

Chapter 2
Taking Seriously the Social in Socialism

draft 1.0

Whatever else one might feel defines Marxism, it is an analysis and critique of capitalism from the vantage point of socialism. Our journey through the four agendas of sociological Marxism will be clearer if, from the start, the destination is chartered. We thus begin our exploration of the foundations for a sociological Marxism with a discussion of socialism.

The socialist critique of capitalism

While the idea of socialism is closely associated with Marxism, throughout the 20th century socialism constituted the central ideological matrix for thinking about alternatives to capitalism among most non-Marxists as well. Even in settings where socialism as such was not an immediately feasible political goal, the idea of socialism helped to give political direction to struggles against capitalism.

Arguments for socialism are generally grounded in two basic critiques of capitalism – one centering on harms generated by capitalist class relations, the other on irrationalities generated by capitalist markets. The critique of capitalist class relations argues that capitalism generates morally unacceptable levels of poverty and human misery alongside vast concentrations of wealth and power. The critique of the market argues that capitalist markets generate a wide range of negative externalities and irrational biases in social choices: failures to produce adequate public goods; failures to reproduce the labor force adequately; failures to protect the environment; episodic economic crises generating tremendous waste and destruction and intensified suffering for large numbers of people, especially those most disadvantaged by capitalist class relations. We will elaborate the details of these critiques much more systematically in Chapter 4.

These critiques were common to both revolutionary socialists and reformist socialists. Where they differed was in the extent to which they believed these deficits could be mitigated within capitalist society. Reformists were generally fairly optimistic that with appropriate policies of what might be termed the “affirmative state”, severe poverty could be eliminated, morally offensive levels of economic inequality could be muted, and market irrationalities tamed, and that in any case efforts at a wholesale replacement of capitalism by a radical socialist alternative were bound to fail. If attempted, such ruptures with capitalism would produce perverse results, generating societies with new forms of morally unacceptable inequality and new forms of economic irrationality. Revolutionary socialists, in contrast, believed that reformist efforts within

capitalism would inevitably be cosmetic, symbolic window-dressing that would leave the destructive properties of capitalism largely intact; and they believed that a rupture with capitalism was possible and that an alternative could be constructed that would avoid both the inequalities and irrationalities characteristic of capitalism.

In spite of these sharp differences in political projects, both reformist and revolutionary versions of socialism shared a common belief that *the state* was at the very center of a socialist transformation. Controlling the democratic capitalist state through elections and using governmental power to enact state-centered socialist policies was at the center of democratic socialist reformism; smashing the capitalist state and replacing it with a new form of state power to be used to build socialism was at the core of revolutionary socialism. Both, therefore, were statist both in their strategies and in their visions of institutional change.

We propose a somewhat different way of thinking about socialism. In this alternative, the state will still play a significant role, but it will no longer be at the center of the conception of socialism. Rather, socialism will be framed as a society-centered vision of social change in which the pivotal problem is increasing the capacity of civil society to dominate both the state and economy.

Capitalism, Socialism and Statism

Most discussions of socialism in the Marxist tradition build the concept in terms of a binary contrast with capitalism. The standard strategy is to begin with a discussion of different ways of organizing production, and from this to define capitalism as a distinctive type of “mode of production” or “economic structure”: an economic structure within which production is oriented towards profit maximization through exchange on the market; the means of production are privately owned; and workers do not own their means of production and thus must sell their labor power on a labor market in order to obtain their livelihoods. Socialism is then defined in terms of the negation of one or more of these conditions. Since the pivot of the concept of capitalism is the *private* ownership of means of production, generally this has meant that socialism is understood as *state* ownership in one form or another.

We propose a different approach to specifying the concept of socialism by contrasting it to two alternative forms of social organization: capitalism and statism. Capitalism, statism, and socialism can be thought of as alternative ways in which three broad macro-domains of social interaction -- the state, the economy, and civil society -- are interconnected.¹ Our first task in elaborating our concept of socialism, therefore, is clarifying what we mean by these three domains of social interaction.

