

PETER GOWAN

## THE WAYS OF THE WORLD

*Interview by Mike Newman and Marko Bojcun*

*Could you tell us about your early life and education?*

I WAS BORN IN Glasgow in 1946 and then moved to Belfast with my mother and sister, where we lived until I was eight. (Our father was a Scottish Canadian who had spent his wartime leave with our mother, but went back to his wife and family in Canada at the end of the war.) When I was nine I was sent to a prep school in England, and then to Haileybury and Imperial Service College. This was the old East India Company school, established to train the colonial administrators who would run India, and was a hotbed of Benthamism. It had what you might call a Labour imperialist tradition: Attlee had been there, and quite a number of other Labour ministers. This was in the 1950s, when Britain not only continued to have an empire, but still thought of itself as being at the centre of the world. We therefore had a much greater awareness of what was going on in the world than a lot of school students do today—and also a much greater sense that what Britain decided, mattered. The school combined a strong link with the empire—the chapel walls were covered in plaques commemorating old boys who'd died on the Khyber Pass—with a tradition of social concern for the poor. I think of it as a kind of Milnerism, after Lord Milner, although the ethos goes back earlier than that: the idea that the state should be run by a dedicated elite, combined with the idea of the empire as a lever for global progress.

*And did you share this general outlook?*

Absolutely. I was the editor of the school magazine, and my editorials were full of these sentiments. I was a staunch Labour supporter, very

much in favour of nationalization. My older sister, whom I admired greatly, was both a Christian and a socialist, and I took her ideas very seriously. In addition to that I developed a strong Third Worldist orientation. At school I had been following the ending of the empires very closely, not least in Africa. But the big experience for me came during my gap year, between school and university. I was hitchhiking my way round Europe and North Africa, and met up with a young Swedish boy on the border of Tunisia and Algeria. We travelled through Algeria and Morocco together, up into Spain. Dick was the first Communist I'd ever met. He was only eighteen, an engineer in a factory in Gothenburg and a member of the Young Communist League, rather well-educated politically. We had huge arguments about the British role in the Congo. I insisted that British policy was to support the UN in bringing an end to the secession of Katanga, which the Belgians were backing. Dick informed me I was talking rubbish: the British were out to sabotage Congolese independence and were actively engaged, militarily, on the side of the Belgians. They had sent their troops from Northern Rhodesia into Katanga. All the stuff at the UN was just a ruse. I rejected his arguments. I had been reading *The Times* pretty religiously, and was sure of my ground. But when I came back to England, and read the accounts of the Congo crisis by Thomas Hodgkin and Conor Cruise O'Brien, I realized Dick was right and I was wrong. This was a huge shock, not because of the details of the Congo, but because I realized that *The Times* had been systematically lying about what the British were up to there. It started me thinking that the world was much more complicated than I had imagined.

*In 1964 you went to the University of Southampton to read Modern History, Politics and Economics. How did these ideas develop while you were there?*

At Southampton I specialized in Irish economic history, 1780–1820, taught by Miriam Daly. There was very little secondary literature, so we worked on primary materials. Miriam got us thinking about different methods of interpretation, comparing classical economists' approaches to the peasant problem with those of Marxists. I began to see that Marxism could provide some powerful analytical tools for this kind of work. I was also reading about Africa, not very systematically: the Mau Mau movement in Kenya and Nkrumahism in Ghana. From 1965 we were following what was going on in Vietnam. American draft-dodgers started to appear in Britain and they were an important influence on us, as was the Civil Rights movement in the United States. A Malaysian

student, very anti-imperialist, got me into reading *New Left Review*, and that was very exciting. I was also very interested in the Cuban revolution. Finally, I had a class on European history from 1870 and in that I read Deutscher on the Russian Revolution. That was a huge emotional and intellectual experience for me.

All these interests went on in parallel to a conventional left social-democratic approach to the Wilson government. I was in the University Labour Club and attended the Labour Students national conferences, which was where I first encountered the British far left: the CP, the International Socialists, and some Fourth International people organized around a paper called *The Week*, who would later form the International Marxist Group. I didn't join the IMG at this time, but I liked them because, firstly, they were strongly in favour of working in the Labour Party, and I took the view that there was no point in fantasizing that the British working class was something other than it was: the labour movement in Britain was Labour and the trade unions, and we had to be in it—that was a kind of duty. Secondly, they were very involved in the anti-imperialist movement, not least on Vietnam. The third thing that drew me was the double-sidedness of their view of the Soviet Union: that, beneath an appalling, massively distorted political system, it did have an emancipatory impulse buried somewhere; it was not a capitalist state. I had been on a student trip to the Soviet Union in 1966, and at Moscow State University the atmosphere among students was still relatively open. They spoke to me quite freely about the beginnings of repression under Brezhnev in 1966, and about how upset they were over the trials of the writers, Sinyavsky and Daniel. I felt then that there was the possibility of movement and reform there. And, by contrast, I was *quite* sympathetic to the Communist Party, but not at all so to International Socialism—mainly because I had gone along to hear Chris Harman on the Cuban Revolution. I was shocked by the animus of his speech, and hostility towards Castro. There was something very narrow and Jesuitical about it, completely cut off from the reality of a tremendous liberation movement in Cuba.

