

Rescuing Class From the Cultural Turn

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If all social action is meaning-oriented, is the materialist view of class doomed? Many, if not most, social theorists seem to think so, and have abandoned the structural theory of class for a theory that presents it as a cultural construction. This paper shows that it is possible to accept the basic insights of the cultural turn, while still upholding a materialist theory of class structure and class formation.

CONTENTS

For more than a generation now, class theory has been deeply influenced by what is known as the “cultural turn.” Although the specific claims attached to it tend to vary across the disciplines, its practitioners share a set of baseline intuitions. Chief among these is the view that social practice cannot be understood outside of the ideological and cultural frames that actors carry with them—their subjective understandings of their place in the world. Social action is fundamentally meaning-oriented, which implies that theories of class have to attend to the ways actors subjectively interpret their social situations and how the frames they utilize are constructed in the first place. While this insistence on the interpretive dimension of social action is a pillar of the cultural turn, it is not the only one. The focus on ideas and meaning has encouraged a turn away from structural analysis and toward the valuation of contingency of social phenomena, and further, an insistence upon the local and particular, as against the more universalizing claims of traditional class theory.

A natural consequence of this shift has been the declining influence of the idea that class is fundamentally about *interests* and *power*, and a corresponding turn away from the macro-level class analysis associated with Marxian

theory. In the disciplines of history and anthropology especially, but even in sociology, class has increasingly become viewed through the contingencies of its cultural construction rather than as an obdurate structural fact; its relation to social action is seen as working through the construction of agential identities, not via the operation of their objective interests. The transformation has not been total, of course. In the English-speaking world, the work of Erik Wright and Charles Tilly in the United States and John Goldthorpe in Britain has sustained a vital tradition of materialist class analysis. Still, the broad thrust of intellectual production has for some time now veered decidedly away from this approach.

But there are signs now of a growing unease with the all-encompassing embrace of culture. In an era when capitalism has spread to every nook and cranny of the world, subjecting labor and businesses to the same market-based compulsions; when patterns of income distribution have followed similar trends across a large number of countries in the Global North and South; when economic crises have engulfed almost the entire planet twice in less than ten years, bringing country after country to its knees; and when a broad shift in distributive inequalities has occurred across dozens of economies across the continents — it seems odd to remain in the thrall of a framework that insists on locality, contingency, and the indeterminacy of translation. It has become increasingly obvious to many that there are pressures and constraints that stretch across cultures and, more importantly, that these constraints are eliciting common patterns of response from social actors, regardless of culture and geography.

Nowhere is this shift more apparent than in the eye-popping success of Thomas Piketty's *Capital*. If we tear away the more technical aspects of his argument, what has resonated with readers is his message that capitalism has some basic, enduring properties that impose their weight on any economy in which it takes root.¹ Most fundamentally, he demonstrates that income distribution is governed by some simple relationships between basic economic variables and, just as importantly, that these variables also express enduring relations of power between class actors. Having control over economic assets gives capitalists power over their labor force, which they then utilize to capture the bulk of new income generated in the production process. What varies across time and space is the degree to which this power advantage can be actuated. Whatever these variations, however, the fact of the power imbalance and its consequent income inequality is written into the logic of the system. Piketty's argument has captured what to many is the essence of our new Gilded Age — that we are living through a prolonged class war waged by the rich against the poor, a global war whose theater stretches across national boundaries and whose basic elements are common to actors regardless of culture.

Piketty is only the most spectacular example of a shift away from culture and contingency. Wolfgang Streeck, perhaps the leading theorist of European social democracy and one of the most influential proponents of

constructivism in the 1990s, has called for scholars to place the structural dynamics of capitalism front and center once again.² So too the historical sociologist William Sewell, also a leading proponent of the cultural turn in the 1990s, has expressed for some time his sense that the emphasis on translation and agency has ended up erasing the underlying constraints of capitalism, right at a time when it has expanded its scope and power across the globe.³ One could expand this list considerably, but the basic outlines are clear — it is time to revive a materialist analysis of class and capitalism.

Even while the need for a revived materialism seems to enjoy widespread assent, progress toward it has been slow and episodic. This might in part be because no academic trend changes overnight; perhaps all we need to do is wait for a short period for the structural analysis of capitalism to gain influence. But this is unlikely. One of the reasons for the longevity of the cultural turn is undoubtedly the intuitive appeal of its foundational claims. Indeed, I will argue that some central arguments for cultural mediation are undoubtedly correct, and potentially devastating to an economic theory of class. Any response to the cultural turn, then, has to take account of these worries and show that, whatever arguments there are in favor of materialism, they have to acknowledge the ubiquity of culture.

In this paper I develop an argument in defense of such a materialist class analysis. I mean by this a theory in which class is defined by agents' objective location within a social structure, which in turn generate a set of interests that govern those agents' social action. But I will show that a theory of this kind does not have to run afoul of the basic arguments of the cultural turn. Indeed, I will show that class does operate through culture, but it does so in a way that preserves the autonomous influence of economic structure. The issue, therefore, is not *whether* agents' meaning orientation influences social action, but *how* it does so. The difference between materialist class analysis and the more ideational variants is thus not on the relevance of culture per se, but on the ways in which that influence interacts with other, non-ideational factors. I proceed by first describing two of the most important criticisms leveled at structural theories of class. I then show that, properly conceived, a materialist account can accommodate both of these arguments and, indeed, is entirely consistent with them. On the other hand, a robust materialist theory can also explain the very phenomena that many theorists see as a challenge to the cultural turn — the enduring, obdurate facts about power and distribution in capitalism that seem to hold across space and time.

The Challenges to Materialism

In the more traditional class theory, agents' structural location is supposed to impel them into patterns of social action, which can be predicted independently of their culture. But this makes it appear that, for materialists, class processes exist outside of culture, so that economic agents function on the basis of a rationality that has no connection to their identity or moral valuations. As many theorists have pointed out, this image of social structure cannot be sustained. Class action is every bit as steeped in meaning and values as any other kind of social practice. If this is so, we have to be suspicious of a theory that seems to evacuate culture from any domain of social interaction, even the economic.

Two arguments flowing from this worry have been especially important. The first has to do with its implications for the analysis of class structure, and is encapsulated in the following argument by William Sewell:

Structures cannot be neutral causal factors [as materialist theory implies], because all structures have to be interpreted by agents. How structures exert their influence, if at all, *depends* on the construction on meaning. Hence, structures and the resources with which they endow agents are the *effect* of meaning.⁴

Sewell's argument here is significant for two reasons. The first is that it extends the centrality of meaning and cultural contingency from its typical domain of class *formation* to class *structure* itself.⁵ Class theorists have long taken the structural dimension of class to be explicable independently of culture, more or less as an objective datum. Insofar as culture does play a significant role, it has typically been associated with the domain of class formation—when class actors become aware of their location in the structure and build their subjective identities around it. His argument encapsulates the intuition that has driven much of the disenchantment with older vintages of class analysis, which seemed to announce the domain of structure to be meaning - free.

Sewell is surely right in his suggestion that if meaning orientation is built into every social practice, then class structure too must be a cultural fact — since structures are nothing other than social practices reproduced over time. This is the second reason his argument is significant. Materialists cannot agree that social action is governed by agents' meaning orientation, but then deny that meaning and culture are built into class structure any less than they are into class formation. If the latter is steeped in culture, then so must be the former.

