

Reconstructing Class Analysis

Yochai Benkler and Talha Syed

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INTRODUCTION

Attempts at integrating analyses of racialized and gendered subordination in capitalism with those of class, always high on the agenda of the Left, have become an urgent priority.¹ Yet they remain notoriously fraught.² One source of the difficulty, we believe, may stem from the

¹ On racialization and class, see, e.g., IAN HANEY-LÓPEZ, MERGE LEFT: FUSING RACE AND CLASS, WINNING ELECTIONS, AND SAVING AMERICA (2019); Michael C. Dawson & Megan Ming Francis, *Black Politics and the Neoliberal Racial Order*, 28 PUBLIC CULTURE 23, 23–62 (2016); ANANYA ROY ET AL., RACE AND CAPITALISM: GLOBAL TERRITORIES, TRANSNATIONAL HISTORIES (2018);; Joshua Cohen Deborah Chasman, *From the Editors: Race Capitalism Justice*, BOSTON REVIEW (2017);; Michael Walzer, *A Note on Racial Capitalism*, DISSENT MAGAZINE, Jul. 2020.; Olúfẹ̀mí O. Táíwò & Liam Kofi Bright, *A Response to Michael Walzer*, DISSENT MAGAZINE, Aug. 2020.; SSRC & 2018, *Race & Capitalism*, SSRC ITEMS, <https://items.ssrc.org/category/race-capitalism/> (last visited Aug 26, 2020); John N. Robinson III, *W. E. B. Du Bois and the Racial Economics of Inclusive Capitalism*, ITEMS, <https://items.ssrc.org/race-capitalism/w-e-b-du-bois-and-the-racial-economics-of-inclusive-capitalism/> (last visited Aug 26, 2020). On gender and class, see e.g. Angela P Harris, *Theorizing Class, Gender, and the Law: Three Approaches*, 72 LAW AND CONTEMPORARY PROBLEMS 37 (2009); JOAN WILLIAMS, RESHAPING THE WORK-FAMILY DEBATE: WHY MEN AND CLASS MATTER (2010); JOAN WILLIAMS, WHITE WORKING CLASS: OVERCOMING CLASS CLUELESSNESS IN AMERICA (2017); Nancy Fraser, *What Should Socialism Mean in the Twenty-First Century?*, 56 SOCIALIST REGISTER (2020).

² Valuable insight into how difficult and fraught the project of integrating race, gender, and class can be for people who have specialized in one or two dimensions, is provided by Nancy Fraser’s Presidential Address of the American Philosophical Association and reactions to it. Nancy Fraser, *Is Capitalism Necessarily Racist?*, 15 POLITICS/LETTERS Q. (2019); Barnaby Raine, *Capitalism, Racism and Totality: A Response to Nancy Fraser*, POLITICS/LETTERS Q. (2019); Jordan T. Camp, Christina Heatherton, & Manu Karuka, *A Response to Nancy Fraser*, POLITICS/LETTERS Q. (2019); Bruce Robbins, *The Answer Is No: A Response to Nancy Fraser*, POLITICS/LETTERS Q. (2019).

conceptions of class handed down from the classical Marxist tradition to enter into dialogue with those of racialization and gender from the Black Radical and feminist traditions. Specifically, two key flaws have marred standardly received conceptions of class.

First, in an understandable desire to underline their distance from *individualist* liberal conceptions of class as about mobility or opportunity, Marxists have classically tended to stick to untenably *materialist* conceptions of class, as anchored in production and appropriation of a “surplus.”³ Yet all attempts at specifying a wholly “materialist” conception of class in terms of “material production,” and “exploitation” as “surplus extraction,” will tend to be question-begging: there is no prepolitical way to specify what is a “surplus” or “exploitation,” because there is no prepolitical, transhistorical essence to what “production” is. These are all questions going to (fully political) *social relations*. Thus, instead of unduly materialist conceptions, we need to build upon what is the truly fundamental Marxian insight—namely that *class is a social relation*—and develop it in the direction of a subterranean tradition of Marxian analysis: class pertains to *asymmetrical social relations in both the division of labor and the disposition and distribution of its fruits*.⁴ Mobilizing such a conception of class within an analysis of capitalist dynamics shows, we argue, how it directly articulates with both racialized and gendered relations of super-exploitation and with gendered divisions of labor inside and outside the commodity form.

Second, fully internalizing a conception of class as *an asymmetrical social relation* also allows us to confront another legacy of traditional socialist views: the championing of a group—the working class—as the privileged agent of change. But class is not a “group” whose identity is to be valorized; it is an oppressive *relation*, to be transformed. Having one’s daily life activity shaped by such a relation—especially behind the veil of formal equality of opportunity that is the hallmark of class-in-capitalism—is no guarantee of any specific sort of emancipatory or, even, oppositional consciousness. A clear-sighted analysis of how class operates in capitalism puts the lie to any notion of spontaneous or even likely class resistance to capitalism *per se*. Indeed, *there has never been a revolt against capital*. Building resistance is the task of coalitional politics. This applies not just to the U.S. but more generally. What is special to the U.S. is the lack of any genuine social democracy as a third option on the political spectrum, of the Left as opposed to only a conservative Right and liberal Center. And the key to that, as Du Bois taught us, lies in racialization.⁵

At the outset, we wish to underline two important limits on our analysis. First, given the breadth and depth of scholarship on each of these dimensions of exploitation, expropriation, and domination, any effort at synthesis will necessarily be wrong in ways critically important to some set of readers and critics. We do not claim to, nor could we, offer a definitive synthesis on the vast literatures on race and racism, feminism, sexism, and heteronormativity, or—come to that—of

³ We emphasize that this classical Marxist conception, while the prevailing one among most Marxist scholars and the one standardly entering into dialogue with feminist and Black Radical analyses—as indicated below at notes 18- 25—is not the only one derivable from the Marxist tradition. Our own revised conception remains fully anchored in Marxian analysis: *see* notes 4 and 26, *infra*

⁴ This conception draws upon submerged strands in Marx’s own analysis, ones being revived today by the turn toward a *critique* of political economy, rather than a “critical political economy.” *See* note 26, *infra* and accompanying text.

⁵ *See* Part II.C. below; *See* also MICHAEL C. DAWSON, *BLACKS IN AND OUT OF THE LEFT* 15 (2013). (“Social Democracy in the United States was (and is) doomed to be at best a secondary player in American politics if it cannot incorporate opposition to racial oppression within its theoretical framework or practical program”).

class. Rather, we focus here primarily on developing an understanding of class-in-capitalism that is richer and more analytically complete than what we believe the state of the art is, and builds in racialized and gendered class relations into the ground floor of the basic model. Second, we especially want to underscore that we are *not* trying to explain race or racism, or gender and patriarchy. We are trying to understand *class* (in capitalism), recognizing that it is impossible to do so without integrating the role of atavistic status-subordination, particularly racial and gender subordination, in the construction of capitalist social relations.

Our analysis proceeds as follows. Part I situates our reconceptualization of class-in-capitalism within the literature on class analysis. Part II develops our alternative conception within an analysis of capitalist dynamics, to draw out the constitutively racialized character of those dynamics. Part III turns to how capitalist dynamics constitutively separates the spheres of paid production and unpaid reproduction work, and articulates with gendered divisions of labor inside and outside the market. Part IV takes up programmatic upshots of our analysis.

I. CLASS AS RELATION

For all that it has been the subject of extensive scholarship and activism for going on two centuries, class remains analytically fuzzy and contested in contemporary literature.⁶ Following Erik Olin Wright, we focus on three central approaches (each with internal variations): liberal, Weberian, and Marxist.⁷ The following situates our analysis in relation to each.

The core of our reconceptualization of class consists of three, linked, claims. First, *class is a relation* and not, as the liberal and Weberian traditions have it, about mobility, opportunity, or stratification. Second, *class is a social relation of production* and not, as the central strand of the Marxist tradition has it, such a relation simply with respect to a “material” surplus. Finally, *class is an asymmetrical social relation*, one that is exploitative and alienating—in a word, oppressive—and not, as a central strand of the socialist tradition has it, a group (the working class) whose cause is to be championed. As opposed to an identity to be valorized, class is a *relation to be transformed*.

Fully fleshing out these three elements effects a fundamental reorientation of class analysis, away from liberal emphases on “opportunity,” classical Marxist emphases on the “means of production,” and classical socialist emphases on “the proletariat.” In their stead, we have an analysis that emphasizes the fundamentality of (a) class structure (b) as asymmetrical division of labor and disposition of its fruits, (c) which merits transformation (at the limit, dissolution).

⁶ See, e.g., APPROACHES TO CLASS ANALYSIS, (Erik Olin Wright ed., 2005).

⁷ See Erik Olin Wright, *Introduction*, in *Id.* As Wright noted and explored, there are also lines of Durkheimian work, which resolve almost to occupational groups; and of course there is a whole line of work characterizing class based on culture and consumption patterns—most prominently Bourdieu—that we treat here within the Weberian approach, with culture and status-signalling through consumption providing the primary mechanism for opportunity hoarding; it is also partly a variant of the class-as-identity socialist strand we focus on in Part I.C., but without the valorization.

A. *Class as Opportunity (Liberalism)*

Liberal and Weberian approaches are usefully grouped together, being united in their focus on *barriers to a fair process of competition* (variously conceived in terms of “mobility” or “opportunity”), rather than on the *end structure* of the resulting positions.

Liberal approaches to class focus on *individual* income or market-relevant skills, and devise various schemes of *stratification* or gradation, which may be as simple as describing income percentiles or combinations of deciles (e.g., lowest quintile or top 1%), that mark off sets of individuals as occupying different *groups*. Class in this sense means a “group” of individuals who share certain market-relevant attributes (e.g., an education of high-school or less; a bachelor’s degree or higher). Attributes are “market relevant” when they render the individuals who possess them eligible for certain occupations. These occupations, in turn, are paid income assumed to reflect the marginal value of their work—income determined by efficient labor markets.⁸

Some such conception underpins the entire oeuvre of liberal theory, across the spectrum. Given its focus on individual attributes, even conservatives can agree, with social mobility seen as the essence of—not only necessary, but also sufficient for—a classless society.⁹ At one end of the spectrum lies the view that, if in principle anyone in their own lifetimes could, through their own choices, end up anywhere in the range of deciles or percentiles through hard work and “merit,” then that society is not a class one. It may be unequal in results—but it is not unjust. At the other, more egalitarian end, some liberals, most prominently Rawls, focus on providing some sort of insurance for bad luck—for being born with poor attributes and poor prospects for acquiring better ones. Others build on this baseline to introduce a role for desert, by developing a “moral hazard” skin-in-the-game insurance scheme,¹⁰ or, more generously, making sure that public policy actively invests in erasing bad luck in the initial distribution of education, family endowments, or smarts.¹¹

Unifying these views are two features: (a) methodological individualism and (b) relatedly, a failure to interrogate the structure of the positions on offer in social relations of production. These views fail to ask whether injustice resides merely in unequal access to opportunities to be on top, or also in the very inequity of the positions themselves, vis-à-vis each other, no matter how fair the opportunities to achieve them. Rendered invisible by this view is the injustice of a system that structures asymmetric social relations such that a small number of people are on top and a large number underneath. Those at the top occupy positions of great wealth, meaningful work, and authority over the lives of others. Meanwhile, most others wake up in the morning unsure whether they will have a job next year or whether it will cover the rent or medical bills, and can only look

⁸ At the limit, these kinds of approaches reach situations where they might proliferate the definition of class to be almost coterminous with occupation. See David B. Grusky & Jesper B. Sørensen, *Can Class Analysis Be Salvaged?*, 103 AM. J. SOC. 1187 (1998); Pablo A. Mitnik, Erin Cumberworth & David B. Grusky, *Social Mobility in a High Inequality Regime*, STANFORD CENTER FOR THE STUDY OF POVERTY AND INEQUALITY (2013)..

⁹ Mitnik, Cumberworth, and Grusky, *supra* note 8; RAJ CHETTY ET AL., *Is the United States Still a Land of Opportunity? Recent Trends in Intergenerational Mobility*, (2014), <http://www.nber.org/papers/w19844> (last visited May 4, 2015).

¹⁰ Ronald Dworkin, *What Is Equality? Part 1: Equality of Welfare*, 10 PHIL. AND PUB. AFF. 185 (1981); Ronald Dworkin, *What Is Equality? Part 2: Equality of Resources*, 10 PHIL. AND PUB. AFF. 283 (1981).

¹¹ BRUCE ACKERMAN, *SOCIAL JUSTICE IN THE LIBERAL STATE* (1981); BRUCE A. ACKERMAN & ANNE ALSTOTT, *THE STAKEHOLDER SOCIETY* (1999).

forward to a day of drudgery, following someone else's orders and exhibiting subservience to the boss. The substantive justice of that end state, rather than the procedural question of whether positions at the top are equally open to all, is off the table for liberals.¹²

A related, but distinct, family of approaches may be called “Weberian.” Retaining the focus on “opportunity,” what distinguishes these views is an emphasis on groups or networks rather than isolated individuals. To be sure, Weber himself distinguished class from status by insisting that “[c]lass situation is ultimately market situation,”¹³ and, as the founder of methodological individualism,¹⁴ conceived the mechanisms of market position in terms of more-or-less efficient labor markets, assigning more-or-less efficient wages, to individuals who possess given attributes. But the key distinctive move of Weberian class analysis is in how individuals come to possess (or not) said attributes: because of *opportunity hoarding* by networked groups, whose power and location is largely a function of ascriptive or inherited caste-like status. Positions in social status relations become levers to engage in hoarding of opportunities to obtain attributes that, in turn, translate into unequal occupations paying unequal wages.¹⁵

Weberian approaches tend to focus on the distinct credentials and advantages that accrue to individuals by dint of being born and raised in a given “class” (i.e., rung on a stratification ladder), marked by attending the right institutions, following the right consumption habits and acquiring the right social manners¹⁶—all of which are treated by potential employers as attributes relevant to getting a job. Again, as with liberals, what the job pays is what the market assigns it more or less efficiently. The problem here is *social closure*, or opportunity hoarding. Graduates of Harvard College send their kids to private schools, pay for fancy SAT prep courses, contribute to the annual fund. Their kids, lo and behold, turn out to be smart enough to get into Harvard, which in turn makes them eligible for all sorts of fancy jobs. The solutions proposed for addressing these inequities are to change college admissions standards, drop the SAT, abandon testing schools at the elementary and high school level, etc. This Weberian approach is most apt for integrating mainstream “equal opportunity” conceptions with racialized and gender relations. It is the critique

¹² The case of Rawls—as the limit-case of liberalism pushed to its most “democratic egalitarian” extreme—is instructive. In the middle of *Theory of Justice*, seemingly out of nowhere, Rawls states that “what [people] want is meaningful work in free association with others.” JOHN RAWLS, *A THEORY OF JUSTICE* 257 (Rev. ed. 1999) (1971). Yet this admission seems almost to play the ideological role of a Freudian confession-and-avoidance, since it has little bearing on the core argumentative structure of his theory, or its resulting principles of justice. These provide for: (1) a scheme of fully adequate equal basic liberties for all (the familiar liberal ones of bodily integrity, speech, religion, political participation, and so forth), as lexically prior to (2) fair equality of opportunity in the competition for offices and positions of authority and responsibility, as lexically prior to (3) the difference principle, whereby inequalities in income and wealth are justified only when they work to the benefit of the least advantaged group. *Id.* at 266-67. Direct appraisal and reform of the class structure of a capitalist economy—in the sense specified in the text—is off the table. It remains an open question how this tallies with Rawls’s own rich discussion of the “Aristotelian principle,” that persons tend to value the development and exercise of their powers for its own sake. *Id.* at 374-80.

¹³ Max Weber, *Class, Status, Party*, in FROM MAX WEBER: ESSAYS IN SOCIOLOGY 180, 182 (1991).

¹⁴ See MAX WEBER, *ECONOMY AND SOCIETY: AN OUTLINE OF INTERPRETIVE SOCIOLOGY* 4-28 (2013). [MAX WEBER, *1 ECONOMY AND SOCIETY* 4-28 (Guenther Roth & Claus Wittich, eds. 1968 [1922]).]

¹⁵ ERIK OLIN WRIGHT, *UNDERSTANDING CLASS* (2015); Aage B. Sørensen, *Foundations of a rent-based class analysis*, in *APPROACHES TO CLASS ANALYSIS* 119 (Erik Olin Wright ed., 2005).

