CAPITALISM

A CONVERSATION IN CRITICAL THEORY

NANCY FRASER

RAHEL JAEGGI

Capitalism

Capitalism

A Conversation in Critical Theory

Nancy Fraser and Rahel Jaeggi

Edited by Brian Milstein

polity

First published in 2018 by Polity Press

Polity Press
65 Bridge Street
Cambridge CB2 1UR, UK

Polity Press
101 Station Landing
Suite 300
Medford, MA 02155, USA

ISBN-13: 978-0-7456-7156-7
ISBN-13: 978-0-7456-7157-4 (pb)

A catalogue record for this book is available from the British Library.

Library of Congress Cataloging-in-Publication Data

Names: Fraser, Nancy, author. | Jaeggi, Rachel, author.
Title: Capitalism : a conversation in critical theory / Nancy Fraser, Rachel Jaeggi.
Description: Medford, MA : Polity, 2018. | Includes bibliographical references and index.
Identifiers: LCCN 2018001732 (print) | LCCN 2018002836 (ebook) | ISBN 9781509525263 (Epub) | ISBN 9780745671567 (hardback) | ISBN 9780745671574 (paperback)
Subjects: LCSH: Capitalism--History. | Critical theory. | BISAC: PHILOSOPHY / History & Surveys / General.
Classification: LCC HB501 (ebook) | LCC HB501 .F694 2018 (print) | DDC 330.12/2--dc23
LC record available at https://lccn.loc.gov/2018001732

Typeset in 10.5 on 12 pt Sabon by Servis Filmsetting Ltd, Stockport, Cheshire
Printed and bound in the UK by CPI Group (UK) Ltd, Croydon

For further information on Polity, visit our website: politybooks.com

for

Daniel Zaretsky Wiesen
Julian Zaretsky Wiesen
Jakob Jaeggi

Inheritors of the history we have made
Bearers of our hopes for a better future

Contents

Preface

We wrote this book in a turbulent time and in an unconventional way. Established certainties were breaking down all around us. Crises of finance and ecology were deepening before our eyes, becoming subjects of overt contestation throughout the world. At the same time, other societal impasses, of family, community, and culture, were churning a bit further below the surface – not yet major foci of social struggle, but crises-in-the-making nonetheless, preparing to explode in full view. Finally, the accumulated turmoil appeared to coalesce in a full-scale crisis of political hegemony in 2016, as voters across the globe revolted en masse against neoliberalism, threatening to oust the parties and elites that had sponsored it in favor of populist alternatives, Left and Right. These were what the Chinese (and Eric Hobsbawm) call "interesting times."

Interesting – especially for philosophers engaged in developing a critical theory of capitalist society. Each of us had been engrossed in that project separately for several years before joining forces to write this book. We made the decision to do so on the assumption that the deepening turbulence around us could be read precisely as a *crisis of capitalist society*, or, rather, as a crisis of the specific form of capitalist society we inhabit today. The times, it seemed to us, were crying out for this sort of analysis. And what better preparation for the task than our shared background in critical theory and Western Marxism, our history of impassioned political-intellectual engagement with one another, and the capital-critical philosophizing that each of us had been doing individually for quite a while?

We saw our chance when John Thompson proposed that we do a book for Polity's "Conversations" series. But we adapted his proposal to our own purposes. Instead of focusing on the overall trajectory of

Nancy Fraser's thought, as he initially suggested, we decided to center our "conversations" specifically on the question of capitalism and on the work that *both* of us were doing on that theme.

The decision taken, the process of writing this book underwent its own twists and turns. We oscillated back and forth between two conceptions of what we were doing. The idea, at the start, was to record a series of reasonably well-planned conversations on aspects of the topic – to converse orally in person and to edit the transcripts in a way that preserved their semi-spontaneous, conversational feel. That conception survives, more or less, in some chapters of the finished book, especially the Introduction and chapter 4. But it gave way in other chapters to a different conception, involving heavier editing and substantial rewriting. The change reflected the way our work on this book intersected with the work that each of us was also doing concurrently on her own. Chapters 1 and 2 ended up focusing largely on Nancy Fraser's "expanded" view of capitalism as "an institutionalized social order" that harbors multiple crisis tendencies. These chapters were substantially revised, for the most part by her. Chapter 3, by contrast, follows Rahel Jaeggi's mapping of the various genres that comprise a critique of capitalism, their respective internal logics and mutual relations. Mostly revised by her, this chapter also presents Jaeggi's "practice-theoretical" view of capitalism as a "form of life."

