
Moishe Postone and the Transcendence of Capitalism

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The intellectual inquiries of Moishe Postone unfolded, as everyone's do, from knowledge-forming interests. Some of these came in complex ways from his family and childhood. He chose not to follow his father into a rabbinical career, but his scholarly pursuits were informed both by Judaism and by anti-Semitism—and clearly by scholarship. He also came to participate in what we might consider one of the most important secular extensions of Talmudic commentary, seeking to read Marx ever more deeply, in ways more adequate for our age, and in dialogue with other great thinkers of modernity like Freud, Durkheim, and Weber. As Talmudic scholars endlessly unfold meaning deemed already present in the Torah, Moishe studied Marx's texts in pursuit of a theory that could make sense of the 1960s–70s crisis—and today's—as well as of enduring patterns in capitalism and of the possibilities for emancipation. The project of reconstructing social theory through a deeper reading of Marx and especially his mature analyses of capitalism became Moishe's life's work.¹ His reading, writing, and teaching were of course closely linked.² And they were globally influential.

Moishe set out to address limits in the perspective of the 1960s Left within which he had come of political age. As he recalled, as much about himself as others,

This text is developed from a paper presented at "Capitalism and Social Theory: A Conference in Memory of Moishe Postone," University of Chicago Center for Critical Theory, April 12–13, 2019. I would like to thank participants and especially Bill Sewell for their comments. I have tried to retain some of the tone of conversation among those sharing close engagement with Moishe, and some, though not all, of the more personal comments.

1. This is perhaps more true than Moishe would have wished, as he was not able to complete the books he contemplated examining the historical transformations of the twentieth and twenty-first centuries on the basis of Marx's (and his) rethinking of the basic nature of capitalism.

2. Moishe was, very importantly, a teacher and one for whom close reading was central. See "Behind Our Backs: Moishe Postone on Teaching Social Theory" and "Critical Attempts: Moishe Postone on General Education," Parts I and II of an interview conducted with Moishe Postone by Jeremy Cohan and Benjamin Fong, *The Point*, 2018, <https://thepointmag.com/2018/dialogue/behind-our-backs-moishe-postone-teaching-social-theory> and <https://thepointmag.com/2018/dialogue/critical-attempts-moishe-postone-general-education>.

“the notion of postcapitalism, of socialism, as a society based on industrial labor, public ownership of the means of production and central planning, began to lose its hold on the imaginaries of many progressive intellectuals, students and workers during the crisis of Fordist capitalism in the late 1960s and early 1970s.”³ Disillusionment on these lines led many others, including some of Moishe’s interlocutors, to abandon Marxism. Moishe sought a better theory through a fundamental rethinking of Marx’s basic theoretical categories.

Like many of his generation, Moishe was attracted by Frankfurt School critical theory, including the effort to combine critique of knowledge, culture, and political economy into an integral whole. But Moishe was also disturbed by the widely remarked “pessimistic turn” of the Frankfurt theorists. This, Moishe argued, was rooted in the extent to which they had failed to move beyond what he called “traditional Marxism,” with its reliance on a transhistorical understanding of labor—and accordingly of revolution growing from class struggle.⁴ This remained a limit even for second-generation Frankfurt thinkers who in other ways advanced on Horkheimer and Adorno’s early articulation of the School’s perspective.

Moishe was determined to produce an antidote to the late Frankfurt School pessimism and to renew Marxism as a theory of practical, emancipatory potential. This centered on rethinking the category of “labor as value” and emphasizing its historical specificity.

The form of production based on value develops in a way that points to the possible historical negation of value itself. In an analysis that seems quite relevant to contemporary conditions, Marx argues that, in the course of the development of capitalist industrial production, value becomes less and less adequate as a measure of the “real wealth” produced. He contrasts value, a form of wealth bound to human labor time expenditure, to the gigantic wealth-producing potential of modern science and technology. Value becomes anachronistic in terms of the potential of the system of production to which it gives rise; the realization of that potential would entail the abolition of value.⁵

This is different from imagining a direct leap into freedom through the transformation or elimination of work, and different from imagining a future modeled on labor

3. Moishe Postone, “The Current Crisis and the Anachronism of Value: A Marxian Reading,” *Continental Thought and Theory* 1, no. 4 (2017): 5.

4. See Postone’s late examination of this issue, calling attention esp. to the importance of Friedrich Pollock, in “Critical Theory and the Historical Transformations of Capitalist Modernity,” in *The Palgrave Handbook of Critical Theory*, ed. M. J. Thompson (London: Palgrave, 2017), 137–63.

