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A General Logic of Crisis

Adam Tooze

How Will Capitalism End? by Wolfgang Streeck

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'Whatever it takes.' These words, spoken by the president of the European Central Bank, Mario Draghi, to a crowd of investors in the City of London on 26 July 2012, have come to represent the symbolic end to the acute phase of the global financial crisis. In the political sphere, by contrast, where words are supposed to be everything, we have not yet been able to draw the line. More than four years on, we know that in 2012 the political fallout was only just beginning. It was in December 2011 that David Cameron reopened the European question by opting out of the new 'fiscal compact' drawn up by Angela Merkel and Nicolas Sarkozy with the aim of enforcing budget discipline across the EU. In the US in spring 2012, Mitt Romney emerged as the candidate from the Republican primaries, but the freakshow anticipated the Trump campaign to come. In Italy the ousting of Berlusconi in a backroom coup in November 2011 and the installation of the 'unpolitical' economist Mario Monti as prime minister set the stage for the emergence of Beppe Grillo and Five Star in the local elections of May 2012. In France as the fiscal compact began to bite, François Hollande's presidency was dead almost before it had started.

Amid all these events, Germany can easily seem like a bastion of stability, with 'Merkel über alles' its anthem. But beneath the smooth surface, Merkel's grip on the chancellorship has since she took office in 2005 been supported by three successive coalitions. And by early 2013 it was clear that her partners since 2009, the free-market, libertarian, liberal FDP, were in trouble. They were being outflanked on their right-wing by a new formation, the AfD, the Alternative für Deutschland, whose focus in 2013 was not immigration but passionate opposition to the euro. Like much of the German right the AfD was indignant not about austerity, but about the failure of Merkel to back an even harder line. The AfD didn't break the 5 per cent threshold required to enter parliament at its first try, but it took enough votes from the FDP to drop it out of the Bundestag, leaving Merkel to form a new coalition with the Social Democratic Party (SPD).

The AfD wasn't the only force in German politics fuelled by the belief that things could not go on as they were. In spring 2013, for the first time in decades, the German left had begun to mount a principled critique of a major element of the European institutional structure – the euro. It was Oskar Lafontaine – 'Red Oskar' – who broke the silence. 'Hopes that the creation of the euro would force rational economic behaviour on all sides were in vain,' he said, and called for the single currency to be broken up so that southern Europe could recover. Lafontaine is a former SPD finance minister, from the left wing of the party, once described by the *Sun* as the 'most dangerous man in Europe', who in 2005 split from the SPD and took tens of thousands of followers with him to join forces with the ex-East German communists of the PDS. Out of that coalition emerged Die Linke, arguably the real alternative for Germany, which the entire Bundestag has since conspired to keep at arm's length. Until 2013 Die Linke's line was that it opposed Euro-austerity not the euro. And at first the impact of



Lafontaine's heretical intervention was contained. He had just resigned from official duties in the party. But Cyprus and the elections to the European Parliament of 2014 kept the topic on the boil, and then came Syriza and the intense crisis of 2015.

In 2015, even before the refugee crisis surged to the top of the agenda, the German right was in uproar at what was seen as Merkel's surrender over Greece, which should, it believed, have been unceremoniously kicked out of the euro. The ECB, in its adoption of quantitative easing, had revealed itself as an inflationist Trojan horse. Meanwhile, the left was divided over the now unavoidable question of whether the EU was neoliberal to the core, and if so, should be regarded as irredeemable, and rejected. Though the main part of Syriza pulled back from leaving the euro, Lexit – the left-wing case for leaving the union – was born that summer, and not only in Britain. In September 2015 Lafontaine popped up again, this time in Paris on a platform alongside Yanis Varoufakis, calling for a Plan B for Europe, a Europe beyond the euro.



