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David Graeber is one of the world's leading anthropologists and a well-known activist who played an important role in the early days of Occupy Wall Street in New York. In this wide-ranging interview for ROAR's third issue, he speaks about the unexpected history of inequality, the role of debt in contemporary capitalism, the nature of money as a social relation, the violent and self-destructive logic of financialization, the class power of the 1 percent, and the challenges of building a radical-democratic movement against the rule of finance.

ROAR: It's been five years since thousands of protesters marched into Lower Manhattan, occupied Zuccotti Park and inspired an international movement against the rule of finance. You played an active part in the early days of the movement in New York. In hindsight, what do you consider to have been Occupy's most important legacy? And what have been the main challenges it has faced in build-

ing and sustaining a democratic counter-movement to the power and privileges of the 1 percent?

David Graeber: Well I think the thing that surprised us was first of all how rapidly it spread, the degree of repression eventually brought to bear, and how quickly our liberal allies abandoned us when they did. In the end it's perhaps not so surprising. I had the sense that most Americans know they live in a police state, not a democracy, and had just assumed that if they tried to take any mass action, even if it was just camping in their local square, they would be attacked by para-military forces. And for a couple of months they were all just shocked: "wait, you mean you can do non-violent civil disobedience in this country and not get the shit beaten out of you?"

So hundreds of thousands suddenly showed up. I mean, we had what — like 800 occupations at peak? Then of course came the evictions and they realize, "oh, I guess we couldn't after all." And after that the repression became extremely brutal and the media coverage also shifted to be just completely one-sided. But all that was really just back to normal. So the question is, why was there any sympathetic media coverage at all in those first few months? Why was there this little bubble of democracy?

I think in retrospect it's easy to see: there was a fraction of the establishment, basically the left of the Democratic Party, that thought that we were going to become their version of the Tea Party. That is, a grassroots movement that would make a lot of anti-establishment noises but ultimately play the game of raising money, running candidates again. They tried to infiltrate the media teams, set up tacit leadership structures… But eventually they figured out we were really serious. If our main complaint was that the US political system had turned into a system of legalized bribery, no, we weren't going to join the system and try to see if we could raise enough bribes ourselves to run candidates and change that from within. Suddenly the curtain went down.

top-down arrangement was inherently temporary. So the question isn't where inequality came from but how we somehow got stuck.

rent research projects fit in with your past anthropological work on money and debt, and your ongoing activism against inequality and the power and privileges of the 1 percent.

Well, as it happens, I'm writing three books at the moment. Two are collaborations. I'm writing a book of essays on kingship with my old teacher, Marshall Sahlins. For me this is a really big deal, and it's fun to get back to serious hardcore scholarship again. I just finished the last of my three essays, about pirate kings in seventeenth and eighteenth-century Madagascar. Many if not most of the Caribbean pirates ended up settling in Madagascar eventually. I argue their presence sparked a kind of democratic political experiment among the Malagasy who lived next to them, which should be considered one of the first Enlightenment political experiments, and would be were it not for the fact that they were Malagasy. The next is a book about bullshit jobs because everyone wants me to do that after the essay in *Strike! Magazine*. And finally I'm working with the archaeologist David Wengrow on a book about the origins of social inequality. This one is going to be explosive.

Our basic premise is that there's been this story we've been telling ourselves for centuries now, which starts like this: once upon a time we were all happy little bands of egalitarian hunter-gatherers, and everything was fine because things were simple and small, but then we invent agriculture, which allows private property, so things start going downhill, and then you get civilization, and that means not just cities but a surplus, social class, states, exploitation, but also high culture, writing, and so on. It all comes as a package, love it or leave it. But the problem is the last fifty years of research have shown that virtually none of this is true. That's just not what happened. Hunter-gatherers, even in the Palaeolithic, could be very hierarchical, but they tended to go back and forth over the course of the year between almost state-like arrangements and extreme equality. They were always experimenting with different forms and any

So that's about challenges: we'll have to think much more carefully, next time, about alliances, because at least in the US, the mainstream right knows that they can't sell out their radicals on policy issues if they've already sold them out on existential issues. They want the militia guys and anti-abortion crazies out there, even though they do think they're crazy, but the mainstream left, such as it is, doesn't think that way.