The second concern about materialist class theory is its presumptive determinism with regard to class formation. Once the class structure has been identified, it is supposed to also generate a very specific set of interests. Actors, being rational, are expected to pursue those interests collectively by waging class struggle. Structure is therefore endowed with a causal power to generate both an awareness of class interests and a desire to pursue them collectively. This is another way of saying that, according to materialist class theory, especially of the Marxian variant, once a class structure is in place, it is also expected to generate a particular set of *subjective identities* — of

belonging to a certain class and of wishing to pursue a political agenda prioritizing that identity. But, the criticism goes, this is arbitrary. Social actors have many identities, and there is no justification for expecting that actors will settle upon a subjective identification with class instead of any of their myriad other social roles. Structural class theory works with the expectation that the experience of wage labor necessarily leads to class consciousness and, if it found not to, then the case being studied is consigned to the status of “deviant,” an aberration. But it turns out that the entire world deviates from the prediction of the theory. At some point, the argument goes, we have to accept that the flaw is in the theory, not the world.⁶

As with Sewell’s argument, this concern about determinism or teleology is surely warranted. Any acceptable theory of class has to account for the fact that within the modern class structure, workers’ identification with their class is more likely the exception, not the rule, and therefore the absence of class consciousness is not a deviation from the norm but rather is the norm. A viable class theory therefore has to provide mechanisms that account for this fact, not in an ad hoc fashion but as normal consequences of a capitalist economic structure. It then has to explain how and why, in certain conditions, a class identity can be forged — as the exception to the norm.

The challenge to class theory therefore comes from both sides. On the one hand, it has to be able to explain how the basic characteristics of capitalist production have successfully spread to every corner of the world, despite the enormous differences in culture and region, and how they display such a strikingly similar distributive pattern, again in spite of all the other differences in history and culture. This is a challenge for culturalist versions of the theory. On the other hand, if these facts seem to justify a turn to a more interest-based and structural understanding of class, this latter version has to show that it can accommodate the worries that animate so many of the critics of traditional theory and which have motivated them to turn to culture as an alternative framework for understanding class and capitalism. This is the challenge for Marxian and other materialist versions of the theory.

Culture and Social Structure

We begin with Sewell’s observation that structures cannot operate as neutral causal factors. The critical step in his argument is the claim that for structures to become causally efficacious, they have to be interpreted by agents, and that this takes place through some schema or set of codes provided by the local culture. It is therefore impossible to predict how, and even if, a structure will impinge on social action until we know something about the content of the codes or schema that agents have available to them. Hence, it is the intervention of culture that is responsible for people’s strategic orientation, not the underlying structures.

To illustrate what Sewell has in mind, consider the example of a religious congregation. The relations that bind together the priest with his parish are a structure of a kind. That structure is inert unless its relata — the people whom it binds together — accept their roles in it. But in order for them to accept these roles, the people first have to have it explained to them what the roles entail. If you simply herded people into a church without their having understood and accepted their roles, it would amount to nothing more than a collection of individuals occupying a small space together. Even if one of them, the priest, understood and accepted his place within it, it would still not constitute a structural relation unless his authority was recognized and accepted by the people in his congregation. Conversely, it would be meaningless for the congregation to understand its duties unless the person ordained as priest accepted the codes that came attached to his own location within the structure. People do not, therefore, simply stumble into the structure of a religious congregation. Their place within it is the *effect* of a certain structure of meaning. Culture therefore has both causal and explanatory primacy in the explanation of how this structure works.

Note that the real force of Sewell's argument, as suggested in the example, is that the successful intervention of culture in this fashion is a contingent process, making the activation of the structure also *contingent* as an outcome. The mere presence of a priest does not turn the people gathered in a church into his laity. The cooperation of a group of people as a congregation is a separate act, depending on whether or not their socialization into their roles is successful. But that socialization might very well fail — either because insufficient resources were poured into it or because the target audience remained unimpressed or unable to internalize the religious codes. If we could just *assume* the success of the interpretive schemes needed for the actors to accept their place within the structure, then Sewell's insistence that structure is an *effect* of meaning would become suspect — for we could very well accept that a social structure needs actors to understand and accept the roles that come with it but also be confident that once the structure is in place, the role identification will most likely come about. In that case, the causal independence of culture would be drastically reduced and, conversely, the causal independence of structure increased. If that were so, then to insist on the primacy of culture would simply be otiose — for *culture* would be an effect of *structure*, and not vice versa, as Sewell suggests. Hence, the real power of his argument resides in its implication that not only does meaning activate structure, but its availability to carry out this task cannot be taken for granted.

Now, it is undoubtedly true that many social structures confirm to Sewell's description. It is easy to think of many other examples in which either a) a social structure depends on agents having internalized certain cultural codes or b) the internalization of those codes is itself a contingent outcome. Of course, as I have noted, Sewell does not present the latter condition as a separate proposition in his argument. He *derives* the causal independence of

culture or meaning from proposition A — that social structures must be interpreted in order for them to take effect. But once we separate the two propositions, we can ask whether what he takes for granted might in fact be contested. Must it be the case that we have to treat the construction of an appropriate meaning orientation as a contingent social fact? Or could it be that there are some structures that radically reduce, or even extinguish, the contingency in meaning construction? If there are, then we could accept the proposition that a social structure has to be interpreted in order to take effect, but reject the second argument: that this process of meaning construction might fail to come about. It might be that, *pace* Sewell, once a structure of this kind is put in place, we can be confident that its mere implantation is all that is needed for the appropriate meaning orientation to follow. I will try to show that class is just such a structure.

What Makes Class Structure Different?

Class relations are a structure substantially different from most any other. Whereas every structure has consequences for the actors who participate in it, the ones attached to class carry a special significance — they relate to actors' economic viability and, in this capacity, they set the rules for what actors have to do to reproduce themselves. This endows class structure with the ability to influence people's motivational set in a very different way from other social relations. Whereas most other relations have to depend on a contingent process of role identification on the part of agents, class radically reduces the contingency of whether or not such an identification will occur.

To see why, consider the employment relation in capitalism, which is a microcosm of the broader class structure. As in every structure, its relata have to have the appropriate role internalization for its activation. Wage laborers have to accept their obligations and understand their meaning; capitalists have to internalize the rules attached to their location. The question, however, is whether there might be a failure in the meaning orientation needed for the structure's activation.

THE LOGIC OF WAGE LABOR

Let us start by considering the position of the worker. To make the example especially challenging for our theory, suppose that the person in the position of a wage laborer abhors the very idea of it, or that she was raised in a culture in which people relied on independent production for their subsistence and hence had no prior experience with or understanding of working for a wage. In both cases, the particular actor would be proletarianized while imbued with an understanding of economic reproduction that was not only different from what is needed for a

capitalist class structure but inimical to it. There is no prior socialization into the role of worker — indeed, she enters position with a subjectivity that is inimical to her accepting the role. If this had happened in the example of the church congregation, so that individuals in the church were hostile to the idea of joining the congregation, they most likely would have walked away and thereby dissolved any possibility of sustaining its social structure. But in the case of the worker, is it reasonable to expect that, since she lacks the appropriate normative orientation, she could simply drift away, as did the potential members of the church congregation, and end up in some other kind of economic structure, one more in sync with her culture? If she has *in fact* been proletarianized, so that she *in fact* does not have access to the means of production, then the answer has to be negative.

