

A due memory of Paolo Giussani

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I met Paolo Giussani in 1994 on the occasion of the presentation of an old Italian left-communist Danilo Montaldi's book in Milan. Arturo Peregalli, whom I attended during the preparation of the book, introduced him to me. Paolo appeared dawn of the hall and immediately disappeared. After the conference, Arturo and I founded him at the exit and drank together a coffee in a nearby bar. Since then we have become friends and immediately I was fascinated by his way of seeing things. His proposal was simple: analyze economic phenomena (and not only) through the scientific method. That's all. The aim was to have as clear as possible the ideas on what is happening in the dynamics of capitalism without always resorting to the poor revolutionary phraseology of the ideologues of Marx; that is, the Marxists, so I entered the discussion circle that Paul had organized with few people. This attempt was not new. Already in the 70s Paolo Giussani was the animator of the magazine *Lavoro teorico* (Theoretical Work) whose title shows the ambitious goal for those years to stop the frenetic leftists agitation, reflect and deepen the dynamics of capitalism an indispensable operation for those has the ambition to overthrow it. Five issues of the magazine *Lavoro Teorico* were published between December 1976 and November 1978 and Giussani's critical article "Keynes's theory" was published in issue 4; in which Paul Mattick's point of view expressed in his famous book *Marx and Keynes* is evident. (mistranslated said Paul). Still young while studying at high school Paolo was one of the leading figures on the occasion of the first student turmoils. Later he enrolled the Faculty of Philosophy at the State University of Milan, a faculty that was "tight" to him, as he confessed to me several times, since he loved scientific studies, and like all the young people of that time he approached the Student Movement but without having no active role since immediately felt the need to deepen his studies while remaining on the same side of the barricade. He confessed to me years ago that he joined the Gramsci Group but without any political ambition. Once he graduated, he moved to Paris for his PhD at the *École des Hautes Études en Sciences Sociales* (EHESS) directed by Charles Bettlheim and it is here that he finds fertile ground for his economic studies and for the advanced research that involves many young Marxists from all over the world. Paolo knows many young researchers but was important that he immediately entered an environment made up of scholars who rely on empirical research as a working method. After his studies he was immediately noticed by the circle of American Marxists because he regularly attended their summer conventions in New York. After meeting Anwar Shaikh, Paolo taught courses on Marx and Sraffa at the New School for Social Research (NSSR) in New York in 1982 in which many young Marxists attended and later remained in contact with him fascinated by his theses on Marx's theory of value and crises.

Paolo Giussani never idealized Marx's theses and although initially he had embraced the theory of the tendency of the rate of profit to fall, in vogue at the milieu of English-speaking Marxists, he wanted to emphasize that he refused its ideologization considering it a fundamental thesis but that had to be verified empirically and above all scientifically demonstrated. In March 1980 the first issue of *Plusvalore* was published with the aim of giving continuity to *Lavoro Teorico* but with higher level contributions, in fact in the introduction, certainly written by Paolo, it is specified that the magazine collects and disseminates "significant contributions in the sector of economic theory, with particular reference to Marxist economic theory "as it "covers an area still deserted "- and in my opinion still today deserted - "not only in Italy the discussions of economic theory are generally rare and of not excellent level, but in particular, Marxist-inspired economic theory is almost non-existent".

