

Im Rahmen der Reihe
GENIAL DAGEGEN

von und mit Robert Misik
lädt das Bruno Kreisky Forum für internationalen Dialog zu

Was ist der „neue Geist“ des Kapitalismus?
Ein Gespräch mit der französischen Ökonomin und Soziologin Eve Chiapello

Montag | 9. Oktober 2006 | 19.00 Uhr

Bruno Kreisky Forum für internationalen Dialog

Eve Chiapello

geboren 1965, Professorin für Betriebswirtschaft und Soziologie, Forschungsleiterin an der Pariser "Ecole des Hautes Etudes Commerciales" und Lehrbeauftragte an der "Ecole des Hautes Etudes en Sciences Sociales". Sie veröffentlichte zahlreiche Bücher, darunter etwa *Artistes versus Managers* und vor allem 1999 (dt. 2003) gemeinsam mit Luc Boltanski *Der neue Geist des Kapitalismus*, eine Studie, die allgemein als sozialwissenschaftliches Meisterwerk gefeiert wurde. Darin analysieren die Autoren die neue Freiheit der Wissensarbeiter und beschreiben, wie die modernen Managementmethoden die frühere Entfremdungskritik quasi kaperten.

Robert Misik

geboren 1966, Journalist, Essayist, Sachbuchautor, lebt in Wien. Er war Redakteur der *Arbeiterzeitung*, später des *profil*. Seit 2002 arbeitet er als freier Autor u.a. für *Falter*, *profil*, *Standard* und die Berliner *tageszeitung*. In den Jahren 1989 und 2000 erhielt er den Förderpreis des Bruno Kreisky Preises für das politische Buch. Jüngste Buchveröffentlichung: *Genial dagegen. Kritisches Denken von Marx bis Michael Moore* (Aufbau-Verlag, 2005).
„Der Arbeitsgesellschaft geht die Arbeit aus“ - „Der Wohlfahrtsstaat ist unfinanzierbar“ - „Eine neue Unterklasse entsteht“ - „Alles ist nur mehr Kommerz“ - *solche Diagnosen bestimmen den Diskurs in Medien, Politik, wissenschaftlicher Öffentlichkeit und auch die Alltagsgespräche.*
Aber leben wir deshalb schon in einer Krisenzeit - also auch in einem Verwandlungs-Zeitraum? Gibt es Konzepte, das brüchige Alte durch etwas Neues zu ersetzen – jenseits des neoliberalen Einheitsdenkens?
Auf diese Fragen sollen Experten, Politiker und Aktivisten aus vielen Bereichen mit radikal unterschiedlichem Blickwinkel antworten – alles, was sie verbindet, ist die Originalität ihrer Perspektive und das Bestreben, neue Räume für emanzipatorisches Handeln zu eröffnen.

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Rudolf Scholten

Meine sehr geehrten Damen und Herren, ich möchte Sie sehr herzlich zu unserer heutigen Veranstaltung in der Reihe Genial Dagegen willkommen heißen. Wir sind froh, dass Eve Chiapello mit uns ist. Guten Abend. Ich begrüße auch den Erfinder, Gestalter – es klingt ein bisschen wie eine Fernsehsendung, im Programm steht von und mit Robert Misik. Guten Abend. Ich habe noch einen sehr ernsten Punkt, den ich an der Stelle anmerken möchte. Wir haben vor ziemlich genau sechs Monaten eine Veranstaltung gemacht mit Anna Politkovskaja. Ich würde gerne diesen Abend heute ihr widmen. Sie wissen wahrscheinlich, dass sie vergangenes Wochenende ermordet wurde. Alles, was man dazu sagen möchte, ist schon gesagt oder wird noch gesagt. Ich möchte nichts hinzufügen. Aber ich hätte gerne, wenn wir heute daran denken. Damit darf ich die Aufmerksamkeit weiterreichen. Danke sehr.

Robert Misik

Thank you for coming to our sixth evening in our series Genial Dagegen. Welcome Eve Chiapello. We are proud that you are here with us, because Eve Chiapello published in 1999 together with Luc Boltanski a real masterpiece of contemporary sociological thinking, the book which was published in German 2003 *Der neue Geist des Kapitalismus*. In the last years this book found also an audience in the German speaking world. My impression is that it is more and more discussed in the last year in the region of the German speaking world. Eve Chiapello is an economist and a

sociologist. She lives in Paris, works at the Ecole des Hautes Etudes Commerciales and at the Ecole des Hautes Etudes en Sciences Sociales. She is the author of a lot of books and studies, and will present us now the main thoughts of her book *Der neue Geist des Kapitalismus*. The floor is yours.

Eve Chiapello

I thank the Kreisky Forum for having invited me today. It is the first time in Vienna that I present the book and my second time in Austria. I was in Innsbruck in spring. The talk I will give is based on the book I wrote with Luc Boltanski which has been published in 1999. In some ways it is no more a new book for me. For the last years I have been working on a very different subject. This topic is the role of accounting in the construction of an economic system. Today I will add a few things to the book just to make it a little bit newer to you.

