of being that may some day become hegemonic in the same way that the Declaration of Independence now is. The part of a revolution that is really revolutionary is a new (then hegemonic, then finally inadequate) way of speaking about the meaning of being a human being, one that allows for possibilities not present in the previous speaking on that subject. The process of deconstructing that old way of speaking is thus a component of any political work aimed at bringing into being a world constituted in language as "a vast web."

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Socialist Review (1989) 89(2):53-86

Democracy & Production Series

Marxism without Micro-Foundations

Michael Burawoy

> Empirical observation must in each separate instance bring out empirically, and without any mystification and speculation, the connection of the social and the political structure with production. The social structure and the state are continually evolving out of the life process of definite individuals, but of individuals, not as they may appear in their own or other people's imagination, but as they *really* are; i.e., as they operate, produce materially, and hence as they work under definite material limits, presuppositions and conditions independent of their will.
>
> —from Marx and Engels, *The German Ideology*

TWO ANOMALIES CONFRONT MARXISM as its refutation: the durability of capitalism and the passivity of its working class. Successive encounters with these anomalies—encounters stimulated by different political and economic circumstances—have shaped many incarnations of Western Marxism. Classical Marxism, for example, which included such disparate thinkers as Kautsky, Luxemburg, Plekhanov, Jaurès, Adler, Bauer and Hilferding, emerged out of Marxism's golden age. Europe's historical circumstances between 1890 and 1920 could be interpreted as vindicating Marx's scientific inves-

An early version of this paper was delivered at a Workshop on the Politics of Production held at the University of Chicago, November 13-14, 1987. I am grateful to Adam Przeworski, Erik Wright and Carol Hatch for reading and commenting on subsequent versions. [Sam Bowles and Herb Gintis will respond to Michael Burawoy's critique of their work, which appeared in *SR* no. 89/1, in a later issue. —*Ed.*]

tigations. During this period economic forces did appear to be propelling Europe toward a major international crisis and class struggle did appear to be escalating. The events warranted optimism and anomalies could be passed off as temporary aberrations.

The legacy of this golden age gone by is orthodox Marxism. Orthodox Marxism today could be characterized as classical Marxism in a period that no longer warrants optimism. Now, the veritable laws of motion of capitalism no longer point to the objective necessity—and inevitability—of socialism. In the quiescent 1980s, Marxism's contradictions cast a particularly long shadow, making orthodoxy even harder to sustain.

There have, of course, been many critiques of classical and then orthodox Marxism—from critical theory, which attacked both the possibility and the desirability of a Marxist science, to French structuralism, which sought to revive Marxist science as "theoretical practice." Symptomatic of the most recent times are two further trajectories of Marxism. The first is the move beyond Marxism to broaden its appeal: socialism becomes participatory democracy, the working class becomes one of a number of possible agents of transformation and the economic realm becomes one of a number of sites of oppression. From this mosaic of domination spring new social movements, potentially bound together by a common political discourse.*

The second response to orthodoxy—the one that concerns me here—restricts rather than expands its audience. Marxism is packaged for consumption in the academic world by equipping it with the perquisites of science. Preeminent in this domain is the self-defined school of *analytical Marxism*, whose core members include such established and brilliant philosophers and social scientists as Jon Elster, G.A. Cohen, John Roemer, Adam Przeworski and Erik Olin Wright. Their mission is to purge Marxism of its dogmatic elements by introducing the clear, rigorous thinking of analytical philosophy and the logico-deductive models of neoclassical economics. They seek to bring Marxism out of the nineteenth century by tackling its abiding theoretical problems with the sophisticated techniques of modern social science.

Analytical Marxists, therefore, seize on the logical flaws and unsubstantiated assertions of orthodox Marxism to justify its wholesale renovation. Their criticism runs as follows. Orthodoxy has devoted

*I examine one such post-Marxist solution in my essay, "Should We Give Up on Socialism?" *Socialist Review*, no. 89/1, pp. 57-76.

much energy to explaining away the gap between contemporary reality and what were two conclusions of classical Marxism: (1) capitalism's tendency toward crisis and collapse, and (2) the revolutionary potential of the working class. In the hands of orthodox Marxists these empirical conclusions become articles of faith, protected by auxiliary hypotheses. Theories of imperialism, for example, are proposed to explain how capitalism's tendency toward self-destruction are postponed through the "exploitation" of third world countries. Theories of the state present it as an omnipotent body capable and willing to fill functional gaps in the economy, to negate crisis tendencies. Rather than arguing that capitalism is able to reproduce itself, orthodoxy preserves the postulate of collapse by proposing mechanisms which counteract its more fundamental tendency toward self-destruction.

A second set of auxiliary theories explain why the working class has not realized its revolutionary mission. Orthodoxy calls on the betrayal by working-class leaders, on the "false consciousness" of the appointed revolutionaries, the corrosive effects of bourgeois ideology, repression of the state, the development of a labor aristocracy, the divisive forces of racism and sexism, and more. A common thread ties together these strategies to preserve orthodoxy: *teleology* and *functionalism*. The inevitable collapse of capitalism and the rise of the working class are taken as given—teleological premises—and countervailing forces are conjured up as functional for capitalism, seemingly by definition.

ANALYTICAL MARXISM DISPENSES with all such teleology and functionalism as ungrounded metaphysics. For too long orthodox Marxism has protected itself from refutation by unrigorous, speculative and ad hoc hypotheses. Instead, analytical Marxists propose to build new scientific foundations for Marxism. The teleology of inevitable capitalist collapse and of inherent revolutionary potential of the working class should be rigorously justified or abandoned. The unfaltering "functionality" for capitalism of the state, of imperialism, of ideology, and so on, must be proven. Analytical Marxists diagnose the problem of orthodoxy as the failure to base its conclusions on real social mechanisms that work through individuals. For instance, philosopher Jon Elster, a leading spokesman of analytical Marxism, finds of lasting importance Marx's use of methodological individualism: "the doctrine that all social phenomena—their structure

and their change—are in principle explicable in ways that only involve individuals—their properties, their goals, their beliefs and their actions."[1]

Social phenomena, whether they be macro tendencies of the economy or the role of the state, must be explained as the result of strategic action of individuals defined by their preferences and property endowments. This is what John Roemer, analytical Marxism's beacon economist, intends when he writes:

> Marxian analysis requires micro-foundations. What Marxists must provide are *mechanisms*, at the micro-level, for the phenomena they claim come about for teleological reasons.... In seeking to provide micro-foundations for behavior which Marxists think are characteristic of capitalism, I think the tools *par excellence* are rational choice models: general equilibrium theory, game theory, and the arsenal of modelling techniques developed by neoclassical economics.[2]

The purpose of this essay is to show how analytical Marxism's uncritical adoption of the scientific tools of neoclassical economics—tools which have become increasingly fashionable in all the social sciences—do *not* supply micro-foundations. Analytical Marxism's critique of orthodoxy can be turned against itself. The inadequacies of orthodoxy, that is its failure to ground its historical claims in micro-institutions, reappear in analytical Marxism.

I. Przeworski's Marxism: Reconstruction or Abandonment?

OF ALL THE ANALYTICAL MARXISTS Adam Przeworski stands out as going beyond programmatic statements to take up the challenge:

> Marxism was a theory of history without any theory about the actions of people who made this history.... Statements about individuals and collectivities must be carefully distinguished: attributions of the status of collective actor to "capital," "the working class," or "the state" must be subjected each time to critical scrutiny to see whether the collective action is consistent with individual rationalities. The challenge originating from the rational-choice framework is specific: a satisfactory theory is one that can explain history in terms of the actions of individuals who are goal oriented and rational. All theory of society must be based on such foundations: this is the challenge.[3]

Whereas Cohen, Roemer and Elster regard abstraction and clarity as an end in itself, Przeworski seeks to deploy his powerful theoretical apparatus to understand the world as we know it. He alone addresses the empirical world with models of strategic action to bring together new conceptions of class struggle, the dynamics of capitalism, the state as a strategic actor, and the transition to socialism. He captures the real dilemmas of socialist politics, giving a new sting to what it means to be a socialist in a capitalist world, to participate in a society one seeks to transcend. More generally he makes theoretical and empirical sense of what it means to make history under conditions not of one's choosing. Przeworski demonstrates how strategic action, whether it be socialist parties in electoral competition or workers forging class compromises, is limited but also makes a difference. He shows how past choices reappear as contemporary constraints, how the present might have been different if alternative paths had been followed in the past. In short, he suggests concretely how we might actually learn from history.