¹⁶ PIERRE BOURDIEU, *DISTINCTION: A SOCIAL CRITIQUE OF THE JUDGEMENT OF TASTE* (11. print ed. 2002); PIERRE BOURDIEU, *THE LOGIC OF PRACTICE* (Reprinted ed. 2008).

of the “old boys club,” the lily-white law firm. Its solution is, in the first place, equal opportunity in education, hiring, and promotion and, later, expanded to include affirmative commitments to diversity, equity, and inclusion. And as with liberal views, Weberian ones are fine with highly unequal social relations of production, so long as the opportunities to occupy wealthy, powerful, high-status positions are not successfully hoarded by incumbent heirs of caste and class.¹⁷

B. *Class as Surplus (Classical Marxism)*

In contrast to liberal and Weberian approaches, the fundamental feature of Marxist views is of course precisely to focus on *class as a social structure*. Specifically, for Marxism, class is a *social relation of production*, set in train by the differential ownership and control of “the forces of production.”¹⁸ And within capitalism, the fundamental classes are two: (1) those who own nothing but their own labor and so must work for a living (“working class”); and (2) those who own enough “means of production” to be able to hire others and not work themselves (“capitalists”).¹⁹ Whatever

¹⁷ For a striking expression of this view, pushed to its limit yet still caught within its horizons, consider the following critique of “equality of opportunity” made ostensibly in the name of “equality of outcomes”: “Equality of opportunity has been a mainstream policy goal for years now [...] But a different mainstream operated in the mid-1960s, one that saw equal opportunity as the means to the end of equal outcomes. That goal appeared in a famous commencement address Lyndon Johnson delivered at Howard University in 1965 [...] Johnson defined equal opportunity as the gateway to equal results. This could not mean that every individual would end up with equal resources, but it did mean that equal outcomes should hold across racial groups. [...] If a social system is producing unequal group outcomes, the only reasonable conclusion is that opportunities are not distributed equally.” Christopher Newfield, *The Neoliberal Superego of Education Policy*, BOSTON REVIEW, Jan. 2023, <https://www.bostonreview.net/articles/the-neoliberal-superego-of-education-policy/>. The article is part of a *Boston Review* series aimed to challenge “neoliberal” views that “emphasize personal responsibility and individual merit” by “explor[ing] debates about what an opportunity society should look like.” <https://www.bostonreview.net/articles/the-neoliberal-superego-of-education-policy/>

¹⁸ It is notorious that Marx himself never elaborated a general conception of class, with the relevant passage at the end of volume three of *Capital* breaking off just at that point. See KARL MARX, CAPITAL VOL. 3, ch. 52 (David Fernbach trans., 1981) (1883) (“The owners merely of labour-power, owners of capital, and land-owners, whose respective sources of income are wages, profit and ground-rent, in other words, wage-labourers, capitalists and land-owners, constitute then three big classes of modern society based upon the capitalist mode of production. [...] The first question to be answered is this: What constitutes a class? — and the reply to this follows naturally from the reply to another question, namely: What makes wage-labourers, capitalists and landlords constitute the three great social classes?”) Yet the conception of class as anchored in relations of ownership and control vis-à-vis the forces of production—i.e., natural resources, labor, and tools—is the overwhelmingly dominant one among Marxist scholars. For two of the most comprehensive treatments of the issue—reconstructing Marx’s conception from the letter of his texts and spirit of his theory, and then setting it to work across large swathes of history—see G.E.M. DE STE. CROIX, THE CLASS STRUGGLE IN THE ANCIENT GREEK WORLD 31-111 (1981); G.A. COHEN, KARL MARX’S THEORY OF HISTORY: A DEFENSE 63-114 (1978). See also Erik Olin Wright, *Understanding Class*, II/60 NEW LEFT REV. 101, 108 (2009) (“Within this [Marxist] approach, the central class division in capitalist society is between those who own and control the means of production—capitalists—and those hired to use those means of production—workers.”) and *infra* notes 19-25.

¹⁹ It is precisely this classical Marxist conception that has tended to enter into dialogue with feminist and Black Radical analyses. See, e.g. Adolph Reed, Jr., *Unraveling the Relation of Race and Class in American Politics*, 15 POL. POWER & SOC. THEORY 265, 270 (2002) (“class identity and practice [...] emerge and operate within capitalist social structures [that] originate from an essential, materially demonstrable foundation [...]—the social organization of labor on more or less coercive bases for the production of privately appropriated value.”); Ellen Meiksins Wood, *Class, Race and Capitalism*, 15 POL. POWER & SOC. THEORY 275, (2002) (defining “class relations” in capitalism as “between producers and appropriators, and specifically the relation between capitalists and wage laborers”); Nancy Fraser, *Behind Marx’s Hidden Abode*, II/86 NEW LEFT REV. 55, 57 (2014) (“For Marx, the first defining feature of capitalism is private property in the means of production, which presupposes a class division between the owners and the producers.”) We hasten to add that Fraser is consciously adopting what she says “will appear at first sight to be [a]

mobility between such positions market competition may (or may not) foster, the end positions remain the same: those who must work for a living, and those who need not and hire others. To be sure, gradations and variations may exist along this axis of ownership—such as a middle class of small business owners (“petty bourgeois”) who own enough capital to hire others but not so much as to not have to work themselves and a class of “rentiers” who clip coupons but do no hiring—but the fundamental axis remains that of ownership and its fundamental differentiation a binary.²⁰

The basis of this conception lies in Marx’s analysis of the two-fold “secrets” underlying, first, all class societies in general and, second, capitalist society in specific: (1) The secret of all hitherto existing class societies is that some produce and others appropriate “the surplus.” Those who appropriate are expropriators of the labor of others, or *exploiters*, while the others the *exploited*. The exploiters are able to do so via effective control over the forces of production, be it simply “the means” of nature and tools or also the additional “force” of labor itself (as under slavery and feudalism). This ownership is typically secured, in non-capitalist societies, by a mixture of force, custom, and ideology. Penetrate the secret, says Marx, and you have the key to the anatomy of that society—its structure and motion—by way of tracing out the appropriation, distribution, and expenditure of the surplus, and the reproduction of the relations that sustain it.²¹ (2) The secret of capitalist society is that the surplus takes “value-form,” such that the appropriation—now taking place via mediation by the market—is hidden behind the veil of “exchange-value,” or obscured by the fact that it results from “free and fair” transactions among juridically “free and equal” agents.²²

The floodlights of illumination cast by these insights is epochal. In tandem, they have launched a thousand ships of inquiry, into societies past and present. Yet they are only the beginning of the analysis. Why? Because ultimately the analysis stumbles upon closer inspection of its fundamental basis: “the surplus.” This has tended to be conceived in a wholly *material* way, as if it were obvious

very orthodox” conception, only to then “‘de-orthodoxize’ by showing how [it] presuppose[s] other features, which in fact constitute their background conditions of possibility.” Her analysis of the latter, in terms of “backgrounded” aspects of expropriation, extraction, and social reproduction, is ground-breaking. Our present point, however, concerns her discussion of the former—the “foreground” of exploitation—which remains within the classical Marxist analysis of class that we wish to shift away from, on its own terrain of class-in-capitalism. *Id.* at 57, 60-61.

²⁰ This applies even for those Marxists who seek to take into account the existence of various “intermediary” classes, but do so by reducing them, ultimately, to variations along this one fundamental axis. *See, e.g.,* Nicos Poulantzas, *On Social Classes*, 1/78 NEW LEFT REV. 27, 37-38 (1973) (assimilating a sub-group of intellectual workers into a “new petty bourgeoisie,” since recognition of a “new class” *per se* is “unthinkable for Marxist theory”); Erik Olin Wright, *Intellectuals and the Class Structure of Capitalist Society*, in BETWEEN LABOR AND CAPITAL 191, 193 (1979) (Pat Walker, ed.) (intellectuals occupy a “contradictory class location,” with one foot in the camp of workers (since they must work for a living) and one of capitalists (since the work they do involves managerial authority)); GUGLIELMO CARCEDI, ON THE ECONOMIC IDENTIFICATION OF SOCIAL CLASSES (1977) (identifying as a new “middle class” those who partly perform the “function of capital” and partly the “function of labor”). For further discussion of the relation between New Left analyzes of a “new class,” classical Marxism, and our view see notes 25 and 81, *infra*.

²¹ *See* MARX, CAPITAL, VOL. 3, *supra* note 18 at __ (“The specific economic form, in which unpaid surplus-labour is pumped out of the direct producers, determines the relationship of rulers and ruled [...and] reveals the innermost secret, the hidden basis of the entire social structure[.]”).

²² *See* KARL MARX, CAPITAL, VOL. 1, ch. 1, bk. 4, 163-177 (Ben Fowkes trans., 1976) (1867) (“The Fetishism of the Commodity and Its Secret”); and MARX, CAPITAL, VOL. 3, *supra* note 18 at __ (“We saw also that capital [...] pumps a definite quantity of surplus-labour out of the direct producers, or labourers; capital obtains this surplus-labour without an equivalent, and in essence it always remains forced labour—no matter how much it may seem to result from free contractual agreement. This surplus-labour appears as surplus-value, and this surplus-value exists as a surplus-product.”)

(1) what “the surplus” is and (2) who participates in its “material production.” But neither is. What counts as “necessary” versus “surplus” is, beyond the most basic of caloric, etc. needs, *socially negotiable*.²³ And similarly so for what counts as “production.”²⁴ The upshot? Three-fold: (1) First, even with respect to distribution of the surplus—or “exploitation” as “appropriation” of the fruits of “labor”—there is no way to determine whether and how much said appropriation and so exploitation is going on outside some *social evaluation*. (2) Second, and more fundamentally, (a) to say that some set of agents are exploiting others requires here that the former provide no “productive” contribution themselves—something bound to be rare in most societies; and (b) once we recognize that there is plenty of inter-producer “exploitation,” a further, equally fundamental, question comes to the fore: what about the *division of labor* itself, rather than simply the distribution or disposition of its fruits? Be it exploitative or not, might that not also be troubling on other grounds (“alienation”), and serve as an important explanatory “secret” to boot?

Yet the analysis of class as anchored in the production by some and appropriation by others of a surplus remains deeply embedded in—indeed, lies at the very heart of—classical Marxism.²⁵ The reasons lie in two fundamental aspects of the classical Marxist view, each presently undergoing a crucial transformation by some Marxist scholars.²⁶ The first goes to the classical understanding of

²³ The *locus classicus* here is Harry Pearson, *The Economy Has No Surplus: A Critique of a Theory of Development, in TRADE AND MARKET IN THE EARLY EMPIRES: ECONOMIES IN HISTORY AND THEORY* (Karl Polanyi, et. al, eds. 1957), tracing back to THORSTEIN VEBLER, *A THEORY OF THE LEISURE CLASS* (1899). It bears emphasizing that while both Veblenian and Polanyian institutionalist critiques were aimed simultaneously at classical Marxist “materialist” and neoclassical “individualist” targets, their own emphases on the *socio-historical* character of the questions find their strongest bases in other strands of Marx’s thought, precisely those that we seek to build on here. See, e.g., Karl Polanyi, *Marxist Economic Thought*, 8 J. ECON. HIST. 206, 207 (1948); and discussion in note 26, *infra*.

²⁴ See, e.g., PERRY ANDERSON, *CONSIDERATIONS ON WESTERN MARXISM* 115 (1976) (“the distinction between productive and unproductive labour [...] although essential” to “the whole theory of value” “has never yet been codified theoretically or established empirically by Marx or his successors.”)

²⁵ Shared across different schools of Marxist thought as well as disciplines of Marxist inquiry, such a conception is common to, e.g., Althusserian, Analytical, and Political Marxists, and to Marxist historians, philosophers, sociologists. For Althusserian Marxism, see Etienne Balibar, *On the Basic Concepts of Historical Materialism, in LOUIS ALTHUSSER & ETIENNE BALIBAR, READING CAPITAL* 212-16 (Ben Brewster trans., 1970) (1965) (specifying “modes of production” in terms of combinations of five elements: producers, non-producers, means of production, property, and appropriation); for Political Marxism, Robert P. Brenner, *Agrarian Class Structure and Economic Development in Pre-Industrial Europe, in THE BRENNER DEBATE* 10, 11 (T.H. Alston & C.H.E. Philpin, eds.) (1985) (“It is around the property or surplus-extraction relationship that one defines the fundamental classes in a society[.]”); and for Analytical Marxism, COHEN, *supra* note 18 and Wright, *supra* note 18. For historians, see, e.g., DE STE. CROIX, *supra* note 18; PERRY ANDERSON, *ARGUMENTS WITHIN ENGLISH MARXISM* 64-5 (1980); for philosophers, see, e.g., COHEN, *id.*, and Balibar, *id.*, and for sociologists, see Wright, *supra* note 20 and Poulantzas, *supra* note 20. And it is this same conception that served as the common basis for New Left efforts at theorizing “intermediary” classes: presupposing the producer/non-producer division as basic, these sought either to identify “compromise” or “contradictory” positions along that one division—see references cited *supra* note 20—or to overlay “non-economic” taxonomic refinements on top of it: see discussion *infra* note 81.

²⁶ By “classical Marxism” we mean that tradition of Marxist analysis, descending from Engels on, in which the core of Marxism is understood to center on a “theory of history”—the “materialistic conception of history” or “historical materialism”—and a “political economy” of capitalism based on “the labor theory of value.” This is related to what others have designated as “worldview” or “traditional” Marxism, but does not include here their additional element of “dialectical materialism” as a theory of nature or a philosophical backdrop to the theory of history. See MICHAEL HEINRICH, *AN INTRODUCTION TO THE THREE VOLUMES OF KARL MARX’S CAPITAL* 24-7 (Alexander Locascio, trans. 2004) (“worldview Marxism”); and Ingo Elbe, *Between Marx, Marxism, and Marxisms—ways of reading Marx’s*

Marx's project as a "critical political economy," one that joins classical political economy in its analysis of a "material" field of inquiry, but radicalizes the classical surplus-based analysis of growth, distribution, and classes by refining and extending it in the form of a labor theory of surplus-value, profits, and exploitation. Yet on an alternative emerging view, which we join here, Marx's project was less a critical political economy than a *critique of political economy*.²⁷ Marx's aim was less to join classical political economy in its analysis of a naturalized field of inquiry, than to delimit the conditions of possibility of the field itself, in terms of the *historically-specific social relations* of capital that constitute its proper object of inquiry.²⁸ His focus is best understood not in terms of a Ricardian analysis of property-based distribution, but of an analysis of the social relations of production themselves.²⁹ In Diane Elson's illuminating encapsulation, we need to shift from a "labor theory of value" to a *value theory of labor*.³⁰ The first refers to an attempt to take over the surplus-based analysis of classical political economy and provide a quantitative theory of price, profit, or exploitation—an attempt ill-fated in both its explanatory and evaluative facets.³¹ The second refers to an analysis not of the "material content" of "value" in labor, but rather of the *social form* taken by labor (and utility) under capitalist social relations—i.e., a qualitative analysis of how human powers, needs, and relations are shaped by generalized commodity production and subject to its impersonal imperatives of ceaseless expansion of exchange-value for its own sake.³²

This takes us to a second transformation of the classical Marxist view, also partly underway, which is to shift from transhistorical conceptions of class, grounded in a "materialist" analysis, to historically-specific analyses of social relations. A key danger of the "historical materialism" of classical Marxism is its tendency to project onto history as a whole—and thereby hypostatize—

theory, VIEWPOINT (21 Oct. 2013) ("traditional Marxism") <https://libcom.org/article/between-marx-marxism-and-marxisms-ways-reading-marxs-theory-ingo-elbe> Each of these classical aspects is undergoing a crucial transformation at the hands of two overlapping lines of critical Marxian scholarship, which we distill in this paragraph and the next: (1) a *critique of political economy* that reorients away from "material factors" to *social forms*, descending from the work of Isaak Rubin and finding its fullest development in the work of value-form theorists and Diane Elson: see references cited *infra* notes 27, 30, 35; and (2) an *historicist conception of materialism* that emphasizes *historical-specificity* in the analysis of social forms, descending from the work of Karl Korsch and finding its fullest development in the work of Political Marxists Ellen Meiksins Wood and Robert Brenner: see references cited *infra* notes 33-34, 36-38. We hasten to add that neither line of theorists would necessarily agree with our analysis of the implications of these transformations of Marxian thought for the analysis of class-in-capitalism: see discussion *infra* notes 35 and 36.

²⁷ See, e.g., Michael Heinrich, *Capital after MEGA: Discontinuities, Interruptions, and New Beginnings*, 3 CRISIS & CRITIQUE 63 (2016); Riccardo Bellofiore, *The Multiple Meanings of Marx's Value Theory*, 69 MONTHLY REV. (2018). WERNER BONEFELD, *CRITICAL THEORY AND THE CRITIQUE OF POLITICAL ECONOMY* (2014); MOISHE POSTONE, *TIME, LABOR, AND SOCIAL DOMINATION* (2003); Patrick Murray, *Critical Theory and the Critique of Political Economy: From Critical Political Economy to the Critique of Political Economy*, in THE SAGE HANDBOOK OF FRANKFURT SCHOOL CRITICAL THEORY 764 (Barbara Best, Werner Bonefeld, & Chris O'Kane, eds.) (2018).

²⁸ As such, it was a critique in the Kantian sense of delimiting the conditions of possibility of the object of critique.

²⁹ See Bob Rowthorn, *Neo-Classicism, Neo-Ricardianism, and Marxism*, 1/86 NEW LEFT REV. 63 (1974).

³⁰ Diane Elson, *The Value Theory of Labor*, in VALUE: THE REPRESENTATION OF LABOUR IN CAPITALISM 115 (Diane Elson, ed. 1981). Elson is drawing upon, while deepening, the analysis of ISAAK I. RUBIN, *ESSAYS ON MARX'S THEORY OF VALUE* 62 (1928) ("The usual short formulation of this theory holds that the value of the commodity depends on the quantity of labor socially necessary for its production; or, in a general formulation [...] value = 'materialized' labor. It is more accurate to express the theory inversely: in the commodity-capitalist economy, production-work relations among people necessarily acquire the form of the value of things[.]").

³¹ See, e.g., IAN STEEDMAN ET. AL, *THE VALUE CONTROVERSY* (1981).

³² See, e.g., BERTELL OLLMAN, *ALIENATION: MARX'S CONCEPTION OF MAN IN A CAPITALIST SOCIETY* (1976); SØREN MAU, *MUTE COMPULSION: A MARXIST THEORY OF THE ECONOMIC POWER OF CAPITAL* (2023).

“materialist” dynamics that are, in fact, historically-specific products of particular social relations. Two central examples: locating the “motor force of history” in either (1) a technological dynamism (development of the “material forces”) that is in fact specific to capitalist social relations;³³ or (2) “class struggle” on a model of surplus production and appropriation that, taken over from classical political economy, was likely most apt for feudal relations and dynamics that it then naturalized. Rather than a “materialist conception of history,” we need an *historicist conception of materialism*. That is, once we shift from “material factors” to *social forms* as our unit of analysis, this brings in tow a second, related shift: from transhistorical notions to *the principle of historical specification*.³⁴ What this means at present, is two things: (a) first, we need to shift from a transhistorical focus on class *simpliciter* to an historically-specific analysis of class-in-capitalism; (b) second, prior to any analysis of capitalist *classes* must be one of *capitalist social relations* of production *simpliciter*.³⁵ Any analysis of capitalist class relations must be embedded within an analysis of capitalist social relations in general—specifically, an analysis of how “horizontal” relations of universal market-dependence intertwine with “vertical” ones of class to set in train the systemic imperatives and dynamics distinct to capitalism.³⁶ It is only by *starting from within* an analysis of capitalist social relations in general that we can work out which such vertical relations merit singling out as “class.”