*In 1967 you went to the Centre for Russian and East European Studies in Birmingham to do a PhD on the Soviet Union.*

Yes, I was studying the Civil War period in the province of Tambov. This was the only grain-surplus province that remained with the Soviets

throughout the fighting. And then, as soon as the Civil War was over, there was a very powerful uprising in Tambov, led by people from the Social Revolutionaries, more or less at the same time as the Kronstadt rebellion. It was known as the *tambovshchina*, a kind of anarchist revolt against the Soviets led by peasants, school teachers, and so on. Nobody had written about this, so my task was to go into the primary materials; in part it was an extension of my work on the peasants in Ireland. I greatly admired many of the staff at the Centre, it was a wonderful place. But I was increasingly caught up in political work. I joined the IMG in the late spring of 1968, in Birmingham. The first meeting we organized was about Malcolm X—we got C. L. R. James, the Caribbean Marxist, to come up and give a talk about him. We were deeply involved in the Vietnam Solidarity Campaign. In 1969 I moved down to London to work on the newspaper, *Black Dwarf*, which Tariq Ali was editing, and play a more central role in the IMG leadership—effectively abandoning the PhD.

*How did the suppression of the Prague Spring and the invasion of Czechoslovakia in 1968 affect your attitude towards the Soviet Union?*

I started to try to find out why it had happened. Of course, there was a ready explanation within the Trotskyist movement, which said that there was a bureaucratic group in power in these societies which had distanced itself from the mass of the population, and was using political repression in order to boost its privileges and its power. This, then, would lead to such things as the suppression of the Prague Spring. But those arguments didn't completely convince me, simply because they didn't explain the Prague Spring itself, which in my view had come rather strongly from above as well as below. Arguably, it was the clashes at the top that had generated a dynamic towards ending censorship. Certainly, we had been very inspired by the changes that were taking place in Czechoslovakia in the spring of 1968, and we led the protests against the invasion outside the Soviet Embassy in London that August. But funnily enough, the invasion didn't initially demoralize us, because we thought it might be quite quickly swept back—we didn't understand the dynamics in Czechoslovakia. It was a big shock when the Dubček leadership failed to mobilize the population, and was ultimately defeated and removed by the spring of 69.

*What was your experience in the Fourth International at this time?*

I went to the FI's Ninth Congress in Rimini, in 1969. There were people from all over the world—Latin America, the Far East, Europe. Of the leaders of the International at that time, Pierre Frank influenced me the most. He had been in the French Communist Party in the inter-war period and in the Left Opposition internationally, right through the War. His approach was always: the concrete analysis of a concrete situation; nothing in politics was as clear as one might imagine. Ernest Mandel was a very attractive figure, and I was hugely influenced by his book on Marxist economic theory. But I didn't think he was necessarily very reliable on *political* analysis; there was a lot of romanticism in his speech-making.

In the 1970s I became involved in the FI's 'security work', which involved helping people in Latin America or elsewhere who needed false papers, and I was also very active on Eastern Europe. As a result I was travelling a lot: going to Paris almost once a month for the security questions, and organizing deliveries of banned material to Czechoslovakia. Our initial contacts were through the exiled Dubčekite opposition, under the leadership of Jiří Pelikan, which was in close touch with the left opposition in Prague: Josef Smrkovský, Zdeněk Mlynář, Dubček himself and others. I was in charge of this work throughout the 1970s and met some very interesting people there. We would drive vans across the border, taking in books and papers hidden in false compartments, and bringing things out. Doing the hand over of material was always nerve-wracking, as was going across the border itself. On every trip we were bringing in between fifty and a hundred books of one sort or another, a lot of them quite anti-Communist. It became tougher and tougher, and eventually one of our team was stopped on the border. Others took over, and they got arrested and held for a couple of months before being released.

For me, the political perspective was basically a Deutscherite one of building a movement for reform and renewal in the East. I thought the Western left had a significant role to play in this. My experience in east-central Europe was that these states were authoritarian, absolutely; but they weren't totalitarian gangster regimes, terrorizing the population. I also believed that there were reformist elements within the ruling parties, including in the Soviet Union. I was, of course, naive about this. But I was naive mainly about the timing. What I didn't realize was what a profoundly demoralizing experience the crushing of the Prague Spring had been for these reformist forces. The very substantial

constituencies for reform that had existed in the 60s were massively reduced after that.