He confronts two shibboleths of orthodox Marxism: first, that workers and capitalists are in irreconcilable conflict. Taking the character of class conflict as non-zero sum (that is, the possibility that labor can, in a sustained way, advance its material interests within capitalism) as his point of departure, he develops a genuine political economy—a theory of the dynamics of capitalism in which class struggle and accumulation, state and economy are systematically connected. Second, he shows that struggles for those material gains, whether these take place through electoral politics or trade union struggles, are unlikely to lead beyond capitalism. Reforms are not cumulative—they are an improbable road to socialism. He draws the uncomfortable conclusion: "The struggle for improving capitalism is as essential as ever before. But we should not confuse this struggle with the quest for socialism."[4]

Forsaking the reformist road to socialism could be taken as a call for revolution. But Przeworski shows no inclination toward such a solution. For him, this is too closely associated with Leninism and the defects of Soviet societies. He provides no grounds for thinking that a revolutionary transition to socialism would be any more likely or successful than the electoral road. Given his pessimism, one might say counter-Marxist conclusions, what remains of Marxism in his work? Is Przeworski's work a reconstruction or an abandonment of Marxism? Let us see how *he* understands his work.

Class and Contradictions

PRZEWORSKI DEFINES MARXISM AS "an analysis of the consequences of forms of property for historical processes."[5] Orthodox Marxism understands the link between property and history in two ways. First, it defines history as the interaction of the forces of production and relations of production. In particular, orthodoxy understands the dynamics of the capitalist mode of production as resulting from individuals pursuing interests given by relations they have to enter. The economy develops according to its own laws. Second, orthodoxy defines history as the history of class struggle. Class struggle takes place in and around the state between classes that have their basis in production. Class-in-itself, shaped in the economy, becomes a class-for-itself, a collective actor in the political arena. Przeworski's Marxism begins with a critique of the "class-in-itself/class-for-itself" problematic and ends up introducing "class struggle" into the analysis of the dynamics of the capitalist economy.

We begin then with orthodox Marxism's understanding of how a class-in-itself becomes a class-for-itself. The argument rests on two assumptions: that the tendency of capitalist class structure is toward the polarization between capital and labor, and that workers cannot realize their material interests within capitalism and therefore combine to struggle for socialism. Within this framework corresponding sets of questions arise. First, what is the class position of those occupations—managers, professionals, and state workers—which don't fit the conventional categories of capital and labor, and of those adults who are outside production altogether—the unemployed, domestic workers, students, retired workers, and so on? Second, do economic positions give rise to specific interests, and, if so, what are those interests and how are they produced? Finally, under what circumstances are those interests realized?

One strategy of dealing with these questions is to create new class locations to which one imputes material interests. Foremost in pursuing this strategy is another analytical Marxist, Erik Wright. In the first incarnation of his scheme, Wright introduced three sets of contradictory class locations between the three major classes of advanced capitalism: capital, labor and petty bourgeoisie. More recently in his 1985 book, *Classes*, he defines three forms of exploitation: capitalist, organizational and skill. These determine the interests of different classes: capital, managers, professionals.[6]

Each class has an objective material interest in maximizing its own form of exploitation. The test of the adequacy of such models is their power to explain variations in class consciousness and class identity. The task is to create that theory of class which offers a map of class locations and corresponding material interests which best explains class action. In other words, the goal is to redefine the meaning of "class-in-itself" to obtain the best fit to "class-for-itself."

Przeworski rejects this way of dealing with the problem. While Wright *assumes* there is a link between class position and class actors and in order to discover it he, as *scientist*, redefines the meaning of class location, Przeworski insists there is no necessary link between economic places and collective actors, and if there is a link it is *forged through struggle*. What defines a class location and class interest for Przeworski is not given a priori, but is the subject of struggle:

> The problem of the relation between objectively defined classes and classes qua historical actors will not be resolved by any classification, whether with two or many objective classes, with or without contradictory locations. The problem persists because such classifications, whether made in party headquarters or within the walls of academia, are constantly tested by life, or more precisely by political practice. Wright's "contradictory class locations" are contradictory only in the sense that his assertions about the "real interest in socialism" are not borne out by the consciousness and the organization of those who are supposed to have this interest. On paper we can put people in any boxes one wishes, but in political practice one encounters real people, with their interests and consciousness of these interests. And these interests whether or not they are "real," are not arbitrary; their consciousness is not arbitrary; and the very political practice that forges these interests is not arbitrary.[7]

Instead of arguing that social relations define classes which then enter into struggles, Przeworski reverses the relationship and argues that classes are the effects of struggles which are in turn shaped by political and ideological as well as economic relations. Classes do not exist before class struggle, but are the result of class struggle. Or to put it another way: class struggle is first a struggle about the very meaning of class before it is a struggle between classes.

The analysis turns away from deciding how location in production defines class position and class interest and toward deciding how economic, political and ideological relations shape struggles. Here too

Przeworski avoids any determinate relationship: "The assertion that social relations structure class struggles must not be interpreted in a mechanical fashion. Social relations—economic, political, or ideological—are not something that people 'act out' in ways reflecting places that they occupy, but are a structure of choices given at a particular moment of history."[8]

Thus, Przeworski substitutes his own two projects for those of orthodox Marxism. His first project abandons the class-in-itself/class-for-itself problematic. Classes are no longer inherent but are shaped by struggles; they are the effect of struggles. Specifically, he focuses on how political and economic structures create the parameters within which political parties seek to maximize votes by redefining class. The result is an historically variable mapping between *location in production and class.* This is the project of *class formation.*

His second project criticizes the idea of a self-propelled economy, expanding according to determinate laws. Instead, he shows how property relations shape struggles, which in turn reshape those property relations, and incorporates struggles into the analysis of accumulation. In this project he takes class actors (capital and labor) as given and shows how they strategize under conditions shaped by the political order. The result is a historically variable mapping between *class and interest.* This is the project of *class compromise.**

Analytical Abstractions

PRZEWORSKI'S ACHIEVEMENTS ADD UP to nothing less than the reconstruction of Marxism. Nevertheless, his theories are without micro-foundations. For all his programmatic commitment to "methodological individualism," for all his rhetoric against Wright's

*Sometimes Przeworski appears to veer towards a post-Marxism, similar to Ernesto Laclau and Chantal Mouffe's *Hegemony and Socialist Strategy* (London: Verso, 1985), which makes class an historically contingent actor. The tendency is greatest in his analysis of class formation where his "subjects" have first to be constituted by struggle before they engage in struggle. However, these subjects still turn out to be an alliance of classes or class fractions. By gesturing toward lived experience and Gramscian limits, Przeworski avoids being swept away in articulatory practices and suturing discourses. His second project, on the other hand, is the very antithesis of post-Marxism. Here the dynamics of capitalism set limits on "class compromise." Laclau and Mouffe would no doubt accuse him of "classism," "essentialism," "economism," "reductionism" and countless other post-Marxist sins because he privileges the material base and treats capital and labor as preformed actors.

