

In Conversation with Yanis Varoufakis

Teresa Turkheimer

As a theorist, economist, politician, author, and co-founder of two transnational democratic and progressive movements, Yanis Varoufakis is a political Renaissance man who has captured some of the main social, political, and economic movements of our times. He catapulted to fame as Greek finance minister in 2015 where he displayed a strong opposing voice to European powers in a time of turbulent financial crisis. Varoufakis has continued to be a leading voice for change. In 2016, Varoufakis co-founded the Democracy in Europe Movement 2025 (DiEM25), and in 2020 he co-founded the international organisation Progressive International. Currently, Varoufakis is a member of the Hellenic Parliament in Greece representing MeRA25, The European Realistic Disobedience Front, an electoral branch of the DiEM25 movement.

In this interview, Yanis Varoufakis provides an honest and enlightening account of the shortcomings of today's politics, the rise of techno-feudalism, and the challenges and achievements that he has encountered while leading and participating in new democratic movements.

CJLPA: Could you perhaps talk a bit about your personal trajectory, and how you got to where you are today?

Yanis Varoufakis: I moved to England when I was 17 to study mathematics and economics. I tried to abandon economics for mathematics, but then eventually ended up doing a PhD in Economics, so I was dragged back into the mire of the dismal science. I taught for decades in Britain, in Australia, in the United States. You would never have heard of me—unless you wanted to read esoteric stuff on game theory and political philosophy—if it wasn't for the fact that the 2008 global crisis spearheaded the bankruptcy of the Greek state and the sequence of bankruptcies across the Eurozone, because as a commentator, I kept saying that all the European Union was doing was extending the bankruptcy into the future, reproducing it and magnifying it. At some point, my counterproposals were sought out by a young man who was going to become Greece's Prime Minister [Alexis Tsipras], who then said, 'You've got to put your money where your mouth is and you've got to be finance minister'. Thus, I spent six months being the finance minister of the most bankrupt European country, saying no to more loans, the purpose of which was, again, to extend and pretend the crisis.

CJLPA: What would you say is the main motivation behind your work, or has it changed across your career paths?

YV: Curiosity. Not taking epiphenomena for granted. Not accepting that the way things look is how they are. As the Royal Society's motto has instructed us, not to take anybody's word for it, to keep searching for deeper causes and to discover that those in power have a vested interest in creating a narrative that obfuscates rather than enlightens us regarding the circumstances in which we live.

CJLPA: Do you think there was a moment when this became clear to you, or is it something you have had since the very beginning?

YV: It was something I had since the very beginning. I was blessed and cursed by a highly political life from a very young age, because I grew up in a tempestuous period for Greece's history. Mind you, Greece has this capacity of stirring up a lot of tempests. But, I was only six when the secret police broke down our front door to abduct my father. And then I was nine when my mother's brother was sentenced three times to death by a military court during the military dictatorship. If you have that kind of environment, it doesn't take too much to start querying power, sources of authority, and what constitutes the difference between democracy and oligarchy. At the same time, it wasn't that terrible. It was, as a boy—I think it would have been different for a girl because of patriarchy—all very exciting, never a dull moment.

CJLPA: You have commented a lot on the happenings of the twentieth and twenty-first centuries. What is the biggest misconception that political commentators, observers, even some of your followers, have of you and your perspectives?

YV: It depends on who you are talking about. The misconception on the right wing of politics is that I am an unreconstructed Marxist-communist who wants to see the transition to a state-run system. I consider myself to be a liberal, even libertarian, who is as scared of the state as I am of Google, Microsoft, and ExxonMobil. The misconception on the left is that I'm a stooge of the establishment who is peddling left-wing ideas only in order to ensure that the status quo is reproduced.

CJLPA: Have you attempted to mediate or address these misconceptions through dialogue, or do you continue to progress and express your views?

YV: I think dialogue is everything. This is constantly what I've been doing, and I never say no to an opportunity to have a vigorous debate with my worst critics, whether they come from the right or the left or the centre or wherever. I'm very proud of one thing that I've managed to maintain: a very civilised, even friendly exchange with people both from the left and the right. There aren't that many politicians, economists and so on, who count amongst their friends both Lord Norman Lamont, former finance minister, Chancellor of the Exchequer of the Tory government under [John] Major—he's a friend of mine and we have wonderful debates about everything—and Julian Assange, and Rafael Correa, the former president of Ecuador, the left-winger. It's wonderful to be able to have these relationships and not to allow them to fall prey to differences of opinion.

