Chapter 8
Elements of a theory of transformation

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Even if one accepts the vision of social empowerment over the state and economy we have been exploring as both *desirable* and *viable*, the question remains: how could this possibly be *achievable*? A skeptic might argue thus: If indeed these institutional arrangements constitute central components of a viable movement in the direction radical democratic egalitarian emancipatory ideals, then the creation of these institutions would be massively opposed by elites whose interests would be threatened by such changes. And so long as capitalism remains the dominant component in the economic structure, those elites would have sufficient power to block or subvert any serious movement along the pathways of social empowerment.

This, then, is the fundamental problem for a theory of transformation: in order to advance democratic egalitarian emancipatory ideals it is necessary to radically extend and deepen the weight of social empowerment within economic structures in capitalist societies, but significant movements towards real social empowerment is a threat to the interests of powerful actors who benefit most from capitalist structures and who can use their power to oppose such movements. How, then, can significant movement on the pathways of social empowerment be accomplished? To answer this question we need a theory of emancipatory social transformation.

A fully developed theory of social transformation involves four interlinked components: A theory of *social reproduction*, a theory of the *gaps and contradictions of reproduction*, a theory of *trajectories of unintended social change*, and a theory of *transformative strategies*. The first of these provides an account of the obstacles to emancipatory transformation. The second shows how, in spite of these obstacles, there are real possibilities of transformation. The third attempts to specify the future prospects of both obstacles and possibilities. And finally, the fourth component attempts to answer the question "what is to be done?" in light of the account of obstacles, possibilities, and future trajectories. While for purposes of exposition we will distinguish these four theoretical agendas, they are deeply interconnected. The processes of reproduction, contradiction, and dynamic trajectories of change are not sharply distinct and unconnected: the process of social reproduction is intrinsically contradictory, and the very practices involved in such contradictory reproduction endogenously generate the trajectories of unintended social change.

In this chapter I will briefly sketch each of these agendas. I will not attempt to thoroughly explore any of them; this would be the task of book in its own right. Rather, the purpose is to set the stage for a discussion of alternative modes of emancipatory transformation in the following three chapters.

SOCIAL REPRODUCTION

The term "social reproduction" is used in a variety of distinct ways in social theory. Sometimes it refers to the problem of intergenerational reproduction of social status: social reproduction is primarily about the ways in which parents transmit status to their children, through socialization,

education, wealth transfers, and so on. Sometimes social reproduction is used as a contrast to "production": reproduction refers to those activities that reproduce people over time, particularly the caring and nurturing activities performed especially by women, in contrast to activities that produce goods and services. Here I am using the term to refer to the processes that reproduce the underlying structure of social relations and institutions of a society. While this certainly involves mechanisms for the intergenerational transmission of status and includes the problem of reproducing people on a day-to-day basis, in the present context I will use the term to refer to the reproduction of social structures.

All forms of emancipatory social theory contain at least a rudimentary account of social reproduction. Sometimes this can be quite simple, emphasizing the ways in which powerful and privileged actors use coercion to maintain their advantages. But more characteristically theories of social reproduction involve complex accounts of how the subjectivities and mundane practices of people are formed in such a way as to help stabilize social systems.

Social reproduction in capitalist society takes place through two sorts of interconnected processes which I will call *passive reproduction* and *active reproduction*. Passive reproduction refers to those aspects of social reproduction that are anchored in the mundane routines and activities of everyday life. This is social reproduction of "the dull compulsion of everyday life." People go about their daily life with ingrained habits and dispositions, a sense of the naturalness and taken-for-grantedness of the social world that comes simply from living in it. Workers go to work and follow orders on the job, and in so doing they not only produce commodities for the market but they reproduce their own status as workers.[1] This passive aspect of social reproduction is not the result of specialized effort and consciously constructed institutions designed for the purpose of social reproduction. Passive social reproduction is simply a by-product of the ways in which the daily activities of people mesh in a kind of self-sustaining equilibrium in which the dispositions and choices of actors generate a set of interactions that reinforces those dispositions and choices.[2]

Active social reproduction, in contrast, is the result of specific institutions and structures

[1] Some treatments of the idea of social reproduction, especially within the Marxist tradition, also emphasize the ways in which passive social reproduction is simultaneously a process of dynamic development. The process of capitalist production and accumulation consists of workers going to work, entering the labor process and producing commodities which then get sold by capitalists to realize a profit which capitalists invest in capitalist production, etc. This process does not reproduce itself as a static, fixed structure, but as a dynamically developing structure of relations and processes. Through their interconnected mundane practices, therefore, workers and capitalist both reproduce these relations and transform them. This endogenous developmental aspect of reproduction is foregrounded in the discussion of the third element in the theory of transformation: the problem of trajectories of unintended social change.

[2] Much of Pierre Bourdieu's analysis of social reproduction concerns various aspects of what I am here calling passive reproduction. Bourdieu's concept of *habitus* identifies the ways in which individuals acquire unconscious dispositions which enable them to function smoothly within a structure of relations. This constitutes the basis for a process of social reproduction to the extent that these dispositions lead to practices that reinforce the dispositions. Goran Therborn's brilliant discussion, in *The Power of Ideology and the Ideology of Power* (Verso: 1980), of "subjection" and "qualification" in his analysis of how ideological practices shape social subjects is also largely an analysis of passive reproduction. Passive reproduction is also very close to the notion of equilibrium in certain strands of institutional economics informed by game theory: the preferences, norms and expectations of each actor in an institutional equilibrium are continually reinforced by the spontaneous strategies of other actors. See for example Masahiko Aoki, *Comparative Institutional Analysis* (MIT Press, 2001).

which at least in part are designed to serve the purpose of social reproduction. This includes a wide variety of institutions: the police, the courts, state administration, education, the media, churches, and so on. This does not imply that the only purpose of such institutions is social reproduction. Most complex social institutions serve a variety of "functions". Nor does the claim that these are institutions of active social reproduction imply that such institutions are always effective. Indeed, the limits and contradictions of institutions of social reproduction are of pivotal importance for a theory of social emancipation. What is at issue here is that social reproduction is the result of the deliberate actions of individuals and the deliberate design of institutions and not simply the unconscious by-product of mundane activities.

Active and passive reproduction interact in important ways. Passive reproduction is aided by various institutions which help stabilize the mundane routines of everyday life. The regulation of contracts by the state, for example, facilitates predictable routines in labor markets and work, which in turn underwrite the passive reproduction generated by daily activities in workplaces. Accordingly passive reproduction can be disrupted when the institutions that shape the contexts of daily life are disrupted for one reason or another. But equally, the burden on institutions of active social reproduction is much greater if the processes of passive reproduction are weak and contradictory. Active and passive social reproduction thus constitutes a system of variable coherence and effectiveness.

The basic (implicit) proposition of theories of social reproduction within most currents of emancipatory social theory is this: *Social structures and institutions that systematically impose harms on people require vigorous mechanisms of active social reproduction in order to be sustained over time.* Oppression and exploitation are not sustained simply through some process of social inertia rooted only in the mechanisms of passive reproduction; they require active mechanisms of social reproduction in order to be sustained.[3]

This proposition is itself derived from three underling claims:

1. *The reality of harms.* The harms specified in the diagnosis and critique of capitalism do not simply reflect the peculiar values and ideas of theorists; they are to a greater or lesser extent experienced by people as real harms.[4] This does not mean, of course, that people

[3] This way of framing the issues gives the theory of social reproduction a certain "functionalist" cast: The argument begins with a claim that oppressive social structures "require" an array of processes in order to survive; we observe that these structures do survive; and therefore we conclude that there must exist the requisite kinds of mechanisms. Traditional Marxist analyses of the state, for example, often treat the state as "fulfilling the function" of reproducing the economic structure. G.A. Cohen has forcefully argued that the classical base/superstructure analysis of capitalism in historical materialism relied on functional explanations: the superstructure exists and takes the form it does because it reproduces the economic base. (G.A. Cohen, *Karl Marx's Theory of History: a defense*, Princeton: Princeton University Press, 1978). Such functional reasoning, however, need not imply that mechanisms of reproduction are generated by some automatic, nonintentional process operating "behind the backs" of people. Social reproduction is a contested, partial, and contradictory reality. If there are strong tendencies for particular institutions to contribute functionally to social reproduction, this is the result of the history of struggles over social reproduction and the resulting process of institution building, not some automatic, functional logic of the system.

[4] There are some currents of contemporary social theory which reject the idea that it is possible to make objective claims about harms and suffering, or about their antithesis, human flourishing. Suffering and flourishing, the argument goes, are entirely derived from arbitrary and variable cultural standards. It is possible to talk about "real harms" only in culturally-defined harms. While culture plays a pivotal role in the interpretation of harms and suffering and affects the ways in which people cope with harms and suffering, I do not think that the problem of harms can be reduced to a problem of culturally determined perceptions. For a penetrating discussion of a realist

necessarily understand the *source* of these harms. This is why emancipatory social science begins with a diagnosis and critique of existing social structures and institutions. But while the nature and causes of harms may not be transparent, nevertheless the harms are real, not simply a matter of perspective: they are embodied in lived experience by actual people and would in general be recognized as socially-generated harms if people had all of the relevant information.

2. *Human capacities and motivations.* People universally have certain basic capacities (intelligence, imagination, problem-solving abilities, etc.) and motivations (for material wellbeing and security, social connection, autonomy, etc.) which would lead one to predict that when they experience things which are harmful to their lives, they will try to do something about it. When the source of harms is social, this means that *in the absence of counteracting forces*, people will try to change the social conditions which generate these harms. This does not mean that people never resign themselves to a life of suffering, but that such resignation requires explanation given human intelligence and problem-solving capacity. Something must be interfering with a response that would improve their situation.

3. *Obstacles.* In the absence of mechanisms which block social transformation, there will thus be a tendency for people to challenge those social structures and institutions which generate harms, and while this does not necessarily mean that they will fully succeed, it does mean that those structures and institutions are likely to change. *The absence of challenges to oppression, therefore, requires an explanation.* This is what a theory of social reproduction attempts to provide for an emancipatory social science: understanding the specific mechanisms that generate obstacles to such processes of oppression-reducing social transformation. This is not to suggest that oppressive social structures are always precarious, vulnerable to challenge, and that they need finely-tuned active mechanisms to hold them together. Capitalism is not like a biological organism which can only survive under very specific and restrictive conditions. What an oppressive social system like capitalism needs are reasonably effective mechanisms that contain social conflicts within tolerable limits and that mute their disruptive effects sufficiently so that capitalist investment and capital accumulation can take place.

Understood in this way, the problem of social reproduction within an emancipatory social science is *not* the same as the classical "problem of social order" within sociology. Theories of social order and of social reproduction both attempt to explain social integration and stability, but they do so against different counterfactuals. The counterfactual to social order is Hobbesian chaos; the counterfactual to social reproduction is social transformation. The problem of social order is grounded in the latent potential for individuals to act in normatively unconstrained predatory ways – the war of all against all. The theory of social order attempts to explain the mechanisms that generate stable forms of cooperation and social integration by counteracting such individualistic antisocial tendencies of predation. The problem of social reproduction is grounded in the latent potential for people to collectively challenge structures of domination, oppression and exploitation. The theory attempts to explain the mechanisms that generate sufficiently stable forms of cooperation and system integration to mute such collective tendencies for transformation. Both the problem of social order and the problem of social

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view of suffering and flourishing, see Andrew Sayer, *The Moral Significance of Class* (Cambridge: Cambridge University Press, 2005)

reproduction are important themes in social theory, and certain institutions may contribute to both – the police, for example, can both prevent chaos and obstruct emancipatory transformation. Our concern here, however, is not with the issue of social order as such, but with the processes that contribute systematically to the reproduction of the fundamental social structures of power, oppression and privilege in capitalist society.

What, then, are the central ingredients for a theory of social reproduction? Four clusters of mechanisms through which institutions of various sorts affect the actions of people, individually and collectively, are especially important: *coercion*, *institutional rules*, *ideology*, and *material interests*. These constitute mechanisms of capitalist social reproduction to the extent that they, first, obstruct individual and collective actions which would be threatening to capitalist structures of power and privilege, and second, channel actions in such a way that these actions positively contribute to the stability of those social structures, particularly through the ways in which the contribute to passive reproduction.[5] The core problem of a theory of reproduction of capitalism is to understand the ways in which the institutions of capitalist society accomplish this.

Coercion, rules, ideology, and material interests interact in a variety of ways, some more effective than others in creating a system of coherent social reproduction. Two configurations are especially important, which I will refer to as *despotism* and *hegemony*.[6] In the former coercion and rules are the central mechanisms of social control; ideology and material interests mainly function to reinforce coercion and rules. In the latter, ideology and material interests play a much more central role in social reproduction. In what follows we will first briefly look at each of the clusters of mechanisms and then examine the contrast between the configurations of despotism and hegemony.

Coercion: Mechanisms which raise the costs of collective challenge

At the center of active social reproduction are various processes which raise the cost of collective challenges to existing structures of power and privilege by imposing various kinds of punishments on people for those actions. This would include both things which raise the costs and risks to individuals of participating in collective actions and the costs to collectivities of organizing such actions.

Of particular importance here are the ways in which the state regulates collective action by making certain forms of collective action illegal. This is not simply a question of the state proscribing insurrectionary violence by revolutionary movements that directly challenge existing power structures, but of the state regulating a wide range of associational practices that bear on the problem of forming collective organization for transformative social struggle. For example, part of the explanation for the weakness of the American labor movement is the particularly

[5] Obstructing threatening actions and promoting stability are not the same thing, since among non-threatening action some actively contribute to sustaining power and privilege while other actions may have no systematic effects on the issue of stability.

[6] This particular terminology for the contrast comes from Michael Burawoy's reworking of Gramsci's understanding of hegemony. In his discussions of the problem of workers cooperation with capitalists within the labor process he distinguishes between what he calls hegemonic factory regimes and despotic factory regimes. This is a specific instance of the more general idea of despotic and hegemonic forms of social reproduction. See Michael Burawoy, *Manufacturing Consent: Changes in the Labor Process Under Monopoly Capitalism* (Chicago: University of Chicago Press, 1979) and *The Politics of Production: factory regimes under capitalism and socialism* (London: Verso, 1985).

restrictive legal rules imposed on unions for organizing workers and engaging in collective action. The rules that raise the costs of collective action for individuals and unions include such things as the legal right of employers to hire permanent replacement workers during strikes, laws that bar secondary boycotts by unions, rules governing union certification and decertification elections that are advantageous to employers, and so on. A union which violated these rules would face directly repressive actions by the state, ranging from heavy court imposed fines to imprisonment of union members and leaders. This adverse legal environment for labor organizing is further aggravated by the administrative practices of the state regulatory apparatuses which only weakly enforce rules favorable to labor. The overall result, therefore, is a relatively repressive and hostile regulatory environment for union organizing.

Beyond direct state regulation, non-state actors in various ways also use coercion and the threats of coercion to raise the costs of collective challenge to structures of power and privilege. Sometimes these non-state forms of repression are themselves authorized by the state, as in rules which allow employers to fire employees who are seen as troublemakers, or rules which prevent people from handing out leaflets in shopping malls. Other times private repressiveness may not be formally authorized, but nevertheless tolerated by the state, as in the long history of privately organized coercion to maintain structures of racial domination and exclusion.

Repression, we know, does not always work. It can breed anger, undermine legitimacy, and contribute to solidarities of shared victimization. In some situations, therefore, coercion can trigger intensified resistance and thus fail as a mechanism of social reproduction. A key problem for a theory of social reproduction, therefore, is to understand the conditions which reinforce or undermine the effectiveness of coercive means of social reproduction. We will examine this issue in the discussion of hegemony below.

Institutional rules: creating gradients of collective action opportunities

While the importance of direct repression of illegal activity should not be underestimated, it would be a mistake to see the state's role in social reproduction as operating exclusively through such explicit coercion. Of equal importance are the procedural "rules of the game" which make some courses of action much easier to pursue and others more difficult. Such gradients of collective action opportunities contribute to social reproduction when it is the case that the easy and less risky strategies are much less likely to be threatening to the stability of capitalism than the more difficult strategies.

Consider, for example, the core institution of representative democracy in capitalist societies. Prior to the advent of the universal franchise, the general fear among ruling elites in capitalism was that democracy would threaten the stability of capitalism. This seems straightforward enough: you give people who are harmed by capitalism the vote and it would seem that this would make it easier for them to challenge capitalism. Marx himself expressed this expectation when he wrote about representative democracy:

> The comprehensive contradiction of this constitution, however, consists in the following: the classes whose social slavery the constitution is to perpetuate, proletariat, peasantry, petty bourgeoisie, it puts into the possession of political power through universal suffrage. And from the class whose old social power it sanctions, the bourgeoisie, it withdraws the political guarantees of this power. It forces the political rule of the bourgeoisie into democratic

> conditions, which at every moment help the hostile classes to victory and jeopardize the very foundations of bourgeois society.[7]

As it turned out, representative democracy has been one of the critical sources of social stability in developed capitalism. Adam Przeworski, in his brilliant analysis of the dynamic reproductive effects of capitalist democracy, explains this outcome in terms of the mechanisms by which capitalist democracy channels social conflicts in ways that tend to reproduce capitalist social relations.[8] The dilemma faced by socialist parties historically was basically this: if they participated seriously in electoral competition, then they would be subjected to a whole series of systematic pressures to act responsibly and play by the rules which over time would erode militancy; if, on the other hand, they abstained from electoral competition in order to avoid these pressures, then they risked political marginalization since other parties would then be better positioned to champion the immediate economic interests of workers and other potential supporters of socialist parties. To avoid such marginalization, socialist parties historically chose to participate energetically in elections, but in order to win elections they had to support policies which would attract middle class voters whose interests were less sharply at odds with capitalism, and when they won elections from time to time, if they wanted to remain in power they had to pursue policies which would foster robust capital accumulation. This does not mean, Przeworski stresses, that socialist and social democratic parties have not in fact served important material interests of workers, but they have done so in ways which broadly strengthen rather than undermine capitalism. Representative democracy has greatly facilitated this integrative process.

The design of electoral institutions in capitalist states is a specific instance of a more general phenomenon that Claus Offe has termed "negative selection" – the organization of state institutions in such a way as to filter out ("negatively select") those practices and policies which would have especially disruptive effects on the reproduction of capitalism.[9] Negative selection mechanisms built into state would include things like the formal rules of bureaucratic administration (which insulate the state bureaucracy from popular pressures), the procedures of courts (which make it difficult for anti-system forces to effectively use courts), and the rules though which the state acquires revenues for its activities (which make the state dependent on income generated within the capitalist economy for its tax base). Offe argues that the critical reproductive property of these mechanisms lies in what they systematically *exclude*: these filter mechanisms all have the effect of systematically impeding the possibility of systematic challenges to the basic structures of capitalism being translated into actions by the state.[10] When critics of capitalism argue that the capitalist state is systematically biased in favor of the

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[7] Karl Marx, "Class Struggles in France" in Marx/Engels, *Selected Works in Two Volumes*, vol. I (Moscow: Foreign Languages Publishing House, 1962) p.172

[8] Adam Przeworski, *Capitalism and Social Democracy* (Cambridge: Cambridge University Press, 1985) and Adam Przeworski and John Sprague *Paper Stones: a history of electoral socialism* (Chicago: University of Chicago Press, 1988). See also the superb analysis of the system-maintaining features of capitalist democracy in Joshua Cohen and Joel Rogers, *On Democracy* (Penguin Books, 1983)

[9] See Claus Offe, "Structural Problems of the Capitalist State: Class rule and the political system. On the selectiveness of political institutions", in Von Beyme (ed). *German Political Studies*, v I (Sage, 1974).pp. 31-54

[10] The argument that the structure of the states imposes negative selectivity on state actions is a form of weak functionalism. The structure of the state excludes highly *dysfunctional* actions, actions which would seriously undermine capitalism, but among the non-excluded possibilities there is no claim that functionally optimal actions are selected.

capitalist class, much of what they are describing is the class character of these negative selection mechanisms built into the institutional rules of the apparatuses of the state.[11]

Ideology and culture: mechanisms which shape the subjectivities of actors.

There are many different idioms one can use to discuss the social processes through which the subjectivities of actors are formed and the ways this contributes to (or perhaps undermines) social reproduction in the sense we are using this term here. One way of doing this is by drawing a contrast between *ideology* and *culture*. As I will use the terms here, ideology refers to the *conscious* aspects of subjectivity: beliefs, ideas, values, doctrines, theories, and so on. Culture refers to the *nonconscious* aspects of subjectivity: dispositions, habits, tastes, skills. Thus, for example, the *belief* that intense competitive individualism is a good thing would be an aspect of capitalist ideology; the personal habits, skills and dispositions to act in intensely individualistic and competitive ways is an aspect of capitalist culture.[12]

A central issue in the theory of social reproduction is the extent to which ideology and culture defined in this way contribute to the sustainability of structures of power, inequality, and privilege. Why should it be the case that the ideas people hold as well as their inner dispositions should contribute to the stability of a social structure? A variety of mechanisms have been proposed to answer this question. The simplest centers on the way the production and dissemination of ideas are in significant ways controlled by individuals and institutions that benefit substantially from existing structures of power and privilege.[13] The domination of the mass media by capitalist corporations, for example, would be a particularly salient aspect of this process. While this does not guarantee that the only messages people receive are those consistent with the interests of people in power, it does mean that system-affirming ideas will be more prevalent, disseminated more widely, cheaper to be exposed to and backed by higher status media and institutions than ideas which challenge structures of power and privilege. To the extent that the beliefs and ideas people hold are shaped by the explicit messages they receive, then this will tend to generate a rough correspondence between prevalent beliefs and the requirements of social reproduction.

Whatever tendency exists for there to be a correspondence of ideology and culture to the

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[11] The most extended, systematic analysis of the class biases built into the machinery of the capitalist state and of the complex ways these contribute to the reproduction of capitalism is Göran Therborn's *What does the Ruling Class do when it Rules?* (London: Verso, 1978).

[12] This is not the standard way of explicitly defining the contrast of culture and ideology even if it corresponds in practice to the main ways these two terms are used in explanations. In many discussions, culture is an all embracing term within which ideology would be a specific type of cultural product. In other discussions, ideology is used more restrictively to refer to coherent, codified doctrines rather than the full set of conscious elements of subjectivity. The definition of culture being adopted here, centering on the noncognitive aspects of subjectivity, corresponds closely to Pierre Bourdieu's concept of "habitus" as the internalized individual dispositions that connect people to their locations within social structures.

[13] This mechanism for establishing a correspondence between the ideas people hold and the interests of ruling classes is one of the themes in Marx and Engels' well-known account of ideology in *The German Ideology*: "The ideas of the ruling class are in every epoch the ruling ideas, i.e. the class which is the ruling material force of society, is at the same time its ruling intellectual force. The class which has the means of material production at its disposal, has control at the same time over the means of mental production, so that thereby, generally speaking, the ideas of those who lack the means of mental production are subject to it." The mechanism which underlies this claim is the control over the process of production and dissemination of ideas by capitalists and their proxies.

requirements of the social reproduction of capitalism, however, is not simply the result of deliberate inculcation of ideas by powerful actors. Such correspondence is also generated by the micro-processes of the formation of beliefs and dispositions. Institutions of socialization, such as the family and schools, are generally concerned with instilling habits and dispositions that will enable children to function well in the world when they are adults, to live the best lives possible given the constraints which they are expected to face. This means that parents and teachers try as best they can to encourage dispositions that are at least compatible with effective functioning within existing structure of power, inequality and privilege. This does not always work well, but it generates at least a rough correspondence between the kinds of social subjects needed for the social structure to be reproduced and the kinds of social subjects produced within the society.[14]

Beliefs, of course, are not simply inculcated in the process of childhood socialization, but are continually formed and reformed throughout life, and this also bears on the processes of social reproduction. Here the issue is the various ways in which psychological processes of belief formation interact with the lived experience of people in the social settings in which they act. This is where the processes of active and passive social reproduction meet. Jon Elster, for example, argues that *adaptive preference formation* is one of the psychological processes by which people come to align their beliefs about what is desirable with their perceptions of what is possible. This provides psychological foundations for certain key elements of inequality-supporting ideologies.[15] Göran Therborn has elaborated a simple learning model in his analysis of ideology and the formation of the human subject: As individuals go about their lives they act on the basis of certain kinds of beliefs about the nature of the social world in which they live. If they believe that the individual acquisition of education is a way to improve one's material condition, then they are more likely to attempt to get education than if they believe education doesn't matter, and if they get more education then their economic prospects are likely to be better than those of people who did not. Every day when people go to work they act on the basis of their expectations about how other people will behave and what will be the consequences of their actions. In a well functioning set of institutions with interlocking expectations and patterns of behavior, these expectations and predictions will be fairly consistently affirmed, and the underlying beliefs thus reinforced; when, the predictions fail, the beliefs will tend to be weakened. To the extent that the social system generates a pattern of "affirmations and sanctions" (to use Therborn's expression) consistent with the beliefs in a given ideology, that ideology will be strengthened. Ideology contributes to social reproduction, then, when beliefs that contribute to social stability are affirmed in the daily practices of people.

