

# Sociology 924. Interrogations #1, Claus Offe

September 8, 2011

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## 1. Taylan Acar

Offe's writings on the question of the state deal with important issues, which are not necessarily clarified by the prior Marxist thinkers. The main contribution of Offe's work, I think, is that he discusses the notion of crises in capitalist systems, as well as the way in which he reveals the mechanisms how states 'serve' the capitalist interest as a class. The way he takes on the concept of crisis provides clues for theoretical developments to problematize the so-called 'stability of capitalist systems as well. While analyzing crises, we should also consider the ways in which we can analyze the non-crisis periods as well. A similar argument was made by Jack Goldstone (2001) that he suggests in order to develop more insightful comprehension of the social change and revolutionary upheavals, the scholars should also analyze the stable periods as well.

Secondly, Offe's analysis of the crises requires a methodological discussion, in terms of being able to outline the social mechanisms of the relationship between capital and state, rather than simply offering universal law-like propositions, which supposed to explain the relations between the state and the capitalists. Important contributions to state theory, I think, suffers from this methodological fallacy: offering hypotheses, which are extremely hard to test; so abstract to be falsifiable. A related issue is the possible ways of empirically testing the hypotheses Offe offers, especially the ones he developed in "Structural Problems" (1974) and "Capitalist State and the Problem of Policy Formation" (1975). I think the main discussion of this week should focus on this issue: the ones of Offe in particular, but other theoretical contributions in general, how can we formulate empirically intriguing research questions in order to develop the existing theories on the state. As the students of the state seminar, who are willing to develop research questions regarding state's relation to civil society, classes and market, I think we should spend some time to think about the empirical reflections of the theoretical contributions on the question of the state.

**[Comment: this is a little vague, I'm afraid. Of course it is important to develop "empirically intriguing research questions in order to develop research questions....", but this is true for absolutely every topic. What is the specific challenge of doing this in terms of Offe's theoretical framework and argument?]**

A more theoretical point is about Offe's analysis of crisis of the state. In both "Theses on the theory of state" (1984) and "Crises of Crisis Management" (1976), the general framework of his theory is the "interventionist welfare state." He compellingly explains the crisis-prone character of the crisis management that even though the crisis moments of the capitalist system requires intervention, the intervention exacerbates the crisis environment. Hence, the contradictory nature of the crisis management. However, as said, the general framework Offe relies on is the welfare state. My question is how does the crisis management work in today's capitalist system within an environment in which market forces act more independently from the state and states are limited in handling the crisis situation? **[This is a good question to explore. Two broad things have changed, of course, since the era in which Offe wrote those essays: the institutions of the state, and the character of capitalism itself. It might be worth thinking about the ways each of these have changed the problem of "crisis management" and the "criss of crisis management."]** Offe comes close to discuss the new nature of state capacity in his Governance (2009) and "Crisis and Innovation in liberal democracy (2011) pieces,

however the discussion is pretty short and does not provide a satisfactory answer about the crises situations in “globalized” and “privatized” capitalist regimes.

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## 2. João Alexandre Peschanski

I would like to discuss how Offe presents the relation between the capitalist state and capital accumulation. According to him, accumulation is external to the state --at some point, he writes that state and accumulation are *divorced*--, that is, the state has a mandate to provide conditions for and sustain accumulation, but capitalist exploitation and trade remain autonomous from state action. The idea of *divorce* between state and accumulation appears to be central to Offe’s definition of the state and understanding of dilemmas of state action. I disagree with that idea of *divorce* on two grounds, historical and sociological. In the Classical Marxist account of the origins of capital accumulation, the state is seen as the main actor of accumulation, by expropriating people of their assets, mostly land, and transforming them into capital. Thus, in historical grounds, there is no necessary divorce between state and accumulation. Moreover, states play a role in determining what happens in production, which directly affects the level of capital accumulation. If one goes beyond the narrow definition of production as labor process and include in the definition mechanisms that reproduce relations of the labor process (what Burawoy calls factory regimes), then states act directly on capital accumulation. At most, there is a relative divorce between economic relations and the state, since the level of state-promoted policies that determine capital accumulation varies. That reconceptualization of state-accumulation dynamics, if correct, impacts Offe’s framework. **[Are the following two ideas identical, in your view: (a) the state itself accumulates capital, and (b) the state creates conditions in which private capitalists accumulate capital? In primitive accumulation when they state, for example, supports with force the expropriation of the commons, is it the state that uses the expropriated land for accumulation or is it private landowners?]**

