

## The Legacy of Leo Panitch

Joan Sangster, Charles Smith, Rosemary Warskett, Eric Blanc, Martijn Konings,  
Stephen Maher and Stephanie Ross

Volume 88, Fall 2021

URI: <https://id.erudit.org/iderudit/1084982ar>

DOI: <https://doi.org/10.52975/ltr.2021v88.0007>

[See table of contents](#)

Publisher(s)

Canadian Committee on Labour History

ISSN

0700-3862 (print)

1911-4842 (digital)

[Explore this journal](#)

Cite this article

Sangster, J., Smith, C., Warskett, R., Blanc, E., Konings, M., Maher, S. & Ross, S.  
(2021). The Legacy of Leo Panitch. *Labour / Le Travail*, 88, 113–168.  
<https://doi.org/10.52975/ltr.2021v88.0007>

## PRESENTATION / PRÉSENTATION

# The Legacy of Leo Panitch

### Introduction

**Joan Sangster**, Trent University

**Charles Smith**, St. Thomas More College, University of Saskatchewan

**Keywords:** Leo Panitch, socialism, social democracy, global scholar, labour, class struggle, legacy, scholar, activist

**Mots-clés :** Leo Panitch, socialisme, social-démocratie, intellectuel mondial, travail, lutte des classes, héritage, universitaire, militant

THE SHOCK OF LEO PANITCH'S untimely death in December of 2020 has worn off; our sense of profound loss has not. In the days that followed his passing, emails, editorials, obituaries, and forums appeared describing his immense intellectual, political, and personal influence. These tributes have captured something of his legacy, while also articulating the sadness experienced by so many of his friends and colleagues. Articles assessing his global influence have appeared in the mainstream press as well as left-wing magazines and blogs; emails and letters flooded in from socialist comrades across the globe, and a number of public forums assessed and celebrated his extensive contributions to political and scholarly projects, most especially his lifelong commitment to furthering Marxist scholarship and the building of democratic socialism.<sup>1</sup>

Charles, as a former student, cannot quite fathom a world without Leo's guidance. As a scholar and a teacher, Leo was able to both inspire and lend critical guidance for his students to challenge perceived liberal and capitalist

1. It is not possible to cite all of Leo's immense body of work on these topics, but his *End of Parliamentary Socialism* (with Colin Leys) 1997, the *Making of Global Capitalism* (with Sam Gindin) 2012 and his own *Renewing Socialism: Democracy, Strategy, and Imagination* (2002) all reflect these important themes.

orthodoxy, while never lessening our academic standards or critical lens. Joan, as a *Socialist Register* board member, will miss Leo as a generous friend, a committed socialist with unending dedication to building a better future, and a comrade who welcomed her socialist-feminist input into the *Register*. It is difficult to truly appreciate Leo's legacy in its entirety, since it was so varied, extensive, and international, emanating from his multiple and many roles – as teacher, mentor, socialist public intellectual, political scientist, theorist, editor, provocateur, and friend. He built academic departments of critical political economy at Carleton and York Universities and he had a transformative impact, both in his own work and through that of his many students, on scholarship on Canadian politics, the state, labour, and working-class mobilizations. His intellectual reach was also thoroughly international: his writing and interventions had a defining impact on debates about socialism and social democracy, the British Labour Party, globalized financial capitalism, popular and labour mobilizations – and far more. His editorship of the *Socialist Register* helped to facilitate threads of global discussion and left-wing critique that encompassed themes ranging from utopianism to feminism, environmentalism, race, and imperialism.

An original, probing Marxist theorist, he also wrote and spoke in the vernacular of popular politics and journalism, reaching out to innumerable audiences to discuss class and socialism in our time. As many remembrances have pointed out, he was an instigator, organizer, and convenor, creating the social and personal culture that kept those of us with an alternative vision of society energized, connected, and hopeful.

*Labour/Le Travail's* tribute to Leo Panitch can only capture a portion of his academic, political, and personal legacy. The obituary opening the journal, by Reg Whitaker, offers an overview of Leo's origins in the North End of Winnipeg, his academic career and writing, and his family life. The editors also asked five scholars, including some former students, to reflect on Leo's writing and life in a roundtable tribute. Rosemary Warskett, professor emerita at Carleton University, explores Leo's contributions to our understanding of labour, including his original and incisive Marxist analysis of the relationship between the capitalist state, labour, and working-class politics. For Leo, she affirms, theory and praxis were connected: the point was not just to understand the world but to change it. An "organic intellectual" who combined scholarly pursuit with activism, he devoted immense time to everyday politics, building organizations like the early Ottawa Committee for Labour Action.

Eric Blanc's piece focuses on Leo's scholarship on social democracy, which provided both a "foundation and foil" for international discussions about the prospects of socialism through social democracy. Again, Leo's activism and participation in the British Labour Party intersected with his analysis of it, as he offered critical reflections and advice, even when they countered the party's leadership and policies. As Eric's analysis shows, Leo's writing was complex, and changed over time, as he wrestled with social democracy as a project with

political possibilities but also immense limitations. Like Eric, Martijn Konings engages critically with Leo's scholarship, working through his own research agenda relating to unresolved issues of finance capital and value-form theory, in a dialogue with Leo's writing. Like other former students, Konings notes that Leo was little interested in "contentless applause" and far more with substantial critical engagements with his students.

Stephen Maher's heartfelt tribute to Leo's interest in culture, mentorship, and building a socialist movement recognizes his deep-seated humanity. Leo was a person very much driven by socialism, but he was also quite interested in passing on the tools to build a socialist politics to the next generation of scholar-activists. As Maher points out in his essay, Leo's Marxism was driven by a "living Marxism," designed to understand the lived material reality of workers in this particular phase of global capitalism. Yet these questions were not simply academic for Leo. In his capacity as teacher, mentor, and scholar, Leo demonstrated an academic rigour that was shaped by debate, discussion, and, ultimately, respect for different people and traditions.

The roundtable ends with Stephanie Ross' appreciation of Leo Panitch as a teacher, friend, and mentor. Stephanie recounts how important Leo was to her own intellectual awakening and journey as a labour studies scholar. Her initial thoughts about how her class origins shaped her life, encouraged by Leo, opened out into a life of scholarly and political engagement. Her reminiscence captures the way in which her education and mentorship as a graduate student was exhilarating in its sense of discovery. The "big questions" posed in those classes remain critical for her, as for all of us: What are the possibilities of working-class organization and how can we build collective capacities of resistance to capitalism? As she and other former students have recounted, Leo was a dedicated and inspiring teacher who had endless energy for his students, who in turn received a double dose of critical commentary laced with optimistic encouragement.

All of these essays reflect a similar theme: Leo will be forever missed. Yet, his legacy and life's work of building a democratic socialism will live on.

## *Tribute to Leo Panitch, Organic Intellectual (1945–2021)*

Rosemary Warskett, Carleton University

ON 21 DECEMBER 2020, COVID-19 brought Leo Panitch's life to an early end. This was tragic in many senses, and his loss is keenly felt beyond family and friends, including among his many students and those engaged in the challenge of renewing the democratic socialist project. We are fortunate, however, that his writing and broadcasts live on and continue to influence activists and academics alike.<sup>1</sup> This tribute explores his contribution to labour studies and the labour movement. It is not an exhaustive review of Panitch's work, but rather a focus on concepts, ideas, frameworks, and contributions that have resonated with and been taken up by scholars and activists in trade unions and labour studies, both in Canada and internationally.

Panitch was an interdisciplinary scholar from his start in the 1970s, when there was a rigid discipline insularity in the social sciences. While he taught, supervised, and mentored in political science departments in Canada, he rejected a narrow, élite conception of what constituted political scholarship, pointing out that politics "must be a study as well of the social forces 'from below.' Some will say that is the proper field of sociology, especially insofar as the activities of those below, even if they influence the decision makers, do not have enough power 'to change the system.' But this is an impoverished view of political science."<sup>2</sup>

Because he refused to recognize academic borders, his work has influenced scholars in many social science disciplines besides politics, including sociology, history, public administration, industrial relations, and law, as well as labour studies. Also, he refused to accept scholarship as merely theoretical debate, confined to university departments and academic journals. In the same essay, directed at Canadian undergraduates, he stated that "philosophers, a great social scientist once said, have always tried to understand the world, but the point of this understanding, he appropriately said, is to change it."<sup>3</sup> Of course in these comments he was signalling his Marxist roots and his determination to develop that thought in all directions.

Panitch arrived at the London School of Economics in 1967. He was inspired by the revival of Marxist scholarship and the surrounding debates generated by Ralph Miliband, Nicos Poulantzas, André Gorz, and E. P. Thompson, among

1. Leo Panitch, "Capitalism, Socialism and Revolution," *Socialist Register* 25 (1989): 1–29; Panitch, *Renewing Socialism: Democracy, Strategy, and Imagination* (Cambridge, MA: Westview, 2001); Panitch & Sam Gindin with Stephen Maher, *The Socialist Challenge Today: Syriza, Sanders, Corbyn* (Winnipeg: Fernwood, 2019).

2. Leo Panitch, "Elites, Class and Power in Canada," in Michael S. Whittington and Glen Williams, eds., *Canadian Politics in the 1980s* (Toronto: Methuen, 1981), 172.

3. Panitch, "Elites," 173.

others. Growing up in a working-class Winnipeg household had a profound and ongoing influence on his work, and these debates helped to make sense of the indignities and deprivations of working-class life. As well, what was happening in the streets, the mines, factories, and offices shaped his research and sustained his political involvement.

What follows is, for the most part, a chronological examination of the impact his work had on labour studies, although there is some looking forward and backward. Emphasis is on his theoretical contribution to the study of labour, particularly in Canada, but also on the way his praxis reached beyond academia.

### Incomes Policy and Wage Controls: Impasse of Social Democracy

While the postwar period in Western liberal democracy is often depicted as the golden age of welfare reforms, Panitch took a different perspective, examining another reality, by focusing on labour's conflictual relationship with capital. It was not that he thought reforms were unimportant but that he saw the balance of power between labour and capital as fundamental to the contradictions embedded in liberal-democratic, capitalist society.

Industrial militancy was endemic in many Western liberal democracies in the postwar period. In the United Kingdom, Canada, and even the United States, industrial trade unions recorded high rates of unionization and demonstrated their willingness to strike to improve the conditions of working-class life. In an early article Panitch writes about the allegiance given by the UK trade unions to the Labour Party despite conflicts over policy.<sup>4</sup> Historically, he traces the Labour Party's underlying ideology, demonstrating that from its inception it presented itself as a national party, attempting to achieve compromise and harmony amongst all classes. He argues that the party's "underlying ideological orientation" was to integrate the working class, and particularly the trade unions, into the national interest.<sup>5</sup> This was the beginning of Panitch's influential thinking about the limits of social-democratic politics and what he later called its impasse.<sup>6</sup>

In addressing this impasse, Panitch, as Miliband did before him, pointed out that winning parliamentary elections does not win state power. Parliament is just one institution within an entire state complex. Also, there is social-democratic governments' commitment to class co-operation and harmony rather than class struggle, as was seen with the Labour Party in the United Kingdom and Bob Rae's NDP in Ontario. While these governments, and those in waiting,

4. Leo Panitch, "Ideology and Integration: The Case of the British Labour Party," *Political Studies* 19, 2 (1971): 184–200.

5. Panitch, "Ideology," 197.

6. Leo Panitch, "The Impasse of Social Democratic Politics," in *Working Class Politics in Crisis: Essays on Labour and the State* (London: Verso 1986), 1–55.

were committed to social welfare reforms, they rejected fundamental reforms that would break the logic of capital, for example, state control on finance capital or the unfettered right to strike.

Seeking to avoid strikes by industrial unions, the UK Labour Party pursued a voluntary incomes policy in the postwar period because “it requires the direct cooperation of the organized working class if it is to be successful.”<sup>7</sup> It was a policy that Panitch refers to as quasi-corporatist since trade union leaders were to act as agencies of control over their members in lowering members’ wage and benefit expectations. Union leaders in the 1960s, however, increasingly came under pressure, in terms of both declining union membership and rank-and-file militancy, turning away from the policy of consent despite their loyalty to the Labour Party. As in other times and places, when the limitations of voluntarism appeared, the coercive underbelly of the capitalist state was revealed, although it took Thatcher’s neoliberalism in the 1980s to defeat the militancy of the unions.

In his book published in 1976 Panitch unfolds “the dynamic of the contradiction” between an industrial militant working class and an ideologically integrative social-democratic party. In doing so he reveals the underlying structural contradiction within capitalism between those who must sell their labour power and those who buy it. This is one of the elements that remained fundamental to Panitch’s scholarship and activism for the rest of his life.

The UK study was published about the same time as the pamphlet “Wage & Price Controls,” which Panitch produced together with members of the Ottawa Committee for Labour Action (OCLA).<sup>8</sup> The Liberal government led by Pierre Trudeau had set up a wage and price control commission in the form of the Anti-inflation Board in 1975. The pamphlet warned that it would be the trade unions, especially those in the public sector, that would take the brunt of this policy.

Since his return to Canada in 1972, Panitch had been an active observer of left politics. He had been politically active while doing his PhD in London and he looked to continue his political involvement. Although never a member of the Waffle, he joined the Movement for an Independent Socialist Canada after the Waffle was ordered disbanded by the NDP in 1974.<sup>9</sup> But this movement proved very short lived, and after disputes between nationalists and socialists, the Ottawa group dramatically left and formed the OCLA. Both an

7. Leo Panitch, *Social Democracy and Industrial Militancy: The Labour Party, the Trade Unions and Incomes Policy, 1945–1974* (Cambridge: Cambridge University Press, 1976), 3. This was originally his PhD thesis at the London School of Economics. His mentor, Ralph Miliband, was his supervisor. Panitch was at LSE between 1967 and 1972, returning to Canada to take up a position at Carleton University, in Ottawa.

8. Leo Panitch, “Wage & Price Controls,” *Red Menace* 1, 1 (February 1976).

9. I first met Leo when we were both given a lift from Ottawa to a Waffle conference in Toronto in 1973.

activist group and a research group, its members held educational events and joined picket lines as well as writing pamphlets that were handed out, outside workplaces, on cold, early mornings. At the same time, Panitch was active at Carleton University, holding research seminars on the Canadian state and working with others to establish the academic journal *Studies in Political Economy: A Socialist Review (SPE)*.<sup>10</sup> While there were a significant number of left academics in the various social science departments at Carleton in the 1970s, the dominant approach in Canadian universities was elite pluralism; this was especially the case in schools of industrial relations.

### Industrial Relations Orthodoxy in the 1970s: Panitch's Class Critique

During the 1970s the study of labour was found in Canadian sociology departments or in schools of industrial relations. Labour studies developed later, with one of the earliest programs being at McMaster University, starting in the late 1970s. Unlike industrial relations, labour studies takes an interdisciplinary approach and, in general, seeks relations with the labour community.<sup>11</sup> The dominant approach found in schools of industrial relations in the 1970s was elite pluralism together with systems theory. In an essay written in 1981 Panitch developed a critique of this approach and countered with a call for class analysis that underlies his later critique of the Canadian industrial relations system.<sup>12</sup>

Elite analysis, Panitch pointed out, flowed from the pluralist liberal-democratic conception of politics and society. Élités, who represent various interest groups, compete for people's votes and the people have the choice to accept or reject them. In this formulation power is centred at the top amongst élites, a "confraternity of power," and the masses below them, with little agency other than through their representatives.<sup>13</sup> Leaders of trade unions are conceptualized as élites representing their members, just as corporate élites represent employers. Working with evidence from John Porter's *Vertical Mosaic*, Panitch reveals the myth of this conceptualization, the poverty of elite analysis, and the weakness of the dominant political science and industrial relations approach.<sup>14</sup>

10. *SPE* continues to be a journal that encourages nonsectarian, socialist debate and is a site where many labour studies scholars publish their research.

11. Stephanie Ross (director, School of Labour Studies, McMaster University), personal communication, 9 June 2021.

12. Panitch, "Elites, Class and Power"; Leo Panitch & Donald Swartz, "Towards Permanent Exceptionalism: Coercion and Consent in Canadian Industrial Relations," *Labour/Le Travail* 13 (Spring 1984): 133–157.