As for legacy, well, the obvious one is that we reintroduced the notion of social class into the American political debate. No one had managed to do that since the 1930s. Not just class — class *power*. Because that's what the 1 percent really meant: these are the people who managed to turn their wealth into political influence and their influence into more wealth.

Second of all, we've managed to create an enormous shift of views about capitalism itself, a shift whose consequences we don't really know because it almost exclusively affected young people. But at the moment a majority of young people in the US say they would prefer socialism to capitalism, which is insane because you never hear anything good about socialism anywhere in the media. Presumably most of them don't even know what socialism is; they just know what capitalism is all too well and are basically saying: "fine, we don't even care *what* it is — anything but this!" That's epochal.

Beside your activism, you are probably best known for your bestselling book, Debt: The First 5,000 Years, which was published just before Occupy began. The book brilliantly depicts the continuity of a number of key themes throughout the ages, like the morality of debt and the persistence of violence in its enforcement. To what extent should we conceive of the emergence of capitalism — and its highly financialized contemporary form in particular — as a break with pre-existing historical patterns; as something new and fundamentally different? Does debt fulfill the same role in ancient Sumer or Axial Age India as it does in the capitalist world-system today?

One of the points of the book was that debt means very different things in different periods. But it's only by understanding the continuities that you can understand the differences. When looking at the history of capitalism, I also discovered something quite surprising: that while there certainly are forms of debt, currency and the like that are unique to capitalism, they emerge quite early, mostly in the late seventeenth century, long before the rise of factories or even widespread wage labor in the mid 1700s. Already in the 1690s you have governments running on deficit spending, semi-public/semi-private central banks granted the right to monetize that government debt to create paper currency, not to mention stock exchanges, municipal bonds, even practices like short-selling, financial bubbles, and so on.

For me, as someone who was mainly trained in the Marxian tradition, this was quite startling. I was used to assuming that capitalism basically means wage labor, and while I would never have gone so far as someone like Paul Mattick — who insists that you can't even talk about "money" in the same sense before wage-labor-based capitalism — I did assume that Marx's argument about capitalist money being founded on the wage relation was correct. And I also saw myself very much on the Dobb side of the old Sweezy-Dobb debate, that is, I had assumed capitalism didn't develop top-down, from capital, but bottom-up, from changes in labor relations. So what was one to make of this? Well, the obvious thing was to look at the sort of labor relations that might be said to actually lie behind these early financial innovations. In the case of the stock exchanges, bubbles, and so on, they were quite clearly colonial ventures, involving slavery, serfdom (peasants in Eastern Europe became serfs only after the end of the Middle Ages, when big landlords started supplying industrializing cities in the west), debt peonage, and other forms of unfree labor.

This is interesting and important because, as authors like Yann Moulier-Boutang have pointed out, one could make a

they reached 100,000 signatures, everyone would simultaneously stop paying their student loans. That way they couldn't single out anyone in particular for repression. But it was very hard to get anyone to sign it. We only ended up with a couple of thousand signatures. When we investigated why, we discovered that a substantial number of the people we approached were already in default. And a very large chunk more were thinking they soon might be. The last thing they wanted was to draw attention to themselves.

So we started to break down the numbers. Now, numbers are hard to come by. I once tried to figure out what percentage of the average American household's income is directly appropriated by the FIRE sector (finance, insurance and real estate) in a given month, and I found that you can get figures on almost anything else, but that one, nobody really had the slightest idea. When I asked economists to guess I got everything from 15 percent to 50 percent. But even more curious, almost all types of loans also saw massive rates of default. If you look at rates of student loan default, credit card default, mortgages… It seemed like a majority of households were not paying some debt or another. But that means most households were already practicing civil disobedience against finance! They just weren't doing it consciously, in the sense of as an act of political self-assertion.

The big problem with debt is that it causes such shame that people are afraid to talk to each other about it. They don't know that everyone else is in the same boat. So we started talking about an "invisible army" of defaulters. We even wrote an "operations manual" on how to deal with bailiffs and collection agencies, what you can get away with, what you can't… It's difficult to see how to marshal that movement as an explicitly political force, but it does make the problem a little less overwhelming than it might seem otherwise.