I would also like to discuss the context in which Offe brings up the idea of hegemony, in “‘Crises of Crisis Management’.” In that piece, Offe distinguishes between two phases of capitalism: early and late capitalism. A drive toward increasing commodification characterizes early capitalism; the state fundamentally established conditions for increasing accumulation and, as a by-product, created conditions for capitalism to remain dominant (hegemonic) over ‘subsystems.’ In late capitalism, the domination of capitalism over ‘subsystems’ is constantly called into question --according to Offe--, and the state acts to prevent nonintegrated subsystems to threaten the hegemony of capitalism. As an illustration (47), Offe refers to May 1968 in France: “These strikes typically omitted the ‘endogenous’ economic phase of the development of classic strikes by drawing upon ‘external’ impulses, which industrial workers had applied to their own job situations.” May 1968 might be evidence of phenomena that are external to the labor process that jeopardize the continuity of capital accumulation, but I am not sure I understand why phenomena that are outside of the sphere of exchange become a threat to capitalism. **[I am not sure why you switch from “the labor process” to “the sphere of exchange” in this sentence.]** Why is a noncapitalist subsystem necessarily anticapitalist? I think Offe would claim that it is not a necessity, but then why some social processes that are superfluous to capital accumulation become anticapitalist? **[You might want to think about the extent to which the use of language like “system” and “subsystem” and domination over subsystem, etc., reflects a basically functionalist-type argument. If it is, then this might help explain how things – subsystems -- which are not effectively integrated and subordinated to capitalism become functionally disruptive of capitalism, and if disruptive then they are in some way “anti” the system.]**

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### 3. Mitch Schwartz

My primary concerns with regard to Offe's writings revolve around the relationship between the liberal democratic state and the capitalist economy. The ills of state and economy being intertwined in 'the capitalist state' are the focus of much of the readings, but how should we think of this system and its dynamics? In "The Capitalist State and the Problem of Policy Formation" Offe says, "In the absence of accumulation, everything, and especially the power of the state, tends to disintegrate" (p. 126).

Liberals' desired dynamic posits separated economy and state, with influence flowing one way such that the state can regulate the economy without the economy having undue influence over the state. Accordingly, the ills of liberal democracies are traced to capitalism's 'colonization' of the state. But if it is the case that the success of liberal democracies is tied to the success of capitalism, how should we approach the problem of the decline of liberal democracies? Should the goal be to re-differentiate the state from the capitalist economy? Or would such a differentiation lead to a further decline of the liberal democratic state?

In essence, to what extent does the liberal democratic state require the capitalist economy? Will a capitalist economy always seek to gain influence over the state? If a liberal democratic state cannot survive without capitalism and capitalism is inclined to colonize the state, is reform of the liberal democracy-capitalism dynamic possible, or do we need to seek alternate political/economic paradigms? **[You have tapped into the fundamental kind of contradiction Offe points to. I am not sure in your final sentence, however, what you mean by whether "we" need to seek alternatives paradigms. By this do you mean alternative ways of thinking about the problem, or do you mean something other than liberal democracy as a way of creating a stable state/economy relation for capitalism?]**

### 4. Michael Billeaux

I wasn't able to understand the critique leveled at "constraint theories" of the state in "Structural Problems of the Capitalist State." Offe makes two distinct claims about constraint theories (along with influence theories, though the former is more relevant): 1) Constraint theories ignore *endogenous* class-bias in the forms of the capitalist state itself, and only account for *external* determinants of state activity. 2) Constraint theories of the state argue that the political system is restricted to acting in capitalist interests and "...cannot effectively become the instrument of *any non-capitalist interest whatsoever*." (here I'm ignoring that Offe also argues that constraint theories assume a capitalist state that is fundamentally neutral with respect to class, a claim with which I cannot reconcile the former one). I am not sure Offe himself overcomes the first critique. The basic structural account of the capitalist state claims that the state is immediately dependent on tax revenue from the capitalist economy and so is constrained from pursuing policies that would significantly reduce its tax base, which amounts to the imperative to maintain private sector profitability. Put in Offe's terms, dependence on the capitalist economy is a selection mechanism which generates systematically excluded events. It is not clear how the structural account could be characterized as essentially an "external" one; likewise, it is not clear how the selection mechanisms explanation could be characterized as essentially an "endogenous" one. **[I am not 100% sure I understand your concern here. Are you saying this: the dependence on the state for taxes generated ultimately by private capitalist actions cannot be regarded really as an "external" constraint since this mechanism itself depends upon a structural feature of the state's own organization. Given that organization, the state is externally constrained, but the constraint is generated as much by its endogenous structural features as by the external forces. Is that your point?]** On the other hand, Offe does overcome the second critique; he argues that, rather than states being

restricted to acting as the “collective capitalist,” there is a tendency toward general dysfunction and inability to act effectively on behalf of the interests of *any* class (this point is made especially forcefully in “The Theory of the Capitalist State and the Problem of Policy Formation”). I'd like for a discussion on this tendency and the mechanisms generating it to be on the class's agenda.