13. Panitch, "Elites, Class and Power," 173.

14. John Porter, *The Vertical Mosaic: An Analysis of Social Class and Power in Canada* (Toronto: University of Toronto Press, 1966). For an example of elite and systems analysis, see S. M. A. Hameed, *Canadian Industrial Relations: A Book of Readings* (Toronto: Butterworth,



Panitch then turns to the class analysis at the foundation of his writing and praxis as a different way of viewing power, noting, "A class analysis always begins with social relationships that people enter into, or are born into, in producing their material means of livelihood."<sup>15</sup> It is a set of power relations founded in people's relationship to property, what they own or do not own, what they control or do not control, as this relates to "the means of production." Class is a relational power concept, not a category achieved through statistical analysis of wealth and status, and its analysis "is precisely about assessing the balance of power between classes."<sup>16</sup>

Classes are historical groups, real collections of people, not static, economic, statistical groups. They have agency and power to act and struggle, making themselves in the process, hence the importance of history in understanding class relations. It is a contradictory relation entailing political antagonism. Class formation takes place through real material struggles that are not confined to the workplace but involve all social and cultural aspects of living.

Just as important as class formation is class deformation. In the second half of the 20th century the deformation of the old working class, based on industrial workplace struggles, resulted from the actions of capital. It was the ruling classes who were the revolutionaries, doing what Marx predicted, roaming the world and taking capital to every corner of the globe.<sup>17</sup> In the process they acted to decompose the old industrial working classes, creating new forms of work and technology and new forms of precarious work. As Panitch points out, precarious work is not new; alongside the old, organized working class there were always precarious forms of employment leading to divisions within the working class as a whole.<sup>18</sup>

What interested Panitch was the role of the state in reproducing classes and ensuring the stability and existence of class relations. In the 1970s the study of labour in schools of industrial relations was dominated by academics who had a static, ahistorical view of the nation-state. If they thought about the state at

---

1975). One major exception to industrial relations orthodoxy was Stuart Jamieson, "Times of Trouble: Labour Unrest and Industrial Conflict in Canada, 1900–1960" (Ottawa, 1968). He traces the recurrent waves of industrial conflict across Canada over 60 years.

15. Panitch, "Elites, Class and Power," 175.

16. Panitch, "Elites," 175.

17. Leo Panitch & Sam Gindin, *The Making of Global Capitalism: The Political Economy of America Empire* (London: Verso, 2012), 2.

18. Early on, Leo and I argued about the potential of the British working class to build a socialist society. I maintained that they were too deferential and incapable of transformation. Later I came to realize that we had experienced different sides of the working class in 1960s Britain: he, the militancy of the trade unions and the inability of the Labour Party to go past the accommodation with capital; I, with the deference and conservatism of a significant part of unorganized workers.

all, it was as a neutral arbiter between labour and employers that acted in the national interest.

### Trade Unions and the Capitalist State

If the state in capitalist society is not a neutral arbiter between capital and labour, then what is it? What is the relation of the capitalist liberal-democratic state to the working class, and to trade unions in particular? Panitch addressed that question in the opening essay to his edited collection *The Canadian State: Political Economy and Political Power*.<sup>19</sup> At that point, neo-Marxist theorizing about the nation-state had been at least a decade in the making. In classes at Carleton University, and through the seminar leading to the editing of *The Canadian State*, he explored the concept of the state in capitalist society.<sup>20</sup> This culminated in his introductory chapter, where he laid out the framework that remained his thinking in large part for the rest of his life, although he deepened and elaborated his approach over time. This was particularly the case with the concept of the relative autonomy of the state in liberal-democratic society, which in part addresses the questions at the beginning of this section.

In developing a framework for a theory of the state in capitalist society, Panitch highlights Marx's brief comments in the Communist Manifesto: "the executive of the modern state is but a committee for managing the common affairs of the whole of the bourgeoisie."<sup>21</sup> It is this idea that he sets out to develop, making it part of his life's work to take it further.

He points out that we "need to distinguish between the state acting on behalf of the bourgeoisie and its acting on their behest."<sup>22</sup> To act on behalf of capital as a whole the state must have a certain amount of autonomy in order "to save the bourgeoisie from itself." Writing much later about global capitalism and nation-states, he points out that "what these states can autonomously do ... is ultimately limited by their dependence on the success of capital accumulation. It is above all in this sense that their autonomy is only relative."<sup>23</sup>

19. Leo Panitch, "The Role and Nature of the Canadian State," in Panitch, ed., *The Canadian State: Political Economy and Political Power* (Toronto: University of Toronto Press, 1977), 3–27.

20. In 1973 as a student in Leo's class on theories of the state I was introduced to recent Marxist debates including the debate between Ralph Miliband and Nicos Poulantzas. Leo learned from both but solved the structure/agency problem by always holding fast to history – and maintaining that the working class needs to be "made" in the spirit of E. P. Thompson's *The Making of the English Working Class* (London: Victor Gollancz, 1963).

21. Marx quoted in Panitch, "Role and Nature of the Canadian State," 4. This introductory chapter inspired my MA thesis (supervised by Leo), "Trade Unions and The Canadian State: A Case Study of Bank Worker Unionization, 1976–1980" (Carleton University, 1981).

22. Panitch, "Role and Nature of the Canadian State," 4.

23. Panitch & Gindin, *Making of Global Capitalism*, 4.

While the state must function to ensure capital accumulation, it also acts to integrate the working class, precisely because of the structural contradiction between capital and labour underlying the accumulation process. Legitimizing state processes act to create social harmony, while at the same time underlying coercive measures function to promote the integration of labour into the system. While Panitch adopted a structural functionalist approach, what distinguished it from the dominant functionalist approach of the time was its historical approach and emphasis on the collective agency of the working class and the agency of the capitalist class.<sup>24</sup>

In 1981, writing for an international audience and using data from a number of European countries as well as the United Kingdom, he states that “there has been traditional failure amongst Marxists to address the relations between trade unions and the state in a rigorous dialectical fashion.”<sup>25</sup> He argues there is a need both to explore the contradictions when labour representatives are integrated into state institutions, such as on joint boards, and also to examine the balance of class forces that produces more legitimization mechanisms than coercive ones, as occurred between the UK Labour government and the trade unions.

From its inception the Canadian state took a strong role in forging its economy and applying coercive legislation and police force to organized labour. Panitch together with Donald Swartz, in 1984, published the article “Towards Permanent Exceptionalism: Coercion and Consent in Canadian Industrial Relations.”<sup>26</sup> Panitch and Swartz expressed the legitimization and coercive functions in Gramscian terms as obtaining the consent of the working class to participate as subordinate actors in Canada’s democracy, while at the same time institutionalizing coercive measures to guarantee that subordination. They use the term “free collective bargaining” as it is expressed by the orthodox industrial relations approach. “Free” from that standpoint has a double meaning, they argue. First, it implies a “balance of power between labour and capital in that they are equals facing each other at the bargaining table,” resulting in the structural inequality between the parties being obscured. In the second meaning, the state acts as an umpire between the “equal negotiators” and the underlying coercion, through both legislative

24. Talcott Parsons, *The Social System* (Glencoe, IL: The Free Press, 1951).

25. Leo Panitch, “Trade Unions and the Capitalist State,” in *Working Class Politics in Crisis*, 188.

26. Panitch & Swartz, “Towards Permanent Exceptionalism.” The 1984 article provided the theoretical and empirical foundation of the monograph *From Consent to Coercion* (Aurora, ON, 1984); because of the wide use of the monograph by students and trade unionists, they updated it as a book. Panitch & Swartz, *The Assault on Trade Union Freedoms: From Consent to Coercion* (Aurora, ON: Garamond, 1988). The third and most recent edition was published in 2003.

measures and police enforcement, is not visible.<sup>27</sup> Underpinning their argument is the concept of the relative autonomy of the state, and action to adjust to the new balance of class forces, given the situation of full employment in the immediate postwar period. The Canadian state forged a new hegemony of capital where new social reforms helped secure the consent of the working class.

The new era began in Canada in 1944 with Privy Council Order 1003, which required employers to recognize trade unions and sit down at the negotiating table. By the early 1950s the federal government and some provincial governments had put in place legislation enshrining these principles. But the new legislation came with severe coercive restrictions on the right to strike during the life of the agreement. Plus, government labour boards controlled (and still do control) certification processes and bargaining units, resulting in a process in which trade unions depend on the state for legitimacy. This created a perception that unions do not exist without state sanction. Over time, the entire system has become more juridified, with quasi-legal processes channelling trade union action toward legal processes, in which trade union rights appear to be given by the state, not fought and struggled for.<sup>28</sup>

By the mid-1970s the limits of labour reform were apparent. Industrial trade unions increasingly resorted to strikes and there was significant growth in unionization and militancy in the public sector. These factors, together with the failure of the federal Liberal government to obtain voluntary agreement to wage controls, signalled the limits of consent and the increasing turn to coercion. "Permanent exceptionalism" is the term Panitch and Swartz use to describe the endless series of ad hoc measures to override the frameworks of "free collective bargaining." Back-to-work legislation became de rigueur in all jurisdictions. The right to strike, the crucial bargaining tool in any free collective bargaining regime, was ended if successful in curtailing the power of employers. In most provinces there was a raft of legislation that imposed new constraints on workers' trade union rights; these included the expanded use of state power, often unilaterally, to designate public-sector workers as essential and therefore not allowed to strike.<sup>29</sup>

The *Canadian Charter of Rights and Freedoms* (1982) enshrined freedom of association.<sup>30</sup> At the time Panitch argued that the Canadian Labour Congress should demand that the right to strike be part of the section, as it would likely be interpreted as a liberal individual right by the courts. He turned out to have

27. Panitch & Swartz, "Towards Permanent Exceptionalism," 30.

28. Panitch & Swartz, *From Consent to Coercion: The Assault on Trade Union Freedoms*, 3rd. ed. (Aurora, ON: Garamond, 2003), 33.

29. Panitch & Swartz, *From Consent to Coercion*, 247–252. The book contains a six-page appendix titled "Legislative Orders Suspending the Right to Strike, 1950–2002"; see Appendix 11.

30. The Constitution Act, 1982, Schedule B to the Canada Act 1982 (UK), 1982, c 11, s 2(d).

been prophetic when the Supreme Court made its first rulings on the section in a 1987 trilogy of cases.<sup>31</sup> In the early 2000s the court began to recognize the right to strike under certain conditions, but always with caveats: governments will be able to overrule that right using either section 33, the “notwithstanding clause,” or section 1, which enshrines the power to limit rights in the national interest. With the *Charter* the labour movement’s dependency on the state’s legal protection is even more apparent. In the last twenty years or so, trade unions have repeatedly used their resources to launch *Charter* challenges – resources that might otherwise be used to organize and mobilize workers.

The original “Towards Permanent Exceptionalism” article together with the later monograph and books had a profound influence on Canadian labour studies. They became required reading on labour studies course lists and other related courses at universities across the country. Also, they influenced trade unions through labour education courses, appearing on reading lists at the Canadian Labour Congress’s Labour College of Canada and other union education programs, where they fed into discussions about a strategy for labour.<sup>32</sup>

Around the same time as the publication of “Towards Permanent Exceptionalism,” in 1984 Panitch moved to York University in Toronto and became central to the founding and continuation of the Socialist Project and the publication of *The Bullet*. In recent years he headed up the project’s cultural committee. In 1985 he took over the editorship of the *Socialist Register* from his mentor, Ralph Miliband, and extended its contributors and reach around the world. At York University he was instrumental in establishing the Centre for Research on Work and Society and later the Global Labour Research Centre.<sup>33</sup> In the Department of Politics at York, he supervised many doctoral students. Some of those students and research assistants now hold prominent positions in Canadian labour studies.<sup>34</sup>

## The Challenge of a Strategy for Labour: Toward Democratic Socialism

Writing, giving talks, and engaging in cultural and community activism was always part of Panitch’s work toward building democratic socialism even

31. Reference Re Public Service Employee Relations Act (Alta), [1987] 1 SCR 313; PSAC v Canada, [1987] 1 SCR 424; RWDSU v Saskatchewan, [1987] 1 SCR 460. The general finding of a majority of the court was that the right to strike was not encompassed by section 2(d) of the *Charter*.

32. I taught at the CLC Labour College in the early 1990s and was not the only instructor to assign the 1984 monograph *From Consent to Coercion*.

33. “The Passing of Leo Panitch,” Global Labour Research Centre, 8 January 2021, <https://glrc.info.yorku.ca/2021/01/the-passing-of-leo-panitch/>.

34. Panitch’s students include Stephanie Ross, director of the School of Labour Studies, McMaster University, and Larry Savage, professor of labour studies, Brock University, both founding members of the Canadian Association for Work and Labour Studies.

though for much of his adult life he thought it was unlikely that it would be achieved in his lifetime. Reflecting on a strategy for labour was a fundamental part of that project, as was his engagement with trade unions by speaking at union events and direct involvement with ongoing labour struggles, locally and internationally.

Rejecting economistic, service unionism, he argued for the reformation of working-class institutions and the development of a labour movement committed to reforms that would continue to build the capacity of the working class to meet the challenges of the struggle for socialism.<sup>35</sup> The challenge, he wrote, is “how to build fully inclusive labor movements which are democratically structured in such ways as to encourage the development of the capacities of *all* members of the working class in as many facets of their lives as possible.”<sup>36</sup> Many facets of their lives include “differences,” whether through being racialized, disabled, a woman, or a member of an LGBTQ group. Panitch argues that today we must take “political identities seriously: ... not consigning their significance to mere ‘difference,’ disconnected from any historical and materialist analysis.”<sup>37</sup> His point is that “what other movements do is no less important,” but because of its class basis the labour movement will always be fundamentally a contradiction within capitalist society.<sup>38</sup> Feminist struggles for equal pay are an example. Raising the level of some women in the pay hierarchy will not result in transforming workplace organization, nor end the low-paid work of many women.<sup>39</sup>

Struggles of other movements need to be addressed, he argued, so that the divisions within the working class based on gender, sex, racialization, and disability can be eliminated, bringing class back in.<sup>40</sup> “Solidarity as a process has always been about, not ignoring or eliminating, but transcending working-class diversity.”<sup>41</sup> For Panitch, struggle comes before class. The challenge of making the working class and overcoming its divisions, especially in the new conjunction of globalizing capital, needs to be one of the central concerns of labour movements.

Earlier working-class and labour movement struggles in the 19th and 20th centuries won the liberal-democratic right to vote and freedom of association.

35. Panitch & Swartz, *From Consent to Coercion*, 3rd ed., 236–240.

36. Panitch, *Renewing Socialism*, 169.

37. Leo Panitch & Colin Leys, “Preface,” *Socialist Register* 39 (2003): vii–x; Panitch & Swartz, *From Consent to Coercion*, 3rd ed., 225.

38. Panitch, *Renewing Socialism*, 168.

39. Panitch & Swartz, *From Consent to Coercion*, 3rd ed., 225; Rosemary Warskett, “Feminism’s Challenge to Unions in the North: Possibilities and Contradictions,” *Socialist Register* 37 (2001): 329–342.

40. Panitch, *Renewing Socialism*, 165–196.

41. Panitch, *Renewing Socialism*, 168.

The greatest contradiction of liberal democracy reforms is that the workplace remains an unfree place – and for many a profoundly unfree place. Workers' control, Panitch argued, is a reform antagonistic to capital but it must be real "self-management" that has grown "out of the concrete activity of the working class."<sup>42</sup> In this sense the unfettered right to strike is the beginning of any real workers control and is an essential condition of democracy.<sup>43</sup>

Drawing on André Gorz, Panitch argues that struggling for reforms within the workplace and in the community is as important as the rights achieved, because struggle builds the capacity of the working class to mount other struggles for reforms antagonistic to capital.<sup>44</sup> But reforms are not won once and for all and must be continually defended and struggled for. He points to the rise of neoliberalism and the dismantling of social-democratic reforms in all liberal democracies. For some, Panitch's support of recent social-democratic movements seems to contradict his call for revolutionary reforms.<sup>45</sup> But Panitch argues that the recent movements of Bernie Sanders, Jeremy Corbyn, and Syriza all create space to talk about capitalism and its globalization and, in the process, mobilize working-class supporters.<sup>46</sup>

Neoliberal, capital globalization brought revolutionary change to workplaces and communities across the world. Panitch's work on the nation-state clearly reveals that for capital to globalize, nation-states must orchestrate capital accumulation.<sup>47</sup> The relative autonomy of the nation-state, acting on behalf of capital, is fundamental to the entire system and led Panitch to raise questions about democratizing the state and building a different kind of nation-state. In terms of a strategy for labour, he reflected on the possibility of a different relationship between public employees and the citizens they serve, and whether there could be equality between producers and users. "We need to shake the bureaucratic model to its foundations," he declared, and build a movement for a different kind of state.<sup>48</sup>

In the context of capital globalization, the internationalism of the labour movement would seem essential, yet Panitch asks how there can be true

42. Panitch, "Trade Unions and the Capitalist State," 219.

43. Panitch & Swartz, *From Consent to Coercion*, 3rd ed.

44. André Gorz, "Reform and Revolution: Towards a Socialist Strategy of Reforms," *Socialist Register* 5 (1968): 111–143; Leo Panitch, "Capitalism, Socialism and Revolution"; Gorz, *Critique of Economic Reason* (London: Verso, 1989).

