

Sociology 621
Lecture 2 & 3
September 12 & 14, 2005
The Tasks and Structure of Marxism as an Emancipatory Theory

In the last lecture I explained what distinguishes critical social science from empiricist social science. In this lecture and the next I will provide an overarching picture of how the Marxist tradition meets the central tasks of building an emancipatory critical social science. I would like to make two preliminary comments on how I approach this task:

I. Preliminary Remarks

1. Three strategies for exploring/studying a theoretical tradition

There are three broad ways that people approach the task of teaching theoretical frameworks for social analysis:

(1). **Development of ideas, history of thought.** In this approach you begin with precursors, then explore the origins of a specific body of ideas, and then chart the subsequent development. The exposition of the ideas therefore follows the historical sequence of their elaboration. In a way this is the approach that, to the greatest extent possible, takes the theoretical tradition on its own terms. For Marxism this would mean beginning with the *Early Manuscripts* and then moving forward through the *German Ideology*, the *Communist Manifesto*, Marx's great historical essays, and then *Capital* and related works, followed by subsequent Marxist work.

(2). **Sociology of Knowledge.** Here the animating principle is less the sequence of ideas as such than the social context of their production. Earlier ideas are only one relevant factor here; as important is exploring the institutional, social and political settings within which ideas and arguments are forged.

(3). **Analytical Reconstruction of the structure of a framework.** This is a very different approach. It begins at the end of the historical process, examines the full range of theoretical arguments and breaks them down in various ways:

- an inventory of theoretical tasks the framework attempts to solve
- a menu of basic concepts used to pose questions, build arguments, construct specific theories
- theoretical modules – systematically integrated explanatory theories

This is the approach I will use. This approach is inherently the most controversial, since there are many different ways of reconstructing a theoretical terrain as complex as Marxism.

2. Marxism as a Modular system of concepts and theories

I regard Marxism as a kind of modular theoretical framework rather than a unitary, fully-integrated and comprehensive capital-T Theory in which the entire edifice rises or falls together. To call it a modular theoretical framework means that it has a variety of agendas and conceptual clusters, some of which are more robust than others.

I personally think, for example, that the overarching theory of history in the Marxist tradition – historical materialism – is a less defensible part of this framework than is the specific class analysis of capitalism. One can accept Marxist class analysis and critique of capitalism as powerful theoretical tools without also accepting the specific theory of historical trajectory in classical historical materialism which attempts to chart the destiny of capitalism. One way of capturing this is to use the expression sociological materialism as a contrast to historical materialism.

II. The Five Tasks of Emancipatory Critical Social Science

1. *Normative principles.* Clarifying the normative principles that underlie the idea of human emancipation.
2. *Critique.* Diagnosing the ways in which existing institutions obstruct the realization of those normative principles.
3. *Alternative.* Elaborating a credible, compelling alternative to existing social structures and institutions which is capable of remedying the normative deficits.
4. *Contradictory reproduction.* Understanding the obstacles posed by the mechanisms of social reproduction to realizing this alternative as well as the contradictions within a system of reproduction which open up possibilities for fundamental transformation.
5. *Strategy.* Developing a strategic theory of social transformation: how to get from here to there given the possibilities opened up by contradictory reproduction.

What I will do in this lecture and the next is sketch the central ideas within the Marxist tradition with respect to each of these tasks. This is not the usual way of framing Marxist theory. Usually it begins with a discussion of basic assumptions about the nature of human beings and the material conditions for social life to be possible, and from this is developed an explanatory theory about the trajectory human history and so on. We will get to those themes to be sure, but I will offer a different way of laying out the central elements of the theoretical tradition we call Marxism which I think

Task #1: Normative Foundations

Very broadly speaking, the Marxist tradition of emancipatory theory revolves around two basic normative ideas: a radical egalitarian view of social justice and a radical democratic view of political power. These can be stated as follows:

1. Radical Egalitarianism: *In a just society, all people would have broadly equal access to the necessary material and social means to live flourishing lives.*
2. Radical Democracy: *The political complement to the radical egalitarian view of justice is radical democracy – the idea that people should be empowered to collectively control those decisions which affect their common fate. Democracy should be deepened and extended to make this possible.*

Let me briefly explain each of these principles:

1. Radical egalitarianism.

The *radical egalitarian view of justice* has three key components: first, the idea of *human flourishing*; second, the problem of the *social and material means* needed to live a flourishing life; and third, the idea of *equal access* to those means.