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A central theme in Offe's earlier work on the state is the contradiction between legitimation criterion of the concept of the capitalist state and the fulfillment of capitalist accumulation imperatives (for brevity, referred to hereafter as the “legitimation/accumulation contradiction”). These analyses tended to minimize the role of repression and coercion in favor of the role of consent. The legitimation criterion for the capitalist state is asserted, but not argued for or justified in-depth. This isn't to say that the legitimation/accumulation contradiction isn't “real,” or that it isn't useful to investigate this particular source of tension. But the analytic usefulness of the legitimation/accumulation contradiction seems to be in guiding investigations of how capitalist states and elites have been able to *resolve* it (the rise of highly sophisticated surveillance regimes may be understood with this contradiction in the background, for example). It doesn't seem to have been the kind of critical, even terminal contradiction suggested by its prominence in the analyses. The resolution of the contradiction is hinted at in Offe's later writing in another way; specifically, in citizens' “turn away from democracy” and “de-consolidation” of democratic systems under conditions which “threaten to render democracy entirely pointless.” In short, the legitimacy criterion of the welfare state seems to have been overstated in the earlier work. **[This is an interesting theme. How important, really, is legitimacy? Is it perhaps the case that resignation is as plausible a basis for compliance as legitimacy? Are there some situations in which legitimacy is needed because other subjective states have collateral negative consequences? Is repression generally a successful alternative to legitimacy or does it have side effects that are dangerous for elites?]**

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## 5. Kathryn Anderson

- 1) *What does it mean for the capitalist class to have class-interest rather than an agglomeration of individual interests?*
- 2) *How important is this distinction in understanding how the state is a capitalist state?*

How much can the capitalist class be dynamic and still be considered a class? Is it important that the same families accumulate wealth (or the more relaxed constraint of replacing families by people of the same race, gender, culture, etc.) or can we still talk about a capitalist class if its boundaries are defined rather by economic distance? Supporting an economic distance paradigm, Burrows sites Mintz's findings that 70% of corporate executives are not upper class by family origin, yet they are clearly in the capitalist class. Offe argues that there is no long-term class rationality. To me, the capitalist class changes over time depending on the dominant mode of production, with global consolidation being the most dominant change since the 1970s, causing the capitalist class to shrink to a small number of monopolistic blocks. Is there something, though, that is shared by members of the capitalist class that allows them to maintain or accumulate property where others don't, some set of characteristics? **[The issue of how people get into a class position, especially in terms of “origins”, is quite different from the problem of the character of these positions themselves and the interests linked to those positions. It could be the case that all capitalists are recruited from noncapitalist families through some sort of managerial career trajectory, and yet their interests could be quite homogeneous as a class by virtue of the imperatives they face once in those positions. Of course, if people were constantly moving in and out of a class position, if their time horizons within those positions was extremely short and**

**unstable, then the specification of a long-term class interest becomes problematic. This raises the difficult problem of the temporal-structure of the idea of “position”.]**

Claus Offe distinguishes the instrumentalist *Influence* theories and *Constraint* theories. He agrees that empirical evidence supports **their** claims that capitalists usually win out in control struggles. **[What does “their” refer to?]** However, he goes on to clarify that instrumentalists rely on the false assumption that capitalists act in their *class* interest rather than just in particular and often conflicting individual interests of members of this class. As many others have pointed out, this argument is questionable. **[Does “this” refer to Offe’s argument or to the argument he is criticizing?]** First, often particular interests are similar (against labor and environmental protection laws, against corporate taxes, etc.), so the political actions of one self-interested capitalist actor often will benefit the class as a whole. Second, it is empirically evident that capitalist individuals and corporate actors do indeed work together *for selfish reasons* to further coalition interests (if not the interests of the whole capitalist class). **[I think this misses the core of the argument, that it is often, perhaps even usually, in the particular interests of individual capitalists to be free riders on the collective action of other capitalists. Furthermore, even individual capitalist has an interest in monopoly rents and restrictions on competition, but this harms other capitalists and undermines the dynamism of capitalism as a whole. Since the time horizon of the interests of the “class as a whole” are very different from the interests of specific firms and their owners, there is an inherent tension here.]** Thus, the instrumentalist argument does not rely on “this weighty implication” of group interest. Are the instrumentalists really saying this? Indeed, is this process of which among competing capitalist interests wins out an enlightening point of investigation into the dynamic evolution of the capitalist state?

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## 6. Bob Thomas

In the *Structural Problems of the Capitalistic State*, Offe works to understand how one might fairly characterize a state as capitalist. He first criticizes *Influential Theories* and *Constraint Theories*. The former assumes that the state is an instrument of the ruling class and has the problem of, while the latter assumes that political systems simply do not enact any non-capitalistic interest. He goes on to articulate his own approach, which identifies the capitalistic character of a state in terms of selection or sorting processes. The capitalistic state he argues is one with selection processes which distills a class interest for capital and which protects collective capital against anti-capitalistic interests. In other words, a state is capitalistic if it protects capital from its own false consciousness as well as from other anti-capitalistic threats.