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[14] Göran Therborn in *The Power of Ideology and the Ideology of Power (*London: Verso, 1980) aptly describes this as the process by which children are *subjected* to a form of subjectivity which *qualifies* them to function effectively in the society. While in general the correspondence between socialization and social reproduction that results from this process is "functional" for the system, this functionality is not motivated by the desire to reproduce existing social structures as such, but rather by the desire of adults for children to live the best lives possible *given the world which they confront.* The broad functional correspondence between the process of formation of social subjects in schools and the requirements of capitalist organizations is a longstanding theme in Marxist and critical studies of education. For an influential account of this correspondence see Samuel Bowles and Herbt Gintis, *Schooling in Capitalist America* (New York: Basic Books, 1976).

[15] See Jon Elster, *Making Sense of Marx* (Cambridge: Cambridge University Press, 1985), especially chapter 8, "Ideologies", pp. 458-510.

Of the various aspects of ideology and belief formation that bear on the problem of social reproduction and potential challenges to structures of power and privilege, perhaps the most important are beliefs about *what is possible*.[16] People can have many complaints about the social world and know that it generates significant harms to themselves and others, and yet still believe that such harms are inevitable, that there are no other real possibilities that would make things significantly better, and thus little point in struggling to change things, particularly since such struggles involve significant costs. Such beliefs are formed in part through education, the media and other processes by which people are told what is possible. But they are also forged through the daily, mundane activities in the world which make existing institutions, social relations and structure seem natural and inevitable.

Material interests: Mechanisms which tie the welfare of individuals to the effective functioning of capitalist structures

Joan Robinson, the Cambridge University economist from the 1930s through the 1950s, is reputed to have said, "The one thing worse than being exploited in capitalism is not being exploited." By this she meant, of course, that unemployment was a worse condition than being exploited within work, not that exploitation as such was desirable. This quip reflects a central point about the process of the social reproduction of capitalist society: capitalism organizes the material conditions of life of people in such a way that nearly everyone fares better when the capitalist economy is doing well than when it is doing badly. The famous slogan, "What is good for General Motors is good for America" thus contains a crucial truth: within a well-functioning capitalism the material interests of nearly everyone depend to a significant degree upon successful capitalist economic activity.

This near universal dependence of everyone's material interests on the pursuit of profits by capitalist firms is perhaps the most fundamental mechanism of social reproduction of capitalist society. It lends credibility to the claim that capitalism is in fact in everyone's interest, not just the interests of the capitalist class, and it places a considerably greater burden on the argument that an alternative would be better. It underwrites broad public support for a wide range of state policies designed to sustain robust capital accumulation and acts as a systematic constraint on the pursuit of policies that might in other ways benefit a large majority of people but which might threaten capitalist profits. So long as capitalism can effectively tie the material interests of the large majority of the population to the interests of capital, other mechanisms of social reproduction have less work to do.

It is because of the centrality of this mechanism that economic crises in capitalism loom so large in discussions of social reproduction, for in crisis conditions the close link between individual material interests and capitalism is weakened. In a prolonged crisis large numbers of people may become relatively marginalized from the labor market and the core mechanisms of capitalist integration, and thus find ideologies and movements that challenge capitalism more credible. Marx and Engel's famous last lines from *the Communist Manifesto*, "The proletarians have nothing to lose but their chains. They have a world to win. Working Men of All Countries, Unite!" have particular cogency when it is not simply the case that workers perceive capitalism

[16] Therborn, in *The Power of Ideology and the Ideology of Power*, identifies three core questions for which ideology gives people answers: What is good? What exists? What is possible? The first of these defines the normative dimension of beliefs. The second centers on descriptions and explanations about how the social world works. And the third concerns what alternatives are imaginable.

as obstructing their freedom but when it fails to provide for basic material welfare and security. The stability of capitalism and its robustness against transformative challenges thus depend in significant ways on the extent to which the economic processes of capitalism generate this kind of economic integration for large numbers of people.

Despotic and Hegemonic Reproduction

Coercion, rules, ideology/culture, and material interests should not be understood as four independent, autonomous clusters of mechanisms each of which additively contributes its bit to the process of social reproduction. Rather, social reproduction is the result of the complex forms of interaction among these processes. Institutional rules function better when people also believe that they are legitimate (an aspect of ideology), when following them is in their material interests, and when there is a predictable sanction for violating the rules.[17] Coercion is more effective when rarely used because most people comply with laws out of duty or self-interest. Ideologies are more robust when they mesh with important aspects of material interests. To understand the problem of social reproduction, therefore, we must study configurations of mechanisms and not just the mechanisms taken separately.

Two configurations of these mechanisms of reproduction are particularly important: despotic reproduction and hegemonic reproduction.

In the despotic form of social reproduction, coercion is the primary mechanism of social reproduction, coupled with the specific institutional rules through which coercion is exercised. Social order is maintained primarily through fear, and potential transformative challenges are blocked primarily by various forms of repression. There is still a role for ideology and culture and for material interests, if only to provide cohesion within elites and a necessary degree of loyalty within the repressive forces themselves. But most of the burden of social reproduction is carried by coercive processes.

In the hegemonic form of reproduction, coercion recedes to the background, and the active consent of subordinate classes and groups becomes much more important.[18] Active consent means that people willingly participate and cooperate in reproducing existing structures of power and inequality not mainly out of fear, but because they believe that doing so is both in their interests and is the right thing to do. Active consent requires more than the simple recognition that one's livelihood depends upon capitalist profits. That much is true even in a despotic system of capitalist social reproduction. It requires a much stronger sense that at least some of the gains from capital accumulation and capitalist development are shared with ordinary people, either through productivity-linked wage increases or through state redistribution in the form of a "social wage." This kind of *quid pro quo* of workers' active cooperation in exchange for gains

[17] The point here is not that most people follow institutional rules simply out of fear of punishment. Compliance for most people most of the time is because of a belief in the obligation to follow rules. Nevertheless, the reality and predictability of sanctions still matters for it shows those people who have a sense of obligation that *other people* who may lack that sense and who violate the rule are likely to be punished for doing so. This prevents the erosion of this sense of obligation that is likely to occur if people can violate the rules with impunity. For a systematic discussion of this interplay of obligation and coercion, see Margaret Levi, *Of Rule and Revenue* (Berkeley: University of California Press, 1989).

[18] In Antonio Gramsci's well-known expression, hegemony is "protected by the armour of coercion". Antonio Gramsci, *Selections from the Prison Notebooks*, Edited and translated by Quintin Hoare and Geoffrey Nowell Smith. (London: Lawrence and Wishart, 1971). p.263

from growth is called a "class compromise."

Active consent also depends on the ways in which the dominant class, to use Gramsci's expression, is seen as providing "moral and intellectual leadership" to the society as a whole. *Leaders* are different from *bosses*: bosses are obeyed because of their power; leaders are followed because of the belief that they are on your side, that they have your interests at heart and that you share with them a vision of the good society. When this is the case, the ideology which supports the status quo is not experienced as an alien body of ideas imposed on the society, but as "common sense" that links elites and masses together in a common project.[19]

Institutional rules of the state are much more complex in hegemonic systems than in despotic systems of social reproduction. In a despotic system of reproduction, the institutional rules of the state affect social reproduction primarily through their role in the exercise of threats and sanctions. The main problem they face is containing arbitrary, self-destructive forms of repression. In the hegemonic form of social reproduction there is a much greater burden on institutional rules, since they are called upon to facilitate class compromise and forge at least a rough ideological consensus. The rules of the game, therefore, need to channel the behavior of the elite and ruling classes in positive ways, not just the behavior of subordinate classes.

Despotic and hegemonic configurations of social reproduction are ideal-types. Most actual capitalist systems contain both despotic and hegemonic processes. In the United States today, despotic reproduction plays a key role with respect to certain segments of the population, especially inner city minorities. The extraordinarily high level of imprisonment of African-American young men reflects the failure of any hegemonic project. A substantial segment of the "middle class", on the other hand, participates enthusiastically in the tasks of social reproduction through fully hegemonic processes. For much of the working class, social reproduction takes a mixed form.

LIMITS, GAPS, AND CONTRADICTIONS

If processes of social reproduction were comprehensive, effective and fully coherent, then there would be little possibility for effective strategies of radical social transformation. The only kinds of deliberate social change that would be possible would be those entirely compatible with reproducing existing structures of power and privilege.

There are currents in social theory which come close to this view. Certain interpretations of the work of Foucault, for example, see domination as penetrating so deeply into the fabric of everyday life that there is virtually no room for transformative resistance. Some accounts of ideology and culture make the hold of dominant ideologies and cultural forms seem so powerful that it is hard to see how meaningful challenge can occur. And some accounts of the repressive capacity of the state make it seem that even if people were somehow to break out of the straightjacket of the hegemonic ideology, they would never be able to organize collective actions capable of seriously threatening dominant classes and elites without triggering levels of repression that would render such challenges futile.

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[19] For an excellent exposition of Gramsci's notions of ideological hegemony that emphasizes the ways in which it involves forging real ideological links between elites and masses, see Chantal Mouffe, "Hegemony and Ideology in Gramsci", in Chantall Mouffe (ed.), *Gramsci & Marxist Theory* (London: Routledge & Kegan Paul, 1979),168-20

There are reasons to be skeptical of this radical pessimism. One of the central tasks of emancipatory social science is to try to understand the contradictions, limits and gaps in systems of reproduction which open up spaces for transformative strategies. There is, of course, no *a priori* guarantee in any time and place that those spaces are large enough to allow for significant movement in the direction of fundamental transformations of structures of domination, oppression, and exploitation. But even when the spaces are limited, they can allow for transformations that matter. In any case, emancipatory theory should not simply map the mechanisms of social reproduction, but also identify the processes that generate cracks and openings in the system of reproduction.

What, then, are the sources of limits and contradictions to social reproduction in capitalist societies? Four themes are especially important:

1. Complexity and inconsistent requirement for social reproduction

The first, and perhaps most fundamental, source of limits and gaps to social reproduction is complexity. Social systems, particularly when they are built around deep cleavages and forms of oppression, have multiple requirements for their stable reproduction and in general there is no reason to believe that these requirements are entirely consistent. What this means is the process of social reproduction is continually faced with dilemmas and trade-offs in which solutions to one set of problems create conditions which potentially intensify other problems.

Let me illustrate this problem with what might be called the "Frankenstein problem" of the state. For a whole host of familiar reasons, capitalism would destroy itself in the absence of an effective state capable of regulating various aspects of the market and production. There is thus what can be termed a functional necessity for "flanking systems" through which the state intervenes to prevent such self-destructive processes. The financial system must be regulated, infrastructures must be built, training and education must be provided, predatory business practices must be controlled, contracts must be enforced, negative externalities countered, monopolies regulated, and so on. In order for these interventions to work well the state needs to have to have both a degree of autonomy and effective capacity to act – autonomy from the particular interests of specific capitalists and corporations and a real capacity to intervene to discipline capitalists and sectors. In the absence of this autonomy, parts of the state can be captured by particular groups of capitalists and state power used to protect their specific interests rather than manage the functioning of the capitalist system as a whole; in the absence of capacity, the state's regulatory interventions will be ineffective. This autonomy and capacity, however, also means that the state will have the ability to damage capital accumulation not just facilitate it. This creates the specter of the state undermining social reproduction either through serious mistakes or because the political leadership of the state begins to pursue anticapitalist objectives for one reason or another. Thus the Frankenstein problem: in order to be able to autonomously intervene functionally the state must have the capacity to do so destructively; it has the potential to become a monster out of control.[20]

[20] The description of the state as a potential Frankenstein comes from Claus Offe. See in particular, "Claus Offe, "The Capitalist State and the Problem of Policy Formation", in Leon Lindberg (ed), *Stress and Contradiction in Contemporary Capitalism* (D.C. Heath, 1975) pp. 125-144, and, "The Crisis of Crisis Management: elements of a political Crisis Theory", in Claus Offe, *Contradictions of the Welfare State* (London: Hutchinson, 1984) pp. 35-61

This potential Frankenstein problem becomes particularly intense as the conditions for a stable capitalist economy become more complex and require a broader array of state regulations and interventions. The extension and deepening of the interventionist capacity of the state creates a perpetual problem of lines of demarcation between state and economy as domains of action. These are no longer seen as "naturally" separated spheres and thus the scope and purposes of state action with respect to the economy are perpetually contested. In response to such contestation, capitalist elites and the political representatives they support might for a time argue for a radical retreat of the state towards deregulation and privatization, but a serious withdrawal of the state from the economic regulation of capitalism is an illusion. If the anti-statist mantra of neoliberalism were ever really implemented, capitalist crises would intensify and social reproduction become even more problematic. Thus the dilemma: significantly reduce the regulatory role of the state and the likelihood of serious economic disruptions of the sort that began in 2008 increases; create the capacity and autonomy of the state needed for effective intervention to manage capitalism, and risk the continual politicization of the capitalist economy.[21] This dilemma means that there is unlikely to ever be a stable, sustainable equilibrium in the articulation of capitalist state power and the capitalist economy; the trajectory over time is more likely to involve episodic cycles of regulation/deregulation/reregulation.

There are many other contradictions and dilemmas generated by the multiple requirements for the stable social reproduction of capitalism: tensions between the conditions for the reproduction of global corporations and local capitalist firms; between the requirements of different sectors of the economy (eg. oil vs transportation; health care vs manufacturing); between reproducing the long-term environmental conditions for capitalism and the short-term rates of capital accumulation; and so on. There is no stable equilibrium possible in which all of the conditions are simultaneously met in a satisfactory way so that all of these tensions resolved, and this creates openings for strategies of social change.

2. *Strategic Intentionality and its ramifications.*

The active social reproduction of capitalism occurs through institutions that solve problems of various sorts which, if left unsolved, would render capitalism more vulnerable to challenge and transformation. Functionally adequate solutions to problems of social reproduction, however, are not somehow secreted spontaneously by the workings of a society; they are produced through the intentional, strategic actions of people grappling with problems and struggling over the power to define the shape and practices of institutions.[22] This means that institutions of social reproduction necessarily face three important problems: first, the problem of institutional design being the result of struggles over design rather than simple imposition; second, the problem of inadequate knowledge about the effects of alternative institutional designs and practices (and sometimes the problem of sheer stupidity of powerful actors); and third, the problem of the accumulation of unintended and unanticipated consequences of intentional action.

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[21] Claus Offe describes this tension in the role of the state in reproducing the capitalist economy as "the problem of whether the political administrative [system] can politically regulate the economic system without politicizing its substance and thus negating its identity as a capitalist economic system..." Claus Offe, "The Crisis of Crisis Management", op cit. p.52

[22] The critique of functionalist arguments which see functional solutions being spontaneously "secreted" by the needs of a system comes from Jon Elster, in *Making Sense of Marx* (Cambridge: Cambridge University Press, 1985).

The institutions that play a pivotal role in social reproduction are not the result of careful intentional design by powerful actors with a free hand to build these institutions as they wish; they are the result of struggles over institutions, especially among different factions of various sorts among elites, but also between elites and popular social forces. Marx's quip that people "make history, but not just as they choose" applies to elites just as much as to the masses. Institutional designs, therefore, reflect the balances of power and compromises of the social forces engaged in their creation and development. The resulting institutions may certainly be "good enough" for adequate social reproduction most of the time, but they are very unlikely to be finely-tuned, optimal machinery that block all efforts at transformative social change.

Second, even apart from the relatively messy conditions for the design and development of institutions important for social reproduction, inadequate knowledge is a chronic problem. Powerful actors may have access to more sophisticated economics and social science than ordinary citizens, but they are still prone to simple-minded theories about how society works and ideological blinders about optimal policies for social reproduction. Even if the political leadership of the state and other institutions of social reproduction is motivated to enact policies which secure the interests of capital and the social reproduction of capitalism, in many circumstances they act on the basis of quite faulty understandings of what is needed to accomplish these goals, at times with astounding stupidity. It is a serious error to over-estimate the intelligence and foresight, let alone the wisdom, of the rich and powerful. Mistakes, including quite serious mistakes, are therefore to be expected.

Finally, even when policies are based on good theories, most policies have unintended side effects and over time the accumulation of unintended consequences can undermine the value of initially effective institutional arrangements. Gaps in the process of social reproduction, therefore, are both present from the start because of the strategic conditions under which those institutions are built, and they develop over time through the ramifications of unintended consequences.

3. *Institutional rigidities and path dependency*

The problem of unintended consequences is particularly important because of the third source of limits of social reproduction – institutional rigidity. The issue is a familiar one: the institutions which play an important role in macro social reproduction are created under specific historical conditions, facing particular problems and design possibilities. Their subsequent development bears the stamp of these initial conditions. Furthermore, they are themselves social systems in their own right, with internal cleavages, hierarchies, power structures, conflicts of interest, and so on. In order to be sustained over time they too need mechanisms for their own social reproduction.[23] These mechanisms of internal social reproduction render institutions relatively rigid – that is, they help sustain the basic structures of power and inequality within these institutions. This rigidity, however, makes it harder for institutions to flexibly change when the requirements for broader social reproduction change.[24] States have particular kinds of electoral

[23] In a sense, to use traditional Marxist languages, superstructures contain superstructures: some of the structural properties of states have the "function" of reproducing the state itself.

[24] This problem, it should be noted, applies to organizations committed to challenging existing institutions as well as to those institutions themselves: political parties and labor unions are institutions with internal hierarchies and power relations and internal mechanisms of social reproduction which generate path-dependent rigidities and may make it difficult for these organizations to adapt to changing strategic imperatives in their social environment.

rules, political jurisdictions, administrative structures; capitalist firms have particular corporate structures, managerial hierarchies, divisions of labor; educational systems are designed to deal with particular kinds of students, labor markets, and cultural conditions. Thus, even institutional designs that contribute effectively to social reproduction in one period under one set of conditions can easily become much less effective as conditions change. And because of the vested interests in those institutions and the strength of their own mechanisms of reproduction, these institutions may be very difficult to change or replace.[25]

Three examples will illustrate these issues. In the United States most people get their health insurance from their employers. In the 1950s and 1960s large corporations embraced this arrangement as a way of tying their employees to the firm. It was a relatively inexpensive fringe benefit and seen as part of a package that contributed to a stable, loyal workforce. Gradually the benefit expanded, particularly to include retired workers who had worked for the firm for an extended period of time. Now, with an aging population and rapidly rising health costs, these health insurance obligations are a significant liability to many firms. It is one of the reasons large U.S. auto manufacturers are in serious economic difficulty at the beginning of the 21st century. Yet this particular institution of social reproduction is now locked-in to a large, powerful private health insurance system which has effectively blocked any serious movement towards a universal public insurance system. From the point of view of the overall stability and social reproduction of capital accumulation in the United States, some form of universal publicly-funded insurance would almost certainly have been better than employer-funded private insurance by the 1990s, yet the institutional rigidity of the existing system and the interests bound up with it prevent this change from occurring.

A second example is the pattern of urban transportation and housing in most American cities. In the 1950s and beyond a massive project of highway construction and suburbanization helped fuel a vibrant automobile-based process of capitalist economic growth in the United States. These policies transformed the built environment of American cities and changed the normative expectations about the balance between public and private modes of transportation. The twin processes of suburbanization and automobilization were central components of the hegemonic integration of material interests of workers with capitalist development in the decades following World War II. These processes also destroyed much of the physical infrastructure of public transportation, most notoriously in Los Angeles, and imposed serious constraints on the future development of transportation systems. Today, under conditions of rapidly rising energy costs and concerns about global warming, this lack of infrastructure and the prevalence of low density residential development and urban sprawl make it very difficult in most large U.S. cities to move towards a renewed system of urban mass transit that would be desirable, not just for the lives of individuals, but for capitalism as well.

A third example is the specific institutional devices in the State of California designed to make it difficult to raise taxes, particularly the requirement for a super-majority at the state level and the severe restriction on property taxes at the local level. These mechanisms were set in place by conservative, anti-taxation forces who opposed the expansion of state services in the 1970s. The rules of the game created then are difficult to change, requiring constitutional

[25] This is one of the robust findings of the school of organizational sociology called "organizational ecology". In studies of capitalist firms, the basic organizational design of corporations changes mainly as one kind of firm replaces another rather than through processes of internal transformation.

amendments. The result is that in the fiscal crisis of the state government of California in 2009 it has proven almost impossible to raise the revenues needed for even basic state services. The resulting paralysis of state government is highly dysfunctional for the interests of capital, not just the population in general.

4. Contingency and unpredictability

Institutional rigidity would not necessarily generate significant gaps in the process of social reproduction if the tasks and problems of social reproduction remained fairly constant or if the changes in those tasks were sufficiently predictable that they could be anticipated well in advance. But this is not the case: perhaps the one thing we can predict with certainty is that the future is uncertain. One might imagine that the key institutions of social reproduction could be designed in such a way that they could quickly and flexibly respond to whatever new demands were placed on them. After all, learning capacity and adaptive capacity are the hallmarks of well-designed institutions. To some extent this is what liberal democracy has accomplished in capitalism, for democratic institutions do in fact make possible learning and change more effectively than more closed authoritarian institutional structures. Nevertheless, even well-functioning liberal democratic institutions are plagued by institutional inertia, and the contingency and unpredictability of socio-economic and political changes continually disrupt smooth adjustments.

These four arguments for the gaps and contradictions in the process of social reproduction do not imply that the social reproduction of capitalism is perpetually precarious. The mechanisms of coercion, institutional rules, ideology, and material interests generally enable capitalist societies to muddle through pretty well and weather the storms of disruptive change when they occur. But the inevitable limits and contradictions in social reproduction do mean that even in periods in which prospects for transformative challenge seem quite limited, spaces are likely to open up for transformative challenge due to unexpected, contingent changes in the future.

THE UNDERLYING DYNAMICS AND TRAJECTORY OF UNINTENDED SOCIAL CHANGE

The first two components of a theory of emancipatory transformation tell us that any project of radical social transformation will face systematic obstacles generated by the mechanisms of social reproduction, but that these obstacles will have cracks and leave open spaces of action because of the limits and contradictions of reproduction which, at least periodically, make transformative strategies possible. However, these components by themselves do not give any specific prognosis about the long-term prospects for emancipatory change. They do not tell us whether the spaces of action are likely to expand or contract in the future, whether the mechanisms of reproduction tend to become more coherent or more crisis-prone. For this we need a theory of the trajectory of social change.

The actual trajectory of large-scale social change we observe in history is the result of two interacting kinds of change-generating processes: first, the cumulative *unintended by-products of the actions* of people operating under existing social relations, and second, the cumulative intended effects of *conscious projects of social change* by people acting strategically to transform those social relations. The first includes such things as capitalists introducing new technologies or adopting new strategies of investment and competition, families changing their fertility behavior, and women deciding not to interrupt their labor market participation after the birth of a child. In each of these cases people engage in actions not in an effort to change the

world, but to solve specific problems which they face. The cumulative aggregate effects of such individual actions, however, are social changes with very broad ramifications. They are "unintended effects" not because they are necessarily unwanted – women, for example, may welcome the collective erosion of traditional gender norms that is the cumulative effect of their individual adaptive strategies – but because the broad macro-effects were not part of the intentions and strategies that explain the actions in the first place.

The second change-generating process includes actions by collective actors of various sorts – political parties, unions, social movements, nonprofit foundations, corporations, states – to deliberately transform social structures and institutions in various ways: through state policies, through social protests, through pressures on powerful organizations, through practical institution-building efforts, sometimes through violent confrontations. These actions, of course, also have cumulative unintended effects, and thus also constitute instances of the first kind of process, but they differ in also being directly motivated by the goal of generating social change.

Both deliberate and unintended processes of social change are crucial for emancipatory transformation. Significant movement towards radical egalitarian democratic social empowerment is not something that will happen just by accident as a by-product of social action for other purposes; it requires deliberate strategic action, and since such popular empowerment threatens the interests of powerful actors, this strategic action typically involves struggle. But strategy and struggle are not enough. For radical transformation to occur conditions must be "ripe"; the contradictions and gaps in the processes of social reproduction must create real opportunities for strategy to have meaningful transformative effects. It may, of course, also be possible in some historical periods for the deliberate strategies of collective actors to "ripen the conditions", but more generally the central problem for collective actors engaged in struggles for social emancipation is to "seize the time" when opportunities for transformation occur for reasons not mainly of their own making.

This confluence of trajectories of unintended social change with deliberate strategies of transformation has marked every major contemporary episodes of emancipatory transformation. Consider the dramatic transformation of changes in gender relations since the middle of the 20th century. Men and women went about their lives looking for jobs, fighting within their intimate lives over housework, trying to make ends meet, raising their children. Employers adopted new technologies, faced new kinds of labor requirements, and looked for workers. Mostly people were not deliberately trying to change the world; they were trying to deal with concrete problems they encountered as they made their lives as best they could. However, because of the nature of the opportunities they faced, the resources they controlled, the beliefs they held, and the choices they ultimately made, they did things which cumulatively contributed to the transformation of gender relations. This is not, of course, the end of the story. Deliberate efforts at social change were also crucial. Women joined together to fight for equal rights. They formed consciousness-raising groups with the explicit purpose of changing their understanding of the world. They engaged in local projects of institution-building for gender equality, and larger scale political mobilization for system level change. Men often (but not always) resisted these changes, mocking feminists, but overall the forces for transformation were stronger. An important reason they were stronger is that the cumulative effect of the unintended processes had weakened the

interests of powerful actors in the maintenance of male dominance.[26] By the beginning of the 21st century, as a result of the interplay of the unintended consequences of individual actions and the deliberate strategies of transformation the gender order of the mid-20th century had been pervasively transformed. This is not to say that deep gender equality has been realized, but still the transformations are profound in an emancipatory direction.

