

Reading Interrogations #3

Sociology 929: Envisioning Real Utopias

February 7, 2008

Session 4. Thinking about alternatives to capitalism.

1. Catherine Willis

The weaknesses in Marx's theory of crisis intensification are outlined in pages 8-10. I would argue that while the crisis tendencies have not occurred following Marx's prediction, but that a) we need to question whether the ability to maintain a rate of profit in developed capitalist economies is not in part due to the ever-expanding overseas markets, and b) whether the environmental and human crises that capitalism causes will not contribute to capitalism's long term non-sustainability.

a) Looking at the agricultural sector and US Mexican relations illustrates this well. Despite the large corn production in the US and a perpetual debate regarding the crisis-state of agriculture, the role that the US government plays in exporting corn and in creating new uses for the corn (ethanol) has helped to keep a very unsustainable production system from tipping into crisis on the US side of the border. In Mexico, the reaction has been stronger with food/farmer riots increasing. To what extent is the ability to maintain profit rates due to the ability to export goods, resulting in crisis in other countries? Will this ability decrease with time? **[The expansion of markets both domestically and internationally is certainly one of the pivotal processes that counter-acts certain crisis tendencies, especially what are called crises of overproduction. Rosa Luxemburg argued that eventually when the entire world is saturated with markets this would mean capitalism would become unsustainable: capital accumulation, in her view, depended upon continually bringing into the market populations and places that were previously outside of the capitalist market economy. While there is some truth to this, and certainly specific sectors survival may depend upon that specific kind of global expansion, the ability of capitalism to invent new kinds of markets and to penetrate more deeply the lives of people within existing markets makes the system seem quite a bit more flexible than this.]**

b) Secondly, we need to look at the role that environmental degradation will play in bringing about crisis. It could be argued that environmental degradation in itself does not weaken the capitalist system: the repercussions are felt by future generations and the most dangerous practises are exported to other countries or carried out by individuals with little ability to fight for change. Furthermore, new 'environmentally- friendly' or restorative technology is a important sector for economic growth. However, environmental problems also create conflicts (for example, water-scarcity in California, Israel-Palestine, or sub-Saharan Africa are all sources of conflict). Often these conflicts are ignored, but the cost of managing these conflicts must be born national or foreign governments; they are also often managed by mercenaries. Can the cost of managing these conflicts (or intervening militarily) become too high and begin to weaken the capitalist system? **[These are interesting points. The usual argument for why environmental destruction could destroy capitalism concerns the direct impact of**

things like global warming on society and humanity. In the extreme case it is claimed that capitalism literally will destroy life on earth – and thus, of course capitalism. You recognize in your comment that capitalism might profit from environmental destruction through the sale of restorative technologies, so it isn't obvious that environmental problems would be "bad" for capitalism. But you also suggest that environmental conflicts might become stabilizing and costly. Such conflicts and the repressions that they would trigger could be a serious drain on capital accumulation. This might, however, simply result in an erosion of living standards rather than of capitalism. Worth discussing.

2. Tod Van Gunten

My comment on this week's chapter is in part an effort to get at how to think about the state in the context of thinking about real utopias. With respect to chapter 3, one of the points where the question of the state is most relevant is in regard to the capacity of capitalist states to moderate the crisis tendencies of capitalism (page 8). The claim is that the fact that capitalist states (or "states in capitalist societies") have this capacity undermines Marx's thesis that crisis tendencies will increase in a secular fashion. I'd like to discuss this more closely, bracketing some of the other arguments about the falling rate of profit and the labor theory of value, etc. Going back to chapter one, I have the nagging feeling that the state is being treated primarily as political, rather than economic, actor. [As I think will become clearer in the next chapter, I do see the state as also a form of economic organization when the state produces things – healthcare, education, public utilities, transportation, etc. This is distinct from the ways in which the state may intervene into the economy or regulate the economy or enforce rules on the economy. In traditional Marxian language these latter "functions" are part of the state-as-superstructure, whereas the former are a distinct type of economic structure, which I call statism (as an analogy to capitalism). The expression "the state is an economic actor" collapses the distinction I am making here. For you seem to be including the idea that the state is an actor that acts *on* the economy – regulations, rules, enforcement, etc. – and the state is a player within the economy along with firms, consumers, NGOs and other players.] This is encapsulated in the bifurcated nature of the real utopias project: real utopias are institutions which seek to generate social and political justice, where the former has to do with "the necessary material and social means to live flourishing lives" and the latter "the political means to control ... decisions." It seems implicit in this that we worry about the capitalist economy because it prevents flourishing and the state because it is insufficiently democratic. But the state is also an economic actor, and arguably one that is essential to the existence of capitalism as such. One reason why it might be essential is that (as mentioned) it moderates crisis tendencies, but there are other reasons as well (for example, also arguably, capitalism is impossible without money, and money is, as Keynes put it, "peculiarly a creation of the state"). This is basically one of Polanyi's hypotheses: "self-regulating markets" don't exist outside of efforts to create self-regulating markets, and these efforts are generally directed by the state. This suggests that the state cannot be reduced to some source of economic determination (as the term

“capitalist state” suggests), but clearly, neither can the economy be reduced to the state. **[I don't quite follow the reasoning here. The state could be completely determined by economic structures – determined in the sense of explained by in a causal sense – and yet be distinct from the economy and necessary for the reproduction of market processes. Indeed, this is precisely the argument of theories of the capitalist state that emphasize functional correspondence and functional explanation. This involves a recognition that the capitalist economy could not exist without the state to intervene and regulate it all sorts of ways, and yet the state is fully “reducible” to economic causes. This is what a functional explanation does: the state exists and takes the form it does because of the functional requirements of the economy. This does not mean that the state is *part* of the capitalist economy; it just provides some of its conditions of existence. Now, I am not endorsing the functionalist explanation (as you know from other discussions we have had), but there is no logical reason to reject reductionism on the basis of Polanyi's arguments.]** I think that this means that we have to include states in the conception of the capitalist economy in some way, without reducing in either direction. I'll call this “capitalism+states.” This has implications for the way we think about two things that are central to real utopias:

- “problems with capitalism,” i.e. inclusion on the bottom-ten list of capitalism's worst hits (chapter 2). The somewhat implicit criterion for inclusion on this list was that the complaint had to be plausibly “intrinsic to capitalism.” But if states themselves are “intrinsic” to capitalism but not reducible to it, then aspects of the state-economy interaction might generate phenomena which cannot be eliminated under capitalism but aren't traceable to capitalism itself. An example here would be something I mentioned last week in relation to the question of global capitalism: relations of domination between states. This requires the additional assumption that uneven development *is* an intrinsic tendency of capitalism, but if that is granted, then such relations of domination are intrinsic to capitalism+states without being intrinsic to capitalism. You don't have to think that relations of domination between states inevitably mean imperialist wars for this to be a problem: it is enough to recognize that asymmetric relations of power between states will affect citizens in myriad ways. **[The problem here is that the kind of state domination you are referring to here would also be linked to states that were connected to other forms of economic structure. “Statist states” also engage in inter-state domination, for example.]**
- harms imposed by capitalism: our discussion that assumed that in order to qualify as a harm, problems have to be related to deficits in either social or political justice. But thinking about capitalism+states suggests that perhaps some of the harms associated with capitalism bridge social and political justice without being clearly derived from either, and thus drop out of view. Again in the global context, our discussion of expropriation last week asked whether US or European acquisition/expropriation of means of production in peripheral regions (or “net flows of expropriation”) constituted a harm above and beyond the harm of capitalists exploiting workers no matter where they are. Perhaps (I'm not so sure) it does not viewed outside the context of state regulation of the economy, but considering capitalism+states suggests that there is a harm entailed by the

asymmetry between the global character of capital flows and the local (primarily national) character of the political authority to regulate, direct and control those flows. **[The state's inability to regulate capital affects workers in the nominal "national" location of the capitalist firm as much as in other countries. Workers in Dayton, Ohio, cannot regulate the tire company that moves to Mexico because of the global mobility of capital. The ability of capital to escape regulation is a critical issue, but this doesn't mean that it really matters whether you are being exploited by "your own" multinational or a foreign multinational. Am I missing something in your argument here? The lack of territorial congruence between the power of states and the operation of capital is certainly an important feature of contemporary global capitalism, but I don't see why you need your capitalism+states formulation to recognize that.]** This harm is eliminable under capitalism only under the (implausible, I think) assumption that something like "world federalism" is possible under capitalism.