"arbitrary boxes" in the name of "political practice" and "real people, with their interests and consciousness of these interests," and for all his repeated insistence on dealing with "lived experience," he consistently fails on each of these counts. Specifically, in his analysis of electoral politics voter preferences are implanted from outside so that workers become the dupes of macro-actors, in particular, of parties and trade unions. Instead of founding his analysis of politics on *real* individuals, he founds them on *mythological* individuals. His study of class compromises restores the centrality of social relations, but as *abstract* entities and not as they *concretely* exist in specific sites. Marxist micro-foundations cannot be created out of mythological individuals and abstracted relations but, I argue, must be constituted by the concrete relations that real people are compelled to enter. Absent from his analysis are the micro-institutions which, on the one hand, shape the interests and identities of individuals, and on the other, set limits on the form and effects of macro-forces.

Inasmuch as he ignores the lived experience generated by micro-institutions, his analysis is undoubtedly incomplete. But is it also wrong? Throughout, he reduces interests of workers under capitalism to material interests: "Those needs that can be satisfied through the consumption or use of objectifications of socially organized activities of transformation of nature, which, under capitalism, are commodities."[9] The relevant micro-foundations would be the micro-institutions of consumption—the dependency of all but the wealthy on obtaining a job, improving their standard of living, making ends meet within an uncertain economic environment. Were he to include such a micro- analysis of consumption and distribution his theory would be enriched, but in all likelihood, his conclusions would remain the same.

However, if there are other arenas of daily life around which non-material interests congeal, then introducing micro-institutions endangers his theory. Thus, theorists of new social movements focus on demands for the expansion of political rights. Rather than confining attention to who *gets* what, when and how, they shift attention to who *decides* what, when and how in a diverse set of arenas. They are concerned with democratization as an end in itself. That certainly is one challenge to Przeworski's analysis, but not the one I will be centrally concerned with here. Instead I draw attention to interests that congeal around who *does* what, when and how, around the micro-processes of capitalist production underpinning distribution. The examination of

class interest, class formation and class struggle, I argue, requires attention to production and the lived experience it generates.

This is an uncontroversial claim until one studies Przeworski's reconstruction of Marxist theory of class. His view of class as the effect of struggles removes class from any direct ties to production. His definition of politics—"a process of establishing the priority of claims to the national product [as well as conflicts concerning] the direction of production and the organization of politics"[10]—emphasizes the macro determination of who *gets* what, when and how and systematically ignores who *does* what, when and how. Here lies the challenge of Przeworski's analytical Marxism.*

Clearly, a conception of class and politics which ignores production is Marxism without micro-foundations. What do I mean? I do *not* mean ignoring production is by *definition* incompatible with Marxism. Rather, it is a substantive claim. In the following discussion, I propose to show three things: (1) that Przeworski cannot carry out either his class formation project or his class compromise project without micro-foundations, specifically those that include production and the lived experience it generates; (2) that the contradiction between his two projects—that in one class is problematic and in the other it is given—can only be resolved by introducing micro-foundations of production, and (3) that an account of class struggle, electoral politics, the organization of consent, and the transition to socialism which *includes* an analysis of production arrives at conclusions different from his.

II. The Problem of Class Formation

SOCIAL DEMOCRACY, and here Przeworski takes Kautsky's writings as his point of departure, promised socialism through the ballot box. There was some question whether capitalists would allow their expropriation without a violent struggle, but there was no doubt that the working class would form the majority of the population and thus vote the socialist party into office. The defining problem of Przeworski and

*Interestingly, Przeworski criticizes Roemer's neoclassical Marxism for ignoring the labor process. Roemer cannot assume out of existence the problem of extracting labor from labor power because it significantly affects his claimed correspondence of wealth and income (Adam Przeworski, *Capitalism and Social Democracy*, [Cambridge: Cambridge University Press, 1985], pp. 229-30). But in his own theory Przeworski ignores production not only from the standpoint of its economic effects but more importantly from the standpoint of its political and ideological effects.

John Sprague's *Paper Stones* is why this didn't happen: why have socialist parties been so unsuccessful in acquiring office?

Their answer is as follows. Socialist parties initially define their constituency as "manual wage earners employed in mining, manufacturing, construction, transport and agriculture, persons retired from such occupations, and inactive adult members of their households."[11] They discover that there aren't enough voters in this narrowly defined working class to gain office. So socialist parties seek out the support of "allied classes," but in so doing they dilute the salience of class in their appeals and thus lose their ability to attract working-class support. They face a trade-off between increasing the vote of allied classes and instigating a decline in working-class votes, which varies between countries. It increases with the presence of communist parties or parties with particularistic (religious) appeals, which draw off votes when the socialist party dilutes its working-class program, and it falls with the presence of alternative national class organizations, such as strong and centralized trade unions, which maintain workers' allegiance to the socialist party even when it expands its support beyond the working class. In this way Przeworski and Sprague are able to explain the trajectory of support for socialist parties in terms of the strategy of parties, the trade-offs they encounter and the occupational structure. They are able to examine whether socialist parties are vote maximizers and whether their present strategies take into account future effects.

Sources of Identity

THE THEORETICAL ASSUMPTIONS that inform Przeworski and Sprague's analysis can best be appreciated by comparison with the conventional approaches they criticize. These attribute patterns of voting to preformed identities—race, religion, class, and so on—without ever explaining how those identities are first created and then become connected to parties. Przeworski and Sprague do away with preformed identities, arguing that "individual voting behavior is an effect of the activities of political parties."[12] "Through a variety of means, ideological as well as organizational, conflicting political forces impose images of society on individuals, mold collective identities, and mobilize commitments to specific projects for a shared future."[13] Even more emphatically they write: "To impose a cultural interpretation on our findings we would have to find aspects of working-class culture

that are independent of the strategies pursued by parties and other organizations. We do not believe that such aspects exist."[14]

THIS CERTAINLY IS CONSISTENT with Przeworski's view that class is not inherent, but an effect of struggles—in this case party strategies—on *tabula rasa* individuals. Yet throughout *Paper Stones* alternative perspectives slip into their analysis, interpretations which do recognize the importance of lived experience generated independently of parties and unions. For example, in their discussion of the electoral strategy of the German Social Democratic Party they suggest that its leaders' impetus towards vote maximization was constrained by the rank and file.[15]* In explaining why socialist parties initially sought to organize all workers and only workers, Przeworski claims elsewhere that only a working-class party could offset the competitive individualism among workers and the integrative tendencies of the bourgeois ideology of universalism.[16] Yet he writes in *Paper Stones* that workers "were distrustful of any influences originating outside their class,"[17] that is to say they possessed a collective consciousness independently of socialist parties. Indeed, Przeworski and Sprague note that workers resisted the message of socialism.[18] If they were to be successful, socialist parties had to cater to the more reformist inclinations of workers. Finally, at the end of their book they again observe that individuals, far from drifting in and out of parties according to party strategy, created their own grassroots institutions—cooperatives, councils and communes—which socialist parties devoted their energies to dismantling.[19] All these examples suggest that party leaders were forced to respond to class struggles they didn't organize.