Final question: we would be very curious to hear what you are working on at the moment, and how your cur-

anti-bureaucratic issue — but that's something of another story. As I say, QEP would be a dramatic way of reminding people that money is really a social relation, a series of promises we make to one another, and that we create it all the time.

At the moment people seem genuinely convinced that money is some sort of limited good, and when politicians say "there's just not enough money," or that social programs create debts our children will have to pay some day, they actually make some kind of sense. This is because they see money as stuff that has to already exist before banks can lend it out, when in fact the reality is precisely the other way around. The second line of defense of course when you point this out is to fall back on inflation: well, if the government or central bank just print money, you end up like Zimbabwe, or Germany in the 1920s. This too is tacitly based on the quantity theory of money. But in fact, with QE they've been printing money like mad, and they don't seem to be able to spark inflation at all — it's pretty clear they would like a little more than they have. If nothing else, a QEP program will let the cat out of the bag.

What would you say to those who, understandably, feel overwhelmed by the immense power of finance and who are convinced that "resistance is futile"? What can be done at the everyday level to overcome this sense of resignation and re-empower our communities? Are there any particular struggles — past or present — you would point to for lessons or inspiration?

What we call "finance" is really just other people's debts. Or, to be more technical: the art and science of creating, swapping and manipulating such debts. The most obvious way to practice civil disobedience against finance, then, not to mention to re-empower your community, is simply not to pay your debts. The Strike Debt group that came out of Occupy Wall Street faced that dilemma and we discovered something quite surprising. Our first idea was to create a kind of mass pledge of debt resistance: have people sign a document that, say, once

case that, looking at capitalism as a world system, it's never been based primarily on free labor at all. As in so many things, Marx wasn't writing a work of political economy but a *critique* of political economy, and his approach was to show that *even if* we assume the bourgeois economists' assumptions (that capitalism is based on "free labor" for instance), it was still riddled with fundamental contradictions that undermined its pretensions and would eventually lead it to self-destruction. That doesn't mean those assumptions are true! Marx was well aware that most were not. Anyway, I think part of the essence of capitalism is that it has created new ways of directing this sort of financialized violence. But the wage relation is only one of these.

One key question we aim to address in this special issue is where the sources of the power of finance really lie, and how best to fight it. Many liberal critics of finance focus on regulatory capture, the revolving door between Washington and Wall Street, and the corrosive power of money in elections. This appears to suggest that the best way to limit the power of big banks would be to enforce strict regulation of financial markets, political staffing and campaign finance. It seems to me that your work identifies a number of more deep-seated concerns. What, in your reading, should the radical left and the movements really be looking at to curtail the power of finance?

Yes I think it goes deeper. As I suggested before, we really need to talk about the relation of empire and finance. I prefer the term "empire" to "imperialism" because it's more concrete. It's not like we're fighting some ideology or "-ism" that's become incarnate in institutions; we're fighting an actual empire here, which might then come up with any sort of ideology to justify itself, but that ideology is never fundamental to what it is.

I remember some Italian journalist who was asking me which I thought was the better course to take: the German

industrial model of capitalism or the American financial one. And I said, well, it's not like these are options available to everyone! We have this fantasy that Wall Street or the City rake in the money because somehow people around the world are dazzled by the brilliance of their financial instruments. But what are these "financial instruments" really? They're just fancy forms of paperwork. In fact I've argued that they are the very pinnacle of this newly bureaucratized form of capitalism we have now, where it almost makes no sense even to make a distinction between public and private bureaucracies because they've totally merged, and where we're all supposed to think that value emerges from the paperwork rather than from whatever it is the paperwork is regulating or assessing.

What these new bureaucratized forms of capitalism are really about is making state power an intrinsic element of the extraction of profit: you collude with government to create a regulatory regime that will guarantee widespread debt, for instance, then you use the court system to enforce it. There's a perfect synthesis of public and private power to guarantee a certain rate of profit to those who essentially fund the politicians. But it all ultimately comes down to a monopoly of coercive force inside the country.