The idea of “flourishing” is a broad, multidimensional umbrella concept, covering a variety of aspects of human well being. It is like the idea of “health”, which has both a restrictive meaning as the absence of diseases that interfere with ordinary bodily functioning, and an expansive meaning as robust physical vitality. The restrictive meaning of human flourishing concerns harms that undermine ordinary human functioning. This includes things like hunger and other material deprivations, ill-health, social isolation, and the psychological harms of social stigma. This is a heterogeneous list – some elements refer to bodily impairments, others to social and cultural impairments. But they all, through different mechanisms, undermine basic human functioning. A just society is one in which all people have unconditional access to the means to flourish in this sense of satisfaction of needs for basic human functioning.

The expansive idea of flourishing refers to the various ways in which people are able to develop and exercise their talents and capacities, or, to use another expression, to realize their individual potentials. This does not imply that within each person there is some unique, latent, natural “essence” that will grow and become fully realized if only it is not blocked. The expansive idea individual flourishing is not the equivalent of saying that within every acorn lies a mighty oak: with proper soil, sun and rain the oak will flourish and the potential within the acorn will be realized as the mature tree. Human talents and capacities are multidimensional; there are many possible lines of development, many different flourishing mature humans that can develop from the raw material of the infant. These capacities are intellectual, artistic, physical, social and perhaps moral and spiritual as well. They involve creativity as well as mastery. The idea of expansive human flourishing is neutral with respect to the various ways of life that can be constructed around particular ways of flourishing and there is also no supposition that in order to flourish human beings must develop all of their capacities.

Crucially, to develop and exercise these potentials requires material resources and appropriate social conditions. The importance of material resources for human flourishing is obvious. Certainly without things like adequate nutrition, housing, clothing, and personal security it is difficult for most people to flourish. But the development of intellectual, physical and social capacities requires much more than simple material necessities. It requires access to educational settings within which learning takes place and talents are cultivated, not just in childhood, but throughout life. It requires access to work settings where skills can be developed and exercised and activity is to a substantial extent self-directed. It requires communities which provide opportunities for active participation in civic affairs and cultural activities.

A just society is one in which everyone has broadly equal access to these conditions. This does not imply that everyone should receive the same income or have identical material standards of living, both because the “necessary means” to flourish will vary across people and because some amount of inequality is consistent with everyone still having access to the necessary means to live flourishing lives. Nor does the radical egalitarian view imply that everyone would in fact flourish in a just society, but simply that any failures to do so would not be due to inequalities in access to the necessary social and material resources needed to flourish.

2. Radical Democracy.

Mostly, in contemporary society, people hold a fairly restrictive view of democracy. On the one hand, many issues of crucial public importance are not seen as legitimately subjected to democratic decision-making. In particular, many economic decisions which have massive effects on our collective fate are seen as “private” matters to be made by executives and owners of large corporations. The demarcation between “public” and “private” is anchored in a relatively strong conception of private property which significantly insulates decisions over private property from intrusive democratic control. On the other hand, even for those issues which are seen as legitimate objects of public control, popular empowerment is quite limited. Electoral politics are heavily dominated by elites, thus violating democratic principles of political equality, and other venues for popular participation are generally of largely symbolic character. Ordinary citizens have few opportunities for meaningfully exercising the democratic ideal of “rule by the people.”

Radical democracy, in contrast, argues for an expansive understanding of democracy. The ideal of political equality of citizens requires strong institutional mechanisms for blocking the translation of private economic power into political power. The scope of democratic decision should be enlarged to all domains with important public consequences. And the arenas for empowered citizen participation should be greatly enlarged beyond casting ballots in periodic elections.

Radical democracy is both an ideal in its own right – people have the right to participate meaningfully in decisions which affect their lives – and an instrumental value – the realization of the radical egalitarian principle of social justice in terms of human flourishing would be facilitated by radical democratic institutions of political power. The combination of the radical egalitarian view of justice and the radical democratic view of

political power can be called *democratic egalitarianism*. This defines the broad normative foundation for envisioning real utopias.

Task #2. Critique of Capitalism

At the center of Marxism is the claim that capitalism systematically obstructs the realization of the two normative ideals. This does not imply that capitalism is the only social structure which obstructs the realization of these values. Nor does it imply that if capitalism is transformed, all other obstacles to the realization of the emancipatory values would wither away, although sometimes Marxists have suggested this. What it asserts is that through a variety of ways, capitalism harms human flourishing and democracy.