To appreciate why the outcome would be different, it is worth considering the contrast between the two cases. The contrast rides on the difference between motivations that have to be learned through a process of socialization and those that are built into our basic psychological structure. The proletarian is someone who, by definition, does not have access to any income-generating assets other than her labor effort. She does not own any means of production, nor does she own government or corporate paper. In a capitalist structure, the only viable strategy for her physical reproduction is to seek out employment from those who control productive assets. And seek it out she will, because the alternative is to perish. This means that the desirability of seeking employment is not something that she has to learn through a process of cultural construction. The desire is created by a motivation that is *independent* of whatever socialization she has been exposed to—the elemental drive to ensure her physical well-being.

This drive is a kind of cross-cultural desire-generator — it *creates its own* locally encoded normative stance of seeking out the means to ensure economic viability. Hence, if the proletarian has been taught to abhor the idea of wage labor, but finds that working for a wage is in fact the only option available for her survival, it creates a tension between her self-identification and her desire to survive. Now it is of course possible that in some rare cases, she will choose not to survive. But those cases are pathological—they are extremely rare cases of deviation from the norm. Aside from those few exceptions, the tension between *ex ante* socialization and the need for sustenance will be settled in favor of the latter, and hence a demotion of the normative orientation that urges her to abjure wage labor. In other words, if the proletarian's cultural training inclines her to abhor waged employment, the result will be a steady weakening and transformation of the codes imparted by her training, so that it is able to accommodate the turn to waged work.

The proletarian's acceptance of her role is effectuated by a coercive pressure from her class position. It is a kind of structural coercion. What I mean by that is that the pressure to accept the role does not require conscious intervention by another person — it is imposed simply by her circumstances, by the choice set that her location

offers her. In the case of the potential member of the congregation, there is no parallel structural force pulling him back toward the church if he rejects the codes and meanings attached to it. Unlike the proletarian, the desire to conform to his place has to be created *ex nihilo* by the socialization that he undergoes. So if that socialization fails, or if he abhors the idea of a church the way that the proletarian despises the idea of wage labor, there is no independent desire-generator that induces him to question his preferences, as the proletarian did, and to then reject it in favor of the lure of the church. He might decide that he would rather continue in his own religion; or he might choose a different, competing one, or he could decide to dispense with religion altogether. There is nothing that pulls him into the social structure of the congregation, since none of these decisions *in themselves* undermine his well-being. He can happily adjust to any of them. In his case, the process of meaning creation really is a contingent one.

Now it is of course possible that some kind of sanctions are also placed on him, in a manner reminiscent of the proletarian, that impose costs on him should he choose to reject his role. He might be ostracized by the community and experience other kinds of social pressure or perhaps even physical punishment. But this is not in fact a parallel at all. In this latter instance, what we have are instances of *agent-imposed* sanctions. They require some kind of monitoring by social agencies dedicated to preventing transgressions of just this kind and, on top of that, willful intervention by individuals or the community. Short of these consciously imposed sanctions, the parishioner is free to walk away and refuse to accept his role. In the proletarian's case, there is no call for conscious intervention by anyone. She does not have to be monitored to ensure that she accept her role — she will accept it on her own volition. She will therefore orient her meaning universe in a way that enables her to find and then keep employment, so that she might survive. But if this is so, then we cannot say that class agency of the sort just described is the effect of meaning. To the contrary, we can suggest that the proletarian's meaning orientation is the effect of her *structural location*.

THE LOGIC OF BEING A CAPITALIST

Consider now the situation of her employer. Does being a capitalist also require a contingently acquired value orientation for his structural location to take effect? Interestingly, there is a venerable tradition in sociology that answers in the affirmative. For close to two decades in the postwar era, many proponents of modernization theory wondered whether the newly developing countries of the Global South would be able to embark on a path of capitalist development, as Europe had before them. They were inspired by a particular reading of Max Weber's *Protestant Ethic*, which they took to be arguing that capitalism depends upon a specific meaning orientation appropriate to its economic logic.⁷ For this brand of Weberian theory, the critical point is that having the right

kind of value system is a *precondition* for capitalism to implant itself successfully, which makes the spread of this economic system dependent on a prior shift in culture. Hence, the worry was that Confucian, Buddhist, or Hindu religions might fail to provide the kind of normative outlook that Protestantism generated in Western Europe. The market forces pushing their way into the East would thus remain stunted, because merchants and businessmen would lack the entrepreneurial spirit of their counterparts in Europe.⁸

Modernization theory went into rapid decline by the late 1970s, in part because it was clear that the regions that were supposed to have suffered from the absence of a culturally induced entrepreneurial spirit were developing not only very rapidly but at rates that the world had never seen. Japan, Korea, Taiwan, and even India were experiencing economic growth orders of magnitude greater than any European country had during the first two Industrial Revolutions. What is more, their rates of private investment reached heights that had been thought unattainable just two decades prior. Where was the motivation for this investment coming from, in such diverse cultures, across so many regions, if their economic actors lacked the appropriate cultural orientation for it? If there was a specific “spirit” that had to be internalized by capitalists as a precondition to their success, it was clear that it was pretty widely available.

The alternative explanation for the spread of capitalist investment patterns is that it does not depend on prior implantation of an entrepreneurial spirit at all. Rather, it creates the needed outlook endogenously, through the pressure exerted on capitalists by their structural location. A capitalist is someone who not only employs wage labor, but has to compete on the market to sell his product. He is thus market-dependent in two ways — in having to purchase his inputs, as against generating them himself, and in having to bring in enough revenue from sales as needed to keep his operation afloat. The viability of his undertaking depends on out - competing his rivals in the market. The only effective way of achieving this in the long run is by finding ways to reduce his selling prices *without* cutting into his profit margins. This requires that he find ways of increasing his efficiency, hence reducing his unit costs and thereby preserving his margins even as he slashes the selling price or, conversely, maintaining his selling price while improving the quality of the product. But neither of these is possible in the long run without substantial investments in better inputs — better capital goods, skills, materials, etc., which requires that he choose, on his own volition, to prioritize investing his earnings rather than consuming them. If he dissipates his earnings on personal consumption, he will of course increase his pleasure temporarily, but at the cost of undermining his viability as a capitalist. Simply surviving the competitive battle thus forces capitalist to prioritize the qualities associated with the “entrepreneurial spirit.”

Hence, the pressure emanating from his structural location exercises its own discipline on the capitalist—whether he is Hindu, Muslim, Confucian, or Protestant. Whatever his prior socialization might have been, he quickly

learns that he will have to conform to the rules attached to his location or his establishment will be driven under. It is a remarkable property of the modern class structure that any significant deviation by a capitalist from the logic of market competitiveness shows up as a cost in some way — a refusal to dump toxic sludge manifests as a loss in market share to those who will; a commitment to use safer but more expensive inputs shows up as a rise in unit costs, and so on. Capitalists thus feel an enormous pressure to *adjust* their normative orientation — their values, goals, ethics, etc. — *to* the social structure in which they are embedded, not vice versa, as with so many other social relations. The moral codes that are encouraged are those that help the bottom line. Sometimes this can be consistent with a non-market morality — as, for example, when offering to pay high wages just out of decency has the result of raising productivity. But the point is that the market tells the capitalist which elements of his moral universe are viable and which are not — rather than vice versa.