Even then Paul cared a lot to emphasize that "Plusvalore hasn't and must not have a univocal line" attitude that it will maintain in all its activities. Twelve issues of Plusvalore were published and the magazine closed definitively in May 1995. I had time to attend the editorial meetings for the latest issue by proposing the excellent article by Andrew Glyn "The capitalist nations advanced in the 1980s". When was out Plusvalore n. 5 was also born the Center for Political Economy Studies (CESEP) which organized courses in Political Economy and the publication of working papers useful to finance the magazine which was however purchased by a limited number of people. Paul since then showed his pessimism for the diffusion of such advanced material in a country with a provincial tradition where ideology and vagueness was dominant. It must be admitted that Paolo Giussani did many attempts to try to move and above all raise the theoretical debate in those remnants of the residual extra-parliamentary left of the 80s and in some extremely volatile national academic areas that have happily gone from a watered-down Marxism with Keynes to an open support for globalized capitalism which expressed its power thanks to a relentless propaganda. Also in the 1980s, with the support of Arturo Peregalli, the Henryk Grossman Club was born which brought together militants from the Communist left and other declining formations in Milan. Paul was the animator of the encounters with his reports and the empiric evidences he constantly procured. Naturally the common denominator of the discussions was the theory of capitalist crises with particular regard to the Tendency of the rate of profit *to fall* as it is exposed by the Marxist theorist, to whom the Milanese circle is entitled, in the famous text *The Law of Accumulation and Breakdown of the Capitalist System*. In the same times the Theoretical and Political Initiative Center (Citep) was established which in 1988, with the collaboration of the Karl Marx Center in Piacenza, organized a conference in Milan on "the need for the crisis", whose interventions were then published in the "Prices, values and profit rate" collection of articles published by Pavone, Piacenza 1989. In this book Paolo Giussani, who then collaborated with the Institut fur Sozialforschung of Hamburg, published "La teoria della caduta del saggio di profitto" (The theory of the fall in the rate of profit) in which there is a critical review of the theory of the fall suggesting a way to a rigorous reformulation of Marxian law that was always mistreated, when it was good, if not completely ignored by leftist braggart. Unfortunately, as always happens, when the ultra-left sects meet, they do not miss an opportunity to immediately start the disagreement and political controversy with the usual goal of taking supporters. Propaganda as a fundamental political activity is the tumor that sinks any intelligent initiative. The Grossman Circle died amid a thousand controversies. But Paolo did not give himself up and, as we have seen, in the early 90s he reconstituted a circle of discussion at the headquarters of Democratic Medicine, this time without the usual militants ("militonti" as we called them) of ultra-minority micro-parties, and I remember that in September 1992 when was over the special issue of the *Review of Radical Political Economics* on "participatory economics" there were many discussions in the club on this topic.

At the meetings we discussed the articles in the magazine with particular attention to Michael Albert and Robin Hahnel's "Socialism as it was always meant to be", a sort of summary of their 1991 book *The Political Economy of Participatory Economics*. The initiative was interesting because no one had ever ventured to briefly describe the content of socialism, that is, what the crudest Marxists called "ricette per l'osteria dell'avvenire" ('receipts (Comtist ones?) for the cook-shops of the future'). The questions were not lacking especially when we started talking about the abolition of money and the problem of distribution but the fact remains that Albert and Hanhel had the advantage of giving meaning to a company managed directly by workers both in the production phase and in the distribution of goods through the organizational forms of the councils (without thereby labeling it with the usual criteria typical of the Italian left). At the same time, Marxist economic theory courses were held in 1991 on the most varied subjects. In the meantime Paolo

Giussani continued to have solid contacts with many Marxist economists known in New York conventions and later on the occasion of his economics courses held at the New School of Economics in New York. A sort of international study group was born, which met periodically in summer in Italy, formed by Guglielmo Carchedi (from the University of Amsterdam), Alan Freeman (from the University of Greenwich London), Diego Guerrero (from the Complutense of Madrid), critics was Andrew Kliman (of Pace University Pleasantville, NY), David Laibman (of Brooklyn College of New York) and others in which many interventions emerged on the TSS or the interpretation of Marx's theory of value according to the Temporal Single System, practically introduced by Paolo Giussani who had repeatedly wrote on *Plusvalore* on the subject¹. Later Paolo himself confessed to me that the TSS had become a new ideology to be used in political controversies and that he had become aware of many forcing made at that time to stubbornly support Marxist economic theory.