5. Moishe Postone, *Time, Labor, and Social Domination* (Cambridge: Cambridge University Press, 1993), 26.

as it exists in capitalist society. But “what remained elusive was a new imaginary of a fundamentally different form of social life, of socialism as post-capitalism.”⁶

Not being Moishe, I will not try to restate his theory. But I want to point to a few implications and issues as they bear on the question of whether and how we might move beyond capitalism, and whether this movement will be emancipatory. It is crucial, as Moishe argued, to approach this with a strong sense of the role of historical specificity in Marx’s theory. In developing this argument, I draw centrally on Moishe’s work, but I will add some points with which he might or might not agree. I am sure you can imagine him smiling beatifically but not hesitating to correct misunderstandings, corrections we all now miss.⁷

THE CENTRALITY OF INDUSTRIAL CAPITALISM

Capitalism for Marx, and for Moishe, is centrally modeled by industrial capitalism. It is the development of modern capitalist industry that gives us the centrality of abstract time in constituting labor as value.

This does not mean that capitalism is only factory work. For one thing, office work can be every bit as regimented and temporally measured. More generally, there are many kinds of work, paid and unpaid, that do not conform to the general capitalist model of labor but are nonetheless conditioned by that model. When they are devalued, for example, this is commonly in relation to the norm of labor as full-time work in capitalist material production—even when that norm is deeply anachronistic. Most basically, at the level of the fundamental categories of Marx’s theory (and of capitalism itself), it is the transformation of work into labor by commodification and the value form, and on that basis the accumulation of capital and everything else that goes with it, that gives capitalism its historical specificity. Thinking beyond capitalism means trying to grasp the potential transformation of this. But I want to argue that we grasp this transformation not only as the negation of actually

6. Postone, “The Current Crisis,” 5.

7. I first met Moishe when we were named postdoctoral fellows at the Center for Psychosocial Studies in 1982. Those setting the center’s agenda had decided it was important to consider “the social” in relation to longer-standing interests in language and psychoanalysis. Most of us wondered what the social meant in this context and why we were the right people to explore it. Not Moishe. He was more fully formed than the rest of us; he had a *theory*, whereas the rest of us had ideas, interests, and cases. For a year, five residential fellows (and a varying cast of visitors) read closely and discussed both Marx’s *Capital* and the manuscript that would become *Time, Labor, and Social Domination*, alongside work that was crucial to it, including esp. Lukács. We also read work from which Moishe would distinguish his, like Habermas and Bourdieu. This was the prehistory of what would become the Social Theory group that carried on for many years, with participation from many others assembled here. Through good dinners and fierce arguments, we began life-changing friendships and intellectual collaborations.

existing or formally theorized capitalism. We grasp it through examples of work that is not fully subsumed into labor.

Industrial capitalism epitomizes the domination of people by time. The key is the sale of labor power at rates determined by social—that is to say, collectively constituted—necessity. The concept of socially necessary labor time is also crucial because it allows for recognition of the transformation of production and productivity by socially produced expansions in knowledge, technology, and social organization. Together, these are what, in Moishe’s phrase, make value an anachronism. Direct contributions of concrete labor (work) matter less and less to the production of real wealth.

Already we see the declining grip of wage labor (which is also a decline in the opportunities offered by wage labor). But clearly this is not always emancipatory. Precarious, part-time, and temporary jobs proliferate at the margins of what remains nominally paid employment. There are various paths of possible improvement. Trying to preserve or secure the legal status of employees is important in the gig economy, but it is a defensive move.⁸ Unions could grow more effective at organizing those now working without secure, long-term employment and securing better contracts. States could offer greater protections. Indeed, organizing for political action may sometimes prove a more effective tactic for unions than strikes at the point of employment—for example, using ballot initiatives to win higher minimum wages for their own workers and all others. These are all potentially good mitigating measures. But they are attempts to maintain benefits of the state-mediated Fordist compromise between capital and labor, not an aid to looking beyond it.

We should take seriously the centrality of industrial capitalism to the constitution of capitalism as such, including the value form and domination by abstract time. This suggests a further specification of capitalism’s historical specificity. As important as abstraction was to Marx’s method of clarifying the essential nature of capitalism (notably in chap. 1 of vol. 1 of *Capital*), the historical creation of modern capitalism was not only a transformation of economic system in the abstract. It was a transformation of ways of life and the organization of work, politics, social organization, and human self-understanding. This transformation was marked by its historical context and by what was transformed as well as what emerged.