Finally, to answer which vertical—or asymmetrical—social relations of production merit special analytic focus under the rubric of “class” requires first asking what is *the point* of any given conception of class, the motivation for any given form of class analysis. In Ellen Meiksins Wood’s incisive formulation, the guiding aim of Marxian analysis is “to provide a theoretical foundation for interpreting the world in order to change it.”³⁷ In other words, the project is a dual one, of simultaneously *understanding* social relations, for the sake of identifying points of possible and desirable *transformation*. And from either vantage point, a Marxist “surplus” analysis anchored in “the means of production” is wanting. From a purely explanatory point of view, Robert Brenner has shown that to understand the onset and reproduction of capitalist dynamics requires as much

³³ See Ellen Meiksins Wood, *Marxism and the Course of History*, I/147 NEW LEFT REV. 95 (1984); Robert Brenner, *The Social Basis of Economic Development*, in ANALYTICAL MARXISM 23 (John Roemer, ed. 1986).

³⁴ KARL KORSCH, KARL MARX 12 (1938) (“Chapter 2: The Principle of Historical Specification.”)

³⁵ See HEINRICH, *supra* note 26 at 191-92 (contrasting the central role accorded “[c]lasses and class struggle” in the *Communist Manifesto* with that of *Capital*, where “a systematic treatment of classes is not the precondition of Marx’s depiction, but rather [...] its result.”). We should note that despite Heinrich’s reorientation of how the analysis of class-in-capitalism should proceed, his own resulting conception of class remains classical or unclear: *see id.* at 193.

³⁶ See Robert Brenner, *Property and Progress: Where Adam Smith Went Wrong*, in MARXIST HISTORY-WRITING FOR THE TWENTY-FIRST CENTURY 49, 58 (Chris Wickham, ed. 2007) (emphasizing that “it is necessary not only to lay bare the structuring or constraining effects of *vertical* class [...] relations” but “if anything, even more critical to bring out the structuring or constraining effects of the *horizontal* relationships.”) (original emphasis); and Ellen Meiksins Wood, *Horizontal Relations: A Note on Brenner’s Heresy*, 4 HIST. MAT. 171 (1999). In sharp contrast to this emphasis on social-production relations *simpliciter*, and on historical-specificity in their analysis, is Erik Olin Wright’s more classical conception of Marxism as, in its explanatory facet, a theory of class as “the independent variable” of a “theory of historical trajectory.” Erik Olin Wright, *Class Analysis, History, and Emancipation*, I/202 NEW LEFT REV. 15, 17-18 (1993). We should note that despite their embedding of class within a broader analysis of capitalist social relations of production in general, both Brenner and Wood’s own conceptions of class remain quite classical: *see* Brenner, *id.*, Wood, *supra* note 19.

³⁷ Ellen Meiksins Wood, *The Separation of the Economic and the Political in Capitalism*, NEW LEFT REV. 66, 66 (1981). Wood is of course adverting to Marx’s *Theses on Feuerbach*, which crystallize the fundamentally *practical* orientation of Marxian thought, as captured in Gramsci’s brilliant epigram of it as “the philosophy of praxis.”

of a focus on the “means of subsistence” as those of production.³⁸ And we can generalize the point: building on Brenner, our analysis below of capitalist class dynamics emphasizes not only the need to expand, along the property axis, the purview of relevant “resources” beyond the “means of production,” but also to fold in a second, similarly fundamental axis: that of the division of labor itself (as opposed only to disposition of its fruits). Absent an analysis of how capitalist relations foster certain characteristic divisions of labor, we will be at a loss to understand the shaping of the economic *and* political capabilities, resources, outlooks of actors central to capitalist dynamics. And, to turn from explanation to evaluation, we will miss significant targets for transformation.

In sum, the classical Marxist analysis of class—as a differential property relation going to the extraction of a surplus—suffers from analytical and programmatic flaws traceable to its misplaced “materialist” emphases. In its stead a better conception of class, one also truer to Marxism’s own explanatory and transformative ambitions, would center not on a *material surplus* but, rather, on *the social division of labor and the disposition of its fruits*. Such a conception takes the central Marxian insight—that class is a *social relation*—in a direction at once analytically less question-begging and politically more apt: from a *materially exploitative relation* over a surplus, to *asymmetrical social relations* with respect to both the division of labor and disposition of its fruits.

C. Class as Identity (Classical Socialism)

A conception of class as an asymmetrical social relation with respect to both the division of labor and its fruits, *may* carry with it some uneasy implications for a classical socialist conception of the project of transformation, as group emancipation. In another typically crisp formulation, Ellen Meiksins Wood characterizes the “[t]he Marxist conception of that project”

as the abolition of class, carried out by means of class-struggle and the self-emancipation of the working class.³⁹

We wish briefly to point out—we can do no more than that here—some points of contact between the present conception of class and aspects of this formulation, going to class *identity*, class *interests*, and class *agency*.

The first concerns the “abolition of class” as the ultimate goal of socialist politics. We agree of course. Or, more cautiously, we agree that the successive erosion of class dynamics and, at the limit, their dissolution is one of the lodestars of progressive politics. What else could it mean to say that *class is an asymmetrical social relation*, one that is exploitative and alienating—in a word, oppressive—if not that it ought to be transformed, ideally out of existence?

Yet lurking in this conception of class—as *an oppressive relation to be transformed*—is an implication that some might find uneasy, and this is the disavowal of class as a fixed *identity of a*

³⁸ Robert Brenner, *Agrarian Class Structure and Economic Development in Pre-Industrial Europe*, PAST & PRESENT 30 (1976); Robert Brenner, *The Agrarian Roots of European Capitalism*, PAST & PRESENT 16 (1982); Robert P. Brenner, *The Low Countries in the transition to capitalism*, 4 in PEASANTS INTO FARMERS? 275 (P. Hoppenbrouwers & J. Luiten van Zanden eds., 2001).

³⁹ ELLEN MEIKSINS WOOD, THE RETREAT FROM CLASS: A NEW “TRUE” SOCIALISM (1999) [1986].

group to be valorized. The point has been developed most powerfully and pungently in a landmark essay by Gaspar Tamás:

All versions of socialist endeavour can [...] be classified into two principal kinds, one inaugurated by Rousseau, the other by Marx. The two have opposite visions of the social subject in need of liberation [...] It must be said at the outset that many, perhaps most socialists who have sincerely believed they were Marxists, have in fact been Rousseauists. [...] One of the greatest historians of the Left, E.P. Thompson, has synthesized what can be best said of class in the tradition of Rousseauian socialism which believes itself to be Marxian. *The Making of the English Working Class* is universally—and rightly—recognized to be a masterpiece. Its beauty, moral force and conceptual elegance originate in a few strikingly unusual articles of faith: (1) that the working class is a worthy cultural competitor of the ruling class; (2) that the *Lebenswelt* of the working class is socially and morally superior to that of its exploiters; (3) that regardless of the outcome of the class struggle, the autonomy and separateness of the working class is an intrinsic social value; (4) that the class itself is constituted by the *autopoiesis* of its rebellious political culture[.] Whereas Karl Marx and Marxism aim at the *abolition* of the proletariat, Thompson aims at the *apotheosis* and triumphant survival of the proletariat.⁴⁰

Similarly uneasy thoughts may apply to certain notions of class *interests* and *agency*. With respect to the first, a cornerstone of classical Marxism has been that the working class has “objective material interests” in bringing about socialism.⁴¹ Treading lightly over a century’s worth of debate on this score, we wish merely to make two points especially germane here: (1) First, once severed from its underlying anchor in an untenable conception of a “material” surplus, all talk of “material interests” must be reinterpreted as claims concerning apt forms of the social division of labor and the disposition of its fruits, claims inescapably social or political in character. (2) Second, no such claims can be evaluated outside of the possibilities of their realization, and in that regard, surely one of the biggest lacunae in the Marxist tradition has been the lack of a plausible program of institutional change.⁴² In its absence, talk of transformative “interests” is hard to credit. And just as class interests must be informed by a class program, so class agency can only effectively pursue those interests that are plausibly implementable. Our sense of the initial outlines of such a program, and the coalitional politics it will require, are set out in Part IV.

Reflecting on a century of historical developments and theoretical debates, Eric Hobsbawm offered the following resume of the legacy of Marx: while “a number of central elements of Marx’s analysis” of capitalist social relations and dynamics “remain valid and important” nevertheless

⁴⁰ G. M. Tamás, *Telling the Truth About Class*, 42 SOCIALIST REGISTER 228-229 (2006) (emphasis in original).

⁴¹ See, e.g., WOOD, *supra* note 29 (“the working class is the social group with the most direct objective interest in bringing about the transition to socialism.”)

⁴² A point recognized by even the stoutest of the more sophisticated defenders of the classical tradition of historical materialism: see PERRY ANDERSON, IN THE TRACKS OF HISTORICAL MATERIALISM 99 (1981) (“The institutional terrain” of a “tangible socialist future” “has been characteristically neglected throughout” the Marxist tradition, from its founders through to the Classical generation and onto Western Marxism). Anderson’s assessment stands in need of little modification today, owing to deep-seated reasons for the hostility to programmatic thinking in Marxism, some sound (a skepticism toward blueprints), others less so (a “materialist” understanding of interests rooted in a “surplus”-based model of class as “production/appropriation,” and thus of transformation as “expropriate the expropriators”).

“his prediction [of] the ‘expropriation of the expropriators’ through a vast proletariat leading to socialism was not based on his analysis of the mechanisms of capitalism, but on separate a priori assumptions.”⁴³ Those *a priori* assumptions, we suggest, were a hold-over of that phase of Marx’s thinking in which a “materialistic conception of history” and a “critical political economy” formed a seamless web. Once we replace these with a properly socio-historical and political conception of the relations, dynamics, and interests involved, the task of forging links between an explanatory account of capitalist social relations and dynamics and a program for their transformation may be resumed on firmer, if more contestable, ground.

II. THE THREE AXES OF CLASS-IN-CAPITALISM

What distinguishes capitalism from all other societies past and present is that social relations of production take the form of “generalized markets” to produce historically unprecedented dynamics of (a) productivity;⁴⁴ (b) hidden exploitation, behind a veil of free exchange among juridical equals enjoying formal opportunities/mobility; and (c) alienation of social powers and relations, as the ceaseless expansion of exchange-value for its own sake subjects human needs and powers, human relations, and the Earth to ever-more extensive and intensive instrumental quantification. “Generalized markets” describe the conjoined phenomenon that both (1) most of the population live in households that depend on commodity exchange to satisfy most of their basic needs and wants (market dependence for subsistence), and (2) most of those who organize production obtain access to the resources, labor, and credit required for production through commodity exchange (market dependence for production).⁴⁵ Because most of the population must obtain most of its access to basic goods and capabilities through market exchanges, most households need to have members who engage in wage labor to make money to buy access to basic goods and needs. If they do not sell their labor, they will starve. Because most those who organize production need to make money to buy access to the resources and labor they need to combine into production, they must orient their production to making more money. If they don’t make money, they will lose their ability to organize production and be forced to sell their labor to someone who does have the money to buy access to the necessary resources.

This historically unique combination of market *freedom* combined with generalized market *dependence* marks a society as a market society, a capitalist society. It reflects the combination

⁴³ Eric Hobsbawm, *Marx Today*, in ERIC HOBBSBAWM, *HOW TO CHANGE THE WORLD* 3, 14 (2011).

⁴⁴ By “productivity” we mean the continuous growth in the capacity to turn nature into more of what people need and want with a given set of resources and labor. Growing more grain and fruit from a given number of acres, by fewer people; building more houses; making more clothes; etc. We do not mean the increase in market transactions, which is the normal measure of productivity growth; nor do we mean to imply that productivity is necessarily a positive—the remainder of the clauses in this sentence directly associate it with increasing exploitation, alienation, and senseless pursuit of “more,” all at the expense of extracting and burning fossil fuel and bringing our planet to a critical breaking point as a habitat. But it is simply untenable to deny that human societies today can feed, clothe, heat, house, transport, connect, billions more people than they could two hundred years ago, and that that fact is a defining characteristic of capitalist social relations and is driven by the dynamics of capitalism those social relations produce: continuously bringing more of nature into a system of production and continuously squeezing more out of nature for human use and exchange.

⁴⁵ KARL POLANYI, THE GREAT TRANSFORMATION: THE POLITICAL AND ECONOMIC ORIGINS OF OUR TIME (2nd Beacon Paperback ed. 2001); ELLEN MEIKSINS WOOD, THE ORIGIN OF CAPITALISM: A LONGER VIEW (New ed. 2002).

of freedom to participate in markets as an *opportunity* with an *imperative* to go to markets to acquire the basic necessities of life—food, clothing, energy, shelter—and the basic inputs into production: labor, land and other natural resources, knowledge, tools or machines, and credit.⁴⁶ Market dependence of those who organize production, not only those who must sell their labor, is critical to the dynamic of growth. It is fear of losing out to competitors, being unable to make enough money to continue to obtain access to production inputs and being declassed that drives those who organize production to escape competition whenever they can. This drive kicks off the Red Queen dynamic: “Here, you see,” the Red Queen tells Alice in *Through the Looking Glass*, “it takes all the running you can do, to keep in the same place. If you want to go somewhere else, you must run at least twice as fast as that!”

Running twice as fast means markets are never efficient in the mainstream neoclassical sense, nor do they tend toward static equilibrium. Rather, they cycle in long and short waves of boom and bust round a long-term trend of technologically-driven productivity growth and a double movement of periods of heightened inequality, its episodic political containment, and the escape of capitalists from that political containment to a new regime within the broad parameters of generalized market dependence. With Schumpeter, we begin with the observation that the persistent pursuit of power to create and extract quasi-rents is the driving force of continuous innovation.⁴⁷ With Minsky, we add that in an economy with true uncertainty, successful creation and maintenance of quasi-rents is a precondition to financing business of the scale and style that has characterized capitalism since the 1870s.⁴⁸ Both innovation and finance under uncertainty depend on the capacity of productive enterprises to create and reap rents, rather than receive efficient prices in perfectly competitive markets.

Power seeking, or escape from competition, is the animating spirit of capitalism. Capitalists invest in new technologies and organizational strategies in order to escape competition. In doing so, they create the long-term trend of continuous productivity growth that is the defining feature of modern market society. But market-dependent enterprises have no systematic reason to prefer productivity enhancing strategies (technological and organizational innovation) to escape competition and increase the magnitude and duration of quasi-rents over power-enhancing strategies. Profit-seeking firms are agnostic between what Veblen called “business sabotage” and

⁴⁶ See Ellen Meiksins Wood, *From Opportunity to Imperative: The History of the Market*, 46 MONTHLY REV. 14 (1994); Brenner, *supra* note 38.

⁴⁷ JOSEPH A. SCHUMPETER, CAPITALISM, SOCIALISM, AND DEMOCRACY (2008[1942]).

⁴⁸ HYMAN P. MINSKY, STABILIZING AN UNSTABLE ECONOMY (1986). The basic point is as straightforward as it is fundamental. True uncertainty—uncertainty not only about the outcomes but also about the probabilities of different outcomes—cannot be priced efficiently *ex ante*. Any claim that there can be a price placed efficiently on all potential future states of the world—a central assumption of the Arrow-Debreu model—simply assumes away true uncertainty. It assumes that all uncertainty is simply an aggregation of a large number of calculable risks. This certainly makes neoclassical modeling feasible, but it is systematically mistaken as a model for a world in which true uncertainty is a common feature of real world investment decisions. To compensate for the component that cannot be priced efficiently *ex ante*, finance of projects that include true uncertainty requires that the outcome of the investment include meaningful pricing power to avoid being a price-taker at efficient prices: prices that reflect only knowable, rather than unknowable, costs.

what he thought of as technical efficiency.⁴⁹ What matters is maximizing the value of anticipated quasi-rents. Firms pursue both power and productivity in various measures that depend on how useful they are in creating, increasing the magnitude, and extending the duration of the quasi-rents obtainable from their activity. This results in episodic eruption of new methods of production and exploitation that result in rapid productivity growth and increasing inequality, followed by catchup by other firms to the technological frontier and political realignment to redress the resistance that growing inequality triggers. Once the regime starts to provide fewer profits from both productivity and power to extract rents, capitalists seek to escape it through new combinations of technology, institutions, and ideology, to spur a new wave of increased productivity and growing inequality.⁵⁰

Because quasi-rents are ubiquitous and normal in markets, rent distribution is integral to prices in labor, factor, and product markets. Bargaining power and socialized expectations regarding the division of labor and distribution of rents are central to the dynamics of relations among classes of people who stand in systematically asymmetric positions vis-à-vis each other in their bargaining power. In capitalism, these asymmetries are produced, reproduced, and leveraged not by direct violence conceived as legitimate, but veiled as free exchange among juridical equals, coming to these market exchanges with different institutionally and ideologically inherited entitlements to the means of subsistence, resources in production, and recognition as juridical equals. Their entitlements along all three dimensions shape their staying power and withholding power.

Class within this historically-specific dynamic of capitalism is systematically asymmetric *staying power* and *withholding power* that people possess under a specific regime of institutions, ideology, and technology along three critical axes: (1) resources in production, (2) embodied knowledge, or skill, in the division of labor, and (3) recognition as juridical equals. All three axes are structured and legitimated by the legal order of each regime in capitalism: setting out claims structured as entitlement-disentitlement relations among people over material resources in production (property-type laws); training, application, and control over knowledge, both embodied and codified, its use, and its fruits (education, apprenticeship, vocational training, licensing, intellectual property); and, differential recognition of full juridical personhood,

⁴⁹ THORSTEIN VEBLEN, *ABSENTEE OWNERSHIP: BUSINESS ENTERPRISE IN RECENT TIMES: THE CASE OF AMERICA* (1997); Janet T. Knoedler, *Veblen and Technical Efficiency*, 31 *JOURNAL OF ECONOMIC ISSUES* 1011 (1997); Jesse F. Dillard & Linda V. Ruchala, *Veblen's Placebo: Another Historical Perspective on Administrative Evil*, 38 *ACCOUNTING HISTORIANS JOURNAL* 1 (2011).