In the German Lexit camp, alongside Lafontaine and his one-time state secretary in the Finance Ministry, Heiner Flassbeck, the most prominent voice has belonged to the sociologist Wolfgang Streeck. His role is a sign of the times. Until recently a long-term SPD member, Streeck had done teaching stints at major US universities before becoming the director of the prestigious Max Planck Institute. It was the financial crisis that returned Streeck to his youthful roots on the far left. In *Buying Time* (2014) he argued that the crisis of the euro could best be understood in terms proposed by the Frankfurt School. Social theorists like Jürgen Habermas, Claus Offe and others had been right, he said, when in the early 1970s they argued that democratic capitalism faced profound and irresolvable problems. What they had underestimated, however, was the sheer aggression of capital and the inventiveness of its functionaries in devising makeshifts to maintain profits while at the same time keeping workers and consumers from becoming discontented. Three successive strategies of displacement had kept the show on the road. In the 1970s inflationary wage and price increases had promised more than was actually available. Then, in the 1980s, state debt had swelled. Finally, neoliberalism became the dominant current in global governance, inaugurating the austere 'consolidation state' and simultaneously expanding private debt. Underpinning it all was an unfettered consumer culture that has transformed every aspect of our lives – as consumers, workers, family members and citizens. Europeans like to imagine they were selective in what they took from this package. But the post-2008 crisis revealed, in Streeck's eyes, that Europe and its political institutions, notably the EU, were in fact the purest expression of neoliberalism. Streeck was one of the first to dig up a now widely read essay by Friedrich Hayek from 1939, where he argued that liberals should favour international federation because members would be able to agree only on a minimal set of prohibitions on the restraint of trade. Despite its protestations to the contrary, the EU was a free-market vehicle and the euro was its logical fulfilment – a monetary system cut off, like no other before it, from the control of democratic politics.

The significance of 2008, according to Streeck, was that this sequence of makeshift mechanisms of crisis resolution – inflation, public and private debt – had reached its endpoint. Streeck knows his Marx. But the core of his crisis theory is non-Marxian. It does not rest on the violence of original primitive accumulation, or on the alienation or exploitation inherent to the productive process, or even primarily on the declining rate of growth or accumulation. In one disarming passage he describes capitalism as a 'a non-violent, civilised mode of material self-enrichment through market exchange'. What makes capitalism toxic is its expansiveness, its relentless colonisation of the rest of society. Drawing on Karl Polanyi, Streeck insists that capitalism destroys its own foundations. It undermines the family units on which the reproduction of labour depends; it consumes nature; it commodifies money, which to function has to rest on a foundation of social trust. For its own good, capitalism needs political checks. The

significance of 2008 and what has happened since is that it is now clear these checks are no longer functioning. Instead, as it entered crisis, capitalism overran everything: it forced the hand of parliaments; it drove up state debts at taxpayers' expense at the same time as aggressively rolling back what remained of the welfare state; the elected governments of Italy and Greece were sacrificed; referendums were cancelled or ignored.

In early 2014, as the likes of Habermas and the late Ulrich Beck called on their fellow Germans to make the elections to the Strasbourg Parliament the constitutive moment of a European demos, Streeck's mind was on darker themes. In January 2014 at the British Academy, he gave the lecture 'How Will Capitalism End?', which lends its dramatic title to this collection. If, as events in Europe and the US seemed to demonstrate, capitalism had broken free from its constraints, then visions of an 'ever closer union', at least in the form of the EU, were out of touch with reality. We should be bracing ourselves for a prolonged and agonising decomposition of the entire social fabric. It has been said that it is easier to imagine the end of the world than the end of capitalism: Streeck believes we may one day witness the proof of that. Capitalism will end not because it faces serious opposition but because over the course of the coming decades and centuries it can be relied on to consume and destroy its own foundations. We should expect ever intensifying stagnation, inequality, the plundering of the public domain, corruption and the escalating risk of major war, all of this accompanied by a pervasive erosion of social order, generalised social entropy. Indeed, according to Streeck we have at least since the 1970s been living in what he refers to as a 'post-social society ... a society lite'. We cope individually with conditions of increasing uncertainty, while at the macro level both society and economy become increasingly ungovernable. 'Life in a society of this kind,' he writes, 'demands constant improvisation, forcing individuals to substitute strategy for structure, and offers rich opportunities to oligarchs and warlords while imposing uncertainty and insecurity on all others, in some ways like the long interregnum that began in the fifth century CE and is now called the Dark Age.'