Getting back to this week's chapter: I wonder if there are implications along these lines for how we think about crisis tendencies in capitalism. I agree that it is difficult to sustain the argument that the crisis tendencies latent in capitalism mean that it will inevitably destroy itself. Nevertheless, no one disputes that these crisis tendencies exist, only that they will progressively get worse. It seems to me that thinking about crises should affect how we think about the possibilities for transitions to non-capitalist economic institutions. For example, in Argentina in 2001-02 there was a massive economic crisis that provoked an equally massive political crisis. Obviously, no transition to an alternate political or economic system occurred. Nevertheless, it is arguable that events of this sort are the kind that, in principle, conditions in which create openings for the kind of profound institutional transformations envisaged by the real utopias project. (This is an in-principle argument, not an argument about the particular conditions in Argentina in 2001-02, which were pretty clearly not "ripe" for any sort of serious transition). What is most interesting in this context is that the state was completely incapable of preventing the economic crisis, and incapable of insulating itself from the effects of that crisis. The crisis itself arguably has to be understood in terms of "capitalism+states" as I've been discussing, in particular with regard to the way that states negotiate, or fail to negotiate, the contradictions between economies that operate in and through national currencies and the global nature of capital flows. The broader point is that one doesn't necessarily have to think that the demise of capitalism is inevitable to think that crises could play an important role in facilitating transformation. These may be rare, but if there are clear alternatives and politically organized classes that stand to benefit, economic transformation may become viable. So in a sense it might not matter that much whether Marx was right on this point or not. It might be that the whole question of the state's role in the economy is sort of superfluous here (this is the part that I am still thinking about), but that was the thought process that got me on to this. **[Here is how I interpret your argument: Even if the dynamics of capitalism do not generate any systematic tendency for crises to intensify, a good argument can be made that capitalism inherently generates episodic crises, some of which will be mild others severe, perhaps in a completely unpredictable order. It could therefore still be the case that there inevitably are periodic periods of heightened vulnerability for**

capitalist economies in which there is little that states can do to reduce the vulnerability, and those periods are the contexts where challenges could be successful. The pivotal question then is not a trajectory towards enhanced vulnerability but the episodic occurrence of vulnerability.

3. Hanif Nu‘Man

In several places throughout Chapter 3 you made reference to ‘the capitalist economic base’ or ‘periodic economic crisis’ or other terms relating to a structured economy. My question attempts to speak to what I feel is your under-characterization of the superstructure in explaining the construction of most economies in the 21st century. Within these superstructures, institutions include centralized banks such as the Federal Reserve Bank - that are only national or federal in their name - but private in their construction. **[What precisely do you mean by “private”? To be sure, the Federal Reserve Bank is an institution designed to facilitate the functioning of an economy based on private enterprise and private capital, but this does not mean that the bank is itself “private”, any more than a court which enforces private contracts becomes a private court (in contrast to private arbitration services, for example). I’m not sure what you are trying to get at here.]** My question is this: If these banks are able to continue to create and distribute fiat money for our primary medium of exchange how could capitalism be challenged when they have the ability to simply print more fiat money, which in turn gives them the ability to create economic crisis, de-stabilize economies, and dictate the actions of the state. It seems to be that an alternative to capitalism necessitates control of the financial structure by state entities because private entities shall never have an objective greater than that of generating profit. **[It is certainly the case that transcending capitalism would require new kinds of financial institutions and that these institutions would need to be controlled by or through the state. I am not sure, however, how all this relates to any of the arguments in this chapter.]**

4. Wes Markofski

The chapter makes a convincing case for the need to construct an alternative to Marx’s approach to imagining capitalist alternatives based on its inevitable eventual collapse as a system of economic organization. I wonder, however, what alternative approaches more staunch defenders of Marx’s original framework might take in comparison to Wright’s “theory of structural possibility” (page 12) approach (eg reconstructing an alternative theory of inevitable capitalist decline, or uneven development based theories of proletarianization.)

More to the point, my first comment is about the critique of Marx’s theory of ruptural transformation (page 11-12). The argument states that, *“Revolutionary parties may be effective ‘organizational weapons’ to topple capitalist states in certain circumstances, but they appear to be extremely ineffective means for constructing a democratic egalitarian alternative. As a result, the empirical cases we have of ruptures with capitalism have resulted in authoritarian state-bureaucratic forms of economic*

organization rather than anything approaching a democratic-egalitarian alternative to capitalism.” It certainly does seem to be the case that revolutionary parties have tended limit the possibility of forming democratic-egalitarian economic and political institutions in the aftermath of ruptural transformations. Might this suggest a robust “means matching ends” alternative theory of transformation, where democratic-egalitarian institutional principles are seen as necessary foundations of any institution or political organization involved in pursuing democratic-egalitarian alternatives to capitalism? (This could be argued from either a scientific or normative perspective.) **[It is certainly an appealing proposition that the means must match the ends – if you want a deeply democratic alternative then the means you adopt must be organized in deeply democratic ways. I am not sure, however, precisely why we should believe that this is inherently true sociologically as a general, abstract proposition. The principle being announced is a kind of organizational and normative isomorphism, but what would be the mechanism that would insure that authoritarian means could never result in democratic ends? It would be one thing to say that such isomorphism makes constructing the congruent alternative *easier* because people will more firmly have the model in their consciousness or be better at functioning under those rules, or something like that, and another saying that it is a necessary condition for the realization of the alternative.]**

Second, you cite Marx’s critique of capitalism and his conceptual framework for class analysis as the two primary contributions from classical Marxist social theory worth keeping. However, there is very little discussion of Marx’s analysis of how the capitalism supporting institutions of the “superstructure” (state, educational, cultural, and religious institutions) shape the subjective orientations of actors in ways that help legitimate and reproduce capitalism. Where it is mentioned (page 5), the discussion is limited to the effect of economic crisis on the state and subsequent opportunities for revolutionary transformations. Isn’t Marx’s discussion of “false consciousness” and the way that capitalist institutions generate ideas, values, and beliefs that justify and reproduce capitalism a major part of his theory of possible capitalist alternatives? Is his theory of the material bases of subjectivity part of the “Marxist tradition of social theory that is of great value” (page 8), or is it one of his more problematic theories? Isn’t it a significant component of Marx’s theory of capitalism and transformation from capitalism (and therefore worth discussing more directly in this chapter)? **[I agree with you completely that these theoretical components in Marxism – which I generally subsume under “class analysis” as one of the three pillars of Marxism – are valuable and worth preserving. In this chapter if I were to include these themes they would probably come under thesis 2 on the intensification of class struggle and thesis 3 on revolutionary transformation. That is, theses 2 is about the process through which counter-hegemonic ideologies and organizations are formed, and thesis 3 is about the process through which capitalist superstructures become vulnerable. As you will see, I do discuss at some length the problem of ideology, consciousness and “the superstructure” in chapter 7 where I lay out the elements of a theory of transformation, since elaborating a theory of the mechanisms of social reproduction is one of the pivotal components of a theory of transformation.]**