A. Definition of Capitalism. Before examining this critique, we need a working definition of capitalism. We will come back to this numerous times during the semester, but we need an initial definition to frame the critique. In the Marxist tradition capitalism is defined by two principle features. These can be understood as the *class relations* through which production is organized, and the *mechanism of economic coordination* through which factors of production and products are allocated:

1. Class relations: Class relations are the social relations through which the means of production are owned and power is exercised over their use. In capitalism, the means of production are privately owned and the use of those means of production is controlled by those owners or their surrogates. The means of production by themselves, of course, cannot produce anything; they have to be set in motion by human laboring activity of one sort or another. In capitalism, this labor is provided by workers who do not own the means of production and who, in order to acquire an income, are hired by capitalist firms to use the means of production. The fundamental class relation of capitalism, therefore, is the social relation between capitalists and workers.

2. Economic Coordination. Economic coordination in capitalism is accomplished primarily through mechanisms of voluntary exchange by privately contracting parties – or what is generally called “free markets” – through which the prices and quantities of the things produced are determined. Market coordination is conventionally contrasted with authoritative state coordination, in which the power of the state is used to command the allocations of resources to different purposes. The famous metaphor of the invisible hand captures the basic idea: each individual and firm, simply pursuing their own private interests, engages in bargaining and exchanges with other individuals and firms, and out of this uncoordinated set of micro-interactions comes a more or less coherent economic system which is quite coordinated at the aggregate level.

The combination of these two features of capitalism – class relations defined by private ownership and propertyless workers, and coordination organized through decentralized market exchanges – generates the characteristic competitive drive for profits and capital accumulation of capitalist firms. Each firm, in order to reproduce itself over time, must

compete successfully with other firms. Firms that innovate, lower their costs of production, and increase their productivity can under-cut their rivals and thus expand at the expense of other firms. Each firm faces these competitive pressures, and thus in general all firms are forced to seek innovations of one sort or another in order to survive. The resulting relentless drive for profits generates the striking dynamism of capitalism relative to all earlier forms of economic organization.

B. Ten Criticisms of Capitalism

The central criticisms of capitalism as an economic system can be organized into ten basic propositions:

1. *Capitalist class relations perpetuate eliminable forms of human suffering.*
2. *Capitalism blocks the universalization of conditions for expansive human flourishing.*
3. *Capitalism perpetuates eliminable deficits in individual freedom and autonomy.*
4. *Capitalism violates liberal egalitarian principles of social justice.*
5. *Capitalism is inefficient in certain crucial respects.*
6. *Capitalism is environmentally destructive.*
7. *Capitalism has a systematic bias towards consumerism.*
8. *Capitalist commodification threatens important values*
9. *Capitalism corrodes community.*
10. *Capitalism limits democracy.*

Let us briefly look at each of these:

Proposition 1. Capitalist class relations perpetuate eliminable forms of human suffering.

Let us begin with a simple, indisputable observation: The world in which we live involves a juxtaposition of extraordinary productivity, affluence and enhanced opportunities for human creativity and fulfillment along with continuing human misery and thwarted lives. This can really be considered the foundational empirical observation of critical theory.

Now, there are many possible explanations for these facts. It is possible that poverty in the midst of plenty constitutes simply a sad fact of life: “the poor will always be with us.” Or, perhaps this might simply be a temporary state of affairs which further economic development will eradicate: capitalism, if given enough time, especially if it is unfettered from the harmful effects of state regulations, will eradicate poverty. Or, perhaps, suffering and unfulfilling lives are simply the fault of the individuals whose lives go badly: contemporary capitalism generates an abundance of opportunities, but some people squander their lives because are too lazy or irresponsible or impulsive to take advantage of them. But it is also possible that poverty in the midst of plenty is a symptom of certain fundamental properties of the socioeconomic system. This is the central claim of the socialist critique of capitalism: *capitalism systematically generates*

unnecessary human suffering – “unnecessary” in the specific sense that with an appropriate change in socioeconomic relations these deficits could be eliminated.

It is quite important to really understand this critique. It is certainly the case, if one takes a long-term view of the matter, that capitalism has generated dramatic technological and scientific progress over the last two centuries or so which has resulted in improved nutrition, reduced illness, and increased life-expectancy for a significant proportion of the population in many places on earth. The claim in this first criticism of capitalism, however, is not that capitalism has not in certain ways contributed to a reduction of human suffering relative to prior states of the world, *but that it perpetuates eliminable sources of suffering*. This implies a counterfactual – that significant reductions in human suffering would be possible with appropriate non-capitalist institutions in place. This counterfactual is not shown to be false by simply citing the empirical observation that improvements in material conditions have occurred under existing capitalism.

