisis Go to Waste*, 57; McLean, *Democracy in Chains*.
 78. Marco Boffo, Alfredo Saad-Filho, and Ben Fine, “Neoliberal Capitalism: The Authoritarian Turn,” in *Socialist Register 2019*, 256.
 79. Polanyi’s *Great Transformation* was a critique of the neoliberalism of theorists like Mises and Hayek who in the context of Red Vienna had argued for a self-regulating market economy and devised the main tenets of what is now known as neoliberalism. However, Polanyi’s powerful critique was also meant to reflect a moment of triumph, the defeat of neoliberal tendencies in the form of the “great transformation.” It is ironic, therefore, that the Mont Pèlerin Society was established the year after the publication of Polanyi’s book, and it was only with the rise to power of neoliberalism in the 1970s and ’80s that the current fascination with Polanyi emerged.
 80. See Robert W. McChesney, foreword to *Trump in the White House*, 7–13.
 81. Mises, *Liberalism*, 30. See also Herbert Marcuse, *Negations* (Boston: Beacon, 1968), 10.
 82. Hayek quoted in Renato Cristi, *Carl Schmitt and Authoritarian Liberalism* (Cardiff: University of Wales Press, 1998), 168.
 83. Friedrich von Hayek, *Individualism and Economic Order* (London, 1949), 22; Paul A. Baran, “On Capitalism and Freedom,” *Monthly Review* 42, no. 6 (November 1990): 36.
 84. Foucault, *The Birth of Biopolitics*, 164.

85. Eric Hobsbawm, *The Age of Extremes* (New York: Vintage, 1994), 584–85.
86. Hobsbawm, *The Age of Extremes*, 563, 569.
87. See Edward Said, “Contra Mundum,” *London Review of Books* 17, no. 5 (1995): 22–23; Justin Rosenberg, “Hobsbawm’s Century,” *Monthly Review* 47, no. 3 (July–August 1995): 139–56; Eugene Genovese, “The Age of Extremes—Review,” *New Republic*, April 17, 1995.
88. Polanyi, *The Great Transformation*, 76.
89. Michael D. Yates, *Can the Working Class Change the World?* (New York: Monthly Review Press, 2018), 134.
90. Jørgen Randers, *2052: A Report to the Club of Rome Commemorating the Fortieth Anniversary of the “Limits to Growth”* (White River Junction, Vermont: Chelsea Green, 2012), 14–15, 19–23, 210–17, 248–49, 296–97.
91. Jacob Burckhardt, *Reflections on History* (Indianapolis: Liberty, 1979), 213, 224.
92. Georges Lefebvre, *The Coming of the French Revolution* (Princeton: Princeton University Press, 1947), 212.
93. John Bellamy Foster, “Capitalism and the Accumulation of Catastrophe,” *Monthly Review* 63, no. 7 (December 2011): 1–17.
94. Yates, *Can the Working Class Change the World?*, 184–85.
95. Paul M. Sweezy, “Socialism and Ecology,” *Monthly Review* 41, no. 4 (September 1989): 5.
96. Karl Marx and Frederick Engels, *Collected Works*, vol. 1 (New York: International, 1975), 157.
97. Joseph Schumpeter, *Capitalism, Socialism, and Democracy* (New York: Harper and Row, 1942), 61. Schumpeter was a genuine product of the Austrian School of Economics, but he was, at the same time, a very independent thinker. He was the first to provide a strong criticism of Mises’s notion that a rational price system could not be developed under socialism. His independence was shown by his willingness to serve as finance minister in a socialist government. See Márz, *Joseph Schumpeter*, 99–113, 147–63.
98. Schumpeter, *Capitalism, Socialism, and Democracy*, 143.
99. As Antonio Negri emphasizes, an inclusive, class-based movement starts with a “social concept” of class divorced from a merely economic construction. This means that the question of the working class cannot be separated from issues such as women’s domestic work, the environment, race formation, and so on. Antonio Negri, “Starting Again from Marx,” *Radical Philosophy* 203 (2018).
100. See the indispensable discussion of socialist technology in Victor Wallis, *Red-Green Revolution: The Politics and Technology of Ecosocialism* (Chicago: Political-Animal, 2018), 54–92.
101. As Sweezy remarked, there is “nothing in the [capitalist] system that lends itself to or is compatible with long-range planning of a kind that would be absolutely essential to the implementation of an effective ecological program,” much less the assurance that social progress would be equitably shared amongst all in society. Socialism, in contrast, is amendable to such

- developments on a democratic basis, precisely because it means a shift away from capital accumulation, profits, and commodity production as the supreme ends of society. Sweezy, "Socialism and Ecology," 7–8. We can see the strengths of planning today in different ways in states like Venezuela, with its communes and communal councils, and in Cuba with its enormous social and ecological successes—despite both having been subjected to enormous economic and political pressures, as well as military threats, emanating from the United States. See John Bellamy Foster, "Chávez and the Communal State," *Monthly Review* 66, no. 11 (April 2015): 1–17.
102. On sustainable human development, see Paul Burkett, "Marx's Vision of Sustainable Human Development," *Monthly Review* 57, no. 5 (October 2005): 34–62.
 103. The issue of ecological conversion is systematically addressed in Wallis, *Red-Green Revolution*. See also Magdoff and Williams, *Creating an Ecological Society*, 283–329; Angus, *Facing the Anthropocene*, 189–208; and Fred Magdoff and John Bellamy Foster, *What Every Environmentalist Needs to Know About Capitalism* (New York: Monthly Review Press, 2011), 121–44. On a radical democratic and socialist strategy in the United States, see Robert W. McChesney and John Nichols, *People Get Ready* (New York: Nation, 2016), 245–76.
 104. On a New International, see István Mészáros, *The Necessity of Social Control* (New York: Monthly Review Press, 2015), 199–217; Samir Amin, "It Is Imperative to Reconstruct the Internationale of Workers and Peoples," IDEAS, July 3, 2018.
 105. Karl Marx, *A Contribution to a Critique of Political Economy* (Moscow: Progress, 1970), 21.
 106. See John Bellamy Foster, "The Ecology of Marxian Political Economy," *Monthly Review* 63, no. 4 (September 2011): 5–14; Robert W. McChesney, *Communication Revolution* (New York: New Press, 2007).

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