5. Molly Noble

Timeframe

What should the timeframe be for thinking about change? Marx's argument, which was clearly fallible by the end of the chapter, regarded the long-term nonsustainability of capitalism. Since the time the Marx was writing capitalism has grown stronger and doesn't seem that it will slow down any time soon. How important is a timeframe when constructing a theory of radical social alternatives given the emphasis on experimental problem-solving? It seems that while long term timeframes might effectually produce the same false/unrealistic expectations that a theory of dynamic trajectory produced, short term timeframes are necessary when the time comes to implement a plan of action. **[The problem of time horizons is a fantastically interesting issue in social theory, both as a question of individual consciousness – how far into the future do people orient their present actions – and as a problem of causal processes and trajectories of change. I think that this is one of the deep problems that radical challengers face, a problem that generates intellectual pressures for wishful-thinking solutions: the time horizon for really radical, emancipatory social transformation is necessarily quite long. There is no way to formulate a strategy that has the character: what can we do today that will bring about an emancipatory system rupture in the US in 2010? The problem is that in order to have a theory of strategy that is relevant for 2030 it would be good to have at least some idea of what the system will be like in 2030, and this requires a theory of historical trajectory and its contradictions. We could, of course, pretend that 2030 will be pretty much like today: this is a particular kind of theory of the trajectory into the future which assumes stable parameters.]**

The theory of class capacity

I don't so much have a specific critique or question regarding the theory of class capacity but I think it would be a good point to discuss in class. The capacity to organize is a foundational prerequisite for any movement, increasingly so as the movement is likely to face opposition, such as any movement oriented around anticapitalist ideals. Unfortunately, as you point out, it seems capitalism has tended to decrease the capacity for anticapitalist movements (among others) either advertently or inadvertently. You talk about "class compromises" as a way for "workers to make real gains." I would agree with this to a certain extent however I see limitations with the two examples you give. While the welfare state has made gains for the people served by the system, I do not think that it has done much to increase or spur empowerment. **[This depends a bit on which welfare states you are looking at...]** The labor movement, while starting out as a strong political and economic arm of workers has, for a variety of reasons, lost not only a great deal of its power but also its own capacity to represent workers. The effects of globalization, deindustrialization and the increase in part-time, and fragmented work due to the switch to the service economy has made unions a less viable form of organizing. Immigration is also a key and particularly timely issue in the worker/capitalist dynamic that has played a part in decreasing the capacity of workers to organize. Immigrants face political vulnerability such that they might be less likely to organize for fear of deportation as well as economic vulnerability that make them more likely to enter the informal economy. The political and economic vulnerability of immigrants effectively pitches immigrants against

other worker communities who see immigrants as a threat to their own economic stability. The divide between immigrants and nonimmigrants; the formal and informal economy weakens the capacity to organize on both sides. **[These are indeed all processes which undermine working class capacity, although with varying intensity in different places. Do you think that there are any counter-tendencies? Any forces that increase capacity to struggle – even if strictly working class organization may be weaker?]**

Money

In our current society money is heavily equated with power and the capacity to get things done. Where does money fit into the formation and implementation of alternatives, or rather where will the money come from to form and implement alternatives if not from the very mechanisms the alternatives aim to challenge?

6. Julia McReynolds

My main question regarding chapter 3 is whether the relative support for Marx's original formulation of the problem differs depending on what part of the world economy you are looking at. Most of the empirical support for rejecting his four theses seems to come from the developed world. I wondered if looking at developing countries there might be more support, at least for the first two theses. It appears much more probable that capitalism will lead to ever-intensifying cycles of crisis if you look at the developing world. This is especially true if you expand the definition of crisis to include social crises which come on the heels of economic crisis (rather than just considering economic indicators). This also begs the question of to what extent developed countries' relative stability is predicated on this instability in the developing world. **[While there are certainly parts of the developing world in which there seems to be intensification of crisis, there are also large parts where this is not really the case, at least at the moment: China is 25% of the world population and does not seem to be experiencing intensified economic crises, and the same is true of some other parts of Asia. This may end, of course. The problem, then, is that the places in the world where there is a good case for intensification of crisis are not places in which there is much hope for socialism because the material conditions would be so adverse.]**

As far as the second thesis, I wonder if the nature of the class struggle is less complex in the developing world than in the developed world. Perhaps the number of people in the working class has not increased, but it seems likely that in many countries the number of people hurt by capitalism have certainly increased. This trend would likely look very different from the changing class dynamics in the developed countries. **[The number of people hurt by capitalism is certainly massive in many parts of the world, and the degree to which they are hurt is significant. If this mostly takes the form of deepening forms of marginalization and oppression, but not incorporation into capitalist production, then it may not intensify class struggles in ways that threaten capitalism very much.]**

That said, I do find the basic criticism of the four theses convincing. It does not seem likely that these processes look so different in the developing world as to fundamentally

undermine the theoretical argument. But I did wonder if they might be different enough to require a separate consideration of relevant strategies for change. I also wondered if both Marx's approach and the alternative assume a linear conception of history, and what the implications of this might be for the analysis.

In an editorial comment, I wondered if it would have been helpful to have an introduction that contains a more detailed outline of the chapter. Perhaps this is not necessary.

7. Guillaume Neault

Chapter III: Thinking about Alternatives to Capitalism. For this week's intervention, I would like to raise a point about: *The Crisis of the Intensification of Capital*.

Is there a capitalist crisis in the offing, and if so, what mechanisms would lead to it? I very much agree with the set of arguments you deployed to critically examine the theory of crisis intensification. I think it is adequate to point out, on page 9, "the heightened globalization of capitalism...undermines the capacity of the state to moderate crisis tendencies." You add "this could, conceivably, mean that the economic crises in the future will be significantly more intense...since no effective global crisis management institutions are likely to develop."

I would like to make an argument from the vantage point of the international financial order and offer two plausible hypotheses that I formulate in question form. Any serious student of the history of the monetary order knows that the gold standard contributed to the causes of the Great Depression and that the de-monetization of silver in 1873 by the US Congress was largely responsible for the economic turbulence of 1872-1896. Subsequently, both silver and gold standard have been abandoned; today, the financial order functions on fiat currency or faith based system, which makes it a perfect system for any government borrowing for expenditures that have no guaranteed return. Chinese and Japanese reserves hold in banks more than 880 billion \$US, absorbing a large share of US trade deficits, but such sum of liquidity cannot be reinvested easily in local markets, as it might crash the economy (think of South Korea for example). Leading economic powers succeeded to "pass on" a share of their debts without ever absorbing the real economic shocks, so what sorts of causal mechanisms make us think that the current economic order would lead to a crisis, perhaps we should be talking about a prolonged downturn? After all, it is not contradictory, as Veblen argued, to witness simultaneously a prolonged recession in one corner of the world, while other economies grow at full throttle. Second, would it be possible to argue that the current international financial order, perhaps not effective, acts as a crisis-management institution? **[It is certainly true that the international financial institutions try to act as crisis-management mechanisms, but it is far from clear that they are up to the task if things really got out of wack. Many radical economists have been arguing for a long time that the global financial order is on very shaky foundations, and the scale of the interdependencies and debts could trigger a very severe crisis. It is certainly possible that the absence of adequate authoritative institutions of global crisis management might make for a prolonged "crisis of crisis management", and this could be like the intensification of crisis scenario.]**

In your section on the “Theory of Proletarianization” you described carefully the problems of class locations in capitalist societies. I believe you should add a point about the systematic production of “capitalist workshops” in lesser developed parts of the world. It is true to mention that wealth has become more concentrated within some capitalist countries, but this global inequality has repercussions: slums, informal settlements, and supra-urbanization have to be considered, I believe, as environments pooling seemingly limitless amounts of labour force. **[It may be possible to argue that on a global scale there has been increasing proletarianization and homogenization – that most of the differentiation and complexification is located in the global North. I would need to see data to really believe that this is the case, for there is also a lot of complexity generated within the global south. Indeed, the various forms of marginalization in the developing world are themselves a type of complexity, with partial proletarianization, subproletariats, complex kinship links to the countryside, along side an ordinary capitalist-exploited working class and in many places a growing middle class.]**