What then is the argument behind the claim that capitalism has an inherent tendency to perpetuate eliminable suffering? Three mechanisms are especially important here: exploitation; the uncontrolled negative social externalities of technological change, particularly the tendency for technical change to destroy skills and generate marginalization; and competition under capitalist conditions, especially tendency for the mobility of capital to impose costs on people. I won't discuss these issues further here.

Proposition 2. Capitalism blocks the universalization of conditions for expansive human flourishing.

When Socialists, especially those speaking from the Marxist tradition, indict capitalism, a litany of harms is usually invoked: poverty, blighted lives, unnecessary toil, blocked opportunities, oppression, and perhaps more theoretically-dense ideas like alienation and exploitation. However, when the vision of an alternative to capitalism is sketched, the image is not simply a consumer paradise without poverty and material deprivations, but rather a social order in which individuals thrive, where their talents and creative potentials are realized and freely exercised to the fullest extent. The elimination of material deprivation and poverty are, of course, essential conditions for the full realization and exercise of human potentials, but it is the realization of such potentials that is core of the emancipatory ideal for socialists. This, then, is what I mean by the expansive sense of “human flourishing”: the realization and exercise of the talents and potentials of individuals.

The second proposition asserts that while capitalism may have significantly contributed to enlarging the *potential for human flourishing*, especially through the enormous advances in human productivity which capitalism has generated, and it certainly has created conditions under which a segment of the population has access to the conditions to live flourishing lives, *it blocks the extension of those conditions to all people* even within developed capitalist countries, let alone the entire world. Three issues are especially salient here: first, the large inequalities generated by capitalism in access to the material conditions for living flourishing lives; second, inequalities in access to interesting and challenging work; and third, the destructive effects on the possibilities of flourishing generated by hyper-competition..

Proposition 3. Capitalism perpetuates eliminable deficits in individual freedom and autonomy.

If there is one value that capitalism claims to achieve to the highest possible extent, it is individual freedom and autonomy. “Freedom to choose”, rooted in strong individual property rights is, as Milton Friedman has argued, the central moral virtue claimed by defenders of capitalism. Capitalism generates stores filled with countless varieties of products, and consumers are free to buy whatever they want subject only to their budget constraint. Investors are free to choose where to invest. Workers are free to quit jobs. All exchanges in the market are voluntary. Individual freedom of choice certainly seems to be at the very heart of how capitalism works.

This market and property based freedom of choice is not an illusion, but it is not a complete account of the relationship of individual freedom and autonomy to capitalism. There are two reasons why capitalism significantly obstructs, rather than fully realizes, this ideal. First, the relations of domination within capitalist workplaces constitute pervasive restrictions on individual autonomy and self-direction. Second, massive inequalities of wealth and income which capitalism generates a significant inequality in “real freedom” across persons. “Real Freedom” consists in the effective capacity of people to act on their life plans, to be in a position to actually make the choices which matter to them. Large inequalities of wealth and income mean some people have a much greater freedom in this sense than others.

Proposition 4. Capitalism violates liberal egalitarian principles of social justice.

Liberal egalitarian conceptions of justice revolve around the idea of *equality of opportunity*. Basically the idea is that a system of distribution is just if it is the case all inequalities are the result of a combination of individual choice and what is called “option luck”. Option luck is like a freely chosen lottery – a person knows the risks and probabilities of success in advance and then decides to gamble. If they win, they are rich. If they lose, they have nothing to complain about. This is contrasted with “brute luck”. These are risks over which one has no control, and therefore over which one bears no moral responsibility. The “genetic lottery” which determines a person’s underlying genetic endowments is the most often discussed example, but most illnesses and accidents would also have this character. For the liberal egalitarian, people must be compensated for any deficits in their welfare that occur because of brute luck, but not option luck. Once this has been done, then everyone effectively has the same opportunity, and all remaining inequalities are the result of choices.

Capitalism is fundamentally incompatible with this strong notion of equality of opportunity. The private accumulation of wealth and large disparities in earnings in capitalism give some people inherent, unfair advantages over others. Particularly with respect to children, the huge inequalities in the material conditions under which children grow up violates principles of equality of opportunity, both because it gives some children large advantages in the acquisition of human capital and because it give some young adults access to large amounts of capital and others none.