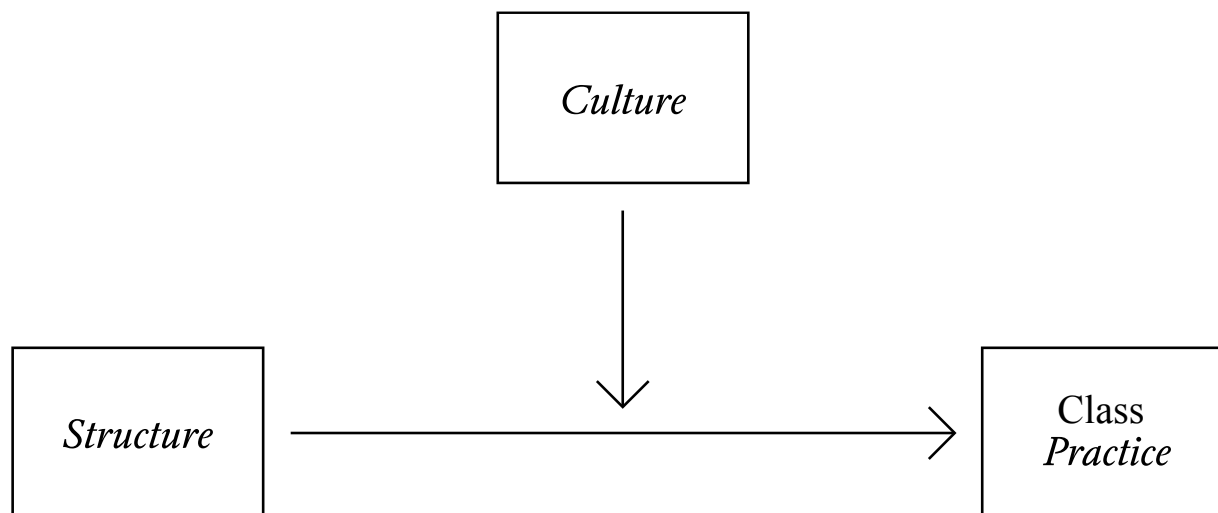
Of course, there will be many who fail to adjust. In these cases, the enterprises that they supervise or own will slowly lose competitiveness and will ultimately cease to be viable. But this in turn has two effects that only harden the tendency toward cultural adjustment — first, there will be a demonstration effect for other economic actors, both existing and potential capitalists, who will note that the refusal to abandon outmoded values caused the failure; second, it will reduce the proportion of the entrepreneurs who hold to the latter sort of beliefs and hence dilute their influence on the culture. There will therefore be a kind of selection process that winnows away those normative orientations that clash with the rules required of capitalist reproduction. So even though there will always be those who refuse to, or are unable to, adjust their moral universe to the requirements of being a capitalist, the market itself ensures that they remain on the fringes of the economic system.

Two Models of Cultural Influence

The preceding discussion allows us a way of accepting that all action is steeped in meaning, while resisting the culturalist conclusions. We can agree that structures have to be interpreted by social agents; we can also agree that how social agents respond to their situation will depend on the intervening influence of culture. But we can resist the conclusion that many theorists think flows logically from these premises — namely, that structures are always and everywhere the *effect* of meaning. The way out is by making a distinction in the causal logic that underwrites culture's influence on different kinds of social relations. Both of the examples we have considered so far agree that structures have to be interpreted for them to exert an influence on social agents. The difference is that the stronger culturalist argument assigns a great deal of autonomy to culture as it intervenes in this fashion. This is what is

implied in the argument that agents will align to their potential structural location only if they have internalized the appropriate normative orientation. The causal logic of this argument can be diagrammed thus:

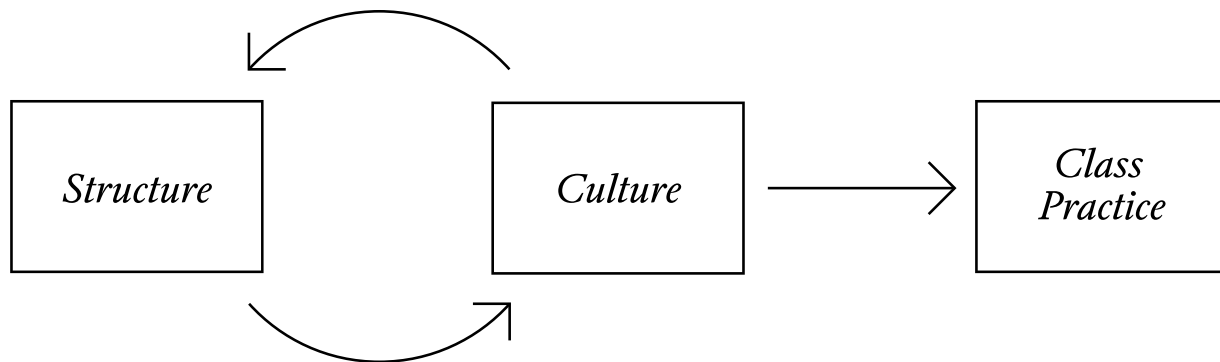
MODEL 1: INTERVENTION AS CAUSAL MEDIATION



Culture is here presented as a causal mechanism that *mediates* the relation between structure and action.

Mediating mechanisms not only intervene between a causal agent and its effect but actively *shape* the impact of the antecedent cause.⁹ To describe the role of meaning in this fashion captures the culturalist claim that structures are the effect of a contingent process of role internalization by social agents. It is the prior generation of meaning that makes possible the social structure; just as importantly, whether or not the appropriate interpretive scheme is in place cannot be prejudged. It is a contingent outcome of various social processes, making the viability of the structure itself highly unstable. The intervening mechanism's independence is a defining element in its mediating the relation between the outcome and the antecedent cause.

The culturalist argument turns on the assumption that if a mechanism intervenes between a cause and its effect, it will most likely function as a mediating mechanism. I have agreed that for many, even most, social relations, this model of determination does capture the causal logic at work. But the examples of the wage laborer and capitalist suggest that intervention can play out in a second, and quite different, fashion. In this second kind of influence, the intervening factor still provides the codes and meanings needed to activate the structures, but now its contingency and hence its independence are radically reduced. It does not independently shape the outcome so much as *it* is shaped by the *antecedent* cause. This turns it more into a transmission channel for the latter's influence. In this case, we have the *structure* shaping the agents' action orientation by generating the codes needed for its activation.

MODEL 2: INTERVENTION AS CAUSAL TRANSMISSION

Notice that in both models, the proximate cause for social action is culture. So both models conform to the theorem that structures have to be interpreted in order to be activated. Where they differ is in how they relate to the antecedent social structure. In model 1, they are more or less autonomous from the structure and thereby exercise an independent effect on action. But in model 2, the implication is that the social structure places limits on the variation in cultural codes. The curved arrows denote a causal feedback loop that establishes the compatibility of the agents' cultural codes with the class structure. For the relation to be one of compatibility rather than a one-to-one causal determination means that the class structure does not require any *particular* constellation of meanings for it to be effective. Since all that is required is a condition of functional compatibility, any number of tropes might suffice. The causal relation between the economic structure and the agents' meaning universe is one of negative selection – it simply selects *against* those desires that would motivate the agent to ignore or reject the structures demands. This is why it turns out that capitalist class compulsions can take root within a diverse range of cultures — because as long as the local culture can motivate actors in the appropriate way — for workers to show up to work and do what their employer tells them, and for capitalists to do what it takes to maximize profits — it can fit with the demands of the structure.