After asserting his definition of the capitalistic state explores the methodological question of how one can recognize states which satisfies these two functions. An important methodological point to consider is that the policy outcomes which to not occur are just as significant as those which do occur. He goes on to examine and critique the number of analytical approaches. For instance, one might compare the situation created by the state with a normative definition of human needs. He argues that none of these are empirically grounded or provide conclusive normative criteria. Most have no way of distinguishing between systematically created situations or accidentally created situations. Offe's response is to assert that the class character of the state can simply not be determined abstractly and analytically. Instead the class character of the state can only be determined in practice, specifically during times of crises. This is because such character is necessarily concealed. **[This is a bit too much summary/exegesis for an “interrogation”. The discussion in the second paragraph is probably all that you needed to set up the issue that follows.]**

In terms of the quality of his solution, it seems to me that his definition suffers from many of the same shortcomings that he applies to other approaches. For example in *The Theses on the Theory of the State* he provides an abstract conceptualization of the capitalistic state. Presumably these characteristics would emerge during a crises, however it is not clear whether such characteristics are systematic or accidental. For example might the state adopt capitalistic practices in response to various conflicts? **You are probably right that it is always possible that the evidence generated by a crisis – or any other context – could be accidental rather than systematic. But, do you think that the plausibility of an argument about systematic exclusion is enhanced by observations of what possibilities open up and are closed off under crisis conditions compared to non-crisis conditions? Is there any better way of getting an empirical handle on these problems, or do you feel this is basically intractable?**

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### 7. Matt Kearney

In this week's readings, particularly 'Structural Problems' and 'Crises of Crisis Management,' Offe wants to argue on functional grounds for the ultimate unsustainability of capitalism, supplementing or replacing Marx's story about the tendential fall in the rate of profit. Offe describes a conceptual story by which this functional unsustainability *might* be the case, but does not analytically demonstrate that it is the case. He says the formal structures of bourgeois democracy are both necessary conditions of the capitalist system and conditions that make it impossible. Negative subordination of the political system to the economic system is how the hidden class character of the state pushes it to erode the basis of capitalism. Offe sometimes admits that all this is just a hypothesis and might not be true. I want to know if it's true. Can we find within Offe, or construct out of his frameworks an argument that's conclusive, or at least very likely, on this question? **[I think there are two potentially different questions in play here: 1) are there convincing arguments that capitalism as such is ultimately unsustainable? 2) is liberal capitalism, or maybe liberal-democratic capitalism unsustainable? Which of these do you think Offe is really arguing for? There may also be a third variant of the question: 3) Is liberal capitalism ultimately unsustainable as a stable institutional structure, so that at best it will go through processes of institutional degradation and (maybe) subsequent renewal?]**

In this vein, two complications: even according to Offe's own story, it doesn't follow that capitalism goes kaput. First, fascism as a governmental structure might not be incompatible with private appropriation of surplus value in the economy; we shouldn't dismiss the possibility of a fascistic capitalism. Second, if the maximum level of state intervention increases with increasing social differentiation, then capitalism is indefinitely sustainable.

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### 8. Ayca Zayim

What I would like to clarify through discussion in class is the methodological question of how to determine the class character of the capitalist state. Offe's contribution to the theory of the capitalist state is evident—he surpasses what he defines as “influence” and “constraint theories”. While the former sees the state as an instrument of the ruling class, the latter emphasizes the structural limitations, such as the lack of sovereignty of political institutions, in advancing anything apart from capitalist interests. Both theories conceptualize the class-bound nature of policies in term of external constraints, rather than treating it as an inherent characteristic of the state in capitalist societies. Offe's theoretical contribution is at this point showing the “class character” of the state—the ‘capitalist state’ is structurally conditioned and its class bias is internally generated in its own apparatus through what Offe terms ‘selectivity’ (‘non-events’). While I find Offe's classification of non-events into “social-



structurally”, “accidentally” and “systematically” excluded events a useful one, I am unclear as to how one determines systematically excluded events (which according to Offe is what reveals the class character of the state). Which criterion (or criteria) is (are) to be adopted in order to determine non-events or the possible set of events, which by definition, do *not* take place? Offe mentions the need for ‘negative concepts’ but the selectivity is arguably historically defined and perpetuated. Even if one determines the contours of non-occurring events at a particular historical point, I am curious how one can unmistakably trace the correspondence between these non-events and the internal structure of political institutions or its class character. In other words, how do we do this mapping in a continuously changing context? Offe’s suggestion that the class character of the State becomes “evident analytically only in an ex post perspective, namely when the limitation of its functions becomes apparent in class conflict” seems vague to me in the sense that as he argues, it is not informed by a postulated analytical insight but with something that can only be empirically verified. **[I am not quite sure what is in play in the contrast between something that is a “postulated analytical insight” and something that “can only be empirically verified.” The idea here is that there is a theoretical claim that there is class selectivity built into the state, a class bias in the form of generating exclusions. That is an analytical argument. The problem then is how to find evidence to back the argument. What Offe suggests is that struggle against the exclusion provides the evidence, particularly in crisis conditions in which there may be some break down in the effectiveness of the exclusion mechanism.]** So, we discover the selectivity of the state in its own terms after we observe the practice which makes it even harder to draw the boundaries of non-events such as issues which are not even contemplated?

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## 9. Martina Kunović

Offe contends that the State is not simply a state in a capitalist society, but rather a capitalist state—that is, one that is “functionally related to and dependent upon the accumulation process” (1975, p. 125). But, he goes on to point out, the capitalist state is riddled with structural problems that are inherent to it (for example, having to simultaneously exercise its class character while also keeping it concealed;<sup>1</sup> or discrepancies between required state activities and the state’s internal structure).<sup>2</sup> **[note: no need for footnotes in an interrogation like this...]** Offe maintains that these contradictions become exposed during conflicts and crises, and that the state, therefore, employs strategies to reduce their likelihood.<sup>3</sup> (Aside: To the extent that one accepts this claim, it has interesting implications for methodology, suggesting that an examination of crises may be a more useful way to reveal the structure of capitalist states, as well as its internal contradictions than, say, studying its day-to-day operations.)