45. Bryan D. Palmer, "Socialist Savant: Leo Panitch (1945–2020)," *Canadian Dimension*, 18 January 2021, <https://canadiandimension.com/articles/view/socialist-savant-leo-panitch-1945-2020>.

46. Panitch, Gindin & Maher, *Socialist Challenge Today*.

47. Panitch & Gindin, *Making of Global Capitalism*, 4.

48. Leo Panitch, "A Different Kind of State?," in Gregory Albo, David Langille & Leo Panitch, eds., *A Different Kind of State? Popular Power and Democratic Administration* (Toronto: Oxford University Press, 1993), 9–10.



labour internationalism when we can't organize the private sector in our own countries. "What is needed is the kind of internationalism that reinforces the space for, and contributes to building the strategic and material resources for, working class struggles in each country."<sup>49</sup>

## Conclusion

Looking back on Panitch's large volume of remarkable work, stretching over 50 years, shows that his contribution to labour studies lies in many directions. He brought us an original, creative, Marxist study of labour and capital and, in particular, a study of relations between labour and the state in capitalist society. Throughout his lifetime he developed and deepened our understanding of the liberal-democratic, capitalist state and its relationship to labour and the working class in general, in different countries and conjunctures.

His insistence on the dialectical relation between labour and capital requires students of labour to think in relational class terms and historically, and to take up Marx's historical materialist approach: that people make their own history but only on the basis of what is given from the past.<sup>50</sup>

Panitch's life and work highlights the importance of praxis. He applied academic thinking to the current struggles of labour and the working class in general. He rejected sterile academic debate in favour of trying to change the world. In this respect the *Socialist Register* was an important part of that praxis. After taking over the editorship from Miliband in 1985, Panitch continued to develop it as a nonsectarian journal in which engaged socialists could share ideas in the common project of changing the world. His view was "that only the best scholarship and most sober analysis could contribute to social transformation."<sup>51</sup>

*I wish to thank Donald Swartz for helpful comments on an earlier draft of this manuscript.*

49. Panitch & Swartz, *From Consent to Coercion*, 3rd ed., 231.

50. Karl Marx, *The Eighteenth Brumaire of Louis Bonaparte* (Moscow: Progress, 1970), 96.

51. Sam Gindin, "Living Socialism Today: Remembering Leo Panitch," *The Bullet*, 19 February 2021, <https://socialistproject.ca/2021/02/living-socialism-today-remembering-leo-panitch/>.



## *The Fall and Future of Social Democracy*

Eric Blanc, New York University

ALMOST EVERYBODY LEFT OF CENTRE is talking about social democracy these days. Political scientist Sheri Berman compares our current crises to those of the 1930s in her recent case for “social democrats [to] save the world (again)” from right and left extremism, an approach echoed by Elizabeth Warren’s push for a “regulated capitalism” counterposed to both neoliberalism and democratic socialism.<sup>1</sup> But political radicals to their left such as Bernie Sanders and Alexandria Ocasio-Cortez are also calling for a revival of social democracy, pointing to Scandinavian welfare states in particular as examples to be emulated.

Does social democracy have a future? And is it one that democratic socialists should fight for? To address these questions, there is no better starting point than Leo Panitch’s writings. In a remarkable body of work spanning more than five decades, Panitch examined social democracy’s internal contradictions and limitations while also trying to articulate a viable socialist alternative. The demise of social-democratic parties, he argued, was to a significant extent their own fault. Rather than taking the risky road of promoting class struggle and fighting to democratize the state, most social democrats accommodated themselves to the status quo, thereby paving the way for their own political decline – and the retreat of working people generally.

At the same time, Panitch remained sober-minded about the strategic dilemmas confronting more radical approaches in capitalist democracies. Experience has shown that viable left politics requires building up strong organizations and pushing, inside and outside the state, for transformative reforms. But how can this orientation be effectively pursued without in the process dropping class-struggle politics and socialist goals? Threading this needle has proven to be an exceedingly difficult task.

This essay outlines Panitch’s writings on social democracy, critically examines the strengths and limitations of his analysis, and discusses what all this might mean for leftists over the coming years. Faced with looming climate disaster after four decades of neoliberalism and social atomization, I conclude that there is an especially pressing need to scale up organized working-class power through contesting elections and fighting to expand, democratize, and decarbonize the welfare state. Though taking this approach seriously *does* risk

1. Sheri Berman, “Can Social Democrats Save the World (Again)?,” *Foreign Affairs*, Winter 2020, <https://foreignpolicy.com/2020/01/15/social-democracy-save-world-again-socialism/>; Berman, “What’s at Stake in the Democratic Primaries,” *Social Europe*, 10 February 2020, <https://www.socialeurope.eu/whats-at-stake-in-the-democratic-primaries>. For a more extended exposition of her analysis, see Berman, *The Primacy of Politics: Social Democracy and the Making of Europe’s Twentieth Century* (Cambridge: Cambridge University Press, 2006).

transforming today's radicals into accommodationist social democrats, the only alternative is continued marginalization.

## The Rise of Social Democracy

According to thinkers like Berman, the crucial distinction between social democrats and democratic socialists is that the former aims to regulate capitalism while the latter seeks to abolish it.<sup>2</sup> Though this points to a real difference between these two political currents today, it misses the essence of social democracy and cannot account for the fact that social democrats across Europe in the early decades of the 20th century, and often well after, were proponents of transcending capitalism through gradual means.

Nor is it true, as both Leninists and social democrats have frequently claimed, that the differences between social democrats and their radical rivals pivot around their views on the importance of parliamentary work or the compatibility of universal-suffrage elections and parliaments with socialist transformation. To the contrary, as Panitch's writings made clear, democratic socialists view electoral politics as essential for winning reforms and building working-class power; moreover, they argue that the path to anti-capitalist overhaul in bourgeois democracies passes through the election of socialists into the existing state – an orientation that was counterproductively dropped by Leninists after 1917 seeking to promote insurrectionary revolutions in non-autocratic political contexts.<sup>3</sup>

Panitch's central criticism of social-democratic parties was that they were unwilling or unable to consistently organize the working class as a collective against capitalists – that is, they refused to orient to “class formation.” An aversion to class struggle shaped both their day-to-day practice and their long-term goals: the “problem with the [British] Labour Party is not that it has sought to bring the working class to power by peaceful means. Rather the fact that it has not seen its task as bringing the working class to power has determined the kind of parliamentarianism which it practices.”<sup>4</sup> This approach found its most influential and crystallized social base in the party functionaries, members of Parliament, and union officials who came to head the workers' movement across the West. And it resulted in what Panitch saw as social democracy's main political limitations, namely its tendency to promote class harmony instead of anti-capitalist conflict; to accept state structures rather

2. Berman, “What's at Stake.”

3. Leo Panitch & Sam Gindin with Steve Maher, *The Socialist Challenge Today: Syriza, Corbyn, Sanders* (Chicago: Haymarket, 2020), 12–13, 16–17, 106–107. Unlike many Trotskyist and Maoist organizations, a majority of Communist Parties eventually moved away from insurrectionary, dual-power strategies.

4. Leo Panitch, “Socialists and the Labour Party – A Reappraisal,” *Socialist Register* 16 (1979): 71.

than democratize them; to oppose efforts to take capital away from capital; to, at best, represent existing working-class consciousness and organization in lieu of spreading it to the whole class; to avoid socialist political education and efforts to develop workers' latent capacities; and to subordinate independent working-class struggle to the rhythms and structures of the capitalist state.

Though Panitch's writings focused on social democracy after World War II, it is important to underscore that the roots of postwar socialist moderation lay in deep-rooted social processes and the long-standing strategic dilemmas facing *all* socialists under capitalist democracies. From the early 20th century onwards, the labour movement's successful fight for the vote and other democratic rights produced a paradoxical tendency for socialist parties to moderate their politics in order to win elections and pass legislative reforms on behalf of their working-class base. At the same time, the growth of mass workers' parties and unions led them to develop a relatively risk-averse leadership layer of full-time officials. This opportunist drift became clear in 1914, when socialist and union leaders throughout Europe lined up behind their countries' rulers when they declared war.<sup>5</sup>

Contrary to what many radicals have often assumed, it is hard to explain this opportunism as simply the product of leadership betrayals or misguided political strategies. The pervasiveness of a move away from intransigent "orthodox" Marxism across Europe before and after 1914, and the generalized hegemony of social democracy inside 20th-century workers' movements, suggests the presence of deeper structural issues and hard-to-resolve political contradictions.

One key factor leading to social democratization was an intractable *organizational dilemma*: building working-class power required building mass organizations, but these organizations – and particularly their leaderships – tended to become increasingly conservative over time. This tendency toward organizational opportunism was primarily caused not by leaders' moral or political failings but rather by dynamics rooted in the structure of class relations: faced with the immense power of the capitalist class, workers' organizations tend to become more conservative as they grow in strength, because the potential costs and risks of disruptive action – which are already high for a heterogeneous, relatively powerless group like workers – increase once organizations and their leaderships have more to lose.<sup>6</sup>

5. Before 1914, both moderate socialists and "orthodox" Marxist radicals such as V. I. Lenin, Rosa Luxemburg, and Karl Kautsky self-identified as social democrats, though the radicals also more specifically referred to themselves as *revolutionary* social democrats. I use the term "social democrat" here as an ideal type synonym for moderate left integrationism. For reasons of space, I do not examine when exactly (and the extent to which) workers' parties in different countries became *social democratic* in the integrationist sense described by Panitch.

6. On the structural roots of opportunism, see Claus Offe & Helmut Wessenthal, "Two Logics of Collective Action: Theoretical Notes on Social Class and Organizational Form," *Political Power and Social Theory* 1, 1 (1980): 67–115.

This was compounded by a no-less-pressing *electoral dilemma*: achieving socialism required winning a popular majority, but winning a popular majority under parliamentary conditions increasingly appeared to require that socialists moderate their politics. By the early 20th century, it had become clear that the working class was growing at a slower pace than initially predicted by Karl Marx and the Second International's "Pope of Marxism," Karl Kautsky, making it far more difficult than anticipated to win a national election around demands to socialize the means of production. And despite decades of tireless socialist education, the working class that *did* exist remained less than entirely unified around revolutionary transformation, especially in high-inclusion parliamentary regimes like France, Britain, and the United States, as compared with semi-authoritarian Germany and Finland, or autocratic Russia.<sup>7</sup>

Faced with the apparent impasse of Kautsky's traditional strategy of patiently winning a decisive majority through intransigent proletarian organization and propagandizing for socialism, in the years following the October Revolution Leninists declared that socialist revolution no longer required the preliminary conquest of a majority of votes through universal-suffrage elections under capitalism, orienting instead to establish soviet governments via insurrection.<sup>8</sup> Social-democratic parties, in turn, responded to this same dilemma by moderating their politics in the name of electoral pragmatism and by increasingly divorcing the push for reforms from any strategy to organize working people in the direction of a ruptural break with capitalism.<sup>9</sup> And all leftists faced a further structural dilemma once elected to office: because radical reforms could potentially trigger capital flight and disinvestment – which risked damaging workers' living standards and, thereby, the ability of leftists to get re-elected – even the most sincere leftists were incentivized to find ways to accommodate employers.

For social democrats, collaboration with the powers that be in moments of crisis was replaced by systematic integration into capitalist democracies during the 30-year economic boom following World War II. To be sure, this did not take place entirely on capitalist terms. Delegitimized by their actions during the Depression and the war, fearing the spread of Communism, and faced with powerful unions and socialist parties, employers and their political

7. For a useful comparative analysis of how Second International parties were shaped by their political regime's distinct levels of labour inclusion, see Konstantin Vössing, *How Leaders Mobilize Workers: Social Democracy, Revolution, and Moderate Syndicalism* (Cambridge: Cambridge University Press, 2017).

8. "Theses on the Communist Parties and Parliamentarism," Second Congress of the Communist International, Petrograd, 2 August 1920, <https://www.marxists.org/history/international/comintern/2nd-congress/>.

9. For an analysis of this electoral dilemma and how socialists have confronted it, see John D. Stephens, *The Transition from Capitalism to Socialism* (London: Macmillan, 1979); Gøsta Esping-Andersen, *Politics against Markets: The Social Democratic Road to Power* (Princeton: Princeton University Press, 1985).

representatives conceded major economic and social reforms across Europe. The balance of class forces made the costs of any other approach unfeasible.

Social-democratic parties, together with an unprecedentedly strong union movement, played a central role in the dramatic expansion of the welfare state and full employment across the industrialized world, ensuring a steady rise in living standards for millions and raising their expectations for what was politically and economically possible.<sup>10</sup> With a booming economy, employers and capitalist states could afford to grant real gains to the lower orders. As economic inequality lessened and state regulation of capitalism spread, most social democrats scrapped their final goal of socializing the means of production, since it now appeared possible to encroach upon bourgeois control of production and steadily move toward equality and prosperity without expropriating the expropriators. Keynesianism was the new socialism.

Berman is not wrong to say that this period was a “remarkable success” for the social-democratic order. But there are good reasons to question Berman’s view that it is possible to return to regulated capitalism today by convincing all social classes to compromise.<sup>11</sup> Such a conception fails to acknowledge that the postwar compact was premised on the strength of working-class organization, a factor whose glaring absence in our contemporary world remains the main obstacle to social-democratic renewal in both the Global North and South. Moreover, as Panitch so persuasively demonstrated, romanticizing the heyday of social-democratic parties obscures the extent to which their downfall was self-inflicted.

## The Fall of Social Democracy

By the 1950s, most social democrats and union leaders had concluded that the obvious benefits of a compromise with the capitalist class – i.e. its recognition of strong workers’ organizations, acceptance of the welfare state, etc. – outweighed the costs, that is, the socialist movement’s abandonment of its traditional long-term goals and its support for disruptive labour militancy. Most social-democratic parties from the 1940s onward generally abandoned efforts to get their base to do much more than periodically turn up to the polls, let alone to expand class organization and class identification beyond their party’s existing followers. Panitch together with his co-thinker Colin Leys noted that “the internal life of the social-democratic parties [underwent] a serious decline as a result of their integration into the institutions of ‘managed

10. This was particularly true in Scandinavia, where sustained social-democratic governance resulted in robust welfare states whose universalistic programs, labour-market policies, and depth of decommodification sustained a process of class formation that differed significantly from elsewhere in Europe, where bourgeois parties were much more central players in the welfare state’s postwar development.