There is a further implication of the model that is worth noting: namely, that it does not require that *all* aspects of the cultural environment have to adjust to the class structure, but only those that come into conflict with the latter. The class structure selects against those aspects of the local culture that inhibit workers and capitalists from conforming to their economic roles. This means that aspects of the normative field that are not directly implicated in economic action have only a contingent relationship to the class structure. They might remain unchanged; they might change due to some unintended downstream consequences of class action; or they might change because of social dynamics utterly unconnected to the economic structure. The point is that there is no systematic causal

connection between the two phenomena. Hence, the direct pressure exerted by capitalist relations on the surrounding culture can be quite limited in scope.

This model of cultural influence allows us to make sense of the indubitable fact that not only has capitalism spread across the world, but that the modal actors in these highly disparate economies — privately owned enterprises and wage laborers — conform to broadly similar patterns of reproduction across a bewildering range of cultures and traditions. The model does so in a way that respects the argument that the economy is as steeped in culture as any other domain of social action. Hence, if the argument I have offered is correct, then the worry about materialism — that it cannot acknowledge the meaning orientation of social action — turns out to be unfounded.

Class Formation and Cultural Intervention

So far we have considered how capitalists and workers conform to the rules generated by their structural locations, regardless of their antecedent meaning orientation. If we now turn to a deeper examination of their class situation, one of its central dimensions is that it also binds the two actors together in a highly conflictual relationship. Capitalists find that in order to remain competitive, they have to strive constantly to extract maximal labor effort from their employees at the minimal feasible cost. Since wages are a key component of costs, this makes it rational for the individual capitalist to economize on wages, even while he strives to squeeze every unit of labor out of his employees. But workers experience this as a direct assault on elements of their own well-being, and their response is to search for ways to increase their remuneration while scaling back the quantum of effort they have to offer in return. Employers' drive to maximize profits therefore locks the two classes into a relation in which each needs the other, but there is a conflict of interest over the terms of their exchange.

This conflict can take many forms. Marx famously predicted that workers would recognize the virtues of collectively pursuing their common interests and would come together in organizations dedicated to this end. Their structural location would thus generate a process of collective identity formation, which in turn would in turn unleash the pursuit of their common interests. This he described pithily as the transition from being a class *in* itself to becoming a class *for* itself. It should be noted that while this is sometimes described as a teleological account of class formation — and, indeed, it has a history of being elaborated in just a fashion — it need not be. It is possible to reformulate it as a reasonable causal theory that describes how dimensions of workers' structural location make collective action not only rational but also likely.

First, capitalism itself partially organizes workers as it brings them into the same workplace. If we compare their situation with that of smallholding peasants, it is clear that the experience of repeated interaction in enclosed spaces for long periods of time lowers the costs of some critical inputs into collective action — communication, information exchange, planning, etc. Second, in coming together, they recognize their common situation. They see that they are all subject to broadly similar constraints, that they operate under the same structures of authority and suffer the same liabilities. Third, in this constant interaction, they create a common identity and hence a willingness to engage in common pursuits.

While Marx's argument can be presented in an acceptable causal form, the criticisms leveled at it are compelling. There have been episodes and instances in which workers have come together in a fashion consistent with his prediction, but there have been very long stretches in its history where we observe the opposite — not *conflict* but *stability*. Workers have shown an inclination to forge organizations for collective struggle, but this can hardly be viewed as a typical occurrence in capitalism. An equally likely situation is one in which efforts at class association are tried and fail, or where they are avoided altogether. Widespread membership in trade unions is a recent phenomenon in capitalist history and is largely confined to only a part of the global working class. Hence, the most we can say in favor of Marx's prediction is that it describes *one* possible outcome generated by the modern class structure. And it is easy to see why, in the absence of an account of the mechanisms that undermine this causal sequence, the theory can morph into a kind of teleology or at least an unjustifiably deterministic one — workers' structural location is deemed, in such accounts, to be sufficient in itself to trigger the formation of a class identity, which then impels them to create organizations around this identity and finally to forge ahead in pursuit of their common interests.

The challenge for a materialist theory is to show how it might be that while, under certain circumstances, workers' class location might incline them to converge around a strategy of collective resistance, it is just as likely to motivate them to pursue a strategy of individual accommodation. Class consciousness, and the forms of contestation that are attached to it, can then be understood as a product of some very particular conditions that might have to be produced and sustained, rather than assumed to fall into place through the internal logic of class structure. The absence of class consciousness among workers, and the sporadic or evanescent eruption of class conflict, can then be seen as being entirely *consistent* with a class analysis of capitalism rather than an indication of the declining salience of class.

Two Strategies of Class Reproduction — Individualized and Organized

The key to the puzzle of class formation is that optimistic prognostications like Marx's, even when they are presented in a defensible causal language, skip a crucial step. They focus on the causal mechanisms that might incline workers toward class organization, but fail to describe those aspects of the class structure that mitigate *against* this course of action. But a critical property of capitalist class structure is that it positions workers in such a way that they will typically find an individualized course of class reproduction to be more feasible than one reliant on collective organization. There are two broad kinds of obstacles that play this role. The first consists in workers' baseline vulnerability against the power of employers, and the other in the generic problems that arise in collective action.

WORKERS' VULNERABILITY

Workers and their employers do not engage in political contestation in a neutral setting. They come together in a pre-existing field of power in which the employer wields enormous leverage over the worker. The reason for this is rooted in the class structure itself. Workers operate in a condition of generalized insecurity. Since they do not own productive assets of their own, they depend on waged employment under a capitalist. This dependence on their employer decisively shapes their inclination toward, and capacity for, collective action. Workers understand that they are able to hold on to their jobs only so long as it is desired by the capitalist, who can, for any variety of reasons, decide to throw one or many of them back into the labor market. The precariousness of employment is a baseline condition built into the position of being a worker, though of course its intensity will vary depending on how difficult it is to replace any particular employee. Hence, even though employers do not have direct legal or cultural authority over the life of any particular laborer, as is the case in slavery or serfdom, they still wield enormous indirect power over the latter.

This has a direct bearing on the likelihood of collective action. Workers typically have to prioritize the security of their employment over their inclination to struggle over the terms of that employment — in other words, they realize that having a badly paying or dangerous job is preferable to not having a job at all. But if workers' priority is to hold on to their jobs, it can only mean that they consciously forswear activities that would invite retaliation from the boss. In fact, if the employees are not already organized, the most appealing means of increasing one's job security is not by taking on the boss, but by making oneself more attractive to him — by working harder than the others, acquiring new skills, even offering to work for less.

In a situation of generalized labor market competition, the easier means for increasing one's security is not building formal organizations for collective action—since this inevitably runs into conflict with the employer — but relying on the informal networks into which workers are born. These most commonly are networks of kin,

caste, ethnicity, race, and so on. Since workers essentially inherit these connections ready-made, they become a natural source of support in normal times and especially in times of dearth. It is an irony of bourgeois society that, far from dissolving these extra-market ties, as Marx announced with such flourish in the *Communist Manifesto*, its pressures incline workers to cling to them with a desperate ferocity. It is important to note that these networks do not operate simply as material support societies. They also become a means of exerting control over the labor market, and through that, to reduce the level of competition for employment. It is not just that jobs are secured through one's friends, family, or caste. It is that these connections are used to hoard job opportunities, sometimes by force, for members of one's own network. But this only intensifies a class orientation in which one's welfare is secured by non-class forms of association. Indeed, organized competition in the labor market through such ties has the effect of intensifying the divisions within the class. It runs directly against the principle of class organization.