I started to work with Luc in 1995 which was a very special period of time for France. We started our investigation with a very simple observation that was almost the same for everybody at that time in France: the contrast between the France of 1960 and 1970 and the France of the 1990's. In the 1960's the decade was marked by an aggressive social movement, an extremely active trade unionism, changes in the allocation of the value added which benefitted wage earners, and at the same time lesser product quality, lower productivity gain due at least in part to employer's and corporate leader's inability to control labor. There was social unrest. And the contrast is very big with the second decade which was marked by a quasi-absence of social movement, humanitarian aid being their only real manifestation, disoriented unions who had become reactive rather than proactive, unemployment relationship that has been increasingly precarious, a greater disparity in incomes, an allocation of the value added that once again had become favorable to capital, and the re-subjugation of the labor force undermined by a significant reduction of the number of strikes, significant reduction of social conflicts, and a drop in absenteeism and in staff turnover.

There was a very big contrast. We summarized the situation in the foreword of the book, saying that in France of the 1980's we had a deteriorated social situation, a regenerated capitalism, and at the same time a crisis of capitalism criticism. The last point is, of course, very important in our motivation because the intuition tells exactly the contrary. Supposedly when you have a deterioration of the social situation, you should have a lot of demand, a lot of criticism. And it was exactly the contrary. It was worse and people did not claim more. So that was really the problem I wanted to address in that book. How was it possible for so much change to happen in such a short lapse of time without meeting any real social resistance? So our book was more or less an attempt to answer this historical enigma. Since the beginning of the 1980's the situation has a little bit changed. The criticism of capitalism has been partly reconstructed. And now we can notice in France the emergence of a new, very active social movement. But it was not the case when we started working. So it was something really important in our motivation.

In the economic field nowadays, that is something like seven years after the publication of the book, one can notice the emergence of new reforming ideas, especially for example in the economic elite field which I meet quite often being in a management school. These new reforming ideas are in relation with the notions of sustainable development, corporate social responsibilities. So they are debating, trying to invent new ways around that. On the other hand fair trade, micro-credit, and what we call now in France solidarity economy appear more and more as a new alternative. Because one of the problems in the crisis of capitalism criticism is the destruction of all alternatives, starting with the Soviet Union. It is important for critical movement to have an alternative because it makes it possible not only to criticize but also to propose a new way of living and managing the economy. So the new alternative is not very clear. It is a nebula. But as far as the criticism is concerned the situation has changed in France since 1999 when we finished the book.

In order to understand the move from the 1960's to the 1990's we designed a model of change which is organized around three concepts: capitalism, the spirit of capitalism, and the criticism of capitalism.

Capitalism is characterized by a minimal format, stressing the need for unlimited accumulation by specific means. The second characteristic of capitalism is competition. And the last important characteristic is wage earning, a very traditional definition.

Then we have labeled the second agent the spirit of capitalism which is the ideology which justifies capitalism, makes it desirable and gives good reasons to get involved in capitalistic organisations. Why capitalism needs a spirit of capitalism is because capitalism requires commitment from many people although few have any real chance of making a substantial profit. Many will be scarcely tempted to get involved in the system and even might develop adverse feelings. So this is a specially difficult problem in modern economies that require a high level of commitment from their employees, in particular from managers. The quality of commitment that one can expect depends not only on economic stimuli, that is how much you will earn, but also on the good reasons that make capitalism a pleasant, fair and secure place to work. That is more or less the content of the spirit of capitalism at one time.

Finally the third pole of our model of change is the criticism of capitalism. The criticism of capitalism is about all that is capitalism itself. Capitalism is in need of a justification that is of a spirit of capitalism, for the very reason that it is criticized. Where there is no criticism there is no need for justification, and therefore no need for anything like a spirit of capitalism. So the concept of spirit of capitalism allows us to combine within one and the same dynamics the changes in capitalism as well as the criticism which it has faced. We insist on the fact that spirit of capitalism is central to the process of capitalistic accumulation that it serves in applying constraints to this process. If one were to take this explanation to its logical conclusion then not all profit would be legitimate, not all enrichment fair, not all accumulation, however significant and rapid, legal. Actor's internalization of a particular spirit of capitalism serves in the real world as a constraint on the process of accumulation. Secondly, certain devices are constructed such as laws and institutions that prevent actors in capitalism from acting "badly" according to the social norms. A spirit of capitalism thus provides both for capitalism and for the criticism a justification, and the criticism can denounce the gap relying on the justification, the normative reference of capitalism. It is what we call technically internal critique. So they can explain which such a work place is fair but then when you look at the real life, you may see that it is completely unfair. Thanks to their revindication of fairness, as a critique you can rely on the spirit of capitalism in order to ask the real world to be online with what is said.

In order to describe the way in which the spirit of capitalism changed between the 1960's and the 1990's we base our efforts, as Weber and Sombart have done previously, on texts that provide moral education on business practices. For our period this meant bodies of work from the field of management studies. We actually studied two bodies of work, one from the 1960's and the other one from the 1990's. The discourse of management is thus a manifestation of the spirit of capitalism of the time. One can find in it the promises made to people by the spirit of capitalism of the time. One can also say that management constituted as a set of techniques and practices is equipping the spirit of capitalism. If under spirit of capitalism not every organisation of work is possible, not every enrichment is fair then management is part of the institutions which constraint capitalism and give a special historical sphere. In this perspective management literature conveys a kind of compromise between on the one hand profitability requirements and necessity to adapt the relation of techniques and, on the other hand, social and moral requirement which vary according to the time. One of the sources of our work was a study of the management discourse, thinking that this discourse is full of normative requirements, full of values. So we thought that here we will find the expression of the spirit of capitalism.