11. Berman, “Can Social Democrats.”

capitalism.’ As the socialist vision gave way to the pragmatic management of capitalism, there was little scope or need for a party-based ‘counter hegemonic’ community.”<sup>12</sup>

Class consciousness is never automatic. In the absence of mass political parties actively pushing to cohere workers as workers, it is hardly surprising that this identification often began to stall out. Panitch noted that British Labour leaders not only began to take for granted the loyalty of blue-collar workers but proved remarkably uninterested in “refashion[ing] new class communities” with the millions of wage-earners in the service, commercial, and retail sectors that expanded during these decades.<sup>13</sup>

Social-democratic parties did win real advances for working people in the West, but the “price of peace” with capital was not insignificant. According to Panitch, the postwar gains generally closed off rather than opened up room for further socialist advance. In other words, these were “reformist” reforms rather than “non-reformist” reforms. Social-democratic parties and their allied unions integrated themselves into corporatist arrangements that accepted capitalist dominance over firms and the state.<sup>14</sup> And because social-democratic nationalizations and public services were so often top-down and bureaucratic, Panitch argued, they generally failed to inspire fights for their expansion to the rest of the economy. Nor did welfare-state structures generally lean on or build up the democratic capacities of working people for their governance. The result, he wrote, was that “this state had already become considerably unpopular in the eyes of most working people before the onset of the [1970s] crisis. ... And although this denigration clearly represented an aspect of a bourgeois strategy in the crisis that involved turning the screws on workers, women, radical and ethnic minorities and the poor, it came to have a popular resonance even among some members of these groups because it threw up images that related to their own alienation from the capitalist state.”<sup>15</sup>

For Panitch, the eruption of new social movements and industrial strike militancy across Western countries in the late 1960s illustrated a widespread popular disenchantment with the social-democratic order, particularly among younger workers and activists. He concluded that “rather than leave the issue at ‘less state’ versus ‘more state,’ socialists must recognise that popular antipathy to the state can also be addressed in terms of speaking of a different kind of

12. Colin Leys & Leo Panitch, *Searching for Socialism: The Project of the Labour New Left from Benn to Corbyn* (London: Verso, 2020), 8–9.

13. Leo Panitch, “The Impasse of Social Democratic Politics,” *Socialist Register* 22 (1986): 65.

14. One of Panitch’s most distinctive analytical contributions to the literature on social democracy was his case that postwar tripartite corporatism generally constituted an integration of organized labour into capitalism, rather than a means for workers to challenge it. See, for example, Leo Panitch, “Recent Theorizations of Corporatism: Reflections on a Growth Industry,” *British Journal of Sociology* 31, 2 (1980): 159–187.

15. Panitch, “Impasse,” 91.

state” that would give workers and service recipients substantial control over governmental institutions and programs through mechanisms of bottom-up, popular democracy.<sup>16</sup>

Moreover, contrary to widespread assumptions that Keynesianism could ensure perpetual growth and guarantee full employment, the stagflation crisis of the 1970s made it difficult for social democrats to continue delivering the goods to working people by skimming off the top of capitalist prosperity. Workers began striking again in large numbers and capitalists backed away from the postwar compact, frightened by this militancy and the demands for economic democracy bubbling up from below. The centre could no longer hold.

Though the rise of globalization and neoliberalism is generally painted as an economic inevitability, Panitch argued that the crisis of the 1970s could have been resolved in a dramatically different fashion. Indeed, pushing for an anti-capitalist solution to the crisis was a central focus of the radicalization in and around social-democratic parties that erupted from the late 1960s through the early 1980s. In Sweden, for example, organized labour pushed to socialize capital ownership, and in France a radical left government led by François Mitterrand was elected in 1981.

As had been the case in years prior, Panitch’s writings in this period were largely focused on Britain, where Tony Benn led an insurgency to transform Labour into an instrument for class formation and what he called an “alternative economic strategy” centred around instituting import controls, control of the banks, export, and capital, taxes on the rich, and a break with the European Common Market. Benn had been radicalized by the disappointments of the Labour governments of the 1960s and 1970s – in which he held various cabinet posts – leading him to adopt a political orientation remarkably similar to that of Panitch. Speaking to the Labour conference in 1973, for example, Benn pushed for the democratization of Labour and argued for the party to adopt a clear socialist vision to inspire working people, transform the state, and break with the capitalist class: “Without a vision people will turn to their immediate and narrow self-interests. With some sense that they are part of a change in our society we shall be able to draw much more from them. ... We are saying, at this conference, that the crisis that we inherit when we come to power will be occasion for fundamental change and not the excuse for postponing it.”<sup>17</sup>

Though Panitch was very sympathetic to Benn’s political strategy and goals, he nevertheless insisted, like his co-thinker and teacher Ralph Miliband, that it was an illusion to believe that the Labour Party could be turned into an instrument of socialist politics. Given the party’s long-standing ideological integrationism, its undemocratic internal structures, and the dominance of

16. Panitch, “Impasse,” 92.

17. Cited in Leys & Panitch, *Searching for Socialism*, 63.



class-collaborationists in its apparatus and parliamentary faction, Panitch argued that the Bennite insurgency could potentially succeed only through an intraparty conflagration that risked so polarizing Labour that it would be unable to unite sufficiently to defeat the Tories. Since most Labour supporters and activists were unwilling to take such a risk, he believed, Benn's insurgency was commendable but ultimately doomed to fail.<sup>18</sup>

Though Panitch's decision not to actively support this internal Labour insurgency was politically questionable, his predictions about the fate of Bennism and the instability of the postwar compact were vindicated by events in and after the 1980s. Accepting the hegemonic view that there was no alternative to neoliberalism, social-democratic leaderships fended off their radical challengers and proceeded to implement an agenda of privatization and austerity that was often indistinguishable from that of the right.

Social democracy's demise, Panitch argued, was in many ways an inside job. The implosion of the social-democratic order was, in his view, not just the result of attacks from reactionaries, as Berman's piece suggests.<sup>19</sup> According to Panitch, social democrats had failed to build up working-class capacities over the decades prior, thereby leaving their parties and their social base relatively unprepared to take on employers when confronted with capitalism's profitability crisis in the 1970s. And from the 1980s onward, social democrats proceeded to atomize working-class communities and further undermine their electoral fortunes by weakening public services and social regulations, setting the stage for the rise of a xenophobic far right as well as leftist political challengers, from Syriza in Greece to Corbynism in Britain.

### Avoiding Social Democratization Today

Over the past decade, Panitch focused his intellectual energies on the dilemmas faced by radical electoral insurgencies in a context of exceedingly weak working-class organization. Though the balance of class forces precluded seizing the commanding heights of the economy in the near term, he argued that "the central challenge for socialists today" was avoiding "social democratization" by reigniting a process of class formation.<sup>20</sup>

Greece's experience illustrated both the promise and the perils of our current conjuncture. A wave of explosive strikes, occupations, and protests from 2010 onward set the stage for Syriza's victory at the polls. Elected in January 2015 with a popular mandate to stop the devastating austerity imposed by the European Commission, the European Central Bank, and the International Monetary Fund, Syriza dramatically raised the expectations of Greek workers and the international left. Yet by July of that year, the party's

18. Panitch, "Socialists and the Labour Party."

19. Berman, "Can Social Democrats."

20. Panitch, Gindin & Maher, 13.



top leaders were signing a “third memorandum” entrenching the very same policies that they had been elected to reverse. Panitch, together with his co-thinkers Sam Gindin and Steve Maher, argued that framing this simply as a betrayal by Syriza’s leadership missed the defeat’s deeper roots. After decades of neoliberal atomization, neither the party’s leadership nor its radical critics succeeded in finding ways to organize and mobilize popular energies to fight for progressive policies and to democratize the state. This was already a problem on the eve of the party’s electoral victory, but it became particularly acute once Syriza took office.<sup>21</sup>

With Greece’s mass movements and workers’ organizations relatively demobilized – and with the government isolated internationally owing to a significantly weaker relationship of forces abroad – it is not surprising that the Syriza prime minister Alexis Tsipras eventually bowed to the Troika. Noting this context did not excuse the decisions of the party’s leadership, but, for Panitch, it did underscore that winning elections was not enough. For a left government to implement its agenda today, he argued, it would have to lean on mass workers’ movements and it would have to democratize the state by building up popular, anti-capitalist capacities.

Whether Syriza’s fate could have been avoided in Britain was ultimately never tested because Jeremy Corbyn, Bennism’s political inheritor, suffered a demoralizing defeat in the 2019 election. But, according to Panitch, the same basic problems of rebuilding working-class organization and overcoming social democratization were no less relevant in the British experience. Even after radicals won the top Labour Party leadership in 2015, much of Labour’s parliamentary wing, local officials, and trade union base remained untransformed. An influx of young members, organized principally around Momentum, admirably pushed in new directions, but the task was a formidable one for relatively inexperienced and unrooted activists. Since socialist commitments were so uneven by generation, region, and class fraction, it would take a lot of patient organizing work to win over a working-class majority.

Of the various overlapping reasons why Corbyn lost in late 2019, not least of which was Brexit polarization, Panitch stressed that the absence of a robust workers’ movement loomed large. The new socialist politics was class oriented but not class rooted. Particularly in the north’s deindustrialized regions, decades of defeats and the disappearance of robust Labour Party or union structures left working people too resigned and atomized for Corbyn’s ambitious message to fully resonate. When knocking on voters’ doors, volunteers were met with an understandable skepticism that Labour could deliver on its promises. As in the case of the defeat of Bernie Sanders’ democratic socialist insurgency in the United States, a few short years of campaigning had proven insufficient to demonstrate a viable alternative.

21. Panitch, Gindin & Maher, *Socialist Challenge Today*.

Labour's loss in 2019 underlined the limits of what could be done without fundamental changes in the party as well as in the trade unions. Even if Corbyn had won the election, the labour movement's weakness and the internal opposition of moderate Labour MPs would have remained daunting hurdles to overcome while battling an immensely powerful capitalist class. Despite Corbyn's defeat, it is significant that Panitch this time around remained significantly more supportive of efforts to transform Labour than he had been in the 1970s and 1980s. In one of his final interviews, Panitch acknowledged that his generation had "failed to create mass democratic socialist parties outside the old social-democratic parties" and that, while turning Labour into a vehicle for class struggle was still a long shot, he did not "see any other way forward."<sup>22</sup>

### A Critical Assessment

Panitch's writings are an essential political foundation for all those committed to class formation, state democratization, and taking capital away from capital. Against the uncritical glorifications of "regulated capitalism" that prevailed after World War II – an approach that Berman, Warren, and their international equivalents aim to revive – he underscored the inherent instability of the postwar compact and the responsibility of social-democratic parties for contributing to labour's decline and neoliberalism's rise. No less importantly, from the early 1970s up to his death last year, Panitch soberly articulated the key strategic challenges confronting radicals seeking to forge mass socialist politics in capitalist democracies.

In the spirit of the non-dogmatic Marxist tradition that Panitch did so much to articulate and develop, it makes sense to conclude with a discussion of gaps in his writings on social democracy. Though his reproofs of social democracy's limitations were generally prescient, it is also true that Panitch rarely emphasized its positive contributions. However justified this may have been when social democrats were hegemonic, democratic socialists today would do well to strike a somewhat more balanced note. Grappling with the *contradictory* and *varied* nature of social democracy is essential, as is understanding the depth of the strategic dilemmas facing any attempts to go beyond it.

With so much of Panitch's work focused on the British experience, he did not always sufficiently distinguish between, let alone explain, the divergent national trajectories of different social-democratic parties and welfare states. In what ways, for example, were the politics of British Labour and Swedish Social Democracy fundamentally similar or distinct? What explains the latter's greater success in advancing class formation and sustained decommodification?<sup>23</sup> To this day, rates of unionization, welfare provision,

22. Leo Panitch, "Beyond Parliamentary Socialism?," in Grace Blakeley, ed., *Futures of Socialism: The Pandemic and the Post-Corbyn Era* (London: Verso, 2020), 87.

23. It should also be noted that while the British Labour Party was a central partner in the US-

and popular trust in government vary significantly across the industrialized world.<sup>24</sup>

Radical scholars such as Gøsta Esping-Andersen, Walter Korpi, and Gregory Luebbert have gone further in advancing our understanding of these issues by examining how and why Scandinavian social-democratic parties from the 1930s forged socialist-led alliances with farmers (and, more recently, white-collar employees) and effectively used the state to pass universalistic “non-reformist” reforms that bolstered working-class unity and opened up further vistas for undermining capitalist power.<sup>25</sup> Though Swedish social democrats went further than others in building a movement strong enough to seriously challenge capitalist rule, none of the Scandinavian social-democratic parties ultimately proved willing to risk a decisive confrontation with the capitalist class when the 1970s economic crisis put their aspirations to move toward economic democracy on the immediate agenda. Neoliberalism soon took hold in the Nordic countries, as it did everywhere else.

No socialist party in an advanced capitalist democracy has yet managed to successfully thread the needle of winning non-reformist reforms while remaining sufficiently radical to eventually wager on a ruptural break with capitalism. But variations in the organized strength and political orientation of social-democratic parties and welfare states under capitalism *have* made a dramatic difference in the lives of millions and the balance of forces between labour and capital. Today, with the ever-increasing threat of climate change and the urgency of winning a Green New Deal across the globe, the relative robustness of the policy wins that the left helps pass over the years to come might even conceivably mean the difference between social collapse and survival.

Linked to this underexploration of social-democratic variation, Panitch rarely analyzed the ways distinct electoral regimes shaped the trajectories and tensions of working-class parties. Given his decades-long focus on democratizing the state, this relative lack of attention to electoral rules and electoral reform is surprising. Political science scholarship and activist experience has confirmed how proportional representation facilitates the creation of expansive welfare states and decreases incentives for parties to moderate their

---

led Cold War, the Swedish Social Democracy was an open opponent of American imperialism and its military interventions in Vietnam and beyond.

24. See, for example, Bo Rothstein, Marcus Samanni & Jan Teorell, “Explaining the Welfare State: Power Resources vs. the Quality of Government,” *European Political Science Review* 4, 1 (2012): 1–28; Matt Bruenig, “Nordic Socialism Is Realer Than You Think,” *People’s Policy Project* (blog), 5 August 2017, [www.peoplespolicyproject.org/2017/08/05/nordic-socialism-is-realer-than-you-think/](http://www.peoplespolicyproject.org/2017/08/05/nordic-socialism-is-realer-than-you-think/).

25. Walter Korpi, *The Democratic Class Struggle* (London: Routledge & Kegan Paul, 1983); Esping-Andersen, *Politics against Markets*; Gregory M. Luebbert, *Liberalism, Fascism, or Social Democracy: Social Classes and the Political Origins of Regimes in Interwar Europe* (Oxford: Oxford University Press, 1991).

politics to win office.<sup>26</sup> In Britain, for example, a first-past-the-post electoral regime has forced social democrats and radicals into the same party for over a century, thereby blocking the ability of the latter to clearly and consistently articulate its own vision to working people and to organize them accordingly. Panitch often pointed to the electoral victories of the Greek and French left in the early 1980s as evidence that it was possible to win national elections on a radical platform – yet both those victories occurred in countries without first-past-the-post elections. Just as building an independent workers' party in the United States likely passes through the conquest of proportional representation, successfully implementing Panitch's long-standing call to build a socialist alternative to Labour in Britain would have required a push for electoral reform.

Panitch also downplayed social democracy's contradictory impact on class formation. Despite their frequent appeals to national unity, social-democratic parties did help crystallize workers' class consciousness and organization. Conservative attacks did much to maintain the popular perception that these *were* class parties and millions of workers took a similar view. In Panitch's 1971 critique of British Labour's integrationist ideology, he acknowledged a recent survey's conclusion that the "Labour Party is perceived overwhelmingly by its working class supporters as the party of the working class and for the working class and pursues policies which are beneficial to it."<sup>27</sup> Though noting this dynamic, Panitch rarely examined the mechanisms through which it might help catalyze broader and more radical working-class agency.

Despite their undeniable limitations, social-democratic parties and welfare states frequently raised workers' political expectations about what they deserve and what they might achieve. Social democracy, sometimes in spite of itself, could serve as a vehicle to help working people move beyond social democracy, as seen in the 1970s radicalizations in countries such as Sweden and Britain. Even if we leave aside the extent to which welfare-state decommodification constituted steps to socialism by structurally weakening capitalists and strengthening workers, there was a one-sided quality to Panitch's insistence that it was "strategically mistaken to think that welfare state reforms, macroeconomic fiscal policy, and a few nationalised industries represented some waystation on a highway to socialism."<sup>28</sup>

26. Jay K. Dow, "Party-System Extremism in Majoritarian and Proportional Electoral Systems," *British Journal of Political Science* 41, 2 (2011): 341–361; Philip Manow, "Electoral Rules, Class Coalitions and Welfare State Regimes, or How to Explain Esping-Andersen with Stein Rokkan," *Socio-Economic Review* 7, 1 (2009): 101–121.

27. Leo V. Panitch, "Ideology and Integration: The Case of the British Labour Party," *Political Studies* 19, 2 (1971): 187.

28. Panitch, "Impasse," 92. For the case that welfare-state inroads into capitalism represent partial steps toward socialism, see Korpi, *Democratic Class Struggle*; Esping-Andersen, *Politics against Markets*; David Calnitsky, "The Policy Road to Socialism," *Critical Sociology* (forthcoming).