CJLPA: You wrote in your book *The Global Minotaur* that politicians can't be theorists for three reasons: they are rarely thinkers; their frenetic lifestyle does not allow them to give them time to think big ideas; and because theorists have to admit the possibility of being wrong. How have you been able to translate these features of a thinker and a theorist into your role as a politician?

YV: By being a bad politician. I think it's important to be a bad politician. I take pride in being an awful politician. And what do I mean by this? The beauty of an academic environment is that what you do, whether you're writing an essay, or presenting a talk in a conference, is you are putting forward a hypothesis and your audience has a job to shoot it down, to find its weak spots. That's what you do in a lab as a physicist: you have a hypothesis and you allow nature to take shots at it. If nature does not bring it down, it means that there is something to this theory that it is useful. So similarly, whether it is anthropology, literature, or whatever, you put forward a hypothesis, you have the best minds in the audience (you hope), and they try to bring it down. If they don't completely destroy it, it means that there is some merit to it. But if they bring it down, it's also very pleasing to say, 'See I was wrong. My hypothesis was interesting, but it wasn't up to it.'

In politics, by definition, you're not allowed to do that. Think of BBC Question Time. I've been in that environment or similar environments many, many times, whether it's in parliament or in a studio. So you're representing the Labour Party or the Tory Party or the Libs, whoever, and you have the opposite side, and you put forward a hypothesis: your theory, your position, is a hypothesis. Could be right, could be wrong. Now, imagine for a moment that your opponents this week think, 'Oh my God! They're right.' If you say so on air before the programme is over, you've been thrown out of the party. You have to resign as minister or shadow cabinet. This is what really suffocates me in politics: that whenever I am sitting around the table with political opponents, I know that even if I convince them, they cannot say so. As Upton Sinclair once said, it's very hard to convince people whose salary depends on not being convinced. How do I manage that? By admitting it when somebody says, 'by the way, this is a bad point' and they can prove it. I constantly struggle not to fall into the trap of defending a position just because it is our party's position, which means that I'm a terrible politician, because there have been many times when I confessed to the other side having a point.

CJLPA: What can be enforced so that politicians who are perhaps afraid to admit that they are wrong can do so without their livelihood depending on it?

YV: That's up to you. It's up to the vote. To vote out anyone who wants to be a minister. This is, of course, highly utopic. What we're trying to do in DiEM25 and MeRA25, my party here in Greece, we have this saying that if you want the position, you're disqualified from having it. If somebody really wants to be a Member of Parliament, it means that there's something wrong with them, because nobody in their right mind should want to be a Member of Parliament. There's nothing more boring, believe me. It's mind-crushingly boring. So, anybody who really wants to do it—they have a screw loose. There's a problem. But of course, it's a dirty job and somebody has to do it. I keep using the awful analogy of taking the rubbish out at night. If a friend of yours really loves taking the rubbish out, you should ask them to go and see a psychiatrist, a psychologist, to reconsider their ways, because there's something wrong with them. But of course, they have to do it. So you've got to treat politics, electoral politics, as a chore. It's up to voters to ensure that they do not vote for people who are keenly eager to be politicians. It should be public service. It should be something that you do as a sacrifice.

CJLPA: You mentioned the DiEM25 movement that you founded in 2016. First of all, what is the main motivation behind the movement?

YV: Beginning with the realisation that the crisis we have in Europe is not a crisis of Greece, of Germany, of France, of Italy, but it is a pan-European crisis. It's got to do with the architecture of the EU. So, if the problem is EU-wide, the solution must be EU-wide. The problem with our governments is that they are all elected on the basis of nation-state-specific parties, who go to the voters with an agenda that is completely pie in the sky because they are all nation-centric agendas that can never be realised by a nation-state government. We don't have the levers, at the level even for Germany, to do that which German political parties are proposing. So you have fake politics in a sense, you have democracies at the nation-state level that do not have the power to do that which they promise, and you've got EU-wide political decision making which is not democratic.