¹ Most attempts at formulating broad frameworks for building macro-sociological theory invoke elusive categories like “domains” or “spheres” or “arenas” or “levels” or “subsystems” of social interaction. None of these terms is entirely satisfactory. They mostly evoke spatial metaphors that are misleading. All such terms are based on the loose idea that societies can, in some sense, be thought of as “systems” with distinguishable “parts”, and that a central task of social analysis is to figure out what are the salient parts and how are they connected. These three domains of social interaction on which we are focusing here -- state, economy, and civil society -- are not exhaustive. One could add, for example, the family and intimate

This is not an easy matter. Efforts at formulating rigorous, foundational definitions of the economy, the state, and civil society quickly run into all sorts of difficulties. Should the economy, for example, include all activities in which in any sense goods and services are produced, or only those that are mediated by the market? Should preparing a meal in the home be considered part of the “economy”? Should taking care of one’s own children be viewed as part of the economy, or only childcare services produced outside the home? Should the economy be defined by the *functions* it fulfills within a “social system” (e.g. “adaptation” as in Talcott Parson’s schema), by the *motives* of actors engaged in various activities (e.g. utility maximization under conditions of scarcity, as in neoclassical economics), by the *means* that actors use to pursue their goals (e.g. the use of money to satisfy interests), or what? Perhaps we should distinguish “economic activity” from “the economy” – the former can take place within any domain of social life, the latter refers to a more specialized arena of activity within which economic activities are dominant. But then, what does “dominant” really mean?

To really nail down all of these kinds of issues is an arduous matter and would, we believe, deflect us from our main purposes here. So, for present purposes we will define these three domains of social interaction in relatively conventional ways, bracketing these deeper problems of conceptualization:

The State is the cluster of institutions, more or less coherently organized, which imposes binding rules and regulations over territories. Max Weber emphasized the ways in which states are defined by monopolies over the legitimate use of force over territories. We prefer Michael Mann’s alternative emphasis on the state as the organization with an administrative capacity to impose binding rules and regulations over territories.² The use of force is one of the ways this is backed up, but it is not necessarily the most important way. The power of the state is then conceived as its effective capacity to impose rules and regulate social relations, a capacity which depends on such things as information and communications infrastructure, the ideological commitments of citizens to obey rules and commands, the practical effectiveness of the regulations to solve problems, as well as coercion.

The Economy is the sphere of social activity in which people interact to produce and distribute goods and services. In capitalist economies, most of this activity involves privately owned firms in which most of the distribution is mediated by market exchange. Economic power is based on the kinds of resources different categories of social actors control and deploy within these interactions of production and distribution.

interpersonal relations as a distinctive arena of social interaction. We are not trying to develop a comprehensive framework capable of addressing all problems of interest to sociologists, but rather a framework for recasting the distinctively Marxist project of an emancipatory critique of capitalism, for this we think the key domains of social interaction are the state, economy and civil society.

² cite to Weber and to Mann.

Civil Society is the sphere of social interaction in which people form voluntary associations of different sorts for various purposes. Some of these associations have the character of formal organizations with well-defined membership and objectives. Clubs, political parties, labor unions, churches, neighborhood associations would be examples. Others are looser associations, in the limiting case more like social networks than bounded organizations. The idea of a “community”, when it means something more than simply the aggregation of individuals living in a place, can also be viewed as a kind informal association within civil society. Power in civil society depends on capacities for coordinated action through such voluntary association.

The state, the economy and civil society are all domains for extended social interaction, cooperation, and conflict among people, and each of them involves distinct sources of *power*. Actors within the economy have power through their control over economically relevant resources. Actors in the state have power through their control over administrative capacity over territory, including coercive capacity. And actors in civil society have power through their ability to mobilize people for collective actions of various sorts. Of course, the power actors can deploy within a given domain of social interaction can be used to affect what happens in other domains. Most strikingly, perhaps, in contemporary capitalism, the economic power of actors in the economy can be deployed to influence actions of the state. But parallel effects occur in all of the relationships among these domains.