Przeworski and Sprague might well reply that such class consciousness predated the absorption of political parties into electoral politics. Once mass political parties were established, then collective identities come to the working class from without. But even then they have to *assume* the causal efficacy of a lived experience that is generated independently of parties and trade unions. Take, for example, what they regard to be clinching evidence for their argument. They show that the

*Yet, only a few pages later, when they again confront the fact that party leaders don't pursue vote maximizing strategies, they obfuscate the nature of constraints from below by asserting that party leaders maximize "expected utility."(Przeworski and Sprague, *Paper Stones* [Chicago: University of Chicago Press, 1986], p. 124.) They don't tell us what the utility function is or from where it comes. In this way they deny the importance of changes in working-class experiences brought about by its self-organization, such as those that took place in Germany between 1900 and 1920.

effect of left-wing parties mobilizing white collar workers was to dampen the working-class vote. "Their problem was not only to convince white-collar employees that they are workers but also to persuade workers that white-collar employees are workers."[20] They assume that manual workers regard white-collar employees as different, *independent* of party appeals. It is difficult to understand why this would be the case were it not for some lived experience of manual workers which places them in some unspecified opposition to white-collar employees, a lived experience that shapes the trade off facing party leaders.*

WHAT IS THE SOURCE OF THEIR AMBIGUOUS treatment of individuals as, on the one hand, blank slates upon which parties and unions impress identities and, on the other, as having preformed identities shaped by lived experience? The answer seems to be as follows. When it comes to explaining *variations* in the trade-off they assume *tabula rasa* individuals whose identities are shaped by parties and trade unions. But to explain the very *existence* of a trade-off in all countries, Przeworski and Sprague place their bets on "a hypothesis that the line of sharpest divisions, of interest and values, lies between narrowly defined manual workers and other wage earners."[21] Here again is an unmistakable reference to the lived experience, presumably based in production, of a core working class.†

For anyone interested in the possibilities of a transition to socialism, the ubiquity of the trade-off is more fundamental than its variation. So

*Indeed, Przeworski himself elsewhere writes: "No ideology, Marxism included, can perform its function of coordinating individual wills unless it is validated continually by daily life, by what Althusser calls 'the lived experience.' If an ideology is to orient people in their daily lives, it must express their interests and aspirations." (Przeworski, *Capitalism and Social Democracy*, p. 136). Even more explicitly he writes: "...if any ideology is to be effective in instituting an image of social relations, if it is to achieve the effect of generating a collective project of social transformation, then it must correspond to the manner in which people experience their everyday life. Hence, the effectiveness of socialist ideology with regard to workers depends upon characteristics of their life situation that are secondary from the point of view of class membership, namely, size of revenue, life-style, position within relations of authority, work conditions, character of work—'misery,' 'poverty,' 'oppression.' " (p. 76.) This implies that an understanding of the constraints on party ideology requires a careful examination, indeed theorization of lived experience and its determinants. But this is simply absent in Przeworski's analysis.

†It should be noted that this quote referring to an autonomous lived experience is from an early summary of the argument (although published for the first time in 1985). In *Paper Stones* they simply report that they couldn't find any such lived experience independent of parties and unions and so they assumed it didn't exist.

why then do Przeworski and Sprague devote their attention to explaining variations? One doesn't have to look far for an answer. To explain the general phenomenon—why, for example, socialist parties have never won the support of more than half of those entitled to vote—they would have to examine the lived experience of different fractions of the working class and its allies. But they do not have the theoretical apparatus, the "micro-foundations," to accomplish this task.

When they do refer to the lived experience of workers, Przeworski and Sprague fall back on homilies from Marx about the individualizing effects of labor market competition: "The interests which workers have in common place them in competition with one another, primarily as they bid down wages in search of employment. Individual workers and particularly workers of a specific firm or sector have powerful incentives to pursue their particularistic claims at the cost of other workers."[22] Or they deny that workers can generate class identity without the help of macro actors: "[lived] experience [of workers] may be one of poverty, of compulsion, of inequality, of oppression. It may be one of similarity. But it is not an experience of class."[23] Even if these claims were true, they only tell us that the spontaneous experience is *not* an experience of class; they don't tell us what it actually *is*. Above all, they don't explain why manual industrial workers might have different interests or values than state sector office workers. That would require a theory of production and the experience it generates—notably absent in Przeworski and Sprague's analysis.*

The Micro-Foundations of Electoral Politics

WHAT WOULD BE THE TASKS of such a theory of production? It would have to explain how production structures the experiences of different groups of wage earners, thereby accounting for the very existence if not the variation of electoral trade-offs.

At this point I can only provide a schematic prolegomenon for such a theory. It begins by refusing the reduction of production to economic activity, to the labor process. Production has a political and ideological component as well as an economic one. It is not simply the production of things, but the production and reproduction of social relations as well as an experience of those relations. The reproduction of relations *of* production (property relations, who *gets* what) and of relations *in* production (the labor process, who *does* what) require what I call apparatuses or the regime of production—which in other conceptual schemes might be called forms of labor control or industrial relations. Different sectors of the working class are not only characterized by different occupations, but more importantly, are bound into different regimes of production, creating different experiences of class. Steel workers, garment workers, office workers in a welfare agency develop different visions of their employers. Until ten years ago steelworkers were bound to their employers through elaborate machinery of grievances, collective bargaining and seniority rights. Garment workers experienced more arbitrary, despotic and personalistic relations of domination, leaving them more vulnerable to the market. Office workers in a welfare bureaucracy have careers in the state, whose activities are circumscribed by politically negotiated rather than market constraints.

Over time the regime of production varies. For example, steelworkers now find their jobs in continual jeopardy, which elicits greater dependence and cooperation between unions and employers. More generally over the last fifty years, with state regulation of industrial relations and the rise of social insurance, employers have had to reorganize the balance of force and consent within production. Moreover, this has been accomplished in different ways in different advanced capitalist societies, in part reflecting the role of the state in supporting unemployment and constraining managerial practices. According to Przeworski and Sprague, a steelworker is a steelworker is a steelworker, and all that varies is the identity that is impressed upon him or her by political parties and unions. These are mythological steelworkers. Real steelworkers are bound up in different regimes of production which generate different experiences of class.

*Gramsci, the inspiration behind Przeworski and Sprague's work, suffers from the same problem. To be sure, Gramsci insisted on the importance of lived experience as limiting political appeals: ideology is neither "cold utopia nor learned theorizing," but has to galvanize the collective will by resonating with a lived experience (Antonio Gramsci, *Selections from the Prison Notebooks* [New York: International Publishers, 1971], p. 126). Elsewhere he has denied that parties can have autonomous ideologies: "It is evident that this kind of mass creation cannot just happen 'arbitrarily,' around any ideology, simply because of the formally constructed will of a personality or a group which puts forward solely on the basis of its own fanatical philosophical or religious convictions. Mass adhesion or non-adhesion to an ideology is the real critical test of the rationality and historicity of modes of thinking" (p. 341). But for all his programmatic insistence on lived experience, Gramsci never tells us what it is or where it comes from. In the final analysis Gramsci too is without micro-foundations.

But even if the lived experiences of workers were relatively homogeneous across advanced capitalist societies and over time (and therefore unable to explain *variations* in outcomes), they would still be important in setting limits on the trade-off and the class composition of party support. In Przeworski and Sprague's model the trade-off—that is, the rate at which socialist parties lose votes when they adopt supra-class strategies—decreases with the existence of powerful and centralized unions, which in turn intensifies class identity and increases with the strength of the communist or religious parties to which workers can gravitate. Constraints that derive from the immediate lived experience of workers become invisible in Przeworski and Sprague's analysis. But that doesn't mean they don't exist.

THE SAME IS TRUE of the class composition of party support. Rather than argue that workers respond to their concrete experience and set limits on leaders' strategies for maximizing votes, they assert that leaders' "quest for electoral support was circumscribed by an autonomous concern for class loyalty."[24] But where does this "autonomous concern" come from? Here Przeworski and Sprague require a theory of political parties and their leaders rather than a theory of voting, of how rank-and-file workers exercise or don't exercise their influence on party leadership, how and when party leaders decide to maximize votes. Why should party leaders be viewed as strategic actors while party followers are regarded as blank slates? They require, in other words, a micro-foundation of party organization as it affects both leaders and led. Przeworski and Sprague begin by attacking political sociology for failing to develop a theory of interests among voters, but they end up ignoring sociology's contribution to a theory of organization that would explain the conditions under which leaders choose, for example, between an autonomous class loyalty and maximizing their electoral support.