Once we had that analysis, the obvious thing to do was to create a pan-European political movement, a unitary transnational political movement. We're not talking about an alliance of a Greek party, a Polish party, a Dutch party, and so on, because those alliances really don't work like confederacies. They don't have a common programme. They just share jobs in Brussels, and that's neither here nor there. We're the first movement that doesn't have a Greek chapter or a German chapter, and on our Coordinating Committee we don't have the Greek representative, or the German representative, or the Dutch representative. We are all elected by all of the members, independently of our nationalities. Some of us happen to be Greek, German, and Italian, but we're not representing Greece, Germany, and Italy on the Committee. We're representing the whole membership across Europe. To run electorally, for example, we created the Party in Greece. But all the decisions regarding the Party, the manifesto—ie what is our policy regarding refugees in Greece? What is our policy regarding VAT in Greece?—are voted for by everyone, including the Germans and the Dutch, not just the Greek members. That's never been tried before.

CJLPA: What does it take to create such a political movement? How does one go about it? What are its challenges?

YV: It's very hard. It's very hard work, let's face it, because of the geography as well. Europe is vast, so before COVID-19 we were always in an airplane running around, having meetings and so on. But the way we did it was, when we started the movement in 2016,

we booked a very nice theatre in central Berlin, the Volksbühne theatre, and we invited people who come from all over the place. We had the website, and we said: join. From that moment on, we decided the process of policy-making: on the one hand, at a pan-European level, a lot of which was digital of course; the local campaigns; and then the setting up of local committees—we call them DSCs, ‘DiEM25 Spontaneous Collectives’—in Poland, in Greece, and so on and so forth. It’s been hellish trying to organise that and then running the elections. In the European Parliament elections in May 2019, we ran in eight countries, which was hard, especially for a movement that had no money. We had five euros here and five euros there from our members, and that’s why you don’t see us in the European Parliament. We got very close to getting MEPs (Members of the European Parliament) elected in Greece, in Germany, and in Denmark, but we just missed out by very little. But still, we got one and a half million votes across Europe—which is not that much, but at the same time it’s not negligible—and we’ve influenced many other people. It’s a constant struggle. We have not succeeded, but we have not withered. The fact that we are alive and kicking is a great success for us.

CJLPA: What would you say is DiEM25’s biggest achievement? Would you say it was the electoral prominence that it had?

YV: No. The biggest achievement is the Green New Deal for Europe—our policy agenda—which fills us with a great deal of pride, because we all talk about the green transition and green politics, how to combine the social with the environmental, and about green new deals, but we were the first ones to actually come up with one, and one that is comprehensive, radical, and realistic at the same time. And also the way we did it. Back starting in 2016, we had a committee of about 20 economists, environmentalists, and experts who put together a questionnaire, just questions, which we distributed across Europe and beyond Europe, amongst our friends in America and elsewhere, which were very specific. Key questions like: how much should we spend on green energy? Figures, not pie-in-the-sky stuff. Where is this money going to come from? Which part of it will be public finance, which part of it will be taxes? How will it be distributed? What will it be spent on? What about public debt, which is a huge issue especially the European Union and the Eurozone? What about private debt? What are we going to do with the banks? How do we regulate the banks? What about universal basic income? Do we want it? And if we want it, how do we pay for it? I’m just giving some examples. These were all questions, and it was a logistical nightmare because we’ve got, as you can imagine, thousands of answers, and had to sift through all of them. From all of those answers, that committee of 20 people had to put together a draft Green New Deal proposal, which then went out for consultation. More answers came, we fixed it again and we brought it back together, and then we put it up for an all-member vote across Europe. That was voted in. Then we formed the alliance with which we stood in the May 2019 European Parliament elections, so we brought in other parties that had not been party to this European Green New Deal and they had to contribute themselves, so that changed the game. Now we have a document which, if you compare it to what comes out of the European Commission—the Green Deal of Mrs Von der Leyen—I’m very proud of, because what they have is really not worth the paper that it is written on, I think, compared to ours. I mean, of course, there are things that could be improved and will be improved and are being improved because we are constantly adapting it to the post-COVID-19 era.