8. RODOLFO ELBERT

As a general first comment, I would like to say that I find that the chapter’s name is misleading, or that the content of the chapter does not fully address its stated goal. **Wright wants to discuss here the possible alternatives to capitalism,** but instead, the chapter consists on a discussion of why what Marx was posing were non-alternatives to capitalism, rather than alternatives. **[What I meant to be discussing was not so much alternatives to capitalism as such, but different ways of *thinking about* alternatives. I do think Marx’s approach is a strategy: show that capitalism destroys itself so that *some* alternative will have to occur, provide rather vague sketch of an emancipatory alternative and then provide some compelling arguments for why this is at least possible and perhaps likely.]**

Regarding what the chapter does talk about, I would like to focus my interrogation on the discussion of the inadequacies in Marx’s theory of Capitalism’s Future (point 2). I think that a stronger differentiation should be made among the different “inadequacies”, as they don’t have the same relevance when we think about alternatives to capitalism (the stated goal of the chapter). In particular, I think I would like to discuss in class the reasons for putting on an equal footing the “crisis tendency thesis” and the “proletarianization thesis” with those of the working class capacity to challenge the system and the strategy of ruptural transformation. It seems that the first two has to do more with the analysis of the internal dynamics of a system that has evolved and changed since Capital was written; while the second two thesis (and in particular the idea of a necessary revolutionary transformation) are more important when you think and discuss about alternatives to capitalism. In particular, the chapter of a book that aims to propose Real Utopias as an alternative to revolutionary transformation should discuss in a deeper way why this is not possible and give further evidence of this affirmation. **[To be precise in these questions, the idea of “real utopias” is NOT counter-posed to revolutionary transformation. Revolutionary transformation is one strategy for achieving a real utopia. The term “real utopia” refers to the analysis of the viability of alternative designs for institutions that embody emancipatory ideals.]**

“Real” utopia is therefore opposed to pure utopianism which doesn’t worry about that, or to a kind of revolutionary practice that doesn’t worry about the practical problems of institutionalizing emancipatory ideals and is only concerned with destroying existing structures of power and privilege. “Envisioning Real Utopias” rejects the argument that we should only worry about the institutional designs of alternatives “after the revolution”, but it does not reject in principle the idea that the only way to get there is through a Ruptural transformation. Now, it is true that I am skeptical of Ruptural strategies for complex capitalist societies, but this is a separate argument from the idea of real utopias itself.] In order to discuss in a deeper way Wright’s rejection of the revolutionary strategy I would like to pose the following questions: a. Why omitting the fact that in the XXth century many of Marx’s ideas of social transformation were discussed and implemented by many other socialists, like Luxemburg, Gramsci or Lenin? What is the author’s purpose (or justification) for focusing the discussion exclusively on Marx? Why not taking into account those authors that precisely devoted their intellectual production as well as political practice to the development of a socialist political strategy? **[I don’t actually focus on Marx as such. There are almost no quotes from Marx in the chapter. What I am trying to capture is the basic structure of what could be called “classical Marxism” which includes many theorists after Marx. Of course I could expand this chapter into a review of the development of Marxist views on transforming capitalism and the way to think about alternatives, but I didn’t think there would be much pay-off from that. In any case, except for Gramsci (who worried a lot about the robustness of Western capitalism), I think this classic argument would certainly include much of what Lenin argued. All of these theorists believed that capitalism’s basic contradictions would ultimately destroy its ability for reproduction.]** b. I would like to discuss about the relationship between a revolutionary strategy of transformation and the stated goals of this transformation. In the case of this chapter, the idea of democratic experimentalism is a key concept in the discussion “against” the ruptural transformation. One of the main reasons Wright dismisses the revolutionary strategy is that even when they were able to take power in some places, they “have never been able to sustain an extended process of democratic experimentalist institution-building” (P.12). However, I did not find in the whole chapter a clear definition of the concept and its necessity in the construction of post-capitalist societies. Maybe the discussion of thesis 4 (transition to socialism) would be a good place to discuss the idea of democratic experimentalism and the way in which this departs (or not) from Marx’s views of the future society. **[By democratic experimentalism I mean a situation in which the construction of new institutions is subjected to continuous democratic accountability and problem-solving. This is an idea derived from Thomas Dewey’s view of pragmatism as problem-solving through deliberation and cooperative action. Of necessity this is messy and includes opportunities for mistakes, but the idea is that through participatory problem-solving the learning capacity for dealing with mistakes is enhanced. The main point is that such a process of institution-building is participatory and dialogic. One party states with hierarchical command and control and strong discipline are inconsistent with this practice.]** c. I think that the discussion of the historical viability of a revolutionary strategy should also take into account the discussion of the viability of other alternative ways to socialism. In particular, I am thinking in the case of Chile, in

which the “pacifist path” to socialism encountered a fierce and violent opposition. How does this historical example fit in the discussion of violent (revolutionary) vs. non-violent ways to alternative worlds. **[To be sure the Allende strategy failed under the historical conditions in which it was tried. But, is there any reason to believe that a revolutionary Ruptural strategy would have succeeded? Perhaps, but perhaps the trajectory from there would have been like that in other revolutionary socialist societies: from rupture to authoritarian statism to statist capitalism and then – perhaps – back to more liberal capitalism.]**

9. Charity Schmidt

Throughout the first half of the chapter exploring Marx’s historical trajectory of capitalism, I paid attention to the ways in which the development of the nation states in their relationship to the globalization of capital muddles up his projections about the nature of the state. More specifically, in the second section where the inadequacies of Marx’s theory are discussed, EOW critiques the theory of crisis intensifications. While it’s true that Marx “underestimated the extent to which state interventions can significantly moderate these tendencies (p. 8)”, I wonder if, as capital becomes more mobile and global, it becomes less dependent on any particular state (or alliance of states) to resolve crises. Perhaps an increased autonomy for capital is/will render states themselves weaker (economically and politically), and thus more vulnerable to the demands of capitalist (neoliberal) policies. That may still contradict Marx’s theory that crises in capitalism will increase, but it is possible that weaker states will result in more national economic crises that will not have the institutional wherewithal to sustain it, or such conditions could generate revolutionary or reactionary responses by the people of such nations. **[This is certainly one of the main arguments for the potential fragility of the system as a whole: the combination of greater global interdependency and greater mobility of capital to evade regulation and – especially – financial volatility means that at some point when a crisis occurs there will be no collective agent – a state -- capable of counteracting it. This is possible. But such predictions have often been made and capitalism seems to be pretty good at inventing new institutional orders in order to resolve such crisis conditions.]**

Furthermore, I wonder if EOW’s explorations of Marxist inadequacies would change if it included non-highly developed capitalist societies, such as those in Latin America. There have been protests against the World Bank and neoliberal policies across the globe now, but the first spark was the Caracazo in Venezuela... in 1989! This reflected a crisis of capitalism, and also a failure of the state to resolve it. That protest and the state’s violent reaction generated conditions that led to an (if only partial) overthrow of the existing state. Perhaps this is not a sufficient example, but it may be useful to consider non-western examples where states that are vulnerable to international capital breakdown under economic and social crises when we explore the trajectory of capitalism. **[It is of course certainly true that there are situations in which economic crises precipitate the collapse of states, the revolt of the masses, and so on. So there isn’t really any dispute over whether this can happen. The issue is (a) whether there is an inherent tendency in capitalism as such towards such circumstances, and (b) whether there is any tendency for such crisis-conjunctures to coincide with the**

enhanced capacity to transcend capitalism itself rather than just challenge the state.]

Also, expanding our critique of historical trajectory to non-western nations may provide (still few) examples where the decreasing ability of the state to soften the blows of capitalism leads to conditions of increasing capacity of the working class. Perhaps there is less heterogeneity of the working class in such places. Or perhaps the “class compromises” have not brought workers sufficient gains, leading to less stratification within the class. One example may be Bolivia, where Evo Morales has been elected through the solidarity of the masses.