After four decades of public rollbacks, and especially for organizers living under the tattered US welfare state, it has become increasingly clear why social democracy's contributions should not be taken for granted. Aiming to popularize the perception that there *is* an alternative to the neoliberal status quo, Ocasio-Cortez and Sanders are justified in positively pointing to social democracy's record of improving living standards via robust welfare states.

Social democrats were not simply forced from below into granting concessions, as Leninists have frequently assumed; were this the case, it is hard to make sense of why some welfare states are so much more robust and universalistic than others. Sweden, for example, had one of the lowest strike rates in Europe from the 1930s onward. The most systematic study of welfare state expansion concludes that "the dominant political coloring of the incumbent government – social democratic, Christian democratic, or secular center right – over the three or four decades after the [second world] war is the most important determinant of the kind of welfare state that a given country had in the early 1980s; its generosity, the structure of its transfer payments, and the type and volume of services it offered."<sup>29</sup>

It is true that neoliberalism has seriously eroded these variations and checked the progress of even the most dynamic social-democratic parties. But contrary to what leftists today often assume, welfare states on the whole have *not* been dismantled, even as union density has declined and employment precarity has spread. It is hard for governments in capitalist democracies to get rid of popular policies once they are instituted. Despite decades of attacks and austerity, publicly provided goods have proven to be remarkably "sticky" – and, in fact, social welfare spending in various areas has continued to rise.<sup>30</sup>

Social democrats, in short, deserve credit where credit is due. Without a balanced assessment of social democracy, and without underscoring the intractable dilemmas that give rise to opportunism, it will be hard for new generations of radicals to fully absorb the unfortunate fact that there is no formula for socialist success, no timeless guide to action for assessing the political terrain. The primary reason that there has never been a successful socialist revolution in an industrialized democracy is not that socialists have lacked resolve, patience, radical leaders, or good strategies. We still live under capitalism because the power of employers, combined with the inherent organizational and electoral dilemmas facing leftists under capitalist democracies, makes winning socialism very difficult.

29. Evelyne Huber & John D. Stephens, *Development and Crisis of the Welfare State: Parties and Politics in Global Markets* (Chicago: University of Chicago Press, 2001), 1.

30. Calnitsky, "Policy Road to Socialism"; John D. Stephens, "Revisiting Pierson's Work on the Politics of Welfare State Reform in the Era of Retrenchment Twenty Years Later," *Political Science & Politics* 48, 2 (2015): 274–278.

To take on the most powerful ruling class in world history, mass disruption through protests and labour strikes is necessary yet far from sufficient.<sup>31</sup> Workers, above all, need to dramatically scale up their *organized* power. But how can socialists help build powerful trade unions and parties without these becoming overly conservative? And how can radicals win elections and pass transformative reforms without excessively moderating their politics? If there were easy answers to these questions, socialism would probably have been established a long time ago.

That is why effective radical politics remains a terrain of trade-offs, experiments, and wagers, in which even the best formulas will usually prove insufficient. In other words, opportunism is an inherent risk for any organizer or organization seeking to build a mass socialist movement under parliamentary conditions. There's no way around these contradictions – the only way forward is through them.

None of this implies that democratic socialists should mix their political banners with those of social democrats. While these two tendencies can find ways to collaborate in strengthening the public sector, trade unionism, and climate policies, there is no reason for radicals to downplay their distinct strategy – class struggle – or their distinct long-term goal, *economic* democracy. This is not only because democratic socialists believe that capitalist domination necessarily undermines the self-determination, well-being, and democratic voice of the vast majority of people living on this planet. There is also a compelling short-term case for democratic socialism. Faced with a neo-liberal regime of accumulation, radicalism is the more pragmatic *immediate* strategy for reversing austerity, privatization, and environmental devastation. As discussed above, postwar compacts across the industrialized world would not have been possible without the preceding decades of militant strikes, radical socialist electoral campaigning, and a credible threat of anti-capitalist overhaul.

Class-struggle politics are no less essential for helping ensure that any new reforms won will be universally granted rather than means tested, thereby locking into place structures of solidarity rather than competition. Here, history is again instructive: it was in countries where leftist parties in power relied *least* on political blocs with the upper class that the gains won were the deepest, the most widely distributed, and the longest lasting.

The irony of this dynamic is that class struggle in the coming years may end up helping create the space for a revitalized social democracy by changing the balance of forces sufficiently to force corporations, finance capital, and capitalist states off their neoliberal track. But, for the foreseeable future, leading the fight for robust green welfare states falls to radicals, not moderates. In

31. For a perceptive analysis of these dynamics today, see Chris Maisano, "A Left That Matters," *Socialist Forum*, Winter 2021, <https://socialistforum.dsaua.org/issues/winter-2021/a-left-that-matters/>.

this process, the central strategic challenge for socialists will be to pursue transformative reform in ways that open up, rather than close off, avenues for organizing workers to move toward overcoming capitalist domination. To paraphrase Panitch, this project may be a long shot, but there does not appear to be any other way forward.



## ***What Does Money Do? The Critique of Capitalism between Political Sociology and Political Economy***

**Martijn Konings**, University of Sydney

WHEN I WAS ASKED TO CONTRIBUTE an article in honour of the memory of Leo Panitch, my mind quickly wandered back to my entering graduate school at the turn of the century. Political science at York University was an intellectually exciting place back then, and for anyone with a strong interest in Marxist theory it was by far the best place to go. I quickly learned that some graduate courses enjoyed canonical status. There was only so much one could do after ticking off the dreaded core field courses, but not taking those particular elective courses seemed to require some kind of justification, more so to other graduate students than to faculty (of course, there was always the option of auditing a course – an option that was exercised rather fanatically.) Among these were “Theory and History of the Capitalist State,” long taught by Ellen Meiksins Wood and at that point by George Comninel, and “Reading Marx’s Capital,” variously delivered by David McNally and Robert Albritton. My own intellectual trajectory would be shaped in particular by taking “Political Economy and Political Sociology in Historical and Theoretical Perspective,” a course that had been created by Leo Panitch and was at that point taught by Steve Hellman. Leo explored very similar problematics in the context of globalization studies in a course called “Globalization and the State.” Both of these courses prominently registered the fact that Marxists’ attempts to make sense of the turmoil that had beset capitalism since the 1970s came in two distinct flavours: a state-theoretical approach that thought in terms of class blocs, ideology, and state projects; and a more nuts-and-bolts political economy perspective that approached the same historical developments through a language of industrial restructuring, investment, and productivity. Dissatisfied with this division of labour, these courses sought to reconnect two different ways of seeing the same thing.

Notably absent from the proposed synthesis was value theory, a label that refers to Marxist debates about what determines the value of commodities and other objects traded on markets and, in particular, what the role of labour is in this process. Leo would tell students how, during the 1970s, he got sucked into the technicalities of value theory only to realize that in the end it did not amount to much. He had reported the results of his research in an article, “Profits and Politics: Labour and the Crisis of British Capitalism” (later included in his book *Working Class Politics in Crisis*), that concluded that the dynamics of capitalism were in the end shaped by politics rather than by economics. Like many graduate students with theoretical ambitions or pretensions, I was very intrigued by value theory and its scientistic promise of precise and final truths, and from that angle there would have been more obvious



people than Leo for me to work with. Fascination notwithstanding, I was also keenly aware of the formalism of much value theory, and I felt that there was something uniquely compelling about Leo's more political perspective on globalization and empire. That drew me, along with many other graduate students, into what was affectionately dubbed the "Empire Project," the project that Leo was developing in collaboration with Sam Gindin and that would eventually culminate in their co-authored *The Making of Global Capitalism*.<sup>1</sup>

But the value theory issue never quite stopped nagging at me, and I took it up in later publications, albeit in ways that were admittedly at several removes from the core of work in Marxist value theory.<sup>2</sup> Even though that took me into fields and discourses that seemed at considerable distance from the concerns that would continue to animate Leo's work on labour, state, and empire right up to his last days, in my own mind it has always remained profoundly indebted to and shaped by the work I did with him. This contribution is therefore not just a tribute (Leo was uniquely uninterested in contentless applause and always much more interested in substantial engagements, even if they challenged his thinking) but also an attempt to dig up and examine some questions that I believe are implied but not resolved by Leo's thinking. Effectively, then, what I am tracing here is the trajectory of my own thinking over the past decades, and the ways it is deeply indebted to, diverges in some respects from, and circles back onto Leo's contributions.

In particular, this article tries to bring into sharper focus what I think is a key conceptual contribution of Leo's work. That contribution has to do with the understanding of the role of money, finance, and credit in capitalist life and how this relates to questions of social transformation. We can use here as a point of entry a brief summary of *The Making of Global Capitalism*. The book argues that, contrary to common wisdom, globalization did not begin in the 1970s as international markets undermined a system of state-centred order. Instead, global capitalism was made, over the course of the twentieth century, through the penetration of distinctly American institutions and practices into the social, political, and economic fabric of other nations. This imperial system continues to be overseen by a configuration of states that pivots on the role of the US state, which acts to manage the contradictions and tensions that attend the dynamism of ongoing economic expansion. Key among the objects of their critique is the pervasive conviction that during the past four decades we have been living in an age of American decline. That notion has long been a staple of both mainstream and heterodox thinking in international relations and political economy. As American power has proved to be more resilient than anticipated, the thesis of decline has been revised numerous times – but its core logic has enjoyed extraordinary longevity.

1. Leo Panitch & Sam Gindin, *The Making of Global Capitalism* (London: Verso, 2012).

2. Martijn Konings, *Capital and Time: For a New Critique of Neoliberal Reason* (Stanford: Stanford University Press, 2018).

The decline thesis is part of a narrative about American international power that goes along the following lines: The design of the postwar international monetary order, led by the United States, was deeply influenced by the experience of the interwar period, and its architects were centrally concerned with limiting opportunities for destabilizing currency speculation by creating a regime of fixed exchange rates pegged to the US dollar, which was convertible into gold. This arrangement ensured that European countries would enjoy sufficient stability to rebuild their economic and social infrastructures and sufficient policy room to construct the kind of institutions that would secure political legitimacy. From the 1960s, the United States began to export large amounts of dollars abroad, which, in combination with the weakening competitiveness of the American manufacturing sector, started giving foreigners second thoughts about holding dollars. Under Nixon, the United States decided to suspend the convertibility of the dollar into gold and subsequently let the dollar float. The volume of international financial transactions began to increase dramatically, resulting in considerable financial volatility. This created a new environment for national states: whereas before they had been able to conduct domestic policy without being subject to external pressures, now they became fully exposed to the disciplinary power of global finance. One of the first major clashes between a government and the new rule of international finance occurred in 1976, when speculation against sterling forced the British Labour government to sacrifice its policy autonomy in exchange for a loan from the International Monetary Fund. In the decline thesis, the Volcker shock of 1979 is seen as analogous to the United Kingdom's 1976 bailout. Nixon's unpegging of the dollar at the start of the decade is seen as signalling the inability or unwillingness of the United States to sustain a regime of embedded liberalism; the Volcker policy turn at the end of the decade is seen as the US's own final admission of defeat vis-à-vis global markets, as signalling full submission to the new world of disembedded global financial markets that it had allowed to emerge. In this reading, the Volcker shock is depicted as a move whereby the United States internalized the discipline of global financial markets and prioritized the fight against inflation over full employment.

Instead of viewing the Bretton Woods period (1945–73) as the high point of American power, Panitch and Gindin viewed it as its construction phase. At an earlier point, in a conversation with leading Gramscian international political economy (IPE) scholar Robert Cox, Leo had argued for the need to understand the relation between states and economic globalization not through an outside-in lens but through an inside-out lens.<sup>3</sup> The dynamics of economic and financial globalization were not autonomous factors impinging on nation-states from without; they were fabricated inside and driven by national states. Those nation-states of course exist in a hierarchical order, and consequently the workings of globalization reflect the interests of some states

3. Leo Panitch, "Globalisation and the State," *Socialist Register* 30 (1994): 60–93.

more than those of others. The global economy that emerged during the late 20th century bore the distinctive stamp of the US political economy that had served as their incubator.

This generates a very different perspective on the 1970s. While that decade certainly saw a transition to a much more dynamic system of financial globalization, this remained entirely centred on the dollar. Nixon's and Volcker's policies here appear less as defensive retreats than as offensive moves. Nixon basically decided to no longer honour past commitments in order to be able to give free rein to a dynamic of financial expansion from which the United States benefitted massively; during the 1970s, the US would exploit its "extraordinary privilege" of seigniorage to a much greater degree than before. The Volcker shock subsequently dealt with the problems that this accelerated expansion of finance gave rise to – the levels of inflation that gave foreigners reservations about continuing to accumulate US dollar assets.

This has some important implications for how we understand the role of finance. In the telling of Panitch and Gindin, finance is a key force in the construction and organization of empire. Going by their account, finance cannot be dismissed as merely speculative or parasitical. Its expansion cannot be reduced to a sign of decline, a dysfunctional expression of the crisis of real value production as it occurred under the heyday of Fordism and embedded liberalism. This take on finance puts Panitch and Gindin at some distance from much critical and, in particular, Marxist work in political economy. Indeed, the critique of finance as unproductive is often seen as *defining* what it means to do critical political economy.

The emphasis on the active, generative role of finance brought Leo and Sam's work in contact with thinking about the growth of finance that had a stronger value-theoretical bent. Dick Bryan and Michael Rafferty pushed back against the idea that we can hope to understand finance as an expression of or deviation from a more fundamental or basic economic structure.<sup>4</sup> Instead, they theorized finance as a way to navigate risk exposures in a world that does not offer a riskless position, that is, no standard or source of value that was not itself subject to the fundamental uncertainty of capitalist society. In a context where correct prices and fundamental values are not known, some degree of speculation is bound to mark any investment decision, and every portfolio will need active management if it is to maintain its value over time. Bryan and Rafferty, in work focused on the logic of derivatives, argued that it did not represent a dysfunctional divergence from foundations but rather constituted a regime through which a new standard of value emerged. And, as Bryan and Rafferty suggested, and Panitch and Gindin claimed more emphatically, this new standard of value centred on the dollar.

This imported an interesting conceptual tension into the account presented by Panitch and Gindin: How does the emphasis on the active, constructive role

4. Dick Bryan & Michael Rafferty, *Capitalism with Derivatives* (Basingstoke: Palgrave, 2006).

of finance sit with the emphasis on labour as the backbone of capitalist society (which represents a theoretical and political commitment hardly hidden in *The Making of Global Capitalism* but at the core of both their collective and individual oeuvre as a whole)? Because the book is not concerned with value-theoretical questions, this tension does not surface in an explicit way. But it requires more consideration precisely because the empirical and historical arguments that Panitch and Gindin make press so hard on this conceptual issue. First, their argument about the role of finance was not just pitched at the international level of high finance but involved specific claims about the way finance operates at the domestic level. In keeping with the inside-out perspective on globalization, American empire was seen as continuously straddling the internal and the external, the domestic and the international. This meant that finance was seen as playing a major role in a basic aspect of the constitution of the social sphere as such, that is, as an instrument that facilitated the integration of the middle, working, and lower classes into the edifice of American capital. This perspective on the integrative function of finance extended to claims about the productive dynamism of American capital that ventured further into value-theoretical terrain. For instance, while Panitch and Gindin were highly critical of Clinton-era fantasies of a new economy (where a combination of speculative venture capital and new communication technology was seen as having transcended traditional economic problems and conflicts altogether), they nonetheless challenged the idea that it was nothing but smoke and mirrors and placed considerable emphasis on the dynamism that emanated from the American financial system and the way that translated into broader economic dynamics.

This is where the differences with orthodox Marxism become more pronounced and where we find echoes of what we can refer to as “value-form theory” – those strands of Marxist theory that have stressed the need to take seriously not just labour as the source of value but also the constitutive role of the market and the exchange forms in which value appears (representatives of such thinking include Rubin, Sohn-Rethel, Postone, and various autonomist thinkers). My aim here is not to enter into a discussion of the specifics of these debates but rather to highlight that these value-form approaches exist in a never-ending dialectical tension with more “substantivist” takes on labour and value. They have effectively underlined the impossibility of separating questions of ideology from questions of political economy, but they have never been able to put to rest the concern that, once we take market exchange more seriously as a factor shaping value, we will be left with little more than an essentially bourgeois version of economics that cannot account for exploitation and inequality. If we remain within the existing conceptual parameters of value and value-form theory, this question becomes largely unresolvable. But the tension in the work of Panitch and Gindin that I have highlighted above provides a useful angle from which to rethink some of those conceptual parameters.