That’s a major success in the sense that the worst enemy of progressive politics is the belief deep down, even of progressives,

that [Margaret] Thatcher was right, that there is no alternative to what is being carried out. Even progressives, even people who demonstrate on the streets, deep down they worry that maybe the adults in the room know what’s best, that maybe we don’t like what we see but maybe we don’t have an alternative to what’s going on. This Green New Deal for Europe is the alternative. You read it and you think, ‘OK, now we could implement this tomorrow.’ It’s not like, ‘In another world, in a better world, we could do this’, no, because part of our blueprint is what you can do this week, in six months’ time, in 12 months’ time, in five years, and ten years. Maybe we’re wrong, but at least we thought, ‘OK, we put this on the table’, and we say to others, ‘Come and tell us where we’re wrong’, in an academic kind of fashion. ‘Come and shoot it down, tell us what your ideas are.’ Whenever we had political parties from Italy, from France, and so on saying, ‘Let’s collaborate’, and we say, ‘OK, let’s collaborate, but look, we have a program here for Europe, tell us where we’re wrong’, at that point we realised that most political parties, if not all, said, ‘No, let’s agree on how we’re going to stand together and who’s going to become a Member of Parliament.’ But we are not interested in that. We want to agree on what needs to be done. If we are in office, then we discuss who will be in office. We are trying to change the direction of movement from talking about who is going to get what position to, say, what needs to be done if we get the position. This is not very appealing to the existing political system. Not even to the left, or even to the Greens.

CJLPA: You mentioned this inevitability that Thatcher was right. You recently said that we’re entering a post-capitalist world—what you termed ‘techno-feudalism’. Could you perhaps elaborate on, firstly, how we finally reached this post-capitalist society, and then on this new concept of ‘techno-feudalism’?

YV: When I was your age or even younger, I remember being schooled into the great schools of thought that were clashing with one another. And the main two at the time—it was, of course, the Cold War back then—were the liberal democratic capitalist school, harking back to Adam Smith, with elements of Friedman and von Hayek, who were representing capitalism as the ideal system, on the basis that you have a minimal state providing security and everything else is left to individuals. These individuals are free, through the market, to pursue their own private interests, with the market operating as if by an invisible hand behind our backs—a kind of divine providence—synthesising our greedy individual self-interests into the good of society. As nobody can know what people want or what people are capable of, certainly not the state, allowing this decentralised decision-making process to progress is the best way of combining private liberty with the public good. That was one view. According to that view: the state is there, it is minimal; investment is private, and comes out of savings; households save; firms borrow and invest; and you let a Darwinian process decide who survives and who dies with a state playing a minimal, safety-net kind of role. That was one view.

The other view, which was the socialist view, the left-wing view, even the communist view—from the side of those who were in favour of central planning Soviet-style—the view was that capitalism and the market fails, it creates inequality and injustice, and you need a state representing the public will to coordinate both incentives and constraints so that you achieve the public good. That was a big clash, and I was very interested in this clash. The pro-capitalist view versus a kind of socialist view. This is irrelevant now, and it has definitely become irrelevant after 2008. In 1991, the socialist tradition collapsed because the Soviet Union collapsed

and with it social democracy collapsed as well, even though the Social Democrats were very anti-Soviet. The left lost its mojo, so to speak, in 1991.

In 2008, the Thatcherite School, the liberal, libertarian tradition, had its comeuppance because the private capital combusted and dissolved. Since then, what we have had is the state keeping capitalism alive. So the central bank—the Bank of England, the European Central Bank, the Federal Reserve—keeps on pumping money, giving it to the private bankers who are completely bankrupt otherwise, who are giving it to companies that would be completely bankrupt otherwise. So you have the zombification of the private sector by the states. It's no longer the clash between the private and the public. The public is keeping the private zombified, in a state of being undead—not alive, but not dead either—because if the Bank of England pulls the plug, the whole thing collapses. If the Fed pulls the plug, it's all gone. It's no longer this juxtaposition between the state and the private sector. The state is producing the fuel that keeps corporations alive. At the same time, the old story that households save and corporations borrow to invest has died as well. Now you have a situation where corporations are saving. Apple has \$220 billion of savings. Every large corporation is saving. Why do they have savings? Because they are too scared to invest. They are scared to invest because they look at you and say, 'She will not be able to buy stuff from me at a price that will give me profits, so I'm not going to invest.' They don't invest, they don't create good quality jobs, and they instead create crap jobs. Crap jobs means that people like you then don't have enough money to buy their stuff, so that confirms their decision not to invest. But how do they keep themselves alive? They get huge loans from the private banks that get the money from the central bank. What do the large corporations do with the huge loans they get from the private banks? They go to the stock exchange and buy their own shares. Share prices are very high, bonuses to the members of the board of directors are very high because they are linked to the share price, so they are doing really very well. Financial markets are booming, but profits are zero. This is a complete disconnect between the financial world and capitalism. That's not capitalism. The model of capitalism, and the heads of those who supported capitalism when I was growing up, has gone.