Streeck isn't merely making a diagnosis, but a call to arms. He encourages his fellow sociologists to break through the 'disciplinary truce' that in the 1950s divided the economy from the rest of the social world and hived it off as the exclusive domain of economics. But his hopes extend beyond the academic: 'Sociologists and political scientists, in alliance with heterodox economists of different stripes, have begun working on a new sort of political economy, a socio-economics that would again make the economic subservient to the social rather than vice versa, first as a theoretical and then, hopefully, as a political project'. Streeck draws urgent practical conclusions: 'Bringing capitalism back into the ambit of democratic government, and thereby saving the latter from extinction, means de-globalising capitalism.' Capitalism must be cut back to the scale of the nation-state, because it is at the level of the nation-state that Europeans have over the last two centuries been able to establish 'social cohesion and solidarity and governability'.

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The brutality of the Eurozone's containment of the Syriza government in Greece seemed to vindicate Streeck's warnings. His following has soared. In the Anglophone academy his work has been embraced as a refreshing return to the basics of Marxist crisis theory. In Germany his impact has been more ambiguous. By contrast with the UK, France and the US, where Euroscepticism has always been a strand on the left, in Germany Lexit has not. The early days of the Federal Republic, when the SPD was bitterly opposed to Adenauer's policy of Westbindung ('attachment to the West', involving European integration and membership of Nato), are long forgotten. Since the 1960s the mainstream German centre-left has settled into a position of unquestioning loyalty to the project initiated by the CDU. Franco-German opposition to the Iraq War

in 2003 burnished Europe's reputation as the good side of 'the West'. Against this backdrop, Streeck's claim that unwavering commitment to the EU and the 'European ideal' might itself be of a piece with neoliberal ideology comes as a shock.

It didn't take long for Habermas to pick up the gauntlet. In 2013 he accused Streeck of 'nostalgia' in favouring a retreat to 'national fortresses'. Earlier this year Streeck retorted that Habermas favoured a 'political universalism' that vainly tried 'to match the infinite universalistic advance of money and markets'; apparently Habermas regarded 'the predetermined course of historical evolution [as] normatively desirable and technically necessary at the same time'. Why, Streeck demanded to know, should we fall in with 'Angela Merkel and her frivolous claim that, "If the euro fails, Europe fails" – identifying a two-thousand-year-old cultural and political landscape of grandiose jointly produced diversity with a trivial utilitarian construction that happens to serve above all the interests of the German export industries'. Around the same time, dismissing Martin Sandbu's vigorous defence of the euro, he vented his criticism of Merkel's refugee policy. * It was, in his view, another vain, modernist social-engineering project backed by Germany's employers and the opportunistic Merkel. What's more, it was an 'object lesson in what other countries can expect from Germany acting European', which means in practice an attack on national autonomy, as Germany's elite identify 'their control of Europe with a post-nationalism understood as anti-nationalism, which in turn is understood as the quintessential lesson of German history'. Responding to Brexit in *Die Zeit*, he issued a manifesto, co-authored with colleagues from the Max Planck Institute, entitled: 'Europa braucht die Nation' ('Europe Needs the Nation'). In the European context, it argued, Larry Summers' appeal for a 'responsible nationalism' meant limiting the power of the European Court of Justice, more opt-outs and replacing the euro with a reheated version of the European Monetary System of 1979-98 vintage, enabling periodic, co-ordinated revaluations.

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The publication of *How Will Capitalism End?* thus comes when Streeck has positioned himself as the leading intellectual proponent in Germany of a Gaullist vision of Europe from the left. Now that his cards are fully on the table it is a good moment to try to answer the question: how did Streeck turn critical theory into a vehicle for the assertion of the primacy of the nation?