Those individual emphases aside, this book was a joint effort through and through. However unconventional, its format is faithful to the actual creative process we engaged in together – in recorded discussions, private conversations, and public presentations in Berlin, Frankfurt, Paris, Cambridge (UK), and New York; in the course of family vacations in Vermont; and in the graduate seminar on Critiques of Capitalism that we co-taught at the New School for Social Research in spring 2016. The book as a whole, we firmly believe, is much greater than the sum of its parts. It emerged from, and reflects, a serendipitous combination of circumstances: that we share many intellectual reference points and political views; that our philosophical approaches nevertheless diverge; and that we enjoy a deep friendship centered on intense if intermittent communication. The result is a book that is richer and deeper than either of us could have produced on her own.

Along the way, we incurred several debts of gratitude, both jointly and individually. Nancy Fraser gratefully acknowledges research support from the Einstein Foundation of the City of Berlin and the JFK Institute for American Studies at the Free University of Berlin; the Rosa Luxemburg Foundation; the Center for Advanced

Studies "Justitia Amplificata" (Frankfurt) and the Forschungskolleg Humanwissenschaften (Bad Homburg); the Centre for Gender Studies and Clare Hall, University of Cambridge; the Research Group on Post-Growth Societies, Friedrich Schiller University (Jena); the Collège d'études mondiales and the École des hautes études en sciences sociales (Paris); and the New School for Social Research (New York). She is grateful, too, to Cinzia Arruzza and Johanna Oksala for inspiring exchanges on Marxism, feminism and capitalism in the course of team-taught seminars at the New School; to Michael Dawson for pushing her to theorize the place of racial oppression in capitalist society; and to Robin Blackburn, Hartmut Rosa, and Eli Zaretsky for great conversation and probing feedback.

Rahel Jaeggi gratefully acknowledges research support from the German Heuss Professorship scheme, the New School for Social Research, the Research Group on Post-Growth Societies at the Friedrich Schiller University in Jena, Germany, and the Humboldt University-Berlin. She also thanks Eva von Redecker and the other members of her research group (Lea Prix, Isette Schuhmacher, Lukas Kübler, Bastian Ronge, and Selana Tzschiesche) for contributing at various stages and in various ways; Hartmut Rosa, Stefan Lessenich, and Klaus Dörre for encouraging discussions and for helping to bring the topic back to the agenda; Axel Honneth and Fred Neuhouser for continuous inspiration; and Martin Saar and Robin Celikates for being those intellectual companions without whom academic life would not be the same.

Both of us thank Blair Taylor and Dan Boscov-Ellen for superb research assistance, which far surpassed the merely technical; Brian Milstein for skillful editing and manuscript preparation in the final stages; John Thompson for the initial suggestion that we write this book and for the patience with which he awaited its completion; Leigh Mueller for copy-editing, and Victoria Harris and Miriam Dajczgewand Święt̨ek for help with proofreading.

Nancy Fraser and
Rahel Jaeggi

Introduction

Jaeggi: The critique of capitalism has been in a kind of "boom period" of late, or, as we say in German, it "hat Konjunktur." For a long time, capitalism had largely been absent from political and intellectual debates. It was even absent from the agenda of "critical theory" – the tradition to which both you and I are affiliated. But now the interest in capitalism is surging – and I don't mean just interest in market economics, globalization, modern society, or distributive justice, but interest in *capitalism*. And of course, there are good reasons for this – not least the 2007/8 financial crisis. As we know, this crisis cascaded rapidly from the financial sphere into the fiscal and economic spheres, and from there into politics and society, rattling governments, the European Union, the institutions of the welfare state, and, in some ways, the very fabric of social integration. Not since the interwar period have people in Western societies felt themselves so exposed to the instability and unpredictability of our economic and social order – a sense of exposure that was only magnified and compounded by the responses of their ostensibly democratic governments, which seemed to range from sheer helplessness to cold indifference.