In a similar vein, Geoff Eley has suggested we read E. P. Thompson’s wonderful *The Making of the English Working Class* as in part a meditation on the historical shift in “structures of feeling” that accompanied the rise of modern capitalism and shaped

8. A. Marshall, “In California, Gig Workers Are about to Become Employees,” *Wired*, September 11, 2019, accessed December 1, 2019, <https://www.wired.com/story/california-gig-workers-become-employees/>.

what kinds of radical visions could make sense.⁹ Thompson was a central inspiration to a generation (or two) of social historians who sought to give deeper context to accounts of capitalism, complementing more formal analysis of capitalism's categories with attention to its human pathos.

When I first met Moishe, I had recently published a first book that was one of many inspired in that period by Thompson, but which among other things argued that Thompson's book was misleadingly titled.¹⁰ What he described as the making of the English working class was, I suggested, rather more the struggle of artisans, outworkers, and others to *avoid* becoming capitalism's proletariat.

Despite his title, Thompson of course knew this when he wrote, "I am seeking to rescue the poor stockinger, the Luddite cropper, the 'obsolete' hand-loom weaver, the 'utopian' artisan, and even the deluded follower of Joanna Southcott, from the enormous condescension of posterity. Their crafts and traditions may have been dying. Their hostility to the new industrialism may have been backward-looking. Their communitarian ideals may have been fantasies. Their insurrectionary conspiracies may have been foolhardy. But they lived through these times of acute social disturbance, and we did not. Their aspirations were valid in terms of their own experience."¹¹

The experiences of those pushed aside by the rise of industrial capitalism have been echoed, perhaps ironically, by those experiencing recent deindustrialization. The Luddite croppers, for example, lost not just livelihoods but their very communities and way of life. They were not hostile to all technology but to a transformation in which they were allowed little voice in how technology was implemented and how work relations changed. So, too, have been the victims of deindustrialization. And it is not just "posterity" that has been condescending. The liberal elites of both the early nineteenth and the late twentieth centuries ignored enormous suffering in the name of progress, thinking those who lost out just backward, implicitly demanding that they bear the cost.¹²

9. Eley, "Class Formation, Politics, Structures of Feeling," *Labour/Le Travail* 72 (Fall 2013), 213–18. The phrase "structures of feeling" comes from Raymond Williams; see, e.g., *The Long Revolution* (Harmondsworth: Penguin, 1965), 48–71, *passim*, though he introduced the concept earlier and continued to develop it later.

10. Craig Calhoun, *The Question of Class Struggle* (Chicago: University of Chicago Press, 1982).

11. E. P. Thompson, *The Making of the English Working Class*, rev. ed. (Harmondsworth: Penguin, 1968), 13.

12. It was nearly a hundred years before the descendants of the Luddites were making as much as their framework-knitting ancestors earned at the start of the nineteenth century. See R. C. Allen, "Engels' Pause: Technical Change, Capital Accumulation, and Inequality in the British Industrial Revolution," *Explorations in Economic History* 46 (2009): 418–35. This progress was not automatic but depended on the formation of unions and repeated struggles. Some framework knitters were transported to Australia by force; others became labor migrants. So, too, those who have lost industrial jobs in the last 45 years have seldom seen their incomes recover and see poor prospects for their children. And in the meantime, they have suffered the social costs of relocating for work, closure of schools and other community institutions, and opiate epidemics.

Socialist ideals and Marxism were informed by visions of what work and community could be that owed much to late eighteenth- and very early nineteenth-century artisans. Their struggles against becoming the proletariat informed later struggles by industrial workers precisely because they gave a perspective on work rooted outside its subsumption into labor (in the strong, historically specific, capitalist sense). This remains important today as we think about work after the possible end of capitalism and its recognition of work only under the domination of value production, that is to say, only as labor. As Moishe might say, labor plays a categorical role in the constitution of capitalism that work in general does not. But, I want to add, experiences of work not organized entirely by the category of capitalist labor play a crucial role not only in the critique of capitalism but in imagination of movement beyond it.