Capitalism also violates ordinary liberal ideals of justice, not just the strong views of equality of opportunity of liberal egalitarians. One of the core ideas of liberal notions of justice is that, in the pursuit of one's self-interest, it is unjust to impose unchosen burdens on others. This is why theft is illegitimate: stealing coercively imposes a cost on the victim. The private profit-maximizing logic of capitalism means that capitalist firms have an inherent tendency to try to displace costs on others: all things being equal, profits will be higher if some of the costs of production are born by people other than the owners, i.e. if unchosen burdens are imposed on others. The classic example is pollution: it is generally cheaper for capitalist firms to dump waste products in the environment than to pay the costs of preventing the pollution. But even more fundamentally, since many of the negative externalities of profit-maximizing behaviors are imposed on future generations, the actual people who bear the unchosen burdens cannot be party to "voluntary exchange." There is simply no way that future generations can participate in a market bargaining process where the costs to them of resource depletion are given a price to be born by resources users today. Because of the ways in which capitalism promotes narrow self-interest, shortens time horizons, and organizes economic decisions through decentralized markets, such problems of intergenerational negative externalities are intensified relative to more democratic alternatives.

Proposition 5. Capitalism is inefficient in certain crucial respects.

If the ideals of freedom and autonomy are thought to be the central moral virtues of capitalism, efficiency is generally thought to be its core practical virtue. Whatever one might think about the enduring inequalities of capitalism and its injustices, at least – its defenders claim -- it promotes efficiency. The market and competition, the argument goes, impose a severe discipline on firms in ways which promote both static efficiency and dynamic efficiency. Static efficiency (sometimes also called "allocative efficiency") refers to the efficiency in the allocations of resources to produce different sorts of things. Capitalism promotes allocative efficiency through the standard mechanism of supply and demand in markets where prices are determined through competition and decentralized decisionmaking. Dynamic efficiency refers to technological and organizational innovation that increases productivity over time: Under the threat that other capitalist firms will innovate and lower costs (or innovate and improve quality), each firm feels pressures to innovate in order to maintain their profits. This increases efficiency in the sense that fewer inputs are needed to produce the same output.

These are indeed sources of efficiency in capitalism. In these respects, compared to earlier forms of economic organization as well as to centralized authoritarian state-organized production, capitalism seems to be more efficient. This does not mean, however, that capitalism does not itself contain certain important sources of inefficiency. Whether or not on balance capitalism is more or less efficient than alternatives thus becomes a difficult empirical question, since all of these forms of efficiency and inefficiency would have to be included in the equation, not just efficiency defined within the narrow metric of the market.

Four sources of inefficiency in capitalism are especially important: 1. the underproduction of public goods; 2. the underpricing of natural resources; 3. negative externalities; 4. monitoring and enforcing market contracts.

Proposition 6. Capitalism has a systematic bias towards consumerism

One of the virtues of capitalism is that it contains a core dynamic which tends to increase productivity over time. When productivity increases, there are two sorts of things that in principle can happen: we could produce the same amount of things with fewer inputs, or we could produce more things with the same amount of inputs. The criticism of capitalism is that it contains a systematic bias towards turning increasing productivity into increased consumption rather than increasing “free time”. There are times, of course, when the best way of improving the conditions of life of people is to increase output. When an economy does not produce enough to provide adequate nutrition, housing and other amenities for people economic growth in the sense of an increase in total output would generally be a good thing. But when a society is already extremely rich there is no longer any intrinsic reason why growth in aggregate consumption is desirable.

A defender of capitalism might reply to the criticism of consumerism by arguing that the basic reason capitalism generates growth in output instead of growth in leisure is because this is what people want. Consumerism simply reflects the real preferences of people for more stuff. It is arrogant for leftwing intellectuals to disparage the consumption references of ordinary people. If people really preferred leisure to more consumption, then they would work less hard.

This reply rests on the incorrect assumption that the preferences of people for consumption and leisure are formed in an autonomous manner, unaffected by the strategies of capitalist firms. What people feel they need in order to live well is heavily shaped by cultural messages and socially diffused expectations. To imagine that preferences for consumption are formed autonomously is to claim that advertising, marketing and the promotion of consumerist life styles in the mass media have no effects on people. Furthermore, if somehow it were to come to pass that large numbers of people in a capitalist society were able to resist the preferences shaped by consumerist culture and opt for “voluntary simplicity” with lower consumption and much more leisure, this would precipitate severe economic crisis, for if demand in the market were to significantly decline, the profits of many capitalist firms would collapse. In the absence of an expanding market, competition among firms would become much more intense since any firm’s gain would be another firm’s loss, and more broadly social conflicts would intensify. For these reasons, the state in capitalist economies would adopt policies to counteract anti-consumerist movements if they were to gain sufficient strength to significantly impact on the market.