In one respect at least the national turn has allowed Streeck to subsume what might once have been seen as a fatal weakness in his analysis into a consistent part of the argument. A truly remarkable thing about his work is that he discusses the future of capitalism entirely without reference to the place where the future of capitalism will surely be decided: Asia. That no doubt reflects the limitations of his professional specialisation – OECD industrial relations. China and India are beyond his ken. But given the arguments he has been making, his Eurocentrism takes on a new meaning. If you are going to articulate the basic tension of the crisis as existing between a superficial, utilitarian universality on the one hand, and a 'grandiose jointly produced diversity' on the other, then Europe is, indeed, the classic terrain on which to make your case. Not that there isn't nationalism elsewhere. But nowhere else has as many different nationalisms in such a tiny space and nowhere else has tried to merge them the way the EU has. India and China never subordinated themselves entirely to the dictates of neoliberalism, nor arguably has the United States: compared to the EU, Nafta was integration-lite. So if the EU stands for a peculiarly pure form of neoliberal capitalism – a basic contention of the Lexit camp – where better to make one's stand than Europe? In rejecting the false capitalist homogeneity of the EU, one is saving Europe's essence, namely its diversity. What could be a better expression of that grandiose diversity, after all, than the battle of Brexit, another round in the centuries-old cross-Channel struggle?

But Streeck is a political economist, so he isn't content with civilisational arguments. He wants to talk about nuts and bolts, the real power behind the scenes. The particular vector of globalisation that has seized his imagination since 2008 is finance. As a somewhat surprised Martin Wolf remarked in the *Financial Times*, Streeck worries so much about debt you could mistake him for an Austrian economist. Debt, for Streeck, is an index of the unsustainable balance between democracy and capitalism. It's the way the system borrows time. At times he takes this metaphor quite literally, describing credit as a mechanism through which 'not-yet-existing virtual resources ... are pulled forward from the future.' Taken at face value that would suggest a very odd view of economic reality indeed. Streeck is on more solid ground when he focuses on debt as a power relationship. All modern states have managed the ongoing crises of capitalism through public debt, and this constitutes a new type of dependency. Elected

governments have to listen to two constituencies, their people – the Staatsvolk – and the markets. Streeck joins the two in a neologism, the Marktvolk.



The term Staatsvolk is standard in constitutional theory, but it invites the question of how a Volk is constituted. As German critics have pointed out, much of Streeck's pessimism about the EU derives from his refusal to consider the possibility that a European Volk might actually be emerging in part as a result of the politics of the crisis. Streeck sees the euro as having produced only resentment and division – a conventional enough view. What is not conventional – what is, indeed, frankly alarming – is Streeck's extension of the term Volk. His coinage, Marktvolk, suggests the existence, opposed to the proper people, the Staatsvolk, of another Volk, one defined by its mysteriousness, its rootlessness and faithlessness, its commercialised and contractual approach to the world: the 'market people'. For a critical sociology, it is no doubt important to anatomise the transnational financial elite. They form networks. And there are ways of studying those. But one thing that the operators of the financial markets are not, even in the loosest sense of the word, is a Volk, a national ethnic people, not unless one wants to evoke conspiracy theories favoured by the alt-right. One wouldn't wish to impute that to Streeck. But his choice of words isn't merely unfortunate: it also suggests a profound analytical misconception.

The two-Volk model doesn't just conjure up a non-existent 'market people'. It renders the rooted, national Staatsvolk neutral with regard to capital, or even leads one to imagine the two as juxtaposed. And yet when money moves against a democratically elected leftist government, as recently in Greece or Portugal, or in the 1980s in France, it isn't just the rootless or foreign money that moves. The first to mobilise are generally disaffected wealthy locals who think the wrong side has won, and must be stopped. It is a nation's own capitalists, after all, whose portfolios tend to be most heavily weighted towards local assets that may now be vulnerable to taxation or worse. They are also more likely to hold strong political views and are within easy reach of their vengeful opponents. In 2015 it was domestic capital flight as much as international speculation that put pressure on Syriza. It was local oligarchs, not hedge funds in Connecticut, who sent death threats to intrusive tax inspectors. The 'This is a Coup' hashtag that went viral in the summer of 2015 was a metaphor. Actual coups, like the recent one in Brazil, are staged by people who are rooted, fully paid-up citizens, who for that very reason are ready to go to any lengths to defend their vested interests.