Since the 2007–08 financial crisis and the Great Recession that followed it, claims about the integrative function of finance and the dynamism it can bestow on the logic of the US economy seem rather more disputable and contentious than before. The claims that Panitch and Gindin made about the centrality of the American state in the political management of global capitalism (claims more readily consistent with a state-theoretical framing of capitalist development) have held up extraordinarily well: the past decade has seen an ongoing reorganization of national and international governance mechanism around the Fed and the Treasury.<sup>5</sup> But can we say the same about arguments regarding the broader economic role of finance and the way it fuels the interaction of domestic and international power? Does it not seem that, over the past decade, finance has truly become a massive drag on real economic activity? Is the essentialist critique of finance as parasitical and unproductive not perfectly attuned to the age of quantitative easing, where the state assists finance in accumulating speculative claims on the future while austerity governs any economic mechanisms that might spur the production of real value? And doesn't this have decline written all over it?

Let's return to what the Volcker shock was about and what the practical rationality was that drove it. The generalized inflation of the 1970s was an outcome of the specific organization of the financial system created during the New Deal. Many of the specific factors often cited as causes of 1970s inflation (e.g. oil shocks) do not have any necessary inflationary consequences; they can only ever work as triggers in a logic that is set up to process specific disturbances and volatility by transforming them into generalized devaluation. This institutional logic was set up in the aftermath of the Great Depression, as US fiscal and monetary policy started to function to block the kind of deleveraging movements and debt deflation that had led the United States and the world into the Great Depression.<sup>6</sup> This financial safety net was not put in place out of generosity to financiers but rather reflected the fact that finance was a key component of the construction of the New Deal welfare state. What we routinely think of as an era of repressed finance in fact saw a very significant expansion of credit that was instrumental in transforming wage labour from a condition of social marginality into the basis for full citizenship for the white middle class.<sup>7</sup>

This built-in inflationary dynamic started to become more pronounced over time and began to be perceived as highly problematic from the mid-1960s. But the only alternative to accommodating financial expansion was to permit

5. Adam Tooze, *Crashed: How a Decade of Financial Crises Changed the World* (London: Penguin, 2019).

6. Hyman Minsky, *Stabilizing an Unstable Economy* (1986; repr. New York: McGraw-Hill, 2008).

7. Martijn Konings, *The Development of American Finance* (Cambridge: Cambridge University Press, 2011).

market downturns and movements of financial deleveraging to work themselves out. The price of holding the line on inflation was invariably considered unacceptably high, and market actors started factoring the willingness of policymakers to accommodate credit-expanding financial innovations into their risk calculus. Over the course of the 1970s, this developed into a major problem of accelerating inflation. The Federal Reserve became increasingly conscious of its own role in maintaining this inflationary dynamic, but this heightened awareness did not by itself provide a solution.

It was this dynamic that Volcker intervened in. Crucially, he did not come bearing any new policy instruments, the monetarist badging notwithstanding. He simply made a decision to do what previous chairmen had been reluctant to do – to stop accommodating financial market dynamics. On several occasions during the previous decade and a half the Fed had sought to constrain the credit-creating capacity of the banking system, and it had always pulled back from the brink as it realized that following through would result in financial failures and that this would have significant impacts on popular sectors of the economy. Volcker decided that he would stay the course, come what may, even though the likely consequences must have been obvious to him (i.e. the financial turmoil and failures that the Fed had been keen to avoid until then). The objective purpose of the Volcker shock was to put a decisive end to the constant socialization of risk through generalized inflation. This was of course never accompanied by a positive conviction that actually letting failing major financial institutions fail would in practice be possible. In that sense, Volcker's turn represented a speculative attempt to force a shift in the American state's approach to risk management.

This new approach would become the too-big-to-fail regime (which was never an official or intentional design and took time to emerge), whereby the American state puts a floor under select markets and assets, permitting speculative investment to drive up asset prices but ensuring that in select areas the downward dynamic is blocked. Of course, commentators have never stopped criticizing bailouts as erratic, panic-driven ad hoc interventions that reflect the absence of a coherent underlying approach to regulation. But such a critique is too removed, unable to find a non-moralistic yardstick by which to assess the logic of bailouts. It is certainly true that too-big-to-fail as a policy regime fuses problem and solution in paradoxical ways, constantly solving problems by reinforcing the underlying dynamics that generate them. But we should not assess the bailout regime against an idealized image of public policy and instead be alert to the internal logic that characterizes this regime. The critical difference between preventing financial crisis through accommodating monetary policy and dealing with the fallout of crises through bailouts consists in the fact that the latter can be much more selective than the former. In the former case, risk gets socialized to a very high degree; in the latter case, resources are concentrated on maintaining the systematically important hubs of the system while many financial entities that are not directly part of this



core are allowed to fail or devalue. As a consequence, the former is much more inflationary than the latter.

Panitch and Gindin captured this new regime in terms of a shift from “failure prevention” to “failure containment,” arguing that the American state has come to accept that periodic crises will continue to accompany economic dynamism and has increasingly reconceived its task in terms of the containment and distribution of the effects of crises. Although they thought of this primarily in a state-theoretical frame, it can also be usefully rethought in a more value-theoretical frame. After all, this bailout regime is not in any meaningful way “external” to the core economic and financial logic of capitalism.<sup>8</sup> It is only from a perspective that does not discern the systemic logic of the too-big-to-fail regime, or the way in which it has embedded asset appreciation in the heart of capitalist life, that it makes sense to view the recent past in terms of a series of objectively misguided policies and unsustainable financial bubbles. Wolfgang Streeck’s account of the past 40 years works along such lines: it acknowledges that financial expansion has enjoyed much greater resilience than many recognized, but it nonetheless insists that it has now reached an objective limit.<sup>9</sup> In such an approach, it may still be considered possible to avoid the system collapsing altogether, but only through policies that transform meltdown into stagnation and decline, an unproductive rentier paradise.<sup>10</sup> However, this is not sufficiently attuned to what actually gets constructed through the logic of the bailout state.

The way in which broad segments of the American public have been incorporated into the dynamic of asset inflation has never allowed them to passively “ride the wave.” Rather, it has involved the emergence of a “Minskyan household,” which understand itself as a balance-sheet entity and needs to constantly and actively manage its risk exposure and liquidity.<sup>11</sup> Being a Minskyan household is not akin to leading what we imagine as a comfortable rentier existence; instead, it has centrally involved the need to take on large amounts of debt, which produces a constant need to generate liquidity flows to maintain payment on those debts. Bryan and Rafferty pursued their insights about the derivative logic of contemporary capitalism to produce a new approach to class that centres on the logic of payment.<sup>12</sup> The lifeblood of global capital and the asset values on which it depends are the payment flows emanating from

8. Konings, *Capital and Time*.

9. Wolfgang Streeck, *Buying Time: The Delayed Crisis of Democratic Capitalism* (London: Verso, 2014).

10. Javier Moreno Zacarés, “Euphoria of the Rentier?,” *New Left Review* II, 129 (May/June 2021): 47–67.

11. Lisa Adkins, Melinda Cooper & Martijn Konings, *The Asset Economy* (Cambridge: Polity, 2020).

12. Dick Bryan & Michael Rafferty, *Risking Together: How Finance Is Dominating Everyday Life* (Sydney: Sydney University Press, 2018).



ordinary households. Of course, income from employment still plays a critical role in the ability of households to generate the cash liquidity required for sustaining payments. But whereas the Fordist subject might realistically have thought of permanent employment as a foundation for a start-to-finish life plan, this possibility has all but vanished. Employment income has become inserted into a different logic that centres on debt-financed speculative investments, the payments to sustain these positions, and the capital gains they generate.<sup>13</sup> Here, liquidity is the name of the game. Rapid appreciation of the asset one holds can certainly alleviate one's payment pressures, but except for the very wealthiest it rarely does so in a direct way (i.e. a family living in a house that rapidly appreciates in value may still be struggling to keep up with mortgage payments). In the sphere of high finance, liquidity tends to be a pressing issue only in a downturn; in everyday life, it is almost always an issue.

While everyday life within the bailout constituency is hardly a walk in the park, life outside that group is an increasingly uphill battle to generate liquidity and meet payment commitments. The liberal arts graduate has become the iconic figure of this predicament; without appreciable human capital, he or she is forced to develop a portfolio of hustles in order to scramble together sufficient liquidity to be able to maintain payments on an essentially permanent debt. Wage labour here is of course more critical than ever – not, however, as a coherent foundation for full citizenship but precisely as a precarious lifeline, increasingly a condition of social marginality. The opportunities that the gig economy offers and the unfamiliar combinations of work and play to be found in the platform economy are only the most publicized aspects of the proliferation of value forms that this process is driving. Although contemporary capitalism may only offer bad options, this does not by itself attenuate people's investment in the system. Jane Elliott has referred to this situation as “suffering agency,” the constant need to actively make choices from a menu that features only bad options.<sup>14</sup> Critically, these options are not all equally bad and do not include the option of not choosing, so that you do have a very real incentive to make sure you select the least-bad option, engaging thoughtfully to take ownership of choices that make your life worse. The paradoxical way in which the gradual disappearance of clear rewards leads to a reinforcement of the logic of the system is what generates the paradoxical combination of business and malaise that Ivor Southwood evocatively captured as “frenetic inactivity” or “non-stop inertia,” underscoring the extent to which capital has come to occupy our capacities for attention.<sup>15</sup>

13. Michel Feher, *Rated Agency: Investee Politics in a Speculative Age* (New York: Zone Books, 2018).

14. Jane Elliott, “Suffering Agency: Imagining Neoliberal Personhood in North America and Britain,” *Social Text* 31, 2 (2013): 83–101.

15. Ivor Southwood, *Non-Stop Inertia* (Winchester, UK: Zero Books, 2011), 11.

This is where the core idea of value-form theory might come into its own. Despite its best efforts, and its keen awareness of the problems associated with various forms of neo-Kantian idealism, value-form theory has remained beholden to the idea that the purpose of market forms is to measure or represent economic activity. To take the role of value forms more seriously would be to underscore their speculative nature, the fact that they do not passively measure or record but rather provoke and activate, relentlessly pointing forward. Autonomist theory has gone furthest in this respect, opening up the category of labour in a way that comes close to dissolving the distinction between the substance and form of value, between what is measured and the measure itself.<sup>16</sup> But it has remained unable to drive this point home in a way that is conversant with contemporary financial trends. What it has shied away from is a more effective registration of the fact that value is, at its core, forward looking – not passively representational, nor even performative in the way that the financialization literature has understood that idea, but specifically *speculative*, oriented to provoking people into producing a particular future.<sup>17</sup> Capital has fully become a provocation machine.

During the late 1990s, Third Way thinkers imagined that every social problem had an asset-based solution and saw no limits to the possibility of turning everyone into a smart capitalist enjoying the fruits of entrepreneurialism. But it is remarkable how much traction the notion of human capital has retained even after this promise of rapid and effortless appreciation ceased to have the same currency. The idea of investment in and appreciation of one's personal brand continues to structure even spaces of work that would have seemed unlikely candidates for it (whether because it involves unskilled, precarious labour or precisely because it demands critical thought, such as universities). To think of capital's accumulated claims on the future as fictitious dead weight is to miss the way in which they work as a constant source of provocation. It is not necessarily unreasonable to note that this capitalist vitality and proliferation of value forms does not show up in official measures of GDP, investment, and so forth. But to set too much store by those specific indicators is precisely to take them too seriously as objective, context-independent measures of economic activity. Critical assessments of capital should not rely on the measures by which capital has traditionally assessed itself – especially in an age where capital itself is recognizing the growing incompatibility of those measures with its own practices.

A bailout represents a claim on the future. It does not involve a redistribution of existing resources from one person to another in the manner of a zero-sum game, but it enlists people differentially in redeeming its claim on the future. This is where it strains most clearly against the orthodox model of

16. Antonio Negri, "Value and Affect," *boundary 2*, 26 (1999): 2.

17. Lisa Adkins, *The Time of Money* (Stanford: Stanford University Press, 2018); Marina Vishmidt, *Speculation as a Mode of Production* (Leiden: Brill, 2018).

value theory, which has remained premised on a very literal understanding of exploitation as a transfer of surplus. Inevitably that gets us caught in the unresolvable problem of having to decide what is real work and what is not, what generates real value and what does not. As the Fordist model of wage-labour exploitation has waned, commentators have sought to supplement it with other ways to model domination –extraction, capture, dispossession, etc. But all these remain focused on redescribing the act of exploitation itself rather than reconceptualizing the infrastructure that organizes it. The model that I am suggesting here takes more seriously the idea that any such act has infrastructural incorporation as its condition of possibility. It emphasizes the tendency for people to become affectively invested in the provocative logic of capital and to insert their activity in its infrastructure of speculation and bailout.

These points drive at a more psychoanalytically oriented understanding of exploitation and surplus. A. Kiarina Kordela and Eric Santner have both sought to rethink the idea of surplus along such lines, suggesting that it is above all the psychological excitation of the subject, its willingness to be responsive to the provocations of capital, that generates the surplus that capital lives off.<sup>18</sup> Kordela in particular has rethought the idea of surplus along the lines of a Lacanian dialectic of lack and surplus. As a secular order, capital produces its own deficit – which can have many dimensions, but can be as simple as the idea that it engenders expectations it does not by itself fulfill. That deficit does not attenuate the relationship between the subject and the symbolic order; instead, the secular subject has learned to “responsibilize” itself and to work to perfect that order, to make institutions into what they project themselves as being. It is perfectly self-interested in doing so, mistaking the value forms of capitalism as its best bet to secure an indefinite prolongation of its secular life. But in the process, it offers its vital energy up for capture. This represents a Spinozean reading of exploitation: in order for the subject to be exploited, it must on some level “agree” to participate in that arrangement, to be measured by the proposed measure.<sup>19</sup>

I am not sure Leo would have found this philosophical twist particularly helpful – I suspect he would have considered it too voluntarist. But if my depiction of capital as a speculative provocation machine has some mileage, I think that recovering this element of agency is critical. It allows us to understand why the constant preoccupation among critical spirits with collapse, decline, or stagnation is not just analytically problematic but also politically unproductive: it is unable to recognize that what blocks a better future is precisely our receptiveness to the promises of capital, the fact that we always expect a

18. A. Kiarina Kordela, *Surplus: Spinoza, Lacan* (Albany: State University of New York Press, 2018); Eric L. Santner, *The Weight of All Flesh: On the Subject-Matter of Political Economy* (Oxford: Oxford University Press, 2016).

19. Kordela, *Surplus*, 38.

certain validation from it that never arrives. To me, in any case, this represents the link between Leo's work on the way labour moves and organizes in capitalism, on the one hand, and his work on the global, finance-driven empire of capital built by the United States, on the other.<sup>20</sup> The former documented in great detail the suction power of capitalist practice, understood in ways that cannot be neatly compartmentalized along economic, political, and ideological lines. The latter can be read as a genealogy of that suction power, of the capitalist promise that finds its most potent expression in finance and blends value generation with ideological operations. Contemporary financialization is only the most powerful manifestation of the promise that money has always held and that has shaped the course of US history in particular, including its development through extensive and intensive empire. American empire consists most concretely in the spread of that brand of sociality.

I don't think Leo ever referred to this metaphor in any of his published writings, but he was fond of saying that building socialism is like building a cathedral – those dedicated to the goal have to accept that they are building something that they will not see completed in their own lifetime. In other words, our commitment to a better world cannot be conditional on the possibility of seeing it realized in our own lifetime. I think that is exactly right. Whether one emphasizes the psychological or the organizational dimension, the point is to open up a perspective that reduces our responsiveness to capital's provocations, a kind of solidarity that is not beholden to its promises. To Leo that commitment came easily; he enjoyed the shared work of movement building and strategizing, and being part of the collective effort was itself a way of keeping the faith. But many of us are likely to need something stronger, something akin to a secular faith. In Kordela's Spinozean-Marxist language, which I happen to find helpful, it is a matter of activating a connection to eternity that is constantly subverted by capital's promise of secular immortality. However one might want to articulate this promise of an anti-capitalist materialism, the idea that constructing socialism is like building a cathedral, requiring deep devotion and commitment in the absence of any certainty or timeline whatsoever, rings truer than ever.