What is remarkable is how rapidly the critique of capitalism has come back into vogue. It was not long ago at all that the word "capitalism" was still in virtual disrepute, both in the academy and in the public sphere. Granted, some of the critiques we've been seeing are diffuse or rudimentary, simplistic and even inflationary. But you and I both agree that a renewed critique of capitalism is exactly what we need today, and it is important that critical theorists like you and I should focus again on capitalism.

Fraser: Yes, indeed, the return of interest in capitalism is very good news for the world in general, but also for you and me. Both of us have been engaged separately in trying to rekindle interest in this topic. For a long time now, each of us has tried to bring key ideas from the critique of political economy back into critical theory: in your case, the concept of "alienation"; in mine, the concepts of "crisis" and "contradiction."[1] And each of us has also sought to rethink the very idea of what capitalism is: in your case, a "form of life"; in mine, an "institutionalized social order."[2] But until recently we were voices in the wilderness. Today, however, that has changed. It's not just you and I, but lots of people, who now want to talk about capitalism. There is widespread agreement that capitalism is (again) a problem and a worthy object of political and intellectual attention. As you said, this is perfectly understandable. It reflects the pervasive sense that we are caught in the throes of a very deep crisis – a severe *systemic* crisis. What we face, in other words, is not just a set of discrete punctual problems, but a deep-structural dysfunction lodged at the very heart of our form of life.

So even if people don't know exactly what they mean by capitalism, the mere fact that they are using the word again is heartening. I read it as signaling a hunger for the sort of critical theory that discloses the deep-structural roots of a major systemic crisis. And that's significant – even if it's true that, in many cases, the use of the word "capitalism" is mainly rhetorical, functioning less as an actual concept than as a gesture toward the need for a concept. In these times, we, as critical theorists, should pose that question explicitly: What exactly does it mean to speak of capitalism today? And how can one best theorize it?

Jaeggi: We should be clear what we mean by the notion that it is *capitalism* that is making a comeback. Certainly, there have always been social movements and advocacy groups concerned with various forms of social or economic justice; and the topic of "distributive justice" has had a heyday in certain parts of the academy. Also, economic questions have frequently arisen in debates about globalization, the future of national autonomy, and inequality and poverty in the developing world. Then, too, the term "capitalism" has continued to float around as a synonym for "modernity" in some circles, where the "critique of capitalism" ends up referring to cultural criticism in the vein of Baudrillard and Deleuze. But none of these approaches grasps capitalism in the sense we are talking about here. None sees it as an overarching form of life, grounded – as Marx would say – in

a mode of production, with a very specific set of presuppositions, dynamics, crisis tendencies, and fundamental contradictions and conflicts.

Fraser: Yes, I agree. Fortunately, however, the current interest in capitalism transcends the limited, partial approaches you've just mentioned. What drives it, as I said, is the widespread sense of deep and pervasive crisis – not just a sectoral crisis, but one that encompasses every major aspect of our social order. So the problem isn't simply "economic" – it's not "just" inequality, unemployment, or maldistribution, as serious as those things are. Nor is it even only the 1% versus the 99% – although that rhetoric inspired many people to start asking questions about capitalism. No, the problem runs deeper than that. Above and beyond the matter of how wealth is "distributed," there is the problem of what counts as wealth in the first place and how that wealth is produced. Similarly, behind the matter of who gets how much for what sort of labor lies the deeper question of what counts as labor, how it is organized, and what its organization is now demanding from, and doing to, people.

To my mind, this is what should be at stake when we talk about capitalism. Not only why some have more and others less, but also why so few people now have stable lives and a sense of well-being; why so many have to scramble for precarious work, juggling multiple jobs with fewer rights, protections, and benefits, while going heavily into debt. But that is not all. Equally fundamental questions surround the deepening stresses on family life: why and how the pressures of paid work and debt are altering the conditions of child-rearing, eldercare, household relations, and community bonds – in short, the entire organization of social reproduction. Deep questions arise, too, about the increasingly alarming impacts of our extractive relation to nature, which capitalism treats both as a "tap" for energy and raw materials and as a "sink" to absorb our waste. Nor, finally, should we forget political questions, about, for example, the hollowing out of democracy by market forces at two levels: on the one hand, the corporate capture of political parties and public institutions at the level of the territorial state; on the other hand, the usurpation of political decision-making power at the transnational level by global finance, a force that is unaccountable to any demos.