In regards to the idea of “class compromises,” what does the current position of the labor movement in the U.S. add to our discussion? It appears that, in some areas, the desired gains for such compromises are not met. For example, what does it mean when a union has to fight aside their exploiters for the existence of their jobs, compromising wages, insurance and job protection just to stay on the payroll? I have a friend in the UAW, works for Delphi in Michigan (GM), her union has cut wages in half, dropped hours and benefits, just to keep the corporation from moving their operations elsewhere. And, with the inability (or lack of will) of the U.S. to resolve such crises, do such conditions support Marx’s theory of crisis intensification (through weaker states)? Better yet, how do such circumstances inform our roadmap of possibilities? **[That there are great hardships generated by the regime of accumulation in US today is unquestionable, and that in specific sectors and places this also constitutes a real crisis is also probably true. It is much less clear that it has rendered either capitalism or the state genuinely vulnerable to transformation, and that is the key issue.]**

10. Eduardo Cavieres

I will move through this interrogation with a lot of theoretical imprecision, hoping that I can still provide some insight. In relation to the first *Inadequacy* called the theory of crisis intensification, I was wondering if the process of capitalist accumulation would not be a major source of future crisis of the capitalist model, that is, that while the thesis situates the crisis at the very moment when subordinate processes produce the disruption of accumulation, I am just thinking that **the very process of accumulation is problematic and dangerous for capitalism.** **[I am not sure I understand this point. The process of accumulation is the core of capitalism, so what do you mean when you say that it is problematic? Do you mean that it has contradictory effects on capitalism?]** This inadequacy can actually be related to the point about the decreasing ability of the state to mediate in capitalist crisis. But I would place this point in relation to the state’s current “diminished” size that is economically less powerful to hold “deals” like the ones accorded under a Welfare state. As a result, we have a gap between poor and rich that is becoming greater and greater, and that can actually produce as a consequence not only that people can not provide demand to produce profit, but are actually totally left out of the system and have no commitment to it. Now this last phrase is kind of dangerous, because we still have the state playing an ideological role and a very powerful mass media defending all sorts of capitalist forms and consciousness. **But my general intuition**

here is that poverty has always brought instability to capitalism and as capitalism is increasing it even more, there might be a moment where it is precisely that imbalance that produces the change. **[It is not quite true that poverty has always brought instability to capitalism. What may be true is that significant increases in poverty are destabilizing, but poverty as such is not necessarily a source of instability. In the rich countries the claim that there has been a sharp increase in poverty depends very much on precisely how poverty is defined. What has increased in the US is probably the extent to which a poor person is likely to stay poor, but the magnitude of poverty overall has not changed much, and has probably declined a bit if one defines poverty in absolute rather than relative terms.]** Now, I am referring to something that is broader than the working class not happy with their labor conditions under capitalist society. Once again, my intuition is that capitalism is not relying merely on labor, at least in its traditional forms, as it happens in the financial (stock) sector which seems to move autonomously even from the productive sector. On the other hand, capitalism has been able to create as you explain particular forms of markets and services that create sources of accumulation that are independent of the mass markets in which poor people satisfy their needs. Now, you say that those “markets” (technology, computer, mass media, luxuries products, knowledge) can actually work as an autonomous force, but my sense is that they are becoming increasingly the core of the system. Actually, they may drive traditional capitalist business people away that can also change their trenches. In this sense, many small companies are not so uncomfortable with letting the state introduce some kind of regulation if it favors them. So, eventually they could also provide a site for resistance and change. **[I’m afraid that I couldn’t quite follow the exposition in this paragraph].**

So, what I am trying to say is that collective action is possible, but not because of the way people and classes have been located within the capitalist model, but rather, because they are increasingly been situated outside of it. **[This is a provocative thesis: that the collective challenge to capitalism comes not from the class struggles at the core of capitalism, but because of struggles by people/groups/segments marginalized from capitalism.]**

11. SungIk Cho

Here is my interrogation for this week through my desperate struggling to grasp the idea of this chapter.

The state and ideology between structure and agency

One of the Marx’s insightful analyses of social transformation is the relationship between structural conditions for social change and the role of agency. Even though his theories on self-destructive structural conditions for transformation and the class structure do not quite well explain current capitalist democratic societies, one thing that should be elaborated is the interactive process between structural conditions and agency; that is, the mobilization of self-perception of political opportunity. In other words, a social crisis does not generate automatically political opportunity to anti-capitalist political coalitions. On the other hand, the self-perception or self-definition of political opportunity can play an important role in making social change actually occur, to some extent. While the

increasing heterogeneity of social conditions for transformation might be a barrier for the rise of egalitarian democratic movements, it does not necessarily mean that there would be less possibility for the mobilization of self-perception of political opportunity for transformation. In this aspect, the role of the state and ideology should be considered importantly, not just as a superstructure preconditioned by economic surplus produced by capitalists. Of course, once economic crisis occurs, the state's action for reproducing capitalistic system might be limited by decreasing resources. But how can we know "if economic crisis is moribund"? Is the financial crisis sweeping East Asian countries in 1997 not moribund enough to transform capitalism? The problem is that the state can mobilize resources in various ways in such a critical case by using ideology; for example, when the crisis hit South Korea and the government had to face enormous amounts of immediate financial debts for payment, people in Korea 'voluntarily' participated in collecting and selling their gold, which was not just a tiny effect. Maybe, the state can be constrained by its reliance upon economic surplus, but "when the crisis comes closer," the state can mobilize more resources through its ideology. Furthermore, if the ruptural transformation is not a viable option for the egalitarian-democratic principles, efforts for transforming capitalist democratic societies should follow democratic rules set by the state. The state can be not only a resource provider and mobilizer of ideology but also police of democratic rules. This problem reminds me of the Gramscian's view of social transformation, but it still remains vague about 'how.' Don't we need a new theory of the state? **[I am not completely sure I understand the point of your observations here with respect to the arguments in the chapter. You seem to be stressing that the state and ideology have considerable capacity to mobilize resources and support to counteract the effects of crisis and maintain stability. Is that the point of your East Asian Financial crisis example? This seems consistent with my argument against the intensification of crisis thesis. Are you saying something else here? Initially in the paragraph you seemed to be suggesting that there were potentials for mobilization against the state and capitalism on the basis of political and ideological dynamics and "agency" even if economic crisis conditions did not make the system fragile, but this idea did not get elaborated.]**

Heterogeneity of class interests and class capacity

Is the theoretical inadequacy of class mobilization in current capitalism because of the heterogeneity of workers' interests? Although the increasing diversity of economic institutions nurtures the complexity of workers' interests, there are some other aspects that bind much broader workers into a new social group beyond their heterogeneity. Maybe, heterogeneity is not a good word because we don't know the other side of class structure transformation. For example, globalization makes traditional class boundaries more complicated by differentiating economic interests between employers in the large firms competing with other global rivals and employers in the small firms usually sheltered in the domestic market or between industrial capitalists and financial capitalists, and so on. However, I think that the extent of vulnerability to external risks seems to become more polarized. Or, even if it is not true, at least, social insecurity and the necessity for social protection has emerged or perceived as one of the most serious social problems, and become a critical vehicle of mobilizing diverse social groups. Therefore, the lack of class capacity might come from the growing interests among employees as well as from the lack of new idea encompassing people with diverse

interests and binding them into a solid group. **[Again, I am not completely sure that I understand your point here. I was focusing on the problem of class capacity of the working class – the potential challenger to capitalism. Here you talk about increasing diversity of interests among capitalists because of risks, exposure to globalization, etc. Are you raising the issue of cross-class coalitions between vulnerable employers and their workers when you talk about “mobilizing diverse social groups? Then the last sentence was confusing because you talk about the “growing interests among employees” – I don’t know what that refers to.]**

12. Edo Navot

There is an awful lot to say about this chapter, mostly because it compresses thousands of pages of Marx’s diverse writings as well as a lot of subsequent commentary into an extremely short exposition. It’s hard to boil down everything I want to say, in large part because I have disagreements with Erik over the status of some of the foundational elements in Marx’s theory (the Labor Theory of Value, the Falling Rate of Profit, Crisis Theories, etc.) and these always require a lot (too much) discussion. I have much to say, but I agree with the conclusion of the chapter (Ironically, I like the destination but not the route – typical Marxist bickering!). As aspiring Envisionistas (or real utopians, envisioning) we cannot forecast the future historical trajectory of capitalism. Since we don’t really know where we’ll end up, we need a “navigational device” to tell us if we’re going in the right direction.