*Which countries were you most involved with?*

Hungary, Poland and Czechoslovakia were the main places I visited. But I was very interested in what was going on inside the Soviet Union. Halya and I made a long trip there in 1975—it was a kind of honeymoon, actually; we travelled all round Ukraine, and it was very useful for getting various *aperçus* on what was happening on the ground there. Towards the end of the 70s I was deeply involved in work on Poland, via two extremely interesting groups. One was a network of psychologists who were working in the big factories and enterprises across the country. It had been established with the backing of the Party leadership after the upheavals of 1970–71, to humanize workplaces, to address the workers' occupational problems and so forth. I was in particularly close contact with a psychologist working in the shipyards in Szczecin. Through him, I got to see the life of the shipyard workers, and in 1980, when the strikes began and *Solidarność* was being organized, I was in the shipyard more or less from the beginning, and got fantastic access to what was going on there. A second network was a semi-clandestine group at Warsaw University, known as the Sigma Club. It mainly involved Marxists—both lecturers and students—discussing what they perceived to be the crisis in the People's Republic of Poland. Through them I got very detailed reports, provided by sociologists, on the 1976 upheavals in various shipyards, but also at Radom and the big tractor factory at Ursus. I also helped Edmund Baluka, the exiled leader of the strike at the Szczecin shipyard in 1970–71, to re-establish contact with members of his strike committee.

This was my first real contact with the life of the industrial workers in Poland, and the thing that struck me in Szczecin was the high quality of life of the shipyard workers. I stayed in a block of flats which was entirely devoted to shipyard-worker accommodation, and they lived rather well, in Western terms. There was an excellent nursery school, a polyclinic, a supermarket—it was a nice set-up. This confirmed my prejudices, because, fundamentally, I saw these states in the East as being dominated by a kind of labour aristocracy; they were a peculiar kind of labour state, in which working-class people—very often first-generation workers, whose parents had been peasants—were coming through the big factories and going up into positions of authority in the state. They were

often quite authoritarian, reminiscent of the sort of trade-union bosses that you might get in the West—not liberal individualists at all. But for the system to work effectively, they had to maintain the support of the industrial working class.

By the late 1970s there was a crisis in this social system, of a very distinctive kind. There had been a significant opening to the West in the economic field; a growing marketization, and social differentiation. The typical Western representation of politics there was of a Communist monolith in which nothing is going on, and then you have various dissidents, right? That wasn't the situation at all. The great strike movements of 1980 were the outcome, amongst other things, of a massive upheaval inside the Party. At the beginning of 1980 there was a Party Congress at which there was a tremendous revolt from below; people who were clearly earmarked for the top leadership at the beginning of the Congress had been swept away by the end of it. And this revolt was coming from the industrial working class, from Gierek's red bastions: the mines of Lower Silesia, the shipyards.

I was acutely aware of this structural crisis of the Polish state. Up until 13 December 1981 when Jaruzelski carried out the coup d'état, I believed—and I haven't changed my opinion on this—that there could have been a deal between Solidarność and the Communist Party leadership. There was a very strong current in the Party which said that on *no* account should there be a coercive confrontation between the Party and the workers; the military apparatus was a different matter. Secondly, there was another current, especially evident at the base, which wanted to turn the Polish United Workers' Party into a social democratic party—not a vanguard party, but a democratic party in which there were different trends. It was a current that was more or less ignored in the West, but it's not impossible that it might have worked—it had representation in the top leadership of the Party, and good links with Solidarność.

After 13 December 1981, for the first time, I saw the possibility of the collapse of the Soviet bloc. After the coup, Tamara Deutscher organized a dinner one evening with Maria Nowicki, then a senior librarian at the London School of Economics. She had been Gomulka's secretary in the Lublin government in the early 1940s, and a Polish Communist until the 60s. She was close to the philosopher Adam Schaff, and an extremely sophisticated thinker. She agreed with me that this was an *internal* crisis

of the Communist Party; it was not to be understood as the work of some little band of dissidents outside; nor should one think that Polish society was groaning under a totalitarian yoke, and was ready to throw it off at the first opportunity: actually society and politics there were highly articulated and complex. But she doubted that the energies existed for a socialist development project in Poland. She thought the Jaruzelski coup was probably the end of the story; instead you would see demoralization, decay and all kinds of Catholic currents coming up. I didn't really have an answer to that; I thought about what she said repeatedly, and felt that she was right. The concept of demoralization struck me as especially important. During the 1980s, Polish society and the intelligentsia were undoubtedly in decline. The idea that 1989 was some kind of springtime of the peoples was a travesty of the actual mood in Poland: it was the very opposite, as you can tell from the derisory turnout in the first free elections, in 1989. It was a deeply demoralized society, full of ideological and political contradictions which became very clear after 1989.