A similar argument can be made for the successful transformation of the segregationist institutions of racial domination in the U.S. South by the Civil Rights Movement of the 1950s and 1960s compared to the failure of such movements in earlier decades. As David James has argued, in the late 19th century the segregationist racial state emerged and consolidated in the South to a significant extent because of its importance for the social reproduction of oppressive forms of control over agrarian labor, especially sharecropping. The destruction of sharecropping in the 1930s and the mechanization of Southern agriculture played a key role in eroding the material basis for this form of the state and made it much more vulnerable to transformation under changed broader political conditions in the post-WWII period. When the civil rights movement intensified its struggles against segregationist institutions in the 1950s, therefore, the capacity for mobilization was greater and the forms of resistance more uneven than they were half a century earlier. Those struggles were still crucial for the destruction of the segregationist state, but the likelihood of success of those struggles was greatly enhanced by the cumulative effects of unintended social changes over the previous quarter century.[27]

This duality to the processes which generate trajectories of social change poses a serious problem for people committed to emancipatory projects of transformation. The problem is this: any plausible strategy for the fundamental emancipatory transformation of existing institutions of power, inequality and privilege, especially in developed capitalist societies, has to have a fairly long time horizon. There is simply no short-term strategy that could plausibly work. If we believed that the basic social structural parameters within which we formed our strategies would remain constant, then perhaps we could avoid worrying too much about how conditions change over time. But this is not the case and so, in order to have a coherent long term strategy we need at least a rough understanding of the general trajectory of unintended, unplanned social changes into the future. This turns out to be a daunting theoretical task.

Classical Marxism proposed precisely such a theory. As argued in chapter 4, historical materialism is basically a theory of the history of the future of capitalism. Marx attempted to

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[26] The specific emphasis on the gradual erosion of interests of *powerful* men in actively opposing gender equality comes from Robert Max Jackson, *Destined for Equality: the inevitable rise of women's status* (Cambridge: Harvard University Press, 1998). For a more extended discussion of my views on the contradictory transformation of gender relations in the United States, see chapter 15, "Gender Inequality" in Erik Olin Wright and Joel Rogers, *American Society: how it really works* (New York: W.W. Norton, 2010).

[27] David James provides extremely interesting evidence in support of this understanding of the weakening of the foundations of the segregationist state. He argues that in the South in the 1960s the segregationist state would be strongest in those counties in which there had been the strongest presence of sharecropping in the past, since in those counties the state would have had the strongest functional connection to the class structure. He then examines the variation across the South in the resistance to the civil rights movement – as measured by the variations in the speed of convergence of black and white voter registration rates – and finds that the degree of share cropping in the history of a country predicts the level of resistance (even after controlling for things like the proportion of the county that was African-American). See David James, "The Transformation of the Southern Racial State: class and race determinants of local-state structures", *American Sociological Review*, 53, 1988, pp.191-208

identify how the unintended consequences of capitalist competition and exploitation in the process of capital accumulation generate "laws of motion" of capitalism which push it along a specific trajectory of development. This trajectory was marked by several salient features: an ever-expanding breadth and depth of market relations culminating in global capitalism and the commodification of social life; an increasing concentration and centralization of capital; a general tendency for capital intensity and productivity to increase over time; a cyclical intensification of economic crisis; a tendency towards both the expansion of the working class and its homogenization, and as a result, its increasing collective capacity for struggle; and a weakening of the mechanisms of active social reproduction as a result of the long term tendency of the rate of profit to fall. In this classical theory there is a deep connection between the processes of social reproduction, dynamic trajectories, and contradictions: the very processes through which the capital/labor relation is passively reproduced – exploitation and capital accumulation – dynamically transform those relations in ways that produce a trajectory of increasing contradictions in the active reproduction of the system as a whole.

Many of the predictions of historical materialism have in fact been born out by the actual history of capitalism. In particular, capitalism has become a global system of capital accumulation; corporations have grown in both absolute and relative size; and capitalist commodification penetrates ever more pervasively into social life. But other predictions do not seem adequate. Capitalism does not seem to be faced with systematic tendencies towards intensification of crisis; the class structure has not become simplified into a more polarized structure and the working class has not become ever more homogeneous; and the economic mechanisms of social reproduction that tie the immediate material interests of most people to capitalism do not seem to have been dramatically weakened. Historical materialism (understood as the theory of capitalism's future), therefore, does not seem to be an adequate theory of the trajectory of unintended social change on which to ground the problem of strategies for emancipatory transformation.

At the present we do not have such a theory. At best our theories of the immanent tendencies of social change beyond the near future are simple extrapolations of observable tendencies from the recent past to the present or speculations about longer term possibilities. There is thus a disjuncture between the desirable time horizons of strategic action and planning for radical social change and the effective time horizons of our theories. This may simply reflect a lack of development of good theory. But it may also reflect the inherent complexity of the problem. It is possible, after all, to have very powerful theories explaining the historical trajectory of development in the past without being able to develop a theory of future tendencies. This is the case for evolutionary biology, which has sound explanations for the trajectory of living things from single celled creatures to the present, but virtually no theory of what future evolution will look like.[28] This may also be the case for the theory of social change: we may be able to provide rigorous and convincing explanations for the trajectory of change to the present, but have almost no ability to explain much about what the future holds in store.

In any event, for whatever reasons, at the moment we lack a compelling theory of the long

[28] The reason for this impossibility of theorizing the future of biological evolution is because of the enormous role of contingent events – asteroids hitting the earth, for example – in explaining the actual course of evolution. For a discussion of the distinctive quality of the historical explanations of evolutionary theory, see Erik Olin Wright, Andrew Levine and Elliott Sober.1992. *Reconstructing Marxism: essays on Explanation and the Theory of History* (London: Verso, 1992)

term immanent trajectory of unintended social change. This places a greater burden on the fourth element of a theory of transformation, the theory of transformative strategies, for it is forced to grapple with the problem of transformative struggles without a satisfactory understanding of the trajectory of conditions those struggles are likely to encounter.

STRATEGIES OF TRANSFORMATION

The final element of a theory of transformation focuses directly on collective action and transformative strategy. The central question is this: given the obstacles and opportunities for emancipatory transformation generated by the process of social reproduction, the gaps in that process, and the uncertain trajectory of unintended social change into the future, what sort of collective strategies will help us move in the direction of social emancipation?

In the next three chapters we will focus on three basic logics of transformation through which new institutions of social empowerment can potentially be built: *ruptural*, *interstitial*, and *symbiotic*. These logics of transformation differ both in terms of their visions of the trajectory of systemic transformation and in their understanding of the nature of the strategies needed to move along that trajectory. These differences are summarized in an idealized way in Figure 8.1.

-- Figure 8.1 about here --

*Vision of trajectory of systemic transformation***.** The central distinction among visions of the trajectory of system-transformation is between the view that any trajectory beyond capitalism will necessarily involve a decisive *rupture* and those views which envision a trajectory of sustained *metamorphosis* without any system-wide moment of discontinuity. Ruptural transformations envision creating new institutions of social empowerment through a sharp break within existing institutions and social structures. The central idea is that through direct confrontation and political struggles it is possible to create a radical disjuncture in institutional structures in which existing institutions are destroyed and new ones built in a fairly rapid way. Smash first, build second. A revolutionary scenario for the transition to socialism is the iconic version of this: a revolution constitutes a decisive, encompassing victory of popular forces for social empowerment resulting in the rapid transformation of the structures of the state and the foundations of economic structures.

Within metamorphosis visions of trajectory, there are two conceptions: *interstitial* metamorphosis and *symbiotic* metamorphosis. Interstitial transformations seek to build new forms of social empowerment in the niches, spaces and margins of capitalist society, often where they do not seem to pose any immediate threat to dominant classes and elites. This is the strategy of building institutions of social empowerment that is most deeply embedded in civil society and often falls below the radar screen of radical critics of capitalism. While interstitial strategies are at the center of some anarchist approaches to social change, and they play a big practical role in the activities of many community activists, socialists in the Marxist tradition have often disparaged such efforts, seeing them as palliative or merely symbolic, offering little prospect of serious challenge to the status quo. Yet, cumulatively, such developments can not only make a real difference in the lives of people, but potentially constitute a key component of enlarging the transformative scope for social empowerment in the society as a whole.

Symbiotic transformations involve strategies in which extending and deepening the institutional forms of popular social empowerment simultaneously helps solve certain practical problems faced by dominant classes and elites. The democratization of the capitalist state had

this character: democracy was the result of concentrated pressures and struggles from below which were initially seen as a serious threat to the stability of capitalist dominance, but in the end liberal democracy helped solve a wide range of problems which contributed to the stability of capitalism. The increase in social empowerment was real, not illusory, but it also helped to solve problems in ways that served the interests of capitalists and other elites. Symbiotic transformations thus have a contradictory character to them, both expanding social power and strengthening aspects of the existing system.

These three visions correspond broadly to revolutionary socialist, anarchist and social democratic traditions of anticapitalism.

Pivotal collective actors for transformation. Different strategies are linked to different conceptions of the core collective actors in conceptions of transformation. In ruptural strategies, *classes organized through political parties* are the central collective actors. The aphorism "class struggle is the motor of history" captures this in the Marxist tradition. Interstitial strategies revolve around *social movements* rooted in a heterogeneous set of constituencies, interests and identities. No one social category is privileged as the leader of the project of transformation. Different collective actors will be best positioned to engage in different kinds of interstitial strategies, and whether or not there is a collective actor that could be considered the "most important" will be historically and contextually variable. Finally, symbiotic strategies are built around *popular coalitions* within which, typically, the labor movement plays a particularly central role because of its importance in forging positive class compromises.

*Strategic logic with respect to the state***.** Ruptural strategies envision a political process that culminates in a *frontal attack on the state*. This is the characteristic idea of revolutionary political strategies. State power is essential for transcending capitalism, and state power can only be stably secured by anti-system forces through the destruction of the core institutions of the capitalist state. Interstitial strategies in contrast operate *outside the state* and try as much as possible to avoid confrontations with state power. The core idea is to build counterhegemonic institutions in society. There might be contexts in which struggles against the state could be needed to create or defend these spaces, but the core of the strategy is to work outside the state. Finally symbiotic strategies see the state itself as a terrain of struggle in which there exists a possibility of *using the state* to build social power both within the state itself and in other sites of power.

Strategic logic with respect to the capitalist class. Ruptural strategies envision class struggles with the capitalist class taking the form of *sharp confrontations*: capitalists must be forced to make concessions, and the only way such concessions can be sustained is through the continual capacity to threaten the use of force. Only through a confrontational class struggle is it possible to move along the trajectory of transformation to the point where ruptural break become historically possible. Interstitial strategies try to avoid confrontation. *Ignore the bourgeoisie* is the strategic goal: challenge capitalism through building the alternative, not by directly confronting it. Symbiotic strategies seek to create the conditions for *positive collaboration* – what I call positive class compromise. This may also require confrontations, but confrontation are in the service of creating conditions for positive cooperation by closing off certain alternatives for capitalists.

Metaphors of success in the process of transformation. The central metaphor of ruptural strategies is war. Movement occurs through the uneven process of victories and defeats in the confrontations with capital and the attacks on the state. This is not a linear process – there are reversals and stalemates. Still, successful movement along the trajectory depends upon victories in these struggles and building the capacity for more comprehensive victory in the future. Interstitial success is more like a complex ecological system in which one kind of organism gains a foothold initially in a niche and eventually out-competes rivals for food sources and comes to dominate the environment. Symbiotic success is more like a process of evolution, in which structural properties are modified through adaptations which progressively enhance social power and eventually result in a new species.

None of these strategies is simple and unproblematic. All of them contain dilemmas; all of them contain risks and limits. None of them guarantee success. In different times and places, one or another of these modes of transformation may be the most effective, but often all of them are relevant. It often happens that activists become deeply committed to one or another of these strategic visions, seeing them as being universally valid. As a result, considerable energy is expended fighting against the rejected strategic models. A long-term political project of emancipatory transformation with any prospects for success must grapple with the messy problem of combining different elements of these strategies, even though on the ground it is often the case that they work at cross-purposes. Examining these three modes of transformation in more detail is the task of the next three chapters.

FIGURES

Figure 8.1
Three Models of Transformation: ruptural, interstitial, symbiotic

Vision of trajectory of systemic transformations beyond capitalism	Political Tradition most closely associated with logic of transformation	Pivotal collective actors for transformation	Strategic logic with respect to the state	Strategic logic with respect to the capitalist class	Metaphors of success
Ruptural	Revolutionary socialist/communist	Classes organized in political parties	Attack the state	Confront the bourgeoisie	War (victories and defeats)
Interstitial metamorphosis	Anarchist	Social movements	Build alternatives outside of the state	Ignore the bourgeoisie	Ecological competition
Symbiotic metamorphosis	Social democratic	Coalitions of social forces and labor	Use the state: struggle on the terrain of the state	Collaborate with the bourgeoisie	Evolutionary adaptations

Chapter 9
Ruptural Transformation
Final draft, July 2009

It may seem odd at the beginning of the 21st Century to have an extended discussion of ruptural transformations of capitalism. While revolutionary rhetoric has not completely disappeared, few critics of capitalism today imagine that a revolutionary overthrow of the state in the developed capitalist countries is a plausible strategy of emancipatory social transformation. Quite apart from any considerations about the desirability of the ultimate outcomes that would actually be generated by such overthrow if it were to occur or moral considerations about the immediate consequences that would accompany such a strategy, the idea that the strategy itself could possibly succeed seems very far-fetched.

In spite of this, I believe that there are four reasons why it is worthwhile discussing ruptural strategies. First, political activists, especially when they are young, are often attracted to the idea of a radical rupture with existing institutions. The existing structures of power, privilege and inequality seem so malevolent and so damaging to aspirations for human flourishing that the idea of simply smashing them and creating something new and better can be appealing. This may be because of wishful thinking or romantic illusions, but nevertheless the idea of revolutionary rupture continues to excite the imagination of at least some activists. Second, a clear understanding of the logic and limits of a ruptural strategy of social transformation can help clarify alternative strategies. Theoretical and political debates on the left have been waged since the 19th century in terms of the "reform" vs "revolution" opposition, and in important ways the specificity of the former comes from this contrast. Third, while I am quite skeptical of the possibility of system-wide ruptural strategies, more limited forms of rupture in particular institutional settings may be possible, and there are aspects of the ruptural strategy – such as its emphasis on sharp confrontation with dominant classes and the state – which can certainly be important under specific circumstances. The logic of ruptural transformation need not be restricted to totalizing ruptures in entire social systems. Finally, even if systemic ruptural strategies for social empowerment in developed capitalist countries are not plausible at the beginning of the 21st century, no one has a crystal ball which tells what the future holds. In the world as it currently exists, the robustness of the institutions of the state in developed capitalist democracies make ruptural strategies implausible, but it is possible in some unanticipated future the contradictions of these societies could dramatically undermine those institutions. Equilibria unravel. Systemic crises destroy the foundations of hegemony. Ruptures may happen rather than be made, and in such conditions a ruptural strategy may become what Marxists used to call an historical "necessity."[1] The idea of ruptural strategy still needs to be part of our strategic thinking

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[1] Theda Skocpol argued in her influential book *States and Social Revolutions* (Cambridge: Cambridge University Press, 1979) that revolutions are not made; they happen. By this she meant that the crisis conditions which make possible the revolutionary seizure of state power are not themselves the result of strategies of revolutionaries, but are the result of the intersection of large dynamic processes operating behind the backs of actors and contingent historical conjunctures of events which create a "revolutionary situation." Revolutionary parties "seize the time," and for this they undoubtedly have to be in some sense

about social transformation since such strategies may become more relevant in some places at some point in the future.

THE KEY QUESTION AND UNDERLYING ASSUMPTIONS

The question I want to address in this chapter is this: under what conditions is it plausible to imagine that there could be broad popular support for a ruptural strategy against capitalism in advanced capitalist countries? The analysis is based on three assumptions:

First, I assume that in developed capitalist countries with functioning liberal democratic institutions, a ruptural strategy for socialism would have to work in significant ways through the ordinary democratic processes of the capitalist state. This does not mean that the ruptural strategy would not include fundamental transformations of the form of the state itself – democratic deepening of the state is certainly a central part of the agenda of social empowerment. And it does not mean that a ruptural strategy would not also include political actions outside of the state in civil society and in the economy. My assumption is simply that if a ruptural strategy of transformation is at all feasible, it will not take the form of an insurrectionary violent assault and overthrow of the state by extra-parliamentary means in the model of classical revolutions. The reason for making this assumption is not a rejection of revolution on the basis of some absolute moral objection to insurrectionary violence, but rather a belief that under foreseeable historical conditions such means would be incapable of actually creating a deeply egalitarian democratic form of social empowerment in developed capitalist societies.[2] However difficult it might be, therefore, if a ruptural strategy is to be pursued *for the goal of democratic egalitarian socialism*, then the strategy will have to work through the existing, imperfect state machinery.[3]

Second, I assume that given the necessity of working through the institutions of representative democracy, broad popular support is a necessary condition for a plausible ruptural strategy, even if this is not a sufficient condition. While there have certainly been historical instances in which a rupture in political institutions occurred because a well-organized political force that did not have the support of a large majority of the population was able to "seize the time" and take advantage of a severely weakened state,

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prepared, but actual ruptural strategies only really become operative in the context of such moments. (These issues were raised in a discussion of ruptural logics of transformation by two graduate students at Johns Hopkins University, Sefika Kumral and Erdem Yoruk).

[2] It is often said that "ends cannot justify the means", but unless the means are completely innocuous, *only* the ends can justify them. It may be that certain means cannot be justified by any ends, but in most real world situations the means of struggle do have undesirable side-effects on bystanders and unintended negative consequences of various sorts, and in deciding whether or not those means are nevertheless justified, the justification of the ends must play some role. In any case, if the means in fact cannot plausibly lead to the ends for which they are intended, then they are unjustified.

[3] This does not imply, of course, that coercion would not be part of a ruptural strategy, since once state power is being used for a ruptural transformation, the defense of the state against counter-revolution may require coercion, particularly if the counter-revolution is itself violent. My assumption here is simply that the control of state power was achieved through ordinary democratic means rather than through a violent insurrection and overthrow of the regime in power, and the democratic structure of the state is maintained during the ruptural transformation.

this has not resulted in a subsequent trajectory of broad democratic social empowerment of the sort we have been exploring in this book. Throughout this chapter, therefore, I assume that if a ruptural strategy is to be a central part of the construction of a robust socialism of social empowerment, then it would have to be supported by a substantial majority of the population.

Third, I assume, following the influential work of Adam Przeworski,[4] that a necessary condition for broad, *sustainable* popular support is that socialism (however this is defined) will be in the all-things-considered material interests of most people.[5] This is not to imply that in struggles against capitalism moral commitments that are not directly connected to material interests are not important. They matter tremendously and help forge the solidarities and willingness to make sacrifices that are essential for collective action to be robust. Nevertheless, I will assume that while ideology and moral commitment may strengthen support for a radical rupture with capitalism, they build on a base of material interests; in the absence of such interests, ideological commitments would not by themselves be able to generate durable popular support.[6] Socialism of whatever form will not be sustainable in the long run if the material conditions of life for most people are worse than under capitalism.

The analysis which follows is based on these three assumptions. At the end of the chapter we will examine the implications of relaxing the assumptions.

RUPTURAL TRANSFORMATION AND TRANSITION TROUGHS

The key problem to sort out, then, is this: Under what conditions is a ruptural strategy for socialism sufficiently in the material interests of the majority of people to render this a plausible strategy of transformation? The material interests of people with respect any large project of social change involving a sharp rupture with existing institutions depends upon three key parameters:

1) The trajectory of their material wellbeing *in the absence of the rupture*. This is what life would look like if the existing structures of power and privilege continued.

2) The trajectory of their material wellbeing *after the period of rupture is over* and the new institutions are fully in place and functioning effectively.

3) The trajectory of their interests *during the period between* the initiation of the rupture and the new institutional equilibrium. Given that under any plausible scenario, a rupture with the existing economic structure is likely to be highly disruptive, this period of transition will almost certainly involve a significant decline

[4] See Adam Przeworski, *Capitalism and Social Democracy* (Cambridge: Cambridge University Press, 1985), and Adam Przeworski and John Sprague, *Paper Stones* (Chicago, Chicago University Press, 1986).

[5] In this context, "material interests" should be understood in an expansive way to include leisure as well as consumption, quality of work as well as earnings.

[6] The issue here is not the standard collective action problem of whether or not individuals will actively join a political struggle for such a rupture, but rather under what conditions people will see such a rupture as being in their *interests*. The pragmatic "collective action problem" of overcoming free-riding only becomes relevant if in fact people believe they would benefit from the success of the collective action.

in average material conditions of life. Adam Przeworski thus dubs this part of the long term trajectory of material conditions the "transition trough."

A simple representation of these trajectories in developed capitalism, derived from the work of Adam Przeworski, looks something like the pictures in Figures 9.1 and 9.2. Figure 9.1 presents a hypothetical trajectory of the level of material wellbeing of the median person in developed capitalist economies from the past to the present and into the future within capitalist society. From the standpoint of the present moment, of course, the future is uncertain. But let us assume that the most likely trajectory of standards of living for the median person in developed countries is flat or slowly rising. (It is important to note here that even in a period of prolonged stagnation of average wages, the standard of living of most individuals still tends to rise over time because of the positive age profile of earnings. While in the last quarter of the twentieth century in the United States median earnings stagnated, the median person's earnings still increased over the course of their work life.) This prediction could certainly be wrong. It is possible that at some point in the future for a variety of reasons – economic crises, ecological deterioration, technologically-induced mass unemployment, etc. – standards of living for most people could significantly fall over their lifetimes, and if this were to occur, the analysis which follows would need to be modified (as we will discuss towards the end of this chapter). But let us assume here that standard of living for the average person either will be fairly constant or will slowly rise.

-- Figure 9.1 about here –

The question, then, is this: what would be the likely trajectory of material conditions of life for the median person *if there was a successful ruptural strategy for a socialist transformation*?[7] Let us examine this problem under a relatively optimistic scenario. Suppose that through a democratic process an emancipatory socialist party were to gain control of the state with a large majority of the vote and had sufficient power to launch a serious program of socialist transformation, either in the sense of implementing the full agenda of social empowerment institutions we have discussed or in the narrower sense of pursuing a democratic version of a statist socialist program of state ownership and control of the most important economic organizations. Also let us suppose, perhaps unrealistically, that this does not meet with violent resistance from social forces opposed to socialism. There is no armed counterrevolution. We are therefore making quite optimistic assumptions: a radical democratic egalitarian socialist party is elected through democratic means, it has sufficient power to enact and implement a serious program of socialist transformation, and while it may face problems of disinvestment and incentive failures of various sorts, it does not confront violent opposition in the form of a counter-revolution. Everyone agrees to respect the existing political rules-of-the-game. We are thus examining the problems with a ruptural strategy under quite favorable conditions. What would happen to the material welfare of the average person? Figure 9.2 indicates three general possibilities.

[7] I am pegging this question here to the "median person" because the socialist transformation needs to be supported by the majority of the population if a socialist party is to receive continued electoral support under democratic rules.

-- Figure 9.2 --

The “socialist fantasy path” imagines that a rupture with capitalism immediately brings with it an improvement in the material conditions of life of the median person in the society. Either there is no significant economic disruption, or the immediate gains from redistribution are so large as to swamp whatever short term economic decline occurs due to the disruptions of rapid institutional change. This path is unrealistic, at least in a complex, developed capitalist economy. Even if it is the case that the material conditions of life of ordinary people would be much better in a socialist economy, it is not plausible that a ruptural transition from capitalism would instantly improve things.

The “pessimistic path” is predicted by anti-socialists. The disruption of capitalist mechanisms causes an economic collapse, but the system never recovers and the new equilibrium is permanently below what it would have been if capitalism had continued. If one believes in this path, then socialism is simply undesirable. The issue is not the costs of transition from capitalism to socialism, but the relative steady-state economic performance of the two systems.

The “optimistic path” recognizes that any rupture with capitalism would necessarily entail significant economic disruption and thus sacrifice. Even if we assume that the rupture occurs under democratic conditions and that there is no violent resistance, any serious move towards socialism would trigger significant destruction of the incentive and information structures that animated economic coordination under capitalism. Supply chains, systems of distribution, credit markets, pricing systems and many other pivotal elements of economic integration would be deeply disrupted. This would certainly precipitate a significant decline in production and standards of living for some period of time. This would be intensified by capital flight and disinvestments in the run-up to a socialist rupture, since many capitalists would preemptively respond to the “writing on the wall.” The path is nevertheless optimistic for it predicts that eventually new processes of coordination are effectively installed, appropriate incentives are restored, and production and distribution under the new rules of the game institutionalized. As this happens conditions improve, eventually crossing the predicted trajectory of capitalism itself and moving towards a higher general level. The shaded area in the figure, then, constitutes the “transition trough” between the ruptural break with capitalism and the point where material conditions of life under socialism exceed those under the previous social order for the median person.