This bias towards consumerism is a problem, of course, only if there are negative consequences of ever-increasing consumption. Four issues are especially important here: 1. consumerism is environmentally damaging; 2. many people in highly productive societies feel enormous “time binds” in their lives which are intensified by consumerism; 3. a good case can be made that capitalist consumerism leads to less fulfilling and meaningful lives than do less manically consumption-oriented ways of life; 4. even if one takes a culturally relativist stance on the good life and argues that consumerism is just as good a way of life as well less consumerist alternatives, it is still the case that capitalism

is not neutral with respect to this choice, but erects systematic obstacles to less consumption-oriented ways of life. It is this bias, rather than consumerism per se, that is the central problem.

Proposition 7. Capitalism is environmentally destructive

Capitalism significantly contributes to environmental problems in three principle ways:

1. profit-generated negative externalities;
2. nonrenewable natural resources are systematically under-priced in the market since their value to people in the future is not registered in the dynamics of supply and demand in the present;
3. consumerist bias.

Proposition 8. Capitalist commodification threatens important values

Commodification refers to the process by which new spheres of human activity become organized through markets. Historically this mainly concerns the shift in production from the household, where goods and services were produced for the direct consumption of family members, to production by capitalist firms for the market, but in the contemporary period commodification can also refer to the shift of production from the state to the market. The classic example of the commodification of household production is food: there was a time in which most people grew most of their own food, processed it for storage, and transformed it into meals. By the 20th century most people in developed capitalist societies purchased all food ingredients in the market, but still transformed it into meals within the home. Increasingly in the second half of the twentieth century, the food purchased in the market became closer and closer to a final meal – frozen pizzas, micro-wave meals, etc. – and fully commodified meals in restaurants became an increasingly important part of food consumption for most people.

Markets may be an economically efficient way of organizing the production and distribution of many things, yet most people feel that there are certain aspects of human activity which should not be organized by markets even if it would be “efficient” in a technical economic sense to do so. Virtually everyone, except for a few extreme libertarians, believes that it would be a wrong to create a capitalist market for the adoption of babies, for example. Even if it were the case that the exchanges on such a market were entirely voluntary, the idea of turning a baby into a commodity with a market price and selling the baby to the highest bidder is seen by most people as a monstrous violation of the moral value of human beings.

There is a fairly broad range of activities for which commodification raises salient normative issues. I will just mention a few here without any elaboration:

- Child care and other forms of nurturing/caregiving activity;
- Product safety
- The Arts
- Religion and Spirituality

Proposition 9. Capitalism corrodes community

“Community” is one of those flexible terms in social and political discussion which is used in a wide variety of ways for different purposes. Here I will define the idea of community quite broadly as any social unit within which people are concerned for the well-being of other people and feel solidarity and obligations towards others. A “community” need not be a small geographical locale like a neighborhood, but often communities are geographically rooted, since such deep attachments and commitments are often built on direct, face-to-face interactions. One can also talk about the degree of community in a particular social setting, since reciprocity, solidarity, mutual concern and caring, and so on, can vary in intensity and durability. A strong community is one in which these mutual obligations run very deep; a weak community is one in which they are less demanding and more easily disrupted.

Community as a moral ideal refers to the value of such solidarity, reciprocity, mutual concern and mutual caring. But community is not just a moral question of what defines a good society; it is also an instrumental question of how best to solve a deep, inherent practical problem for human beings: we can only survive, and above all, thrive, if we cooperate with each other. Cooperation can be built on a foundation of pure self-interest, but such cooperation is more fragile and requires more sanctions and monitoring than cooperation that grows out of a sense of reciprocity, obligation and solidarity. So, even if one does not especially value mutual caring and concern as a moral ideal, one can still acknowledge that community is instrumentally valuable in lowering the costs of social cooperation.

Capitalism, as a system of organizing economic activity, has an intensely contradictory relation to community, as a way of organizing social cooperation. On the one hand, capitalism presupposes at least weak forms of community, since some degree of mutual obligation is essential for market exchanges and contracts to be possible. (Emile Durkheim referred to this as the “noncontractual basis of contract”. Polanyi emphasizes the ways in which markets would destroy society unless they are constrained by strong communal institutions. On the other hand, capitalism undermines community. Two considerations are especially important here: first, the ways in which markets foster motivations antithetical to community, and second, the way capitalism generates inequalities that undermine broad social solidarity. This is the central point of G.A. Cohen’s excellent piece on Back to Socialist Basics.”

Proposition 10. Capitalism limits democracy

Defenders of capitalism often argue that capitalism is an essential condition for democracy. The best known statement of this thesis comes from Milton Friedman’s capitalist manifesto, *Capitalism and Freedom*. The great virtue of capitalism, Friedman argues, is that it prevents a unitary concentration of power by institutionally separating economic power from state power. Capitalism thus underwrites a social order with competing elites, and this facilitates both individual freedom and democratic political competition. To be sure, capitalism does not guarantee democracy; there are many examples of authoritarian states in capitalist societies. Capitalism is thus a necessary, but not sufficient condition, for democracy. But it is a crucial necessary condition, and when

combined with economic development (which capitalism also generates), eventually makes democracy almost inevitable.