*Could we go back and talk about the journal Labour Focus on Eastern Europe, which you started in 1977?*

The idea of *Labour Focus* was very straightforward: it was to champion a democratic opening not on the basis of capitalist restoration but of a continued nationalized economy, although of course this didn't exclude economic reforms. We would press for democratic change, freedom of speech—all essentially liberal political demands, but from a clearly leftist source; and we would seek to engage with Communists in the East along these kinds of lines. We also published as much documentary material as we could from leftist dissidents—not least in the Soviet Union—and information about movements from below.

We had all kinds of intriguing figures coming along and offering us substantial pecuniary benefits, if only we would see the light and make some small adaptations to what we were doing. I remember, in particular, there was a guy called Roy Godson—I'm not sure which agency he was actually working for, the CIA or one of the others—and I had a cloak-and-daggerish meeting with him at Stratford station, in east London. He offered me a five-figure sum, a lecture tour of the United States—all I had to do was get rid of any actual communists on the *Labour Focus* editorial board!



*How did you view the arrival of Gorbachev and the period after 1985?*

Zdeněk Mlynář had told me that if Gorbachev came to power there would be massive changes along the lines of liberalization and democratization in the Soviet Union. He was a longstanding friend of Gorbachev, they had been room-mates at Moscow State University in the early 50s. Gorbachev's speech at the Party Congress in 1986 very much bore out Mlynář's analysis. But it became clear that, although the Gorbachev project confirmed the Deutscherite idea that there could be a significant push for democratization, nevertheless, Gorbachev could not take the necessary final leap to a new basis of legitimation in democratic, electoral victory. And that was a critical weakness. I actually believed, initially, that Yeltsin might be a better bet, because he *was* ready to take this on. Unfortunately, Yeltsin got bought out by a different project, and turned out to be a pretty disastrous demagogue.

*What did you think needed to be done that Gorbachev wasn't doing?*

There needed to be a *Rechtsstaat*—a state governed by law; a democratic political system in which there could be, in principle, pluralism; obviously it would be a federal system in the Soviet context. Then there was the question of economic reform, and here, Gorbachev clearly got things badly wrong. But essentially the problem was that, during the Brezhnev period, the *nomenklatura* and *party aktiv*, to use their jargon—the top officials of Communism—had acquired an increasingly corrupt and comfortable lifestyle. Not that they were fabulously rich, but corruptly, securely well off. Gorbachev was a pain in the neck—threatening the whole thing—and they responded by wanting to go the whole hog: to protect their new property rights, and grab more, through becoming a private capitalist class. That trend was very powerful. Putting it another way, the demoralization of the Soviet *nomenklatura* was very strong, I would say, post-1968. On the other hand, the idea that this transition to capitalism was being pushed for and demanded by the Soviet people is absolute rubbish. It came upon them as an entirely external event of shocking proportions; it was a huge trauma for many, and they couldn't make sense of it. What you had in the 1990s in the post-Soviet Union were deeply demoralized societies, where the great hope was the next bottle of alcohol. That's what was going on there, not some great liberation movement.

*How would you describe the effect of the collapse on your political thinking?*

Well, of course it was a huge ideological shock. My world-view had been that we were in a historical period of transition from capitalism towards socialism. And the Soviet bloc was, factually, a gain in that direction. I was never dewy-eyed about the Soviet leadership; but in comparison with the kind of racist imperialism that we'd seen in the first half of the twentieth century in Europe—and the United States, if you look at the Pacific War, not to speak of the treatment of the black population—it was a gain. I regarded the Soviet bloc, and the Soviet victory in the Second World War, as not only speeding the collapse of the empires, but also helping to bring the welfare state in Western Europe. So all of this was a huge blow to me. But, alongside that, I didn't change two other opinions: one, that, with the collapse of the Soviet bloc, you would have the Western capitalist states going on the rampage again; so I was much more prepared than many for what has subsequently happened. Secondly, I still basically believed in Marx's approach to history and politics—namely, that the great effort is to move towards freedom. This means something very mundane and straightforward for Marx: it means free time; it means liberating humanity from the realm of necessity, and in order to do this you have to get beyond capitalism. Capitalism has, of course, liberated humanity from a great deal: the forty-hour week, pensions—these were huge gains. Nevertheless, there is an irreducible drive in capitalism to block further progress along these lines, because it is all about creating insecurities and scarcities, and finding ways to exploit the maximum labour for the maximum profit.