Let us assume that the most likely trajectory is some variant of the optimistic path. The key issue then becomes the size of the transition trough. Depending upon how deep and prolonged the transition trough is, it may not be in the material interests of most people to support a ruptural path to socialism *even if they firmly believe that life would be better once the transition was weathered*. Interests must always be understood within specific time horizons, and if the transition trough continues for a sufficiently extended period it is unlikely to be seen by most people as in their material interests.

Furthermore, it is important to remember that from the perspective of the actors encountering a transition, the shape of these curves is not an empirical observation, but a hypothesis about the future. The future is uncertain, and in any case such predictions are always based on highly contestable theoretical arguments. Even if these arguments are

well-founded, most people are unlikely to have unshakable confidence in them. In the period of the downward slope of the transition trough, as indicated in Figure 9.3, the empirical trajectories of the optimistic and pessimistic paths look very similar. As the economy declines political forces opposed to socialism will argue strenuously that the trajectory will continue downwards to catastrophe and that the transition should be reversed. Of course socialists will counter with arguments that eventually the economy will improve and people should stay the course, but this may look like wishful thinking to many people if the transition is prolonged. In the midst of the transition trough, the observable trajectory of material conditions in the recent past looks rather like the predicted path of the antisocialist pessimists. The political coalition of supporters for a democratic ruptural transition to socialism, therefore, is likely to become increasingly strained and fragile over time if the transition trough is relatively deep and prolonged.

-- Figure 9.3 about here --

The situation is actually likely to be even more precarious than this, for so far we have only looked at the trajectory of material interests of the median person. Let us suppose that there are two classes of people whose material interests would ultimately be broadly served by a successful transition to socialism. Let us call them the "working class" and the "middle class."[8] In capitalism the middle class has in general a higher material standard of living than the working class and let us suppose that this inequality has been growing over time. Figure 9.4 indicates the nature of the transition troughs for these two classes of people in a ruptural transition to socialism. A ruptural transition to socialism under democratic conditions requires a broad coalition between the middle class and the working class, but the experience of transition is likely to be different for individuals in different parts of the coalition. Specifically, if the socialist government takes the egalitarian principles seriously, then the transition trough is likely to be deeper and longer for the middle class, even if they remain materially better off than workers throughout the process. This means that in addition to the general problem of a decline in political support in a prolonged transition trough, there is likely to be a particularly acute problem of middle class defections from the socialist coalition.

-- Figure 9.4 --

If these arguments are roughly correct, then if the transition trough resembles the general pattern suggested in Figures 9.2 and 9.4, it is unlikely that a ruptural transition to socialism would be sustainable *under democratic conditions*. Political support simply would not remain sufficiently strong and intact for a long enough period of time. This means that a democratically elected socialist government attempting to build socialist institutions through a ruptural strategy would either face political defeat in a subsequent election or, in order to stay in power and traverse the transition, would have to resort to undemocratic means. A turn to authoritarian party rule, however, would undermine the

[8] I am using the term "middle class" here in a deliberately loose way. The issue is to distinguish, within the coalition of people whose lives would be improved by socialism (and thus would potentially support its goals on the basis of their material interests), those people who are relatively advantaged within capitalism from those who are not. The precise definition of the middle class and working class does not matter for this specific purpose. If one prefers an expansive concept of the working class, then the issue would be a coalition between the relatively advantaged and disadvantaged segments of the working class.

radical democratic egalitarianism of the institution-building project itself. The result is therefore more likely to be a transition to some form of authoritarian statism than a radically democratic form of social empowerment.

Some revolutionary socialists have believed that a turn to authoritarian one-party rule during a transition from capitalism need not destroy the possibility of the subsequent evolution of meaningful egalitarian democracy. Historical experience suggests that this is very unlikely: the concentration of power and unaccountability that accompanies the abrogation of multi-party representative democracy and the "rule of law" generates new rules of the game and institutional forms in which ruthlessness is rewarded, democratic values marginalized, dissent is dealt with repressively and the kinds of autonomous capacities for collective action in civil society needed for democracy destroyed. The legacies of such practices during the difficult times of a transition make a democratic socialist destination implausible.

REJOINDERS

There are a number of possible responses to this generally pessimistic view of the possibility of a ruptural strategy. First, perhaps the transition trough simply will not be deep and prolonged. While the "fantasy path" may be unrealistic, perhaps the optimistic path is itself too pessimistic. If the duration of the trough were reasonably short, and especially if the upturn occurred relatively quickly, then a democratic coalition for transformation might remain intact.

Second, it might be argued, the projection of material conditions of life for people *under capitalism* is wrong. If developed capitalism were to enter a prolonged period of endemic crisis with long-term prospects of deterioration, then the likely transition trough out of capitalism might not look so bad. This is, of course, what Marx in part believed: In the long term capitalism undermines its own conditions for profitable accumulation with a resulting intensification of crisis tendencies. As illustrated in Figure 9.5, as crises deepen, transition troughs become shallower because the counterfactual trajectory within capitalism becomes increasingly downward sloping. It may even become plausible, if crises take the form of a sharp and enduring collapse, that the socialist trajectory would be more like the "fantasy path" in figure 9.2: material conditions immediately improve for most people relative to what they would have been in the absence of the rupture.

-- Figure 9.5 about here --

Third, actors may be motivated for a transition to socialism by values other than material interests, and it is not necessarily the case that with respect to these other values a sharp transition trough would exist. For example, it is certainly possible that with respect to the values of democratic participation and community solidarity the very process of rupture and transition enhances their realization. Thus, if these values constituted a robust and powerful source of motivation for people, then it is possible that support for the socialist project over the course of even a prolonged trough in material conditions could be sustained.

None of these responses are, I believe, convincing. It is possible that the disruption of a rapid transformation of capitalist relations might be less than anticipated here, but the historical experience from patterns of disinvestment in the face of even mild state-

initiated threats to capital suggest that the disruption is likely to be quite severe. It is also possible that capitalism will enter into a long term process of intensifying crisis and permanent decline that lowers the standard of living of most people, but in the absence of a compelling theory of the mechanisms that generate such intensification, this is a purely speculative argument. And while motivations other than material interests are profoundly important for the struggle for human emancipation, there is little historical evidence that these motivations could neutralize over an extended period the effects of a sharp economic decline accompanying a project of radical transformation of capitalism.

Large-scale ruptural strategies for constructing a democratic egalitarian socialism, therefore, seem implausible in the world in which we currently live, at least in the developed capitalist economies. If we wish to work for such a transformation, therefore, we need to think about some broadly different approach to the problem. The question becomes: is it possible to expand the space for new forms of social empowerment within capitalism? What are the limits on this process?

FIGURES FOR CHAPTER 9

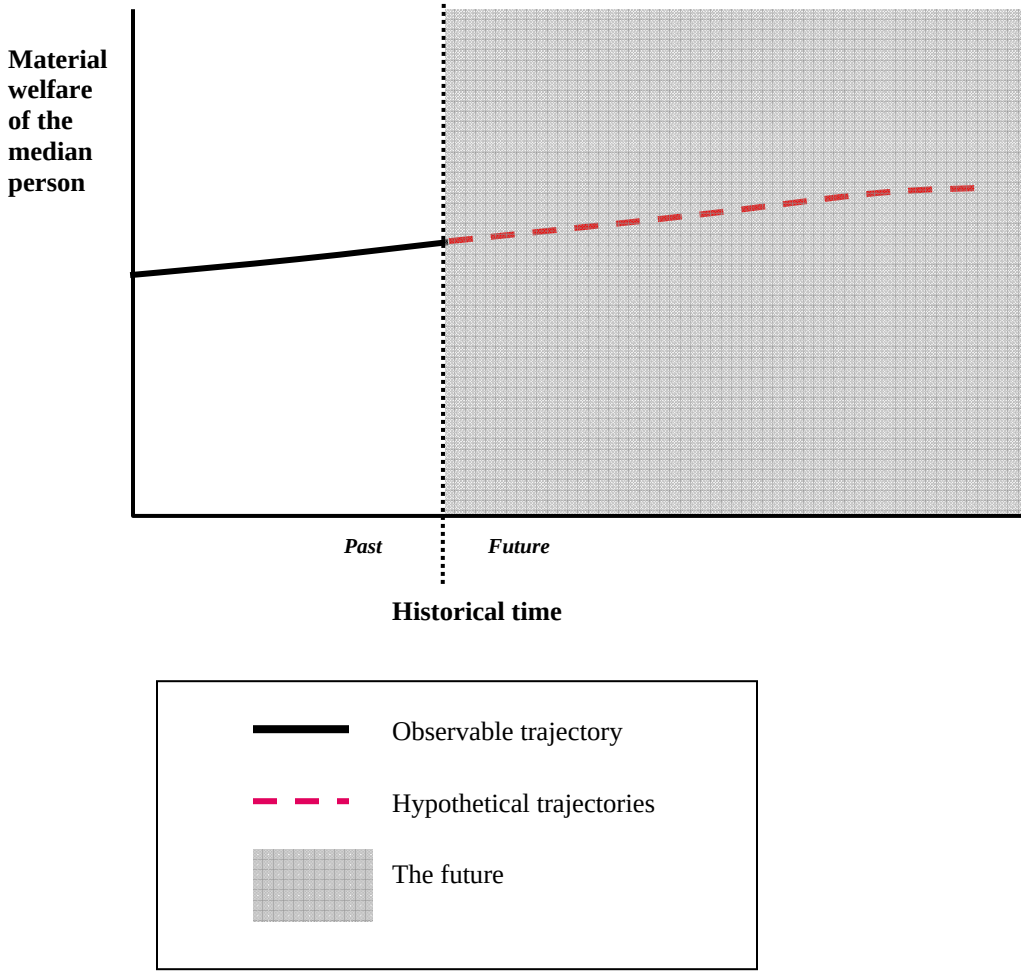


Figure 9.1
Hypothetical trajectory of material interests in developed capitalism

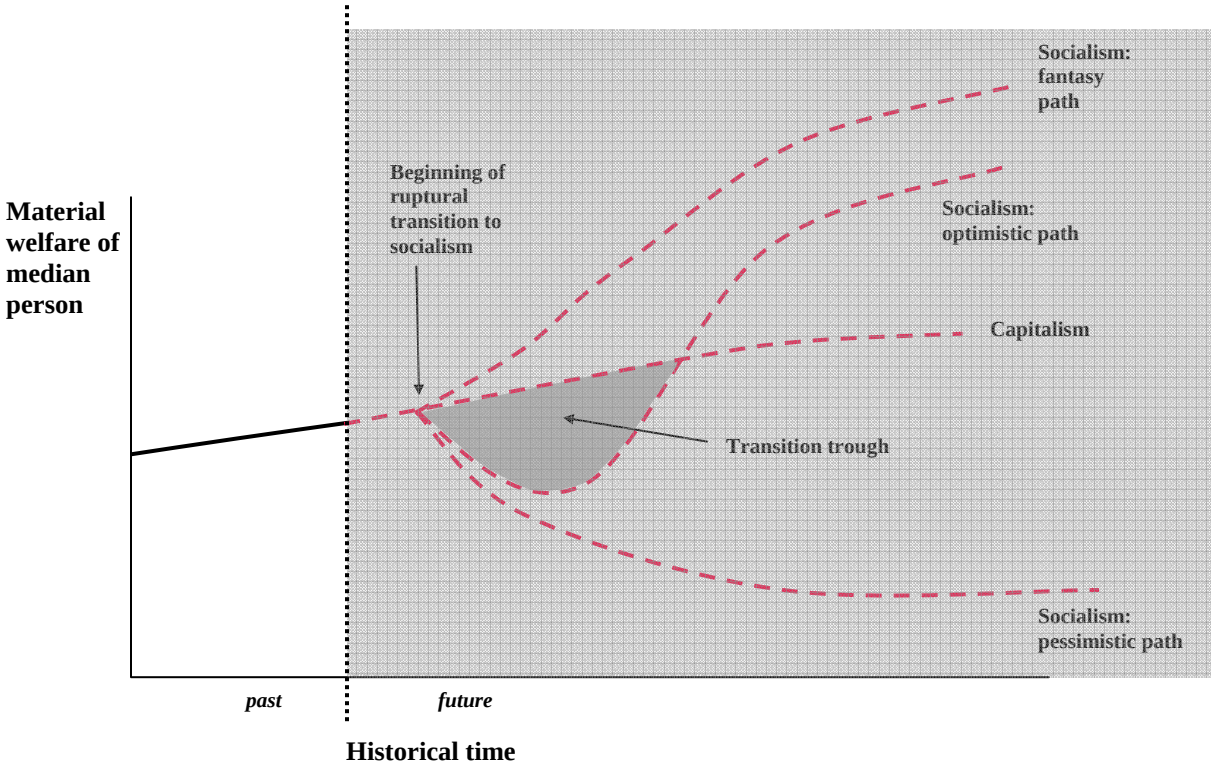
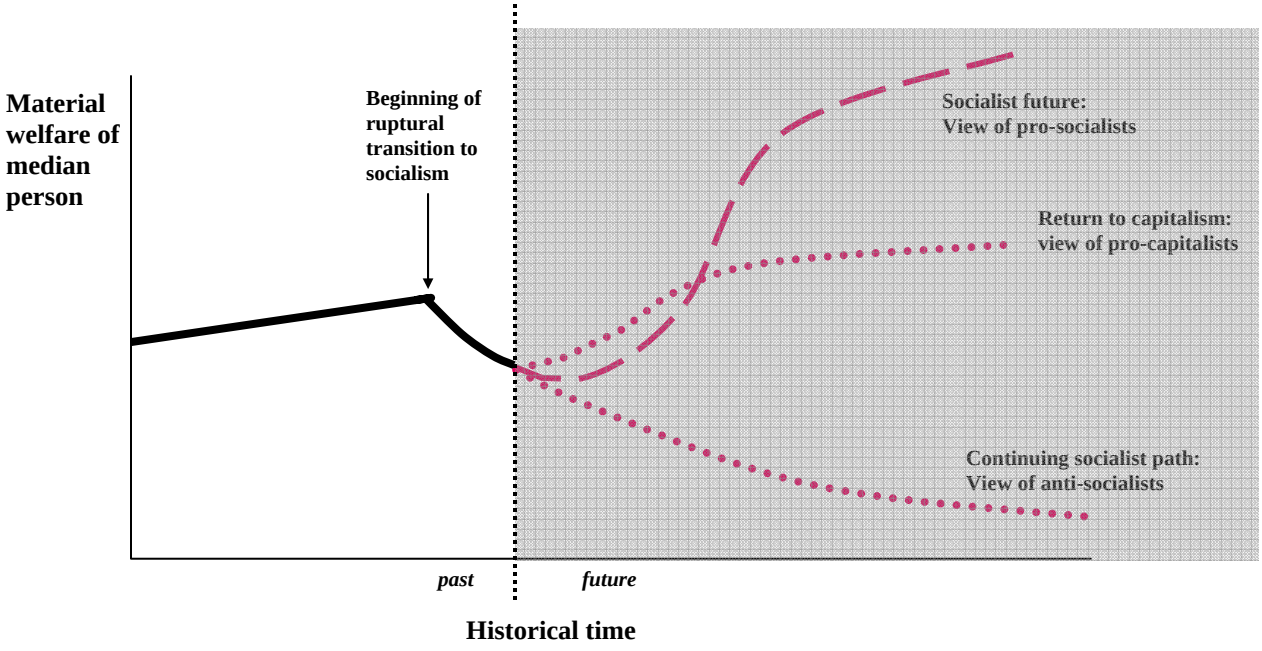


Figure 9.2
Socialist Rupture and Trajectories of Material Interests



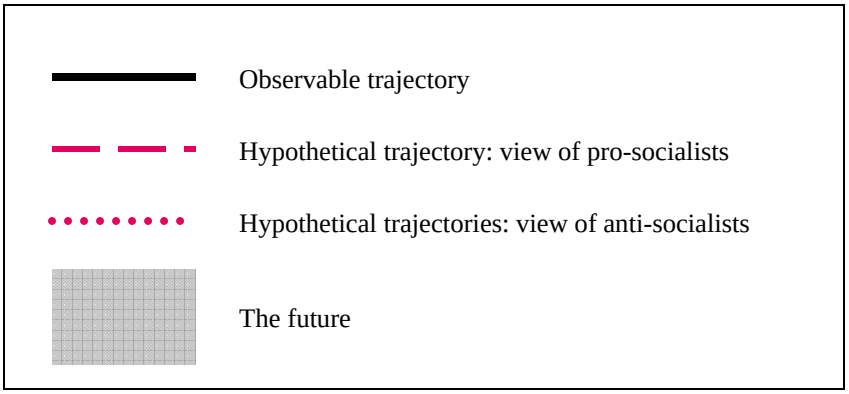


Figure 9.3
Projections into the future from part-way through a transition

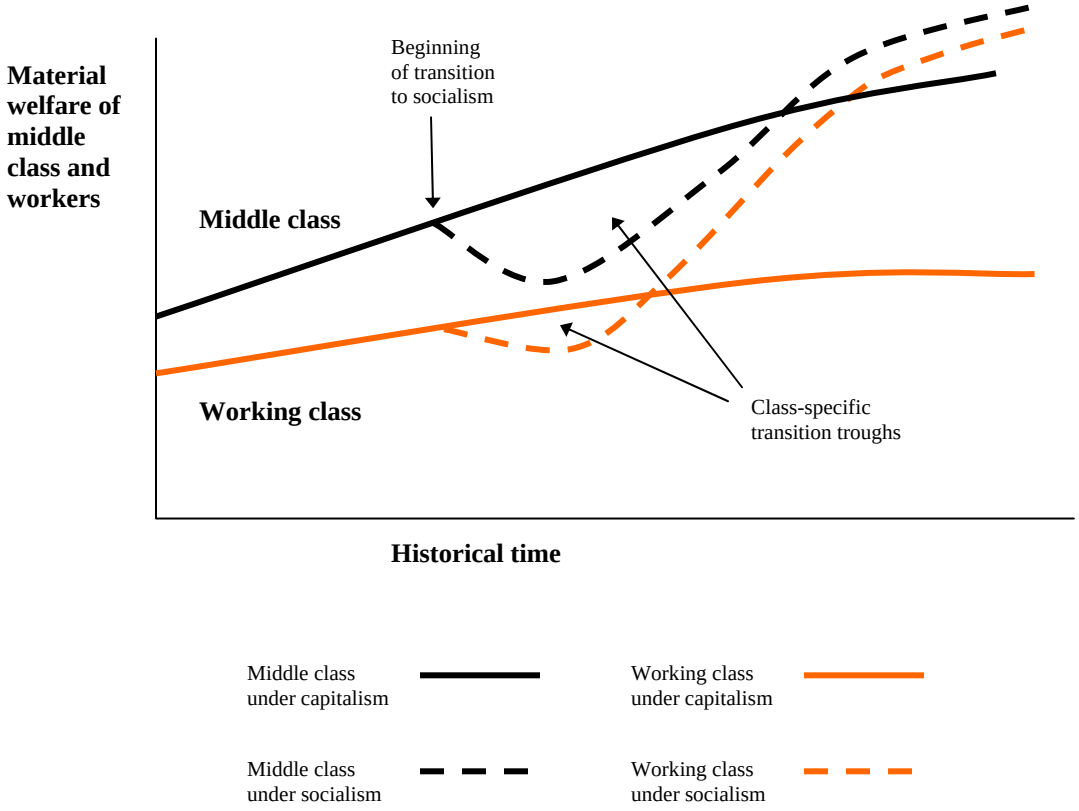


Figure 9.4
Class Variations in Trajectories of Material Interests

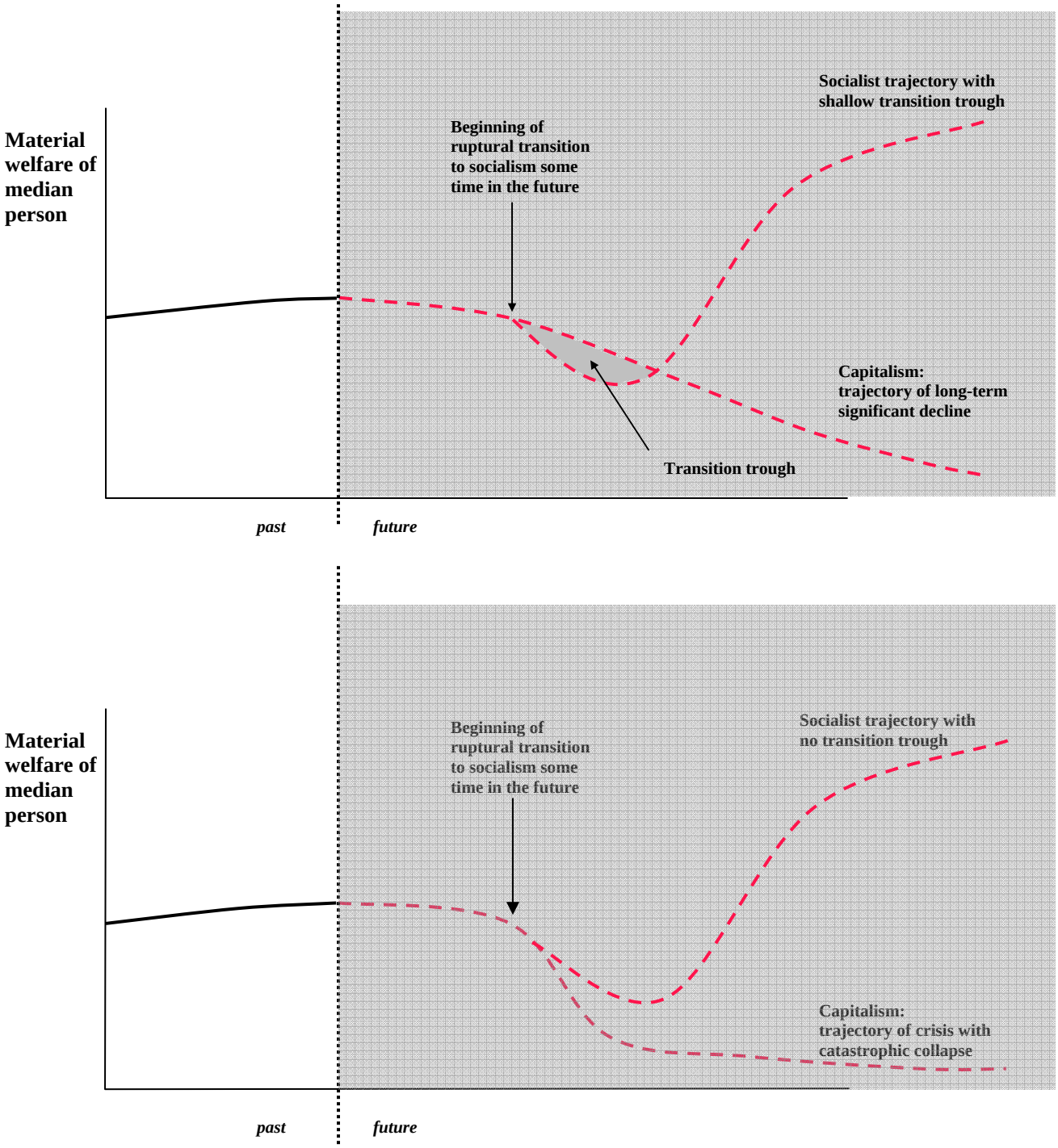


Figure 9.5
Socialist Rupture and Trajectories of Material Interests under alternative assumptions of long term intensification of capitalist crisis

Chapter10
Interstitial Transformation

Final Draft, July 2009

If one believes that systemic ruptural strategies of emancipatory transformation are not plausible, at least under existing historical conditions, then the only real alternative is some sort of strategy that envisions transformation largely as a process of metamorphosis in which relatively small transformations cumulatively generate a qualitative shift in the dynamics and logic of a social system. This does not imply that transformation is a smooth, non-conflictual process that somehow transcends antagonistic interests. A democratic egalitarian project of social emancipation is a challenge to exploitation and domination, inequality and privilege, and thus emancipatory metamorphosis requires struggles over power and confrontations with dominant classes and elites. In practice, therefore, an emancipatory metamorphosis will require some of the strategic elements of the ruptural model: the history of the future – if it is to be a history of emancipatory social empowerment – will be a trajectory of victories and defeats, winners and losers, not simply of compromise and cooperation between differing interests and classes. The episodes of that trajectory will be marked by institutional innovations that will have to overcome opposition from those whose interests are threatened by democratic egalitarianism, and some of that opposition will be nasty, recalcitrant and destructive. So, to invoke metamorphosis is not to abjure struggle, but to see the strategic goals and effects of struggle in a particular way: as the incremental modifications of the underlying structures of a social system and its mechanisms of social reproduction that cumulatively transform the system, rather than as a sharp discontinuity in the centers of power of the system as a whole.[1]

Understood in this way, there are two broad approaches to the problem of transformation as metamorphosis: *interstitial transformation* and *symbiotic transformation*. These differ primarily in terms of their relationship to the state. Both envision a trajectory of change that progressively enlarges the social spaces of social empowerment, but interstitial strategies largely by-pass the state in pursuing this objective while symbiotic strategies try to systematically use the state to advance the process of emancipatory social empowerment. These need not constitute antagonistic strategies – in many circumstances they complement each other, and indeed may even require each other. Nevertheless, historically many supporters of interstitial strategies of transformation have been very wary of the state, and many advocates of more statist symbiotic strategies have been dismissive of interstitial approaches.