My claims are as follows A) I think that Erik’s rejection of thesis (1) is too strong, but that B) the remaining shortcomings of Marx’s prophetic writings are sufficient to justify a “compass” over a “road map” approach to social change, to which I am sympathetic, and C) less categorical rejection of thesis (1) may be necessary to make the “socialist compass” approach feasible.

A) Erik rejects Marx’s theory of **period crisis** on the grounds that a) The state has greater capacity to ameliorate capitalist crisis than Marx and others envisioned, b) doubts with regard to the Law of the Tendency of the Falling Rate of Profit (FROP), and c) doubts about the Labor Theory of Value (LTV). **[Do you mean “periodic crisis”? I don’t reject the idea of periodic crisis at all: I believe that there will be a chronic tendency in capitalism for episodic disruptions to accumulation, for speculative bubbles to burst, for over and under-consumption pressures to build up, for financial systems to get out of wack, etc. All that I dispute is any long term secular tendency for crisis intensification]**

(a) The chapter collapsed a lot of theory into the category of “crisis theories.” It is certainly true that the classical political economists did not foresee (60 to 100 years into their future, we should remember) the possibility that Keynesian economics would provide the state with prescriptive tools to significantly moderate capitalist crises. However, it remains the case that capitalism is inherently vertiginous, that capitalism is characterized by waves within waves, and that we know fairly little about the nature of these systemic fluctuations. In Marx’s time, theories of “capitalist crisis” are what we today would call the business cycle. But Marx and post-Marxists also consider theories of “long waves”, which are about 50 years in duration and more severe: the Great

Depression followed by the post-WWII boom may have been a “long wave.” In addition to and, at least in the structure of Capital, separately from crisis theories, Marx has the theory of the Law of the Tendency of the Falling Rate of Profit (FROP). The FROP is a theory of the immanent limitations of capitalism and its inexorable demise – which can be interpreted either as a massive crisis or as eventual stagnation. **[My focus was on the FROP, not the wide range of important crisis/disruption theories that correspond either to long waves or business cycles. The pivotal connection between the two is that if FROP is correct, then the waves and cycles of periodic crisis occur around a progressively lower rate of profit, which renders the crises more disruptive and recoveries less robust, and thus the system as a whole less durable.]** Each of these phenomena needs to be considered and studied separately before their connections can be discovered.

Economists of every stripe know surprisingly little about the capitalist business cycle other than that it must be connected to stochastic processes inherent in the equilibrating mechanisms of a decentralized market. Keynes conceived of mechanisms to regulate the business cycle by making its troughs and peaks less dramatic. In this sense, yes, the state’s potential capacity in the re-equilibration of the economy was unknown to Marx. Even less is known about long waves per se, which is where phenomena like The Great Depression and previous so-called Great Depressions should be studied. We certainly have knowledge about why any given depression was caused, but no good idea about why such things should be systemic in capitalism or why they seem to end (some claim they haven’t “ended”) after WWII. Moreover, since we don’t know the connection between the business cycles and long waves, we don’t have good theory on the role of the state with regard to long waves. These are theoretical matters that have to be articulated and then tested. That is, the role of the state in the regulation of the market is much more complex, and requires much further theorizing, than the chapters lets on. **[Of course I am not intending the very brief comments in this chapter to count as a theory of state or of economic regulation. My point here was merely to point to the fact of the state’s capacity to moderate the effects of crisis tendencies whatever those might be. I certainly reject a strong functionalist view of this process. There is no automatic way for the state to respond to crisis conditions to generate solutions that restore accumulation. The process is messy, fraught by stupidity of ideologically-politicians and capitalists who misunderstand the conditions for accumulation, and typically characterized by a protracted process of trail and error. This is essentially the view of the “regulationist” school in France and elsewhere. It is a sign of the fundamental robustness and flexibility of capitalism as an economic system that it muddles through under these conditions until some new “regime of accumulation” is patched together that works well enough.]**

(b) As for the FROP, I would rather not get into its long history, but despite Philippe Van Parijs’ (I think premature) obituary, the theoretical standing of the FROP remains about as it was after Marx’s death: problematic but unsettled. The Okishio Theorem, for instance, the most cited rebuttal to the FROP is fairly beside the point because it assumes capitalist adoption of production techniques at a given level of wages while Marx clearly articulated his theory in the context of a rising real wage. I think at this point the FROP is an open empirical question, not a settled theoretical one, and that we have too little data to make a determination at this time.

(b) The Labor Theory of Value (LTV) on which the FROP rests has yet another long and ugly history. The LTV has been known to be a problematic theory of capitalist prices since Marx wrote about the “transformation problem.” Since then, the LTV has been rejected entirely – this is throwing out the baby with the bath water. Instead, we only need to acknowledge that the LTV is a non-viable theory of capitalist commodity prices. But a theory of prices has also come and died in neoclassical economics (general equilibrium theory) and in the history of economics a price theory has been like the holy grail: Much sought-after, never attained, and leaves a curse of death on the pursuing knight. It is possible that a comprehensive general theory of capitalist prices is beyond the ability of mere mortals to articulate.

Despite this, the LTV remains a powerful basis for doing the kind of macroeconomic analysis we are interested in. We want to know: given current institutional designs and configurations, what reforms are possible? What are the structural constraints upon economic reform within capitalism? Etc. These are the basic questions of the “laws of motion” of capitalism and I think that Foley and Dumenil’s framings of the LTV after 1982 (and Marx’s framework generally) are better suited to address these questions than any other social scientific tools we currently have at our disposal.

The argument that the logical justification for the LTV – which states that labor is the only universal input (or basic commodity, in econ lingo) and therefore the necessary source of valorization in the production process – is insufficient is right on strictly logical grounds. Yes, energy, and possibly metal are also basic commodities. But that does not mean we need to reject that labor is *accountably* the source of value. Clearly Marx believed that people were exploited (and that the difference between the value of their products and the value of their wages constitutes the source of valorization, the source of surplus value) not because labor is the sole basic commodity but because of the institution of wage labor and the existence of a reserve army of capital combined to make the value of labor less than the value of the fruits of its employment. **[I have no problem, of course, with the LTV as an accounting system organized to make exploitation visible and intelligible. But that is different from saying that it provides a sound foundation for analyzing the longterm trajectory of capitalism. Maybe it could, but so far this is unconvincing.]**

(B) There are plenty of forecasts about which Marx was wrong. I think that, in large part, Marx’s grand predictions were calculated political shibboleths, not “scientific” conclusions. As the chapter makes clear, the argument that capitalism is inherently self-destructive is a powerful rhetorical device for political mobilization. As they say, predictions are hard to make, especially about the future. A “compass” approach is superior to the hubris of pretending we’ll know the future of humanity regardless of what we reject or retain in Marx. **[Of course: what is even more remarkable is how many of Marx’s predictions turned out to be correct, but these were mainly predictions that did not hinge on any of the technical arguments in his analysis of laws of motion: concentration and centralization of capital; massive future increases in forces of production including speed of transportation and shipping; globalization and commodification of everything.]**

(C) If the general approach of using the socialist compass entails “charting the range of possibilities for institutional changes under different social conditions,” then I think the macroeconomic analysis of Marx’s *Capital* is indispensable to our enterprise. This may very well turn into my bailiwick, to the detriment of my career. This is the kind of analysis that requires more rigorous and wide-ranging theorizing, employing more sophisticated mathematics, than we currently find in sociology. **[sigh]** That is, what sociology makes use of in *Capital* is not enough; we need more. To have more, we need to reevaluate Marx’s contributions, what is usable, what is not.