One way of thinking about the variations in the types of societies that exist in the world or could exist in the future is to think about qualitatively different ways these three domains might be interconnected. In a stylized way, as illustrated in Figure 1, we can then distinguish capitalism, statism, and socialism in terms of which of the three domains is dominant:

Capitalism is a social order within which the economy dominates both state and civil society.

Statism is a social order within which the state dominates both civil society and the economy

Socialism is a social order within which civil society dominates both state and economy.

These are ideal types. We can also think of these configurations as variables: The more fully a society is capitalist, the more the economy will dominate the other spheres; the more fully a society is statist, the more the state will be dominant; the more fully a society is socialist, the more civil society will be dominant. This also opens the possibility of complex mixed cases – cases in which in certain respects a society is capitalist and in others statist, or even socialist. Some of these complex mixed forms will be of particular concern to us towards the end of the book.

For each of these three ideal types, one can imagine an extreme form in which the dominant domain does not simply dominate the other two spheres, but obliterates their autonomy. In these terms, *totalitarian statism* can be viewed as a form of hyper-statism in which the state does not just dominate civil society and the economy, but fully penetrates and controls both of these domains. Voluntary associations and autonomous social networks virtually disappear, and nearly all economic activity is directly organized through and by the state. Pure *laissez-fair capitalism* is a form of society in which the state atrophies to a mere “night watchman state” serving only the purpose of enforcing property rights, and commercial activities penetrate into all corners of civil society, commodifying everything. *Communism*, as classically understood in Marxism, is a society in which the state has withered away and the economy is absorbed into civil society as the free, cooperative activity of associated individuals.

None of these extreme forms could probably exist as a stable, reproducible form of social organization. Totalitarianism never completely eliminated informal social networks as a basis for cooperative social interaction outside of the direct control of the state, and the practical functioning of economic institutions was never fully subordinated to centralized command-and-control planning. Capitalism would be an unreproducible and chaotic social order if the state played the minimalist role specified in the libertarian fantasy, but it would also function much more erratically if civil society was absorbed into the economy as a fully commodified arena of social life. Pure communism also seems like a utopian fantasy, since it is hard to imagine a complex society without some sort of authoritative means of making and enforcing binding rules (a “state”). Feasible, sustainable forms of large-scale social organization, therefore, always involve some kind of reciprocal relations among these three domains of social interaction in which one domain may in some sense or other be “dominant”, but in which the other domains have some level of real differentiation and autonomy.

The problem of “dominance”

The pivotal idea in this typology of social forms is “dominance.” What, precisely, does it mean to say that the state is “dominant” in its interconnection to the economy and civil society in statism, that the economy is dominant in its interconnection to the state and civil society within capitalism, and that – most problematically of all, perhaps – civil society is dominant in its interconnection to the economy and the state in socialism? Claims of this sort are always contentious (and often hopelessly vague) in social theory, since in complex causal systems in which in some sense everything affects everything else in one way or another, the meaning of one element having greater weight than others or dominating others is not at all obvious.³

“Dominant” certainly does *not* mean “completely determines”. Thus, in capitalist society, to say that the economy dominates the state and civil society is not to say that it fully determines either of these. Nor does the claim that the economy is the dominant element in the configuration imply that the state and civil society have no effects on the economy. Each domain of social interaction has a real degree of autonomy, and each has

³ For a discussion of the problem of causal primacy, see Wright, Levine and Sober (1993: chapter XXX)

effects on the others. Indeed, as we noted above, a capitalism in which the economy deprived the state and civil society of any autonomy would probably be unsustainable.

The meaning of “dominance” is probably least contentious in what we have called statism, for we have historical examples like the Soviet Union in which the dominant role of the state in structuring civil society and the economy is unequivocal. Indeed, the hyperbolic description of the Soviet Union as truly totalitarian suggests that the state completely obliterated any autonomy to civil society and the economy, fully regulating and controlling all activities within both of these domains. But even if we reject the totalitarian description, the dominance of the state in social systems like the Soviet Union is easy to understand.