Now what you have is certain companies like Tesla, Google, Facebook, Amazon, and so on, based on remarkable new technologies—and they are remarkable, I love them—that creates huge power for them. Those companies are no longer operating within a capitalist framework: the moment you go into amazon.com, you are outside capitalism, and you are inside a platform that provides everything for you. It's equivalent of walking down the high street only to discover that every shop is owned by the same man, every product sold is distributed by the same company that owns the shops. The tarmac is owned by the same company, the air you breathe is owned by the same company, and what your eyes see is directed by the same company. This is what happens on Amazon. What you see on Amazon right now is directed by the company. That's not a competitive market. That's not a market at all. This reminds me of feudal times, because if you were a peasant and you lived in some estate, in a Downton Abbey-like estate, you lived in a place which belonged to one family. You had a dwelling, you ploughed the land, you went to festivals, but it was all within a fiefdom owned by one person. That's more or less where we're moving now, where we already are. If you combine that with the fact that all the money comes from the state, from state printing presses—the Bank of England, or the Federal Reserve—and it's all technologically kept together and promoted, I think that we can't talk about capitalism anymore. 'Techno-feudalism' is a better term for it.

CJLPA: Seeing as the state essentially funds this techno-feudalism, how can we maintain democracy and accountability when it is already tough to maintain it between the public and the state, let alone the public and the corporations?

YV: Through a series of steps. The first thing we need to do is to cut out the middleman, and I'll be very specific here. I already described how the central bank prints money, gives it to Barclays, or the Royal Bank of Scotland, or to Deutsche Bank. They then pick up the phone. They don't call you. If you go and ask for a loan, you won't get it because they don't trust you to pay it back. So what they do is they pick up the phone and they call a large company and say, 'I've got these millions here. Zero interest rate. Do you want it?', and they give it to them for zero interest rate because they themselves pay negative interest rates. In other words, the central bank pays them to take the money, so even if they give it away for free to the large corporations, as long as they take it back, they're laughing. So the large corporation which is too scared to invest because little people do not have the money to buy stuff, then take this money and goes to the stock exchange and buys back its own shares. Their shares go up. But this is wasted money. It's not feeding economic activity, especially the green transition, investment in renewables, and so on. So we need to cut out the middleman. Imagine if whenever the Bank of England printed £100 billion, instead of giving it to Barclays and the Royal Bank of Scotland, imagine if they credited every bank account in Britain with £5,000. Then you would go out there and buy stuff, and suddenly there would be economic activity. Businesses would start saying, 'Hang on a second, she can buy stuff now. I'll produce things. I will employ people.' So this is one step. It's not the only one, but it would be a significant step to cut out the middleman. That's the summary.

The second step is that we need public investment in the green transition, because the market cannot be relied upon to do that which is necessary in order to save the planet, because the market can never price things that don't have prices. The air we breathe doesn't have a price, so it can never be rationed through the market. It has to be done by us, by a political process. For that, we need a public investment bank that soaks up excess liquidity in the financial sector and presses it into the service of the green transition. Britain used to have one when I lived in Britain a long, long time ago. It was called the Post Office Savings Bank. Jeremy Corbyn had this programme in his manifesto in 2019, for creating a national investment bank. Boris Johnson talked about it again recently, but I haven't seen what they've done or whether they've done it. The Germans have it: it's called KfW, and it's a very good investment bank. Imagine you have a national investment bank. They issue bonds—in other words, they borrow—they soak up liquidity from the financial sector, the Bank of England can guarantee those bonds and say, 'If their price goes down, I'll buy them', so suddenly everybody who has money will want to buy those bonds because the Bank of England is standing behind them, and then you create a kitty from which you pay for the Green Industrial Revolution. I'm using those terms because they were first used by Jeremy Corbyn, but Boris Johnson has taken it now and he talks about the Green Industrial Revolution. So, go spend the money, go and create the green technologies. And what are they? We need to invest in hydrogen, to take over diesel. We need more renewable energy, from windmills and so on in the North Sea. We need batteries, because the Chinese are completely monopolising the battery technology. I'm not against them. Good on them, except Europe is not doing it, and we're going to increasingly rely on battery technology coming from China. Other technologies are already being experimented with elsewhere, like compressed air, so you use renewable energy to compress air so its decompression can

be used during peak times when other renewables are not available. There's some artificial intelligence. These are some things that you can direct the investment to.