All of this is central to what it means to talk about capitalism today. One implication is that our crisis is not only economic. It also encompasses care deficits, climate change, and de-democratization. But even that formulation is not good enough. The deeper issue is

what underlies all these intractable difficulties: the growing sense that their simultaneous appearance is no mere coincidence, that it signals something more fundamentally rotten in our social order. *That* is what is pointing so many people back to capitalism.

Jaeggi: These multiple crises are forcing us to ask whether there is not some kind of deeper failure in the capitalist social formation. Many people now suspect that it is no longer good enough to look only at these bad effects when it is likely that an entire form of life has become dysfunctional. And this means they are willing to look more deeply at the various social practices that this social formation comprises – not just inequality or ecological degradation or globalization, as you said, but the very practices that make up the system that generates these conflicts, right down to the way we understand things such as property, labor, production, exchange, markets, and so on.

But if we're agreed that the critique of capitalism is once again back on the agenda and that this is a welcome development, we should also ask where it went in the first place. What happened to marginalize capitalism for so long? How might we understand its disappearance from critical theory? It seems that, over the last several decades, we have seen a turn toward a "black box" view of the economy. This is certainly true of philosophical liberalism and other schools of thought that focus narrowly on questions of "distribution." Take left-wing Rawlsians or socialists like G. A. Cohen: they take an otherwise radical and egalitarian approach to matters of distributive justice, but they tend to avoid talking about the economy itself.[3] They talk about what comes out of the economic "black box" and how to distribute these outcomes, but they don't talk about what's going on inside it, how it works, and whether these goings-on are really necessary or desirable.

But the trend isn't confined to liberalism and theories of justice. Capitalism used to be a core problem for critical theory. For virtually all the great thinkers in this tradition – from Marx to Lukács to Horkheimer and Adorno to the early Habermas – capitalism was central. But sometime in the mid- to late 1980s, it pretty much dropped out of the picture. What happened? Did we all just become so ideologically "one-dimensional" that even critical theorists lost sight of the sources of our unfreedom? That sounds rather crude as an explanation. I suspect there are reasons intrinsic to the theoretical development of our intellectual tradition that have led to the abandonment of the topic.

In a sense, Habermas's *Theory of Communicative Action*, with its

controversial thesis about the "colonization of the lifeworld," was the last attempt to ground critical theory in a large-scale social theory.[4] It is certainly inspired by Marx, Lukács, and the intuitions of earlier critical theory in a way that can't be said of some of his later disciples. Nevertheless, Habermas relies on systems-theoretic ideas about functional differentiation to such an extent that he in effect removes the economic sphere from the realm of criticism. The economy is understood as something that functions autonomously, a "norm-free" domain driven by its own logic.[5] This amounts to another kind of "black box" approach, as all we can do is protect against the invasion of the economic into other areas of life. The capitalist economy is a "tiger" to be "tamed" by political or otherwise external means, but we no longer have critical access to the economy itself.

Now this is not to rehash the old debate between *transforming* capitalism through reform and *overcoming* it through more radical means. How "tamed" capitalism can be and still be "capitalism" is largely a semantic issue, which we needn't get into now. At the same time, the excesses and threats posed by contemporary capitalism might give us pause over whether the idea of "taming" capitalism is still adequate. "The historical connection between democracy and capitalism"[6] is very much in question today, and perhaps this is why it is only now that new takes on economic issues are beginning to develop.

Fraser: I fully agree with you that Habermas's *Theory of Communicative Action* marked a turning point in critical theory. Like you said, it was the last great systematic attempt, but it failed to generate successor works of comparable ambition and breadth. Instead, its legacy proved to be a tremendous increase in disciplinary specialization among Habermas's followers. In the subsequent decades, most of those who think of themselves as critical theorists went on to do freestanding moral, political, or legal theory, with hardly anyone taking up large-scale social theory (the Research Group on Post-Growth Societies in Jena being a recent and welcome exception). The effect was to abandon the original idea of critical theory as an interdisciplinary project aimed at grasping society as a totality. No longer linking normative questions to the analysis of societal tendencies and to a diagnosis of the times, people simply stopped trying to understand capitalism as such. There were no more efforts to identify its deep structures and driving mechanisms, its defining tensions and contradictions, or its characteristic forms of conflict and emancipatory possibilities. The result was not only to abandon the central terrain

of critical theory; it was also to muddy the once sharp boundary that separated it from egalitarian liberalism. Today, those two camps have drifted so close as to be barely distinguishable, making it hard to say where liberalism stops and critical theory begins. Perhaps the best one can say is that (so-called) critical theory has become the left-wing of liberalism. And that is something that I have long felt unhappy about.