20. Leo Panitch & Colin Leys, *The End of Parliamentary Socialism* (London: Verso, 1997); Panitch, *Working-Class Politics in Crisis* (London: Verso, 1985); Panitch & Gindin, *Making of Global Capitalism*.

## Leo Panitch and the Practice of Socialist Mentorship

Stephen Maher, Ontario Tech University

WHILE A LOVER OF JAZZ, Leo Panitch did not like Miles Davis' late electric period. More than any matter of politics, economics, history, or art, this formed the basis for the most enduring debate between us in the almost decade-long period during which we were friends, comrades, colleagues, and co-authors – and in which he was my mentor. One of the last films we saw together in the theatre was a recent documentary on Davis entitled *Birth of the Cool*. When Ron Carter, bass player in Miles' Second Great Quintet, described on screen how he refused Miles' request to play the electric bass, and soon thereafter quit the band, Leo could not resist shouting aloud, "Good for you!" Given Leo's booming voice, well known to anyone who had the good fortune of sharing a room with him, it was surprising that the other patrons did not seem particularly bothered by this interjection.

Despite his feelings about some of Davis' work, Leo would no doubt be flattered to hear it suggested that, obvious differences aside, he shared some of Miles' most important personal characteristics. Many musicians who played with Davis, often much younger than the trumpeter, have recounted what working with him meant to them – and especially how he *mentored* them. Though Davis' star power, his charisma, and the force of his personality could be overwhelming, younger and less experienced bandmates from John McLaughlin to Dave Holland have emotionally recalled how Miles did not impose himself on them; rather, he helped them to become who they *already were*, to realize and express something inside of them that they did not know was there. He did this by challenging them: to listen, to think, to intervene creatively, and thereby to develop and enrich their own individual voices.

Miles Davis was no socialist (to say the least), but there is more than a little resemblance to core socialist values in this approach to mentorship. For someone with such a larger-than-life personality to be able both to be a dominant figure, the leader of the band, and also to create space for the other members to participate as individuals with their own ideas was at the core of the group dynamics and interplay that made Miles' bands so utterly breathtaking – allowing the whole to be more than the sum of its parts. This could only occur based on a deep and sincere respect for the other band members, a willingness to allow them space to grow and develop as separate and independent beings, and therefore a tolerance of difference and the challenges presented by the unexpected results of such freedom. Yet it also was made possible by the very real way in which he was able to push and challenge them to *become more*.

If this musical outcome, and the values that made it possible, sounds more than a little "socialistic," the question of mentorship today can be a difficult one for socialists to navigate. For one thing, the mentor/mentee (or, even more,

academic supervisor/supervisee) relationship is founded on a basic inequality between the two parties. And yet, it is an absolutely essential condition for learning and development to occur on the part of the relatively disempowered party. Even worse, the future career of the learner is very much tied up with, and even dependent on, the more powerful party – a situation that, as we have seen again and again, throws wide open the opportunity for all manner of horrific abuses. The nature of this relationship therefore constitutes a basic challenge to anyone committed to socialist ideals of equality, freedom, and justice – even more so in the case of someone with the international renown, personal gravitas, and overwhelming intellectual powers of Leo Panitch.

Over the decade I knew Leo, he was my teacher, supervisor, and comrade. He was also a close friend. My dissertation unfortunately has the dubious distinction of being the last that he ever supervised. I also co-authored, with Sam Gindin, what ended up being Leo's final essay in the *Socialist Register*, as well as his penultimate book, *The Socialist Challenge Today*, also with Sam Gindin. I worked with him to build the Toronto-based Socialist Project and collaborated with him on the past eight volumes of the *Socialist Register*, which he co-edited with Greg Albo. What was remarkable was how, through all of this, Leo's genuine commitment to socialist ideals was constantly apparent – not only in his academic and political writing but in his personal conduct and treatment of others. Leo's dedication to socialist ideals extended well beyond an abstract conviction that socialism was possible and necessary; it was something he exhibited in every aspect of his daily life – not least in his teaching and mentoring.

While the axiom of the “unity of theory and praxis” is often discussed, it is typically thought of in relation to political work – a justified insistence that our theoretical concerns be grounded in the real problems and struggles of the working class, as well as in the concrete political work we are doing. Of course, Leo's huge volume of important work was exemplary in this regard, pointing the way forward through some of the darkest political times in the entire history of capitalism – today even extending to an existential crisis of human civilization itself. This was apparent in his penetrating and creative essays in the *Socialist Register* highlighting the limits of social democracy, insisting on the continued centrality of the state in the era of globalization, and striving to identify the limits and possibilities in a conjuncture characterized by a resurgent socialist left, as well as in his many books, including *A Different Kind of State?* (1993), *Working Class Politics in Crisis* (1986), *From Consent to Coercion* (with Donald Swartz; 1985), *Searching for Socialism* (with Colin Leys; 2020), and perhaps above all, *The Making of Global Capitalism* (with Sam Gindin; 2012). These works are exemplary of the unity of theory and practice not in the sense of laying out a specific platform, or dogmatically applying a static and closed theoretical framework, but rather by illuminating problems, bringing out contradictions, and identifying openings. Leo's Marxism was truly what Jean-Paul Sartre once referred to as “living Marxism,” creatively deploying the

theoretical tools from that hallowed tradition in order to understand *what is going on* rather than simply to “discover,” again and again, that Marx had articulated the Truth.

Yet there is another way in which this axiom about the “unity of theory and practice” may be considered, even if it rarely is: in relation to personal conduct. Given the emphasis of neoliberal ideology on personal choices and lifestyles, the reasons why socialists are reluctant to apply it in this way are clear enough. And yet, despite the risks of “personalizing” politics, thinking of this principle in relation to our own lives and values, as individuals, captures something important. This is especially true in the case of mentorship, which raises the question of *how power should be used* – that is to say, it is fundamentally *political*. This means that above all, socialist mentorship should be aligned with the fundamental goal of socialist politics: to achieve *the free development of each as a condition for the free development of all*. Of course, a fundamental change in the social order – a revolution in the ways we live and work as a society – is necessary to achieve this. But the notion of socialist mentorship, and a commitment to the unity of theory and practice, leads us to ask how *the practice of mentorship* can come to serve this goal. What does it mean for a socialist to be a mentor in the context of capitalist society?

One significant implication of this fundamental axiom of socialist politics is that since society is irreducibly made up of individuals, the development of the inherent, creative, human capacities of each individual member is a basic condition for a thriving and dynamic social whole. This requires an attentiveness to the unique thoughts, ideas, perspectives, and backgrounds of each person. And yet, mentorship is about *guiding* and *teaching*.

Socialists, in particular, all too often err on the side of simply regurgitating orthodoxy, while seeing the practice of teaching as a matter of disciplining students into the same. Seriously entertaining different ideas can be a challenge for any teacher, as it may threaten their own worldview by subjecting it to critical interrogation. Since knowledge is the basis of the power of the mentor, this strikes at the fundamental basis of the mentor/mentee relationship itself. Or, in the name of “freedom,” a mentor may simply passively reinforce students’ existing ideas, leaving it up to their own exploration and self-criticism to identify the lacunae or shortcomings in their arguments and theorizations. This points out the tension in the phrase “free development” – one can have “development” without “freedom,” just as one can have “freedom” without “development.”

Nailing the virtuous “golden mean” between these two poles is challenging indeed. On the one hand, mentorship is all about encouraging the student to follow *their own* passions and inquiries; on the other hand, the process of learning is necessarily difficult and even painful – there is, after all, no “royal road” to knowledge. It involves upending deeply held convictions that, particularly for a young academic, can even be constitutive of one’s very identity. As my supervisor, but also as a political and personal mentor, Leo walked this line



brilliantly for the decade that I knew him, in relation to my own development as well as for so many others whom I came to know and respect.

Leo showed his respect for others through his willingness to engage with them as equals. And he did so honestly; if he disagreed, he would say so and challenge people to think harder. In a world of polite but superficial niceties and sugar-coated small talk, Leo always gave it to you straight. Whether you agreed or disagreed, you always knew what he thought. His sharp wit, charisma, and forceful personality were disarming. Those who spent time with Leo couldn't help but feel the impact of his presence on their ideas about the world. But he left this mark on people not by simply telling them what to think but rather by pushing them to develop *their own* thoughts and arguments. As a result, many of the people for whom Leo was a mentor were changed forever by the experience – as has been reflected in the many touching tributes that have circulated since his passing. Even people who simply shared a meal, a drink, or a discussion at a conference often found the exchange deeply memorable and formative.

This (unique in my experience) capacity that Leo had to encourage “free development” by challenging mentees was rooted in his own suspicion of all orthodoxies. He was always looking for, and excited by, that which was new, that which was iconoclastic, that which sought to pose a daring challenge to the ossified and the Scholastic. It was this impulse to undertake “the ruthless criticism of all that exists” more than any specific body of ideas or doctrine that Leo most encouraged his students to pursue. Instead of having his students spend their time immersed in theoretical texts, Leo encouraged them to *look out* into the real-concrete world, to study things as they are. Overreliance on theory, separated from empirical study, can lead one to a false sense of confidence in one's epistemic rightness or, worse, lead one to forsake concrete research altogether. To be sure, this had both positive and negative impacts. Sometimes things that are established are *not* merely irrelevant and tired old ideas but in fact well-worn and valuable truths, or at least partial truths, which we would do well to learn and respect. But in fostering this orientation, he sharpened numerous critical minds and armed them to go into the arena ready and able to draw everything into question, to subject everything to challenge.

I first met Leo in 2012, when I moved to Toronto to attend York University, and I took his legendary “Globalization and the State” course in 2013. Leo asked us each to submit three questions before each class, based on the assigned reading for that week. He would then select those he found most thoughtful or provocative and use them as the basis for the seminar that week. Sometimes he would choose a question with which he heartily disagreed and invite a critical debate among the class. He would often declare that he himself did not have an answer to a particularly probing question. Submitting a question – or for that matter taking the class itself – meant putting oneself “out there” in a very real way. One would have to be prepared to engage in a discussion, to support one's ideas with solid arguments, and to develop and defend

a perspective. This sounds intense, and in some ways it was. But the truth is that Leo did the whole thing with such an incredible warmth and generosity of spirit that it never felt the least bit traumatic. He would go over the top with praise for the questions he selected, extolling their “brilliance” even if he disagreed. For Leo, a willingness to “ask the hard questions” was the greatest intellectual virtue; the inverse was intellectual cowardice – hiding behind populist slogans and the safety of widely accepted dogma. The seminar questions exercise was about cultivating a willingness to be bold, to not shy away from finding the problems with the assigned readings or from discussion with others. And it was rooted in the same earnest dedication to the truth that permeated every aspect of Leo’s life.

The final paper I wrote for that course was more of an epochal transition in the history of my intellectual development than a term paper. I tried to use the paper to pose a debate between Leo’s ideas that I was absorbing in the class and those that I had come to York with. Having graduated with an MA in international affairs, my thinking was very much connected to the “realism” school, which sees the world system as a balance of power between states. American hegemony, from this perspective, is marked by its ability to get what it wants without challenges from others that can divert it from its objectives. This framing is clearly and crudely politicist, seeing all states as “like units” regardless of their internal structures and completely blind to economic processes and relations. Leo, on the other hand, saw “the making of global capitalism” as having entailed the *internal* interpenetration of distinct nation-states by cross-border flows of trade and investment. The world system was from this perspective not a zero-sum game, in which one state gaining power on the world stage must come at the expense of another; rather, positive-sum results were possible. The expansion of the G8 into the G20 was not a sign of American decline, in the sense that the United States had to make concessions to a wider group of states that were formerly excluded from such arenas, but rather marked the *success* of the American imperial project in that a wider group of states had been integrated within global capitalism, which they were now willing to “take responsibility” for reproducing – at the expense of subaltern groups within their own societies. Empire, for Leo, certainly had benefits, but it also had a lot to do with a political willingness and institutional capacity to accept the costs and burdens that it brought. Though he hated capitalism, he was committed to truthfully understanding and depicting what made it tick, rather than resorting to moralistic clichés. As he often said, “The bourgeoisie doesn’t eat babies for breakfast.”

I remember discussing the paper with Leo extensively as I was developing it. These discussions took place on the weekly drive back downtown after the seminar, as well as in the in-class presentation that each student was required to do. But above all, I remember a conversation with him one evening at a swanky hotel bar I never could have afforded to go to. “You have to think harder,” he told me; “you have to do better.” After this conversation, I spent

what still feels like weeks thinking through the problems of world order until my head hurt, trying to crystallize a picture in my mind that captured all the dynamics that constituted the global capitalist system and then describe it in words in the paper. He had challenged my perspective and found it wanting, but I did not feel hurt or shut down. On the contrary, I felt an incredible sense that Leo had confidence in my ability to think through the problem and to develop a richer, more nuanced, and more truthful perspective.

It was also in Leo's course that I first encountered the works of the Marxist state theorist Nicos Poulantzas. Having come to York as an anarchist, I found Poulantzas' work on the state to be both stimulating and challenging, politically and intellectually. I remember excitedly telling Leo about how much I felt I was learning in wading through these dense works, for the first time grasping Poulantzas' insights about "relative autonomy," the separation of the political and the economic in capitalism, the power bloc, and the interaction and historical reorganization of state apparatuses. He looked at me, smiled, and just said, "You know, I'm going to expect you to go beyond Poulantzas in your dissertation." It was, at the time, an unimaginable thing to hear, but the lesson was an important one. Rather than spending my time mastering abstract concepts by Great Thinkers and then summarizing them in my thesis, I should be thinking about what *had not yet* been done, what was *missing*, and what was *wrong* with the existing literature. While it was important to learn the lessons of the classic state theory texts, I should not think that this was enough; there was still more to be done, and doing it required a fundamentally critical intellectual orientation.

All this takes great time and energy – that is, labour. Leo had a boundless generosity with his time, debating, teaching, and shaping people from all over the world without apparent limit. Simply reinforcing, or refraining from seriously engaging with, a mentee's or student's views is also much *easier* than taking the time to carefully consider what they are arguing, to think through its limits, and to engage in discussion. It takes patience and time and a genuine commitment to the truth. The most remarkable thing about human beings is that they are, as Aristotle said, "political animals." This does not mean that we all love to debate politics, but rather that it is part of our fundamental nature to *live together*, and to constitute one another through our interactions. Learning is a social, rather than individual, process, whether this is acknowledged or not. In the realm of ideas, more than perhaps any other, what is "mine" versus what is "yours" is hard to sort out. The extent of my engagements with Leo, and their profound impact in shaping my thinking, still leaves me unsure where "I" begin and "he" ends. When he died, the part of me that was constituted through my connection to him died in one sense as well. Yet by the same token, a part of Leo lives on in me, as in so many others. To labour means to act upon, and thereby to transform, the objective external world. Leo's labour is objectified in the person I am today.

The incredible amount of labor Leo freely offered those around him who sought his guidance means that part of him can be realized in the bonds among those who are connected to one another through him. It was only after Leo died that I learned a term that had been coined by a mentee of his several years my senior, yet it instantly resonated with me and my experience of Leo's mentorship. The term is "the Panitchizer," a loving reference to the machine that would devour, digest, crush, challenge, dismiss, and rearrange papers submitted to it. For obvious reasons, submitting a paper to Leo was an intimidating prospect: there was the overwhelming force of his intellect, for one, but also his willingness to honestly and earnestly engage with the ideas put forward therein. Rather than patronizingly patting students on the head and telling them "good job," he treated them as equals. But this also meant delivering the full brunt of his opinions and judgement of what you had written. And for better and for worse, he put more energy and care into evaluating student papers than any other professor I have ever known. This meant that each page would be covered in ink, with barely decipherable scrawl filling every margin, interrogating arguments, making retorts, suggesting what had been missed.

An encounter with the Panitchizer could be difficult, but it was truly a growing experience. I recall him returning a dissertation chapter – that I, of course, had thought was brilliant – with huge X-marks through entire pages of argumentation that was redundant or following the wrong train. Of course, Leo was always open to challenge; he had all the time in the world for arguing out competing perspectives on any topic imaginable and was always quick to acknowledge the merits of even those with which he disagreed strongly. But he was usually right, and he usually won. I learned and grew more than I can possibly recount through experiences such as these.