In the next chapter we will explore symbiotic transformations. Here we will examine the logic of interstitial strategies. We will begin by distinguishing between interstitial *strategies* and what might be called interstitial *processes*. This will be followed by a discussion of different

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[1] This understanding of metamorphosis suggests that the stark contrast between "rupture" and "metamorphosis" is in some ways misleading since emancipatory metamorphosis can itself be thought of as a trajectory of partial and limited social ruptures – institutional innovations – that cumulatively constitute a qualitative transformation. What is really at issue here is therefore the extent to which a large-scale comprehensive rupture with the fundamental structures of power in capitalism is possible.

types of interstitial strategies and a discussion of the underlying logic of the ways such strategies might contribute to broader emancipatory transformation. The chapter will conclude with a discussion of the limits of interstitial strategies.

WHAT IS AN INTERSTITIAL *STRATEGY*?

The adjective "interstitial" is used in social theory to describe various kinds of processes that occur in the spaces and cracks within some dominant social structure of power.[2] One can speak of the interstices of an organization, the interstices of a society, or even the interstices of global capitalism. The underlying assumption is that the social unit in question can be understood as a system within which there is some kind of dominant power structure or dominant logic which organizes the system, but that the system is not so coherent and integrated that those dominant power relations govern all of the activities that occur within it. Even in so-called "totalitarian" systems in which centralized power penetrates quite deeply into all spheres of social life there are still spaces within which individuals act in relatively autonomous ways, not following the dictates of the logic of the system. This need not imply that such interstitial practices are subversive or that they necessarily corrode the dominant logic of the system, but simply that they are not directly governed or controlled by the dominant power relations and dominant principles of social organization.[3]

Interstitial processes often play a central role in large-scale patterns of social change. For example, capitalism is often described as having developed in the interstices of feudal society. Feudal societies were characterized by a dominant structure of class and power relations consisting of nobles of various ranks who controlled much of the land and the principle means of military violence and peasants with different kinds of rights who engaged in agricultural production and produced a surplus which was appropriated by the feudal dominant class through a variety of largely coercive mechanisms. Market relations developed in the cities, which were less fully integrated into feudal relations, and over time this created the context within which proto-capitalist relations and practices could emerge and eventually flourish. Whether one believes that the pivotal source of ultimate transformation of feudalism came from the dynamics of war-making and state-building, from contradictions in process of feudal surplus extraction, from the corrosive effects of markets, from the eventual challenge of emerging capitalists, or some combination of these processes, the interstitial development of capitalism within feudal societies is an important part of the story.

While interstitial *processes* and *activities* clearly play a significant role in social change, it is less obvious that there are compelling interstitial *strategies* for social transformation. The urban artisans and merchants in feudal society whose interstitial activities fostered new kinds of relations did not have a project of destroying feudal class relations and forging a new kind of

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[2] As a way of capturing the strategic logic being discussed here, the term "interstitial" was suggested to me by Marcia Kahn Wright.

[3] One of the fundamental issues in social theory is the extent to which society can be viewed as a "system" and, if so, what kind of system. At one extreme is the view of society as a system in much the same way as an organism is a system with well articulated parts that fulfill interconnected functions. But societies can also be viewed as a system more like an ecology in nature: there are systematically interconnected causal relations among the component parts, and some of these may have the character of functional connections and feedback processes, but they are not governed by a coherent logic and there are no necessary functional relations that smoothly integrate the whole. Here I will be treating the systemness of social phenomena in this way as a loosely coupled system.

society. They were simply engaged in profit-seeking activities, adapting to the opportunities and possibilities of the society in which they lived. The broader ramifications for long-term social change were basically unintended by-products of their interstitial activities, not a strategy as such. An interstitial strategy, in contrast, involves the deliberate development of interstitial activities for the purpose of fundamental transformation of the system as a whole.

There are certainly many interstitial activities in contemporary capitalist societies which are candidates for elements of an interstitial strategy of social emancipation: producer and consumer coops, battered women's shelters, workers factory councils, intentional communities and communes, community-based social economy services, civic environmental councils, community-controlled land trusts, cross-border equal-exchange trade organizations, and many other things. All of these are consciously constructed forms of social organization that differ from the dominant structures of power and inequality. Some are part of grand visions for the reconstruction of society as a whole; others have more modest objectives of transforming specific domains of social life. Some are linked to systematic theories of social transformation; others are pragmatic responses to the exigencies of social problem-solving. What they have in common is the idea of building alternative institutions and deliberately fostering new forms of social relations that embody emancipatory ideals and that are created primarily through direct action of one sort or another rather than through the state.

This vision of interstitial transformation has a long and venerable place in anticapitalist thinking, going back to the anarchist tradition in the 19th century and continuing in various anarchist and "autonomist" currents to the present.[4] While there is no inherent reason why strategies of interstitial transformation should be restricted to the specific anarchist vision of emancipatory alternatives, there is an obvious affinity between the anarchist vision of an ultimate destination without a coercive state and the idea of interstitial strategies that largely ignore the state. The preamble of the Constitution of the Industrial Workers of the World, the influential anarcho-syndicalist movement in early 20th century United States, proclaimed, "By organizing industrially we are forming the structure of the new society within the shell of the old."[5] Half a

[4] I will use the term "anarchism" to describe the theoretical foundations of interstitial strategies because anarchist writers have placed the greatest emphasis on such strategies. As is the case for many political labels, terms like "anarchism" become infused with different meaning depending upon the historical context in which the label becomes linked to concrete political movements. The classical anarchist vision of social emancipation revolves around the idea of a stateless society in which social cooperation is organized through voluntary activity within relatively small communities linked through some kind of voluntary federation. At times, however, anarchism became identified with particularly violent attacks on centers of authority and with visions of chaos rather than noncoercive community. The term "autonomist" became popular in some European political contexts in the second half of the twentieth century to identify movements that were part of the anarchist tradition, but which emphasized voluntary, autonomous formation of egalitarian cooperation.

[5] The literature of the I.W.W. continually refers to new forms of worker organization as "embryonic" forms of the future society, suggesting again the idea that the future is built within the interstices of the present. For example, in a 1913 pamphlet titled "The Trial of a New Society" by Justuys Ebert (I.W.W., Chicago, 1913) the metaphor of embryonic development is used to characterize the process of transformation. The solidaristic organization of workers in the Lawrence, Massachusetts textile strike of 1912, the pamphlet proclaims, was "The crude embryo -- the rough outline of the future state, where industry and government shall be by, for, and of the workers direct." In the conclusion to the pamphlet the author asks: "The fact that a new economic power has arisen and is achieving new political and social triumphs within the old social order cannot be denied. But the question arises, can it endure? Will the embryo thus conceived develop until it overgrows and dominates all institutions in the interests of a new era?" In answering in the affirmative, the author draws on the history of the rise of the bourgeoisie which

century later, Colin Ward, the prominent British anarchist writer, described the central idea of an anarchist strategy thus: "...far from being a speculative vision of a future society...[anarchy] is a description of a mode of human organization, rooted in the experience of everyday life, which operates side by side with, and in spite of, the dominant authoritarian trends of our society....[T]he anarchist alternatives are already there, in the interstices of the dominant power structure. If you want to build a free society, the parts are all at hand."[6] At the beginning of the 21st century when activists at the World Social Forum proclaim, "Another world is possible," much of what they have in mind are anarchist-inflected grass roots initiatives to create producer and consumer co-operatives, fair trade networks, cross-border labor standards campaigns, and other institutions that directly embody the alternative world they desire in the here and now.

Many socialists, especially those enmeshed in the Marxist tradition, are quite skeptical of such projects. The argument goes something like this: While many of these efforts at building alternative institutions may embody desirable values and perhaps even prefigure emancipatory forms of social relations, they pose no serious challenge to existing relations of power and domination. Precisely because these are "interstitial" they can only occupy spaces that are "allowed" by capitalism. They may even strengthen capitalism by siphoning off discontent and creating the illusion that if people are unhappy with the dominant institutions they should just go off and live their lives in alternative settings. Ultimately, therefore, interstitial projects constitute retreats from political struggle for social transformation, not a viable strategy for achieving radical social transformation. At best they may make life a little better for some people in the world as it is; at worst they deflect energies from real political challenge to change the world to something better.

There are certainly instances in which this negative diagnosis seems plausible. The hippy communes of the 1960s may have been inspired by utopian longings and a belief that they were part of the "dawning of the Age of Aquarius," but in practice they functioned more as escapes from the realities of capitalist society than as nodes of radical transformation. Other examples, like organic grocery cooperatives, while not escapes from capitalist society, nevertheless seem constrained to occupy small niches often catering to relatively affluent people who can afford to "indulge" their preferences for a particular kind of "life style". Organic grocery cooperatives may embody some progressive ideals, but they do not pose a threat to the system.

As a general indictment of interstitial strategies of transformation, these negative judgments are too harsh. They assume both that there is an alternative strategy which does pose a serious "threat to the system" and also that this alternative strategy is undermined by the existence of interstitial efforts at social transformation. The fact is that in present historical conditions no strategy credibly poses a direct threat to the system in the sense that there are good grounds for believing that adopting the strategy today will generate effects in the near future that would really threaten capitalism. This is what it means to live in a hegemonic capitalist system: capitalism is sufficiently secure and flexible in its basic structures that there is no strategy

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"developed their own institutions, their crafts, their trade, their guilds, their communes and confederations outside of and in opposition to the institutions peculiar to the original feudal constitution. They built the new society within the shell of the old; they evolved out of the old by means of new institutions in keeping with their new aspirations."

[6] Colin Ward, *Anarchy in Action* (London: Allen & Unwin, 1973), p.18, quoted in Stuart White, "Making Anarchism Respectable? The Social Philosophy of Colin Ward" (*Journal of Political Ideologies* 12 (1), 12-31. 2007), p.15.

possible that immediately threatens it. The strategic problem is to imagine things we can do now which have reasonable chances of opening up possibilities under contingent conditions in the future. Interstitial strategies, of course, may ultimately be dead-ends and be permanently contained within narrow limits, but it is also possible that under certain circumstances they can play a positive role in a long-term trajectory of emancipatory social transformation.

The question, then, is this: what is the underlying model of social transformation in which interstitial activities can be viewed as part of an overall strategy for emancipatory social empowerment? What is the implicit theory of the ways in which such activities can cumulatively transform the society as a whole? Writers in the anarchist tradition devote remarkably little attention to this problem. While anarchist writing criticizes existing structures of capitalist and statist power and defends a vision of a federated cooperative alternative without the coercive domination of the state, there is very little systematic elaboration of how to actually "build the new society within the shell of the old" and how this can lead to a systemic transformation.

HOW INTERSTITIAL STRATEGIES CAN CONTRIBUTE TO EMANCIPATORY SOCIAL TRANSFORMATION

Many of the specific examples in chapter 7 used to illustrate social empowerment and the economy were substantially the result of interstitial strategies. Wikipedia is the result of people building an alternative noncapitalist form of knowledge production within the extraordinary space of interstitial activity called the Internet. Many projects within the social economy are the result of interstitial strategies, even if as in Quebec some of them receive important subsidies from the state. Worker-owned cooperatives are the quintessential form of interstitial organization at the center of classical anarchist strategies of interstitial transformation. To this list many other empirical examples could be added: a wide variety of internet-based strategies that subvert capitalist intellectual property rights (eg. Napster, the music-sharing site); open-source software and technology projects; fair trade networks designed to link producer cooperatives in poor countries to consumers in rich countries; efforts to create global labor and environmental standards through various kinds of monitoring and certification projects. Within each of these interstitial activities, many of the actors involved see what they are doing as part of a strategy for broad social change, not simply as self-limiting activities motivated by life-style preferences or the desire to "do good works". The question then is how these kinds of interstitial activities could have broad transformative, emancipatory effects for the society as a whole? What is the underlying logic through which they might cumulatively contribute to making another world possible?

There are two principle ways that interstitial strategies within capitalism potentially point the way beyond capitalism: first, by altering the conditions for eventual rupture, and second, by gradually expanding their effective scope and depth of operation so that capitalist constraints cease to impose binding limits. I will refer to these as the *revolutionary anarchist* and *evolutionary anarchist* strategic visions, not because only anarchists hold these views, but because the broad idea of not using the state as an instrument of social emancipation is so closely linked to the anarchist tradition.

Paving the route to rupture

Many 19th century anarchists shared with Marxist-inspired revolutionary socialists the belief that ultimately a revolutionary rupture with capitalism would be necessary. Where they differed sharply was in the belief of what sorts of transformations were needed within capitalism in order for a revolutionary rupture to plausibly usher in a genuinely emancipatory alternative. For Marx, and later for Lenin, the central task of struggles within capitalism is to forge the collective capacity of a politically unified working class needed to successfully seize state power as the necessary condition for overthrowing capitalism. The task of deep social reconstruction to create the environment for a new way of life with new principles, new forms of social interaction and reciprocity, would largely have to wait until "after the revolution."[7]

For revolutionary anarchists, on the other hand, significant progress in such reconstruction is not only possible within capitalism, but is a necessary condition for a sustainable emancipatory rupture with capitalism. In discussing Proudhon's views on revolution, Martin Buber writes,

> "[Proudhon] divined the tragedy of revolutions and came to feel it more and more deeply in the course of disappointing experiences. Their tragedy is that as regards their *positive* goal they will always result in the exact opposite of what the most honest and passionate revolutionaries strive for, unless and until this [deep social reform] has so far taken shape *before* the revolution that the revolutionary act has only to wrest the space for it in which it can develop unimpeded."[8]

If we want a revolution to result in a deeply egalitarian, democratic, and participatory way of life, Buber writes,

> "the all-important fact is that, in the social as opposed to the political sphere, revolution is not so much a creative as a delivering force whose function is to set free and authenticate – i.e. that it can only perfect, set free, and lend the stamp of authority to something that has already been foreshadowed in the womb of the pre-revolutionary society; that, as regards social evolution, the hour of revolution is not an hour of begetting but an hour of birth – provided there was a begetting beforehand."[9]

A rupture with capitalism is thus necessary in this strategic vision, but it requires a deep process of interstitial transformation beforehand if it is to succeed.

There are, I think, four different arguments implicitly in play in this vision of pre-revolutionary (i.e. pre-ruptural) interstitial social transformation within capitalism. These arguments are represented in Figure 10.1, a modified version of the transition trough diagrams from the previous chapter.

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[7] Martin Buber, in his excellent study of Anarchist thinking, *Paths in Utopia* (Boston: Beacon Press, 1958), argues that while Marx eventually came to acknowledge some virtues in the creation of cooperatives, he remained critical of views that saw this as a centerpiece of struggles within capitalism, feeling that it was an illusion that cooperatives could contribute much to remaking society so long as the bourgeoisie remained in power.

[8] Buber, *Paths in Utopia*, p. 44.

[9] Buber, *Paths in Utopia*, p. 44-5. The metaphor of birth combines the idea of incremental metamorphosis with rupture: the moment of birth is a rupture with the past. There is a "before" and "after", a discontinuity in the life course. But birth can only happen after a successful, incremental gestation in which future potentials are brought to the brink of full actualization, and after birth this incremental process continues through maturation.

-- Figure 10.1 about here --

First, supporters of the necessity of interstitial transformation within capitalism claim that such transformations can bring into capitalism some of the virtues of a society beyond capitalism. Thus the quality of life of ordinary people in capitalism is improved by such transformation. In phase I of Figure 10.1 interstitial transformations in capitalism are initiated and these generate an improvement of the quality of life for the average person relative to a capitalism without such transformations.[10]

Second, the revolutionary anarchist strategy affirms that at some point such interstitial social transformations within capitalism hit limits which impose binding constraints (phase II in the figure). Capitalism ultimately blocks the full realization of the potential of socially empowering interstitial transformations. A rupture with capitalism (phase III) becomes necessary to break through those limits if that potential is to advance further.

Third, if capitalism has already been significantly internally transformed through socially empowering interstitial transformations, the transition trough will be tolerably shallow and of relatively short duration (phase IV). Successful interstitial transformations within capitalism mean that economic life becomes less dependent upon capitalist firms and capitalist markets as as capitalism continues. Workers co-operatives and consumer cooperatives have developed widely and play a significant role in the economy; the social economy provides significant basic needs; collective associations engage in a wide variety of socially empowered forms of regulation; and perhaps power relations within capitalist firms have been significantly transformed as well. Taken together, these changes mean that the economic disruption of the break with capitalism will be less damaging than in the absence of such interstitial transformations. Furthermore, the pre-ruptural transformations are palpable demonstrations to workers and other potential beneficiaries of socialism that alternatives to capitalism in which the quality of life is better are viable. This contributes to forming the political will for a rupture once the untransgressable limits within capitalism are encountered.[11] The transition trough in figure 10.1 is thus much shallower than it would otherwise be.

And finally, egalitarian, democratic social empowerment will be sustainable after a rupture only if significant socially empowering interstitial transformations had occurred before the rupture. In the absence of such prior social empowerment, the rupture with capitalism will unleash strong centralizing and authoritarian tendencies that are likely to lead to a consolidation

[10] I am using the general expression "quality of life" here to indicate the all-things-considered wellbeing of people, without giving any particular weights to things like income, working conditions, quality of leisure, the nature of community, etc.

[11] An alternative way of expressing these arguments is to use the language of Antonio Gramsci. Gramsci argued that in the West, with its strong civil society, socialist revolution required a prolonged "war of position" before a successful "war of maneuver" was possible. This means that the period before a rupture is a period of building an effective *counter*-hegemony. Gramsci's emphasis was on building political and ideological counter-hegemony. While he did not directly discuss the issue of interstitial transformations in the economy and civil society, they could be viewed as transforming key aspects of the "material bases of consent" necessary for such a counter-hegemonic movement to be credible and sustainable. For a discussion of Gramsci's ambiguous views on the possibilities of transforming civil society within capitalism in ways that would enhance social empowerment, see Jean L. Cohen and Andrew Arato, *Civil Society and Political Theory* (Cambridge: MIT Press, 1994), section on "Gramsci and the idea of Socialist Civil Society," pp. 142-159.

of an oppressive form of statism. Even well-intentioned socialists will be forced by the contradictions they confront to build a different kind of society than they wanted. The result will be a decline in the quality of life for most people below the trajectory it would have had even under capitalism itself.

Eroding the binding limits of capitalism

The strategic scenario in figure 10.1 assumes that capitalism ultimately imposes untransgressable limits on the possibilities of democratic egalitarian emancipatory transformations. The evolutionary anarchist scenario for social emancipation through interstitial transformation drops this assumption. The basic idea, as illustrated in a stylized way in Figure 10.2, is this: Capitalist structures and relations do impose limits on emancipatory social transformation through interstitial strategies, but those limits can themselves be eroded over time by appropriate interstitial strategies. The trajectory of change through interstitial strategy, therefore, will be marked by periods in which limits of possibility are encountered and transformation is severely impeded. In such periods new interstitial strategies must be devised which erode those limits. In different historical periods, therefore, different kinds of interstitial strategies may play the critical role in advancing the process of social empowerment. Strategies for building workers cooperatives may be the most important in some periods, the extension of the social economy or the invention of new associational devices for controlling investments (eg. union controlled venture capital funds) in others. The important idea is that what appear to be "limits" are simply the effect of the power of specific institutional arrangements, and interstitial strategies have the capacity to create alternative institutions that weaken those limits. Whereas the revolutionary anarchist strategic scenario argues that eventually hard limits are encountered that cannot themselves be transformed from within the system, in this more evolutionary model the existing constraints can be softened to the point that a more accelerated process of interstitial transformation can take place until it too encounters new limits. There will thus be a kind of cycle of extension of social empowerment and stagnation as successive limits are encountered and eroded. Eventually, if this process can be sustained, capitalism itself would be sufficiently modified and capitalist power sufficiently undermined that it no longer imposed distinctively capitalist limits on the deepening of social empowerment.[12] In effect, the system-hybridization process generated by interstitial strategies would have reached a tipping point in which the logic of the system as a whole had changed in ways that open-up the possibilities for continued social empowerment.

-- Figure 10.2 about here --

Of course the trajectory in figure 10.2 is highly simplified. Even optimistic visions of interstitial strategies understand that there can be reversals and the periods of thwarted advance of social empowerment could be quite extended. And there may be contingent historical circumstances in which interstitial strategies may no longer be possible – for example, in conditions of authoritarian statism where the political space for such strategies has been closed off. In such circumstances, ruptural strategies may be necessary, not so much to directly

[12] Other kinds of structural limits might still exist – limits imposed by gender or global political divisions or some other kind of social relations – and this means that the cycle of encountering limits and devising new limit-eroding strategies would continue. But the specific limits to social empowerment imposed by capitalism would no longer impose binding constraints.

transform capitalism as to unbottle the interstitial processes blocked by authoritarian statism. The key idea, however, is that there is nothing inherent in the structures of capitalism as such which prevents interstitial strategies from having these transformative effects, and thus an interstitial trajectory towards social emancipation is possible within a world dominated by capitalism.[13]

INTERSTITIAL STRATEGIES AND THE STATE

It is possible to acknowledge that interstitial strategies of transformation can expand the scope of social empowerment and improve the quality of life of people without embracing these broad strategic visions. Interstitial strategies may create enlarged spaces for non-commodified, non-capitalist economic relations, but it seems unlikely that this could sufficiently insulate most people from dependency on the capitalist economy and sufficiently weaken the power of the capitalist class and the dependency of economic activity on capital accumulation to render the transition trough in the revolutionary scenario short and shallow. And while interstitial strategies may expand the scope of social empowerment, it is difficult to see how they could ever by themselves sufficiently erode the basic structural power of capital to dissolve the capitalist limits on emancipatory social change.

The basic problem of both scenarios concerns their stance towards the state. The anarchist tradition of social emancipation understands that both civil society and the economy are only loosely integrated systems which allow considerable scope for direct action to forge new kinds of relations and practices. In contrast, anarchists tend to view the state as a monolithic, integrated institution, without significant cracks and only marginal potentials for emancipatory transformation. For revolutionary anarchists, in fact, the state is precisely the institution which makes an ultimate rupture necessary: the coercive power of the state enforces the untransgressable limits on social empowerment. Without the state, the erosion of capitalist power through interstitial transformation could proceed in the manner described by evolutionary anarchists.

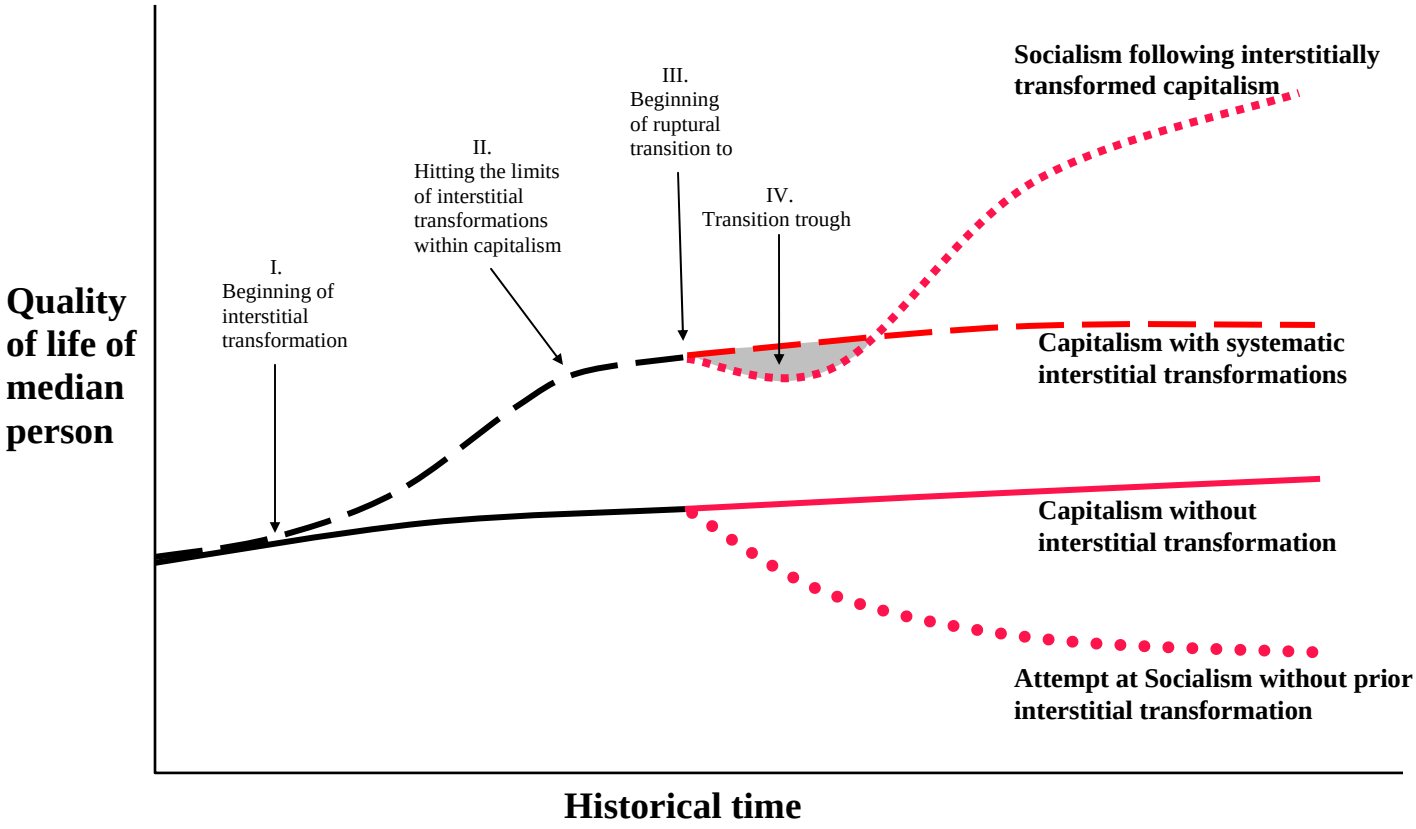
This is not a satisfactory understanding of the state in general or the state in capitalist societies in particular. The state is no more a unitary, fully integrated structure of power than is the economy or civil society. And while the state may indeed be a "capitalist state" which plays a substantial role in reproducing capitalist relations, it is not *merely* a capitalist state embodying a pure functional logic for sustaining capitalism. The state contains a heterogeneous set of apparatuses, unevenly integrated into a loosely-coupled ensemble, in which a variety of interests and ideologies interact. It is an arena of struggle in which contending forces in civil society meet. It is a site for class compromise as well as class domination. In short, the state must be understood not simply in terms of its relationship to social reproduction, but also in terms of the gaps and contradictions of social reproduction.