Jaeggi: Actually, Axel Honneth has criticized this tendency to buy into freestanding normativism for a long time as well. He is one person who, in a Hegelian manner, has stayed in touch with social theory and, reconstructing the institutional spheres of modern societies, has started to re-think the "system of needs," the sphere of the market and economy in general, anew.[7]

Fraser: Good point. But he's the exception that proves the rule. The overwhelming majority of critical theorists have shown little interest in social theory. And if we want to understand the relative absence of the critique of capitalism in recent years, we also need to factor in the spectacular rise of poststructuralist thought in the late twentieth century. In the US academy, at least, poststructuralism became the "official opposition" to liberal moral and political philosophy. And yet, despite their differences, these ostensible opponents shared something fundamental: both liberalism and poststructuralism were ways of evacuating the problematic of political economy, indeed of the social itself. It was a very powerful convergence – a one–two punch, if you like.

Jaeggi: Could one say that, from both sides, liberal-Kantian normativism and the poststructuralist critique of normativity, we now find a situation in which the unity of the analysis and critique has fallen apart? Beyond the explicit concern with capitalism, the central idea of critical theory from the very beginning was its continuation of the Hegelian–Marxist framework for analyzing and criticizing society. It was motivated by this very special idea that, without being moralistic, social analysis should already have some transformative and emancipatory aim contained within it. But now it seems, with the dominance of political liberalism and the enormous influence of Rawls, that this unity has broken up, so we now have empirical social theory on one side and normative political theory on the other.

Fraser: You are absolutely right about Rawlsian liberalism – and, I would add, its poststructuralist opposition. The intellectual domi-

nance achieved by the combination of these two camps effectively killed the left-Hegelian project, at least for a time. The link between social analysis and normative critique was severed. The normative was abstracted from the social realm and treated as something freestanding, regardless of whether one's aim was to affirm it (as in the case of the liberals) or to reject it (as in the case of the poststructuralists).

Jaeggi: But perhaps there were good reasons to turn away from capitalism and the economy. Maybe this was something that needed to be done, even by left-thinkers and critical theorists. Older Marxist-inspired theories tended to encourage an overly "economistic" way of seeing society, and we needed to gain some distance from that. So while capitalism dropped out of the picture, this also made room to explore a wide array of cultural issues, such as gender, race, sexuality, and identity. And critical study of these things in a way that did not subordinate them to economics was something we sorely needed. But I would say that it's time to restore the balance. It's not enough to avoid economism. We must also take care not to lose sight of the importance of the economic side of social life.

Fraser: I agree with your suggestion that the turn away from political economy was not a simple mistake – for two different reasons. The first is that there have been real gains in addressing questions of misrecognition, status hierarchy, ecology, and sexuality. These were all matters that an orthodox, sclerotic, and reductively economistic paradigm pushed off the table. Recovering them and giving them a central place in critical theory represents an important achievement. This is why I've always insisted on a "both/and" approach – both class *and* status, redistribution *and* recognition. It is also why I've insisted that we cannot simply return to an older received critique of political economy, but must rather complicate, deepen, and enrich that critique by incorporating the insights of feminist thought, cultural theory and poststructuralism, postcolonial thought, and ecology.

But there's also a second reason why the turn away from political economy wasn't a simple mistake. Rather, it was a response, however unwitting, to a major historical shift in the character of capitalism. We know that capitalist society was undergoing an immense restructuring and reconfiguration during the period in question. One aspect of this shift was the new salience of "the symbolic" (the digital and the image, derivatives trading and Facebook), which thinkers as diverse as Fredric Jameson and Carlo Vercellone have sought to theorize.[8] That is linked, of course, to the decentering of manufacturing in

the Global North, the rise of the "knowledge economy" or "cognitive capitalism," the centrality of finance, IT, and symbolic labor more generally. It may sound ironic, but there's a political-economic story that helps explain why people abandoned political economy and began to focus one-sidedly on issues of culture, identity, and discourse. Although those issues *appear* to be something other than political economy, they cannot actually be understood in abstraction from it. So this is not just a mistake; it's also a clue about something going on in society.