Let's go to the criticism of capitalism now. One of our aim in that book was to link management discourse, management practices and techniques as exemplary of the spirit of capitalism of one time and changes in the criticism of capitalism almost since the 19th century, even if the book focuses on the end of the 20th century. I will enlarge a little bit the scene. As you will see we have today four criticisms of capitalism and not only two as in the book. Since the 19th century one can outline four criticisms of capitalism. The first one will relate to the conservative criticism, then the social criticism which is in the book, then the artistic criticism which is also in the book, and then one criticism, the ecological criticism, which is not in the book, which is a pity, but we did not have enough time and maybe enough knowledge at that time to include it, but which is a very important thing for the time being. So the first three criticisms were constructed during the 19th century as a reaction against the new bourgeois capitalist society. But the first can be analyzed as being reactionary, being oriented towards the former political regime and against the individualistic values of French Revolution. And the following two (the social criticism and the artistic criticism) adhere to the value of the French Revolution. And the fourth is born in the second half of the 20th century.

Let's go inside the conservative criticism. This criticism associates a criticism of the wage earning condition and of the capitalistic modes of management, modes of production with a criticism of the values of the French Revolution especially of liberty and equality. These people have usually a nostalgia of the old middle age society, of a society of orders. They view social hierarchy as important, and they fight the idea of equality which they consider to be an illusion. They were nostalgic of the craft organization which brought together owners and workers in the same organization and view the class struggle as destructive. They wanted to associate inequality which they felt was a natural state, there is no such thing like equality for these people, with solidarity, that is even if you have a hierarchy of stage in the society the ones who are dominant should look after the dominated and develop solidarity things. They wanted to associate inequality with solidarity within families, local communities, and companies. These heterogeneous current includes in particular social catholics, during the 1930's the corporatists. And some of those ideas were put in practice under the Vichy government. This is one of the reasons why this criticism has almost completely disappeared nowadays because it has been compromised with the fascist solution to the economic problem. These people have had a big influence at least at the end of the 19th century, at the beginning of the 20th.

Let's go to the social criticism. It is the most prolific. It has its roots in early socialism for which the main problems is the misery of the worker's condition and the gradual division of society into two antagonistic groups, capitalist and workers. It developed considerably with the work and militant position of Karl Marx with respect to which everyone had to take a position. Social criticism denounced private property and profit. It is multi-faceted, with sub-groups fighting each other. The social criticism is a battle field. They are fighting so much against each other. The different questions for fighting are the role and the relevance of the state, the role and the relevance of trade unionism, or of general strike, revolution or reform, what is the necessary degree of liberty as a principle of social organisation and so on. It is difficult actually to say social criticism like that, without specifying more because the group is so diverse. It is all the more true if we enlarge social criticism stressing not only socialist and marxist because putting also inside the social technocrats which have been quite important in the history of France. Indeed, we had for example the saint-simonists in the 19th century, then the planists in the 1930's, then the Keynesians after the Second World War. all these people wthought that only technological and economic progress could bring social progress and that the state and its engineers can and must intervene in the economy to rationalize it and prevent it from producing social disaster. So the social criticism is a complicated kind of criticism.

The third one, the artistic criticism. It also began in the middle of the 19th century. The book I wrote before, *Artistes versus Managers*, was dedicated to that critique, but mainly located in the art world. It has been initiated in the 19th century by artists and intellectuals. It is a criticism, materialism, utilitarianism and rationalism. They dreamt of a lifestyle free of all oppression, embracing the virtues of imagination and creativity. They laughed at the narrowmindedness and meanness of the bourgeois lifestyles. In spite of its name, artistic criticism is not characteristic of all artists nor of artists only. It is strongly influenced for example by the work of the Frankfurt School, by combining social criticism and artistic criticism. One can analyze some of the works of the Frankfurt School as an attempt to renew the social criticism, putting inside some of the things coming from artistic criticism. Artistic criticism was quite strong in the 1970's. They developed a critique of the mass society, mass consumption.

Finally, the ecological criticism which appeared only in the 20th century. It took root in a pessimistic approach of technology, whose development, difficult to control, tends to endanger humanity on an unprecedented scale. Ecological criticism started to become a social force from the middle of the 1970's particularly due to anti-nuclear rallies and has been on the increase ever since. It is usually combined with the three old. I think that analytically we have to differentiate the ecological criticism from the other three because it is based on new sources of indignation. In the history of criticism of capitalism we have already had deploration of the destruction of landscape, or of the lack of hygiene of the new population centers, denunciation of the ugliness of the industrial world, of the destruction of nature. All of this is quite old. You can find this in the 19th century. But with the ecological criticism you have new things like the irreversible and detrimental effects of man's activity on the earth, its genetic inheritance, and its eco-system, and the impossibility of continuing and extending the Western capitalist development model to the rest of the world.