*Moving to the 1990s, how did you see the process of European integration? Did your views change significantly over time?*

Up to the early 1990s, I didn't have any settled view on European union. I found myself torn. I liked Tom Nairn's polemics against British nationalist attitudes towards the EEC; I was not, in principle, hostile to the idea of monetary union—why should one be? But on the other hand, I was pretty appalled by some aspects of the single market, and critical of the legal regime of the EU. I really came towards a view of the European Union through my research on what it was up to vis-à-vis Central and Eastern Europe in the 1990s: through studying the EU's so-called technical assistance programme. I was shocked, actually, as I went into the nitty-gritty of what was going on. I have always liked to immerse myself

in the empirical detail of anything that I'm trying to understand; there is an unfortunate tendency among many Marxists to think that there's no need for empirical research—a view completely contradicted by Marx's own gargantuan appetite for empirical investigation, which he thought was absolutely vital to theory. But when you get into the detail, the way things actually work is often much more dreadful than one could imagine. The fact was that the West Europeans adopted a *ruthless* policy of turning east-central Europe into a kind of passive, support hinterland for West European multinationals.

*Would it be true to say that, before you reached that conclusion, you'd actually seen some potential for the European Union—led, perhaps, by France and Germany—to defend or promote a European social model against Anglo-Saxon trends in the United States and Britain?*

Yes, to some extent. But the main idea was slightly different: namely, that American elites were extremely worried about that possibility. It was the United States' concern about the potentials of Franco-German partnership, rather than its reality, that was driving tensions in the transatlantic relationship. The United States was preoccupied by the danger of losing control of high politics—namely, security politics—to a German or Franco-German effort to give Europe a bigger say on these issues within the alliance. This was crucially at stake in US policy over Yugoslavia.

*How do you see the European Union today?*

The crucial point is the Hayekian notion of the European Union as negative integration: its function is to *stop* states from exercising their economic sovereignty and deciding freely how they want to organize their capitalism. It is not a Union to construct a positive, integrated, federal Europe. The Hayekian EU preserves the nation-states, retaining these national capitalisms while simultaneously taking out their economic sovereignty. Of course, with the economic crisis, the emphasis on free competition, privatizations, strict controls on state aid and so on turns out to be little more than a house of cards, all resting on the notion that the Anglo-American financial regime would work. When it doesn't, massive state aid is shovelled in and competition policy goes out the window. The monetary union arrangements are totally inadequate for dealing with this crisis. It turns out that banks actually presuppose

authoritative tax-raising bodies to protect them, and no such body exists at an EU level; so they turn back to the national level. And of course, the crisis explodes at the weakest link—the way the two halves of Europe were put together after the Cold War, using east-central Europe as a handy support system for West European capitalism.

*Could the European Union in any sense be a semi-independent actor, a counterweight to the United States, or is that possibility a phantom of the past?*

The trend, probably, is towards a much greater readiness of the West European states to work very closely with the Americans, and not to engage in any ‘irresponsible’ activity vis-à-vis China, say, or Iran. I don’t think we should expect to see the EU acquiring a more autonomous role. There’s another problem: while the United States insisted during the Cold War on controlling Europe’s geopolitics very tightly, it simultaneously gave the West European states a significant role in the management of the international political economy—in the IMF, the World Bank, the WTO. Now, with the rise of East Asia, India and China, there has to be reform which will involve a considerable cut in West European influence and voting rights. The same goes for the UN Security Council. What will the European reaction be? As far as the British are concerned, their only solution is to ask: how can we continue to make ourselves useful to Uncle Sam?

*How would you summarize the position of the United States today?*

The big question now is whether the United States, in practice, retains its hegemony in the international political economy. Can measures taken by the Obama administration turn round the economic situation in the US and lead the world out of economic crisis, or not? The answer to this will be hugely important for the next twenty years. I have a feeling that the measures won’t work, because political obstacles inside the United States are too great, including the limits which Obama and Geithner have placed upon themselves. And if Washington *can’t* turn things around, then the rest of the world will need to make its own arrangements, which may involve dismantling things that are very important to the US, and some that are very important to the Europeans as well. And then you will get a real crisis of strategy in Washington—what to do in those circumstances? But this is a practical question for the future; whether or not the US loses its hegemony will not be determined by intellectual activity on our part; it will be decided in the real world. The

key question is, does the American strategy elite have the capacity, the resourcefulness and imagination to adapt? My impression is that, on the political-economy front, it probably does not. On foreign-policy issues there has been a substantial degree of rebranding after Bush. There was a general elite consensus on the need for that, which the Obama administration represents. But on key neuralgic issues, whether it is America's right to engage in what they call pre-emptive war, or extraordinary renditions, Obama has been very careful to stay within the consensus.