*

The weird geometry of Streeck's Staatsvolk-Marktvolk juxtaposition points to an inconsistency at the heart of his agenda. When Streeck says he wants to put society in control he can expect general agreement. This, indeed, is pure Habermas, reasserting the lifeworld against the system. It is the boilerplate of social democracy. But the question it dodges is the all-important one: who or what is 'the social'? The disagreement between Habermas and Streeck, put in Habermas's terms, is whether to move up and forwards to a future cosmopolitan order, or down and backwards to the nation. But as Streeck himself asks when he has his critical sociology hat on, what about class divisions within the social, whether at the local, national or European level? In some of the best passages in *How Will Capitalism End?* Streeck explains that the distinction between 'society' and 'economy' that has structured the discipline of sociology, the dyad that made it possible to speak so confidently of putting 'society' in charge of the 'economy', was in fact an artefact of the peculiar class balance of the 1950s and 1960s. Streeck's entire narrative rests on the claim that this class balance was ruptured in the 1970s. Thatcher let the cat out of the bag with her declaration that 'there is no such thing' as society, just 'individual men and women and ... families'. To which the response of critical theory should not be a pantomimic 'Oh yes there is and it

should be in charge,' but to ask what configuration of social forces made it possible for Thatcher to make that claim and how might it be reversed.

Instead of saying that national societies should be put back in charge of their economies, shouldn't Streeck be saying – to put words in his mouth – that the aim of the game is to shift the balance of class forces, in such a way that one might once again meaningfully and optimistically talk about 'society' taking control? His wager seems to be that the struggle would best be conducted on a smaller scale and, given the legacies of history, that must mean the nation. He doesn't argue the case for more local action in any depth. But he leaves us in no doubt that in his view the European Parliament is a sham and Eurocrats are corrupt, self-serving flunkies. His position is unambitious and nostalgic, in Habermas's eyes. But the more serious concern is that it poses the question Streeck himself puts so aggressively to the cosmopolitans: your vision may be attractive, but how are we to get from a to b and who is going to get us there? What is it about the current configuration of social forces that leads Streeck to believe a move back to the national level would enable democratic control of a renationalised economy and not result, say, in the kind of dirty backroom dealing that Downing Street appears to have done with Nissan to retain manufacturing jobs in a post-Brexit Britain? Streeck criticises the cosmopolitans for their elective affinity with Davos man, but the worry about deglobalisation is that its primary movers would be even less attractive and might, despite their populist slogans, be just as closely associated with big business. The experience of the 20th century suggests that when trying to channel nationalists' energies into progressive politics, it is crucial to be clear-headed about one's objectives. When you say you want to put the nation in charge and to throw off the yoke imposed by the invisible power of the cosmopolitan 'market people', who do you expect to rally to your banner? Streeck may protest to sympathetic interviewers that when he advocates immigration restrictions that doesn't make him a closet AfD supporter or a proto-fascist. But given Streeck's slide from a conflictual notion of class to the idea of an integrated society and from there to an enthusiastic embrace of the nation, and all this against the backdrop of bona fide nationalist mobilisation, what does he expect?