Even if one rejects the strong version of Friedman's argument – that without capitalism, democracy is impossible – there is no doubt that capitalism under conditions of high levels of economic development is strongly associated with democratic forms of the state. As Adam Przeworski has shown, in 100% of the cases, capitalist societies in which the per capita income is above \$6000 have stable forms of representative democracy. Nevertheless, if we take the idea of democracy seriously as “rule by the people”, there are three important ways in which capitalism limits democracy:

1. By definition, “private” ownership of means of production means that significant domains of decisions that have broad collective effects are simply removed from collective decision-making.
2. even apart from the direct effects of the exclusion of democratic bodies from control over the behavior of capitalist firms, the inability of democratic bodies to control the movement of capital undermines the ability of democracy to set collective priorities over even those activities which capitalist firms themselves do not directly organize.
3. The high concentrations of wealth and economic power generated by capitalist dynamics subvert principles of democratic political equality.

Task #3. Specifying an alternative

1. Marx's approach

Marx had an intellectually brilliant, if ultimately unsatisfactory, solution to the problem of specifying the alternative to capitalism in a credible way. Rather than develop a systematic theoretical model which could demonstrate the possibility of an emancipatory alternative to capitalism, he proposed a theory of the long-term *impossibility of capitalism*. His arguments are, I think, familiar: because of its inner dynamics and contradictions, capitalism destroys its own conditions of possibility. This is a deterministic theory: in the long-run capitalism will become an impossible social order, so some alternative will of necessity have to occur. The trick is then to make a credible case that a democratic egalitarian organization of economic and society is plausible form of such an alternative. Here is where Marx's theory gets especially elegant, for the contradictions which propel capitalism along its trajectory of self-erosion also create historical agents –the working class -- with both an interest in a democratic egalitarian society and with an increasing capacity to translate their interests into action. Given all of these elements, Marx's actual theory of socialism itself is a kind of pragmatist theory of where there is a will there is a way problem-solving by creative solidaristic workers.

That theory was an extraordinary intellectual achievement, and as we know it helped animate social and political movements for radical social change for over a century. However, in certain crucial respects it is flawed and I believe cannot serve as the basis for the on-going radical egalitarian project. I won't go through the criticisms here because we will be reviewing these in the next couple of weeks.

2. Towards a Socialist compass

The classical Marxist theory of alternatives to capitalism is deeply anchored in a deterministic theory of key properties of the trajectory capitalism: by predicting the basic contours of the future of capitalism Marx hoped to contribute to the realization of an emancipatory alternative to capitalism. In the absence of a compelling dynamic theory of the destiny of capitalism, an alternative strategy is to shift our efforts from building a theory of dynamic trajectory to a theory of structural possibility. Let me explain this contrast. A theory of dynamic trajectory attempts to predict certain features of the future course of social change on the basis of an understanding of causal mechanisms that push society in a particular direction. By charting certain developments which we know *will* happen (assuming the theory is accurate), such a theory helps define the conditions for exploring things which can happen. Capitalism will (eventually) destroy itself, so socialism could be the alternative. A theory of structural possibility does not attempt to predict the course of development over time, but simply chart the range of possibilities for institutional changes under different social conditions.

The strongest version of such a theory would be like having a comprehensive road map before embarking on a journey. The road map would tell you all of the possible destinations from your current location, and all of the alternative routes that will take you there. A really good map would inform you about the road conditions on the different routes, indicating which require all-terrain vehicles and which might be either temporarily or permanently impassable (at least until some better mode of transportation is invented). With such a map the only question you face in actually making a trip to a particular destination is whether or not you have the proper vehicle for the journey. It may turn out, of course, that you are unable to divert sufficient resources to the purchase of the required vehicle to get to the most desirable destination, but at least you would have a realistic understanding of this constraint before leaving for the trip and could therefore change your plans.

No social theory is sufficiently powerful to even begin to construct such a comprehensive road map of possible social destinations. It may well be that such a theory is impossible even in principle – the process of social change is too complex and too deeply affected by contingent concatenations of causal processes to be represented in the form of detailed road maps for change. In any case, we don't have a map available. And yet we want to leave the place where we are because of its harms and injustices. What is to be done?