⁵⁰ Yochai Benkler, *Power and Productivity: Institutions, Ideology, and Technology in Political Economy*, in *POLITICAL ECONOMY AND JUSTICE* (2021). The Schumpeterian side of this dynamic, focused only on the drive to innovation in this cyclical pattern, is well developed in the literature on Kondratiev waves. CHRISTOPHER FREEMAN & LUC SOETE, *THE ECONOMICS OF INDUSTRIAL INNOVATION* (3rd ed. 1997); CARLOTA PEREZ, *TECHNOLOGICAL REVOLUTIONS AND FINANCIAL CAPITAL: THE DYNAMICS OF BUBBLES AND GOLDEN AGES* (Repr ed. 2003). Our folding of Veblen's analysis of business sabotage into these same cycles, as an alternative strategy responding to the same challenge of cyclically falling profits, is distinctive to our analysis here; it challenges the secular progressive implication of the Schumpeterian dynamic in its original form, and integrates cycles of regimes with new models of exploitation, through novel configurations of power dynamics, with those of new models of productivity, with new technologies and organizational strategies. Of course, even productivity *simpliciter* remains subject to the alienation qualifications we emphasize *supra* note 44 and accompanying text.

particularly along dimensions of racialized and gendered subordination.⁵¹ The same incessant drive to escape competition that drives innovation and continuous productivity growth, also drives the systematic institutional and ideological production, intensification, and leveraging of asymmetries along all three dimensions that define the class structure of capitalist societies.

By “staying power” we mean the capacity to walk away from a relation. In business jargon, this is the BATNA (Best Alternative to A Negotiated Agreement).⁵² People who depend on markets for subsistence must enter relations through which to generate market income. Markets for them function as imperative, rather than opportunity.⁵³ Staying power for most people therefore depends on the degree to which they are market dependent for subsistence. In transitions of agrarian capitalism when the majority of the population still lived in regions that could provide subsistence farming opportunities, laws expropriating use privileges that rural working households relied on for subsistence played a core role in cutting off the possibility of rural smallholding to force working households into wage labor.⁵⁴ Since direct peasant access to land for growing food and fiber, collecting energy, etc. is no longer relevant in contemporary urbanized economies, market dependence for basic goods and needs largely depends on the degree to which access is privatized or socialized, usually through the state.⁵⁵

By “withholding power” we mean the capacity of people occupying different positions to withhold inputs necessary in production: particularly labor and resources, both material and cognitive. Withholding power is a function of property rules and rules governing collective action: labor, corporate, antitrust, criminal conspiracy, etc.⁵⁶ In combination, staying power and withholding power determine the power different classes have to influence the division of labor,

⁵¹ On the structure of legal claims as social relations structured as rights, that is, entitlement-disentitlement relations that govern resources and recognition, see Talha Syed, *Legal Realism and CLS from an LPE Perspective*, (2023), <https://papers.ssrn.com/abstract=4601701> (last visited Oct 24, 2023). For a review of how different regimes in capitalism structured power through assigning different entitlement-disentitlement frameworks to resources for subsistence and production, knowledge, and juridical personhood see Yochai Benkler, *Structure and Legitimation in Capitalism: Law, Power, and Justice in Market Society*, (2023), <https://papers.ssrn.com/abstract=4614192> (last visited Jan 31, 2024).

⁵² ROGER FISHER, *GETTING TO YES: NEGOTIATING AGREEMENT WITHOUT GIVING IN* (3rd ed., rev. ed. ed. 2011).

⁵³ Brenner, *supra* note 38; WOOD, *supra* note 45.

⁵⁴ On the role of the Parliamentary Enclosures in proletarianising women and children, and through them all rural households in the industrial revolution, see J. M NEESON, *COMMONERS: COMMON RIGHT, ENCLOSURE AND SOCIAL CHANGE IN ENGLAND, 1700-1820* (1996), <https://doi.org/10.1017/CBO9780511522741> (last visited Jul 14, 2021); Jane Humphries, *Enclosures, Common Rights, and Women: The Proletarianization of Families in the Late Eighteenth and Early Nineteenth Centuries*, 50 *THE JOURNAL OF ECONOMIC HISTORY* 17 (1990). On the role of intentional changes in trespass, game, and open range laws in Reconstruction and post-Reconstruction South designed to force formerly-enslaved workers into sharecropping, rather than independent subsistence, see Brian Sawers, *Race and Property After the Civil War: Creating the Right to Exclude*, 87 *MISSISSIPPI LAW JOURNAL* 703 (2018). For an overview of how these operated in conjunction, see Benkler, *supra* note 51.

⁵⁵ GÖSTA ESPING-ANDERSEN, *THE THREE WORLDS OF WELFARE CAPITALISM* (1990).

⁵⁶ WILLIAM E. FORBATH, *LAW AND THE SHAPING OF THE AMERICAN LABOR MOVEMENT* (1991); John V. Orth, *English Combination Acts of the Eighteenth Century*, 5 *LAW AND HISTORY REVIEW* 175 (1987); Michael J. Klarman, *The Judges versus the Unions: The Development of British Labor Law, 1867-1913*, 75 *VIRGINIA LAW REVIEW* 1487 (1989); Mark Barenberg, *The Political Economy of the Wagner Act: Power, Symbol, and Workplace Cooperation*, 106 *HARV. L. REV.* 1379 (1993); MORTON J. HORWITZ, *THE TRANSFORMATION OF AMERICAN LAW, 1870-1960: THE CRISIS OF LEGAL ORTHODOXY* 65–107 (1994); Sanjukta Paul, *Recovering Labor Antimonopoly*, 28 *NEW LABOR FORUM* 34 (2019); Sanjukta Paul, *Antitrust as Allocator of Coordination Rights*, 67 *UCLA L. REV.* 378 (2020).

in particular the degree of alienation or meaning associated with different tasks in production, and the division of the fruits of production.

Parts II and III work out the details of an analytic framework for reconstructing class analysis along these three dimensions, rather than only along the single dimension of ownership over the means of production. While the parts weave in historical descriptions of the salience of the class structure this analytic framework produces, the class structure we define is analytically derived from the model of power in social relations of production, along three axes that shape withholding power based on how readily replaceable any class of actors is in relation to others, not a descriptive overlay on observed historical social relations. We refer to the history as a mode of validation: the model is useful to the degree it can explain historically observed patterns of social relations and distributions of power better than other models of class. Moreover, we claim that the model provides useful prescriptions for transformative institutional change and identify the plausible cross-class political alliances feasible in any given inherited regime in capitalism, with its particular configuration of more-or-less salient class composition.

A. Property in the means of subsistence and resources in production

Staying power is fundamentally a function of the degree of market dependence for subsistence. Before the Parliamentary Enclosures in the middle of 18th century Britain, women and children working the commons produced roughly half of rural household subsistence, partly through direct use—collecting fuel and gleaning grain—and partly by household production, primarily dairying of cows pastured on the commons.⁵⁷ The Parliamentary Enclosures expropriated these use privileges, transferring exclusive rights to the landed gentry and aristocracy who controlled Parliament in order to create a fully market dependent proletariat.⁵⁸ Women and children were forced to become the primary workforce in factories of the first wave of the industrial revolution.⁵⁹ After white southern resistance defeated Reconstruction, southern states embarked on a systematic campaign to deny the formerly enslaved Black workers access to the means of subsistence that white rural households had used throughout the antebellum period. They passed statutory, regulatory, and common law changes in trespass, open range, and gaming laws, sometimes applied only in majority-Black counties to avoid white resistance, designed to prevent formerly enslaved workers from having an alternative to hiring themselves out to former plantation owners.⁶⁰

In Britain, these changes converted the majority of rural households from smallholding quasi-peasant households with significant market opportunities, reflecting the highest or near-highest wages in Europe by the middle of the 18th century, into an impoverished rural proletariat forced to

⁵⁷ J. M NEESON, *COMMONERS: COMMON RIGHT, ENCLOSURE AND SOCIAL CHANGE IN ENGLAND, 1700-1820* (1996); JANE WHITTLE, *THE DEVELOPMENT OF AGRARIAN CAPITALISM: LAND AND LABOUR IN NORFOLK, 1440-1580* (2000); IVY PINCHBECK, *WOMEN WORKERS IN THE INDUSTRIAL REVOLUTION* (2004 [1930]).

⁵⁸ Neeson documents the extent to which proponents of enclosures explicitly emphasized forcing a more docile and lower-wage workforce as a core benefit of enclosures. NEESON, *supra* note 54 at 28. (e.g. “The farmers in this county are often at a loss for labourers: the inclosure of the wastes would increase the number of hands for labour, *by removing the means of subsisting in idleness.*”)

⁵⁹ PINCHBECK, *supra* note 57; Maxine Berg, *Women’s Work and the Industrial Revolution*, 12 *REFRESH* 1 (1991); MAXINE BERG, *THE AGE OF MANUFACTURES, 1700-1820: INDUSTRY, INNOVATION, AND WORK IN BRITAIN* (2nd ed ed. 1994).

⁶⁰ Sawers, *supra* note 54.

migrate to newly industrializing cities and experiencing a century of falling or at best stagnant wages during a period of sustained growth in British GDP per capita.⁶¹ In the American South, expropriating access to the means of subsistence forced formerly-enslaved Black workers into sharecropping, as removal of the means of subsistence was reinforced by contract labor, false pretense, vagrancy, and other criminal laws that prevented escape from debt peonage.⁶²

In urban societies, direct access to land is no longer relevant for the overwhelming majority of households, but rules regarding entitlements to some level of provisioning by the state or other social provisioning produces parallel effects. The distinctive institutional feature of Nordic social democracies as compared to corporatist European market societies and Anglo-American models is universal eligibility to quite high levels of public or regulated utility provisioning of core components of basic needs and goods—housing, health, education, energy, transportation, and communications, coupled with active labor market policies and a generous social safety net.⁶³ In combination, these increase the staying power of working class families by comparison to the tighter and more punitive social welfare approach in the United States.

Withholding power is a function of rules assigning control over resources in production. These include property in natural resources or processed material inputs into production, knowledge (codified and embodied), and technology. Property laws of various kinds, including intellectual property and regulations that affect control over diverse resources, shape control over use of these resources in production. We think of these generally as “property”: laws governing social relations with respect to resources.⁶⁴ This ability to control resources by claim of legal right gives capitalists power: *both* over society, to constrain efforts to limit market dependence for subsistence, *and* in production, over workers who cannot meet their basic needs without access to these resources.

In addition to property, laws structuring collective action play a central role in allocating withholding power. The most obvious are rules shaping labor coordination, from common law conspiracy and statutory prohibitions on labor combinations, through the war the judiciary waged on labor during the second industrial divide,⁶⁵ to the sustained assault on labor organizing in the United States in the past four decades.⁶⁶ But, as Sanjukta Paul’s recent work underscores, corporate and antitrust law also structure coordination and collective action.⁶⁷ So too do securities laws and

⁶¹ Robert C. Allen, *The High Wage Economy and the Industrial Revolution: A Restatement*, 68 *THE ECONOMIC HISTORY REVIEW* 1 (2015); S. N. BROADBERRY ET AL., *BRITISH ECONOMIC GROWTH, 1270-1870* 258 (2015).

⁶² Mark Stelzner, *The Labor Injunction and Peonage—How Changes in Labor Laws Increased Inequality during the Gilded Age*, 42 *JOURNAL OF POST KEYNESIAN ECONOMICS* 114 (2019); Sawers, *supra* note 54.

⁶³ ESPING-ANDERSEN, *supra* note 55; KATHLEEN ANN THELEN, *VARIETIES OF LIBERALIZATION AND THE NEW POLITICS OF SOCIAL SOLIDARITY* (2014).

⁶⁴ ANNA DI ROBILANT & TALHA SYED, *Property’s Building Blocks: Hohfeld in Europe and Beyond*, in WESLEY HOHFELD: EDITED MAJOR WORKS, SELECT PERSONAL PAPERS, AND ORIGINAL COMMENTARIES 223 (SHYAMKRISHNA BALGANESH ET. AL, EDS 2022).

⁶⁵ FORBATH, *supra* note 56; Klarman, *supra* note 56.

⁶⁶ *Explaining the erosion of private-sector unions: How corporate practices and legal changes have undercut the ability of workers to organize and bargain*, ECONOMIC POLICY INSTITUTE, <https://www.epi.org/unequalpower/publications/private-sector-unions-corporate-legal-erosion/> (last visited Mar 4, 2023).

⁶⁷ Paul, *supra* note 56; Sanjukta Paul, *Fissuring and the Firm Exemption*, 82 *LAW AND CONTEMPORARY PROBLEMS* 65 (2019).

a myriad of sector-specific regulations from agriculture to energy, that make it easier or harder for those who control their own labor and embodied knowledge, and opposed to them, those who possess the means to buy control over material and knowledge resources in production, to collaborate and pool their respective contributions to production. Whoever can coordinate their actions with respect to whatever resources or labor they control can increase their ability to control access to those types of resources, and consequently their relative power vis-à-vis those who do not have access to these resources but need it in order to engage in the market-oriented production necessary to meet their basic needs and wants. This is true whether we speak of capitalists coordinating their control of resources, like the Oil or Sugar trusts of yore or the megamergers of today, of unionized workers, or of smallholder farmers' cooperatives.

In sum, property-like rules structuring social relations with respect to resources, and coordination rules structuring collective action within classes that occupy systematically different positions in social relations of production, shape the pattern and degree of asymmetry in social relations of production. The relative ease with which those who can raise capital, as opposed to those who bring their labor, can pool their resources produces a systematic asymmetric power relation in favor of the former over the latter. This power is expressed both in the division of labor, who does what with whom, and with what degree of meaning or alienation; and in the division of its fruits—who gets what from the joint efforts. The relative ease with which capitalists and the PMC can coordinate within corporate frameworks relative to smallholders makes the power of the former over society, through politics, and their power within markets over smallholder suppliers or customers, larger.

Yet, as we explained in the introduction to this Part II, for all their power vis-à-vis workers, as long as capitalists and smallholders depend on markets to obtain their control over resources, they *too* remain subject to the imperatives of generalized market competition. They too are subject to the Red Queen dynamic. And in their drive to escape competition, to create and extract rents, they are indifferent as to whether they pursue improvements in efficiency or in mechanisms of exerting power over others: sabotaging competitors, creating bottlenecks to control suppliers or customers, and producing, finding, and exploiting every avenue to gain power over competitors, workers, suppliers, or customers.⁶⁸ The vertical, asymmetric relations of class in capitalism explain much of the structure of instrumentalization and exploitation; but horizontal dynamics across classes and within the profit-reaping classes too drive dynamics of alienation and self-instrumentalization in modern market society.

B. Division of labor: manual and cognitive

Property in resources necessary for production is only one dimension along which different people occupy different positions in asymmetric relations. A second, similarly fundamental axis of distinction is the division between manual and cognitive labor.⁶⁹ Skill, or embodied knowledge,

⁶⁸ Benkler, *supra* note 50.

⁶⁹ Our insistence on this as a second, equally fundamental, axis of class division within capitalism, one anchored firmly in production itself and generated by skill differentiation, rather than seen as an overlay of “non-material” production having to do with general “ideological and political” reproduction or “authority” at the workplace, differentiates our conception from those of New Left analyses that we otherwise build on: *see infra* note 81.

translates into position in social relations of production because of scarcity and substitutability. Knowledge is a resource, and control over knowledge is a source of relative withholding power in social relations of production for those who possess it, which in turn depends on how easy it is to replace their embodied knowledge.

Because embodied knowledge and skill are difficult to codify for commodification, the degree of embodied knowledge different classes possess has always translated into withholding power. The iron molders union was the most powerful in post-bellum Chicago because it took six years of apprenticeship to become an iron molder who could produce iron that could reliably make railroad tracks or cast iron pots. Their skill anchored working class bargaining power in Chicago for nearly two decades during and after the Civil War, as their gains set improved benchmarks for others.⁷⁰ The central goal of the new unionism in Britain in the 1890s,⁷¹ as it was for the Knights of Labor,⁷² the Industrial Workers of the World (IWW), and eventually the Congress of Industrial Organizations (CIO),⁷³ was to regularize this cross-class coalition of skilled with semi-skilled and unskilled workers. They did so to counteract the efforts of businesses to use technology to formalize and externalize the embodied knowledge of craft workers, and displace it to machines, newly “scientific” industrial processes, and the rising managerial class.

Business has always invested in technological and organizational transformations designed to weaken labor’s withholding power over skill and embodied knowledge: the self-acting mule,⁷⁴ iron molding and tin capping machines,⁷⁵ scientific management,⁷⁶ automobile automation,⁷⁷ computerized numerical controlled machine tools,⁷⁸ or present-day digital surveillance techniques applied both to workers and customers.⁷⁹ Moreover, conflicts *within* the working classes, between skilled/craft workers and unskilled or semi-skilled workers repeat throughout the history of capitalism, whether in the form of early conflicts over replacement of male apprenticed weavers with unapprenticed youths, demobilized veterans, and women that resulted in the first of the combinations acts in Britain in 1721; conflicts over the new unionism and the split between the cross-class CIO or IWW and the skilled-guild, racialized, and gendered model of the AFL in the

⁷⁰ ROBERT W OZANNE, A CENTURY OF LABOR-MANAGEMENT RELATIONS AT McCORMICK AND INTERNATIONAL HARVESTER 4 (1967).

⁷¹ Klarman, *supra* note 56.

⁷² LAWRENCE GOODWYN, THE POPULIST MOMENT: A SHORT HISTORY OF THE AGRARIAN REVOLT IN AMERICA (1978).

⁷³ FORBATH, *supra* note 45; BARBARA M. WERTHEIMER, WE WERE THERE: THE STORY OF WORKING WOMEN IN AMERICA (1977).