INTEREST AGGREGATION

A second obstacle to class formation is what Claus Offe and Helmut Wiesenthal have described as the problem of interest aggregation.¹⁰ It is simple enough to suggest that workers have an interest in creating associations to bargain over the terms of their exchange with capital. But workers suffer from a particular liability when considering this exchange. Unlike capital, which can be separated from the person of the employer, labor power cannot be separated from the person of the worker. When she bargains over the exchange of her laboring activity, she immediately discovers that several elements of her well-being are directly implicated in the calculation — the intensity of work, the length of the workday, the level of the wage, health benefits, pensions, and so on. Organizations created for collective action are thus saddled with the task of seeking agreement among large numbers of workers on these different dimensions of their welfare.

A second and equally daunting obstacle is that, in the case of some workers, collective organization might in fact make them *worse* off. This is because some workers are able to secure especially lucrative terms for themselves — perhaps due to possessing scarce skills or social connections—that make an individual bargaining strategy far more lucrative for them than a collective one. Whereas, in the preceding case, collective action would call for prioritizing one set of goals from a larger list of broadly congruent ones, in this case it would call for some workers *subordinating* their immediate welfare to the larger agenda. Of course, in the longer run these workers would also benefit in many ways from the security and leverage that membership in the association confers, but the reduction in immediate welfare will be real, and they can quite rationally decline to join. Hence, if they are to be brought into the fold, they must make their decisions on a calculus that is substantially different than that of their colleagues.

FREE RIDING

A third and perhaps the most debilitating hurdle of all is the well-known problem of free riding. Because the terms and benefits won by these associations are made available to all of their members regardless of the extent of the latter's contribution, it generates a perverse incentive. Since every worker knows that she will benefit if the association succeeds in its goals regardless of her individual participation in it, but she will also be no worse off if she shirks, this creates an enormous incentive for her to pass off the costs of participation to others. The result is that the effort to build associational power has to contend with a constant tendency among workers to refrain from participating.

Free riding is a phenomenon generic to any situation where public goods require collective action. But in a situation of generalized vulnerability and mutual competition — as is characteristic of workers' structural position — it becomes especially debilitating. It is not just that the individual worker will incur a cost if she decides to contribute to forging a class association. It is that the cost might be so high as to threaten her livelihood and thereby her economic security. The chances of having to incur this cost are in fact quite high, since employers expend considerable effort in monitoring and then rooting out employees who show any inclination of creating class organizations. Hence, even while wage laborers have a rich history of overcoming free-riding problems outside the workplace, where the risks attached to the effort are lower, it is much harder to do so at work, where the risks are so much greater — magnifying the generic dilemma.¹¹

All three mechanisms that I have described are intrinsically connected to the class structure; they are a necessary component of it. All three also have the effect of *reinforcing* the atomizing effect of the labor market and *diluting* the impulse toward collective action and class consciousness. They help unlock the secret to one of the most important puzzles for social theory—how can a social system as potentially explosive as capitalism remain stable over time? The reason it can is that its class structure underwrites its own stability by making individual reproduction more appealing than organized contestation. Class antagonisms would make capitalism unstable if it were the case that workers could join together as a matter of course, create viable organizations for the pursuit of their interests, and threaten the political power of the class of capitalists. But the obstacles just described have the remarkable effect of making it more attractive to workers to eschew collective strategies and to opt instead for individualized defense of their basic welfare. This happens because adopting more individualized strategies incurs fewer direct costs — all the costs of time and money that go into building a union and then sustaining it — and also takes on fewer risks — such as the risk of losing employment if discovered or if they lose in their more militant tactics.

Hence, even though workers can, in certain conditions, forge the collective identity that class struggle requires, they have to overcome all the structural forces that constantly pull them apart. Far from falling into a teleological account of class formation, a careful delineation of the system's basic structure leads to the opposite conclusion: that there is no easy road from Marx's class in-itself to a class for-itself. Indeed, the puzzle now becomes quite different from the one imputed to class analysis by its critics. Instead of having to answer why it is that the class structure fails to impel workers toward class struggle, the challenge is to explain how it comes about that working-class associational power and the pursuit of collective class strategies are achieved at all. This is the focus of the next section and, as I shall argue, it is where cultural phenomena play a crucial role.

Bringing Culture Back In

Class formation occurs when workers seek out collective strategies to defend their well-being, as against the individualized ones that are normally more attractive. This requires, in turn, either that the mechanisms that channel their energies away from collective organization are weakened or that workers increase their willingness to incur the sacrifice entailed in organizing. These are two analytically distinct solutions to the problem of class formation, each attacking one of the two elements that jointly affect the outcome. The first dampens the effect of the external environment in which workers make their judgments; the other changes the moral calculus on which workers make their judgments about the external environment.

It sometimes happens that workers find themselves in situations where the baseline obstacles to class organization are not as strong. Thus workers who are more skilled, and hence harder to replace, are less vulnerable to employer retaliation if they seek to create class organizations.¹² But naturally occurring advantages like these are not common and, even where they are, they are not in themselves sufficient. Even in cases where workers are handed some degree of insulation from the normal obstacles to class formation, it is never enough to neutralize the risks that organization entails. Hence, workers never have a garden path to self-organization, generated by the accident of occupation or location. They might have their leverage against their employers increased, but it never rises to equality; they might find it easier to find common ground, but technical change constantly disrupts whatever accord they hammer out among themselves; and even while the contribution of time and effort they have to make might be reduced, it never goes down to zero, so the inclination to shirk remains attractive. It requires something more than serendipity for workers to generate stable and enduring class organizations.

The indispensable ingredient, in addition to a favorable external environment, is *cultural* — a shift in workers' normative orientation, from individualistic to solidaristic. This flows directly from the fact that, when taking on

the burdens of organizing, each worker is being urged to *sacrifice* scarce resources willingly for an undertaking that might very well, and often does, result in failure. Free riding is the most attractive response from an individual standpoint — hence avoiding it requires that workers include in their calculus the welfare of their peers, rather than simply their own welfare. They have to make their valuation of possible outcomes at least partly on how it will affect their peers, out of a sense of obligation and what they owe to the collective good. This is the essence of solidarity, of course, and it is no accident that “solidarity” has been the slogan of the labor movement across the world since its inception. In directing every worker to see the welfare of her peers as being of direct concern to herself, a solidaristic ethos counteracts the individuating effects normally generated by capitalism. In so doing, it enables the creation of the collective identity that, in turn, is the cultural accompaniment to class struggle.¹³

Two points are worth emphasizing here. The first is that creating a solidaristic ethos typically requires conscious intervention — it is not automatically generated by the class structure. Elements of mutuality and empathy are of course an everyday part of working-class life. Workers often collaborate in various ways at the workplace to defend themselves against managerial authority. Sometimes it is tacit and unsaid — as when they refuse to inform on one another or pick up the slack for less productive colleagues. At other times it is more explicit—as when workers cooperate to engage in a slowdown, create mutual aid societies, and so on. But these forms of cooperation are often ephemeral and dependent on particular constellations of individuals; most importantly, because they lack an organizational ballast, they do not generate bonds of trust strong and enduring enough to consistently overcome the centrifugal forces pulling workers apart. Workers know that in normal circumstances, they can rely on their colleagues for sympathy — but it is never clear how far this reliance can go and how deep the trust can be.