In the early 1990s, I organized a national conference on Paul Mattick at the Calusca bookstore in Milan, to which the editors of *Collegamenti Wobbly*, *Plusvalore* and *Laboratorio Staorico* were invited. Paolo Giussani made an excellent speech on Mattick which then turned into the article "The Limits of a Mixed Economy and the Accumulation of Capital in Our Times," published on December 1999 in *International Journal of Political Economy*, vol. 29(4.). In which Paolo showed, in my opinion, that he is perhaps the greatest interpreter of Mattick's theses in Italy from the 80s. With this intervention, Paolo made available an analytical contribution of the theses expressed by Paul Mattick in his most famous book "Marx and Keynes" in which the myth of Keynesianism, an ideology that spread in the 1970s, is definitely dispelled. Giussani with this article then intended to demonstrate the importance of speculative dynamics in end-millennium capitalism by helping to complete Mattick's criticism of the Keynesian illusion. No one at that time, much less the Marxist *gurus* then in vogue, look at the issue of the progressive expansion of speculative finance and Paolo Giussani was a pioneer in the analysis of this topic.

In November 1995, the LUMHi - Free University of Milan and its Hinterland, Franco Fortini- was established at the Calusca bookshop and Paolo Giussani was the most active scholar in this initiative by organizing a series of lectures on Marx's *Capital* and later on crisis theories by presenting the various hypotheses present in the debate between English-speaking Marxist economists at each meeting and distributing extremely refined material (also empirical unknown in Italy) on the subject to be discussed. In the meantime, *Plusvalore* ceased publication due to obvious economic but also logistical problems; few copies are sold and the lack of interest in the Marxist economy is rooted and difficult to overcome. Paolo told me that economics is a dismal science and people prefer the "complicated superficiality" of the hacks that are still in fashion. I insisted and always tried to convince him to carry out initiatives beyond the discussions of the old club. In fact, during the 1990s until the new millennium, the Discussion Circle saw the participation of an increasing number of people.

Paolo's reports ranged from the most varied topics but the defendants had to study the material distributed from time to time to encourage discussion on the subject in question, thus avoiding the usual panegyrics of the "militonti" who always intervene disproportionately given their abysmal theoretical lacks. In fact the meetings were advertised enough to attract the small groups who sent someone to check that a new small group was not competing in a market that was by now miserable. On the presentation of No. 1 of *Operai Contro Notebooks* at the Calusca bookstore,

¹ Interesting on this topic Dave Kristjanson *Effective Demand and the Market Price of Production: Towards a Marxian Theory of Price Dynamics* on line <https://libcom.org/library/iwgv-t-abstracts-marxist-humanism>

Andrea Vitale made harsh criticisms of Giussani and others' views, trespassing in offenses as well as reporting gigantic lies on the account of those who were targeted (Gianfranco Pala and Gianfranco La Grassa)².

Paolo and I went to Primo Moroni (the library Calusca manager) to ask for a public discussion with the above mentioned Andrea Vitale. The public debate was held on 23 January 1998 at the Calusca bookshop in Milan. Unfortunately there was no mediator in the library for which Operai Contro imposed a member of it. We would never have suspected that we were experiencing some sort of nightmare. Paul tried to explain to the defendants his point of view on the crisis and the general economic situation by contesting the horrible offenses, in pure Stalinist style, advanced in their article and in Vitale's intervention. Of course, as always happens, verbal attacks started from the supporters of Operai Contro can turn into physical attacks. Paolo, I and others have left the all and promised ourselves that we no longer have anything to do with certain people. In the past, the same thing happened on other occasions when we confronted some of the left-wing "generals with no army".

We decided to limit our discussions with those who were open and available for comparison and possibly in a small number and really interested. I can only remember another intervention that Paolo made in Calusca, always because of me that I constantly pestered him, on the theory of globalization of the economy that was very popular at that time. Paolo prepared that conference, like all his speeches, with extreme seriousness and in-depth analysis by collecting a huge mass of data and starting from the article "Empirical Evidence for Trends Toward Globalization (the discovery of Hot Air)" that appeared in English in the journal of Paul Mattick Junior *International Journal of Political Economy*.

After his detailed intervention, in which he had unquestionably shown that international trade was less developed than in the 70s and foreign investments concentrated within the more industrialized countries, a hand was raised and a "genius" intervened reporting a news item read on a weekly magazine on the export of a company's textile machinery to Tunisia. Paolo turned towards me as if to eat me alive, given my insistence on organizing the conference, and went away disconsolate. Since then he refused, rightly to do things like that ... but we did others with very similar results. In 1998 Paolo Giussani wrote some items in *The Dictionary of Marxist Thought* edited by Tom Bottomore and Laurence Harris.