Those two steps, they're not even that radical, they're just using existing institutions and existing tools and weapons against the common problem. So you create good quality jobs. People have more money to spend. You'll be able to end the constant humiliation of needy people who have to go through the wringer of Universal Credit and all those mechanisms that crush their soul to give them a penny. If everybody gets it, the Bank of England credits everybody with £5,000, and then the rich people can be taxed on this money at the end of the year anyway, so their money goes back to the state.

But finally, if you really want to democratise the economy, you have to rethink the whole notion of tradable shares. My view is that that's a very bad idea. It started in 1599 in London with the British East India Company, where you had the notion that you take the ownership of a company and you break it down into little shares that are anonymous and that can be traded like confetti. We need to rethink that, because in the end what we're saying is that somebody who has money can effectively own all the power of the large corporations. We would not tolerate that when it comes to politics. We would not have tradable votes in politics. Why do we have them in the general assembly of shareholders? But this is a much longer-term and a more radical rethink that I am proposing.

CJLPA: You mention that these two steps are not that radical. Do people in influence or in power know this? And if they do, why is it so hard for them to implement it?

YV: Of course they know. It's not hard for them. They don't want it because they make a lot of money at the moment due to the fact that it's not being implemented. When I say cut out the middleman, I'm effectively saying cut out the commercial banks. Commercial bankers understand the importance of that, but they would rather die than see it happen. They will do anything. They will kick and scream and threaten us with blue murder if we dare do it. So the question is: who is running the show? Is it the bankers, or society? At the moment, it is the bankers.

CJLPA: I was wondering if we could turn just for a brief moment to your home country, Greece. You are a politician in the electoral branch of DiEM25, MeRA25. What do you think we—as Europeans or just as world citizens—should know about Greece at the moment, and are there any opportunities or challenges that you think Greece will face in the future?

YV: The challenge is never-ending. We are now in the eleventh year of our long winter of discontent, our Great Depression. Greece went bankrupt in 2010 and is more bankrupt today than it ever was. What I think is quite instructive, especially for young students of political economy and politics more generally, is: why don't you hear about this anymore? Because up until a few years ago, Greece was front-page news. Its bankruptcy was almost on a daily basis on the front page of every newspaper around the world. Everybody considered it to be insolvent and a threat to the global financial system. That is no longer the case. It's no longer appearing on the front page. Does this mean that it has been mended, as the powers that be claimed the case to be? No. We are even worse now than we were in 2010. You can ascertain this very easily. When we went bankrupt, we had a debt of, say, 300—forget the zeros. Now we have a debt of 380. Our income then was 240, now it's 165. We are

far more bankrupt today than we were in 2010, which proves that politics determines who is considered insolvent and who not, that insolvency is a political issue in the end, especially when it comes to countries. When I was finance minister, we were being discussed left, right and centre every day—on the BBC, everywhere—because I was putting up a struggle against our official lenders, the European Union in particular, who wanted us to take another credit card to pretend that we were repaying the previous credit cards. And I was saying no to that. They shut down our banks in order to force us to do it, and that was big news. It's like a riot in an awful prison camp: when prisoners have had enough of awful conditions and they stage a riot, that becomes big news. Television vans arrive and you've got all the shots of the fracas in the prison. When the riot is put down by riot police, the television cameras leave, but that doesn't mean that the situation in the prison is good. It means that it is no longer newsworthy. This is the same thing.