What this means is that emancipatory transformations should not simply ignore the state as envisioned by evolutionary interstitial strategies, nor can it realistically smash the state, as

[13] This claim – the capitalism as such does not generate untransgressable limits of possibility – is sometimes couched in a language of "anti-essentialism." See, for example, J.K. Gibson-Graham (Julie Gibson and Katherine Graham), *The end of Capitalism (as we knew it): a feminist critique of political economy* (Oxford: Blackwell, 1996). They argue that not only are economic systems always hybrids, but also that the capitalist dimension or component of the hybrid has no deep, unalterable "essence" which imposes rigid limits of possibility on the character of the hybrid as a whole.

envisioned by ruptural strategies. Social emancipation must involve, in one way or another, engaging the state, using it to further the process of emancipatory social empowerment. This is the central idea of symbiotic transformation.

FIGURES FOR CHAPTER 10



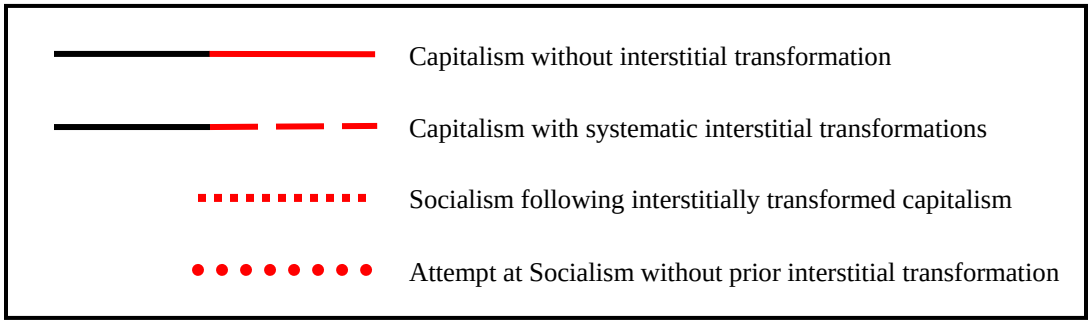


Figure 10.1
Interstitial transformations paving the way to rupture

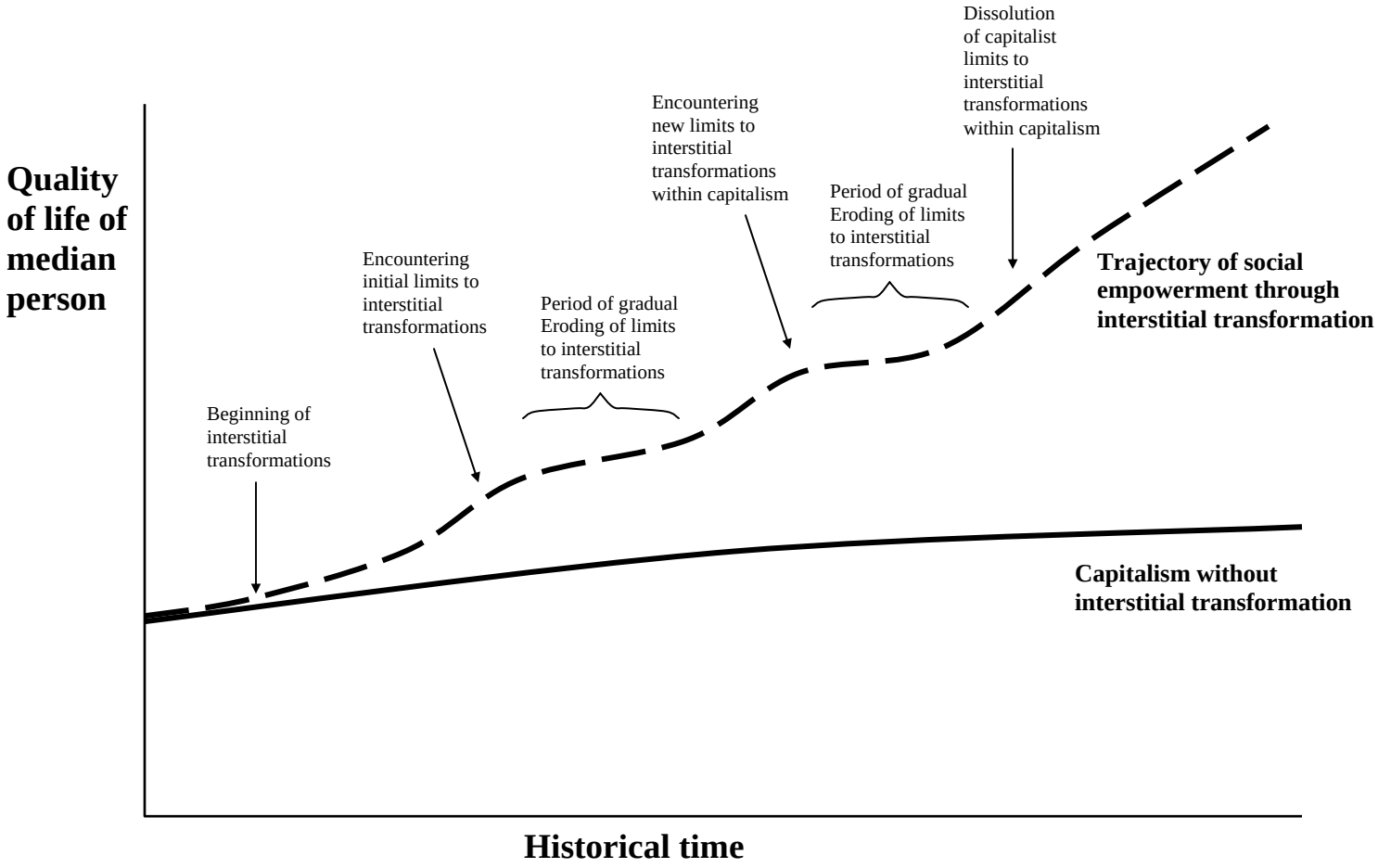


Figure 10.2
Interstitial transformations eroding capitalism's limits

Chapter 11
Symbiotic Transformation

Final draft, July 2009

The basic idea of symbiotic transformation is that advances in bottom-up social empowerment within a capitalist society will be most stable and defendable when such social empowerment also helps solve certain real problems faced by capitalists and other elites. While there are historical moments in which it may be possible, through effective popular mobilization and solidarity, to deepen and extend forms of social empowerment even when this sharply threatens the interests of capitalists and other dominant elites, such gains will always be precarious and vulnerable to counterattack. Gains won in a period of heightened mobilization will therefore tend to be undone in periods where such mobilization declines. Forms of social empowerment are likely to be much more durable and to become more deeply institutionalized, and thus harder to reverse, when, in one way or another, they also serve some important interests of dominant groups, solve real problems faced by the system as a whole. Joel Rogers and Wolfgange Streeck formulate this idea in terms of the general conditions for the robust success of the democratic left: "The democratic left makes progress under capitalism when it improves the material well-being of workers, solves a problem for capitalists that capitalists cannot solve for themselves, and in doing both wins sufficient political cachet to contest capitalist monopoly on articulating the 'general interest.'" [1]

Historically the most important examples of this mode of transformation were the relatively stable forms of "class compromise" between capital and labor mediated by the state in many developed capitalist countries in the second half of the twentieth century. Forging the conditions which make such class compromise possible has been at the center of the more progressive currents in social democratic politics. In this chapter we will explore the implicit logic of this kind of strategy and its emancipatory potential.

CLASS COMPROMISE[2]

The concept of "class compromise" invokes three quite distinct images. In the first, class compromise is an illusion. Leaders of working class organizations — especially unions and parties — strike opportunistic deals with the capitalist class which promise general benefits for workers but which, in the end, are largely empty. Class compromises are, at their core, one-sided capitulations rather than reciprocal bargains embodying mutual concessions.

In the second image, class compromises are like stalemates on a battlefield. Two armies of

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[1] Joel Rogers and Wolfgang Streeck, "Productive Solidarities: Economic Strategy and Left Politics," in *Reinventiung the Left*, edited by David Miliband. (Cambridge: Polity Press, 1994), p. 130.

[2] Much of this section is drawn from a previously published article, "Working-Class Power, Capitalist-Class Interests and Class Compromise," *American Journal of Sociology*, Volume 105, Number 4 (January 2000): 957-1002

roughly similar strength are locked in battle. Each is sufficiently strong to impose severe costs on the other; neither is strong enough to definitively vanquish the opponent. In such a situation of stalemate the contending forces may agree to a "compromise": to refrain from mutual damage in exchange for concessions on both sides. The concessions are real, not phony, even if they are asymmetrical. Still, they don't constitute a process of real cooperation between opposing class forces. This outcome can be referred to as a "negative class compromise."

The third image sees class compromise as a form of mutual cooperation between opposing classes. This is not simply a situation of a balance of power in which the outcome of conflict falls somewhere between a complete victory and a complete defeat for either party. Rather, here there is a possibility of a non-zero-sum game between workers and capitalists, a game in which both parties can improve their position through various forms of active, mutual cooperation. This outcome can be called a "positive class compromise."

The central idea of symbiotic transformation is that the possibilities for stable, positive class compromise generally hinge on the relationship between the *associational power* of the working class and the *material interests* of capitalists.[3] The conventional wisdom among both neoclassical economists and traditional Marxists is that in general there is an inverse relationship between these two variables: increases in the power of workers adversely affect the interests of capitalists (see Figure 11.1). The rationale for this view is straightforward for Marxist scholars: since the profits of capitalists are closely tied to the exploitation of workers, the material interests of workers and capitalists are inherently antagonistic. Anything which strengthens the capacity of workers to struggle for and realize their interests, therefore, negatively affects the interests of capitalists. The conventional argument by neoclassical economists is somewhat less straightforward, for they deny that in a competitive equilibrium workers are exploited by capitalists. Nevertheless, working class associational power is seen as interfering with the efficient operation of labor markets by making wages harder to adjust downward when needed and by making it harder for employers to fire workers. Unions and other forms of working class power are seen as forms of monopolistic power within markets, and like all such practices generate monopoly rents and inefficient allocations. As a result, unionized workers are able to extort a monopoly rent in the form of higher wages at the expense of both capitalists and nonunionized workers.

-- Figure 11.1 about here --

An alternative understanding of the relationship between workers' power and capitalists' interests sees this as a curvilinear *reverse-J* relationship rather than an inverse relationship (see

[3] Throughout this discussion of class compromise I will rely on a simple, polarized concept of the class structure of capitalism in which workers and capitalists are the only classes. For some purposes it is important to deploy a highly differentiated class concept which elaborates a complex set of concrete locations within class structures. My work on the problem of the "middle class" and "contradictory locations within class relations" would be an example of such an analysis (see Erik Olin Wright, *Classes*, London: Verso, 1985, and *Class Counts*, Cambridge: Cambridge University Press, 1997). For some problems the causal processes cannot be properly studied without specifying a range of fine-grained differentiations and divisions within classes on the basis of such things as sector, status, gender, and race. For other purposes, however, it is appropriate to use a much more abstract, simplified class concept, revolving around the central polarized class relation of capitalism: capitalists and workers. This is the class concept I will mainly use in this chapter.

Figure 11.2).[4] As in the conventional wisdom, capitalist class interests are best satisfied when the working class is highly disorganized, when workers compete with each other in an atomized way and lack significant forms of associational power. As working class power increases, capitalist class interests are initially adversely affected. However, once working class power crosses some threshold, working class associational power can begin to have positive effects on capitalist interests. The classic example of this was the role of organized labor in helping to solve certain problems posed by Keynesian macro-economic policy. Full employment, insofar as it implies high levels of capacity-utilization and higher aggregate demand for the products of capitalist firms, potentially serves the interests of capitalists. But it also risks a profit squeeze from rapidly rising wages and spiraling levels of inflation. Keynes himself recognized this as a serious problem: "I do not doubt that a serious problem will arise as to how wages are to be restrained when we have a combination of collective bargaining and full employment."[5] The emergence and consolidation in a number of countries of strong, centralized unions capable of imposing wage restraint on both workers *and employers* was perhaps the most successful solution to this problem. In this sense, a powerful labor movement need not simply constitute the basis for a *negative* class compromise, extracting benefits for workers through threats to capital. If a labor movement is sufficiently disciplined, particularly when it is articulated to a sympathetic state, it can positively contribute to the realization of capitalist interests by helping to solve macroeconomic problems.

-- Figure 11.2 about here --

In order to more deeply understand the social processes reflected in the reverse-J hypothesis of Figure 11.2, we need to elaborate and extend the model in various ways. [6] First we will examine more closely the underlying causal mechanisms which generate this curve. Second, we will extend the range of the figure by examining what happens at a very high levels of working class associational power. Finally, we will examine various ways in which the institutional environment of class conflict determines which regions of this curve are historically accessible as strategic objectives.

Mechanisms underlying the reverse-J relation

The reverse-J curve presented in Figure 11.2 can be understood as the outcome of two kinds of causal processes – one in which the interests of capitalists are increasingly undermined as the power of workers increases, and a second in which the interests of capitalists are enhanced by the increasing power of workers. These are illustrated in Figure 11.3. In broad terms, the downward sloping curve reflects the ways in which increasing power of workers *undermines the capacity of capitalists to unilaterally make decisions and control resources* of various sorts, while the upward sloping curve reflects ways in which the associational power of workers may *help capitalists solve certain kinds of collective action and coordination problems*.

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[4] The reverse-J shaped relationship between working class power and capitalist interests was first suggested to me in a paper by Joel Rogers. "Divide and Conquer: Further 'Reflections on the Distinctive Character of American Labor Law'." *Wisconsin Law Review*, 1990, 13:1–147.

[5] Andrew Glynn, "Social Democracy and Full Employment." (*New Left Review*. 1995. 211:33–55.) p. 37

[6] A more formal elaboration of the theoretical foundations of this model can be found on pages 969-976 in Erik Olin Wright, "Working-Class Power, Capitalist-Class Interests and Class Compromise."

-- Figure 11.3 about here --

Class struggle and compromise do not occur within an amorphous "society", but within specific institutional contexts -- firms, markets, states. The real mechanisms which generate the reverse-J curve in figure 11.3 are embedded in such institutional contexts. Three institutional spheres within which class struggles occur and class compromises are forged are particularly important:

> *The sphere of exchange*. This concerns above all the labor market and various other kinds of commodity markets, but in some situations financial markets may also be an arena within which class conflicts occur and class compromises forged.
>
> *The sphere of production*. This concerns what goes on inside of firms once workers are hired and capital invested. Conflicts over the labor process and technology are the characteristic examples.
>
> *The sphere of politics*. Class conflict and class compromise also occur within the state over the formation and implementation of state policies, and the administration of various kinds of state-enforced rules.

There is a rough correspondence between each of these institutional spheres of class conflict and class compromise and characteristic kinds of working class collective organizations: *labor unions* are the characteristic associational form for conflict/compromise in the sphere of exchange; *works councils* and related associations are the characteristic form within the sphere of production; and *political parties* are the characteristic form within the sphere of politics.

The central task of our analysis, then, is to examine the mechanisms which enable these different forms of working class associational power -- unions, works councils, parties -- to forge *positive* class compromises within the spheres of exchange, production, and politics. These mechanisms are summarized in Figure 11.4.

-- Figure 11.4 about here --

The sphere of exchange

Capitalists have a range of material interests within the sphere of exchange that bear on their relationship with the working class: minimizing labor costs; having an unfettered capacity to hire and fire without interference; selling all of the commodities they produce; having a labor force with a particular mix of skills in a labor market that provides predictable and adequate supplies of labor. As has often been argued by both Marxists and nonMarxist political economists, some of these interests contradict each other. Most notably, the interests of capitalists in selling commodities means that it is desirable for workers-as-consumers to have a lot of disposable income, whereas capitalists' interests in minimizing their own wage bill implies an interest in paying workers-as-employees as little as possible.

Increases in working class associational power generally undermine the capacity of individual capitalists to unilaterally make decisions and allocate resources within labor markets. In the absence of unions, capitalists can hire and fire at will and set wages at whatever level they feel is most profitable given existing market conditions. Working class associational power reduces capitalists' individual capacity to make profit-maximizing decisions on labor markets and thus hurts their material interests.

If capitalists' interests within the sphere of exchange consisted entirely of interests in their individual ability to buy and sell with minimal constraint, then something close to the inverse relation portrayed in Figure 11.1 would hold. But this is not the case. The material interests of capitalists – their ability to sustain a high and stable rate of profit – depends upon the provision of various aggregate conditions within the sphere of exchange, and these require coordination and collective action. The solution to at least some of these coordination problems can be facilitated by relatively high levels of working class associational power.[7]

The classic example of this is the problem of inadequate aggregate demand for the consumer goods produced by capitalists. This is the traditional Keynesian problem of how raising wages and social spending can underwrite higher levels of aggregate demand and thus help solve "underconsumption" problems in the economy. Inadequate consumer demand represents a collective action problem for capitalists: capitalists simultaneously want to pay their own employees as low wages as possible and want other capitalists to pay as high wages as possible in order generate adequate consumer demand for products. High levels of unionization, in effect, prevent individual firms from "defecting" from the cooperative solution to this dilemma. Working class strength can also contribute to more predictable and stable labor markets. Under conditions of tight labor markets where competition for labor among capitalists would normally push wages up, perhaps at rates higher than the rate of increase of productivity thus stimulating inflation, high levels of working class associational power can also contribute to wage restraint.[8] Wage restraint is an especially complex collective action problem: individual capitalists need to be prevented from defecting from the wage restraint agreement (i.e. they must be prevented from bidding up wages to workers in an effort to lure workers away from other employers given the unavailability of workers in the labor market), and individual workers (and unions) need to be prevented from defecting from the agreement by trying to maximize wages under tight labor market conditions. Wage restraint in tight labor markets, which is important for long term stable growth and contained inflation, is generally easier where the working class is very well organized, particularly in centralized unions, than where it is not.

A second example concerns the serious problem of skill formation in labor markets faced by capitalists. As we discussed in chapter 7, while it is in the interests of capitalists to have a labor force with high levels of flexible skills, it is not in the interests of individual capitalists to provide for the needed training since in a free labor market other capitalists, who have not provided such training, can poach such well trained workers. Strong unions can play an active role in helping to solve this kind of problem by insuring greater job security of workers, stabilizing and enforcing

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7. This does not mean that working class associational power is a necessary condition for the solution to such coordination problems. There may be other devices which may constitute alternative strategies for solving these coordination problems. All that is being claimed is that working class associational power can constitute a mechanism which makes it easier to solve such problems.

[8] For a discussion of union power and wage restraint, see L. Calmfors, L., and J. Driffill. "Bargaining Structure, Corporatism and Macroeconomic Performance." *Economic Policy* 1988.6:13–61; Andrew Glynn, "Social Democracy and Full Employment." (*New Left Review*. 1995. 211:33–55; Jonas Pontusson, "Between Neo-Liberalism and the German Model: Swedish Capitalism in Transition." Pp. 50–70 in *Political Economy of Modern Capitalism: Mapping Convergence and Diversity*, edited by Colin Crouch and Wolfgang Streeck. (Thousand Oaks, Calif.: Sage. 1997)

seniority rules, and in other ways reducing the possibilities of poaching.

These positive effects of working class associational power on capitalist interests in the sphere of exchange need not imply that capitalists themselves are equally well organized in strong employers associations, although as the history of Northern European neo-corporatism suggests, strongly organized working class movements tend to stimulate the development of complementary organization on the part of employers. In any case the ability of workers power to constructively help solve macro-economic problems is enhanced when capitalists are also organized.

Assuming that the positive Keynesian and labor market effects of working class power are generally weaker than the negative wage-cost and firing discretion effects, the combination of these processes yields the reverse-J relationship for the sphere of exchange in Figure 11.4.

The sphere of production

A similar contradictory quality of the interests of capitalists with respect to workers occurs within the sphere of production: on the one hand, capitalists have interests in being able to unilaterally control the labor process (choosing and changing technology, assigning labor to different tasks, changing the pace of work, etc.), and on the other hand, they have interests in being able to reliably elicit cooperation, initiative and responsibility from employees.

As working class associational power within production increases, capitalists' unilateral control over the labor process declines. This does not mean that capitalists are necessarily faced with rigid, unalterable work rules, job classifications, and the like, but it does mean that changes in the labor process need to be negotiated and bargained with representatives of workers rather than unilaterally imposed. Particularly in conditions of rapid technical change, this may hurt capitalist interests.

On the other hand, at least under certain social and technical conditions of production, working class associational strength within production may enhance the possibilities for more complex and stable forms of cooperation between labor and management. To the extent that working class strength increases job security and reduces arbitrariness in managerial treatment of workers, then workers' time horizons for their jobs are likely to increase and along with this their sense that their future prospects are linked to the welfare of the firm. This in turn may contribute to a sense of loyalty and greater willingness to cooperate in various ways.

The German case of strong workplace-based worker organization built around works councils and co-determination is perhaps the best example. Wolfgang Streeck describes how codetermination and works councils positively help capitalists solve certain problems:

> What, then, is specific about codetermination? Unlike the other factors that have limited the variability of employment, codetermination has not merely posed a problem for enterprises, but has also offered a solution. While on the one hand codetermination has contributed to growing organizational rigidities, on the other hand, and at the same time, it has provided the organizational instruments to cope with such rigidities without major

> losses in efficiency....[9]
>
> ...the works councils not only shares in what used to be managerial prerogatives, but also accepts responsibility for the implementation and enforcement of decisions made under its participation. This constellation has frequently been described as 'integration' or 'cooptation' of labor or organized labor, in management; with the same justification, however it can be seen as 'colonization' of management , and in particularly manpower management, by the representatives of the workforce. The most adequate metaphor would probably be that of a *mutual incorporation of capital and labor* by which labor internalizes the interests of capital just as capital internalizes those of labor, with the result that works council and management become subsystems of an integrated, internally differentiated system of industrial government which increasingly supersedes the traditional pluralist-adversarial system of industrial relations.[10]

This tighter coupling of interests of labor and capital with the resulting heightened forms of interclass cooperation helps employers solve a range of concrete coordination problems in workplaces: more efficient information flows within production (since workers have more access to managerial information and have less incentive to withhold information as part of a job-protection strategy); more efficient adjustments of the labor process in periods of rapid technological change (since workers are involved in the decisionmaking and are thus less worried that technological change will cost them their jobs, they are more likely to actively cooperate with the introduction of new technologies); more effective strategies of skill formation (since workers, with the most intimate knowledge of skill bottlenecks and requirements, are involved in designing training programs). Most broadly, strong workplace associational power of workers creates the possibility of more effective involvement of workers in various forms of creative problem-solving.[11]

With so many positive advantages of such cooperative institutions, it might seem surprising that strong workplace associational power is so rare in developed capitalist countries. The reason is that such cooperative advantages come at a cost to capital. Streeck recognizes this even in the German case:

> Above all, codetermination carries with it considerable costs in managerial discretion and managerial prerogatives.....Integration cuts both ways, and if it is to be effective with regards to labor it must bind capital as well. This is why codetermination, for all its advantages, is seen by capital as a thoroughly mixed blessing.....Both the short-term economic costs and the long-term costs in authority and status make the advantages of

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[9] Wolfgang Streeck, *Social Institutions and Economic Performance: Studies of Industrial Relations in Advanced Capitalist Economies.* Newbury Park, Calif.: Sage, 1992)p. 160

[10] Streeck, *Social Institutions.…* p.164

[11] It is possible, under certain social and cultural conditions, for some of these forms of cooperation to emerge and be sustained without strong workplace associational power of workers. This is often the way the relatively cooperative system of employment relations in Japan is described (e.g. Chie Nakane, *Japanese Society*, London: Weidenfeld & Nicholson, 1970), although others have criticized such culturalist views (e.g. Masahiko Aoki, *Comparative Institutional Analysis*, Cambridge: MIT Press, p. 304ff). In any event, under many conditions high levels of worker cooperation within production are likely to be difficult to sustain if they are not backed by some form of significant associational power.

> codetermination expensive for the capitalist class, and thus explains the otherwise incomprehensible resistance of business to any extension of codetermination rights.[12]

Because of these costs, capitalists in general will prefer a system of production in which they do not have to contend with strong associational power of workers in production. Thus, again, the reverse-J shape of the functional relation between workers' power and capitalists' interests within production.