Jaeggi: There's an old quote by Horkheimer, in which he says, "Economism . . . does not consist in giving too much importance to the economy, but in giving it too narrow a scope."[9] In other words, we shouldn't turn away from the economy, but rather we need to try to re-think economy and its role in society in a "wider" sense. My sense is we haven't yet arrived at a conception that would be wide enough, and part of the tendency to abandon the topic of capitalism comes from this "fear of economism" that we've been internalizing since the early days of the Frankfurt School. This drives much of my interest in social ontology, forms of life, and trying to understand the economy as a "social practice."[10] In a practice-oriented approach, the economy and its institutions comprise a subset of social practices that are interrelated with other practices in a variety of ways, which, taken together, form part of the socio-cultural fabric of society. This way of thinking has the benefit of avoiding the opposition between "the cultural" and "the economic," a dichotomy I don't find particularly helpful.

How would you place your own work in respect to this dichotomy and these trends? You've long framed your project as being about "redistribution" as well as "recognition." Would you characterize your recent work on capitalism as a move away from this "black box," redistribution-focused way of thinking? Or would you say your past work on the redistribution versus recognition debate already harbored a concern with capitalism?

Fraser: I have always tried to resist what you've called the "black box" approach. And the question of capitalism has never been absent from my conscious thoughts, even when it was not the explicit focus of a given project. Coming as I did out of the democratic-socialist wing of the New Left, I always took it as axiomatic that capitalism was the master frame within which every question of social philosophy and political theory had to be situated. That went without saying

for my generation. So when I wrote in the 1980s about the "struggle over needs," the androcentrism of the "family wage," or the idea of so-called "welfare dependency," I was trying to clarify aspects of what was then called "late capitalism" – and what I would now call "state-managed capitalism."[11]

An analogous point holds for my work in the 1990s and 2000s. In that period, I was grappling with a major shift in the political culture of capitalist society: which I called the shift "from redistribution to recognition."[12] Far from being an exercise in freestanding moral philosophy, this work was an early attempt to grasp an epochal historical mutation of capitalist society, from the "state-managed" variant of the postwar era to the "financialized" capitalism of the present. For me, in other words, "redistribution" was never meant as a euphemism or substitute for "capitalism." It was, rather, my term for a grammar of political claims-making that gestured toward a structural aspect of capitalist society but pictured it ideologically as an economic "black box," if you like, and which became a major focus of social struggle and crisis management in the state-managed regime. I was interested in disclosing how and why capitalist society generated this sort of *economic* black box of distribution, separated from the equally problematic *cultural* box of recognition. Far from endorsing the black box view of distribution, then, I was trying to clarify where it came from and why it was juxtaposed to recognition. I traced the provenance of both those categories (as well as their mutual opposition) precisely to capitalism, which I viewed as the broader totality within which redistribution and recognition, class and status, had to be understood.

Still, I take your point that my current work spotlights the problem of capitalism in a different and more emphatic way. Today, capitalist society is the explicit foreground of my theorizing, the direct object of my critique. That's partly because the character of financialized capitalism as a deeply crisis-ridden regime is much clearer to me now. But it's also because, for the first time since the 1960s, I can see the palpable fragility of capitalism, which now manifests itself openly with visible cracks. This fragility spurs me to look at it in a head-on way – and to focus especially on its "crisis tendencies" and "contradictions."

Jaeggi: Getting back to this kind of theorizing may not be so easy, however, especially if we're talking about returning to the kind of "grand theory" that most critical and social theorists have long abandoned – the kind that deals in large historical processes, systemic

conflicts, and deep-seated contradictions and crisis tendencies. Marx was looking for the unfolding of one kind of crisis, but today we are confronted with a variety of crises and conflicts. Do we need large-scale social theory to think about capitalism in crisis?