A comment on “proletarianization”: Marx was certainly wrong in his prediction of the polarization and homogenization of social classes under capitalism. But it remains the case that, at the high level of abstraction at which economics is done, the two-class social structure is necessary and sufficient to generate most of the economic dynamics we know of. That is, while the actual composition of classes has become sociologically complex, it remains simple for the purpose of determining the “laws of motion” – and therefore structural constraints and possibilities – of capitalism in general. **[But that level of abstraction is not the right one for analyzing class struggle and class formation/capacity, for those to be analyzed requires understanding the way class structures shape the lived experiences and interests of people, and thus their disposition to engage in collective struggles, and so on.]**

A question on class capacity: Which of the causal mechanisms that result in diminished class capacity is primary? Which can we address under current constraints? Rather than, “you have nothing to lose but your chains”, Marx’s quote that as capitalism develops the weight of the golden chain around workers’ necks becomes heavier is more relevant today. Is class compromise a rational choice? Or is it a matter of “false consciousness” (much as we dislike the term)? That is, do people willfully choose a cage of gold? **[The rational choice issue here depends crucially on what the alternative to class compromise is and what the risks and uncertainties are in realizing that alternative. This is one reason why the unsustainability of capitalism thesis was important because it gave workers a reason to believe that the risks in sticking with capitalism in the long term would be greater than fighting against it.]**

13. Rodrigo Salgado

Three points I want to mark.

First, if we stress that “capitalism is a historically specific form of economic organization that came into being as a result of the internal dynamics of the previous form of economy and **will** eventually cease to exist”, but we discard the “law of the falling tendency of the rate of profit” as a cause or explanation of this cease. It means that there is no structural element that allows that to happen? It’s just an agency problem? I agree that the capitalism doesn’t go to a trajectory of inexorable self-destruction, but I think that has **immanent contradictions that generate the possibilities of that destruction**. Those must be structural elements of system itself. **[In your first sentence you postulate that capitalism “will” cease to exist. That is a strong prediction, stronger than suggested in the next to the last sentence in which you talk about generating the “possibilities” of the destruction of capitalism. Capitalism came out of the contradictions of the**

previous form of society; that is true. Its contradictions create the potential for its destruction, but not the inevitability or necessity of that destruction, so you should say “may” cease to exist.]

Second, the capitalism is, firstly, a production form that bases on exploitation. That's means that capitalism bases on a mechanism of expropriation of surplus value (labor theory of value). Thus, the concept of exploitation is based ultimately, on the labor theory of value. If that theory is rejected, and “there is no persuasive reason for believing that labor and labor alone causally generates value” the concept of exploitation must be significantly changed or even discarded. So, how can we sustain most of the parts of “what's so bad about capitalism” without sustain that theory? Can that theory be useful to explain the exploitation, but not the “law of the falling tendency of the rate of profit”? Isn't this a contradiction? **[I do not think your diagnosis is correct here: the concept of exploitation does not depend upon the LTV, nor does the claim that the core class relation of capitalism is exploitative. I have explained how a concept of exploitation can be developed without the LTV in chapter 1 of my book *Class Counts*, but other people have argued this as well (G.A. Cohen provides an alternative argument). You may need the LTV to make certain claims about the linkage between exploitation and the laws of motion of capitalism – such as exploitation of labor is the only source of profits. But that claim is not necessary for the inventory of harms of capitalism. It is enough to argue that exploitation is a systematic determinant of profits (not the sole determinant), and that capitalists interests are harmed by struggles against exploitation.]**

Third, I'm not sure that there is a contradiction between the proletarianization and homogenization processes and the complexity of the class structure. I think we can understand these processes (proletarianization and homogenization) not like characteristic of the working class, but as effects of the expansion of capitalisms that locate the individuals in the common condition of being without the means and instruments of production, owner just of its labor-power. **[Two points here: 1) Even if you want to use the concept of proletarianization at this very high level of abstraction, it is not true that proletarianization and homogenization have relentlessly increased in capitalism. In the US and many other capitalist countries a higher proportion of workers own stock today than 50 years ago, and while the overall concentration of wealth is more unequal now than in 1950, it is also true that more workers have more than a trivial amount of stock; 2) if we want to explain class struggle and the capacity for challenging capitalism, the level of abstraction of the “capitalist mode of production with two polarized class conditions” is too abstract. This is not the level of abstraction that enables us to understand the possibilities and dilemmas of class struggle.]**

14. María Ana González.

After reading this chapter there is a comment I would like to share and debate.

As Prof. Wright says “*Even though Marxist perspectives on social change have lost favor among critics of capitalism, the Marxist tradition offers the most ambitious attempt at constructing a scientific theory of alternatives to capitalism, and it is important to understand the logic and limitations of this strategy of analysis.*” I also agree with the idea that Marx proposed a theory of the long term impossibility of capitalism rather than developing a systematic theoretical model alternative to capitalism. And I understand capitalism as a historically specific form of economic organization that came into being as a result of the internal dynamics of the previous form of economy and **will eventually cease to exist.** **[As I commented above on Rodrigo’s interrogation, in order to state that capitalism *will* eventually cease to exist, you have to postulate some mechanism that renders it unsustainable. It is not sufficient to point out that it is an historically specific form of economic organization to show that it will exist only for an historically delimited period.]** As a complex system, it contains coherent mechanisms for its own reproduction, but also dynamic contradictions. Nevertheless capitalism, **as a human construction, can be transformed into something else through deliberate and organized human initiative.** **[I agree, of course, that capitalism can be transformed – which is different from the prediction that it will be transformed. And we know that it can be transformed into “something else”. What we cannot assert as a matter of principle is that it could be transformed into *something better* from the point of view of emancipatory values. The fact that capitalism is a social construction may imply its changeability, but not necessarily its transformation into an emancipatory alternative.]** But is it viable to draw a model alternative to capitalism? It is risky to fall in an alternative to capitalism prescriptive theory.

So, on the one hand with the lack of solid scientific knowledge of alternative to capitalism rather than impossibility of it, I am also for the challenge of “*thinking of the project of emancipatory social change more like a voyage of exploration*” instead of a road map guiding us to a known destination. But on the other hand I ask myself about the instruments we have to take to the voyage. Which tools do we already have, and will be useful? And also what do we need to get rid of?

This exploration is a big challenge and we have to make the road by walking, moving, driving. Although it would be a mistake to think that we have invent the wheel or the arch and arrow again.

For example, One of the social categories that, from my point of view, we can take with us is the concept of class. Even if it has acquired a complexity it doesn’t mean that “*class is of declining importance in people’s lives, or that class structures are becoming less capitalist in any fundamental way.*”

15. Ricardo Donaire

Beyond all the pointed inadequacies in Marx's theory - many of which would surely deserve at least more discussion - the following interrogation will focus in the ideas outlined at the conclusion of Chapter 3.

Has not the scientific socialism theory already been in its classical formulation a theory of structural possibility?

Since, a) it has started from the theoretical point of view which states that capitalism could developed into either socialism or "barbarianism" (I do not know if this is the right word, so I beg you to excuse me, but I have not found a word for "barbarie" in english) **[It is true that classical Marxists posed the contrast of socialism vs "barbarism", but "Barbarism" was not really a serious theoretical idea of alternative. There was no conceptual structure to barbarism, and it did not logically fit into the theoretically framework of forces and relations of production, base and superstructure. At best this was a kind of rhetorical flourish designed to add weight to the idea that socialism was the only meaningful alternative, for who – after all – would prefer barbarism to it?]**; b) historical development has shown specially through the 20th century that it has not been any other alternative course from capitalism but socialism, and the latter has shaped not in one unique way but into several possible forms, **[Well, I disagree with this because I do not think that the USSR and kindred economic structures was socialist, unless you simply mean socialism = noncapitalism. The working class was not the ruling class in the USSR. The economic structure was not based on democratic and egalitarian principles. I do not think it is useful to say that the USSR was simply a variant of socialism even if it was the historical result of a revolution against capitalism in the name of socialism.]** c) capitalist development has also shown us the seeds of the possible "barbarian" course, such as the ones pointed in chapter 2; then, is the idea of scientific socialism as a theory of dynamic trajectory antagonistic to the idea of it as a theory of structural possibility?