Nor do they take seriously enough their leitmotif from Gramsci—that "the counting of votes is the final ceremony in a long process." Parties discover the "coefficients" that set limits on their strategy not only in elections but in the campaigns leading up to elections. It is here that they learn, sometimes wrongly, which appeals are going to work and which are not. Just as conventional studies reduce voting behavior to individual traits without explaining why those traits are important—*a theory of voters without a theory of voting*—so their own analysis reduces the outcome of elections to party strategies without

examining how those strategies are shaped in response to the autonomous interests of voters—a theory of elections without a theory of electioneering.

Przeworski and Sprague do succeed in explaining variations in voting patterns by reference to parties and unions, but in so doing they conceal the premise of their argument: the existence of a core working class whose interests and values are different from other wage earners. This is why socialist parties lose worker votes when they try to attract the support of other classes and why the electoral road to socialism is doomed to failure. Their theory lacks micro-foundations at its most critical point. Furthermore, such micro-foundations would explain how production shapes experience, but once introduced they would lead to alternative interpretations of variations in voting patterns, interpretations that would give greater credence to the independence of the working class even in advanced capitalism. Przeworski and Sprague would be led back to a terrain they have abandoned—to production as the place where class is organized and disorganized. And this reversal would suggest that the obstacles to the transformation of capitalism are more fundamentally rooted in production than in electoral politics.

In concluding this section, I therefore propose two theses. The first is a *weak thesis*: an explanation of variations in voting behavior cannot ignore production as a micro-foundation. The second is my *strong thesis*: production and not electoral politics is decisive in explaining the failure of socialism in advanced capitalist countries. It doesn't matter how many workers there are—so long as consent is manufactured in production, socialist parties will not be able to forge an electoral road to socialism. I will extend these two propositions in my response to Przeworski's analysis of class compromise.

III. The Problem of Class Compromise

PRZEWORSKI'S SECOND PROJECT ABRUPTLY switches the focus from class *formation* to class *interests*. He abandons the first project before it becomes untenable, before classes become figments of party propaganda or evaporate in electoral discourse. What had been so problematic in the first project—the formation of classes—suddenly becomes unproblematic in the second project. Classes are now *given* as strategic actors, allowing Przeworski to ask how capitalist relations of production shape the interests of capital and labor.

As before, his point of departure is orthodoxy. Do the material interests of capital and labor place them in irreconcilable antagonism? Orthodoxy assumed that because the product of work is divided into profits for capital and wages for workers, what one class gains is at the expense of the other. Which is to say the relationship between capital and labor is of a zero sum, that is non-cooperative character. Przeworski shows how this is only a static picture. When dynamic considerations are introduced relations become non-zero sum. Labor has an interest in capital accumulation just as capital has an interest in eliciting "consent" to exploitation through wage increases. In fact, workers can make material gains within capitalism on a relatively continuous and organized fashion without threatening capitalism.

Each side agrees to avoid striking the limits of the capitalist system: labor agrees not to demand wages that would be confiscatory (expropriate the expropriator) while capital assures labor minimum wage below which labor withdraws its "consent" to exploitation. Within these limits labor is prepared to forego wage increases now if it is assured that capital will invest a certain proportion of its profits which will be turned into future wage increases. Przeworski shows that when labor is too militant—that is, when it demands a particularly high return to labor out of profits—short-term advantages give rise to longer-term losses as there is less capital to be turned into wage increases. When labor is too quiescent wage increases continue to be small relative to a more militant strategy. Although Przeworski develops a precise mathematical model, intuitively one can see that, given a particular time preference, and a particular rate of investment out of profits, there is an optimal level of militancy which will bring maximal wages within the specified time period.

Compromises: Between Whom and Where?

AS A CRITIQUE OF THE SOCIAL-DEMOCRATIC ROAD to power, his model is devastating, but as a theory of class interests it raises many questions that remain unexplored. The first question is: where does the class compromise take place? Przeworski's formulation of capital-labor relations is so general that it could take place at the level of the workshop, the firm, the enterprise, the economic sector, the economy as a whole or at the level of the state. For example, when speaking of the breakdown of consent in terms of its effect on the class

compromise, Przeworski ranges from collective bargaining and countrywide collective agreements, to election results and changes in electoral representation.[25]

The capitalist economy is not simply an enterprise writ large. The interests of the individual capitalist do not coincide with the interests of the capitalist class. A centralized class compromise that increases wages, or more precisely, the labor share of value added, across the working class (as in Sweden and Austria) forces capitalists either to withdraw when they are inefficient or to invest at higher rates. In decentralized systems, such as the United States, firm-based or industry-based class compromises lead to a dual wage system with lower labor shares and lower rates of investment out of profits overall.*

Przeworski actually provides the conceptual tools for developing a distinction between different arenas of compromise when he extends the specific argument about the dependence of labor on capital to a wider characterization of capitalist society. The material interest of any group, not just labor, is dependent on the prior realization of the interests of capital. "Capitalists are thus in a unique position in a capitalist system: they represent future universal interests while interests of all other groups appear as particularistic and hence inimical to future developments. The entire society is structurally dependent upon actions of capitalists."[26] The combination of capitalism and democracy is a compromise in which those who don't own the means of production consent to private property while those who do own the means of production consent to political institutions that organize an uncertain but limited redistribution of resources. Moreover, it is the possibility that different groups may make gains that draws them into participation in democratic politics and elicits their consent to capitalism. Although Przeworski does not make the distinction, there are in fact two compromises: a *class compromise* between capital and labor, and a *democratic compromise* between capitalism and all interest groups in society.

This immediately suggests two arenas of compromise: the economy and the state. As soon as one takes seriously the possibility of a class compromise at the level of the enterprise then it is no longer possible to confine the analysis to the distribution of profits between wage in-

*The data on the relationship between rates of investment and labor shares for different countries is taken from Przeworski, "Capitalism, Democracy, Pacts: Revisited" (Unpublished Manuscript, 1988).

creases, investment and capitalist consumption. It is not enough to examine why workers should consent to the appropriation and distribution of the product. We must proceed to the more basic question: why should workers actually produce the product? By remaining at the very general level of relations *of* production—property relations—Przeworski overlooks the relations *in* production, the relations of the labor process through which profit is produced. Moreover, not just the relations of production but also the relations in production have to be reproduced.

As soon as work and production are introduced, it is easy to see that Przeworski has misspecified the character of the class compromise. He stays at the level of distribution, which is premised on the private appropriation of the product, and he therefore emphasizes the dependence of labor on capital. But as soon as one introduces production it becomes clear that capital is also dependent on the spontaneous cooperation of labor. The decisive problem for managers is to *produce* greater value than workers receive in wages. It entails a conception of *production politics* that is as much concerned with who does what, when and how as it is with who gets what, when and how.

In the class compromise workers agree to cooperate in the pursuit of profit so long as capitalists agree to pay them a wage. The link between wage, production and profit varies according to the political regime of production. In a hegemonic regime, for example, workers are persuaded to cooperate by tying wages to profits and also to seniority. Political apparatuses of production, such as the internal labor market, the grievance machinery and the mechanism of collective bargaining, organize the concrete coordination of the material interests of workers and capital's interest in the production of profit through the expenditure of effort.

Consent or Legitimacy?

UNDOUBTEDLY ONE OF PRZEWORSKI'S GREATEST contributions is the sense he makes of Gramsci's concept of consent and the contrast he draws with legitimacy. Consent to an institution involves active pursuit of its goals:

> Social actors, individual and collective, do not march around filled with "predispositions" which they simply execute. Social relations constitute structures of choices within which people perceive, evaluate and act. *They consent when they choose particular courses of action and when they follow these choices in their action.* Wage earners consent to capitalist organization of society when they act as if they could improve their material conditions within the confines of capitalism.[27]

Consent cannot be reduced to a state of consciousness, to the articulation of attitudes or beliefs which justify domination—that is, to legitimacy. Regimes may be legitimate or illegitimate, but their breakdown follows from the withdrawal of consent.