Instead of the metaphor of a road map guiding us to a known destination, the best we can probably do is to think of the project of emancipatory social change more like a voyage of exploration. We leave the well known world with a compass that tells us the direction we are moving and an odometer which tells us how far from our point of departure we have traveled, but without a road map which lays out the entire route from the point of departure to the final destination. This has perils, of course: we may encounter chasms which we cannot cross, unforeseen obstacles which force us to move in a direction we had not planned. We may have to backtrack and try a new route. There will be moments when we reach high ground, with clear views towards the horizon, and this will greatly facilitate our navigation for a while. But other times we must pick our way through confusing terrain and dense forests with little ability to see where we are

going. Perhaps with technologies we invent along the way we can create some high ground and see somewhat into the distance. And, in the end, we may discover that there are limits to how far we can move in the hope-for direction. While we cannot know in advance how far we can go, we can know if we are moving in the right direction.

3. Principles of the socialist compass

There are many possible principles defining the socialist compass. Here I will focus on two:

a. *Decommodifying labor power.* This is a familiar theme in discussions of socialism. To the extent that workers are able to have their needs met outside of the market through some process of social provision, their labor power is decommodified. Commodification is thus a variable and one can speak of the degree of commodification and decommodification of labor power. If socialism is an economy directly oriented to the universalizing access to the means of human flourishing rather than the maximization of profit, then such decommodification of labor power can be thought of as a movement in the direction of socialism.

b. *Strengthening the importance of social power in shaping the priorities for the use of the social surplus and the organization of economic activity.* This principle is less familiar, and perhaps more controversial. It implies a contrast between what I would call Statism and Social-ism. Both are forms of non-capitalist economic organization. In Statism, state power plays the primary role in allocating the social surplus to alternative priorities and directing the process of production. The clearest example would be the highly centralized bureaucratic systems of command economy in places like the Soviet Union. In contrast, in socialism what might be termed “social power” plays this role. “Social power” is rooted in the capacity to mobilize people for cooperative, voluntary collective actions of various sorts in civil society. Social power is contrasted to economic power, based on the ownership and control of economic resources, and state power, based on the control of rule making and rule enforcing capacity over territory. The idea of democracy, in these terms, can be thought of as a specific way of linking social power and state power: in the ideal of democracy, state power is fully subordinated to and accountable to social power. Democracy is thus, inherently, a deeply socialist principle. If “Democracy” is the label for the subordination of state power to social power, “socialism” is the term for the subordination of economic power to social power. I will leave until later in the semester elaborating what this means in terms of the design of institutions, but it includes a wide range of things like works councils within workplaces, self-managed workers cooperatives, participatory urban budgeting, community provided caring services, to mention only a few examples.

Task #4. Contradictory Reproduction

This is what we will discuss for much of the semester: class compromise, the state, ideology. In classical Marxism, the theory of social reproduction was framed in terms of what came to be known as the Base/superstructure model. As we will see, this comes very close to a functional explanation of the state and ideology. More recently the idea

that class struggles and social conflicts generate contradictions – rather than just reflect them – has become important: solutions to struggles always involve contradictory conditions of reproduction. This is the guts of a great deal of what I call sociological Marxism: the theory about how the solutions to the problem of social reproduction in capitalism – that is, the institutional arrangements that help sustain capitalism over time – have a tendency to be contradictory, in the sense that they unleash processes which destabilize capitalism.

Task #5. Strategy

Given the normative ideals we want to accomplish, our critique of existing institutions, and our vision of an alternative, then the analysis of contradictory reproduction provides the context for formulating theories of strategy, theories of what kinds of practical strategies are likely to advance the project of constructing the alternative. Classical Marxism mainly what can be termed a *ruptural* strategy, often also called “revolutionary.” (I prefer “ruptural” to revolutionary, since the goals can be revolutionary in the sense of a deep and fundamental transformation of capitalism without necessarily the strategy being ruptural). The basic image was that the construction of a radical alternative requires a sharp, time condensed destruction of existing relations of power and domination and their rapid replacement with the core of new institutional arrangements. The plausibility of a ruptural strategy depends on two things: (a) one’s belief in the vulnerability of existing institutions to assault, and (b) how difficult one imagines the task of building the right kind of alternative in the aftermath of a rupture with existing institutions. The theory of the destiny of capitalism provided the main grounds for believing that capitalist institutions would become more and more vulnerable – destroyable – over time. That theoretical argument is no longer very compelling. I also don’t think the historical evidence supports the optimistic where-there-is-a-will-there-is-a-way view of democratic experimentalism under conditions of revolutionary rupture. So, a theory of strategy remains a big problem.