The idea of the dominance of the economy in capitalism is more difficult to establish. Contemporary capitalist societies have states that are institutionally differentiated from the economy and have significant forms of power distinct from economic power, and capitalist societies characteristically have robust civil societies in which a great deal of association and activity occurs that is not directly subordinated to economic imperatives or state control. Furthermore, both the state and civil society in contemporary capitalisms do not simply have significant levels of autonomy, but they also have significant effects on the economy. It is thus much less obvious, therefore, in what sense we can say the economy is broadly “dominant” in such systems.

The simplest way of approaching this problem is initially to think of dominance in terms of the agency of actors whose power is derived from one or another of these domains. When we say that in capitalism the economy is dominant, one thing we mean is that if a conflict of important interests occurs between the actors who derive their power from their control over resources in the economy and actors whose power is anchored in the state or civil society, the interests backed by economic power have a greater probability of prevailing. This is a probabilistic prediction: *if* the economy is dominant, then we predict that important interests backed by that power will be expected to prevail when they clash with interests backed by state power or by civil society power. This does not mean that economic power will always triumph over other sources of power when they come into conflict, but this will be the systematic tendency.

There are a number of complications with this simple way of thinking about dominance of the economy with respect to the state and civil society in capitalism. First, the exercise of economic power involved in the dominance of the economy over the state and civil society in capitalism is not primarily a question of individuals using their economic resources for the specific purpose of influencing states and state policies (although this certainly happens) or using their economic power purposefully to shape civil society. Rather, the primary way that economic power acts as a systematic constraint on the state and civil society is through the ordinary investment decisions of owners of economic resources. Deciding whether and where to invest their capital acts as a form of economic discipline on state actions even when the investors are not intending their actions to influence the state. And such investment decisions pervasively impact on civil society as various activities that might otherwise be organized through voluntary

association are commodified as commercial endeavors. This is what is meant when people talk about the “structural” power of capitalists in capitalist society.

Second, in a stable capitalist system in which the primacy of economic power is firmly institutionalized, most overt conflicts of interests are likely to over relatively secondary issues. Issues that would potentially threaten significant interests of capitalists – their capacity to make profits, accumulate capital, and decide on investments -- therefore, never even get onto the agenda. In such a situation, it may well be the case that within these overt conflicts capitalists are not routinely able to impose their interests on the state or civil society, but this is because those interests do not touch on the basic capacity of capitalists to make profits and accumulate capital. Indeed, as we will see in chapter seven where we discuss “robust reproduction”, one of the ways in which capitalist democracies help stabilize capitalism is precisely by organizing a process by which capitalists are forced to make concessions on secondary matters.

Third, even if the economy is dominant over the state and civil society in capitalism it can still happen that for historically contingent reasons the state might engage in a set of policies that are deeply damaging to interests rooted in economic power. The claim about dominance is that if this were to happen, this would set in motion a set of consequences that would begin to seriously undermine the goals of actors in the state itself and which would therefore generate pressures for the damaging policies to be reversed. The prediction, then, is that such policies would, over time, be self-defeating and thus would probably be changed.

In the case of capitalism, while one might question the claim that the economy has some kind of unequivocal generic dominance, no one would doubt that the economy exerts significant constraints on the state and civil society, or that economic power frequently triumphs in conflicts with states and civil society. The case of socialism is much more problematic, since it is less clear what it even means for civil society to be dominant, let alone what institutional arrangements might make this possible.

Civil society is the sphere of social life in which people form various kinds of voluntary associations to pursue their goals. To say that civil society is “dominant” is therefore to say that the basic direction of economic activity and of state policies are determined by collective actions organized through such associations within civil society. Another way of saying this is that socialism involves the radical extension and deepening of democracy. “Democracy” is a system of governance in which the state is held accountable to the people – i.e. the people in some meaningful sense control the state. This is equivalent to saying that the state is subordinated to civil society, since the mechanisms of accountability, if they are to be robust and effective, necessarily involve forms of collective association. When it turns out that a great deal of state power is insulated from such accountability to civil society, we say that the state is less democratic. Socialism, then, means extending democracy to the governance of economic activities, and deepening democracy in ways that render both the state and the economy accountable to citizens associated in civil society.

How can civil society be dominant?