⁷⁴ Tine Bruland, *Industrial Conflict as a Source of Technical Innovation: Three Cases*, 11 ECONOMY AND SOCIETY 91 (1982); BERG, *supra* note 59.

⁷⁵ OZANNE, *supra* note 49; Samuel Bowles, *Social Institutions and Technical Change*, 321 in TECHNOLOGICAL AND SOCIAL FACTORS IN LONG TERM FLUCTUATIONS 67 (Massimo Di Matteo, Richard M. Goodwin, & Alessandro Vercelli eds., 1989).

⁷⁶ HARRY BRAVERMAN, LABOR AND MONOPOLY CAPITAL: THE DEGRADATION OF WORK IN THE TWENTIETH CENTURY (1998 [1974]).

⁷⁷ THOMAS J. SUGRUE, THE ORIGINS OF THE URBAN CRISIS: RACE AND INEQUALITY IN POSTWAR DETROIT 130–143 (2014).

⁷⁸ DAVID F. NOBLE, FORCES OF PRODUCTION: A SOCIAL HISTORY OF INDUSTRIAL AUTOMATION (1st ed ed. 1984).

⁷⁹ Karen Levy & Solon Barocas, *Privacy at the Margins | Refractive Surveillance: Monitoring Customers to Manage Workers*, 12 INTERNATIONAL JOURNAL OF COMMUNICATION 23 (2018); KAREN LEVY, DATA DRIVEN: TRUCKERS, TECHNOLOGY, AND THE NEW WORKPLACE SURVEILLANCE (2023).

decades around the early 20th century,⁸⁰ or today's conflicts over licensing and training requirements in diverse service industries. The legal structure of access to training and licensing and certification requirements shapes the relative power and degree of conflict or congruence between skilled and semi- or unskilled workers.

Of particular significance since the 1870s has been the rise of the professional and managerial class (PMC) as a distinct class from capitalists,⁸¹ and alongside them a clerical class. By “capitalists,” we mean those who *both* possess property in resources necessary for production *and* actively engage in cognitive work to manage the enterprise in which they possess property. This in contrast to the increasingly less important class of “rentiers”— who possess property in resources in production, but engage in no production role—and the PMC, who engage in cognitive work in and for enterprises without having property rights in the enterprise or resources it uses in production. From sixteenth century sea captains and *boekhouders* managing Dutch privateering enterprises and lawyers or Caribbean plantation managers working for absentee owners in seventeenth century English capitalism, there has always been a class of people in capitalism who did cognitive and managerial work without ownership of the enterprise. They have always played a distinct role in relation to capitalists and workers. As the capital costs of railroads and large-scale industrial processes required ever-larger capital pooling, the PMC became more independent and powerful relative to rentiers and capitalists. The development of the modern corporation, in particular, required extensive legal changes to make it possible for these non-owners to possess the kind of control that would become the Berle and Means corporation.⁸² Alongside them, the stock-jobbers and brokers of the Amsterdam Bourse and Exchange Alley in early Modern Amsterdam and London turned into the stockbrokers and financiers, today's hedge fund managers and managers of major institutional investors, who own little of the financial assets they manage.

Alongside and generally subordinated to these were those Upton Sinclair called “white-collar” workers: “the petty underlings of the business world, the poor office-clerks, who are often the worst exploited of proletarians, but who, because they are allowed to wear a white collar, and to work in the office with the boss, regard themselves as members of the capitalist class.” He also

⁸⁰ DAWSON, *supra* note 5; WERTHEIMER, *supra* note 73.

⁸¹ Our analysis of the PMC is heavily indebted, of course, to the work of Barbara and John Ehrenreich, along with that of their predecessors in New Left analysis of a possible new class, Nicos Poulantzas and Andre Gorz. See Poulantzas, *supra* note 20; NICOS POULANTZAS, *CLASSES IN CONTEMPORARY CAPITALISM* (1975); Andre Gorz, *Technical Intelligence and the Capitalist Division of Labor*, 12 *TELOS* 27 (1972); ANDRE GORZ, *STRATEGY FOR LABOR* (1967); Barbara & John Ehrenreich, *The Professional-Managerial Class*, in *BETWEEN LABOR AND CAPITAL* 5 (1979) (Pat Walker, ed.). A key point of departure, however, is that these analyses accept the classical Marxist understanding of class as pertaining to production and appropriation of a “material surplus” anchored in differential ownership of the means of production, and then layer over top of this core “economic” division, a second more “ideological” or “cultural” or “political” one, between those engaged in “productive” (commodified) versus “non-productive” (non-commodified) or “material” versus “ideological” or “technical” versus “social” labor. See Poulantzas, *id.* at 38; POULANTZAS, *id.* at 26; Gorz, *id.* at 27-28; GORZ, *id.* at 120-125; and Ehrenreich & Ehrenreich, *id.* at 12. By contrast, our view directly locates class asymmetries in the division of productive labor itself, and we pinpoint a factor—skill differentiation—that we believe is truly generative, leading us to different explanatory and evaluative conclusions, as discussed in text accompanying note 84 *infra*.

⁸² ALFRED D. CHANDLER, *THE VISIBLE HAND: THE MANAGERIAL REVOLUTION IN AMERICAN BUSINESS* (16. print ed. 2002); HORWITZ, *supra* note 56 at 72–79.

described them as the “most bitter despisers” of “every union working man.”⁸³ They are distinguished from the working class by the fact that the labor they do is cognitive, rather than manual; from the capitalists, rentiers, and smallholders by the fact that they own no property in the resources deployed in production or in the enterprises that coordinate the production from which they make a living; and from the PMC by the comparatively lower skill or embodied knowledge their tasks require, making them more readily substitutable and leaving them with systematically less withholding power than the PMC possesses to shape both the dignity and intrinsic interest of the daily work they do and in their ability to obtain a large share of the fruits of their labor.

Recognizing and understanding the distinctive class position of the PMC is particularly important today, if we are to understand the specific form of capitalism that has developed under neoliberalism.⁸⁴ Beginning in the 1970s, free global financial flows and privatization of pensions policies increased the supply of financial capital in the hands of investors in search of diversified holdings, rather than control of enterprises. Increasingly, the class of people who manage the enterprises and these financial flows has become the dominant class in contemporary capitalism.⁸⁵ Managers, professionals in the financial sector, and (benchmarking to keep up with their college roommates) doctors and lawyers, saw their share of national income grow the most in the past forty years.⁸⁶ At the same time, even in the top 0.5% of income distribution labor income is still a larger share than capital income, which only comes to dominate in the top 0.1%.⁸⁷ Now, power is not absolute power. Like workers and capitalists, the PMC too are subject to the imperatives of generalized markets. The rat race ensnaring PMC children from cradle to grave is familiar to most readers of this piece: the late nights of associates in Big Law; the frustrations of physicians unable to spend time with their patients because they rush to increase their billable time.⁸⁸ But subject to these impersonal market imperatives, the *relative* power of the PMC gives them relative power to structure their own time, to direct their efforts to intrinsically meaningful work, and to exercise power over other classes in the social division of labor and its fruits.

⁸³ UPTON SINCLAIR, *THE BRASS CHECK: A STUDY OF AMERICAN JOURNALISM* 77–78 (1920).

⁸⁴ In this respect, our judgment departs quite sharply from that of the Ehrenreichs’, owing to the underlying analytic differences in our conception of the PMC. See Barbara & John Ehrenreich, *Death of a Yuppie Dream: The Rise and Fall of the Professional-Managerial Class*, ROSA LUXEMBURG SIFTUNG (February 2013) (“the PMC lies in ruins”). See also Alex Press, “On the Origins of the Professional-Managerial Class: An Interview with Barbara Ehrenreich” *DISSENT* (22 October 2019).

⁸⁵ GERALD F. DAVIS, *MANAGED BY THE MARKETS: HOW FINANCE RESHAPED AMERICA* (2009); GRETA R. KRIPPNER, *CAPITALIZING ON CRISIS: THE POLITICAL ORIGINS OF THE RISE OF FINANCE* (2011); RANA FOROOGHAR, *MAKERS AND TAKERS: THE RISE OF FINANCE AND THE FALL OF AMERICAN BUSINESS* (First edition ed. 2016).

⁸⁶ Jon Bakija et al., *Jobs and Income Growth of Top Earners and the Causes of Changing Income Inequality: Evidence from US Tax Return Data*, UNPUBLISHED MANUSCRIPT, WILLIAMS COLLEGE (2012), <http://piketty.pse.ens.fr/files/Bakijaetal2010.pdf> (last visited Jun 20, 2016).

⁸⁷ THOMAS PIKETTY, *CAPITAL IN THE TWENTY-FIRST CENTURY* (Arthur Goldhammer tran., First Edition edition ed. 2014) (Figs. 8.9, 8.10).

⁸⁸ DANIEL MARKOVITS, *THE MERITOCRACY TRAP: HOW AMERICA’S FOUNDATIONAL MYTH FEEDS INEQUALITY, DISMANTLES THE MIDDLE CLASS, AND DEVOURS THE ELITE* (Illustrated edition ed. 2019). (While we obviously disagree with Markovits’s interpretation of the relation between high pay and productivity, his phenomenology of the alienation of the American PMC is perfect).

C. *Personhood: the production and function of a racialized underclass*

Perhaps the most widely used concept from W.E.B. Du Bois's *Black Reconstruction*⁸⁹ is the wages of whiteness. As Du Bois put it: "the white group of laborers, while they received a low wage, were compensated in part by a sort of public and psychological wage. They were given public deference and titles of courtesy because they were white.... Their vote selected public officials, and while this had small effect on their economic situation, it had great effect upon their personal treatment and the deference shown them."⁹⁰ Less often cited is Du Bois' description of this system as "a carefully planned and slowly evolved method, *which drove such a wedge between the white and black workers that there probably are not today in the world two groups of workers with practically identical interests who hate and fear each other so deeply and persistently and who are kept so far apart that neither sees anything of common interest.*"⁹¹ "Emancipation," he had argued earlier in the book, "left the planters poor, and with no method for earning a living except by exploiting black labor and their only remaining capital—their land."⁹² "The race element was emphasized in order that property-holders could get the support of the majority of white laborers and make it more possible to exploit Negro labor. ... So long as the Southern white laborers could be induced to prefer poverty to equality with the Negro, just so long was a labor movement in the South made impossible."⁹³ Early in the book, Du Bois argued that

"[I]n order to maintain its income without sacrifice or exertion, the South fell back on a doctrine of racial differences which it asserted made higher intelligence and increased efficiency impossible for Negro labor. Wishing such an excuse for lazy indulgence, the planter easily found, invented and proved it. His subservient religious leaders reverted to the "Curse of Canaan"; his pseudo-scientists gathered and supplemented all available doctrines of race inferiority; his scattered schools and pedantic periodicals repeated these legends, until for the average planter born after 1840 it was impossible not to believe that all valid laws in psychology, economics and politics stopped with the Negro race.

The espousal of the doctrine of Negro inferiority by the South was primarily because of economic motives and the inter-connected political urge necessary to support slave industry;⁹⁴

Du Bois's magnum opus was the first in a rich series of works by American and Caribbean Black Marxists starting in the 1930s and 1940s.⁹⁵ By the late '80s this tradition encountered

⁸⁹ W.E.B. DU BOIS, *BLACK RECONSTRUCTION: AN ESSAY TOWARD A HISTORY OF THE PART WHICH BLACK FOLK PLAYED IN THE ATTEMPT TO RECONSTRUCT DEMOCRACY IN AMERICA, 1860-1880* (1935).

⁹⁰ *Id.* at 700–701.

⁹¹ *Id.* at 700. (*emphasis added*).

⁹² *Id.* at 671.

⁹³ *Id.* at 680.

⁹⁴ DU BOIS, *supra* note 89 at 38–39.

⁹⁵ C. L. R. JAMES, *THE BLACK JACOBINS: TOUSSAINT L'OUVERTURE AND THE SAN DOMINGO REVOLUTION* (2. ed., rev ed. 1989); ERIC EUSTACE WILLIAMS, *CAPITALISM AND SLAVERY* (Third edition. ed. 2021); CAROLE BOYCE DAVIES, *LEFT OF KARL MARX: THE POLITICAL LIFE OF BLACK COMMUNIST CLAUDIA JONES* (2007); Claudia Jones, *An End to the Neglect of the Problems of the Negro Woman!*, *POLITICAL AFFAIRS*, Jun. 1949; OLIVER CROMWELL COX, *CASTE, CLASS, & RACE: A STUDY IN SOCIAL DYNAMICS* (1959); STUART HALL, *ESSENTIAL ESSAYS* (2018); ORLANDO PATTERSON, *SLAVERY AND SOCIAL DEATH: A COMPARATIVE STUDY* (1982); ANGELA Y. DAVIS, *WOMEN, RACE & CLASS* (1st Vintage Books ed ed. 1983); ROBINSON, *supra* note 3.

dissatisfaction with its heavy focus on the economic dimensions of racialization and racism, best expressed in Cornell West's explicit break with the Marxist tradition and his insistence on the priority of explaining anti-Black racism as a first order phenomenon in Western culture.⁹⁶ Since then, much of the work on race and racism in America, with notable exceptions following the work of Barbara Fields and Adolph Reed, Jr.,⁹⁷ has followed West's approach: emphasizing the independent, prior existence of racism, in particular anti-Black racism, in Western and American culture and law.

We reiterate what we stated at the outset. Our purpose here is not to question contemporary prioritization of explanations of racism; we make no claim to explain racism or to reject the prioritization of the study of the role of racism in American or Western culture, society, and polity more generally. Rather, we seek to excavate from the rich Black Radical tradition a better understanding of *class* in capitalism, in particular of *racialized class relations*—one that incorporates at its foundations the influence of this rich vein of mid-twentieth century scholarship.

Three fundamental power dynamics drive the need of oligarchic elites: rentiers, capitalists, and the PMC, to produce, through institutions and ideology, a racialized underclass vulnerable to super-exploitation. The first is the need to define or identify a set of persons whose outputs can be either fully expropriated without pay or differentially super-exploited with substandard pay, in ways that do not trigger revolt within the system of commodified relations, in particular in ways that destabilize the veil of free exchange among juridical equals central to legitimation of the exploitation of those workers recognized as full juridical persons. The second is the need to maintain discipline in labor markets, as the super-exploitative conditions of the racialized underclass place downward pressure on wages and division of labor for the majority of workers in the normative (white) working classes. The third is the divide and conquer strategy most explicit in the quotations from Du Bois: the need to create and sustain cleavages within and among the other classes in order to prevent the formation of effective political and economic coalitions that could counter the power of the profit-reaping elites.

The first goal is not as trivial as it sounds. Free exchange between formal juridical equals is the foundational ideological pillar of capitalist social relations, legitimating both asymmetric social relations of production (the labor contract that naturalizes social relations as commodity exchange) and the modern state as the repository of legitimate violence deployed to structure and enforce those relations through law (social contract). It is not empty rhetoric, but an ideology, the shared common sense in a society that governs how its members understand how the world works. Finding ways of marking populations of workers as suitable targets for super-exploitation or expropriation to increase profits above those available from employing “normative” workers

⁹⁶ CORNELL WEST, THE CORNELL WEST READER 251–265 (1st ed ed. 1999) (*Race and Social Theory*).

⁹⁷ ADOLPH L. REED, STIRRINGS IN THE JUG : BLACK POLITICS IN THE POST-SEGREGATION ERA (1999); Barbara Jeanne Fields, *Slavery, Race and Ideology in the United States of America*, 0 NEW LEFT REVIEW 95 (1990); KAREN E. FIELDS & BARBARA JEANNE FIELDS, RACECRAFT: THE SOUL OF INEQUALITY IN AMERICAN LIFE (2014). For a review of work following Reed's see Cedric Johnson, *The Half-Life of the Black Urban Regime*, 41 LABOR STUDIES JOURNAL 248 (2016). More recent work in this line includes CEDRIC JOHNSON, REVOLUTIONARIES TO RACE LEADERS :BLACK POWER AND THE MAKING OF AFRICAN AMERICAN POLITICS (2007); DAWSON, *supra* note 5; Michael C Dawson, *Hidden in Plain Sight: A Note on Legitimation Crises and the Racial Order*, 3 CRITICAL HISTORICAL STUDIES 143 (2016).

possessing recognition as full persons within that core legitimating ideology is a major pathway of power-seeking to increase profit. What Adolph Reed, Jr. called ascriptive hierarchies of civic status⁹⁸ are as much a product of the Red Queen dynamic as are continuous technological or institutional innovation. The effort to obtain higher profits than those obtainable under the present political-institutional settlement of class struggle obtained in past struggles by the “normative” working classes drives profit-reaping classes to invent and reinforce atavistic lines of distinction with which to mark sub-populations of potential workers, domestic and global, for denial of recognition as full persons, and thus as suitable objects of expropriation or super-exploitation.

Capitalism produces racialized class relations to cover populations atavistically marked as “outside” recognized full juridical personhood alongside, in conjunction with, and as part of its production of the veil of free exchange to cover class relations of those who are on the “inside” of the population recognized as bearing full personhood. While the driving dynamic of racialization is to create and exploit lines of super-exploitation, its practice as ideology depends on the production of atavistic markers of subordination, or denial of recognition of personhood, that cross class lines. To produce differentiation stable enough to counter the ideology of full juridical equality as the “norm” in wage labor, atavistic status subordination cannot be contained purely to the racialized underclass, or else it will collapse into class and lose its naturalizing effect. To produce public consciousness, race as an ideology, as Fields put it, racialization must necessarily be deployed in laws and social norms that produce continuous public humiliation *across classes*, Jim Crow segregated first class rail cars being the most obvious example, so as to preserve the atavistic line of status subordination as independent of the class structure drawn along the dimensions of property and knowledge alone.