How does it work outside? Well, I don't think that the US or UK manage to maintain import-based economies — that is, keep so many more things flowing into their countries than are flowing out — because people in Brazil or Malaysia are so impressed by their ability to do paperwork. There are plenty of people in Brazil and Malaysia who are extremely good at paperwork. It's clearly a side effect of empire. How does it work? Well, it's subtle, obviously, it's not like the Roman Empire where you just show up with your legions and demand a certain amount of gold. But if you look past the code words, it's really not all that entirely different. Take the word *seignorage*. It is often conceded that the US economy's preeminent role in the world, the economic advantage that keeps resources flow-

have today, so as to open up people's sense of political possibility.

The mechanics are simple. Since 2008, central banks, whether the Federal Reserve in the US, the Bank of England, or the European Central Bank, have engaged in rounds of money creation — "quantitative easing" as they euphemistically call it — which basically means that they print untold billions of dollars or pounds or euros and use it to buy up certain sorts of assets (Treasury bonds for instance) so as to raise their value. Basically they print money and use it to bid up the value of the kind of assets that rich people are likely to already have lying around. Blowing bubbles basically. Of course it's not exactly the same as printing money and handing it to rich people, but the effect is pretty much identical. The ostensible idea is that this will cause the rich people to be more likely to loan money and stimulate the economy, but in fact it gives them very limited incentive — and mostly the money just sits there making them, on paper at least, even more rich.

QEP advocates are just saying: wouldn't it stimulate the economy a lot more to take that same money and do… well, almost anything else with it? So QEP can mean a lot of things in practice. The Corbyn people say, well, rather than making rich people richer and hoping that will make them more likely to lend to people who want to build roads, or do high-tech research, why not just lend it directly to people who want to build roads or do high tech research? Then others say, why not just take it and build roads or do research yourself? Finally, others — and I must say I'm most sympathetic with this — say, why not instead of indirectly giving it just to rich people, who already have a lot of money after all, directly give it to everyone? I think the last round of QE by the ECB involved producing enough money to give everyone in the Eurozone something like 180 euros a month. Well, why not just do that?

This shades into the debate about a Universal Basic Income, which as an anarchist I think is a potentially brilliant left-wing

ergy in the short to medium term — unless we're talking about some catastrophic collapse, which of course might happen, but is nothing we can in any way bank on.

We have to figure out a way for those who want to preserve a prefigurative space where they can experiment with what a free society might actually be like — which necessarily means not having any systematic relation with political parties, funding bodies, anything like that — to actually work with those who are trying to create more modest and immediate changes within the system, which is beneficial to both of them. So one piece of advice would be: think hard about how to do this. I think many of them are thinking hard about it. But at the moment they're in a struggle for survival, which makes it very hard to be long-term strategic in that way.

The other thing I would say is to think theoretically about merging the insights of Marxism and post-Keynesianism into a vision of a genuinely redemptive technological future. I love ideas like fully automated luxury communism. But the economic coalition that might bring us there is fragile and a lot of work of synthesis needs to be done. Ironically, I was about to embark on a project trying to synthesize the two with the philosopher Roy Bhaskar shortly before his tragic death. But someone has to do it. We need a radically new definition of what economics even is and what problems it is trying to solve, and this is the only way we're going to get one.

You have also come out in support of an initiative known as "quantitative easing for the people." Could you briefly explain what "QEP" is about, and why you support it?

My advocacy of QEP rests on similar grounds as my advocacy of a debt jubilee: I don't think it will be a real solution to anything, though it will certainly make a lot of people's lives easier — I am interested in it mainly as a kind of mental reset button, a way of forcing the people running the system to actually admit what money is under a credit system such as we

ing into the country, is largely based on seignorage, which is, roughly, the ability to decide what money is. Now, I don't think it's insignificant that at least since the seventeenth century, the global currency of trade and finance has always been that of the dominant world military power. US seignorage is a direct result of American military dominance.