The specification of capitalism, statism, and socialism in figure 2.1 does not indicate any specific institutional structure for any of these. Capitalism is characterized as a social order in which the economy dominates the state and civil society, but nothing very explicit was said about how the economy is itself structured for this to be the case. Similarly, in statism, the state dominates both economy and civil society, but nothing was said about what institutions would make statism possible. Most problematically, of course, nothing concrete has been said about the institutional arrangements that would make it possible for civil society to dominate the state and economy.

Now, for capitalism and statism, because of the rich examples of historically existing societies, we have a pretty good idea of the institutional arrangements which underwrite the configurations in Figure 2.1. An economic structure built around private ownership of the means of production combined with relatively comprehensive markets is one which supports a configuration of economy/state/civil society in which the economy is dominant. A centralized bureaucratic state that directly plans and organizes most large-scale economic activity and which, through the apparatus of a political party, penetrates the associations of civil society is a good design for statism. But what about socialism? What sorts of institutional designs would enable power rooted in voluntary associations in civil society to effectively dominate the state and the economy?

While traditionally socialists did not think of socialism in precisely these terms, it is possible to interpret certain ideas in the socialist tradition as sketching an answer to this question. One view of socialism saw the crucial organizational agency for a socialist transformation being a political party. Political parties are associations formed in civil society with the goal of influencing states. People join them in pursuit of certain objectives, and their power depends in significant ways upon their capacities to mobilize such participation for collective actions of various sorts. So, if it were the case that a socialist party was deeply connected to the working class through its embeddedness in working class social networks and communities and therefore could represent the working class – or some broader coalition – politically, then if the socialist party controlled the state and the state controlled the economy, one might argue on a principle of transitivity-of-control, that civil society dominated the economy. This vision is diagramed in Figure 2.2 and might be termed the model of *statist socialism* (a kind of hybrid of statism and socialism).

Aspects of statist socialism might be a reasonable way of characterizing some episodes in the history of social democratic politics in capitalist democracies. That is, social democratic parties were membership organizations that clearly functioned as voluntary associations in civil society. They were generally quite closely linked to the labor unions, which further embedded them in civil society. And in certain times and places, they held governmental power and were able to shape state policies in significant ways that modified the dominance of the capitalist economy. Significant social services were decommodified (i.e. removed from the market), labor markets were heavily

regulated, and in various other ways power rooted in the capitalist economy was countered by an affirmative state. This by no means implies that the social democratic state was fully freed from the dominant constraints of the capitalist economy, but those constraints were weakened and in this sense the social configuration in places like Sweden in the heyday of social democracy were less capitalistic than elsewhere. To the extent, then, that the social democratic party remained rooted in civil society one could say that civil society gained some measure of indirect power over the economy via the social democratic affirmative state.⁴

The Soviet Union poses a very different example in these terms. The pre-revolutionary vision of how the revolutionary party would relate to civil society, the state, and the economy, can be viewed as embodying in a very general way some combination of the model of statist socialism in figure 2.2 and socialism in figure 2.1. The vision – at least on paper – was that the party would be organically connected to the working class and that it would be ultimately accountable to associated workers, and thus its control over the state would be a mechanism for civil society to control the state. Furthermore, the ideology stipulated a radical reorganization of the institutions of the state and economy -- through organizational forms of participatory councils that came to be called “soviets” -- in ways that would directly involve workers associations in the exercise of power in both the state and production. These councils, if fully empowered and rooted in a relatively autonomous civil society, could be thought of as a mechanism for institutionalization the forms of dominance envisioned for socialism in Figure 2.1. Again, the party was seen as pivotal to this process, since it would provide the leadership (the “vanguard” role of the party) for such associational translation of civil society into effective power.

This is not, however, how things turned out. Whether because of inherent tendencies of revolutionary party organizations to concentrate power at the top or because of the terrible constraints of the historical circumstances of the Russian Revolution and its aftermath, whatever potential for the Communist Party to be subordinated to civil society was destroyed in the course of the early years of the revolution. By the time the new Soviet State had consolidated power and launched its concerted efforts at transforming the economy, the party had become a mechanism of state domination, a vehicle for penetrating civil society and controlling economic organizations. The Soviet Union, therefore, became the archetype of statism under the ideological banner of socialism, but not of socialism itself. Subsequent successful revolutionary socialist parties, for all of their differences, followed a broadly similar path, creating various forms of statism, but never a socialism of empowered civil society.