For a culture of solidarity to become part of workers’ strategic orientation requires conscious direction and agency. In its weakest form, this means a set of *routines* inside and outside work, designed to encourage the building of relationships and, through these, the sense of trust and mutual obligation that might sustain class organizing — monthly picnics, occasional meetings to air grievances, church events, cultural productions like plays and concerts, etc. All of these are examples of culture-generating actions that organizers initiate but that stop short of creating an organization. They often happen in contexts where it is simply too dangerous to create a real workers’ association — as in much of the Global South even today — or as a lead-up to a formal organization.

A stronger form of cultural intervention, of course, comes from creating a formal organization like a trade union or party, which encompasses many of the informal routines that are practiced in its absence but goes beyond them in the construction of a working-class identity. Organizations encompass much of what is practiced in the informal routines I have described, but they give these a permanence and structure, making them an enduring part of working-class life. Even more importantly, they link the workers’ collective *pursuit* of their welfare to collective

decision-making about *strategy*. Spontaneous empathy and informal routines have the effect of generating a certain amount of trust among workers, but provide no reliable mechanism for coordinating their actions. Organizations provide a basis for greater trust and coordination because they are backed by a kind of institutional promise of support to their members. Just as importantly, because decisions are made in deliberative and democratic settings, they have legitimacy even with those who vote against the decisions. Hence, when the call for action goes out in the form of a strike or a slowdown, it is taken less as a command from above than as a *self-exhortation*.

The second point to note is that while creating a working-class identity is an act of social intervention, it is not a social *construction*. The culture of mutual identification that class formation requires is not created out of whole cloth, nor does it create an entirely new political calculus. It is built on, and continues to be constrained by, material interests. Hence, even while workers can and do operate with a sense of obligation toward the welfare of their peers, this rarely displaces a regard for their own well-being. Relatedly, while workers can be enjoined to undertake risks and sacrifices for the pursuit of a collective goal, their willingness to sacrifice does not mutate into outright altruism. Both of the more extreme orientations are possible, of course; they are typically the defining qualities of people known as organizers or, in a horrible bit of social-science jargon, “political entrepreneurs.” These are the members of the class who build their lives around their dedication to class organization, at enormous personal cost and at often at great risk. But the very fact that they stand out as a distinct layer within the class is evidence that they are anything but typical. The basic task of organizers is not to urge everyone else to be like them — since they know that this is a lost cause. It is, rather, to persuade their peers that the organizations and campaigns that they are advocating are desirable and possible. There will be some risk, and the participants will incur some costs, but they are justified because of the promised gains — in security, wages, autonomy, and so on. Solidarity does not evolve into altruism, nor does the willingness to sacrifice amount to an embrace of martyrdom.

This enduring relevance of material interests is apparent in several dimensions of working-class organization. Many of the pillars of trade unionism are primarily geared toward reducing the individual costs that go into collective action. This is classically evidenced in the construction of a strike fund, with the purpose of tiding workers over in the event of a work stoppage. The fund operates as a kind of insurance scheme that workers pay into that comes into effect in the event of a strike. The reason every union tries to build one is eminently practical — it is a recognition of the fact that their members will not engage in a campaign simply based on principle or identity. Their willingness to commit is disciplined by their judgment as to the toll that it will take on them — their ability to incur the costs that it will entail. Institutions like strike funds are the material supports upon which solidarity is built.

So workers base their judgments in some measure on what they are being asked to do. But they also assess the practicality of what they are doing it *for* — that is, the goals of the campaign. Workers assess a campaign not only on the absolute costs that they are being asked to bear, but also on the realizability of the goals. There are limits beyond which they judge that the costs are not justified by the likelihood of success. They will perceive a certain level of sacrifice as reasonable if they deem the goal to be achievable, while the same quantum of sacrifice will be unacceptable if the goal is feared to be unrealistic. Of course, there is no science to assessing which goals are achievable and hence present an acceptable level of risk, and which are not. Judgments about this sometimes turn out to be mistaken; when they are, they can lead to a loss of trust in the organization and hence a decline in its legitimacy. Political organizers thus face the following challenge: If their judgments about the realism of campaigns are accurate, it can initiate a virtuous cycle in which success breeds workers' trust in the organization and in one another, which then makes it possible to undertake more ambitious campaigns, which feeds back into the strength of the class organization. But if their assessments are wrong and the pursuit of overly ambitious goals leads to defeat, it can result in a loss of trust, demoralization, a disinclination toward solidarity, and a return to a defensive, individualistic orientation by the membership.

These aspects of class organizations show again that workers can *rationally* chose *not* to be organized. Classical Marxism often presented the situation of workers as if the only reasonable choice for them was to forge class associations. When it was found that the inclination to embrace this strategy was at best uneven within the class, it is not surprising that some early Marxists attributed this to a collapse of rationality among workers—this was the theory of false consciousness. In other words, they insisted that Marxist theory was right, but it was the *workers* who were mistaken in their judgment about their own interests. It is of course true that anyone can be misled or mistaken in their judgments about whether or not they are being harmed. But a theory that relies on attributing a systematic failure in judgment to large groups is indulging in a rather spectacular bit of special pleading.

A more plausible conceptualization of the problem of the problem is this — when workers contemplate the attractiveness of class association, they are implicitly comparing its feasibility against the option of an individualized strategy of reproduction, and each of these options has something to recommend it. While the collective option holds a promise of more leverage against their employer and hence the possibility of material gains, it also exposes the workers to new risks and a series of costs that they would not otherwise have to bear, *ceteris paribus*. Organizers, in a sense, ask workers to choose between two strategies, each of which comes with its own risk/reward matrix. The individualized route carries lower immediate risks but also exposes the worker to continued managerial despotism and lower economic welfare, whereas the collective strategy promises more power and better economic outcomes, but at a greater potential cost. The hard work of organizing is not simply to

exhort workers into action; it is to attract them into membership by changing the risk/reward matrix that normally *disinclines* them from joining or participating in campaigns, thereby making the collective strategy a more attractive option. If the costs are too great or if the campaigns continue to run aground, solidarity will either never arise or will begin to erode. Workers then begin to drift toward the safety of keeping their heads down and returning to the more individualized strategy of reproduction.

In sum, class formation requires an ongoing process of cultural intervention, but its effectiveness is conditional on aligning it with workers' material interests. This account of culture in class politics acknowledges that class identities are not a natural or necessary outgrowth of the class structure. Indeed, the implications of my argument turn the classic Marxist account on its head. In the classical account, the class structure is taken to generate class consciousness, which in turn induces workers to build class organizations. I have tried to argue that, in fact, class consciousness is the *consequence* of class organization. Since the latter is an arduous process, highly vulnerable to disruption and precarious at its foundation, so is the formation of class identity. Hence, the fact that workers often do not identify their interests around their class location is not evidence for the weakness of a materialist class theory — it is what the theory should predict.