The lesson, I think, is that it's not a technical question, the bankruptcy of a state. It's a political question, and that has repercussions for Britain, it has implications for the United States. In the 1970s, Britain had to go to the IMF (International Monetary Fund) for a loan, and everybody said Britain was bankrupt. But Britain was not bankrupt. It was a political decision to go to the IMF. Britain had no reason to go to the IMF. There was no obligation to go to the IMF. The government at the time was a Labour government, the James Callaghan government, and they decided that they wanted to keep the exchange rate between the pound and the dollar steady. If you have an outflow of money, you can't keep it steady unless there is an inflow. If you put, above all else, the maintenance of the exchange rate between the pound and the dollar, then you go to the IMF and you declare yourself bankrupt. But that was a political choice. There were losers and there were winners as a result of that. Those who had reason to be able to convert their pounds into dollars and not to lose money, especially large companies or Brits that had investments in the United States or outside Britain—they benefited from the declaration that Britain was bankrupt. Workers and weaker people suffered immensely without getting any of the benefits of having declared Britain to be bankrupt. These are, I think, especially talking to students in an academic environment, the lessons from Greece. When it comes to a corner store, bankruptcy is more or less a technical problem. If the corner store's revenues are not up to it, then of course at some point you have to close down. It's an inevitability. It's a technical point. But when it comes to the bankruptcy of a nation, and therefore the questions about public debt, and deficits, and austerity, and whether Rishi Sunak is right to say that we will have to start repaying now because otherwise we will be in trouble—none of that is a technical issue. All of it is political. It is a question of which social groups' interests those in authority are prioritising.

CJLPA: Are we already seeing this sort of politicisation with the pandemic at the moment?

YV: Absolutely, we already see it. You already see that, including the pandemic, as a result of the process of creating money that I described before—where the central bank prints money for the banks and the banks give money to the corporations—you have a gigantic increase in inequality because little people suffering from COVID-19 or COVID-19-related ill effects on their economic circumstances are absolutely desperate. They've lost their livelihood. Their revenues have gone down by 80%. They're worried about furlough: is it going to end? When will it end? But those who are in receipt of wealth injections, as a result of the Bank of England's money printing, they've seen their income and their wealth multiply at ridiculous

levels. The Swiss bank UBS came out with a report that, only in the United States, since the beginning, between March and December of 2020, during the first nine or ten months of the pandemic, the richest Americans increased their income and wealth combined by \$1 trillion as a result of doing nothing. Just by sitting there, in their sleep. So yes, we've already seen that. Now that Britain, due to a rather decent vaccination process, is facing exit from the pandemic and the opening up of the economy and so on, austerity is coming back as the chosen policy of the Conservative Party. And austerity is just another form of class war, and it is more plundering of the victims of a crisis on behalf of those who benefited from it.

There will be a post-pandemic. Maybe we'll have another one later on, but this one is going to die. The Spanish flu died after 1918 even though there were no vaccines. Now we have vaccines as well, so it will go. But what will be left behind? If you think about it, we do have some recent evidence. 2008 was a catastrophe for global capitalism, especially Western capitalism, and it got its effects. Those who caused the crisis, the bankers, exited the crisis with more power than what they had before the crisis, and the little people were even weaker than they were before.

CJLPA: I wanted to quickly ask you about Progressive International. I wanted to specifically ask: why does Progressive International believe that the time is now to create a collective, international, progressive front?

YV: I think the time was in 2008. We are late, and the reason why I think that is because, as I mentioned before, 2008 was our generation's 1929. It ended capitalism as we know it, or as we knew it, and created a new regime which I call techno-feudalism. This is the result of regressive international coming together. This is, if you want, the G20 decision of April 2009 under the chairmanship of Gordon Brown, when all the bankers, central bankers, finance ministers, prime ministers, and presidents got together and decided to save capitalism. The way they did it—I'm not criticising it, just describing it—was to create huge solidarity between bankers. The bankers of the world got together and saved each other by transferring their losses onto the public ledger. That was a clear demonstration that internationalism works for the bankers, and then once this was combined with austerity for everybody else, you had discontent. And discontent breeds populism, racism, xenophobia, misogyny, all those things that come out of humiliation and deep-seated discontent, just like it happened in the 1930s. We saw that with the success of Brexit, of Donald Trump, of Bolsonaro, of Modi, of Le Pen, of Salvini, of the Alternative für Deutschland, and so on. The bankers got together, created their international, and worked. Then the fascists got together and internationalised, and they're a huge power around the world, even if they lost the White House. Trump is gaining strength, as far as I'm concerned, in America. Fascism is solidifying, if anything, under Biden even more than it did under Trump. The bankers and the fascists internationalised. It's time for progressives to internationalise. That's what Bernie Sanders and I thought in November 2018. We met in Vermont and asked, 'Will anyone join us?' So we started.