There's nothing I wrote in the *Debt* book that got people so riled up as that. When I argued that for thousands of years, debt has been a way of turning sheer military power into a moral force that makes it seems like the victims are the reprobates, well, everyone says, "yes, yes, why didn't I see that before? That's brilliant!" When I suggest the same is true today they call me a lunatic and a conspiracy theorist. How could one possibly suggest that there is a link between the fact that the US government maintains the ability to unleash an apocalypse destroying all life on earth, and also insists on having the power to strike, from the air, at any point on earth — both clear attempts at asserting a kind of mythic, cosmological power — and the fact that it can set the terms of international finance and always does so to its own advantage? I've even had one guy throw that at me when I applied for a job at LSE: "wait aren't you the guy who thinks people buy US treasury bonds because they're scared of being blown up?" — as if there's a one-on-one relation! There's a kind of willed naiveté about how people think about these things.

As for the political implications, it's not as clear. As you know I'm often suspicious of the "anti-imperialist" left for being naive and puritanical in their own way, and it's true that those most directly challenging US financial hegemony at the moment — Russia, China, and so on — are not people you really want to get in bed with. But we do have to look at the big picture.

You have recently come to the defense of Jeremy Corbyn following the attempted "chicken coup" against him by the Blairite wing of the UK Labour Party. As an anar-

chist, how do you feel about Corbyn's economic proposals and his stance on the City of London? Let's imagine he were to survive the leadership challenge and win the next elections — is there anything you would advise him or his supporters to do differently, or to pay particular attention to?

Yes, well, as an anarchist I don't feel it's really my business to tell politicians what to do; and I wouldn't join the party myself or endorse it or anything like that. But I am very enthusiastic about what's happening and want to encourage it from my own outsider position. Also, I have to confess there's a certain sense of affinity that I haven't usually felt with political actors of the same sort before. Well, part of it is just identification. I rarely talk about what happened to me at Yale, or in US academia more generally, but I will confess that when I see the way Corbyn is being bullied and defamed, it all seems very, very familiar.

In my case, I was perhaps the only "out of the closet" active anarchist — in the sense of actually helping organize and taking part in street actions — in a major university like that, or anyway the most prominent; and Yale, a notoriously conservative department, fires me without giving a reason, and pretty much 90 percent of all "left-wing" academics seem to have reacted by saying: "oh, it couldn't possibly have been his politics, there must have been something wrong with his personality" — though of course they rarely had much idea precisely what. Or this circular: "well, obviously people don't want to work with him, so he's by definition a bad colleague." It seems like almost the entire left-wing punditocracy here in the UK has adopted variations on this line: "Oh, it's certainly not because this is the first time in 50 years a left-winger has become head of a major party, that the entire establishment is turning on him. There must be something wrong with his personality. He's a bad leader. After all he must be a bad leader because he can't

keep other politicians in his own party from turning on him!" So many of the moves I saw seemed so familiar.

I think there's a very interesting essay to be written about the whole notion of "unelectability." It's quite fascinating to see so many people, thousands and thousands, on blogs proclaiming how no one *else* will vote for Corbyn. It shows something profound about the nature of contemporary ideology, which I'm becoming increasingly convinced is not based on convincing the public that the system is good or fair, but only on convincing them that *other* people think the system is good and fair. Everyone is sitting there saying: "it's all a scam, but people are sheep, they actually buy this shit!" — whereas in fact the only people being fooled are those who believe everyone else is.

In the case of elections, it's the ultimate commoditisation of the political process. Back in the 1930s Keynes argued that this is how equity markets work, you know: it's not a beauty contest, it's like a beauty contest where everyone is trying to guess who everyone else will think is the most beautiful. But in fact it never ends — you can go meta, as it were, indefinitely, and try to guess who most people will think most other people will think is most beautiful, and so on and so forth, forever. But this is what electoral politics has come down to. Everyone's a pundit. Most don't even really consider what they would actually want.

Anyway, I have been excited by the Corbyn phenomenon because I know the people involved, and I know they're actually serious about trying to create a synergy between people working in the system and those working outside. Syriza never was, really; they co-opted and destroyed everything they touched. Podemos seems very uneven and often very disappointing in this regard. The Corbyn and McDonnell people, by contrast, really want to see if they can do it right. And this is important because if anti-authoritarian movements actually are going to win, it can only be by creating that sort of syn-