With the disaster caused by the attack on the Twin Towers of 11 September 2001, Paolo immediately realized that we were at an epochal turning point worse than the collapse of the Soviet system in 1991 that generated so many illusions in the most radical environments of the left. In practice, the political and economic system of the much mythologized United States was at a turning point: rampant financial speculation was associated with a kind of coup d'état of the Pentagon that will bring the Lobby to "war" initiatives in pure speculative style as a system has now imposed finance system that now dominates all social relationships.

What Paul called the "struggle of all against all" begins - "all speculate no one speculates" - and all possibilities for workers to become independent of capital are exhausted, the process of their deintegration is completed and we are faced with a new situation economic and political that naturally need to be dissected as anatomopathologists do. Basically we have to apply the minutia of natural sciences again as Marx indicated in his introduction to *A Contribution to the Critique of Political Economy*. We decided to open a website titled Countdown studi sulla crisi in which to put

² For more information see OPE-L list at <http://gretl.ecn.wfu.edu/~cottrell/ope/archive/0205/0038.html>.

articles of various kinds that go against the current clichè. He did not want to insert any article of his and none of the editorial staff of the site that is still active today and his address is <http://www.countdownnet.net/>.

Paolo Giussani's most recent research shows in-depth levels on the banking system, credit and interest, to then range on the decline in investments despite the increase in the mass of profits of the corporations that will lead Paolo to stand out also in the panorama of Marxist economists who they were close to him. It was hard but extremely correct in clarifying that what criticized were the positions and not the people, but unfortunately it often ignited the controversy reaching the limits (even with me). The last initiative before the illness was a conference in Milan at the Odradek bookstore, with a large presence, on the international economic situation and the birth of a new discussion group which unfortunately met a few times. At the same time Paolo Giussani held a critical reading seminar on the latest book by A. Shaikh *Capitalism. Competition, Conflict, Crises*, in which he held real lessons in economic theory starting from the most important chapters of the volume.

I will miss our discussions walking through the park avenues after having a coffee. We talked about everything and Paolo had stratospheric knowledge in various fields; he ranged from political economy to music, was a Mozart maniac and did not accept other classical music composers. Rock music then... I tried in every way to make him appreciate it but it was all pointless, then I discovered that he loved the Beatles and had purchased the box with all their records and was an admirer of the Neapolitan music. As for movies, he loved old Japanese films and new proposals from Korea, China, Argentina etc. Italian cinema, with good reason, despised him a lot. Paolo was an Inter diehard fan especially at the time of Ronaldo the phenomenon and at that time we played football with others, and Paolo was a good player.

A few days before it got worse, I went to see him at the hospital and we chatted for more than three hours. He told me that he intended to write a small essay on Karl Marx's *Value, Price and Profit* and intended to resume seminar meetings on Daniel Campos's book "Toward a Theory of Crisis" he was convinced he could overcome his illness.

I would like to conclude by reporting a beautiful sentence sent to me by e-mail from one who attended our discussion circle as a young man:

"Paolo has represented a lot in a certain phase of my life and has always had the rare advantage of knowing how to communicate by providing a perspective that, at least for me, was always a surprise: it allowed me to see the world with different eyes and pushed me to think differently of many things that I took for granted.

I spent a few months with him - maybe you didn't know - in London ... surely it wasn't a serene soul but I also often saw him smile and when he smiled, with his characteristic mouth, his face was transformed into that of a boy ... extremely bright. I have this very vivid image in my eyes.

I remember well our periodic meetings of the group to which, if I am not mistaken, Paolo had given the nickname of the Last Supper ... And actually, besides chatting about world issues, economics, politics, on some occasions we were also pleasantly all together granted dinners.

I hope these few words are not considered empty and a bit melense I know that Paolo did not like this kind of thing ... but I felt like writing to you because this is my memory and I wanted to make you participate.

Each of you and all together have in my memories of the time a precise and important space. Another hug to you and to all those who were lucky enough to meet Paolo”.