While reading the first three selections, all of which draw attention to the various contradictions within or faced by the capitalist state, the following question kept springing to mind: “How, then—that is, given the various contradictions and discrepancies that beset it—has the capitalist state managed to persist rather than collapse on itself?” (Or, given the crises faced by Greece, Ireland and Portugal and also Spain and Italy (and to a lesser extent other Eurozone countries), we may wish to ask whether it is appropriate to consider the capitalist state one that is persisting.) **[This is, ultimately, one of the most fundamental**

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<sup>1</sup> See especially the discussion on p. 47 of “Structural Problems of the Capitalist State” (1974) in *German Political Studies*.

<sup>2</sup> Offe offers up as an example the discrepancy between the state’s productive function and an internal structure (or mode of operation) that is bureaucratic. See especially the discussion on pp. 135-141 of “The Capitalist State and the Problem of Policy Formation” (1975) in *Stress and Contradiction*.

<sup>3</sup> See p. 51 in 1974 selection, also “Crises of crisis management” (1976).

**questions in Marxist theory: why doesn't capitalism destroy itself? Much of the theoretical work in the Marxist tradition has basically been attempt to understand the mechanisms through which capitalism is reproduced in spite of its contradictions and tensions. Now, for Offe, I think, we need to try to clarify what precisely is being called into question by these contradictions. Is it capitalism? The capitalist state? Or a particular variety of the capitalist state – the liberal democratic welfare state?]**

Offe states that despite tendencies for conflict and crises to arise in the capitalist state, welfare state democracy will persist, for lack of practical alternatives and also because it is “functional” and “indispensable for” production conditions (see especially 1974, pp. 53-4). I found this answer rather unsatisfactory, and would have liked for Offe to offer more. While it is unreasonable to task Offe with thinking up practical alternatives to the welfare state, he could have interrogated more the functionality of the welfare state for production, especially through the use of empirical examples, which brings me to my last point...

Another question that arose for me was the extent to which the capitalist state that Offe sketches out accurately describes modern welfare states. Posed differently, we can ask whether his characterization is an ideal-typical one or whether real-life examples can be found. In none of the core readings does he draw on actually-existing states to illustrate his point—something I found rather frustrating. **[Remember that he is writing mainly for a European audience that would bring to his essays a lot of background information about specific welfare states. Also, he is interested in revealing some underlying mechanisms that are common to all such states, rather than the specificities of any given state, and for this task a lot of empirical discussion of particular states could actually make the argument harder to follow. This is like the more theoretical parts of Marx's *Capital* in which very abstract formulations about the nature of commodities, markets, and capitalist production are presented.]**

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## 10. Alexander Hanna

There are two points I want to make in this interrogation. The first is a general comment on Offe's intellectual trajectory based on the readings here. He moves from a theorist of the capitalist state to theorist of the state writ large, although more particularly on the liberal democratic state. This makes sense if we historically situate his work: liberal democracy post-1989 doesn't have a counter pole, even if the counter pole is authoritarianism dressed in communist attire. During Offe's visit, I would like to understand more his own intellectual development and what motivated him to shift his work from debates on the capitalist state to the critique of liberal democracy.

The second point is much more specific, on his “Structural Problems of Capitalist State.” In making the criticisms of the existing Marxist theories of the state, he identifies two types of theories – influence theories and constraint models. His own model of *selectivity* is the proposed exit from these theories, however, it is also hard to distinguish it from the constraint model. If selectivity means the exclusion of relevant non-events in the development of the capitalist state, how is it not just a more general case of those constrain theories which suppose that the capitalist state puts structural limitations on possible courses of (non-capitalist) action? **[Of course in some sense all theories are “constraint” theories – even instrumentalist theories are constraint theories in the sense that the action of capitalists through their influence of state actors impose constraints on what the state does. So the question here is whether these different theories identify the source of constraint in different locations or different kinds of mechanisms.]**

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### 11. Lindsey Twin

Offe argues that the capitalist state achieves “dual determination” by “universalizing the commodity form” so that every citizen is a participant in commodity relationships. The state would not need to intervene in private economic decision-making and accumulation would result from the net equivalent exchanges between owners of capital and labor. However, the commodity form defies universalization. It encapsulates relations in production in which capital incurs costs to coerce labor effort not guaranteed in labor exchange by the state. These transaction costs engender permanent unemployment which is not bid down by competition.