Legitimacy is an assessment of normative validity based on, but not constitutive of, lived experience. On the other hand, hegemony, in this case meaning consent to capitalism, has to be constituted in everyday life.[28] But the distributive decisions upon which Przeworski focuses are not part of workers' daily lives. Collective struggles against capital (often confined to trade unions or other forms of worker representation) or voting are ephemeral and infrequent. The class compromises that Przeworski describes provide the basis of the *legitimacy of* capitalism but not *consent to* capitalism. Consent is organized continuously in day-to-day life, particularly in the workplace, where specific political and ideological apparatuses of production lead individuals to bind themselves to the interests of the enterprise.

More specifically, Przeworski asserts (following his interpretation of Gramsci) that there is a wage below which workers withdraw their consent to capitalism. "If it is true that reproduction of consent requires that profits be transformed in the course of time into improvements of material conditions of wage-earners, then given the past history of profits *there must exist at any time a level of wage increases which is minimally necessary to reproduce consent.*"[29] But what evidence is there for such a minimal wage increase?* Certainly in the last five years, US labor has had to make concession after concession. In many sectors real wages and benefits had declined steadily, contract negotiations now revolve around "give-backs" from labor to capital. Yet there is no sign of workers withdrawing consent to capitalism. Quite the contrary: the absence of resistance or its lack of success lies not simply in higher levels of unemployment but in the character of the preexist-

*Przeworski here relies on Gramsci: "the interests of the dominant group prevail, but only up to a certain point, i.e., stopping short of narrowly corporate interest." (Antonio Gramsci, *Selections from the Prison Notebooks*, p. 162). Whether Gramsci intended all that Przeworski attributes to him is not important. More important is that an interpretation of Gramsci cannot be a substitute for empirical evidence. Przeworski does not provide evidence of a minimum wage below which workers withdraw their consent.

ing hegemonic regimes of production that are still in place and still function to concretely coordinate the interests of labor and capital, so that workers will expend ever greater effort and accept a decline in material conditions to keep their enterprise alive.

Because it absorbs so much of daily life and because all realms of capitalist society are dependent on it, *production is the decisive arena for the organization of consent*, decisive in Gramsci's sense that it constitutes the final " 'trenches' and the permanent fortifications of the front in the war of position."[30] The possibility that workers will receive increased future wages in return for what they forego today, a distributive issue in which workers are rarely involved, is not the basis of consent but of legitimacy. When that legitimacy breaks down, the sturdy structure of the production regime is at once revealed.

The Democratic Compromise: State as Actor

THESE CRITICISMS NOTWITHSTANDING, Przeworski's insights into the potentially collaborative relationship between capital and labor are crucial for the analysis of the state. So long as Marxists assumed that the conflict between capital and labor was irreconcilable, that workers can advance their material interests only as individuals or by abolishing capitalism, the role of the state was clear—an instrument for maintaining capitalism against struggles aimed at its overthrow. It accomplished this function through repression, through ideological domination or through co-optation.[31]

The functionalist conception of the state, whether of the "autonomy" or "instrumental" variety, derived then from the assumption of a zero-sum relationship between capital and labor. If this assumption is altered so that labor as a collective actor can advance materially within capitalism a very different conception of the state emerges. It becomes the expression or even instigator of class compromise. Are there limits on the class compromise that can be struck? In a more recent paper Przeworski and Wallerstein argue that by taxing the consumption of shareholders the state can redistribute income without a detrimental effect on investment: "The conclusion is that when all wage earners are organized in one centralized union federation and the government is purely pro-labor it will choose a tax on capitalist consumption the effect of which will be to bring wage earners' material welfare almost to the level they could obtain under socialism."[32] This is true only in the static sense since, when capital gets wind of any such move, it will reduce the rate of investment or flee, that is to say the transition costs to such a situation could be prohibitive. Przeworski and Wallerstein present this as a subsidiary issue but in reality it is the heart of the matter. Capitalists can withdraw their consent to democracy and either instigate its overthrow or move elsewhere, but workers have no such alternatives except under unusual circumstances and therefore do not withdraw consent even if their wages are falling.

Przeworski successfully dispenses with the idea of the state as confined to an external agency preserving capitalism and calls for a true "political economy" which will bring together "Marxist economics" and a "Marxist theory of the state" in a dynamic relationship:

> The most striking feature of the vigorous development of contemporary Marxism is that the world of "economics" and of "politics" have been hermetically sealed from each other. Since the state is "autonomous," politics is studied without any reference to economic dynamic. Since economic actors never organize collectively, economic dynamic can be studied without any reference to politics. Economic actors behave strategically but only as individuals seeking to maximize their wages or profits. Political actors are not actors at all: they are automata struggling with each other over ill-defined or completely conjured "long-term" interests.[33]

Przeworski unquestionably advances our understanding of the interrelationship of politics and the economy. Nevertheless, in his scheme, they are still external to each other. The economic arena has its own dynamics now linked to class struggle and class compromise while the political arena organizes and cements these and other compromises and struggles.

Przeworski overlooks the existence of political institutions *within* the economic arena, in particular, political and ideological regimes of production which link class relations to class action. Without such a politics he has no explanation of whether and under what circumstances workers will be optimally militant, or how their time preferences are determined. He cannot understand changes in work organization that give rise to different levels of accumulations. Nor can he explain actual rates of investment when the state taxes capitalist consumption. Economic relations should indeed be understood as a structure of choices, but without a theory of production regimes he cannot explain how those choices are perceived, the source of interests (preferences) that determine those choices, whether they will be made individually

or collectively and so on. He can only produce models of abstract possibility rather than explanations of reality.

JUST AS PRZEWORSKI OVERLOOKS THE POLITICAL dimension of the economy, he also overlooks the productive dimension of the state. The absence of a "politics of production" is complemented by an absence of a "production of politics." "The state" is no more an actor than "the economy," it is a "mode of production" itself with its own hierarchical and horizontal divisions. Przeworski once more commits the sin of methodological collectivism, ignoring the divergence of individual and collective rationalities.* The state is a site of production in which so-called public goods take a privileged position and as a result struggles both between and within apparatuses assume a distinctive form. They take place primarily over the distribution of budgets rather than of profits. In advancing their claims, contestants appeal less to market forces than to public needs. Within the state, struggles between managers and workers assume different forms in different apparatuses, depending on, for example, their politically negotiated centrality within the state and their relationship to the public they serve.†

Here too there are class compromises which set limits on the provision of goods and services as well as intervention in the economy. In criticizing theories of accumulation that abstract from class struggle, Przeworski writes: "abstractions from processes that affect predictions are bad abstractions."[34] This applies no less to his own theory of the state which leaves no logical place for production or class struggle. Once more it is a theory without micro-foundations.We are now in a position to understand the riddle with which we began this part

*In their examination of the obstacles to popular sovereignty Przeworski and Wallerstein do open up the black box of the state, examining what states control, the locus of decision-making and the organization of production of services. They also discuss the potential autonomy of apparatuses as well as constraints on such autonomy. They conclude that: "The cohesion of the state is always problematic for purely institutional reasons: the state is a complex system without a fixed center of cohesion." (Adam Przeworski and Michael Wallerstein, "Popular Sovereignty, State Autonomy, and Private Property," *Archives of European Sociology* [1986], p. 242.) One wonders, then, how useful it is to assume the state to be a coherent actor.