So, the question remains: What social structural and institutional arrangements would be needed to empower civil society in such a way that it could dominate both the state and the economy? Is a radical extension of democracy to the economy and deepening of democracy to empower civil society possible in the kind of complex world

⁴ We prefer the term “affirmative state” to “welfare state” to describe this cluster of state interventions since this includes a wide range of regulatory and redistributive actions that go beyond the set of policies often subsumed under the label “welfare”.

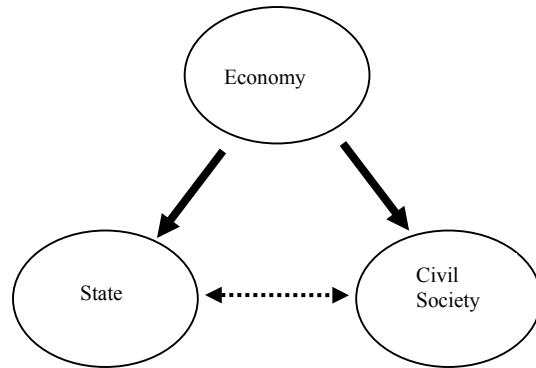
in which we live? And would a society in which civil society had this kind of structural dominance in fact remedy the ills attributable to capitalism? Would it accomplish what socialists have hoped for – an alternative to the capitalist organization of society within which human beings would flourish?

Those are questions for which, by the end of this book, we will try to provide at least a way of thinking about the answers. But to really understand the questions themselves, we must turn to the problem of understanding capitalism, for the problem of socialism can only be fully posed in the context of the diagnosis and critique of capitalism and the analysis of capitalist reproduction and contradictions.

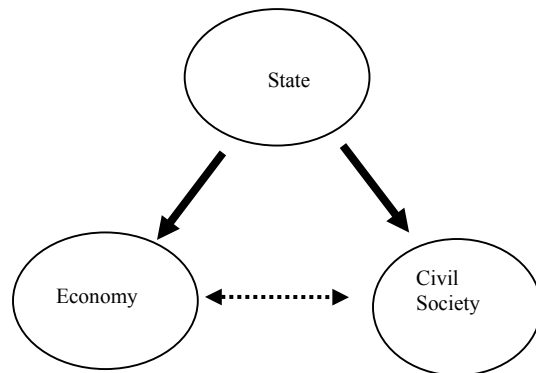
To frame this critique, we turn, in the next chapter, to the idea of human flourishing.

Figure 2.1
IDEALIZED REPRESENTATIONS OF
CAPITALISM, STATISM AND SOCIALISM

I. Idealized Capitalism



II. Idealized Statism



III. Idealized Socialism

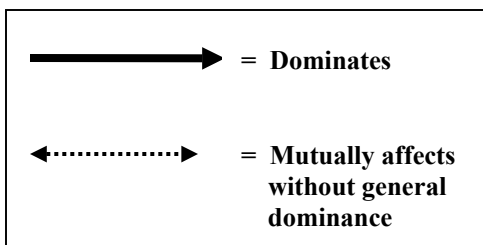
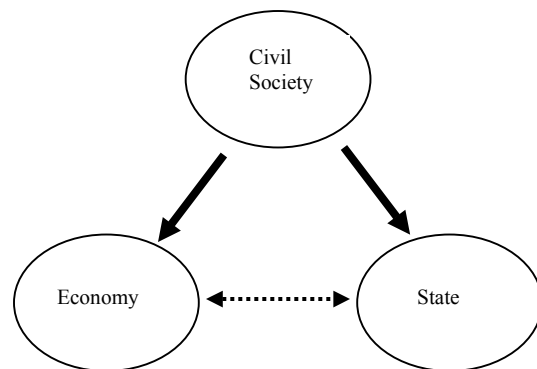


Figure 2.2
IDEALIZED MODEL OF STATIST SOCIALISM