Following the Black Marxian position, then, we treat *capitalism as constitutive of racialization*. By that we do not mean that all instances of atavistic status subordination marked along lines we would recognize as “racialized” occur only in capitalism. Rather, we mean that the dynamics of capital as a social relation, the interaction of the Red Queen dynamic with the centrality of the veil of free exchange among juridical equals, internally and repeatedly produces racialized class relations whose contours may change from place to place and time to time, depending on inherited social relations and new opportunities for super-exploitation. While this does not (indeed cannot) “refute” the position that European anti-Black racism is a distinctive force in Western civilization independent of but central to capitalism from the outside in, along the lines West and others have developed over the past four decades, it certainly provides sufficient explanation, internal to the dynamics of capitalism, for the actually observed dynamics of racialized class relations that have pervaded capitalist societies since early modernity.

In particular, it provides a single, consistent explanation of repeated recurrence of racialized underclasses outside of the Western vs. African, white/Black dichotomy, both before enslavement

⁹⁸ Adolph Reed, *Unraveling the Relation of Race and Class in American Politics*, 15 in *POLITICAL POWER AND SOCIAL THEORY* 265 (Diane E. Davis ed., 2002), [https://doi.org/10.1016/S0198-8719\(02\)80026-6](https://doi.org/10.1016/S0198-8719(02)80026-6) (last visited Feb 5, 2024).

of Africans by Europeans, as both Robinson and Cox argued and showed,⁹⁹ and alongside it and since. The Ukrainian and Polish serfs in the Second Serfdom who fed the Dutch Republic through the Baltic grain trade; the German peasant seasonal migrant workers who manned the Dutch herring fleet and the ships of the VOC until conflict with England and France undermined Dutch manufacturing in the late 17th century and left Dutch workers little choice but to take those jobs on the degraded terms available to those foreign workers; the Irish migrant workers in emerging capitalist English agriculture imported to depress wages of rural workers, or the mid-18th century offshoring of linen thread production to Ireland for the explosively growing Lancashire fustian industry, the precursor to its cotton industry. The racialization of Irish workers in both British and American capitalism in the 19th century; the racialization of the working class by British “scientific racism” of the 19th century; the racialization of Slavs in Western Europe; of Italian, Jewish, and Chinese workers in the Second Industrial Divide in America; of Turkish guest workers in Germany since the 1960s; and of South and Southeast Asian and African *kafala* workers in the Gulf states in the twenty-first century. All these line up in ways that are entirely predictable and consistent with each other within a framework that sees racialization as a necessary product of capitalist social relations of production, while requiring adaptation and extension by a psychological or cultural theory focused on racism as distinctive to the relation of Western civilization to Africa.

Moreover, *contra* Ellen Wood’s Marxian assertion in her debate with Reed that “Capitalism is conceivable without racial divisions, but not, by definition, without class,”¹⁰⁰ we incorporate from the Black Radical tradition that *racialization is constitutive of capitalism*. That is, not only is racialization a product of profit-seeking in capitalism, but its pursuit, production, and exploitation has been an ever-present degree of freedom created and deployed by the profit-reaping classes in capitalist societies as a degree of freedom in their incessant effort to escape competition and the pressures of cyclically falling profits in each regime, that is, the Red Queen dynamic. This claim is analytically derived from the centrality of the ideology of juridical equality and the constraints class struggle places on the degree of exploitation feasible at any given historical period.

In the specific American context, as Barbara Fields put it memorably, “[t]hose holding liberty to be inalienable and holding Afro-Americans as slaves were bound to end by holding race to be a self-evident truth,”¹⁰¹ echoing Du Bois’s explanation that “The South had but one argument against following modern civilization in this yielding to the demand of laboring humanity.”¹⁰² Yet the tension between the ideology of juridical equality and the profitability of enslavement of workers in British commodity-export oriented plantations was already central to conflicts over enforcement of property claims in workers for well over a century before the American Revolution, and

⁹⁹ ROBINSON, *supra* note 95 at 67. (describing the racialization dynamics internal to emerging European capitalism were, as Robinson put it, grafted onto non-Europeans with “the incorporation of African, Asian, and peoples of the New World into the world system emerging from late feudalism and merchant capitalism,” forming “the dialectic of colonialism, plantocratic slavery, and resistance from the sixteenth century forward, and the formations of industrial labor and labor reserves.”); OLIVER C. COX, RACE: A STUDY IN SOCIAL DYNAMICS 14–30 (2000).

¹⁰⁰ Wood Ellen Meiksins, *Class, Race, and Capitalism*, 15 in POLITICAL POWER AND SOCIAL THEORY 275 (Diane E. Davis ed., 2002), [https://doi.org/10.1016/S0198-8719\(02\)80027-8](https://doi.org/10.1016/S0198-8719(02)80027-8) (last visited Feb 5, 2024).

¹⁰¹ Fields, *supra* note 97 at 101.

¹⁰² DU BOIS, *supra* note 89 at 38. *See also* COX, *supra* note 99 at 17–19. (reprinting third section of COX, *supra* note 71).

racialization was its resolution.¹⁰³ In Stuart Hall's classic formulation, addressing racialized class relations in Latin America and Caribbean, as well as Britain and the U.S., "race is the modality in which class is 'lived'"¹⁰⁴ within the historically-specific relations of capitalist accumulation.¹⁰⁵

Integrating racialization as a foundational dynamic of capitalism does not, then, require one to abandon an explanation of capitalism as a global phenomenon and insist on the distinctiveness of American capitalism (and of any other country), as Reed argued and Wood feared. Rather, we see racialization as analytically necessitated by the pervasiveness of both the ideology of juridical equality and the drive to maximize profits through super-exploitation wherever possible, and historically validated by the pervasive role racialized class relations, both domestic and global, of those subject to heightened lawful violence, "premature vulnerability to death," as Ruth Wilson Gilmore put it,¹⁰⁶ and through its expropriation and super-exploitation, have played in every regime in capitalism since its early-modern origins.¹⁰⁷ In addition to Marxian conceptions of juridically free labor and its sale as commodity as central to the definition of capitalism, then, profitability under conditions of class conflict that capitalists do not always win outright requires the continuous production of some class of subordinated person who can be expropriated through direct violence or repressed violently into super-exploitation¹⁰⁸ to circumvent the constraints of periodic partial successes of cross-class coalitions that strengthen the "normative" working classes.

Leveraging racialized us/them, here/there distinctions of juridical personhood continues to play a central role in global trade. The persistent exclusion of labor and environmental standards from permissible bases for exclusion of imports supports global firms power arbitrage, structuring their manufacturing networks to harness particularly weak or desperate, usually racialized, workers *in situ*. As with the domestic racialized underclass, so with global trade, the exploitation both

¹⁰³ Holly Brewer, *Creating a Common Law of Slavery for England and Its New World Empire*, 39 LAW HIST. REV. 765 (2021).

¹⁰⁴ Stuart Hall, *Race, Articulation and Societies Structure in Domination*, in SOCIOLOGICAL THEORIES: RACE AND COLONIALISM 305, 341 (UNESCO, ed. 1980). ("Race is thus, also, the modality in which class is 'lived,' the medium through which class relations are experienced, the form in which it is appropriated and 'fought through.'")

¹⁰⁵ We recognize that it is possible to read Hall's discussion more narrowly, as one that uses the term to describe only the relations of the Black "fraction" of the working class, leaving the impact on the "white fraction" focused solely on the "the internal fractioning and division within the working class," but we think a better reading to be one that aligns Hall's brilliant crystallization with that of Robinson, Reed, and Fields, only now on a broader canvas than American capitalism alone, and that emphasizes his conclusion that "racism is also one of the dominant means of ideological representation through which the white fractions of the class come to 'live' their relations to other fractions, *and through them to capital itself*." Hall, *id.* (emphasis added).

¹⁰⁶ RUTH WILSON GILMORE, *GOLDEN GULAG: PRISONS, SURPLUS, CRISIS, AND OPPOSITION IN GLOBALIZING CALIFORNIA* (2007).

¹⁰⁷ "The discovery of gold and silver in America, the extirpation, enslavement and entombment in mines of the aboriginal population, the beginning of the conquest and looting of the East Indies, the turning of Africa into a warren for the commercial hunting of black-skins, signalled the rosy dawn of the era of capitalist production. These idyllic proceedings are the chief momenta of primitive accumulation". I MARX, *CAPITAL*, *supra* note 17, Ch. 31. See Table 1.

¹⁰⁸ ELIZABETH KAI HINTON, *FROM THE WAR ON POVERTY TO THE WAR ON CRIME: THE MAKING OF MASS INCARCERATION IN AMERICA* (2016) (describing the mutation of the War on Poverty into the violent policing and mass incarceration model that has characterized the American state's control over much of its Black population); LOÏC WACQUANT, *PUNISHING THE POOR: THE NEOLIBERAL GOVERNMENT OF SOCIAL INSECURITY* (2009) (describing parallel increases in violent coercive policing across diverse neoliberal polities, in Europe as well as the United States).

provides cheap inputs and disciplines labor in domestic labor markets: the threat of offshoring disciplines labor's demands and places downward pressure on wages in trade-exposed sectors.¹⁰⁹ And as with the domestic underclass, so too with global networks, racialization joins conceptions of sovereignty or foreignness to mediate between the liberal ideals of economies at the core of the global network of trade and the reality of super-exploitation of workers in global supply chains at levels politically and morally intolerable domestically.¹¹⁰

The production of a racialized underclass also serves as a source of discipline over those members of the working classes who are part of the dominant majority. Harnessing a class of institutionally and ideologically status-subordinated workers provides a consistent and elastic supply of labor, particularly at the lower end, to reduce the bargaining power workers might gain in tight labor markets. The Bureau of Labor Statistics (BLS) defines and measures three categories of potential workers not currently employed,¹¹¹ which roughly correspond to Marx's "floating," "stagnant," and "latent" reserve armies of labor.¹¹² What the BLS calls "unemployed" are workers actively looking for a job. They function as the floating reserve army of labor; their primary role to maintain downward pressure on wages during upswings of short-term business cycles. The Fed actively manages the size of the floating reserve army in order to put downward pressure on wages.¹¹³ By one account, artificially-high unemployment shaped by monetary policy was the primary driver of wage inequality among men in the bottom half of the income distribution in the past forty years.¹¹⁴

The BLS also defines a category of workers as "marginally attached to the workforce." These include "discouraged workers" who think there are no jobs available for which they would qualify, including concerns about discrimination. This category also includes those workers whose "full time" job gives them less than 35 hours per week. These kinds of workers play the role of the stagnant reserve army of labor: they put downward pressure on wages at the low end of the labor market, and provide a labor force that, through low socialized wage expectations and lack of options, is more susceptible to acquiescing in new, more exploitative labor processes. To a degree, they are also part of the latent reserve army of labor: their labor supply primarily kicks in over longer-term cycles or during emergencies. Racialized minorities—Black Americans and Latin American immigrants and their descendants in the United States, and North African, sub-Saharan African, and Middle Eastern immigrants in Europe—provide a major reservoir of people sufficiently weak politically and economically to be forced to absorb this position at higher rates

¹⁰⁹ Dani Rodrik, *A Primer on Trade and Inequality*, IFS DEATON REVIEW, 5–6 (2021).

¹¹⁰ DU BOIS, *supra* note 89 at 634. ("Home labor in cultured lands, appeased and misled by a ballot whose power the dictatorship of vast capital strictly curtailed, was bribed by high wage and political office to unite in an exploitation of white, yellow, brown and black labor, in lesser lands and 'breeds without the law.'")

¹¹¹ <https://www.bls.gov/cps/definitions.htm>.

¹¹² I MARX, *supra* note 17, Ch. 25.

¹¹³ The Fed works with a concept of the "non-accelerating inflation rate of unemployment" (NAIRU), which is to say the level of unemployment necessary to suppress wage growth to a level that will not drive inflation up. When the economy heats up and demand for labor increases to the point that labor's short side power increases enough to demand higher wages, the Fed tightens the money supply to slow down growth and maintain a sufficiently high level of unemployment to put downward pressure on wage growth, and hence on price inflation.

¹¹⁴ L. Mishel, J. Schmitt & H. Shierholz, *Wage Inequality: A Story of Policy Choices*, 23 NEW LABOR FORUM 26 (2014).

than majority groups. Racialized immigrant groups, and particularly guest workers and even more so undocumented, hyper-vulnerable immigrants, play an outsized role as the workforce that makes up this stagnant reserve army of labor. Their juridically subordinate status operates to produce low socialized wage expectations, exclude them from better forms of employment, and renders them particularly unable to organize politically and economically to build collective counterpower. These underclasses are the targets of hypertrophied policing systems and overbearing welfare systems.¹¹⁵

The first power dynamic surrounding the institutional and ideological imperatives of racialization was creation of a set of people susceptible to super-exploitation. The second was downward pressure on the wages and conditions of work for the normative, or white, working class. The third power dynamic is divide and conquer. We began with Du Bois's emphasis on the political dimension of racialization. It is impossible to look at how the party of business harnessed the white working class to its cause since the 1970s and fail to see in the rise of American neoliberalism the same dynamic that Du Bois described as driving the defeat of Reconstruction. Nixon's Southern Strategy and the racialized War on Crime; Reagan's racialized Welfare Queen, racialized War on Drugs, and embrace of the Moral Majority's backlash against the Women's Movement proved decisive in shifting the allegiance of the white working class. These allowed the party of business to retain white working class votes while devastated their life prospects by extracting almost all productivity growth into the hands of the oligarchic elites. Against them, large parts of the PMC and smaller parts of the capitalist class allied with racialized elites to shape the Democratic Party as an oppositional cross-class coalition, which maintained its alliance largely by focusing away from economic class politics toward fighting, and achieving substantial gains against, race and gender subordination.¹¹⁶

Beyond political power, in earlier chapters of *Black Reconstruction*, focused on the antebellum period, Du Bois also emphasized the role of race and racialized immigration in making it difficult to organize labor as an economic power, independent of its destructive effects on political power.¹¹⁷ It is to the inability to see past the racial divide and forge a single workers movement that DuBois also attributes the postbellum concentration on skilled workers unions and the racially exclusionary policies of the American Federation of Labor.¹¹⁸ Oliver Cox underscored the systematic resistance to education of Black workers as a means of maintaining and reproducing

¹¹⁵ WACQUANT, *supra* note 108.

¹¹⁶ REED, *supra* note 97; JOHNSON, *supra* note 97.

¹¹⁷ DU BOIS, *supra* note 89 at 20–21. (“Here, then, were two labor movements: the movement to give the black worker a minimum legal status which would enable him to sell his own labor, and another movement which proposed to increase the wage and better the condition of the working class in America, now largely composed of foreign immigrants, and dispute with the new American capitalism the basis upon which the new wealth was to be divided. Broad philanthropy and a wide knowledge of the elements of human progress would have led these two movements to unite and in their union to become irresistible. It was difficult, almost impossible, for this to be clear to the white labor leaders of the [eighteen] thirties. They had their particularistic grievances and one of these was the competition of free Negro labor. Beyond this they could easily vision a new and tremendous competition of black workers after all the slaves became free. What they did not see nor understand was that this competition was present and would continue and would be emphasized if the Negro continued as a slave worker. On the other hand, the Abolitionists did not realize the plight of the white laborer, especially the semi-skilled and unskilled worker.”)

¹¹⁸ *Id.* at 22–25.

the weakness associated with unskilled labor in the division of labor.¹¹⁹ For their part, liberal abolitionists, both antebellum and during Reconstruction, opposed racial juridical status subordination, but ignored the class divide. As Michael Dawson put it, “the racialized nature of capitalist society in the United States undermines the potential unity necessary for effective resistance.”¹²⁰ It is simply impossible to understand the unique weakness of American social democracy as a historical matter, Dawson argues, or to construct anything like a meaningful social democratic program, without incorporating an understanding of race and racism into both its core theoretical framework and practical programmatic design.¹²¹

III. THE ARTICULATION OF GENDER AND CLASS IN CAPITALISM

Patriarchy long preexisted capitalism, and is pervasive in capitalist and noncapitalist countries in modernity. Sexual violence and heteronormativity are common across cultures and societies, historical and modern. As with race, we do not presume to offer a theory of gender or intervene in longstanding debates among feminist scholars regarding what aspects of gender theory and explanations of gendered social relations should take priority.¹²² Our goal is narrower: to describe the historically-specific articulation of gender subordination with class in capitalism. Specifically, we underscore three dynamics: the separation of (paid) production from (unpaid) reproduction work and domestic labor coupled with the privatization of reproduction; the extension of the dynamics of status-subordinated labor to women’s work in commodified labor markets; and the leveraging of racialized class in the commodification of privatized reproduction in care work.

A. *Privatized and atomized reproduction under patriarchy*

Ivy Pinchbeck’s groundbreaking work in 1930, and Jane Humphries’ updated analysis over thirty years ago,¹²³ made clear that the central effect of the Parliamentary Enclosures, the final separation of most households from direct access to their means of subsistence, operated through women’s work—the separation of household production of food, fuel, and market-oriented smallholding production (dairy and other home products for local markets) from reproduction—bearing, nursing, and raising children. In pre- or noncapitalist societies where most households have direct access to the means of subsistence, production and reproduction are integrated in the household production system. As households became wage-dependent and labor relations subject to the logic and discipline of profit maximization, inherited patriarchal division of labor in care work, childrearing, and domestic labor; the valorization of “making money” in a commodified economy; and the systematic underpayment of women in commodity labor markets following the status subordination dynamic we discuss in Part III.B., combined to create a positive feedback effect between gender subordination in the household, reinforced by wage dependence; and subordination in labor markets, reinforced by patriarchal division of unpaid reproduction and life maintenance labor in the household. The dynamic is, of course, not limited to the industrial

¹¹⁹ COX, *supra* note 99 at 26–28.

¹²⁰ Dawson, *supra* note 97 at 146.

¹²¹ DAWSON, *supra* note 5 at 12–15.

¹²² See, e.g., Catharine A. MacKinnon, *Feminism, Marxism, Method, and the State: An Agenda for Theory*, 7 SIGNS 515 (1982); Judith Butler, *Merely Cultural*, SOCIAL TEXT 265 (1997); Nancy Fraser, *Heterosexism, Misrecognition, and Capitalism: A Response to Judith Butler*, SOCIAL TEXT 279 (1997).