The sphere of politics

The two components of the reverse-J relationship between working class associational power and capitalist interests are perhaps most obvious in the sphere of politics. As a great deal of comparative historical research has indicated, as working class political power increases, the capitalist state tends to become more redistributive: the social wage increases and thus the reservation wage of workers is higher; taxation and transfer policies reduce income inequality; and in various ways labor power is partially decommodified. All of these policies have negative effects on the material interests of high-income people in general and capitalists in particular. Working class political power also tends to underwrite institutional arrangements which increase working class power within the sphere of exchange and often within the sphere of production as well. Working class associational power in the political sphere, therefore, may also indirectly contribute to the downward sloping curves in the spheres of exchange and production.

The upward sloping class compromise curve in the sphere of politics is the central preoccupation of social democracy. The large literature on tripartite state-centered corporatism is, in effect, a literature on how the interests of capitalists can flourish in the context of a highly organized working class.[13] Sweden, until the mid-1980s, is usually taken as the paradigm case: the social democratic party's control of the Swedish state facilitated a set of corporatist arrangements between centralized trade unions and centralized employers' associations that made possible a long, stable period of cooperation and growth. The organizational links between the labor movement and the social democratic party were critical for this stability, since it added legitimacy to the deals that were struck and increased the confidence of workers that the terms of the agreement would be upheld in the future. This made it possible over a long period of time for Swedish capitalism to sustain high capacity utilization, very low levels of unemployment, and relatively high productivity growth. State-mediated corporatism anchored in working class associational strength in the political sphere played a significant role in these outcomes.

The inventory of mechanisms in Figure 11.4 provides a preliminary set of variables for characterizing the conditions of class compromise within different units of analysis across time and space. Class compromises within the sphere of exchange can occur in local, regional, national labor markets, or within labor markets linked to particular sectors. Production level

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[12] Streeck, *Social Instiutions.*..p. 165

[13] See, for example: Gøsta Esping-Andersen, *Three Worlds of Welfare Capitalis.* (Princeton, N.J.: Princeton University Press, 1990); Philippe Schmitter, "Corporatism is Dead! Long Live Corporatism! Reflections on Andrew Schonfield's *Modern Capitalism.*" *Government and Opposition.* 1988. 24:54–73; Philippe Schmitter and G. Lembruch, eds. *Trends towards Corporatist Intermediation. (*London: Sage, 1979)

compromises typically occur within firms, but they may also be organized within sectors.[14] Class compromises in the sphere of politics are especially important within the nation state, but local and regional political class compromises are also possible. The emergence of various forms of meso-corporatism involving local and regional levels of government may indicate the development of political class compromises within subnational units. The reverse-J curves that map the terrain of class compromise, therefore, can be relevant to the analysis of class compromises in any unit of analysis, not simply entire countries.

Different countries, then, will be characterized by different combinations of values on these three pairs of class compromise curves.[15] In Germany, for example, working class associational power has traditionally been especially strong within the sphere of production, somewhat less strong in the sphere of exchange, and rather weaker in the sphere of politics. In Sweden -- at least in the heyday of social democracy -- it was very strong in the spheres of exchange and politics, and perhaps a bit weaker in the sphere of production. In the United States, working class associational power has dwindled within all three spheres, but is strongest in the sphere of exchange within certain limited sectors. The overall reverse-J curve for class compromise within a society, therefore, is the result of a complex amalgamation of the component curves within each of these spheres.

Making the model more complex: extending the theoretical domain of variation

The range of variation in Figures 11.3 and 11.4 can be considered the typical spectrum of possibilities in contemporary, developed capitalist societies. It will be helpful for our subsequent analysis to consider what happens when working class power increases towards the limiting case of society-wide working class organization and solidarity simultaneously in all three spheres of class compromise. This corresponds to what might be termed “democratic socialism,” understood as working class collective democratic control over capital.

What happens to capitalist class interests as working class associational power approaches this theoretical maximum? Figure 11.5 presents the relationship between one crucial aspect of capitalists’ interests -- their control over investments and accumulation (allocation of capital) --

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[14] In the spheres of production and exchange, there may be considerable heterogeneity in the shape of the class compromise curves and the degree of working class associational power across firms and sectors. The result is that within a given country the conditions for class compromise may be much more favorable in some firms and sectors than in others. Within the sphere of production, it is easy enough to see how the upward sloping curve can be restricted to a particular sector or even firm, since most of the gains from cooperation are contained within firms. In the sphere of exchange, while many of the positive effects of high levels of unionization for capitalists come from aggregate, macro-economic effects, some of the positive effects -- such as stabilization of labor markets, rationalized skill formation, and wage restraint in tight labor markets -- may be concentrated in specific sectors or localities. The reverse-J curve characterizing a given sphere, therefore, is itself an amalgamation of the distribution of such curves across firms, sectors and other less aggregated units of analysis.

[15] The actual variation across time and place is, of course, much more complicated than is being portrayed here. Countries will vary not simply in where they are located on each of these curves, but also on: 1) the relative weights of the various curves in defining the overall configuration for the society; 2) the units of analysis within countries within which class compromises are most rooted; 3) the specific shapes of the component curves themselves. In some times and places, for example, the upward-sloping segments of some of the curves might be relatively flat, in other cases, quite steep. My theoretical understanding of these relations is insufficient to say anything very systematic about either of these two sources of variation.

and working class power. The control over investments is perhaps the most fundamental dimension of "private" ownership of the means of production within capitalism. In most capitalist societies even as working class power increases, this particular power of capital is not seriously eroded. Even with strong unions and social democratic parties, capitalists still have the broad power to disinvest, to choose their individual rate of savings, to turn their profits into consumption or allocate them to new investments, etc. Of course, all capitalist states have capacities to create incentives and disincentives for particular allocations of capital (through taxes, subsidies, tariffs, etc.). And in special circumstances "disincentives" can have a significant coercive character, effectively constraining capitalists' capacity to allocate capital. Still, this fundamental aspect of capitalist property rights is not generally threatened within the normal range of variation of working class power. When working class associational power approaches its theoretical maximum, however, the right of capitalists to control the allocation of capital is called into question. Indeed, this is the heart of the definition of democratic socialism – popular, democratic control over the allocation of capital. This is what so scared the Swedish capitalist class when the Meidner plan of share-levy wage earner funds was proposed in 1976. This suggests the shape of the curve in Figure 11.5: a relatively weak negative effect of working class power on capitalist interests with respect to the control over the basic allocation of capital until working class power reaches a very high level, at which point those interests become seriously threatened.[16]

-- Figure 11.5 about here --

When Figure 11.5 is added to Figure 11.2, we get the roller-coaster curve in Figure 11.6. There are two *maxima* in this theoretical model: the *capitalist utopia*, in which the working class is sufficiently atomized and disorganized to give capitalists a free hand in organizing production and appropriating the gains from increased productivity without fear of much collective resistance; and the *social democratic utopia*, in which working class associational power is sufficiently strong to generate high levels of corporatist cooperation between labor and capital without being so strong as to threaten basic capitalist property rights. These two maxima, however, constitute quite different strategic environments for workers and capitalists. Statically, capitalists should only care about where they sit on the vertical axis of this figure: if you draw a horizontal line through the figure that intersects the curve at three places, capitalists should be statically indifferent among these three possibilities. Understood dynamically, however, capitalists in general will prefer points in the left hand region of the curve.

-- Figure 11.6 about here --

It is at least in part because of this threat of a society-wide shift in the balance of class power

[16] The x-axis in figure 11.5 is working class associational power undifferentiated into the spheres of production, exchange, and politics. It thus represents an under-theorized amalgam of the associational power within the three spheres (which are themselves amalgams of associational power across the various units of analysis that make up a sphere). The underlying intuition is that viable democratic socialism requires high levels of workers associational power within all three spheres, and that a *sustainable* threat to fundamental capitalist property rights under democratic conditions can only occur when such unified associational power occurs. This does not imply, however, that the three spheres are of equal weight in this theoretical gestalt. Traditionally Marxists have argued that working class power at the level of the state is most decisive for challenging capitalist property rights, whereas anarcho-syndicalists have argued that the pivot is workers power within production.

that capitalists might prefer for working class associational power to remain to the left of the social democratic "peak" of this curve even though this peak might be theoretically advantageous to capitalist interests. Arriving at the peak looks too much like a Trojan Horse: small additional changes in associational power could precipitate a decisive challenge to capitalists interests and power. The local maximum of the "social democratic utopia" in Figure 11.6 may thus be a kind of tipping point which is seen by capitalists as too risky a zone to inhabit. This is one interpretation of the strident opposition by Swedish capitalists to the initial formulation of the "wage-earners fund" proposal in Sweden in the 1970s. The wage earners fund, as initially conceived, was a proposal through which Swedish unions would gain increasing control over the Swedish economy via the use of union pension funds to purchase controlling interests in Swedish firms. From the point of view of economic performance and even the middle-run profit interests of Swedish firms, it was arguable that this might be beneficial for Swedish capital, but it raised the possibility of a long-term slide towards democratic socialism by significantly enhancing the power of Swedish labor. The result was a militant attack by Swedish capital against the Social Democratic party. As Andrew Glynn writes: "The policies which the Social Democrats were proposing impinged on the authority and freedom of action of business which was supposed to be guaranteed in return for full employment and the welfare state. This seems to lie at the root of the employers' repudiation of the Swedish model, of which full employment was a central part."[17]

Zones of Unattainability

In the practical world of real capitalist societies, not all values within this theoretically defined range are historically accessible. There are two different kinds of exclusion-mechanisms which have the effect of narrowing the range of real possibilities. These can be termed *systemic* exclusions and *institutional* exclusions.

Systemic exclusions define parts of the curve that are outside the limits of possibility because of the fundamental structural features of a social system. Specifically, the presence of a *constitutionally secure democracy* removes the fully repressed and atomized working class part of the curve from the historical stage, and the presence of *legally secure capitalist property rights* removes the democratic socialism part of the curve. This does not mean that there are no historical circumstances in which these zones of the curve might become strategically accessible, but to get there would require a fundamental transformation of the underlying social structural principles of the society.

Institutional exclusions refer to various kinds of historically variable institutional arrangements, formed within the limits determined by the systemic exclusions, which make it difficult or impossible to move to specific regions of the curve. For example, restrictive labor law can make it difficult to extend working class associational power towards the corporatist associative practices part of the curve.[18] On the other hand, generous welfare state provisions which render workers less dependent on capital, and strong associational rights which facilitate unionization may make it difficult to move towards the right-wing managerialist region. Such

[17] Andrew Glynn, "Social Democracy and Full Employment", pp.53-4

[18] This is the core argument of Joel Rogers, "Divide and Conquer." *Op. cit.*

institutional exclusions, of course, are themselves the outcomes of historical conflicts and should not be viewed as eternally fixed. But once in place, they help to define the range of feasible strategies immediately open to actors, at least until the time when actors can effectively challenge these institutional exclusions themselves.

These two forms of exclusion are illustrated in Figure 11.7. The central region of the curve defines the space that is immediately accessible strategically. To use a game theory metaphor adopted by Robert Alford and Roger Friedland,[19] this is the domain of ordinary politics, of *liberal* vs *conservative* struggles over "plays" within a well-defined set of institutional "rules of the game".[20] The other regions of the curve become the objects of politics only episodically. *Reformist* vs *reactionary* politics are struggles over the rules of the game that define institutional exclusions; *revolutionary* vs *counter-revolutionary* politics are struggles over the systemic constraints that define what game is being played. The creation and destruction of these systemic barriers of exclusion are the central stakes in processes of ruptural transformation, where the central issues are mobilization of power resources for system-defining victories and defeats.

-- Figure 11.7 about here --

In Figure 11.7, the "zones of unattainability" defined by the systemic and institutional exclusions symmetrically span the tails of the theoretical curve of possibilities. There is no reason, of course, to believe that the real world is this neat. Indeed, one of the reasons for introducing this complexity is precisely to provide tools for understanding forms of variation across time and place in these exclusions. This historical variability is illustrated in Figure 11.8 which compares the United States and Sweden in the periods of most stable Swedish social democracy and American liberal democracy.

-- Figure 11.8 about here --

Systemic exclusions in the United States and Sweden are roughly comparable: both have structurally secure democratic states with stable representative institutions and the rule of law, and both securely guarantee capitalist property rights. Where they differ substantially is in the nature of the historically variable institutional exclusions which confront their respective working classes.

In the United States, a variety of institutional rules create a fairly broad band of institutional exclusions to the right of the central trough of the curve. Electoral rules which solidify a two-party system of centrist politics and anti-union rules which create deep impediments to labor organizing all push the boundary of this zone of institutional exclusion to the left. On the other hand, such things as the weak welfare state, the very limited job protections afforded workers, and laws which guarantee managerial autonomy all have the effect of narrowing the institutional exclusions centered around right-wing managerialist anti-associational practices. The band of accessible strategy in the United States, therefore, affords very little room to maneuver for labor and keeps working class associational practices permanently lodged on the downward sloping

[19] Alford, Robert, and Robert Freedland. *The Power of the Theory and the Theory of Power* (Cambridge: Cambridge University Press, 1985)

[20] The use of the term "liberal" and "conservative" in this context refers to the standard usages in U.S. politics. The term "conservative" here corresponds to what in many European countries would be called "liberal".

segment of the curve to the left of the trough.

Swedish institutional exclusions, particularly during the most stable period of Social democracy, work towards facilitating working class associational power. Labor law is permissive, making it quite easy to form and expand union membership, and the generous welfare state and job protections significantly reduce the scope of right-wing managerialist strategies. The result has been that the Swedish labor movement has for a long time been located on the upward sloping section of the curve to the right of the trough.

Actors living within these systems, of course, do not directly see this entire picture. To the extent that the institutional exclusion mechanisms have been securely in place and unchallenged for an extended period of time, they may become entirely invisible and the parts of the curve which they subsume may become virtually unimaginable. From the vantage point of actors within the system, therefore, the range of "realistic" possibilities may look like those portrayed in Figure 11.9 rather than Figure 11.7. The American labor movement faces a terrain of possibilities which places it chronically on the defensive. Every marginal increase of workers strength is experienced by capitalists as against their interests, so whenever the opportunity arises, capitalists attempt to undermine labor's strength. Anti-union campaigns are common and decertification elections a regular occurrence. In Sweden, even in the somewhat less favorable economic environment at the beginning of the 21st century, the institutionally delimited strategic environment is much more benign for workers. The central pressure on capitalists has been to forge ways of effectively cooperating with organized labor, of creating institutional spaces in which the entrenched forms of associational power of workers can be harnessed for enhanced productivity. This need not imply that employers actively encourage enhanced working class associational power, but it does suggest less sustained effort to undermine it.

-- Figure 11.9 about here --

THE LOGIC OF SYMBIOTIC STRATEGIES

Symbiotic strategies of emancipatory transformation imply that movements in the direction of a long-term metamorphosis of social structures and institutions in a democratic egalitarian direction is facilitated when increasing social empowerment can be linked to effective social problem-solving in ways that also serve the interests of elites and dominant classes. Positive class compromise is one example of such a linkage, but this logic is not restricted to class-based collective action; there is a wide range of projects of social change not directly rooted in class relations that have at least some elements of this logic. In particular, there are many kinds of local processes of collaborative problem-solving, sometimes grouped together under the rubric "the civic renewal movement," in which civic groups of various sorts are empowered to participate in problem-solving collaboration with powerful local actors such as city governments, regional authorities and business elites.[21] These efforts at locally-rooted symbiotic transformations have involved such things as watershed councils, community development projects, community health projects, labor market training partnerships, and many other things.

[21] For an extensive review of such projects and their potential contribution to a revitalized American democracy, see Carmen Siriani and Lewis A. Friedland, *The Civic Renewal Movement: community building and democracy in the United States* (Dayton, Ohio: Kittering Foundation Press, 2005).

In each of these instances there are practical problems which in one way or another challenge the interests of elites as well as ordinary citizens and in which, under some conditions, a collaborative strategy of seeking solutions to the problem becomes attractive to contending social forces. Watershed and ecosystem management, for example, poses problems for the interests of developers, manufacturers, agribusiness and other elite groups, as well as environmentalists, sportsmen and other constituencies in civil society. Under at least some conditions, collaborative problem-solving involving empowered stakeholders in civil society can create "win-win" solutions in everyone's advantage. Creating the conditions for this to occur is the core of symbiotic strategies of transformation.

Because symbiotic transformations involve systematic forms of collaboration and mutually beneficial cooperation between opposing social forces, it might be thought that the *strategies* in pursuit of such collaboration would also be collaborative and non-confrontational. There is a current in contemporary social analysis that sees failures to achieve such collaborative solutions as mainly failures of trust and enlightenment between opposing groups, not failures of struggles over power. In this view, most conflict situations should be viewed as failures of the participants to discover the positive-sum possibilities of their situation. Typically this is because the positive-sum, collaborative potential is obscured to the participants by ideologies and preconceived notions of interest. Social actors, the argument goes, do not have real fixed interests; rather, interests are always something constructed in the specific contexts of problem-solving interactions. "Win-win solutions" to problems should therefore be generally possible as long as the actors engage in good-faith experimental, collaborative interactions.

An influential statement of this view, already noted in chapter 7, has been elaborated by Charles Sabel, particularly in his important coauthored essay with Michael Dorf, "A Constitution of Democratic Experimentalism".[22] Building on the pragmatist tradition of democratic theory of Thomas Dewey, Sabel and Dorf develop what they refer to as a democratic experimentalist approach to social and economic regulation which attempts "to rethink American constitutionalism and the design of our representative democracy in the light of those urgent doubts about the possibilities of democratic government in an age of complexity…"[23] Complexity poses two crucial problems for the functioning of democratic institutions: First, it becomes increasingly difficult for legislators to effectively pass legislation which adequately specifies the necessary forms of government regulation to deal with a very wide range of problems, from environmental protection to skill formation. The result is that legislation effectively delegates the rule-making responsibility to centralized bureaucracies and leaves the actual task to experts within such agencies. But, second, the centralized bureaucracies equally find it impossible to specify detailed regulations that are responsive to the real variability of local conditions generated by complexity and are incapable of effectively responding to the unintended consequences of particular rules by their continual refinement and development. The solution Sabel and Dorf propose is the reconstruction of state institutions along pragmatist lines. The core institutional design consists of rule formulation and reformulation through decentralized experiments governed by deliberative bodies consisting of empowered

[22] Michael Dorf and Charles Sabel, "A Constitution of Democratic Experimentalism", *Columbia Law Review*, March, 1998

[23] *Ibid.* p.274

stakeholders. More centralized authority takes responsibility for monitoring these experiments and disseminating information so that these deliberative bodies can effectively compare the relative success of different experiments. Once this process is set in motion, Sabel and Dorf believe, the actors will begin to reconstruct their interests (and perhaps their identities as well) in ways that reinforce the positive-sum collaboration of pragmatic problem-solving and gradually marginalize obstructionist forces that insist on pursuing antagonistic, exclusionary interests. Through such a "bootstrapping" process, a broad, society-wide diffusion of collaboration will be generated through the very process of collaboration.

The argument throughout this book challenges this benign view of the stakes in class-based conflict, although it does not reject the potential for positive-sum compromises and problem-solving collaboration within those conflicts under certain conditions. The antagonistic interests of workers and capitalists are real, built into the underlying structure of relations that define capitalism. In general, privileged elites and dominant classes prefer disorganized, disempowered popular forces; it is only when that possibility is historically closed off that the second-best equilibrium of a positive class compromise becomes attractive to them. And closing off the disempowered alternative is a question of struggles over power, not just enlightenment.

Symbiotic strategies of transformation, therefore, always involve a counterpoint between two kinds of processes. First, there are struggles over the institutional zones of exclusion which attempt to open up the upward sloping part of the curve to collective action and close off as much of the downward sloping curve as possible; and second, there is the process within these institutional limits of reaching the most favorable equilibrium. Most of the time in stable capitalist democracies these institutional parameters seem fairly fixed and unassailable, and perhaps even invisible. But episodically opportunities arise for serious challenges to those institutionally-imposed limits of possibilities, and when this occurs the changes will depend in significant ways on the outcomes of confrontations and mobilizations. When these institutional limits of possibility block the exit options for powerful elites and open-up empowered forms of popular participation, then collaborative problem-solving experimentalism can become a real possibility for movements in the direction of democratic egalitarianism.

SYMBIOTIC TRANSFORMATIONS BEYOND CAPITALISM?

It is one thing to say that symbiotic strategies can potentially enlarge the space for social empowerment and create relatively stable forms of positive collaboration. But why should we believe that this also has the potential of cumulatively transforming the system as a whole? Why is a symbiotic strategy any more plausible than ruptural strategies or interstitial strategies as a strategy not simply for improvement of life within capitalism but for the transcendence of capitalism? After all, the historically most impressive examples of symbiotic strategies -- the first resulting in extending the franchise to the working class and the second in empowering the labor movement as a central player in the expansive welfare state -- both contributed to consolidating very robust forms of capitalism. As was the case for ruptural strategies and for interstitial strategies, therefore, it is difficult to make an abstract case that symbiotic strategies provide a basis for social transformation beyond capitalism.

What we are left with, then, is a menu of strategic logics and an indeterminate prognosis for the future. The pessimistic view is that this condition is our fate living in a world in which capitalism remains hegemonic: systemic ruptures for a democratic egalitarian alternative to

capitalism are extremely unlikely to ever muster mass popular support within developed capitalist democracies; interstitial transformations are limited to restricted spaces; and symbiotic strategies, when they are successful, strengthen the hegemonic capacity of capitalism. The optimistic view is that we don't know what system-challenges and transformative possibilities there will be in the future: interstitial strategies today can strengthen popular understandings that another world is possible and contribute to moving along some of the pathways of social empowerment; symbiotic strategies can potentially open up greater spaces for interstitial strategies to work; and the cumulative effect of such institution building around expanded forms of social empowerment could be to render ruptural transformations possible under unexpected future historical conditions.