Fraser: We do need "grand theorizing," in my view – and we always have. But you are right: it's by no means easy to develop a large-scale social theory of capitalism for our time. One problem, as you said, is the multi-dimensionality of the present crisis, which is not only economic and financial, but also ecological, political, and social. This situation cannot be adequately grasped by economistic theorizing. But neither can we be satisfied with vague gestures to "multiplicity," which have become so fashionable. Rather, we need to disclose the structural grounds of multiple crisis tendencies in one and the same social totality: capitalist society. There are many traps here. Neither doubling down on received Marxian models nor simply jettisoning them altogether will suffice. We need somehow to create a new understanding of capitalism that integrates the insights of Marxism with those of newer paradigms, including feminism, ecology, and postcolonialism – while avoiding the respective blindspots of each.

In any case, the sort of large-scale social theory I am developing now is centered on the problem of crisis. This may be putting my head in the lion's mouth, because no genre of critical theory has been so heavily criticized as "crisis theory." That genre has been widely rejected, even dismissed, as inherently mechanistic, deterministic, teleological, functionalistic – you name it. And yet, we are living in a time that literally cries out for crisis critique. I would go further and say that we are living in the throes of an epochal crisis of capitalism, so we have an urgent need to reconstruct crisis theorizing today. This is the genre of large-scale social theory that I am pursuing now and that I want to discuss with you here.

Jaeggi: We certainly have a lot of common ground here. In my *Forms of Life* book I also argued for a crisis critique of forms of life, which I take to mean a form of immanent critique that finds its starting point not "positively," in already shared values, but in the immanent crises and contradictions inherent in the dynamics of forms of life – in the fact that forms of life can "fail," even if the failure itself is normatively infused.[13]

And yet to focus on crises and contradictions builds on a wealth of suppositions. Quite a few critical theorists have long defined their task in reference to the old line by Marx to Arnold Ruge, as being

about the "self-clarification of the struggles and wishes of the age."[14] They took this to imply a focus on the social movements and the people engaged in these kinds of struggles, with the role of the critical theorist being that of someone who clarifies the issues surrounding them. Now, this might be a somewhat "lightweight" interpretation of the historical dynamics Marx had in mind when talking about the "struggles and wishes" of the present. After all, what he had in mind was primarily one struggle – class struggle – with a strong historical and materialistic dynamic as its moving force in the background.

You yourself have cited this passage, and your work has always been great in reflecting the social struggles and movements taking place. But your orientation now seems to have undergone a change. It's not as if you are now turning away from the struggle dimension – you're certainly not – but you have begun to push beyond the "subjective" elements of struggle and languages of claims-making to the more "objective" dimensions of contradictions and crises, which turn more on the dynamics of systemic elements operating independently of whether or not people actually thematize them via struggle. So there are implications we should be aware of, as well as a host of new questions that come along with this kind of shift from one dimension to the other.

I would be interested in how one would balance these two dimensions. One option might be to use the lens of present-day social struggles diagnostically to trace underlying contradictions. Another might involve looking, in a more foundational way, at the conditions of social integration and division as a basis for thinking about systemic contradictions – though theorizing at this kind of level is often a tricky proposition.

Fraser: Yes, that's true. There has indeed been a shift in emphasis in my recent work. As someone deeply schooled in Marx, I've always believed that capitalism harbored "real" objective crisis tendencies, but in the past I didn't take it upon myself to try to analyze them. Perhaps this was because my formative political experiences were the social movements and struggles of the 1960s – I became preoccupied with questions of struggle and conflict at a moment when capitalism's crisis tendencies did not take the form Marx described in *Das Kapital*.

More recently, I have been influenced by ecological thought, especially the ecological critique of capitalism, which posits some real, seemingly objective limits to capitalist development, and which seeks to identify the contradictions and self-destabilizing tendencies of a social system that is consuming its own natural conditions of

possibility. This kind of thinking did not play a major role in my earlier work, but it has come into focus for me in recent decades. The ecological paradigm understands capitalist crisis in a way that is as systemic and as deeply structural as the Marxian paradigm, almost as if the two crisis complexes were parallel. I'm not satisfied with the idea that they are parallel, however, and believe we need to understand their imbrication with one another – as well as with other, equally "objective" tendencies to political and social crisis. This is something we'll talk about later, I'm sure.