¹²³ PINCHBECK, *supra* note 57; Humphries, *supra* note 54.

revolution or Britain, but rather is driven by the combination of inherited patriarchal relations in the family with one of the defining characteristics of capitalist social relations—universal market dependence for subsistence. If market dependence for subsistence is constitutive of capitalism, so too then is the separation of commodity production from reproduction, and with it the distinctive, historically-specific articulation of gender in capitalism as a bidirectional positive feedback effect between subordinate position in the family and subordinate position in commodity labor markets.

This distinct articulation of social relations of reproduction with capitalist social relations of production has been central to Nancy Folbre's work for over three decades. Folbre's focus is not primarily on women as subordinated labor within commodified labor markets, but on the privatization of social relations of reproduction, its exploitative structure for parents in general and women in particular, and its reinforcement of patriarchal relations within households subject to generalized market imperatives for subsistence.¹²⁴ Over this same period, Joan Williams has explored the role of law and the ideology of domesticity in structuring and legitimating this dynamic.¹²⁵ The basic point is that without labor capital is merely a pile of ore, a stretch of land, a hunk of metal.¹²⁶ Labor does not spring forth from the forehead of Zeus at age 20, but is conceived, carried, born, and raised by adults understood in any given society as bearing special relation and responsibility for raising children. The relations among these adults make up social relations of reproduction: who may, who must, and who must not or need not have sex with whom; have children with whom; care for which children, how, and for how long.

The distinctive characteristic of capitalism is that it atomizes and privatizes (as opposed to socializes) the process and costs of reproduction, and separates the sites of reproduction and life-maintenance care work (cooking, cleaning, etc.), marking them as sites of unpaid labor, from the sites of waged production. In a society dependent on generalized markets for the satisfaction of basic needs and wants, the economic burden of childbearing and childrearing falls on those most directly responsible for caring and socializing children based on inherited social norms and legal obligations.¹²⁷ In a society that conceives relations as market exchange among naturally free and equal individuals, centripetal forces disrupt norms of kin networks and social responsibility for child rearing, atomizing these to the nuclear family and, since the sexual revolution, increasingly to single-parent households, usually headed by single mothers, in turn overrepresented among

¹²⁴ NANCY FOLBRE, *WHO PAYS FOR THE KIDS? GENDER AND THE STRUCTURES OF CONSTRAINT* (1994); NANCY FOLBRE, *GREED, LUST & GENDER: A HISTORY OF ECONOMIC IDEAS* (2009); NANCY FOLBRE, *VALUING CHILDREN: RETHINKING THE ECONOMICS OF THE FAMILY* (2008); Nancy Folbre, *Cooperation & Conflict in the Patriarchal Labyrinth*, 149 *DAEDALUS* 198 (2020).

¹²⁵ JOAN WILLIAMS, *UNBENDING GENDER: WHY FAMILY AND WORK CONFLICT AND WHAT TO DO ABOUT IT* (2001); Joan C. Williams, *From Difference to Dominance to Domesticity: Care as Work, Gender as Tradition*, 76 *CHICAGO-KENT L. REV.* 1441 (2001); WILLIAMS, *supra* note 1. For a review of the extensive literature that developed on the role of privatized reproduction work see Harris, *supra* note 1 at 44–48.

¹²⁶ I KARL MARX, *CAPITAL* Ch. 33 *The Modern Theory of Colonization*.

¹²⁷ On the early struggles over the legal structuring of household labor and women's property claims see Reva B Siegel, *Home As Work: The First Woman's Rights Claims Concerning Wives' Household Labor, 1850-1880*, 103 *THE YALE L.J.* 1073 (1994).

households below the poverty line.¹²⁸ The separation of the sites of production and reproduction externalized the costs of life-maintenance, producing, as Williams underscored, a normative male wage-earning worker supported by a flow of unpaid domestic services produced by a status subordinated worker “outside” the commodity relation, the wife, disciplined by economic dependence and an ideology of domesticity backed by domestic violence treated as legitimate in the quintessential private sphere, the family home.¹²⁹

As with liberalism generally, so with gender, atomization and privatization produce new forms of both liberation and oppression. The same ideological dynamics that erode patriarchy, heteronormativity, and gender conformism also erode the socialization of childcare in kinship networks. As Nancy Fraser lamented in *Feminism, capitalism, and the cunning of history*,¹³⁰ capitalism has left women in particular, both PMC and working class, more exposed to market imperatives in an ideological framework that valorizes paid labor and, as she puts it, “Once the centerpiece of a radical critique of androcentrism, [women’s liberation through access to and success in commodified workplaces] serves today to intensify capitalism’s valorization of waged labor.”¹³¹ This, argues Folbre, leaves parents in general, and women in particular, to bear the full social cost of raising the next generation of labor in increasingly atomized private relations, conceiving even the children as becoming free working adults with no reciprocal care obligations towards those who raised them.

Parents in general, Folbre argues, and women in particular, subsidize businesses that need not pay the cost of reproducing the adult, well-socialized workforce, as well as subsidizing non-parents who, as consumers, need not pay the full price of producing and maintaining the labor force because the businesses externalize it to the parents, mostly mothers.¹³² On the background of generalized market imperatives, this not only produces a subsidy from parents to non-parents, but also forces women into subordinate positions within markets. Women are increasingly forced to live with, on the one hand, the demands of an “ideal worker” supported by a steady flow of domestic services,¹³³ and in relations of dependence and power within families along the fault lines of who earns what in money.¹³⁴ As Williams found, in working class families that cannot afford to

¹²⁸ Thirty percent of households where mother and children are coresident are headed by a single mother, whereas the proportion for fathers is one in ten. US Census Bureau, *America’s Families and Living Arrangements: 2022*, CENSUS.GOV, <https://www.census.gov/data/tables/2022/demo/families/cps-2022.html> (last visited Mar 26, 2023). The poverty rate of female headed families with children has longest been the highest among all household composition, with poverty rates of Black single female headed households with children have consistently been higher than average among these households. Elise Gould, *Two in Five Female-Headed Families with Children Live in Poverty*, ECONOMIC POLICY INSTITUTE, <https://www.epi.org/publication/female-headed-families-children-poverty/> (last visited Mar 26, 2023); US Census Bureau, *U.S. Poverty Rate Drops to 11.8% in 2018*, CENSUS.GOV, <https://www.census.gov/library/stories/2019/09/poverty-rate-for-people-in-female-householder-families-lowest-on-record.html> (last visited Mar 26, 2023).

¹²⁹ WILLIAMS, *supra* note 125. See also FOLBRE, *supra* note 119 (tracing the historical trajectory of ideological constructs designed to naturalize and valorize these structures of gendered subordination).

¹³⁰ NANCY FRASER, FORTUNES OF FEMINISM: FROM STATE-MANAGED CAPITALISM TO NEOLIBERAL CRISIS 214–221 (2013).

¹³¹ *Id.* at 221.

¹³² FOLBRE, *supra* note 124.

¹³³ WILLIAMS, *supra* note 125.

¹³⁴ Folbre, *supra* note 124.

purchase care, this results in, ironically, a mixture of formally asserted patriarchal relations but functionally more gender-balanced roles in childcare, while in the PMC the opposite is true: formal affirmations of gender balanced responsibilities, coupled with functionally gender-unequal roles in care made up for in commoditized care work.¹³⁵ It is in this commoditization that gendered asymmetric social relations of reproduction articulate most directly with racialized class, to which we return in Part III.C.

B. *Leveraging gender as a component of status-subordinate labor*

Just as profit seeking drives capitalists to seek out, produce, and exploit racialized underclasses, so too capitalists have always leveraged preexisting patriarchal relations to use women's work under super-exploitative conditions that did not destabilize liberal personhood, because men did not treat women as full juridical persons, and neither did law. A major focus of Pinchbeck's work had been to document the central role of women's proletarianization under super-exploitative conditions as the first industrial workforce.¹³⁶ Maxine Berg updated and extended Pinchbeck's work in the 1990s, showing that women offered early industrial producers two major advantages. One was wage: women's wages were customarily one third to one half those of men.¹³⁷ The second was that employing women and children enabled factory owners to introduce new, more regimented and disciplined organizational techniques that "bypassed traditional artisan customs and arrangements."¹³⁸ Jane Humphries and Sara Horrell produced detailed documentation of the far larger role of women and children in early capitalism both before and after industrialization than most of the economic history of industrialization had recognized.¹³⁹ Barbara Wertheimer's classic 1977 history of women's industrial labor and the alliances and conflicts with men's unions surrounding unionization, suffrage, and strategy laid out the dynamics of divide and conquer and the challenges of economic and political collective action in the teeth of patriarchal relations in both the first and second industrial divides in the United States.¹⁴⁰

A primary dimension of gender subordination in wage labor was not only low pay, but systematic compulsion to work under surveillance and discipline more constraining and alienating than those employers could impose in men. Abject necessity forced by the Parliamentary Enclosures combined with broad patriarchal culture to underlay factory owners beliefs that women were more pliable workers. Pinchbeck quotes industrialists opining that women were less "difficult to manage," and men were "more likely to cause trouble by their combinations" (that is, to form unions and organize as workers), while the industrialist finds that "a child or a woman was a more obedient servant to himself, and an equally efficient slave to his machinery."¹⁴¹ These beliefs provided the impetus for the adoption of some of the most significant technological innovations

¹³⁵ WILLIAMS, *supra* note 1; WILLIAMS, *supra* note 1 at 80–82.

¹³⁶ PINCHBECK, *supra* note 57.

¹³⁷ BERG, *supra* note 34, at loc 2773; PINCHBECK, *supra* note 73, at 193-194.

¹³⁸ BERG, *supra* note 34, at loc 2881.

¹³⁹ Jane Humphries, *Childhood and Child Labour in the British Industrial Revolution*: 66 *ECON. HIST. REV.* 395 (2013); Sara Horrell & Jane Humphries, *Children's Work and Wages in Britain, 1280–1860*, 73 *EXPLORATIONS IN ECON. HIST.* 101272 (2019).

¹⁴⁰ WERTHEIMER, *supra* note 73.

¹⁴¹ PINCHBECK, *supra* note 73 at 187-188.

of the era: including the self-acting mule, the cylindrical copper roller, and wool combing in worsted, all of which were originally developed and deployed in order to replace organized craft male workers with women and children.¹⁴² The leveraging of gendered status subordination was the framework for the entire industrial organization model of the Lowell system, the heart of industrialization in New England. As profitability declined in the first wave of industrialization and leading sectors shifted into the carrier industries of the second industrial divide, women were the quintessential homeworkers of the sweated trades throughout the second half of the 19th and early 20th century (although racialized Eastern European Jews also occupied that role in England, as did Jews and other racialized immigrants in the United States), providing a pathway for milking declining industries, particularly textiles, even as factory work was taking over a growing portions of newly expanding industrial sectors.¹⁴³

When the rise of managerial capitalism demanded an expansion of clerical labor, and clerical labor was mechanized (typewriters, adding machines, telephone switchboards) and reorganized from a semi-professional position to routinized and semi-skilled work on a mass scale, women's proportion of clerical and sales workers increased twentyfold—indeed, 59% of the total growth in the share of white-collar workers among women between 1870 and 1970 had already occurred by 1920.¹⁴⁴ By 1970 status-subordinated “pink-collar” workers could be a distinctive subject of analysis within the clerical class. Erin Hatton's *The Temp Economy: From Kelly Girls to Permatemps in Postwar America*¹⁴⁵ documents how, as declining profits in industrial production led the profit reaping classes to offshore industry and shift domestic investments into services in the 1960s, employers actively produced and leveraged rapidly-changing gender norms between the 1950s and 1970s to use married women as the core labor force induced and forced into the kinds of insecure labor relations that characterize today's fissured workplace, initially evading labor unions' concerns by emphasizing that this was women's work, and leveraging the asymmetric obligations of childcare and unpaid domestic labor to fix norms that emphasized flexibility over security of work and wage to develop the contemporary precarious workweek.

This economic history shows how the profit-reaping classes took extant patriarchal norms that denied women full juridical personhood and leveraged them within commodity labor markets along all three dimensions that leveraged the racialized underclass. Women could be differentially super-exploited without destabilizing the veil of labor as contract between “naturally” free and equal juridical individuals, because patriarchy limited that status to men. Women could place downward pressure on wages, and circumvent and discipline men's resistance to changes in the division of labor that made work more alienating and alienated. Finally, as Wertheimer's work

¹⁴² Bruland, *supra* note 74 at 91–121; BERG, *supra* note 59 at 200–203, 209–211..

¹⁴³ JENNY MORRIS, WOMEN WORKERS AND THE SWEATED TRADES: THE ORIGINS OF MINIMUM WAGE LEGISLATION (1986); Sheila C. Blackburn, “No Necessary Connection with Homework”: *Gender and Sweated Labour, 1840-1909*, 22 SOCIAL HISTORY 269 (1997).

¹⁴⁴ CLAUDIA GOLDIN & LAWRENCE F. KATZ, THE RACE BETWEEN EDUCATION AND TECHNOLOGY 168, 172–175 (2010).

¹⁴⁵ ERIN ELIZABETH HATTON, THE TEMP ECONOMY: FROM KELLY GIRLS TO PERMATEMPS IN POSTWAR AMERICA (2011).

documented extensively, gender was a perennial dimension along which to divide and conquer working class collective action throughout the history of labor.

Returning to the BLS and the reserve army of labor, the BLS defines categories of workers working part-time for non-economic reasons or are marginally-attached to the workforce (want a job but did not search for a job in the past 4 weeks) because of childcare and family responsibilities, obligations disproportionately borne by women.¹⁴⁶ As Joan Williams emphasized, it is precisely the conception of an ideal worker as one supported by a steady flow of domestic services that reinforces women's subordination *both* in the workplace and in the family.¹⁴⁷ Moreover, the role of women's labor in the industrial revolution and the transition to a services economy and fissured workplaces underscored that women, particularly married women, have been the quintessential *latent* reserve army of labor. That is, that portion of the labor force that can be mobilized and demobilized for long periods, during wartime and as regimes in capitalism transform the kind of labor capitalists seek to exploit and new terms of division of labor they seek to impose over the objection of working class opposition. Since the industrial revolution women were called into industrial work to fill in for men who had gone to war—from the Napoleonic Wars in Britain of the early 19th century to Rosie the Riveter in World War II—and were then demobilized and “sent back” home.¹⁴⁸

More systematically, women played a major role as the latent reserve army of labor in two of the five major transitions in capitalism: the first industrial revolution and the transition to the neoliberal postindustrial order in the 1970s. In both cases, the new work arrangements were unacceptable to men who remained in, and jealously guarded their privileged access to, the shrinking number of jobs in high-skill or highly paid work processes (craft in the early 19th century; unionized industrial manufacturing in the 1970s-1980s), and were filled by women (factory work in the industrial revolution; fissured services workplaces in the 1970s-1980s). Again, the role of the latent reserve army is not regulation of wages continuously or over short term business cycles, like the floating reserve army, but as a wedge to break through into new patterns of economic processes at moments of regime transition and as a buffer against major demand shocks that push the demand for labor upwards for a brief period, mostly wars. Table 1 provides a summary overview of the combined utilization of various instances of the racialized underclass described in Part II, and emphasizing the super-exploitation of women as a subordinated labor underclass, over five major regimes in capitalism since the industrial revolution.¹⁴⁹ In all these cases gendered status subordination was distinct from racialized status subordination in that the patterns of work leveraged, intensified, and shaped, asymmetric, patriarchal, roles in reproduction.

¹⁴⁶ FOLBRE, *supra* note 124.

¹⁴⁷ WILLIAMS, *supra* note 125 at 1.

¹⁴⁸ Maria Cristina Santana, *From Empowerment to Domesticity: The Case of Rosie the Riveter and the WWII Campaign*, 1 FRONTIERS IN SOCIOLOGY (2016).

¹⁴⁹ Adapted from Freeman and Soete's tables tracing Kondratiev waves since the industrial revolution. FREEMAN AND SOETE, *supra* note 50 at 65–70.

Wave	Technologies	Carrier industries	Status subordinated workers	Organizational transformation (power-seeking technologies)
First: The Industrial Revolution ~1780s-1850s Great Britain (US South for raw materials)	Arkwright's mill; Crompton's mule; Whitney's cotton gin	Mechanized cotton manufacture Wrought iron	Women & children in UK (Humphries; Pinchbeck; Berg=> women primary vector of proletarianization) Enslaved Black workers in the US South Young women + immigrants in New England	Factory System Domestic slave trade; intensification of legal degradation of free Black people The Lowell system (self-acting mule; cylindrical copper roller)
Second: The Age of Steam and Railways Great Britain, spreading to U.S. and Europe 1830s-1890s	Steam engines Steam ships and railroads; Iron and Coal Early American system of replaceable parts)	Railway construction Rolling stock manufacture World shipping Machinery	Irish Catholic immigrants in East and Midwest Black enslaved workers into sharecroppers and share tenants workers in South Chinese workers in West Women in sweated trades	Integrated national markets through transportation and shipping networks South after Reconstruction: sharecropping
Third: Belle Époque; Gilded Age 1880s-1940s U.S. and Germany overtake Great Britain	Steel Electricity Chemistry Finance	Heavy engineering; chemistry and civil engineering; electrical supply and distribution Canned and bottled food	Until 1916 Southern European (Italians); Eastern & Central European (Poles; Jews) Women in sweated trades After 1916-1924 (immigration exclusion): Black workers: the Great Migration & still sharecroppers in the South Emergence of pink-collar work	Modern corporation; Consolidation and scale; Global markets Dense urbanized manufacture; sweatshops & tenements; displacing craft unionized workers with unskilled and semi-skilled immigrants (capping machines; McCormick reaper iron molding machines)
Fourth: 1920s-1980s U.S., spreading to Europe	Assembly line; Internal combustion engine; Petroleum and petrochemicals	Automobiles Energy (oil) Electrical appliances	Treaty of Detroit constructed around the ideal male head of family warning family wage Black workers excluded Rosie the Riveter mobilized/demobilized Expansion of pink-collar work	Fordism
Fifth 1970s-? U.S., spreading to Europe and Asia	Telecommunication s; Computers; information technology	Services	Women as leading edges of part-time & precarious work; immigrants; undocumented in US; guest workers in mainland Europe; MOSTLY: offshoring to harness workers in the Global South	Globalized supply networks; (harnessing the global south) Financialization (disinvestment from labor and production capital) Fissured workplace

Table 1: Subordinated racialized and gendered underclass across five regimes.