Furthermore, the idea of socialist movement as a final destination of a voyage of exploration being accomplished by a political will who tries to lead social movement towards the building of an alternative socialist society without previously knowing the ways to achieve it, may be considered a classical one within the theory of scientific socialism. The compass metaphor reminds very closely the mountain metaphor used by Lenin when discussing with leftist dogmatism: we want to reach a mountain top but we do not know the roads, and maybe the most important thing, we are not able to accurately define the right road before we start to climb.

By thinking the classical theory of scientific socialism just as a theory of dynamic trajectory, are not we possibly running the risk of falling in a biased view?

16. Julián Rebón

Three questions:

I share that a new social formation - radically democratic and egalitarian - is not an immanent consequence of the capitalist development. But a social formation alternative at the capitalism could be possible without the development of the productive forces - about his widest sense - and the joint of the whole human species that the capitalism has constituted... Said otherwise, capitalism is a condition necessary but not sufficient for the above mentioned social formation. Or not? **[I think I agree with this: it is very hard to see how one could go from precapitalism to a democratic egalitarian socialism without the forces of production being raised to very high levels, and it does seem like capitalism is the form of society best suited to that task. However, this claim may be subject to an empiricist bias – since this is how in fact in this world the**

forces of production were raised to a high enough level of socialism, it is easy to believe that this is the only way that this could have happened. Perhaps there could have been others. What I would call a statist mode of production also was pretty good at raising the level of forces of production, although our historical cases are of this happening in a context which was globally capitalist. But perhaps the Absolutest State in late feudalism could have mutated into a Statist mode of production which might have developed the forces of production? I doubt it, and I continue to think that capitalism and markets are needed for this task.]

What is the importance of the immanent contradiction of the capitalism in your opinion? Does the Marxist thesis about the expansion of the social formation drive to produce more than the system can consume allowing processes of innovation and autonomy - **new free degrees - in different identities keep on being important?** [Alas, I couldn't understand this phrase....] Of what way?

Even if we should discard the progressive tendency of the crisis to weakened capitalism. What extent can the social change be thought **to the margin of the same ones?** [another passage I couldn't understand....] Now well crisis was never equal in return progressively. The crisis in the capitalism was always a space of change and social innovation but at the same time of his expansion. Lenin more than one century behind had marked clearly the limits of the crisis as determinist explanation with the change but also it was alerting us that it could not be thought to the margin of the same one. How to think the crisis and the transformation today? [But note: Lenin firmly believed that capitalist crises would tend to intensify over time even if he did not believe that crisis by itself would ever lead to capitalism's collapse.] While is in your opinion the role of the crisis in to theory of structural possibility? [There is a long debate within the Marxist tradition on the "determinism" problem. One form of this is then deterministic theory of crisis. I think what is certain as that Marx and most subsequent important theorists did not believe that the demise of capitalism would actually take the form of catastrophic collapse followed by revolution. That is, even if it were the case that the contradictions and crisis intensification of capitalism did mean that capitalism would ultimately destroy its conditions of possibility, the prediction was that it would be overthrown before it would come to this because of collective agency of workers and revolutionaries. There are two reasons for this: 1) the processes which ultimately would culminate in the destruction of capitalism also progressively weaken it prior to such self-destruction, and thus collective struggles become increasingly effective, and 2) the knowledge by workers that capitalism is becoming more fragile and is doomed is a motivation to overthrow it as early as possible.

The chapter reconstructs the marxist theory about radical social alternatives to capitalism. The marxist approach to an emancipatory social project combines two parts: i.) a critical social theory about the impossibility of capitalism engaged with a ii.) voluntary theory of the social subject who overthrows capitalism and constructs a democratic egalitarian organization of economy and society. The core argument of this theory is that capitalism becomes more precarious as an economic system because of the law of the falling tendency of the rate of profit and so that its crisis becomes more serious. At the same the dynamic of capitalism create and increase the social subject –the working class- which is especially interested in ending up the system because it exploited them.

First of all, relating the dynamic of capitalism we would like to know which are the intrinsic mechanisms of capitalism that make its relations spread and penetrate into experiences of non capitalist ways of organizing production and distribution. In the chapter about what is bad in capitalism the exploitation was a key topic, is it possible to maintain a theory of exploitation even though refusing the theory of labor value? **[Yes it is. See my comments above on Rodrigo's interrogation.]** It could be that different classes obtain different benefits of their contribution in production. There is a problem of distribution not in the social relations of productions.

Thinking about the voyage in the construction of a radical democratic society, it seems that socialists' institutions tend to demonstrate that they would be more effective than capitalists', probably in an adverse context of economic and military pressure. In that case, the process of democratic institution building would probably need making decisions in short time. How this problem operate against a democratic emancipatory project? I am thinking in which Weber called the advantages of the small number for making decisions specially reering to the state or the politic community. **[I am not sure if I understand your question here. Are you saying that a democratic-egalitarian process of institution-building would be difficult for socialists because of military pressure during a transition? This is, for sure a problem, and it could be one of the reasons for the failure of democratic-egalitarianism in the aftermath of socialist revolutions. Is *might* be a case of a real utopia institutional design – democratic-egalitarian political economic structures – which would be *viable* in principle, but which under the historically-available processes of transformation, are not *achievable*, because the conditions of transformation – economic and military pressure – would make authoritarian command-and-control structures necessary, and once those are in place they in turn block democratic egalitarian alternatives.]**

Furthermore, during the voyage of exploration,

- i.) Pressure from military and economic groups will strength the inner solidarity of the revolutionary group. Nevertheless within these groups there may be diverse interpretations of events of future action. Who and how will make decisions about most appropriate ends and most feasible course of action? Who will articulate different opinions? **[typically under such pressures, dissent is repressed, so it is the ideologically most charismatic and, perhaps, ruthless, who dominate.]**

- ii.) In addition to economic resources, capitalism money, knowledge and technology, may we say human creativity? Suppose it creates pernicious effects (a sort of new welfare policy), how the emancipatory project will face the challenge? **[I don't quite understand your question here. If you have democratic-egalitarian structures in place, then if some pernicious policy were tried and the perniciousness was identified, then why wouldn't it be changed through the same democratic-egalitarian problem-solving institutions? That is one of the reasons for democratic experimentalism as the process: it allows for mistakes and learning. Am I missing something in your question?]**

Referring to the complexity of social class structure the polarization and the growing of inequality, could be seen as social change which open new ways for participating against a social system generate unnecessary ways of sufferings? Is the grade in which the boundaries of classes are opened or closed relating to the collectively participation in a radical democratic project?

I should like to present briefly the case of take off factories (Factories recovered by the workers) where:

- a) internal democracy is a basic assumption
- b) strong feelings of belongingness and social solidarity are developed during the take off process
- c) nonetheless with the passing of time, hierarchal structure and internal bureaucracies tend to develop as well

What course of action could minimize the effects of hierarchy and bureaucracy and maximize internal democracy of solidarity. **[These take-overs of factories, of course, happened in rather unfavorable macro-contexts, with collapsed credit markets and other sorts of infrastructures. Cooperative production can sustain democracy and equality, I believe, when individual cooperative firms are surrounded by appropriate institutional supports. This is just like the problem of capitalist firms needing proper regulations, contract rules, courts, etc. in order to function effectively. It isn't so surprising the democratic worker owned firms tend to degenerate into more hierarchal forms given the absence of a supportive institutional environment.]**