Offe treats exchange as neutral. However, class relations shape labor’s “scarcity” and thereby, wage and interest rates outside of supply and demand. Price and scarcity, shaped by instrumental action by class actors, constitute state governance as a selective system. **[I don’t understand exactly what you mean by the word “constitute” here. Do you mean “explain” or “cause”? Or do you mean that “price and scarcity” are “state governance”? I couldn’t figure out this sentence.]** They define the context underlying the democratic process and mediate the state’s dependence on capital accumulation. To maintain accumulation, capitalists must anticipate a “sufficient” rate of return. Since this rate of return represents contingent labor scarcity, it has a range of employment and human misery implications defined by class relations.

Offe illustrates contradictions that the state faces in maintaining legitimacy when confronted by civil society. However, what capacity do citizens have to exercise power over an illegitimate state? **[Is this really the main issue – how citizens exercise power “over” the state? Isn’t the main issue in discussions of the withdrawal of legitimacy, that a loss of legitimacy leads to disruption, conflict, inefficiency, and that the repression needed to contain such disruption is costly?]** Offe writes that capital and labor have different associational practices when pressuring the state and this difference supports inequality under institutionalized liberal auspices. Relations of production shape the economic content of the state. How do they connect to class dynamics in civil society, which constitute the institutional form of the state?

Government programs undermine the commodity form because they politicize exchange. What about charity or clientelism or advocacy in the private sector? Civil society associations entail different forms of social and technical interaction that engender different capacities to become politicized.

### 12. Naama Nager

Offe speaks of three modes of citizenship - voting, joining and donating - “in tandem”, but I am rather curious about potential tensions among the three. In particular I am curious about ‘donating’ (in itself a peculiar term since, besides the fact of ‘contributing a share’, for me ‘donating’ implies a voluntary action, which is not the case when it comes to tax payment)- how does it fit with the other modes of citizenship, in light of what we know of the capitalist state?

Offe claims that capitalist states are based on private consumption and accumulation, and use commodification to settle those with legitimation mechanisms. This has affected all social relations - we are all consumers, not only in the economic sphere. I wonder: should we aim to encourage more equality of participation among different social strata when it comes to donating, or rather try to fight against the logic of Negative Subordination, and put more emphasis on other modes of participation (voting and joining) which are more independent from the economic sphere? Should we not fight against the consumeristic idea that ‘paying’ to the state ‘buys’ one’s “sense of ownership” over it? **[I**

haven't reread (yet) the essay in which Offe makes this argument, so I don't recall exactly how it is framed. However, it is not necessarily the case that the quid-pro-quo involved in paying taxes implies a consumerist idea of the state and its services as being "bought" in the sense of a commodity. Taxation can also be viewed as part of the shared *burdens* people experience for the collective good of the state. This is especially the case where taxation follows an equal-burden principle – i.e. sharply progressive taxation – rather than a fee-for-service principle. But you raise interesting questions here about the ways citizenship is concretely translated into connection to the state, and what it means for this to follow egalitarian principles.]

This might sound totally counter-intuitive to American ears, but democracies are founded on more than one political model, and so there is a difference, for example, between the American ideal-type of citizenship (very much donation-and-work-based) to the French one (voting-centered). This has overarching ramifications. For instance, in the US, voting is so devalued, I believe, it is more of a mechanism of exclusion (what's with the regional system which renders Massachusetts voters obsolete, in comparison to voters in Swing States, and creates a negative incentive to vote, not to mention the massive scale of disenfranchisement affecting mainly black population, and so on). When you ask people in other countries what makes them citizens, they would say 'voting' before 'tax paying' (if at all), unlike US citizens. **[That is an interesting hypothesis. I wonder if there is actually data to support this? Also: voting is not, of course, just for the president. In Massachusetts there is pretty high voter participation rates for local elections.]**

To give another example for this possible tension among modes of participation: in the US, the ideal-type of citizen as a worker/tax-payer (versus the pauper) lead to a remarkable invention like 'Workfare'. Conservative discourse speaks of 'Work' as a value in itself so much so, that on behalf of this value people are pushed to jobs which keep them poor, and unable, in fact, to donate (nor have more power to participate in any other way).

Lastly, and this is a question Offe ignores: is entitlement for social rights not a form of citizenship? This might seem opposite to the logic of 'buying one's share' in the state and rather promote the idea of citizens as 'clients' of the state [often mistakenly understood as a 'passive' rather than 'active' citizenship] yet in essence the clientelistic language is still commodified (and, as we all know too well, even in the 'Residual Sphere', the rich can buy more, or better, rights than others).

So far for my main question. On a separate note, I have an empirical question (with theoretical implications, of course), if we get to it: Offe speaks of the relative power of each of the sectors, from M (monopoly) to R (residual), in the balance between functionality and organization to conflict (and growth). I am not familiar enough with the statistics in different states, but has the relative power between the Monopoly Sector and the Competitive Sector not changed, since the time this was written (1976)? I believe the era of the Washington Consensus has shifted that equation, at least to some extent. If so, (how) would that change Offe's hypotheses (does a dysfunction in sector C not threaten the whole system? If not, why rescue Wall-Street, for instance?) or his conclusion (about the need for more Negative Subordination)? **[The key shift since the time Offe wrote is not so much between Monopoly and competitive sectors of the economy, as they were then conceived, but the financialization of the economy, the shift from product-driven accumulation to finance-driven accumulation. This is also bound up with globalization and unrooted capital. I am not sure how this would figure in Offe's earlier analysis.]**

Throughout the core readings, Offe argues that the capitalist class character of the state resides in its internal structure. What makes the internal structure capitalist is its institutionalized exclusion rules or, in other words, its selectivity. Such selectivity is always, according to Offe, primarily concerned with avoiding disturbances to the accumulation process. It can be social-structural, accidental, or systematic.