The idea is that you have more or less a golden age for each criticism. They exist in society because they are carried by social movements, associations, trade unions, and geo-political parties. But depending on the period they are not all present and threatening especially for companies. One can say that the conservative criticism was quite important at the end of the 19th century and the beginning of the 20th. Then the social criticism had a long story from the end of the XIXth century up to now. Artistic criticism is old, but became a huge demand widely shared from the 1960's. And then ecological criticism which is quite young but became a political power more recently. The idea is that now the companies have to take into account ecological criticism. If we look at the future, we'll have to count with that last criticism probably.

We don't know yet a lot about the content of the spirit of capitalism. We say that there are at least three promises that any spirit of capitalism has to give in order to commit people. A spirit of capitalism has to answer three important questions. These promises change historically. The first promise – the exciting promise- has to explain why involvement in capitalism is a source of personal blossoming, enthusiasm, and liberation. The security promise answers to the following questions: what are the forms of security which are offered to those involved, both for themselves and their children. And finally the fairness promise is concerned by the arguments which explain how capitalism contributes to the common good and also on what kind of fairness criteria is organized a hierarchy on the workplace. With these very simple analysis of this three promises (excitement, fairness, and security promises), one can analyze the story of the spirit of capitalism, at least since the end of the 19th century.

The first, which has been described amongst others by Sombart, is associated with a capitalism of small family firms, what is called the bourgeois capitalism. What are the different promises? The excitement is made by freedom from local communities and set in progress. The security is provided for personal property and personal relationships, and for the poor through paternalism

and charity. Charity and paternalism were a production of the interaction between employers and the conservative criticism.

The second spirit of capitalism is dominant at a period marked by large integrated firms with salary directors. The firms are called managerial firms. It is a time of big industrial companies, mass production, in the context of Keynesian state economy policy. The different promises, the content of the spirit of capitalism has completely changed. This time the excitement is provided by career opportunities, success to power position. Security is achieved through mechanisms both inside and outside the companies. At that time in management, people were saying that it is very, very important to have a good welfare state so that you can dismiss people and they have still security. So all the employers were quite happy to pay for that and they felt it was normal to give security. And at the same time they tried not to disemploy too many people. You had a social agreement on security with the state and companies. And the fairness was no more a fairness based on loyalty and obedience but more on effectiveness and with a special management practice which is management by objective.

The third spirit - which is still the one in which we are- is associated with a different stage of capitalism, with firms organized differently, more in network; new fields of business appeared like internet, biotec, global finance. What are the promises of this new spirit of capitalism? Firstly, what is exciting in this new spirit of capitalism? the promise is that you have no more authoritarian chief; the organization became fuzzy. You get a promise of personal flowering thanks to the multiplicity of contacts, jobs, and projects. The work is supposed to be more innovative and creative than before. Permanent change, creativity, innovation are supposed to be very, very exciting. Actually it is more exciting than the old hierarchical order. It is one of the main advantage of the new spirit of capitalism.

As far as the fairness dimension is concerned we have described a new form of meritocracy which is no longer based on efficiency but more on mobility, ability to nourish network, adaptability. It is not so much to be efficient. It is also to be adaptable, to be able to change job. What is also valued are the communication skills which were not so important before. These are new criteria to organize a hierarchy inside the companies. Another side of the promise of fairness is the promise of employability. If you listen to the management discourses they say, you live in permanent change, you have short term projects. This means that you are employed for a short term project. Then you have to go back on the market, find a new project. This is very exciting because you can change a lot. They say, it is not unfair at all because each time you have a new project you can develop your own employability, that is your own ability to find a new project. If you don't change, you are not going to develop your employability. That is why this new world is supposed to be very fair. That's the new promise. Of course, you laugh at it. Why? Not because it is said because, of course, it is a nice solution to give security with mobility. But the problem is that we don't know how to develop instruments just to be sure of developing employability. We are not sure that once the project is finished we will be more employable than before. We have no management instruments to secure that promise. We have no collective bargaining on that. It is almost only starting. So it is very difficult to get sure that this promise is effective. Nevertheless, such is the discourse. One of the things one can do is to ask for the employability to be real, to have a real development of employability. In France if you look at the few evolutions we had in the labor law, you will find some evolution on education all along the life. In France traditionally you have a diploms at the end of your studies which is the only diploma you will have in your life. And this diploma will be determinant for all your life. At your twenties, when you finish your studies, either you have a good diploma and have a chance, either you don't have and you'll suffer all your life from this lack. So we tried and developed new ways for people to go back to school, to give them education, and validate formal diplomas for competency, taking into account their professional experience. These are new regulations. These changes are not enough at all. But it is one direction which has been taken.

As far as security is concerned in the new spirit of capitalism, the promise is very, very bad. Because the security is not secured by the system, actually the security is only for the mobile and the adaptable. If you are not mobile, if you are not adaptable, if you have not enough competencies to live in a permanent change, with short term contracts you will not survive. It is a little bit ironic, but they promise to give you some resources to help yourself. In order to succeed in life you have to manage yourself as a company. Do not wait for anybody to help you. You have to take your destiny into your own hands. The new spirit of capitalism is very, very weak on the security side. So it is one of the problems.