*Looking back, would you say that there is a constant set of themes that characterizes your work?*

What is probably distinctive about my work is its jack-of-all-trades dimension: interdisciplinary, if you like. I've always been interested in thinking across politics and economics, and thinking in historical terms. Hayek said: someone who is only an economist is no economist, and I would say the same about politics. These categories—economics and politics—which are treated as utterly autonomous within conventional thought, are absolutely imbricated with each other, in very complicated ways. The second thing is that I don't, on the whole, have the courage to write in the field of general theory; instead, I write in a kind of analytical mode. Analytical work has narrow parameters—it's confined to particular times and particular spaces, and doesn't claim truth across all ages; and much of my work is also contemporary. When I write, I do try to look downwards, if you like, towards the empirical, and upwards towards the theoretical. But I also find that when you get into this kind of work, you discover the specificities of relationships and dynamics which are much more peculiar and distinctive than one could ever have imagined. Last point: I consider myself to be at the opposite extreme from, say, Gerry Cohen in his *Marx's Theory of History*, in that I do not think that economic and technological determinism can explain anything. This economic–technological determinism, what I would call 'mechanical materialism', is the approach of the classical political economists: Adam Smith and Ricardo. It's quite extraordinary to me that such a huge number of Marxists have adopted it; Marx himself spent his life doing what he called a *critique* of political economy—i.e. of that mechanical approach. I think it is very helpful to make a distinction between the constitutive and the causal: the ontological significance of capitalism, of that social structure, is fundamental for understanding modern politics, and modern economics. But that doesn't

at all mean that you should start with what's going on in the capitalist economy to find the causes of conflicts and changes.

*Could you explain that a little further?*

Well, by 'ontological' I mean a very simple thing: your theory of what the world—the social world—is made up of. The standard approach in Western social science—the one used by Weber, but it's an ideology that's become as naturalized as the air people breathe—is an atomistic one: that the world is essentially made up of individuals. In addition, the individuals may be pushed by certain drives; Weber would say by rational drives in the economic field and by non-rational drives in the political field. But Marxists have taken the view that there are big objects out there which are not atomistic: social structures such as capitalism, for example, that are changing and shaping the everyday world. When we are looking at contemporary developments—say, in international politics—we need to ask ourselves what kind of ontological assumptions we are making, and what they imply for our analysis.

*You've written on international political economy, historical thinkers—Schmitt, Kant, Grotius, De Maistre—and political institutions, such as the UN. Are there any areas that you feel happiest working in?*

In terms of subject-matter, I don't think so. What I have always found myself doing is taking up issues where I think there is a crisis in conventional approaches, but where there isn't an obvious answer from anybody else. Often the result of this is that I find myself, in the first instance, drawing upon heterodox work which is not necessarily Marxist. Sometimes I get pulled to heterodox, non-Marxist positions, and sometimes towards what I would take to be more strictly Marxist ones. But it's very important to keep oneself open to the material.

*How does your work on financial systems relate to both Marxist and non-Marxist thinking?*

That's a good question. In the 1990s there was a tremendous amount of energy around the idea of what was called financial globalization. The notion was championed right across the political spectrum—there were plenty of Marxists who bought into it, as well as liberals and conservatives. What was common to these ideas was the mechanical materialism

of the classical political economists—or, if you like, utilitarians—that I referred to before: the notion that what is going on is an organic development within the world economy, proceeding from the national, and therefore the international, towards the global in the field of finance. It is no good pretending that you can escape this development; you simply have to accept it and operate on its basis.

Now, I approach this with great scepticism. To me, what was called financial globalization seemed to be radically counter-intuitive, even within a capitalist logic. To give a simple example: there were huge swings in exchange rates between the main currencies, the dollar, euro and yen. These swings are completely counter-efficient for international investment across currency zones: you cannot calculate the profitability of you, as a German, making an investment in the dollar zone over the next five years, when you have no idea whether the dollar is going to be 100 per cent up or 100 per cent down against the euro. The privatization of exchange-rate risk involved in ‘financial globalization’ seemed to be a regression from the international to something much more primitive and imperial. I found the work of Susan Strange—a sort of progressive Weberian—and a number of other heterodox thinkers very helpful on this. From Strange I gained a lot of insights on the importance of the global monetary system, and the significance of the United States’ destruction of the Bretton Woods architecture. My position has been at the opposite end of the spectrum from the globalization-theory people. I have not accepted the idea that national capitalisms have been transcended; any notions of that sort I regard as simply false. So, too, of course is the notion that national capitalisms were ever autarkic: ever since the British constructed a genuine world market in the late eighteenth century, there has always been a global market. I came to the conclusion that the real-world referent of what people talk about as financial globalization has got the Stars and Stripes tacked all over it: it’s an American system.