It is anathema to the basic concept of socialist mentorship that such practices should be contained within the walls of the ivory tower alone. A commitment to socialist principles means that the practice of mentorship should also be exercised in the service of the democratization of knowledge. One of my favourite interviews with Leo took place as he was on his way out of the "World Transformed" conference in London, England, organized by the Corbynista Momentum activists from whom he took much inspiration and hope. The interview was conducted by a taxi driver and posted to Twitter, where it was widely circulated. Walking away with his long-time friend and comrade Colin Leys, a smile stretched across his face, Leo concluded the interview by declaring, "We have taxi drivers who know more than PhDs!" It wasn't just something he said – he really believed it, as was clear from the earnestness, excitement, and respect with which he participated in the interview. Nothing made Leo groan like purely academic exercises that lacked *politics* or that, even if they put up a façade of radicalism, belied a lack of genuine commitment to the working class – and especially *to understanding the world in order to change it*.

This was another socialist principle that was at the core of Leo's practice of socialist mentorship. He was committed to the truth, but the truth was inseparably linked with demonstrating the possibility and necessity for a fundamental, socialist transformation of society. Moreover, this socialism had to be a *democratic* socialism – pluralistic, open, and nonsectarian, not mired in the failed models of the past. As Leo demonstrated so clearly, like the other principles of socialist mentorship, democracy is not merely an aspirational ideal or institutional system but an ethos to live by. Of course, socialists strive for a more democratic society, and Leo was fully committed to this. But one cannot wait for democracy to be democratic; this is also a matter of living in accordance with democratic *values* all too often lacking on the socialist left. Leo was democratic to his bones.

Leo's dedication to the *Socialist Register* over the 36 years he was one of its editors is a remarkable legacy that reflected all the best parts of Leo's personality – his love of debate, his excitement about ideas, his nonsectarianism and intellectual openness. Leo saw the *Register* as a sacred covenant, the living link to the politics of the New Left and to his own mentor, Ralph Miliband, who founded the journal with John Saville in 1964. Leo was fond of quoting Ralph's adage that the *Register* "should be hard to write for, as well as hard to read" – by which he meant that while the essays (not "articles") should reward focused study and attention on the part of the reader, authors also had a responsibility to make them as readable as possible. This also meant it was hard to edit. He was constantly on the lookout for potential essays, topics, and angles to be covered; devising volume themes along five-year plans; and identifying specific authors to cover particular issues years in advance. Each year, Leo devoted immense effort to working with authors to develop drafts, providing extensive feedback and striving always to make sure that "the style of writing was clear and accessible at a time when the opacity and clumsiness of much intellectual discourse affected the Left like a plague."<sup>1</sup> I've seen more than a few *Register* authors refer to Leo as their "mentor."

Leo's socialist convictions were apparent in his adamant that average working people be treated as thinking human beings capable of grappling with difficult ideas. In this vein, it has often been said that Leo's writing – like that of his own mentor, Ralph Miliband – is "accessible." This requires some clarification. Though he certainly sought to write clearly, and valued such efforts by others, he was constantly and outspokenly against any attempt to condescendingly "dumb down" ideas for popular consumption. This applied whether he was considering a *Register* essay or a pamphlet to be handed out on a city bus. For Leo to be your mentor meant for him to treat you *as an equal*, as the version of yourself that you could become if you were sufficiently committed and willing to accept the challenge.

1. Leo Panitch, "Registering Class and Politics: Fifty Years of the *Socialist Register*," *Socialist Register* 50 (2014): 305–335.

Leo did not just wave the banner of socialist revolution. He actually meant it – and accordingly, he lived this commitment. It was this that most impressed me upon first meeting him a decade ago. Above all else, the utter earnestness of his commitment to socialism, to really building toward the possibility of achieving a new society, blew me away and reshaped my understanding of what it means to be a socialist. And in changing the lives of the many people with whom he came into contact, Leo transformed the world. His commitment to socialist values, his honesty and integrity, his generosity and warmth and big-heartedness, should serve as an example for all of us. Though larger than life in so many ways, Leo was, after all, a human being, and human beings die. His passing has been unspeakably difficult for me, as for so many others who were close to him. But insofar as he was dedicated to the socialist mission, something that is larger than his – or anyone else's – life, he will live on in the ideas he espoused and the lives he touched.

## Leo Panitch: Reflections on a Transformative Teacher

Stephanie Ross, McMaster University

I FIRST MET LEO PANITCH in 1995, in the second semester of my PhD in the Department of Politics at York University, somewhat by chance. I had not come to York to study with Leo. At Carleton, I had been studying Latin American politics and development studies. My MA supervisor, Laura MacDonald, had been mentored by the excellent Latin Americanists at York and, insofar as I had any plan at all, it seemed to make sense to continue in her footsteps. Of course, having been a student of politics and political economy at Carleton, one knew something about Leo. There was an aura about his name. Another friend who *was* coming to York to study with him spoke about him in reverential tones. But in truth, I wasn't really in the know. I had read Leo's excellent essay "Elites, Classes and Power in Canada," and that was about it.<sup>1</sup>

But I had been experiencing a growing dissatisfaction with my direction. My own involvement in union politics at Carleton and then at York was creating a growing divide between my academic life and my political practice. It felt like something had to give. On a whim, in my second semester, I decided to take the course "Working-Class Politics in Capitalist Democracies" with Leo. After all, I was at York, and as everyone said, what was the point of being at York if you didn't do at least one class with Leo?

It is no overstatement that this decision changed the direction of my life. Early on a cold Monday in January, Leo started the first class in a way that I had never experienced in a university setting: he asked us to introduce ourselves by talking about our class backgrounds. I almost didn't know what to say, and in fact I don't recall what I did say. No one, and definitely not a university professor, had ever wondered about my class origins nor had ever insisted that it was important. My gut – and, in retrospect, the hidden curriculum – had always told me to keep quiet about that. I never spoke about the fact that I came from a working-class family in the Maritimes, from unionized parents (a pipefitter and a nurse), one of whom had experienced fairly severe poverty as a child, from grandmothers who had been thwarted in their ambitions, from a grandfather, a mechanic and failed businessman, who was troubled to say the least. I had long adopted what I thought of as an "Ontario voice" to cover my Acadian-accented English, because I thought I had to "pass" for someone who belonged in university. Although I hadn't understood it at the time, I had long been suffering from the "hidden injuries of class," simultaneously proud and ashamed of both my past and my present as someone who was leaving a working-class milieu. I was that person C. Wright Mills was describing in *The Sociological Imagination* when he wrote, "Seldom aware of the intricate

1. Leo Panitch, "Elites, Classes and Power in Canada," in Michael S. Whittington and Glen Williams, eds., *Canadian Politics in the 1990s* (Toronto: Nelson, 1995).



connection between the patterns of their own lives and the course of world history, ordinary people do not usually know what this connection means for the kinds of people they are becoming and for the kinds of history-making in which they might take part.”<sup>2</sup>

Leo talked about his own class origins without hesitation, without shame, and with a clear sense that his own family’s story was part of a larger narrative of working-class community, organization, and struggle, a unique development in the history of subordinate peoples that pushed against the limits placed on economic and political democracy. Something hard and scarred over broke open in me. Some new insight was dawning on me: maybe my family’s story, my community’s story, was not just valid – maybe it was actually *important*.

But this was not a romantic history that Leo was inviting us to explore: this was a clear-eyed stock-taking of “the historical legacies, contemporary dilemmas and future possibilities of working class parties and trade unions,” as he put it in the syllabus, in which we would ask questions that, since then, have driven my own research and political commitments: “What are the examples of and possibilities for a renewal of socialist politics in the wake of the failures of working-class politics? Can this be done without a revival of working-class politics in new forms that go beyond the limits of Communism and Social Democracy as well as conventional trade unionism?” The reading list was a beautiful thing, full of pieces that had an indelible effect on me. It was also my first step into the world of labour studies.

But answering these questions that Leo posed takes the building of both individual and collective capacities. At the level of individuals, it means a commitment to nurturing the intellectual and political confidence of diverse working-class people so they can take their rightful place in the production of knowledge and strategic thinking needed to engage in democracy building, in history making. This Leo modelled for me personally. When he agreed to be my doctoral supervisor, he pushed me to pursue an ambitious topic (instead of the very limited one I initially proposed), expressed a boundless and enthusiastic faith in my capacity to pull it off, and was incredulous when I expressed doubt. That confidence was at times dizzying, pointing to seemingly unattainable heights. But it is this very confidence in their abilities that many working-class people lack. When seen at all, working-class people are objects, “human resources” only useful from the neck down, or failures in a Darwinian survival of the fittest. It is the internalized contempt of bourgeois society that we must help shatter, and our educational work must actively aid in that. Leo’s educational work did just that, for me and many others like me who gravitated to his classes and mentorship.

2. C. Wright Mills, *The Sociological Imagination* (New York: Oxford University Press, 1959), 3–4.

At the level of organizations, Leo always insisted that we must be building *collective* capacities to be ambitious, to think, to plan, to deliberate, to criticize, and to decide. This meant centring attention on the working class and its organizations even when they were full of contradictions or had passed out of intellectual fashion. As Leo and his co-editors put it in the preface to the 2001 *Socialist Register*,

the absolute numbers of proletarians, and indeed workers in trade unions, have never been greater. As a set of social relations, then, “class” is as central to understanding the dynamics of contemporary capitalism as it ever has been. But class as a political relation – in the sense of workers consciously forming a class “in so far as they engage in a common battle against another class,” i.e., as an agency advancing political and economic alternatives to neoliberalism and capitalism – remains deep in crisis.<sup>3</sup>

This crisis matters centrally to a democratic socialist project because whatever else we need, democracy will always be truncated without the broad involvement of working people. Unions are important in this process of democratization because, as autonomous class organizations, they provide workers with the context for potentially developing consciousness of their interests within – and desire to supersede – capitalist society and the capacities to participate fully in the management of a future society. Since hierarchical capitalist social structures prevent workers from gaining the required capacities, consciousness, and organization for full and equal participation, these must be acquired elsewhere. Otherwise, people will simply replicate the élitist social relations to which they are accustomed. Through participation in these organizations, according to Rosa Luxemburg, workers develop “social instincts in place of egotistical ones” that are the result of “centuries of bourgeois rule.” They throw off “all habits of deference,” acquire “confidence in [their] own ability to organize and rule,” and develop “experience in organization and in the making of political decisions.”<sup>4</sup> As Leo’s close collaborator Sam Gindin put it, workers must develop, in their own organizations, “the kind of capacities and potentials which are absolutely fundamental to one day building a different kind of society: the capacities for doing, creating, planning, [and] executing,” all of which are systematically underdeveloped by capitalism.<sup>5</sup>

While insisting on the importance of such organizations, Leo nonetheless never failed to subject socialist and working-class organizations to ruthless criticism. Though he was optimistic about new struggles and experiments, he always fought against thinking that this or that was “The Model” for working-class struggle. For me, Leo’s collected essays in *Working Class Politics in Crisis*

3. Leo Panitch, Colin Leys, Greg Albo & David Coates, “Preface,” *Socialist Register* 37 (2001): viii.

4. Rosa Luxemburg, “The Russian Revolution,” in Mary Alice Waters, ed., *Rosa Luxemburg Speaks* (New York: Pathfinder, 1970), 391.

5. Sam Gindin, “Socialism with Sober Senses: Developing Workers’ Capacities,” *Socialist Register* 34 (1998): 79.

were formative and are still the most potent. In it, focusing on the UK Labour Party in the 1970s, he provided a trenchant analysis of the incorporation of social democracy into the management of capitalism and its social contradictions. When social democratic parties “governed in the national interest,” it meant taking on the class interests of capital as their own and transforming their relationship to the union movement into one of managing working-class discontent. As I read this volume for the first time in the aftermath of the Ontario NDP government, its divisive Social Contract, and its embrace of “there is no alternative” thinking, it seemed to me that Leo had put his finger on an enduring dynamic in working-class politics that had to be confronted.

Also enduring in its relevance is the analysis in *From Consent to Coercion: The Assault on Trade Union Freedoms*, co-authored with Donald Swartz and now a foundational text in Canadian labour studies. Rarely a year goes by without another example of government intervention into public-sector labour relations that reinforces the thesis of permanent exceptionalism. But in this volume too was a critical engagement with trade unionism itself, bound by the legalism of the postwar compromise and lacking a political strategy beyond electing the NDP, whose flaws were evident well before the advent of globalization. While Leo saw that social movements carried much-needed promise and vigour, the way forward was contingent on “a powerful labour movement – measured in terms of its capacity to halt production as well as its size and organizational strength – tak[ing] on board the key emancipatory themes raised by other movements” and on social movements developing their own “strategy for labour” to avoid their politics being captured by élites.<sup>6</sup> But Leo’s criticisms were never a posture. Instead, they were practical: part of figuring out what it would take to radically transform society. As he wrote in the preface to the 1997 edition of *Socialist Register*, aptly subtitled “Ruthless Criticism of All That Exists,” such critique was essential “so the ground may be cleared to rebuild socialist projects tomorrow.”<sup>7</sup>

Leo’s educational project, always education for socialism *and* for democracy, also meant a different kind of political science. On this front, Leo had always been fighting an uphill battle, as mainstream political science has always placed at its core the workings of the powerful, their techniques and concerns, in an almost fetishistic way. But Leo spent the better part of his career building this alternative political science, a more genuinely democratic political science, nurtured especially at York University’s Department of Politics and hopefully carried forward by all of us who had the privilege to study there. It is worth returning to Leo’s words on what this project entailed, from the conclusion of that first essay I ever read by him, “Elites, Classes and Power in Canada”:

6. Leo Panitch & Donald Swartz, *From Consent to Coercion: The Assault on Trade Union Freedoms*, 3rd ed. (Aurora, ON: Garamond, 2003), 225.

7. Leo Panitch, “Preface,” *Socialist Register* 33 (1997): 2.

We can see, in this sense, the importance of a political science that is trying to know more than how to uncover how the power elites rule the world, but that also has an understanding that the majorities subjected to that rule also have power capacities, and is trying to discover how that capacities might be enhanced—not just to criticize the elites or ruling classes, not just to include their decisions through struggles “from below,” but to “transcend” the present system of power relations entirely. This is less a matter of constructing utopian visions of a “good society” than of discovering the means whereby the subordinate classes have increased their power historically, and of trying to discover further and better means. Political science has a role to play in demonstrating that most people are not just passive recipients of someone else’s power, that they currently exercise some power even if just in relation to the greater power of the dominant classes. It could have a larger and more creative role to play by discovering the limits to the ways in which subordinate classes have organized so far, and by trying to think through and offer advice on how to organize for a fundamental change to the powers that be. This will, above all, be a matter of discovering the kind of political organizations that enhance the intellectual capacities of working people themselves, so that they can become leaders and educators in their own communities and develop their capacities to run society and state in a fully democratic manner. To be a political scientist, in this conception, is to be someone who knows how to do more than criticize the power elite. It is to be someone who is orientated to discovering how to help those who have the potential power to change the system to realize that potential – and then actually to act upon that potential.<sup>8</sup>

This project also meant building a different kind of intellectual community; when Leo was chair of the Department of Politics, he literally knocked down walls in the Ross Building to create common spaces for gathering, exchange (often vigorous), and conviviality. He made sure we showed up in those spaces. He made people feel that we were sorting out the truly important issues that faced us. And through all this, Leo was deeply convivial: he believed that rigorous debate and comradely friendship and love could, indeed *had* to, coexist.

My encounter with Leo at a certain moment in my own personal journey was and remains central to my own conviction that whatever educational work we do must contribute to building the personal and collective confidence of those who are marginalized in capitalist societies, to be able to speak the truth about the depredations of capitalism, and to build our own powerful organizations to realize the unrealized promise of a truly democratic society. Part of what I learned from Leo was that this work is also intensely personal; it involves building relationships of care and solidarity, for what good is a life without such things? These ideas, these practices, guide my intellectual, political, and pedagogical decisions. They inform my orientation to the labour movement, as a critical ally. They helped me understand that the life and struggles of my family and people like us matter. For that, Leo, I will be endlessly grateful.

8. Panitch, “Elites, Classes and Power,” 173.