If we go back to the three stages you have a change in the spirit of capitalism according to the changes in the economic life. For example the companies adapt to follow the new possibilities offered by IT. But in the book we insisted on another kind of causality, that is change according to the nature and strength of the criticism to capitalism which compels it to develop justification. Because if the real capitalism is a compromise between the pursuit of profit, of accumulation, and what is necessary to commit people then the kind of demands which are addressed is important to take into account. If you want to commit people in a period of strong criticisms, you have to answer these criticisms. If not, people will not commit. They will listen to the criticism and say, that “it is unfair, insecure”, that “this system is disgusting”, “I am not going to work there, I am going to invent something else, but I am not going to commit myself”. So that is why companies need to answer criticism. Criticism is not always related to the state of economic and social life. It has an autonomous history. Sometimes you have new problems which are treated in the criticism not because the problem is new in real life, but because it is time for criticism to address it. Criticism is not only a mirror of the problems inside capitalism. It has also an autonomous history.

The development of the first spirit was made by the recuperation of the propositions of the conservative criticism, the development of paternalism, of nationalism, and of welfare association between employers and workers. This developed after workers’ great strikes of the end of the 19th century. Development of the second spirit was mainly made by recuperation of the propositions of the social criticism with new institutions like the welfare state, collective bargaining between employer’s organization and trade union, control by the state of the allocation of the value added, planning, budgeting control after the economic and fascist crisis and the Second World War. The development of the third spirit was made of recuperation of the propositions of the artistic criticism with individualisation of performance evaluation, careers, reduction of direct hierarchical control following the 1970’s crisis which was not so much an economic crisis at the beginning, but a governability crisis because of social unrest. Now the idea is that we are facing a renewal of the social criticism because of the extreme lack of security offered by the capitalist system. In France the social criticism is presently quite strong, especially in the extreme form and you have also a surge of the ecological criticism. My hypothesis is that the new changes of capitalism will be made of some kind of recuperation of these two criticisms/

At each period you have a compromise between capitalism on the one hand (accumulation, wage earning, commodification) and the different criticisms. The conservative criticism made the first compromise with the first spirit. Then the social criticism made the second spirit with still the influence of the conservative critique. And then the artistic criticism made the third spirit. This is not the end of the story. We have to count now with the ecological criticism.

Robert Misik

For sure we are not at the end of the story if we talk about capitalism. On the one hand you have this kind of social criticism. One can say it made the capitalism more just through involvement of trade unions, Fordism, etc. How can we tell this story? We can tell it as the story of a compromise between capital and the working class. On the other hand you have the artistic critique. For the majority of the people it brought more freedom but less security. And freedom without security is

a more or less disputable freedom. Would we really tell this story as the story of a compromise? I am sure we would not. Is the artistic criticism something of a useful idiot of the capital?

Eve Chiapello

I don't think so. I think that in some ways it is the same kind of compromise but on different subjects. A lot of things which have been demanded by artistic criticism were given. You had a real progress with for example a less authoritarian working-place. People have also more opportunity to change which was one of the demands of the 1970's. People used to start at the beginning of their career in one job and stay stuck to that job all their career. They wanted to change, to be able to move, to be authorised to change company.

Robert Misik

Also to change lifestyles.

Eve Chiapello

This has been given. Also people wanted to use more of their abilities in the working place. They wanted to use more their emotions and their innovative skills. So they agreed to the change. It was not so clear at the beginning that they could lose something. They wanted to be more autonomous. This has been given in some ways, but not to everybody, only to the ones who could support the insecurity coming with it. This was a compromise because it has not been given completely. Now you can use more your emotion, your innovative skills, but you have to use it in the production system. You have to put your emotion in the productive system. In some way, you are more exploited than before because the capitalist system uses part of your humanity which was used before. Again, the demand has been satisfied partly but not totally. At the same time something has been lost, not for everybody, but something has been lost which is security for a large part of the population, for all the people who have not the ability to change all the time. They are not accompanied as they should be, as the ideology says it should be in order to face the situation. These people have not more freedom but a precarious life.

Robert Misik

You said the companies take a lot more of the emotions of the people. What is this kind of spirit of capitalism? What does it say to the individuals? It says be creative, be an autonomous, developed person all the time, 24 hours a day, be something special, don't be mainstream. Do you have the impression that this is a lot more stress to people than fifteen years ago?

Eve Chiapello

It is not the same kind of stress. You have the obligation to be performant, to be always at the top, innovative and so on. But one can imagine that you had another kind stress before which was related to more authoritarian work relationships. Something which is important in the new spirit of capitalism is that it is more difficult for managers just to command and give orders without explaining. They have to explain, they have to negotiate. Sometimes they even don't have hierarchical power. They are "coach" and not "chief" any longer. Before you had somebody on your back all the time giving you orders and so on. This is kind of stress which is supposed to be less common. But you have a new kind of stress because you don't know who is your chief, who is going to evaluate your work.