Then one needs to ask why, and how does it fit in with other things we know about the United States? In the early 1970s, when the Bretton Woods system collapsed, I took the view, under the influence of Mandel, that it was a devastating blow to the dollar and to American dominance; now, I’ve come to exactly the opposite view—that it was a breathtaking assertion of American dominance over the rest of the capitalist world. Robert Wade, at LSE, has quite rightly said that my work on all this has rather a one-eyed character. Certainly, my thinking on this has been

modified since I wrote *The Global Gamble*—in particular, as I acknowledged in *Critical Asian Studies* a few years ago, I underplayed the extent to which this system of dollar dominance rested upon co-operation from East Asia. That is an example of what was one-eyed in the earlier system of thinking. But it doesn't actually involve a huge transformation of the main argument.

*You describe your work as fundamentally Marxist, but how would you react to the suggestion that, actually, what really interests you is power, and particularly US state power; and to some extent, you interpret international developments through that prism? What would you say to the idea that there's a pretty strong dose of realism in your approach?*

Well, first of all, I have never actually said that I regard my work as 'fundamentally Marxist'. I *do* regard it as being inspired by Marxism, and I would hope that the insights which Marx has provided do genuinely influence my work. But I am pulled all the time in different directions. Secondly, I am very much interested in relations of power—not least because they are so commonly denied in liberal thought, sometimes naively, sometimes disingenuously; and liberal thought tends to downplay the coercive dimensions of international politics. But one of my claims to have made a theoretical contribution is my critique of American neo-realism, and in particular of Mearsheimer's work.<sup>1</sup> My critique hinges on one core assumption of American neo-realism, which in my view is completely false in a capitalist world: that at the centre of world politics there is a struggle between states for their very existence—an assumption that is crucial to the whole neo-realist architecture. Empirically, I think this is quite false for the advanced capitalist states in the twentieth century. There was a tremendously violent war between, say, the United States and Japan in the Pacific, and one side won. So, presumably, the state that lost was wiped off the face of the earth, if states are involved in a struggle for their very existence. Well, Japan is still there—it wasn't like that; far from it. You might say Germany is a bit more complicated because it was split. That's perfectly true; but it was partitioned for reasons that realists have nothing to say about: namely, because of the social-system divide between the two great powers. Again, German capitalism and the German state—the FRG—was revived after it was smashed to the ground in the Second World War.

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<sup>1</sup> 'A Calculus of Power', NLR 16, July–August 2002.



So as far as advanced capitalist states are concerned, there are simply no grounds for this claim that they are in a fight for their existence. Of course, in the rise and spread of capitalism, lots of states have disappeared: almost all the indigenous states of Africa and the Americas were destroyed. But as capitalism spreads and consolidates across the world, the main powers are increasingly reluctant to tamper with the division of the world into different geographical states. Look at the Americans in Iraq: they didn't go down the road of breaking the whole thing up. The real drive of capitalist states is not to wipe other capitalist states off the face of the earth; it's to change their internal regimes, again something that realists don't concern themselves with. Capitalism involves an endless struggle for value streams, and the social preconditions for the right kinds of value streams to come out of different areas—and capitalist states get very agitated if other states create spheres of influence which cut them out of the value stream. So there are tremendous efforts to restructure the internal regimes of states, along with, of course, efforts to restructure the *external* regimes. One of the absurdities in so much of the orthodox economic discussion is the way people talk about markets: 'the market' does this, 'the market' does that. Markets are like clothes—all shapes and sizes. And how a market is shaped—who wins in it—is a hugely important political question.

*How do you see the relationship between capital in the US and state power? Who are the agents behind particular state policies—how does the state determine what its policy is?*

Firstly, the United States is in a lot of difficulties at the moment. Given what I've said about the importance of regime-shaping, the extent to which leading states can actually solve the problems of other capitalisms, in a way that enables them to flourish, is a very big issue. Power, in that context, is the capacity to give a development perspective to others. In my opinion, American claims to be able to do that are under huge challenge right now.

When it comes to the relationship between state and capital, this varies, of course, very greatly, between states. But I think Marx's approach is still a very important one: the state as the committee that tries to work out the strategic problems of its own national capitalism, and the solutions to them. There is a tendency to collapse the notion of capitalist class into the idea that the state is an aggregate of CEOs of big companies. I think

that's quite wrong. Some of these CEOs may be into politics—may be into thinking synthetically and strategically; others, not. But why *should* a CEO have strategic vision for a whole class? It's the task of the state executive to come up with that vision and the capacity to implement it. Of course, the state executive does this in dialogue with other leaders who emerge from within the ranks of capital, who turn out to be capable and persuasive. But there needs to be some distance and some tension between the 'committee' that tries to take a strategic view and the chief executives of different companies—the individual capitals, if you like.