†I have been particularly influenced by Paul Johnston's (1988) work on the state as a distinctive "mode of production" which examines the implications of the production of social goods and services for the organization of work, for the politics of state production and for the development of class struggles. (Paul Johnston, *The Politics of Public Work* (unpublished PhD dissertation, University of California, Berkeley, 1988).

of the essay, namely the disjuncture between Przeworski's two projects. In his analysis of electoral politics class formation is problematic, whereas in his analysis of class compromise both class and state are given as collective actors. The only way to reconcile the two projects is to provide a politics of production which would link the dynamics of capitalism to class formation. Without such micro-foundations he has not transcended the duality of "class-in-itself" and "class-for-itself," but suspended half his work from one branch and half from the other. We must now examine Przeworski's conception of socialism and see whether it manages to reconcile these divergent perspectives on class.

IV. Socialism: Utopian and Scientific

WE SAW EARLIER HOW PRZEWORSKI ARGUED that the electoral route to socialism is self-defeating. If socialist parties are to gain office they have to dilute their working-class platform in order to attract votes from allied classes. Przeworski now digs even deeper into the premises of orthodox Marxism. He challenges the assumption that the transition to socialism is in the "objective" (material) interests of workers. He asks: what are the conditions for workers to rationally opt for socialism out of their material interests? He answers: "...that socialism be more efficient in satisfying material needs than capitalism and that moving toward socialism would immediately and continually improve workers' materials conditions."[35] Even if we assume that socialism is more efficient than capitalism, it may not be rational to opt for socialism because (1) workers can make material gains under capitalism and (2) the costs of transition will be very steep due to capital strike and capital flight.

Who Chooses What, Where and When?

WHILE THIS PREMISE MAY DEAL A DEVASTATING blow to the theory of social democracy, as a theory of the transition to socialism it is inadequate. Przeworski sets up a mythical problem embedded in the theory of social democracy but absent from the reality of capitalism. Only under exceptional conditions do workers choose between capitalism and socialism, and this is precisely because capitalism as a system of exploitation is absent from their lived experience. For the most part workers experience relations in production, but not relations

of production. Przeworski is not strictly correct when he talks about the way capitalism organizes consent to exploitation, since exploitation is mystified. Instead, the object of consent is domination—the willingness to render up labor in exchange for a wage. The systemic character of capitalism is obscured so that workers only see individual enterprises operating in competitive relations with one another. Without experiencing capitalism, socialism is not a meaningful alternative and so the question of whether workers would rationally opt for socialism is moot.

THIS IS TRUE FOR CAPITALIST WORKERS, but not for workers under state socialism, whose lived experience is very different. There, society presents itself to workers as a totality, a system of exploitation. The state presents itself as an expropriator and seeks to legitimate itself as presenting the interests of all. State socialism is organized as an alternative to capitalism. Workers participate in rituals that celebrate its efficiency and justice—campaigns, production conferences, brigade competitions, and so on—while they live a reality that appears devoid of these qualities. However, here the choice is not between capitalism and socialism, but between existing state socialism and a society implicit in the rituals—a socialism of efficiency and justice, a workers' socialism.*

Yet, of course there are occasions even in capitalism where workers consider their options when the naturalness of everyday life is suspended. When class struggles accumulate momentum, leading to ever more intensive confrontations with the state as, for example, in the concept of the "mass strike," then the choices open to workers can change significantly. The possibility of an emergent commitment to socialism through participation in struggles is marginalized by Przeworski's embrace of a neoclassical conception of strategic action: "the power of neoclassical economics lies in being able to separate the analysis of action at a particular moment from everything that created the conditions under which this action occurs."[36] Preferences are taken as given rather than made and remade through participation in the world. History teaches us a different lesson—what appears real, feasible and viable is molded and remolded by social movements as they unfold, whether these are struggles in nineteenth century France and England, or after the first world war in Italy, Germany and Russia.

*I have developed these ideas at length in "Reflections on the Class Consciousness of Hungarian Steelworkers," *Politics and Society* (forthcoming).

Przeworski reproduces social democracy's focus on the material interests of workers, on the distribution of wages and profits. He shows that workers can make material gains and thus capitalism has a durability unanticipated by Kautskyist orthodoxy. He justifies his analysis of material interests by arguing that capitalist democracy reduces all needs to material interests. But how true is this? Don't movements for peace, for protection of the environment, and for the extension of civil rights all contest the narrow economic logic of Przeworski's class compromise? While I am not persuaded that these movements generate "radical needs" that lead beyond capitalism, they nevertheless cannot be ignored in the analysis of contemporary capitalism, not least in the way they compel capitalists to introduce new technologies and new products.

Przeworski's Ethical Socialism

PRZEWORSKI'S SOBER PICTURE OF CAPITALISM is counterpoised to a correspondingly radiant picture of true socialism. As ever, Przeworski's critique of social democracy is illuminating. When socialists realized that reforms were not leading to socialism in the foreseeable future, he argues, they lowered their aspirations. They took advantage of Keynesian economic strategies to introduce social welfare measures, but now that Keynsianism is no longer viable they are bereft of any alternative program. Przeworski resuscitates the original ideals of socialism. Instead of full employment he proposes emancipation from labor; instead of spreading democracy from the political to the economic realm he proposes the reduction of mutual constraint and the liberation of free time. "Socialist democracy is not something to be found in parliaments, factories, or families: it is not simply a democratization of capitalist institutions. Freedom means de-institutionalization; it means individual autonomy."[37]

Once more production is eclipsed. The defining problem of socialism, as in capitalism, is distribution: "The intrinsic feature of a socialist organization of society is the capacity of the society as a whole to choose in a democratic way the mix of needs to be satisfied in the allocation of resources."[38] He proposes a society in which the labor time devoted to the production of necessities is negligible. He clings to the fantasy of automation, of machines replacing people. To be sure we would hope that socialism would bring with it a reduction of the

working day, but production there will always be. Przeworski's conception of socialism resonates with his analysis of capitalism: they both avoid an examination of production and its regulation, and thus also the implications they have for distribution. I can only repeat: without production there is no distribution.

The Micro-Foundations of Class

PRZEWORSKI'S SOCIALISM IS DOUBLY UTOPIAN: it has no basis for existence and there's no point of entry. It is time to return to socialism on earth and the conceptualization of class. Writing of "rational choice Marxism," Przeworski, unintentionally perhaps, supplies his own auto-critique:

> What is thus wrong with methodological individualism, I believe, is not the idea that collective actions must be explained by referring to individual rationality but the idea that society is a collection of undifferentiated and unrelated individuals. The appropriate view is neither one of two ready-to-act classes nor of abstract individuals, but of individuals who are embedded in different types of relations with other individuals within a multidimensionally described social structure.[39]

As I have tried to show, Przeworski is not true to his prescriptions. In the analysis of electoral socialism his individuals are abstract, in his analysis of capitalist dynamics he has two ready-to-act classes and a ready-to-act state, and finally, in his analysis of the transition to socialism, he shuttles between the two. He never describes or analyzes the concrete relations in which real individuals are embedded. It is now time to piece together our criticism of Przeworski and replace his theory of class with one that takes seriously the concrete relations of micro-institutions.

As point of departure, I take the two anomalies that drive Przeworski's work: the durability of capitalism and the passivity of its working class. He resolves these anomalies by reconstructing the concept of class. Because so many economic activities don't fall into conventional class categories and because class interests are not given by economic location, Przeworski dispenses with idea of class as prior to struggle and instead proposes that class be considered as an effect of struggles. He begins by criticizing the idea that class interests are stamped onto workers by virtue of their position in production, but he ends up with another stamping of interests—this time by parties and trade unions. He finds himself in this contradictory position because he doesn't take seriously the lived experience of workers.

IN MAKING LIVED EXPERIENCE IRRELEVANT, particularly the lived experience in production, Przeworski is led to absurd conclusions. In his scheme there is no obvious way to discriminate between class actors and non-class actors. There's no reason for workers and capitalists to be classes rather than men and women, or Catholics, Jews and Protestants. He doesn't even rule out the possibility of workers and capitalists combining to form a single class. Workers and capitalists may indeed form an alliance and come to act in a solitary way, as in wars, but that hardly warrants calling them a single class.