Robert Misik

And what do I have to do to be special every day.

Question

My question is concerning the future capitalism. Because of the technological revolution we are able to produce ten times more with ten times less people. And the end result is that you don't

have any more consumers because they are out of work and cannot buy the products that capitalism is producing. At the end of his book he says that there probably will be a huge implosion of capitalism, the whole thing will break down. I would like to know if you could comment on that. Do you think there will be a complete breakdown of the system or do you think it will continue or modify itself?

Eve Chiapello

The future is always surprising. I think you described one of the main problems our societies are not addressing and I am not sure we are going to address it very strongly in the years coming which is exactly what you say. Our system needs less and less people to produce more and more. And the problem of lack of work is getting stronger. This is not directly a problem of wealth repartition: we only need less work to produce more wealth. One of the problems we have is that our social welfare, social security is based only on work and the fact of having a job. What happens then when you have less and less work and less and less need of people working for production. This is a big problem that nobody wants to address. Nobody can address it, maybe. I don't know. It is no more possible to say that we are going to employ everybody with the productivity rate we are able to have nowadays. The planet, the world would explode because you would produce too much. We don't have enough natural resources to produce with the level of productivity possible nowadays and to give a job to everyone who needs it. There is a big contradiction between the natural resources you have, and the need to give employment to everybody. That is why I said that the ecological criticism is one of the main things we have to take into account if we want to look at what is going to happen. These questions are going to be stronger and stronger. I have no solution. But we have to play with that.

Question

What I noticed in the last ten years, and it is also very strongly supported by the European Union, is the increase in this competition paradigm. It is getting worse from day to day. I can really see that there is an acceleration. This has, of course, effects on the health of the people. Depression and other psychosomatic diseases are rising also because of this fear of the future and insecurity. This competition is not only happening locally, it is happening globally. So that is planning a new kind of society, a new behaviour. The whole social system is changing due to that. Do you see that there will be some falling apart of society because of that? What is your idea about this?

Eve Chiapello

You have different kinds of illness and different ways to destroy your people according to the stage of capitalism. So you have new kind of stress and mental diseases. Our society has more and more people who are put aside: too many are not inside the system, and stay outside involuntarily. We can also notice at the same time that more and more people step voluntarily outside. I would like to study these behaviours. More and more people who have diplomas and competencies, who could struggle and go into the system, decide to stay outside, to benefit from the state and to invent new ways of living. Many cannot follow and are excluded because it is very difficult to include them in such a competitive world. Others don't want to enter in. In the end, we have a society which is broken in two parts. I don't know how long we can stand that. I know that a lot of people are denouncing it, are trying to convert that problem into a real criticism, are trying to voice it.

Question

How do your students react to your lectures? I am assuming that they are very enthusiastic about the excitement aspect of the new capitalism. I am even assuming that they are interested in what you call this coaching aspect that managers have to be able to do. But what about the fairness and particularly what about the security aspects which you approach? What do they say about that?

Eve Chiapello

First, some of them have, which is quite strange because they should not be fearful, have internalized the insecurity even for themselves. It is a pity because they should not be insecure : if they are insecure, everybody should be it! But in some ways they have internalized this aspect. Still I am quite optimistic. I have been there for fifteen years. Fifteen years ago you had no activism. You had only sports associations and no humanitarian associations. Now we have again on the campus political associations, debates, and a lot of humanitarian associations. And we have even an ecological association, an homosexual rights association. It has completely changed over the last fifteen years. I think that it is symptomatic of the young elite. The young are thinking about the state of society. They feel it cannot go on like that. I think this movement is growing slowly but surely. Moreover, at least half of a generation of students receive what can be called an education to development: they spend voluntarily three months in a developing country to help on social projects. These initiatives doesn't change the world directly but the students see something else, they discover different problems. I hope this is going to change in the long run their behavior. But I am quite optimistic for the youth.

Question

My question concerns the range of criticisms that you presented, conservative, social, artistic, and ecological. What would you say about current criticisms of mainstream Western capitalism which are uttered in the name of religion or of traditional cultures outside the Western dominant world? Would you say these are the current versions of the traditional conservative pattern of criticism or is it something that is outside the range of these four types of criticisms? For example, if you have Islamist movements criticizing mainstream Western capitalism in the name of religious virtues of Islam is this for you a new version of the old conservative criticism or is it something different? The second question is a theoretical question. I was very much fascinated by your explanation of the history mainly of the 20th century as being a history of compromises between the needs of capitalism and the needs to react to these kinds of criticism. I would like to learn more about how these compromises are negotiated. Who is the negotiator identified with capitalism who says we can adjust to these criticisms that far so that the system is still viable and people would like to stay integrated? If you think about these models of forming a compromise, of course, one of the questions would be what would be the alternative of those who think the compromise offered so far could not be a just compromise. I would like to learn a bit more about that.

Eve Chiapello

I don't know enough about the rhetorics of the Islamic movement. It seems to me that it is not so much a criticism of capitalism. But I would really work on the subject carefully in order to find out. Probably one can find there some ideas which are close to the conservative criticism but probably other things. I can't really answer this question. To the second question, I have understood that you have an interest about forging a compromise, who negotiates.