Figures for Chapter 11

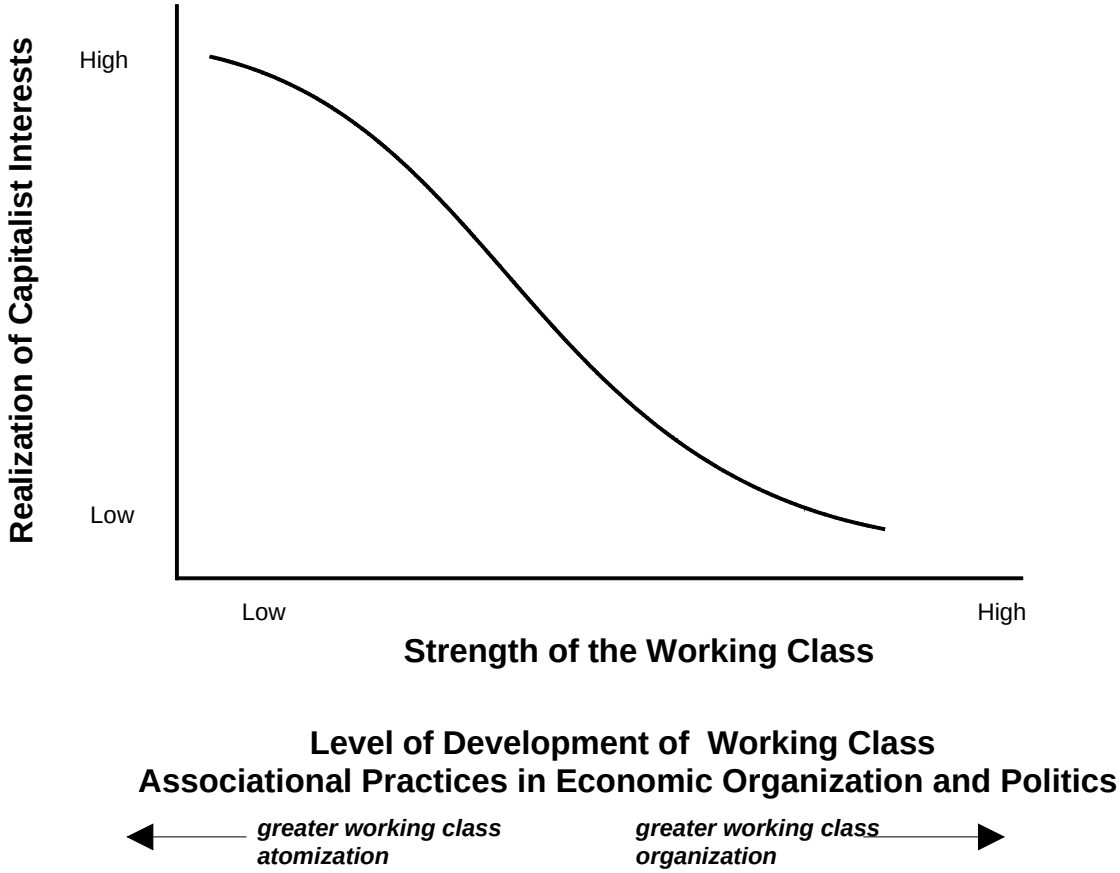


Figure 11.1
Conventional view of the relationship between working class power and capitalist class interests

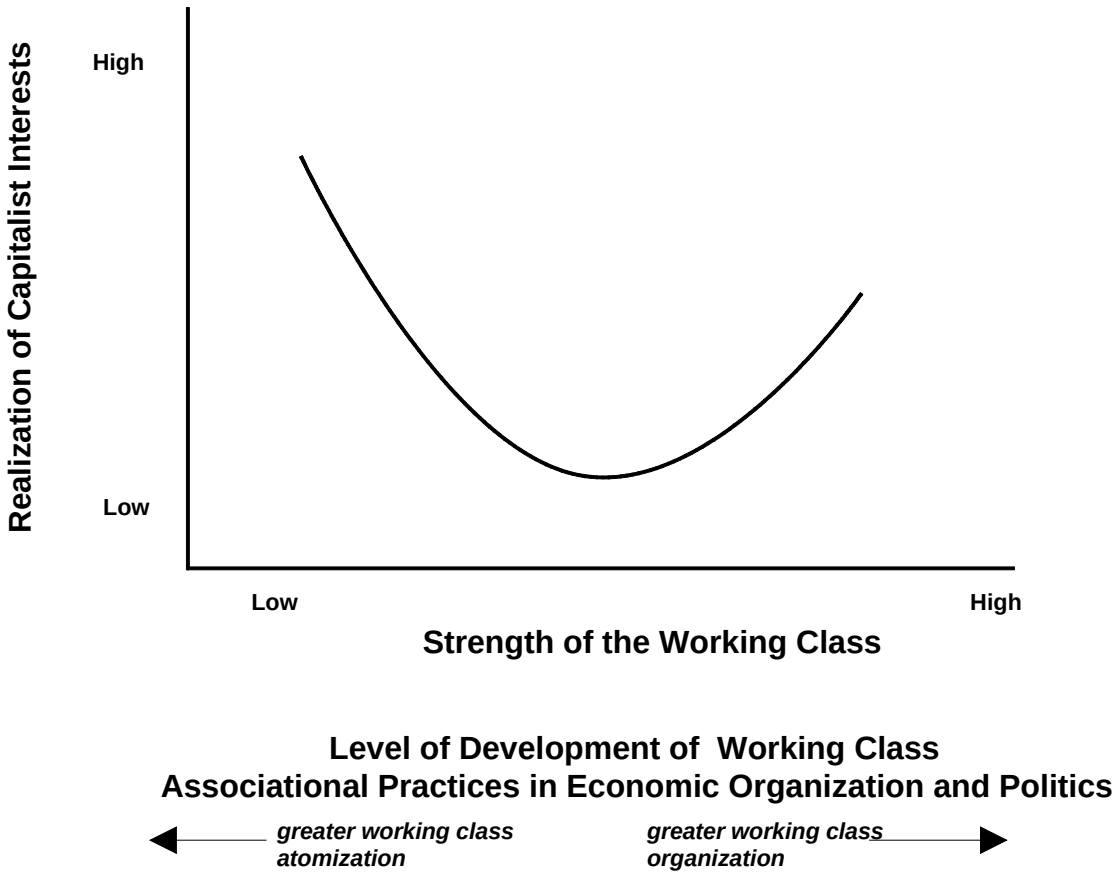


Figure 11.2
Curvilinear relationship between working class power and capitalist class interests

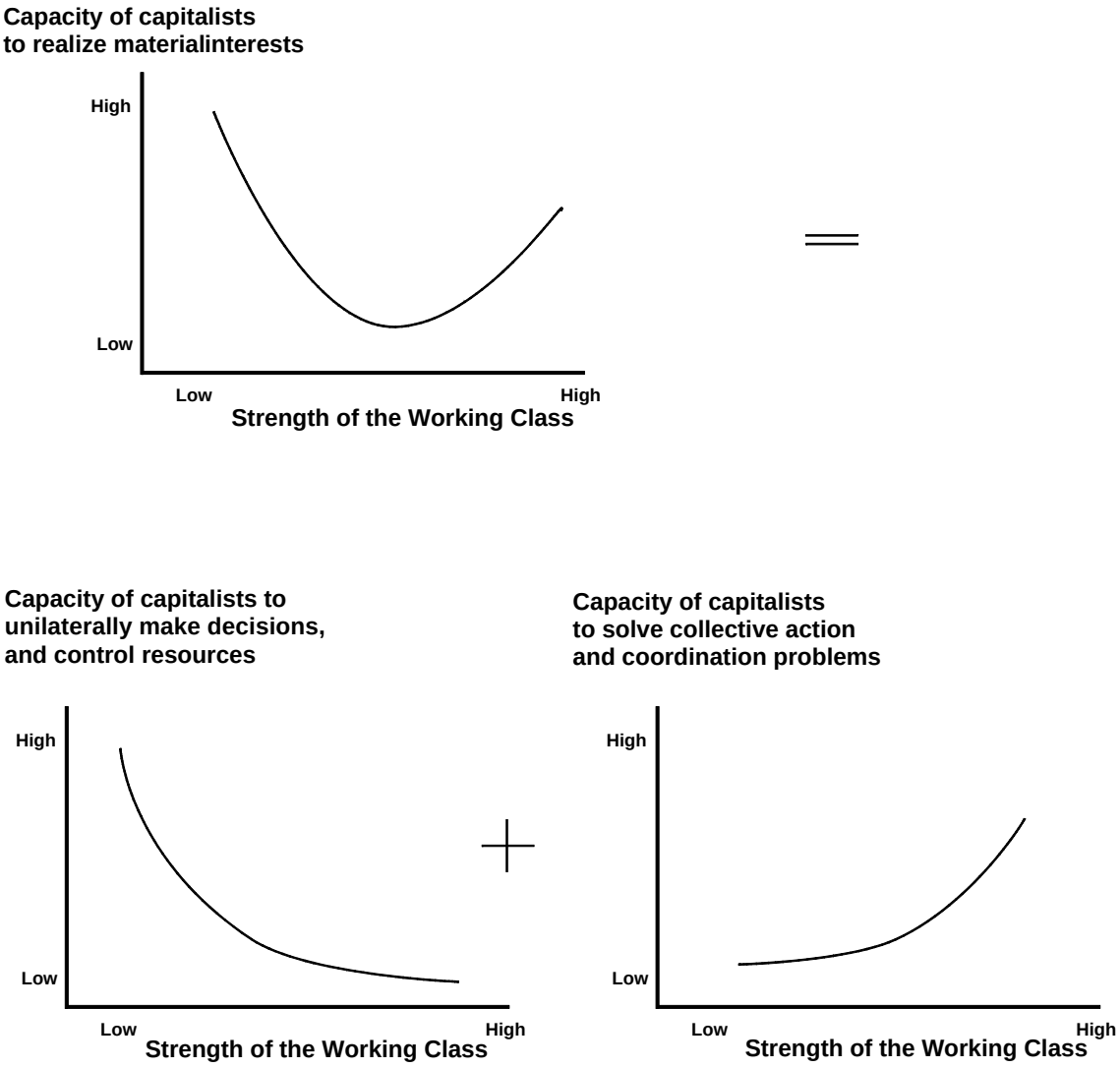
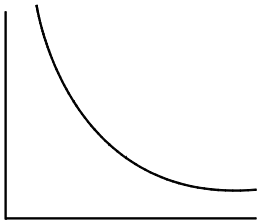
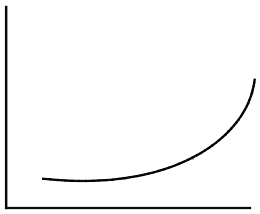


Figure 11.3
Decomposition of the relationship between interests of capitalists and associational strength of workers





	Characteristic forms of working class power	Capitalist class interests threatened by increasing working class power	Capitalist class interests facilitated by increasing working class power
Sphere of politics	Political Parties	Unilateral political influence over redistributive policies	Ability to sustain stable tripartite corporatist cooperation
Sphere of exchange	Trade Unions	Unilateral ability to hire, fire and make wage offers	Ability to restrain wages in tight labor markets; ability to sell what is produced (Keynesian effects)
Sphere of production	Works Councils	Unilateral ability to control labor process and job structure	Ability to elicit complex forms of vertical and horizontal cooperation; cheaper solution to information problems in production.

Figure 11.4
Decomposition of relation between
Working class power and capitalist class interests
In the spheres of politics, exchange and production

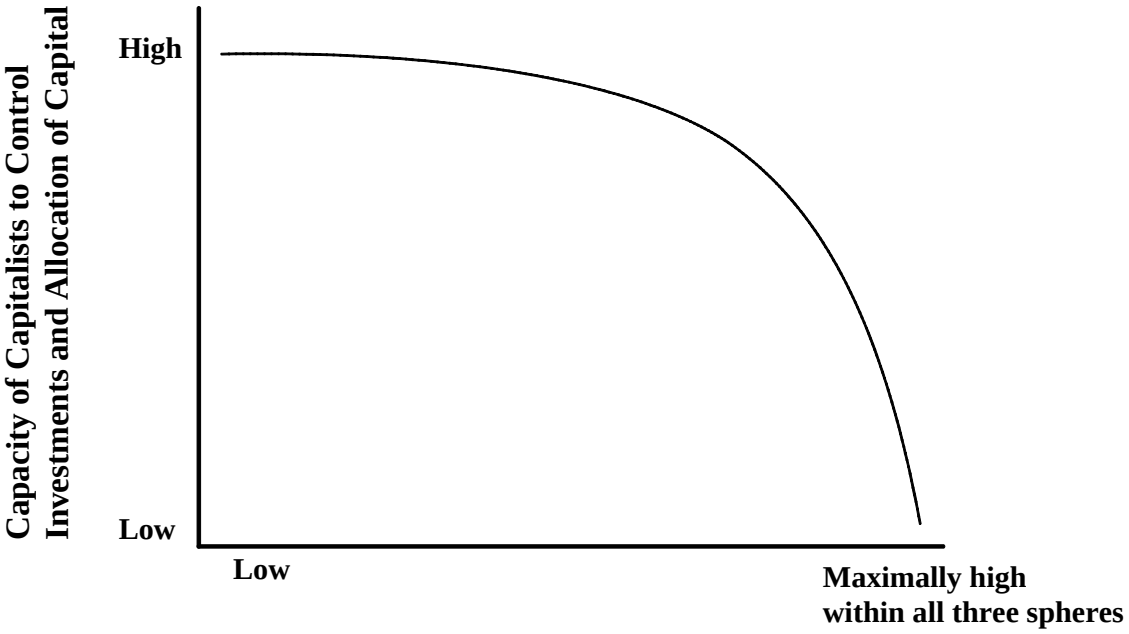


Figure 11.5
Interests of capital and power of workers with respect to control over investments

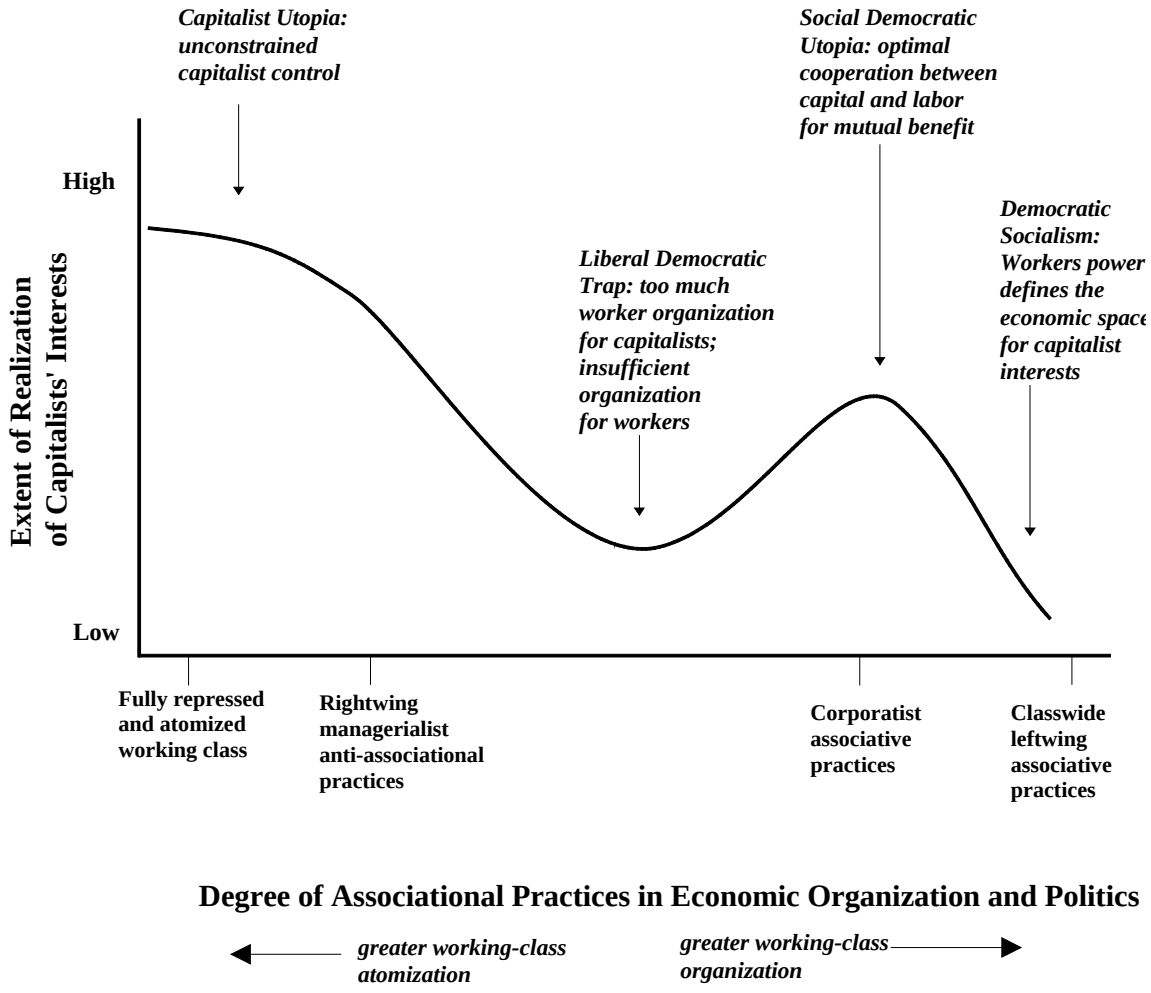


Figure 11.6
Expanded Model of Working Class Associational Power and Capitalist Class Interests

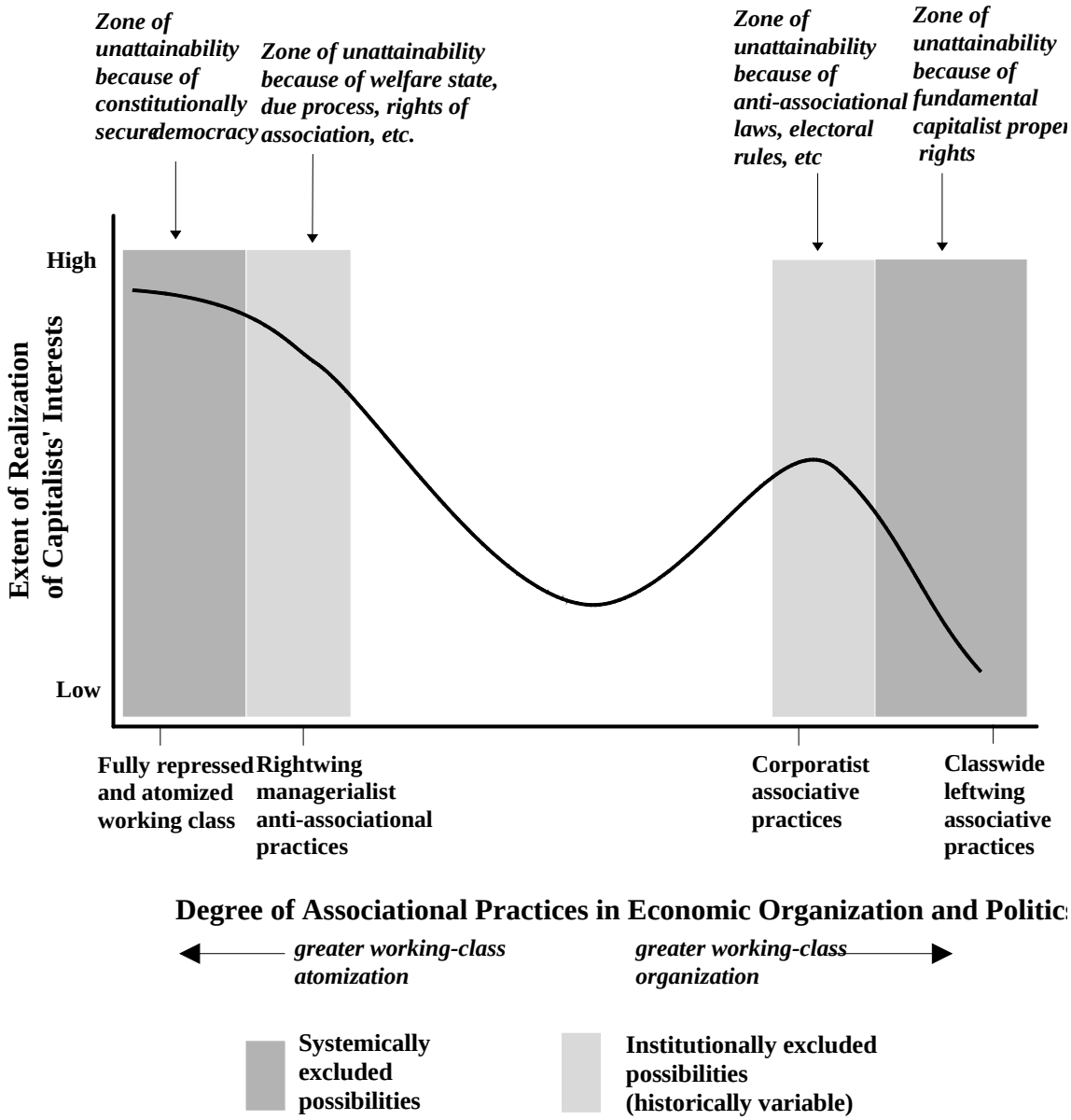


Figure 11.7
Working Class Associational Power and Capitalist Interests in Democratic Capitalism

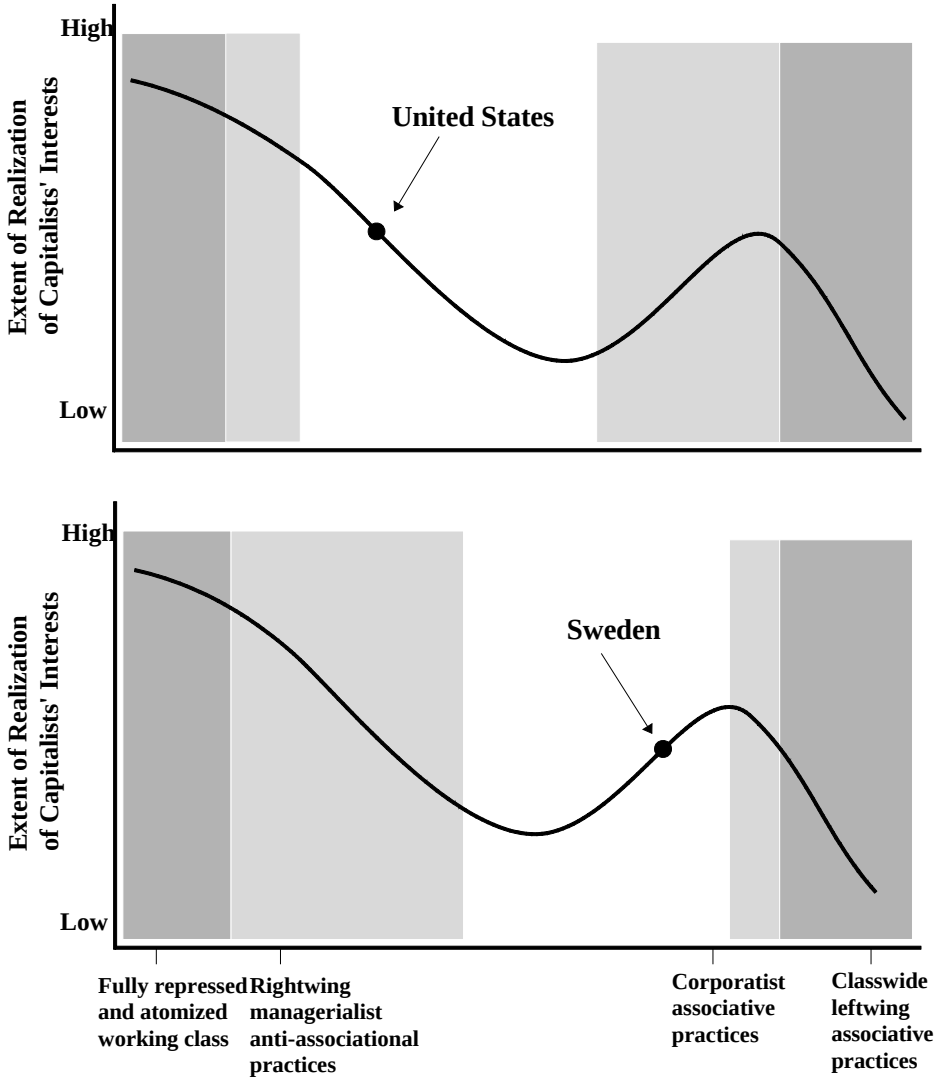


Figure 11.8
Working class associational power and capitalist interests in Liberal Democratic Capitalism (United States) and Social Democratic Capitalism (Sweden)

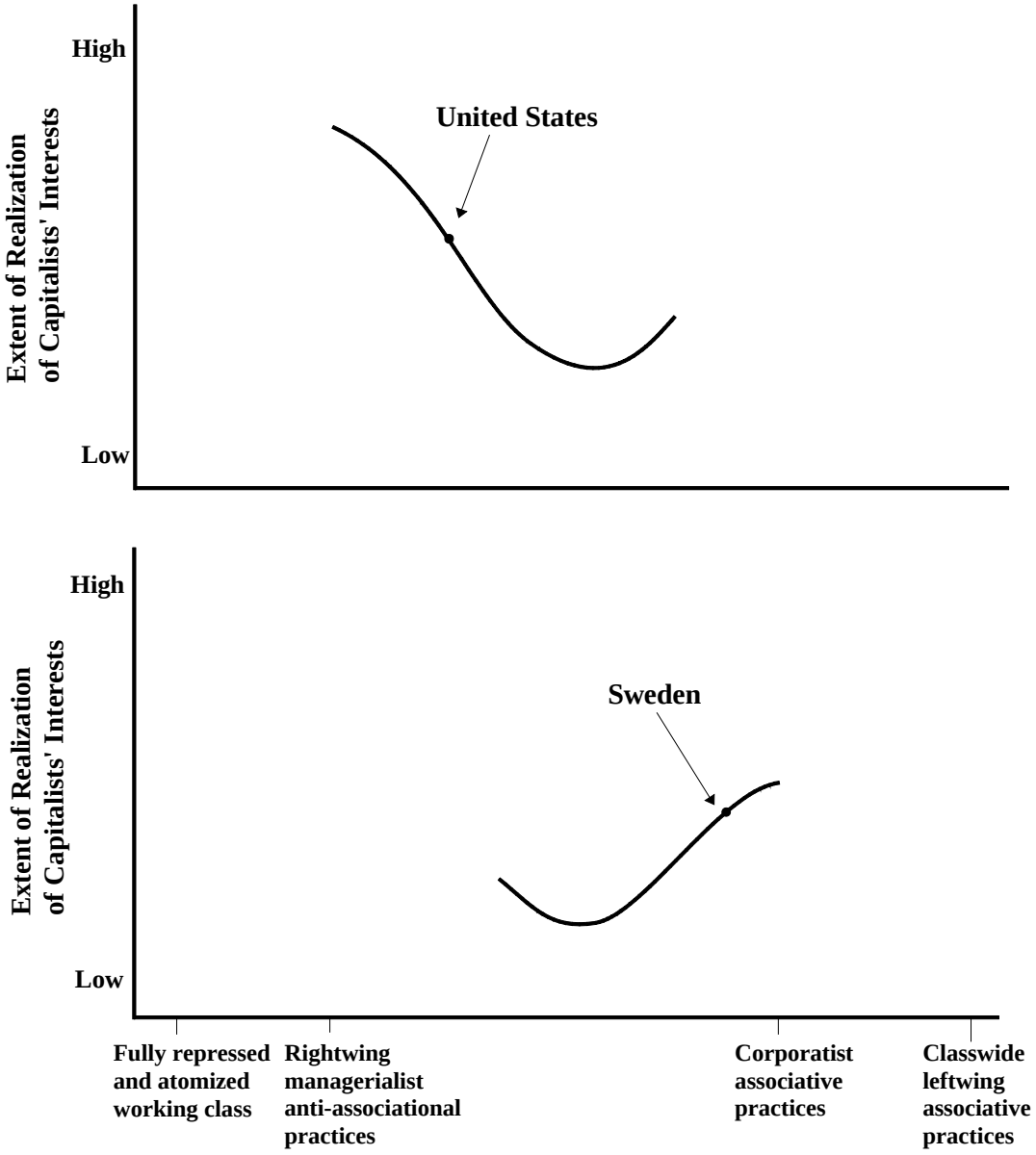


Figure 11.9
Strategic Environment for Feasible Associational Politics as seen by the actors in social democratic capitalism and liberal capitalism