My question is about social-structural selectivity. Offe writes that social-structurally excluded events include “the burning of witches” or “Crusades” and that this is “due to the fact that the preconditions for such events are absent in industrial social structures” (1974:36). I’m not sure what he means by witch-burning and Crusades as kinds of events that are impossible in industrial societies; what makes them impossible? Is it that the disturbances caused by such events interfere with the accumulation of Capital? **[I don’t think this is exactly what he means. I think he means that the social structure is such that there are no social categories of people whose identities and interests would give them a disposition to witch-burning, and thus no special mechanisms need to be in place to prevent this from happening. I think here it means literally witch burning in the form this took in the middle ages, not all forms of brutality and mass killing.]** If so, what explains events such as the Holocaust when Germany had experienced its Second Industrial Revolution in the 1890s and early 1900’s? Is there something qualitatively different about genocide and pogroms compared to the Crusades and witch-burnings in terms of their consequences for capitalism? If so, what? Does the justification for violence differ due to the change in the state’s primary concern and does this mean the kind of violence happening is different, or just the reasons for its organization? How does ideology (economic and otherwise) matter for modern state-planned and supported violence? Further, in relation to what Offe refers to as the “preventive checking of conflicts” performed by the Capitalist state (who is the actor here? how does this happen if the state’s class character is masked as such?), when modern, industrialized states plan genocide, how does ideology intersect with capitalist aims to produce the kinds of targeted violence that result? **[This would be a good issue to ask Claus about when he is here: given that genocide against the Jews in the Holocaust was ultimately so destructive of capital accumulation, how would he explain this in terms of selectivity and functionality for capitalism? It might be that the Nazi State actually ceased to be a “capitalist state” even though Germany remained largely a capitalist economy. The totalitarian/fascist state, perhaps, should be seen as operating with very different kinds of selectivity.]**

Last, abstracting somewhat from this question, what do Offe’s theories look like on the ground, once context (time, place, and history) is taken in to account?

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#### 14. Yotaro Natani

My main question in reaction to the readings is whether we can outline or map out more coherently the varieties of “crisis” identified by Offe. This question is motivated by the fact that Offe describes several crisis tendencies of late capitalist systems but in a way that is difficult to keep track of analytically.

Because Offe’s framework is divided into the economic, political, and normative subsystems, it is reasonable to believe that each subsystem can undergo a crisis if the overall system’s functional needs are not met. We can then speak of economic, political, and legitimation crises. A problem with this, however, is that Offe talks about legitimation crises as if they are crises of the state – the withdrawal of mass loyalty by the normative subsystem from the state when, for example, the state fails to maintain the façade of acting in the general interests of society. Does this mean the state can have two kinds of crises: legitimation crisis on the one hand, and crisis of crisis management on the other? And isn’t there a normative-subsystem-specific type of crisis, such as a motivation crisis, which should be incorporated

into the framework as well? **[This is a good terrain on which to try to elaborate the conceptual space. Perhaps the way to think about this is to distinguish crises within a subsystem and crises located through the interactions of subsystems. That is, within the kind of system-functional logic that Offe at least partially embraces here, there is both a question of the integrity/stability/crisis of the overall system and of the component parts. Since the stability of the system as a whole depends upon the functional contributions of these parts, instability and internal disruptions within those subsystems would generally be expected to also ramify into instability of the system as a whole. But this is not a logical necessity, since not all aspects of subsystems are functionally important for the larger system.]**

Because of this unclear aspect, I don't think I have a complete understanding of the causal sequence of crisis formations. As I understand it now, the state violates one of the principles of exclusion, maintenance, dependency, or legitimation (because it is impossible to satisfy all four requirements simultaneously), and then an *economic* crisis takes place. Then there is a *political* crisis or a *crisis of crisis management* by the state because it cannot fix or prevent this economic crisis. (Perhaps a legitimation crisis also follows because of this lack of administrative performance by the state.)

By having a more coherent schema of capitalist crises (economic, political, and social) I think that will lay down the ground work for theorizing how effective democratic stabilization mechanisms can be set in place to counteract the disorderly tendencies of late capitalism, whether that is through civil society associations or alternative designs of state institutions.

## 15. Emanuel Ubert

### 1) Structure vs. agency

a) origin and emergence of the capitalist state

Offe states that the "state is characterized by constitutional and organizational structures whose specific selectivity *is designed* to reconcile and harmonize the 'privately regulated' capitalist economy with the process of socialization this economy triggers" (Offe, 1976). Further, social events in industrial societies are "produced" by exchange, political choice, bureaucracy or bargaining "principles". While he postulates ontological autonomy of the macro/ structural level of the state, he does not explain if and how that autonomy arises from "lower"/ individual levels of social organization, or why the organizational form of the state is not analytically reducible to that level.