CJLPA: Have there been any challenges or any achievements thus far with Progressive International?

YV: The problem was that we had the American presidential campaign intervene between November 2019 and now, which meant that Bernie could not be part of it for legal reasons. Senators cannot participate in international [organisations], especially candidates for the presidency, so that went into abeyance for a while. Then Bernie's

involvement with Joe Biden—and he was running his economic policy through the Senate—meant that he could not be part of it. So we were delayed by this. Then we launched about a year ago properly, and we did this on the basis of bringing together people. The organisations that are part of the Progressive International have about 200 million members around the world. Our first major campaign was called 'Make Amazon Pay'. It started on the day of Black Friday last December. It's a beginning. I'm very proud of what we did. We had a rolling strike in warehouses of Amazon pushing for better wages and conditions for workers around the world, and it started in Bangladesh, it moved to India, shifting time zones, then to Germany, then to New Jersey, then to Seattle, then to Australia. This was the first attempt to do anything like that. It had never been done before, and we're very heartened by that. Now, we need to bring in consumers with boycotts, not just against Amazon. The philosophy is this: we need local action in support of communities that need it, with a global perspective and global solidarity. This combination is hard and essential at the same time.

And also, we have gone from the model of campaigns and collective actions of the nineteenth century, where you combined maximum private personal sacrifice by participants with minimal personal benefits, [to a system where you have *minimal* private personal sacrifice and *maximum* personal benefits]. If you think about it, a gold mine going on strike back in the nineteenth century was a maximum sacrifice because it meant no food on the table, no wages. It meant that some of them were victimised, some of them were beaten up, arrested. It is like asking people to sacrifice themselves. What was the benefit to themselves individually? On average, very low. Even if they got a wage rise, everybody got it, including those who didn't strike and those who broke the strike. This cost-benefit analysis at the private level of early reforms of action has been very detrimental to the common cause. Maybe we need to do things differently. So we have minimal personal sacrifice, especially if it's a global campaign like, for example, don't visit amazon.com for a day—it's a tiny sacrifice for you, I don't want to say never buy from Amazon, but, for a day or a week—with maximum impact. As well as campaigns, we were represented in Bolivia during the election campaign, now in Ecuador. We are running a campaign in Turkey against the banning of the third-largest party and the torture of Members of Parliament. We are being active everywhere, as far as we can.

CJLPA: In the introduction you wrote for the Communist Manifesto, you poignantly wrote that a dilemma faces young people today, similarly to that faced in the time of Marx and Engels. The question is: conform to an established order that is crumbling and incapable of reproducing itself, or oppose it, at considerable personal cost, in search of new ways of working, playing, and living together? In light of this, what piece of advice would you give to young people today who will likely set foot in positions of influence or who seek change?

YV: Make this choice with a clear understanding that you are making this choice. Don't allow yourself to drift into a kind of lifestyle by default. I'm not a moralising kind of guy. [George] Bernard Shaw, I believe, put it like this: there are people who try to adapt themselves to the world, and there are other people who try to adapt the world to their view of what the world should be like. The latter, of course, means sacrifice. It means that the world is not going to take kindly to being told by you that it should be different. But you've got to make this choice consciously, you've got to weigh up the pros and cons and know what kind of deal you are ending up with. If you choose

to go against the grain, you are probably not going to make a lot of money, you are probably going to have quite a lot of heartache, maybe threats and so on, if you go against the insiders as I say. But at the same time, you will have the immense satisfaction that you are autonomous, that you are not simply reflecting the terrain around you like a chameleon. On the other hand, I'm not going to be sitting in judgment of somebody who says, 'There's only one life, I'm not going to be struggling all the time, I want to get a cushy nice job and I want to have the money and the time to go travelling or go skiing.' I highly respect that too. But make that choice consciously. Don't simply drift into the default position.

Teresa Turkheimer is a final-year undergraduate in Politics and International Studies at the University of Warwick, working towards an MSc in European and International Public Policy at the London School of Economics in the 2021–22 academic year. Her interests lie in European politics, European Union foreign and security policy, and political philosophy.