C. *Leveraging racialized class in the commodification of privatized reproduction*

Ella Baker and Marvel Cooke’s 1930 *The Bronx Slave Market*¹⁵⁰ laid bare the dehumanizing urban day-labor market for Black women domestic workers, portraying the humiliation and exploitation at the hands of middle-class white women seeking the cheapest labor, using the desperation of the Great Depression to harness the hands and backs of the most insecure as domestic workers. A decade later, Claudia Jones decried the hypocrisy of progressive women as they preached consciousness to their employees in a condescending mistress-maid relation, rather than seeking to organize Black women workers at the forefront of worker mobilization efforts.¹⁵¹ In more recent decades, work by Dorothy Roberts¹⁵² and others has continued to explore and underscore the harnessing of working class women in general, in particular racialized immigrant women of color, to provide the core of the workforce for commodified care work and suffer the worst of the “natural” consequences of a society with a highly unequal gender division of labor and a racialized underclass.¹⁵³ As more married women entered the commodified labor markets since the 1970s, the racialized class structure of labor markets generally interacted with the gendered socialized structure of care work to produce the predictable patterns. In 2022, 91.5% of domestic workers were women, and 52.4% were women of color—Black, Hispanic, or Asian American/Pacific Islander. Their median pay was \$12.01, and even when controlling for demographic characteristics, domestic and care workers make three quarters of what similarly-

¹⁵⁰ Ella Baker & Mavers Cooke, *The Bronx Slave Market*, 42 THE CRISIS, Nov. 1930, at 330.

¹⁵¹ Jones, *supra* note 95.

¹⁵² Dorothy Roberts, *Spiritual and Menial Housework*, 9 YALE J. LAW & FEMINISM 51 (1997).

¹⁵³ Harris, *supra* note 1 at 46–47. (citing work of Glenda Labadie-Jackson, Dorothy E. Roberts, Angela Onwuachi-Willig and others exploring the dynamic of racialized commodification of domestic labor and the care economy).

situated workers earn outside the care economy. These workers were three times as likely to live in poverty than other workers.¹⁵⁴

The programmatic implication seems clear, as distilled by Angela Davis in her conclusion to *Women, Race, and Class*. Davis insisted there that only full de-commodification of housework and care work could address the soul-crushing alienation of domestic labor forced on women in general and, as domestic workers, on Black women in particular. As she bracingly put it:

For Black women today and for all their working-class sisters, the notion that the burden of housework and child care can be shifted from their shoulders to the society contains one of the radical secrets of women’s liberation. Child care should be socialized, meal preparation should be socialized, housework should be industrialized—and all these services should be readily accessible to working-class people.¹⁵⁵

The abolition of housework as the private responsibility of individual women is clearly a strategic goal of women’s liberation. But the socialization of housework—including meal preparation and child care—presupposes an end to the profit-motive’s reign over the economy. ... Working women, therefore, have a special and vital interest in the struggle for socialism.¹⁵⁶

IV. SYSTEM DYNAMICS WITH PROGRAMMATIC NOTES

Parts II and III laid out an analytic framework for reconstructing class analysis along three dimensions of asymmetric power over property in resources, knowledge in the distribution of labor, and recognition of full juridical personhood, rather than only along the single dimension of ownership over the means of production. The class structure we derive is the analytic implication of shifting from conceiving of class as conflict over material surplus to conceiving of class as asymmetric positions in social relations in the division of labor and the disposition and distribution of its fruits, asymmetries defined by holding institutionally-structured asymmetric power in the constituent dimensions of those relations: property, knowledge, and recognition. We have relied on historical evidence to validate the reality and significance—in social and political struggles throughout the history of capitalism—of the class structure our model produces, but the model itself is not an abstraction of the historical descriptions.

The three axes that define asymmetric social relations of production in capitalism resolve into eight classes in total, of which six remain the most important in today’s conflicts. First, ownership over the means of subsistence and resources necessary in production, whose combination triggers the imperative of generalized markets, defines the staying power of differently-positioned classes in society as a foundational driver of power in social relations of production, and defines the

¹⁵⁴ Domestic Workers Chartbook: A comprehensive look at the demographics, wages, benefits, and poverty rates of the professionals who care for our family members and clean our homes, ECONOMIC POLICY INSTITUTE, <https://www.epi.org/publication/domestic-workers-chartbook-a-comprehensive-look-at-the-demographics-wages-benefits-and-poverty-rates-of-the-professionals-who-care-for-our-family-members-and-clean-our-homes/> (last visited Mar 22, 2023).

¹⁵⁵ DAVIS, *supra* note 95 at 133.

¹⁵⁶ *Id.* at 139.

withholding power of those who do own property (capitalists, rentiers at one remove, and smallholders to a degree) vis-à-vis those who do not.

The importance of smallholders has materially faded in the past century, but they continue to be somewhat prevalent in sectors that require relatively low capital requirements for access to basic resources and tools necessary in production, and either relatively high degree of embodied knowledge in labor trained in apprenticeship structures (electricians, plumbers, etc.), or relatively low labor requirements with high trust requirements (small shopkeepers). But as or more important is the ideological grip of this position: the consciousness of the “independent producer” is deep-seated in capitalism, and “petty commodity production”—or generalized “markets without class”—has provided a recurring imaginary ideal by which actual capitalism is either legitimated (by neoclassical economists) or reprovved (by critics ranging from Jefferson to Proudhon).

The second axis is the division of labor between cognitive and manual labor, which is a continuous, rather than discontinuous axis and includes in cognitive the degree of embodied knowledge, or skill, that separates craft, or skilled workers from unskilled workers within the working classes, and the PMC from the clerical class among those who do cognitive work, as well as distinguishing the latter two from both manual working classes, skilled and unskilled. Because knowledge is embodied, it is an independent vector of withholding power, and makes those who possess it more powerful vis-à-vis those who require their cooperation, more so than those whose knowledge, and hence cooperation, is readily substitutable. A craft worker is harder to replace than a low-skill clerical worker. Conflicts over access to apprenticeships and training or the deskilling of labor through mechanization have existed within the working classes and between these and capitalists throughout the history of capitalism.

Conflicts over division of labor between skilled and semi-skilled or unskilled workers, both manual, in manufacturing, and cognitive, in services, carried on by capitalists and the PMC against both skilled labor and the clerical class, have played a major role in the pattern of work and upward distribution of its fruits in the past forty years. Karen Levy’s work on the transformation of trucking from high-skilled, autonomous labor to de-skilled, highly regimented labor, and on similar changes ongoing in retail sales, offers the most detailed examples of this dynamic for both blue and white collar workers.¹⁵⁷ Automation and offshoring of clerical work (call centers) contributed to the stagnation of incomes of nonsupervisory workers with increasing returns to capitalists and the PMC. But the dynamic also manifests as conflict between the PMC and capitalists, potentially with capitalists allied with an upskilled clerical class. We already see struggles over technological and institutional structures between capitalists and the PMC, and the PMC and clerical class. Private equity is taking over physician groups in an effort to partially replace PMC workers with clerical class workers upskilled to paraprofessional status, significantly weaker and more replaceable than PMC workers they replace. Corporate legal services firms emerge where legal licensing regimes have opened legal practice up to competition from capitalists, generally combining smaller numbers of high-skilled lawyers with larger numbers of permanently mid-

¹⁵⁷ LEVY, *supra* note 75; Solon Barocas & Karen Levy, *What Customer Data Collection Could Mean for Workers*, HARV. BUS.S REV. (2016), <https://hbr.org/2016/08/the-unintended-consequence-of-customer-data-collection> (last visited Sep 1, 2016).

skilled paraprofessionals. We also see new efforts at organizing cross-class labor coalitions of unskilled and super-skilled (Amazon workers and graduate student unions). While the PMC and capitalists are often aligned, conflicts between these two rent-and-profit-seeking classes have been pervasive since at least the emergence of the Berle and Means corporation.

A critical programmatic objective of struggle must be to eliminate the skilled/unskilled class division upward, equipping all workers to be skilled, rather than the obvious devastating opposite, which has perennially been a significant objective in capitalists' selection of technologies and organizational innovations. The dimension of the knowledge quotient of labor, how it is developed, and who controls it is likely to be a critical dimension of struggle in the coming decades.

The third axis of distinction is between those bearing full juridical personhood in a given social order and those to whom that social order denies it. This third axis developed to resolve the conflict between the ideological role of juridical equality in masking asymmetric power relations in production, and the opportunities for super-exploitation opened up by maintaining a weaker, subordinated underclass. The solution is the continuous production and reproduction of a status-subordinated underclass that can offer a pool of super-exploitable workers, impose wage and work process pressure on the working class, and divide the working classes to prevent sustained coalition formation to build economic and political power. This role is common to both the racialized underclass (Part II.C) and the leveraging of gendered status subordination with respect to women's work in commodified labor markets (Part III.B).

In combination, Figure 1 sketches the relation of these three dimensions and the eight classes that emerge out of their interaction.

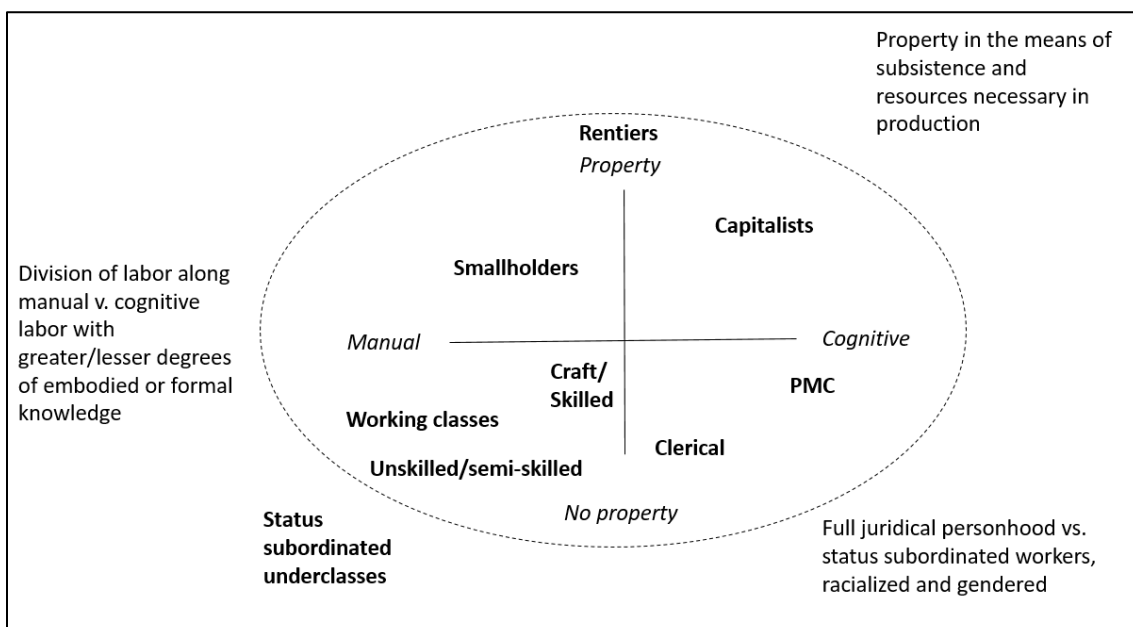


Figure 1: Class analysis in three dimensions

The primary programmatic implication of the framework we offer here is that the core of any program that can describe itself as transformative has to be meaningful decommodification of

access to basic needs and goods. Since market-dependence for subsistence is the mainspring of the entire system, holding in its grip directly both the racialized underclasses and the working classes, the smallholders, and at one step removed the PMC, capitalists, and rentiers, and undergirding the separation of production from reproduction foundational to the patterns gendered subordination specific to capitalism, the most foundational programmatic focus must be on partial decommodification of access to basic needs and goods. Adequate food and water, clothing, housing, energy, sanitation and healthcare, childcare and physical security from violence or abuse within the household or outside it, seem most fundamental. The central role of power along the knowledge dimension requires us to add education and lifelong training sufficient to be a self-directing adult possessing sufficient embodied knowledge to exercise power in one's social relations of production, in particular to demand and engage in intrinsically meaningful work. Transportation and communications capabilities, and opportunities to engage in meaningful work under dignified conditions in the day-to-day complete this initial set. To maintain the diversity of pathways open to people in society and the capacity of market dynamics to satisfy diverse preferences, these basic goods must also include a universal means of acquiring additional income necessary to pursue diverse, self-directed goals.

Whether this latter takes the form of a universal jobs guarantee, universal basic income, or some Nordic flexicurity-style program, the function is to provide a universal partially-decommodified mechanism for obtaining income to pursue our diverse life plans and desires beyond those we all agree are basic. That function, while its fruits are not basic, is itself a basic need. Again, though, the centrality of knowledge in production and the division of labor leads us to see models integrated with lifelong training as preferable to those that simply focus on distributing money for consumption, like UBI. For our purposes it is unnecessary that every reader agree with every component of what we describe as "basic needs." All that is required is that one agree that there is some core of basic requirements of living a decent life in early 21st century America. If one is to transform a system whose mainspring is market-dependence for subsistence, then one must pursue institutional transformations oriented first and foremost toward decommodification of those and their socialization to provision these needs for all.

Such a framework would transform class relations, because it would remove the whip of hunger. It would transform racialized class relations because, again, it would eliminate the class dynamics associated with racialization. It would not eliminate racism. It would not eliminate the myriad indignities racialized minorities experience in the day to day across class positions. We claim no panacea for racism through the transformation of class relations. But a central source of insecurity, misery, and humiliation in the day to day of millions does come from occupying the position of racialized underclass in capitalist society. *That* source of racialized immiseration must be transformed if it is to be possible to transform class relations at all. This is, fundamentally, the approach of the *Freedom Budget for All Americans*.¹⁵⁸ Darrick Hamilton and collaborators have developed contemporary mechanisms of universal access to basic needs and goods that offer ample

¹⁵⁸ A. PHILIP RANDOLPH & BAYARD RUSTIN, *A FREEDOM BUDGET FOR ALL AMERICANS* (1967).

examples of such an approach to transforming racialized class relations through transforming class relations more generally.¹⁵⁹

The articulation of gender in class demands that decommodification of basic needs must prioritize universal decommodified childcare and elder care. These could take the form of (a) cradle-to-grave public, unionized, care work, converting it into paid work by professionals whose cost is socialized through the tax system (more-or-less the Nordic system) or (b) a strong public option childcare system combined with strong protection for part time workers (this is one interpretation of the Dutch system, where one-and-a-half income households are common). A less transformative approach would be to provide realistic levels of public subsidy payments to caregiving households, per child, with the risk that that gets racialized and marginalized a la Aid to Families with Dependent Children. None of these approaches will eliminate all forms of gender subordination. But the more robust these are, particularly the option of a universal cradle-to-grave unionized care sector socialized through the tax system, the more they could transform the severe gender asymmetry with the present system of unpaid or underpaid reproduction and life-maintenance work. This would also directly transform commodified care work, where racialized and gendered status subordination interact most directly.

Beyond the foundational implication of the centrality of a broad, deep programmatic dedication to partial decommodification of access to basic needs and goods, several additional implications present themselves. These are not exhaustive, but rather suggestive of the kind of analysis that would tie programmatic goals to our analytic model of capitalist dynamics and the class structure they imply. A major class of programmatic goals *within markets* would focus on collective action of those whose existing property and embodied knowledge make their individual withholding power weak. Specifically, laws that make worker organizing to build power collectively to balance the power of capitalists and the PMC are central; and laws that find mechanisms of collectively regulating the terms of employment at the sector level, including in smallholder establishments and households where organizing is particularly difficult, are of the first importance.

Industrial policy in turn, particularly in its parts oriented toward innovation, must be oriented to channel innovation toward increasing productivity through complementarities with skilled workers, rather than toward increasing profits through displacement of skilled workers and leveraging of unskilled workers. More generally, a reorientation toward *socialized markets* would emphasize industrial policy aimed toward increased capacity to provision globally universal access to basic needs and goods over status goods and ever-finer satisfaction of luxury desires.

Capitalism emerged when economic compulsion driven by separation from the means of subsistence for most of the population replaced direct violent coercion as the organizing principle of social relations of production. The same processes that separated the peasantry from the means of subsistence also liberated feudal elites from the fetters of lineage-based property, but in turn subjected them to the new discipline of markets in factors of production—in labor and in the

¹⁵⁹ CHUCK COLLINS ET AL., *Ten Solutions to Bridge the Racial Wealth Divide*, (2019), <https://ips-dc.org/report-racial-wealth-divide-solutions/> (last visited Feb 13, 2021); Darrick Hamilton Jr William Darity, *Race, Wealth, and Intergenerational Poverty*, THE AMERICAN PROSPECT, Aug. 2009, <https://prospect.org/api/content/8dec0485-9542-527a-81ed-5c872600cbd7/> (last visited Feb 13, 2021).

resources necessary to organize production. It was this second form of market dependence, market dependence for access to the resources necessary in production, that drove the new classes of rentiers and capitalists to continuous improvement and continuous production, identification, and exploitation of opportunities to extract higher rents, now as profits. These twin processes—of productivity seeking and power-seeking, became the animating spirit of all three historically unprecedented attributes of capitalism: continuous productivity growth, exploitation masked as free exchange among free and equal juridical persons, and the ceaseless expansion of exchange value. These dynamics produced, and depended on continuously reproducing and leveraging, a historically-specific form of class relations—asymmetric social relations of production organized around the three dimensions we identify here: property over the means of subsistence and resources in production, knowledge in the division of labor, and recognition of full juridical personhood. Transforming those class relations is a precondition to escaping the grip of the overwhelming pursuit of ceaseless expansion of exchange value at the expense of human needs and powers, human relations, and the Earth.