The weaknesses of Streeck's Staatsvolk v. Marktvolk scheme don't end there. It isn't just that the two are entangled. It is also simplistic to imagine that the confrontation ever takes place in dyadic isolation. States aren't simply bounced between citizens and markets. They have to deal with other states, which are themselves juggling their relations with citizens and markets. And the state, the Staat that constitutes the Staatsvolk, has an identity, logic and interests of its own and is itself tangled in a complex web. In the face of Habermas's normative cosmopolitanism and Streeck's reductive economism, it is worth emphasising that the EU was conceived first and foremost as neither a moral nor simply an economic project, but as a power political vehicle to constrain West Germany while also enabling it to contribute to Cold War rearmament and reconstruction. In the 1990s the move to realise European Monetary Union was in part a neoliberal stratagem to install a permanent disinflationary regime. In part it was an effort to create a European society by stealth. But what moved it from the drawing board into reality was Helmut Kohl's effort to reconcile France and the rest of the EU to German reunification and to bind a united Germany indissolubly to Europe. Twenty-five years later the balance within Europe is continually shifting and so too, crucially, is the position of the US in relation to Europe. These complex forcefields won't simply disappear in the face of deglobalisation. If you break up the Eurozone, you don't exit the power-field and thus gain sovereign autonomy. You do change your position within it and your way of relating to it – and not necessarily to your advantage. If we were to step back from the Eurozone to a reborn European Monetary System, as Streeck advocates, that wouldn't set France or Italy free, but would place them back in the unequal power relationship with Germany that they sought to escape in the 1980s. And to advocate doing this at precisely the moment when the gamble the non-Germans made on the ECB has paid off, when an American-trained Italian macroeconomist is floating the entire European bond market to the horror of German conservatives, is either naive with regard to the way European monetary politics work, or disingenuous.

The ECB, in Streeck's eyes, is no more than a tool of the banks. When he mentions Draghi at all it is to describe him as a 'financial functionary' or to associate him with Goldman Sachs. This allows for no autonomy of the apparatus of government or the technicians who run it. It's true that the record of the ECB, particularly in the crucial period between 2008 and the autumn of 2011, gives little reason to think that central banks might play any constructive role in mediating between capital markets and democratically elected governments. Caught between Berlin, Paris, the Bundesbank in Frankfurt, the IMF and the US Treasury, clinging to its own deeply conservative vision of economic governance, refusing to face the entanglement of Europe's banks both with US subprime assets and European sovereign debt, the ECB's leaders delivered one of

the most destructive and, in the end, self-subverting performances in the history of economic mismanagement. Streeck never identifies whose interests he imagines might have been served by this fiasco; he does no more than to gesture to 'bankers' and 'German export interests'. But insofar as the markets have spoken, their judgment has been devastating. It was precisely the realisation of how deep the loss of confidence had become that prompted Draghi's unscripted remarks – 'Whatever it takes' – in July 2012. Of course central banks have major legitimacy issues. Their autonomy cannot be taken for granted; they are held in place by a complex geometry of forces. But saying that is quite different from generalising a moment of unprecedented panic and mismanagement into an insuperable dilemma for capitalist democracy. Thanks in large part to bond-buying by the Fed, the Bank of England and the Bank of Japan, the bond vigilantes have remained confined to the Eurozone.

But, as has become clear since 2012, the careful calculation of options and precise analysis of the mechanics of crisis is not Streeck's project. With a passion bordering on that of a convert, Streeck feels he has identified a general logic of crisis. The market and its functionaries have brought about an existential crisis of social and political life: they must be resisted by any means necessary. What's more, the gravity and urgency of the situation make detailed tactical argument unnecessary. Indeed, it may even be unwise to be reasonable. As financial markets have shown again and again, panic is what gets you attention. As Streeck remarked in *Buying Time*:

Greater agitation and unpredictability among the people – a spreading sense of the profound absurdity of the market and money culture and its grotesque claims on the human lifeworld – would at least be a social fact; it could come to be seen as the 'psychology' of citizens, alongside the psychology of markets and demanding as much attention ... even though they have no banknotes as arguments but only words and (who knows?) paving stones.

To the *Guardian* he commented simply: 'I think more such scariness must happen.' The authorities should be 'scared shitless'.

*

One can see his point, of course. And there are those who regard the 'scariness' of Brexit and Trump with a certain relish. But even if we were willing to treat this as a merely tactical question, if the left were to dispense with reason, it would need to be sure of the balance of power, sure that its words wouldn't simply be laughed off and that the 'paving stones' wouldn't be met with overwhelming counter-force. It is a gamble, to say the least. Yet Streeck isn't content to stop there. In the gloomiest pages of *How Will Capitalism End?*, as he takes an X-ray of the consumer culture that continues in his view to prolong capitalism's survival, it isn't just pragmatism and coping that come under suspicion, but hope too. For Streeck, coping and hoping aren't simply habits characteristic of the modern subject: they have, under the sign of market society, taken on a specific ideological valence. For Streeck, 'coping, hoping, doping and shopping' form a behavioural structure that is fundamental to sustaining profit and accumulation:

Life under social entropy elevates being optimistic to the status of a public virtue and civic responsibility. In fact, one can say that even more than capitalism in its heyday, the entropic society of disintegrated, de-structured and under-governed post-capitalism depends on its ability to hitch itself onto the natural desire of people not to feel desperate, while defining pessimism as a socially harmful personal deficiency.