Conclusion

After an unduly long hiatus, scholarly attention is turning once again, albeit slowly and haltingly, to the theorization of capitalism as an economic system. It happened a half-century ago, in the wake of the global labor conflagrations of the late 1960s, and it might continue in that direction today if the revolt against neoliberalism proceeds apace. But if this return to the analysis of capitalism is to be genuinely productive, it needs to steer clear of some of the weaknesses that have bedeviled it in the past. One of the most important instances has been an ambiguity about the role of culture in the structural and political dimensions of class processes. A perceived inattentiveness to culture has become the justification, over the past two decades, for the analytical overvaluation of its role. But the antidote cannot be a simple return to political economy as if the criticisms from the cultural turn were never made. It becomes important, then, to engage the arguments from culture and to take up the challenge that they have posed. In this paper I have tried to show that while the concerns expressed by cultural theorists are warranted, they are not as damaging to materialist class analysis as they might seem. It is possible to accept the premise that all social action is filtered through culture while resisting the conclusion that class structure is therefore fundamentally shaped by it. On the other hand, there is every reason to support the causal importance of culture in the process of class formation, even while recognizing that it cannot dissolve some basic

material interests that govern political conflict. Culture continues to operate in both dimensions of class reproduction, even if in different capacities. Two important conclusions follow from this.

The first is that we can affirm the old adage that class is fundamentally about interests and power. We have seen the material interests play the central role in both class structure and the dynamics of class formation. This allows us to explain how it can be that capitalism can implant itself, remain stable, and generate recognizable patterns of economic action across a bewildering variety of cultures and regions. It can do so because it operates on aspects of agents' motivational set that, even while influenced by local cultures, are not constructed by them. The second implication is that while we can affirm this universality of capitalist dynamics, there remains a crucial place for cultural analysis in its description. This is important, because one of the anxieties fueling the cultural turn was that structural analyses of capitalism seemed to take culture as being causally irrelevant and hence had nothing to say about how economic action interacts with meaning construction.

The argument I have developed shows that cultural analysis can be married to a materialist class theory in quite determinate ways, which differ in the two dimensions of class we have examined. If it is true that agents' meaning orientation has to adjust to the demands of their class location, then the challenge for cultural theory is to trace the processes through which this adjustment comes about. This will surely differ from location to location — the ways Hindu workers in India incorporate the logic of their economic situation into their worldviews will probably be different from the ways Catholics in Mexico do. What is more, the question can be tackled at varying levels of analysis — from micro-level ethno-methodological research on a factory or a mining town to a regional or national analysis of cultural change. On the other hand, for research into class formation, the challenge becomes to explicate the conditions in which political identities come to cohere around agents' class location instead of other aspects of their social situation. There is of course already a rich vein of historical work on this — though the sociological literature is thin in comparison. The point is that culture does not have any less space in a broadly materialist class analysis than it does in other ones. Where they differ is in the causal role that culture is accorded. ¶

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¹ Thomas Piketty, *Capital in the Twenty-First Century* (Cambridge, MA: Harvard University Press, 2014).

- 2 Wolfgang Streeck, *Re-Forming Capitalism: Institutional Change in German Political Economy* (Cambridge: Cambridge University Press, 2010); Wolfgang Streeck, *Buying Time: The Delayed Crisis of Democratic Capitalism* (London: Verso, 2014); and especially his interview with NYU's Jonah Birch in *Jacobin*, "Social Democracy's Last Rounds," February 25, 2016.
- 3 William Sewell, *The Logics of History* (Chicago: University of Chicago Press, 2000). Sewell is part of a team that has launched a new journal, *Critical Studies in History*, in large measure to revive the return to capitalism.
- 4 William Sewell, "A Theory of Structure," in *Logics of History* (Chicago: University of Chicago Press, 2000), 135–36, emphasis added.
- 5 For a discussion of class structure and class formation, see Erik Olin Wright, *Classes* (London: Verso, 1985). I should acknowledge here the tremendous debt that this paper owes to Wright's work.
- 6 This criticism is so widespread that it has become something of a common sense in the field. But for cogent and influential arguments from two ends of the world, see Margaret Somers, "Narrativity, Narrative Identity, and Social Action: Rethinking English Working-Class Formation," *Social Science History*, Vol. 16, No. 4 (Winter, 1992), 591–630, esp. 594–98; and Dipesh Chakrabarty, *Rethinking Working Class History* (Princeton, NJ: Princeton University Press, 1989), 220–22.
- 7 I call this a particular reading of Weber because even while it offers a plausible interpretation of *The Protestant Ethic*, he is in fact somewhat inconsistent in arguing for the determining role of culture. But this will have to be taken up elsewhere.
- 8 For arguments that the cultural orientation of Hindus would be an obstacle to capitalistic development, see K.W. Kapp, *Hindu Culture, Economic Development and Economic Planning in India* (Bombay: Asia Publishing House, 1963), and V. Mishra, *Hinduism and Economic Growth* (Bombay: Oxford University Press, 1962); for a less pessimistic view, albeit from someone who accepts that capitalism requires the prior existence of an appropriate cultural outlook, see Milton Singer, "Cultural Values in India's Economic Development," *Annals of the American Academy of Political and Social Science*, Vol. 305 (May 1956): 81–91.
- 9 For a description of the causal logic of mediating mechanisms, see Erik Olin Wright, *Class, Crisis and the State* (London: Verso, 1978), 23–25.
- 10 Claus Offe and Helmut Wessenthal, "The Two Logics of Collective Action," *Political Power and Social Theory*, Vol. 1 (1980): 67–115. This essay remains the foundational analysis of the dilemmas of class formation within capitalism.
- 11 As Offe and Wessenthal argue, the constraints on employers' capacity for collective action differ markedly with regard to all three factors. First, and most importantly, there is the fact that while workers need associational power to be able to leverage better terms for the labor exchange, the employer does not. His structural location endows him with superordinate bargaining power on an individual level. This alone tilts the power balance in his favor so fundamentally that it outweighs all of the other factors in importance. But in those instances where the need does arise — as, for example, when employers band together as a response to labor's organizational success — the obstacles to doing so are relatively lower. First and most obviously, employers do not run the risk of retaliation by their antagonist, since the power to hire and fire is by definition monopolized by them.

No capitalist has to fear being sacked by a worker or collectivity of workers, should they discover that he is launching an employer association. Second, even though capitalists compete in markets, they are not as beset by interest heterogeneity in their confrontations with workers. Firms typically have great difficulty in holding the line on agreements in the face of profit opportunities at each other's expense. But this is much less the case when they come together as a counter to labor organization. Since labor organizations are committed to expanding across the breadth of the labor market, every employer knows that whatever advantage he might gain temporarily from his competitor having to contend with a successful organizing drive, that advantage will be lost as the unions gain in strength and spread to his own workplace. Hence, employers see a common interest in stamping out labor organizations where and when they might arise. The fact that they only have to converge around this very narrow issue makes the heterogeneity of interests far less of an obstacle to them than to labor. See Offe and Wessenthal, "Two Logics."

- 12 For an excellent account of how workers have used such situations to their advantage in class organizing, see Howard Kimeldorf, "Worker Replacement Costs and Unionization: Origins of the U.S. Labor Movement," *American Sociological Review*, Vol. 78, No. 6 (2013): 1033–62.
- 13 Still one of the best discussions of this process is Michael Hechter, *Principles of Group Solidarity* (Berkeley: University of California Press, 1987).

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