Viewed as an effect without roots in production makes nonsense of the concept of class, so it is hardly surprising that in the analysis of "class compromise" Przeworski reappears as a methodological collectivist. The project of class formation is jettisoned and we are confronted with two ready-made classes, capital and labor. From being dupes of parties and unions, workers suddenly become active militants, forging class compromises as part of their daily life, as the basis of consent to capitalism. To whom is he referring? Whose daily life?

But, just as important, he doesn't care to tell us how capital and labor become actors. We don't care to ask him because we know that capitalism generates distinct class experiences, yes class experiences, in which those who own the means of production or their representatives periodically bargain with, but generally direct those who sell their labor power or their representatives. Workers and capitalists don't have to be told by parties and trade unions that they have distinct interests. That's why the idea of class compromise sounds so plausible.

How might we construct an alternative theory of class with real micro-foundations? Instead of abandoning the concept of "class-in-itself" in which class position is defined by relations to the means of production, I propose to give it more depth. Specifically, I introduce the idea of class experience which is rooted in production but entails more than economic interests. Typically, Marxists—and this includes theorists of the labor process as well as of class—argue for a one-to-one correspondence between economic position and the experience of that position. They overlook the importance of production as a site of political and ideological formation as well as of economic activity.

Moreover, the political and ideological aspects can vary independently of the narrowly economic or labor process aspect of production.*

That is to say, if classes emerge at all as actors, they do so first under the combined influence of the economic, political and ideological moments of *production.* The character of production relations, the way they are reproduced and the experience generated thereby provide the ground for incumbents of particular places in the labor process to become a collective actor, a class-for-itself. Only on this basis can we talk about the role of parties and trade unions molding or reshaping class. Workers are neither more nor less the victims of the machinations of parties, trade unions, churches, or schools than are party leaders, general secretaries of unions, archbishops, teachers and even analytical Marxists. In each case interests and values are grounded in lived experience.

This leads once more to my *weak thesis*: the analysis of *variations* in class formation cannot ignore production and the lived experience it generates. According to my *strong thesis*, on the other hand, capitalist production and its hegemonic regimes give rise to the *common* attribute of advanced capitalist societies: the eclipse of working-class struggle for socialism. Specifically, I argue that a necessary but not sufficient condition for a class to struggle for socialism is its proletarianization—that is, separation from the means of production and incorporation into a socialized labor process. The requisite "socialist" consciousness emerges only when proletarianization is combined with a specific regime of production—one that is found in state socialist societies. Here, workers become aware of their class interests and why they cannot be realized within the confines of state socialism. The character of the production regime leads them to an imminent critique of state socialism for failing to live up to its ideals. The absence of electoral competition between parties, of open public discourse or of a civil society does not prevent workers from developing a class understanding of their society. Quite the contrary: their class consciousness is more deeply embedded even though class mobilization is more difficult to organize.

*This is where I part company with Wright. In trying to maximize the explanatory power of his map of class structure, Wright has shifted from an original but clearly Marxist model to one in which classes are defined not in relationship to one another through the appropriation of labor, but by the assets (capital, organizational and skill) they can mobilize. I am inclined to return to his original model but to seek explanations for the non-correspondence of class position and class consciousness or class identity in the political and ideological components of production.

Under advanced capitalism, the regime of production bottles up struggles within the enterprise by coordinating the relations of capital and labor. And, by obscuring exploitation, it obstructs the development of a radical class consciousness. The effective demobilization and deradicalization of the working class draws attention to social movements whose basis is an immanent critique of capitalist democracy. These movements are "new" precisely because of the weakness of working-class participation. Theorizing the political and ideological apparatuses of production supplies the answer to why it is that socialist parties have disdained radical mobilization and succumbed to electoral politics.

V. Neoclassical Marxism

CLASSICAL MARXISM NEVER THOUGHT to critically examine whether workers would in fact become the vast majority of the people, whether in fact socialist parties did represent the interests of workers or whether workers themselves had a material interest in socialism. Classical Marxism simply took these for granted. Przeworski counterpoises his own arguments: workers haven't, don't and won't form the vast majority of the population; in order to succeed in electoral competition socialist parties have sought support from allied classes, thereby diluting their commitment to the working class; and workers don't have a material interest in socialism because of the gains they can make under capitalism and because of the costs of transition. This critique is particularly damaging because it shows that by challenging just two assumptions—workers forming a majority and zero-sum character of capital-labor conflict—the entire edifice of classical Marxism crumbles.

But as a positive explanation for the durability of capitalism and the passivity of its working class, Przeworski's critique lacks precisely what orthodoxy lacks—micro-foundations. First, his analysis of electoral socialism misspecifies the causal forces at work. Identities, including class identity, are not forged by macro-actors alone but also by and through lived experience. Reflecting the regime of production, workers evolve their own identities, and parties and unions are compelled to take them into account. Second, his analysis of class compromises rests on a very abstract characterization of relations of production which obscures the distinction between micro- and macro-arenas

and thereby misspecifies the actual dynamics within each arena. The class compromise at the level of the enterprise involves not just who gets what, when and how, but also who does what, when and how.

There may be an optimal militancy which maximizes the material interests of workers, but there is no evidence that real workers actually operate with such a conception. The same is true of his postulated minimum wage increase below which consent is withdrawn. In the final analysis he fails to accomplish his own stated goal: "We will never understand the resilience of capitalism unless we seek the explanation in the interests and in the actions of workers themselves."[40] Rather than discovering those actions and interests of workers, he either regards them as shaped by macro-actors or imputes to them a plausible but empirically unfounded rationality.

PRZEWORSKI EFFECTIVELY CHALLENGES two assumptions underlying the theory of social democracy, but fails to furnish it with micro-foundations. He replaces the assumption of polarization of class structure with the idea that class is produced as the effect of struggle and the assumption of irreconcilable class conflict with a non-zero sum conflict in which class compromises are possible. By themselves, however, these two new assumptions cannot provide the framework for an analysis of the history and future of capitalism. That would require micro-foundations grounded in production and the lived experience it generates. Przeworski knows this: throughout his writings he calls for the examination of such a lived experience. There is a fatal discrepancy here between intent and execution, between the programmatic defense of micro-foundations and their absence in practice. He begins by criticizing classical Marxism, but ends up reproducing precisely those aspects of orthodoxy which analytical Marxism claims to abandon.

For this reason alone his analytical Marxism may be more appropriately called "neoclassical Marxism." But there is another more fundamental reason for this relabeling. Analytical Marxism looks to neoclassical economics for mechanisms at the micro-level to explain phenomena at the macro-level. Now it is true, on occasion, that Przeworski has been critical of this enterprise. He reproaches methodological individualism for assuming "undifferentiated, unchanging, and unrelated 'individuals.' Thus, while any theory of history must have micro-foundations, the theory of individual action must contain more contextual information than the present paradigm of rational choice admits."[41] And while approving Roemer's use of game theory, Przeworski admonishes him for committing the same errors of neoclassical economics: separating economics from politics, looking upon the system of production as a "self-operating automaton." The problem with Marxism, says Przeworski, lies *not* in how it departs from but in what it shares with neoclassical economics.[42]

Yet he carries into his own analysis the same neoclassical props: mythological rather than real individuals, abstracted rather than concrete relations, distribution rather than production. To be sure, Przeworski recognizes the limits posed by relations *of* production on distribution. But relations *in* production, the *lived* experience of class, completely eludes him. It is not just that things have to be produced before they are distributed. Equally important, production has its own political and ideological regime which shapes interests, identities and capacities, and thereby limits and underpins both class formation and class compromise.

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