Question

What alternatives would those have who don't think the compromise is fair?

Eve Chiapello

If we think the compromise is unfair, what can we do? Criticize! What is criticism doing? It produces ungovernability and so it contributes to the emergence of a crisis. This is the first way you can act. In the 1970's that was the criticism which produced the ungovernability. In the former crisis it was more an economic crisis, in the 1930's. Once it is ungovernable, of course, employers and governments have to find a solution and they have to negotiate. The second role of criticism is to produce ideas and reforming ideas. They can be innovative and should be innovative. Because most of the time the reforming ideas are coming from outside the economic sphere. For example in the 1970's they used a lot the ideas coming from selfmanagement. The employers were

completely opposed to it at the beginning of the period because they felt they didn't want to share the power in the working place. But then people kept on saying: "we want self-management, we want autonomy". And finally they said "okay, maybe". And they went to Yugoslavia for example. The employers came back and said that it was not so bad "they have workers who are committed, maybe we can use this solution". This is a second thing that produces criticism: the critics try and invent another kind of life, experiment even if these experiments are not going to live very long. Critical movements are places where the society is inventing new social organisations. And when these things exist they can be taken on board by companies and governments. If you do not agree with the state of the world you can criticize and give more insecurity to companies in order to force them to listen to you and to answer your questions. Or you can try to find new ways of doing things. If you are part of the elite, you are what I call the reforming elite. This elite try and experiment new ways of doing things.

If we go back to your question of who is negotiating you don't have really a negotiation. You could have negotiations after the Second World War compromise when we established, at least in France, collective bargaining within the employers, the trade unions, and the state. But what occurred during the transition from the second to the third was not following a process of bargaining. They experienced the crisis and they tried with the old solution of collective bargaining to overcome the crisis. They increased the salaries. They did all what they used to do, but it did not work. People were still unhappy, they were still on strike and so on. They did not want to share the autonomy and the power in the working place. But they started to listen carefully to the demands. They started hiring consultants who gave advice to companies. They settled new experiments. These experiments were shared in employers organizations. They had conferences to exchange ideas. Some were explaining the new organisation of work they tried and the result they had in terms of commitment and reduction of social conflicts. It was a process of innovation, not really of negotiation. The ruling class tried and found a solution to their problems. And they shared solutions. At the beginning they did not know what these solutions will be like. Then they copied with the help of ex-critiques who changed their jackets and became consultants.

Question

I really like your model. But if I look at the capitalism requirements it is just a question of compromise and organization. In my view the capitalist state is rather important for this compromise and this could be the agent. How do you adjust the state in this capital organization? If you just look through your historical evolution process I think the state is quite important. Of course, it is changing with the spirit of capitalism. The organization of state is also either as a welfare state or now as an international neoliberal governance state, however you call it. Could this be the location for this forging of a compromise? Again looking at this capitalism requirements I would say it is not only accumulation, wage earning, and commodification it is also reproduction, the reproduction of the population.

Eve Chiapello

Of the capitalist class? Reproduction of what?

Question

The reproduction of the whole population, caring of children, of elderly, whatever. How would you integrate this in the historical evolution and also in your criticism? Because there has been a lot of criticism targeting on this form of organizing the reproduction of society, of inequality between men and women. Of course, this has also been nicely integrated as you showed always in new forms of capitalism and the spirits of capitalism.

Eve Chiapello

Actually the state is always there because the compromise relies heavily on the law, especially on the kind of labor laws that you have. This is why I talked about the new law education all along the life. So the state is always there to make the compromise more or less stable. You cannot have any second spirit of capitalism without the Keynesian state, without the statistics of national accounts. Of course, the state is changing at each stage. In the first period you had a very liberal state which is not intervening a lot. That is why the only security you had was based on the good will of employers. It was not only a good will actually as they also need to keep their labor force close to factories. But the role and the form of the state has not been theorized in our model. The state is changing according to the spirit of capitalism. The spirit does not only rely on management techniques, but also on state regulation.

Now your reproduction question. One of the problems with our book is the absence in the story of the ecological critique. The other problem is the same absence of the feminist movement. We thought it was very important to look at the feminist movement. But we did not put it in the story. Just one story: we read some employers' reports written during the social unrest of the 1970's. Think tanks were looking at the problems of all these people who did not want to go to work. It was a big problem for the economic elite of that time. In one of the reports, we found out the following ideas : they said that they had problems especially with immigrants - it was just the beginning of the strikes of immigrants. Before only qualified workers were going on strike. But the new situation for employers in the 1970's is the strikes of non-qualified workers, mainly immigrants. So they could not rely any more on these people to do all the the bad work. I just explain what we found in the report. One of the solutions the employers thought of at that time was that maybe they should rely on women instead of immigrants. Probably they would be more loyal. But if we wanted to rely on women, they had to change the organization of work because the organization of work is not compatible with reproduction. And they had to give things which they were not ready to give before like part-time employment. At that time part-time employment was seen as a progress. They implement flexible schedules especially for women. One of the main rationales for employers to shift to flexible schedules was to commit more women. It is a very interesting thing. Sometimes in reports, you find like that very clear things which show that the history reproduction can be taken into account. First, the women were excluded from the production sphere and you had a sexual division of work. And once, at least in France, they decided to involve the women, they decided to change the organization of work. This put light on the reasons why the trade unions had so many problems with this shift. Because a large part of their base were proponents of this change.