With that in mind, the extraordinarily bleak vista of a new 'dark age' with which Streeck begins the book reveals itself not just as a prediction, but as a critique of ideology. If we are to see clearly at all, we must get over our desire not to feel desperate. What Streeck is in search of are not intimations of the 'presumably possible' (Habermas), but a 'new framework, away from wishful demonstrations of the possible to a realistic accounting of the real, to get ahead with the most urgent task for the left, which is sobering up.'

But if hope and wishful thinking are an opium of the masses, then the promise of a disillusioned realism, a realistic accounting of the real no less, isn't without its ideological temptations either. Most obviously it can feed fatalism. But it can also do the opposite: sweeping historic gloom goes hand in hand with rebirth, a promise commonly vested in the nation. Such affinities are never necessary. There are pessimistic non-nationalist visions just as there are sunny versions of nationalism. But in the current moment Trump's campaign rhetoric was striking precisely in its juxtaposition of an apocalyptic vision with the promise of national rebirth. Streeck would no doubt be more comfortable being compared with Max Weber, the most respectable of all German sociologists, but also a nationalist and a prophet of the fin de

siècle in whose rhetoric pretensions to steely realism, dark imagery and assertions of voluntarist will came together in an intoxicating mix. When Imperial Germany fell to disaster in 1918, Weber greeted the advent of the Weimar Republic as 'a polar night of icy darkness and hardness', and summoned his students to heroic acts of violent resistance against the Polish occupiers of Danzig.

But we are not in the early Weimar Republic, nor are we living through the decline and fall of the Roman Empire. We have our own problems and they are bad enough. The shocks of the financial crisis, the Eurozone crisis, Ukraine and the refugee crisis go deep. The Trump presidency may unleash even worse: the Iran nuclear deal was one of the rare achievements of EU foreign policy. The rallying of nationalism across Europe is undeniable and dangerous. The prospect of a Le Pen victory in France is one of real menace. Is Streeck's Gaullist manifesto for a Europe of the nations seriously intended to take the wind out of Le Pen's sails? His polemics suggest as much, but there is nothing in his theoretical armoury that would allow him to elaborate the point. In Germany, the solidity of the checks and balances in its constitution and the sophistication of its democratic culture mean there is no real risk of a Trump, Le Pen, Brexit-style swerve to the right. How then could Streeck's interventions make any difference? Ahead of the German election in 2017 there are only two real options for the country: another coalition centred on Merkel, offering more of the same, or a novel 'Red-Red-Green' coalition of the SPD-Die Linke and the Greens. This has been a possibility since the 1990s and is the bugbear of all those determined to uphold the status quo inherited from West Germany. But if there is a political move that might break the roadblock in Germany and thus in Europe, 'R2G' is it. The history of the Cold War stands in its way, as do painful memories of Lafontaine's split from the SPD and a fear on the part of the SPD and the Greens of losing bourgeois voters. If Die Linke, driven by its Lexit wing and concerned with the threat to its voter base in the East from the AfD, were to swerve onto the protectionist, anti-EU line that Streeck and others have been advancing since 2013, it would be hugely counterproductive. It is here, operating within the delicate politics of a Red-Red-Green coalition, that Streeck's intellectual authority and relentless advocacy of the Lexit position could do real damage. The result to be feared is not a new dark age, or the imminent collapse of capitalist democracy, the Eurozone or the EU, but merely the depressing continuation of both Europe and Germany's failure to live up to their potential, the continued foreclosure of the 'presumably possible'.

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