But you asked about the relation between the "objective" and "subjective" strands of a critical theory. (At some point, we should problematize that terminology; there may well be better ways to name the distinction you have in mind.) I'm convinced we have to look both at the "real contradictions" or systemic crisis tendencies, on the one hand, and at the forms of conflict and struggle that develop in response to them, on the other hand. In some cases, the struggles are explicit and conscious "subjective" responses to the "objective" dimension. In other cases, they are symptomatic of it. And in still others, they may be something else entirely. In other words, the relation between the two levels, the "objective" and the "subjective," is a problem. We cannot assume the perfect synchronization that Marx thought he had discerned between capitalism's system crisis, on the one hand, and the sharpening class struggle between labor and capital, on the other, according to which the latter perfectly reflected or responded to the former. In the absence of any such auto-harmonization, we must treat the relationship between these two poles as an open question and a problem to be theorized. This is an especially pressing question today, when we are facing an evident structural crisis, but (as yet anyway) no corresponding political conflict that adequately expresses the crisis in a way that could lead to an emancipatory resolution. So the relation between system crisis and social struggle must be a major focus of our conversation in the chapters that follow.

1

Conceptualizing Capitalism

What is capitalism? The problem of the many and the one

Jaeggi: What is capitalism? This question begs for an essential definition of some sort, a set of core features that distinguish capitalist societies from non-capitalist societies. I think we both agree that capitalism has social, economic, political dimensions that should be seen as standing in some kind of interconnected relation to each other. Yet a skeptic might claim it's not so easy to specify the core elements of capitalism. After all, haven't we learned from the "varieties of capitalism" debate that capitalism doesn't look the same everywhere in the world?[1] Might we not conclude that capitalist societies look so different from one another that there is no true common denominator? If this were the case, we face a real problem. If we cannot specify the core elements that make a social formation capitalist, how can we talk about a crisis of capitalism? Without those core elements, there would be no way to establish that the present crisis is really a crisis of capitalism and not a crisis of something else. The same holds for our resources to *criticize* capitalism: how can we claim that the instances of social suffering we want to address are actually related to *capitalism*, if we don't even have a sufficiently clear and coherent concept of capitalism that allows us to identify its core elements?

Fraser: Good point. I myself start with the assumption that the present crisis *can* be understood as a crisis of capitalism. But that assumption needs to be demonstrated. And the first step is to answer the capitalism skeptic, so to speak, by showing that we can indeed speak of "capitalism" as such, despite its many varieties. This requires explaining what we mean by capitalism, defining it in terms of some core features that

obtain across the broad range of societies we call "capitalist." After all, it makes no sense to talk about *varieties* of capitalism if they don't share some common underlying features in virtue of which they are all varieties *of capitalism*. So the challenge for us is to say what makes a society capitalist without homogenizing the great variety of ways in which capitalist societies can and do differ from one another. We will then need to clarify the relation between the core features we identify and the variety of forms in which they are instantiated across space and time.

Jaeggi: This issue has at least two dimensions: one vertical and the other horizontal. There is not only the question of varieties of capitalism with respect to the thesis that we confront contemporaneous *capitalisms* in the plural, coexisting in different societies at the same time. In addition, we are confronted with the historical development of different *stages* of capitalism. There are tremendous differences between earlier configurations of capitalism and present-day capitalism, and we could ask whether it's still a good theoretical move to call all of them "capitalism." How can we equate or relate the early stages of industrial capitalism with modern neoliberal and global capitalism? Is it even appropriate to use the same conceptual framework to analyze both the competitive capitalism of the nineteenth century and the "monopoly capitalism" of the twentieth, which the early Frankfurt School called "State Capitalism?" I think our first task should be to get at what core elements have to be in place for a social formation to count as some instantiation of capitalism.

Fraser: The historical point is important. I'm inclined to the view that, whatever else it is, capitalism is intrinsically historical. Far from being given all at once, its properties emerge over time. If that's right, then we have to proceed cautiously, taking every proposed definition with a grain of salt and as subject to modification within capitalism's unfolding trajectory. Features that appear central at the outset may decline in salience later, while characteristics that seem marginal or even absent at first could assume major importance later.

As you just suggested, inter-capitalist competition was a driving mechanism of capitalist development in the nineteenth century, but it was increasingly superseded in the twentieth, at least in leading sectors of what was widely understood as "monopoly capitalism." Conversely, whereas finance capital seemed to play an auxiliary role in the Fordist era, it has become a major driving force in neoliberalism.