Question

My question is about this big group of one-person-enterprises. A lot of them followed your artistic criticism and work on a self employed basis, not having a boss, being creative. A lot of them are also being pushed into this position, working on a self employed basis. In the European Union 60% of the companies are one-person-companies which means they are compulsory members of the traditional employers organizations. So their representative of interests are the economic chambers. You have a compulsory membership. Who could be a big force, or a big organization, or a lobby to formulate criticism for these big group? They cannot organize themselves because they are working individually.

Eve Chiapello

In France one of the trade unions has developed a new membership track for these people saying that they are not employers. Maybe this is a new way of looking at wage earning condition without the security of the wage earning condition. Of course, you have to invent a new kind of organization that gives a voice to all these people. But the problem is always the same : the problem of collective action. Who is going to pay the cost for the common good of everybody? It is a general problem. You have the same problem for the workers. It seems to you that it is not the

same problem, but it is always the same problem to have people putting their force together in order to defend their interests. I am not sure if these initiatives towards independent workers are very successful, but at least this is the kind of things trade unions can do.

Question

We do also have initiatives, but not a really big lobby with force.

Eve Chiapello

Independent workers lack resources because they are small. Collective action requires resources, and time. One option is to play with the media. In France, for example, we had this social movement about internship. It is almost worse for them than for self-employed people because all these young are compelled to get internship after internship during years without being able to step into the core of the wage earning condition. Using IT technology and mastering the media, these militants succeeded with only 25 persons mobilized to get some change in parliament and in the law. They have a very good mastering of the media and of the internet. For example, they organised one demonstration where you had more media covering the demonstration than people on the streets. Actually there are a lot of internships in the media. Life is very precarious in the media! And so they knew the rules and how to make journalists come and write about them. After only one year of activism they succeeded in changing the law in France which is not enough according to them but still a big success for only 25 people. Another way of acting is to take as an enemy a big company which is successful. You take one of the big companies which are sensitive to their image and you start a scandal. This is another way to do the activist job nowadays.

Question

My question is about the development of your model due to the recent acceleration of the globalization in the international economy where you have an increase in perhaps conservative criticism of capitalism again that can be openly nationalist, or racist, or anti-semitic. On the other you sometimes even have a fairness proposal in your model by the proponents of free trade, capitalism which is saying that free trade is creating more growth, more jobs in developing countries. Do you think there is a change in the strength of certain capitalist criticisms due to these changes which are brought by the globalization and the movement of jobs, the movement of labor, the movement of goods? You have an anticapitalist criticism that can be racist, and nationalist, and antisemitic which is on the rise. You can see that everywhere in Europe, Eastern Europe and Western Europe alike. So there is this conservative anticapitalism that you notice which is on the rise. Do you think there is a change in the response due to that?

Eve Chiapello

Can we prevent the bad side of the conservative criticism to come back? When you listen to their discourse often, you have to admit that they address problems very toughly whereas more democratic movements do not treat them directly. I am not praising of course their solutions. But at least they address important problems for the people. And often democratic parties are not addressing the problems. Think about France. I remember one of the elections of Jacques Chirac. He did all his campaign on "la fracture sociale", the break of the society. He was really elected on that. The people felt that somebody was finally speaking with truth of the real problem. But then he stopped talking about that and he stopped trying to solve the problem. One of the things which makes the extreme right successful at least in France is that they keep on talking about that which is one of the biggest problems we all have. You have to know that in France almost 40% of the people are in great difficulties as far as their economic insertion is concerned. You have first people unemployed and living on the social minimum, then those who are working part-time without being happy of working part-time, and all those who are working in a precarious status. It is almost one half of the population who is living in that situation. Who is talking seriously about that? The extremes, the extreme right and the extreme left, they are talking about that. If you are

not talking about what is really important to people, you should not be surprised of the growing audience of the extremes.

Question

I suppose my question is this version of anticapitalism which you just mentioned regarding France but which is as well present here in Austria or in Germany. It seems to be much more vigorous in its response than the left wing or the unions. What could be a new spirit of capitalism that incorporates this kind of critique, this kind of nationalist, racist critique rather than ...

Eve Chiapello

rather than ecology? That is a risk. We can imagine a future which would be made of that. It is one of the possible futures. But at least in France, in the economic field, we are not going in that direction. If I look at the last initiative from the employers organizations: it is an initiative to fight against discrimination. So they go exactly in the other sense. The first signing were only 100, now there are something like 700 employers who declared to commit against racial and gender discrimination. It is only a commitment, not an agreement. For the moment, at least officially in companies, I don't see something like a racist policy coming. I see much more the reverse. The risk would come maybe from the political sphere.

Robert Misik

Thank you very much, Eve. Thank you for your patience. Ich freue mich, wenn wir uns bei der nächsten Reihe wiedersehen und danke fürs Kommen.