- How do structures and institutions of selectivity (and thus the capital state itself) arise?
- What is Offe's implicit theory of bottom up emergence (and causation) from the societal micro to the macro/ structural level of the state (and the other way around)?
- Who does the "designing" of structural selectivity and how?

**[This is a general problem for all functionalist-type systems arguments. What it means to say that there is a kind of functional integration of the liberal democratic state with the capitalist economy is that there exist properties of this state which make it a viable component of a capitalist political economy rather than a continually disruptive force. This is a puzzle because it might seem that "democracy" would be inherently destabilizing for capitalism – which, after all is what many people thought in the 19<sup>th</sup> century, including (probably) Marx. So you are right that it is a problem within such arguments to explain how these properties of the state got to be the way they are. One answer is that someone (or some collectivity of people) designed them with this in mind. This is what would be called an intentional explanation of a functional relation. But there are alternatives that look more**

**Darwinian in the form of explanation, or which involve trial and error of various sorts – sort of Lamarckian.]**

b) structure vs. agency in productive policies

Once established, according to Offe, capitalist states use allocative and (ultimately contradictory bureaucratic, purposive-rational or consensus based) productive policies to attempt to resolve capitalism's crisis tendencies. They do so to ultimately "restore accumulation or to avoid or eliminate perceived threats to accumulation." The decision rules by which productive policies are formulated "from the point of view of the state as an *actor*" are minor ones because "directives as to what use is to be made of these state-owned resources can be directly derived from manifest interests and power relationships that become apparent in the process of politics and political conflict" (Offe, 1975). Further, Offe postulates that "public policy cannot be understood fully by these content related questions, but that, in addition, the formal procedures, or the institutionalized method processing problematic state of affairs in the environment, are equally important determinants of state activity" (Offe, 1975). The capitalist state thus is not only a problem solver, but also "adopts for itself a certain organizational procedure from which the production and implementation of policies emerge." The process of policy formation giving preferential treatment to functional problems of the capitalist economy ultimately is "guaranteed by objective, political-organizational channels and mechanisms"

- In the absence of any clear role of agency in Offe's structural theory of the state, how exactly do those policy specific decision rules and political-organizational channels and mechanisms arise?
- What factors determine their content and form?
- What is the precise relationship between the structural form of Offe's capitalist state and the processes of internal and external organization of politics and the state?
- Is it enough to define the state by the function of its policies?

## 2) Ungovernability and state crisis

Based on a seeming absence of a theory of emergence/ state origination and my confusion about the mechanisms of interaction between state structure and process, I find it difficult to understand the analytical consequences of capitalist state or "second order" crises to capitalist systems going forward. While Offe outlines how disruptive forces in capitalist state systems (can) arise endogenously and not exclusively from the realm of production, it is not clear to me how the resulting derision of "shock absorbers" can ever be endogenously reversed and how it does not end in a downward spiral of crisis and "absolute" state failure.

- If the rise of disruptive forces are not contingent and external but "systematically attributable to those institutional arrangements the deficiencies of which are exposed as consequence of endogenous disruptive forces", how and by whom, in Offe's framework, is the system ever stabilized? This really seems only a different take on above question regarding agency, etc. wrt productive state policies.
- what prevents failure of resolving a problem in the economic subsystem (e.g. fiscal crisis) not to spread to political and ideological subsystem and create an escalating and self-reinforcing process of failure?
- what role do lower (non-structural) levels of organization and "upward causation" play in the stabilization of the system following a state crisis?

**[This is an interesting issue, especially in the context of a theory of the contradictory functionality within systems. There are crisis theories in which the crisis itself restores conditions for more stable**

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reproduction. This is the case for some versions of Marx's crisis theory in which the crisis, provoked by the falling rate of profit, destroys capital and increases unemployment, etc. in ways that restores conducive conditions for accumulation. The special additional idea in Marx was the view that there was an tendency for intensity of disruption to increase across cycles, but still each crisis-cycle had the effect of regenerating conditions for accumulation. Offe has something like this in his paper on "Two Logics of collective Action" for the trajectory of labor solidarity and struggle. But I am not so sure there is a clear restorative logic to the crisis of crisis management.

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#### 16. Paul Pryse

In his writings on the state from the 70s and 80s, Offe asks "what's capitalist about the capitalist state"? He names four selection devices (structure, ideology, process, repression) for eliminating anti-capitalist policy and goes on to explain how these functions can run counter to maintaining a façade of class neutrality. However, the factors that explain why these devices work in the capitalist class' favor seem to come down to factors identified by previous theorists, namely the possibility of investment strikes and the state's dependency on tax revenue. To what extent is Offe's theory actually a departure from the influence and constraint theories he deemed inadequate? **[Offe's negative selectivity arguments are not simply tax dependency and investment strikes, although these do figure in the analysis. There is a whole series of nested negative selections, sort of like successive filters that back each other up. That is more than just having a state designed in such a way that state actors have to worry about the tax base.]**

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