The peculiarity of the United States is, first, that it is, to an extraordinarily complete degree, a bourgeois democracy—a democracy in which the power and wealth of capital has sway over virtually every field of policy-making. More: there is almost no barrier to individual American capitalists building mafias of influence to block or control policy. There is no autonomous, if you like, state committee. And this is an anomaly—and a weakness: when Washington has to make strategic turns, it's very difficult to do so. One is seeing that now, when the US really needs to think through an alternative relationship between its financial sector and its industrial economy. It is particularly hard for it to do this because, historically, the way the US has given itself a strategic vision—a capacity to think synoptically about its problems—has been through recruiting investment bankers from Wall Street, and lawyers from giant New York or Washington law firms. The result has been that Wall Street has had an extraordinarily big political role in Washington, because the investment banker has had a global view. But also, ensconced in the centres of power in Washington, one is going to be feathering one's own nest, because that's the American way. In Europe, there was a different approach, much more elitist: a mandarinat, most classically in Britain and in France. Historically, these mandarinates have had the capacity to integrate thinking and produce strategic ideas for the forward path of the state. In the British case, it took a hammering under Thatcher, and from the subsequent Americanization of the British policy-making system. One result is that the Treasury, along with other parts of the senior civil service, has been pretty much gutted of the capacity to do anything at all. So in Britain there is neither a mandarinat nor any particularly developed, sophisticated private-business bunch capable of acting as the committee for capital.

*How do you see the future world outlook?*

The fall of the Soviet bloc was a world-changing event. With it, the whole symbolic order and discourse of Communism collapsed, and socialism as a set of ideas ceased to have resonance on an international scale. Now there are very few theorists on the left who are continuing to do research on positive left alternatives to the capitalist order. Yet the last two decades don't suggest that the Atlantic world's resources really offer development potential to the rest; globalization hasn't done that. I think new movements for world reform will arise, because some of the contradictions that Marx wrote about cannot be resolved; they are going to create more and more problems. One of these is the planet of slums that Mike Davis speaks of: hundreds of millions of people living in these megacities, expelled from proper insertion in the international division of labour, and experiencing a terrible social and economic degradation. Another is the inability of capitalism to transcend the nation-state, and therefore the constant swinging between two choices: either free trade, which is a form of imperialism, because the strong dominate the market; or protectionism, which is a form of mercantilism, leading towards political conflict. So I think there will be a need to look for a radical alternative.

Will these radical alternatives be taken up by parts of the insider intelligentsia, within capitalism, distancing themselves from class interests and class logic? History doesn't show many examples of this happening without the threat of some very big social challenge. We won't get radical alternatives coming out of the current economic crisis; that's already clear in the Anglo-Saxon world from what they're doing at the moment. There were some pretty radical alternatives after Stalingrad, in the 1940s—genuine rethinking about how to organize things in the Western world. The thirty glorious years of growth and development were to some extent down to the idea that, in Western Europe, it was necessary to build a multi-class democracy, not just a narrow bourgeois democracy; and to a degree that became a reality in north-west Europe. But as soon as the Soviet Union collapsed, all this went out the window. That's unfortunate, because the West European multi-class, social-democratic model was a genuine advance over anything that we've seen anywhere else.

*Reflecting on all the work you've done, what are you most proud of, and why?*

I think the thing that makes me most proud, insofar as it is true, has been my effort to perceive what's going on in the world from a non-provincial perspective: to try to make sense of it from the angle of the the great

mass of the world's population. That applies not only to my research, but also to my teaching—I think it is very important for young people to be shaken out of nationalist prejudices and falsehoods. It's been a huge satisfaction to me that, in my work, I've been able to keep that going. As to whether one has come up with anything in the intellectual field that is going to restructure the way some people think about the world, I would be extremely modest in this area. But I think there have been some benefits to the left from some of the debates I've been involved in. I don't want to exaggerate the importance of these debates in changing the way the world operates. But I do think that, ultimately, we're going to see a new movement for world reform; and in that movement, the role of intellectuals will certainly be important—and I hope that some of what I've written will at least help to set the record straight on a few questions for a new generation of intellectuals coming forward with projects for that movement.

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From January to June 2009, Marko Bojcun and Mike Newman, friends and colleagues of Peter Gowan at London Metropolitan University, recorded a series of interviews with him. This text is an edited version, based on several of those sessions.