A significant part of Marx's historical writings concerns the reduction of the worker to mere laborer. On the one hand, the creative expression of artisans was denied to workers disciplined by a division of labor that broke tasks into small components and by mechanized industry. Capitalism made potential architects into mere bees. On the other hand, workers were compelled to give more and more of their waking hours and their very humanity to their jobs. It was no accident, he wrote, that capitalists talk about workers as "hands," as merely mechanical contributors to production (in effect already robots controlled by the artificial intelligence of the workflow governing division of labor, long before computers began to take over that process). Work was literally dehumanizing. Working long days for low wages left workers little opportunity to develop themselves as human beings (though many tried nonetheless, joining in groups to read and debate, becoming autodidacts).

Thompson's work had resonance in the 1960s because of frustrations with Fordism and related attempts to manage a compromise between capitalism and social well-being in bureaucratized and regimented forms. But the condition of factory work and the struggles of the modern working class would be in significant part different from those of earlier artisans—and different precisely because of the coming of time discipline, wage labor, and structures of abstract value that could be commodified, appropriated, and accumulated as capital.

Even kinds of remedial action, like the rise of social democracy, building the modern welfare state, and Fordist accommodations between labor and capital were specific to the era of industrial capitalism.¹³ There were other forms of social

13. Karl Polanyi's *The Great Transformation* (Chicago: University of Chicago Press, 1944) is thus organized as an account of a single massive disruption—the rise of industrial capitalism—and effort to respond to it. That disruption was, in his language, the first half of a "double-movement" that would inevitably bring responses—whether social democratic or fascist. Of course, the logic of capitalist disruption and

mediation and other possibilities in the era before industrial capitalism that were then subordinated to its logic.

Accordingly, the core, historically specific, category of labor as value (and as constitutive of capital) needs to be distinguished not only from transhistorical understandings like the classical labor theory of value that was Moishe's main focus but also from other concrete modes of work. Labor in mature capitalism was different from craft work just before capitalism or during the transition to capitalism. This produced use value but not value constitutive of capital. The contrast also informs efforts to look beyond capital and domination by the category of value and thus by specifically capitalist renderings of time, labor, and social domination.

A key question is: What concrete experiences and modalities of social relations will inform thinking about (and making) a freer and better social life after capitalism, or at least after the dominance of industrial capitalism? Older visions grounded in images of craft production and artisan community are rightly influential. But we need to open our attention also to new visions forged in the era of capitalist domination but outside the complete control of capitalism. To put this another way, even though we live in an era still dominated by capitalism, some forms of work are not completely subsumed into the categorial structure of capitalism. Work of reproduction and care that is organized outside of capitalist value production offers one set of important examples, with a range of complexities. Some of this work has been restructured as wage-based employment and organized as labor, but not all, and not without important tensions. We must learn from the vital twentieth-century rethinking of gender and full inclusion of women. We should learn from efforts to organize labor in communal and cooperative forms—neopeasant or postindustrial—and from work in the informal sector.¹⁴ And we should learn from work in science and scholarship and in other settings where capitalist restructuring has been less complete and where alienation, if not unknown, is at least for some kept at bay.

In short, our resources for thinking about postcapitalism come in significant part from the aspects of life under capitalism that are not fully controlled by capitalism, not fully subsumed into the categories of capitalism. We think about the future of freedom, equality, and solidarity not only from the standpoints of unfreedom, inequality, and alienation within capitalism but also informed by experience outside

response—double-movement—could play out again in the era of deindustrialization. But, like Marx, Polanyi had one big case in front of him and it shaped even the more abstract dimensions of his account.

14. A basic question, just to underscore the point, is how new or different work relations and work experience are. When an industrial company is reorganized as a workers' cooperative, this may be accompanied by restructuring of the labor process. Or jobs may be left much the same and only the structure of ownership changed. Workers may even experience this as simply a change of bosses, rather than a fundamental change of work.

the domination of capitalism (as well as, indeed, creative imagination that is not completely determined by its social context).

TRANSFORMATIONS OF CAPITALISM

Capitalism has survived as long as it has by entering into relationships with states and organized workers that arguably compromised its pure form but stabilized it, prolonged the reproduction of social conditions necessary to it but undermined by it, reduced opposition, and provided protection. It has also been transformed by dramatic increase in its scale and organizational forms, not least the rise of the large business corporation and new forms of finance.

Such transformations were central to the mid-twentieth-century Fordist regime or “organized capitalism” and the post–World War II era of welfare state. The French call the latter *les trente glorieuses* because it was not just a “postwar boom” in the more familiar English phrase but a new organization of capitalism and its relationship to states. It brought corrective response to some of the damage done in earlier periods of hypercompetitive capitalism with its recurrent disruptions.¹⁵

In the richer countries of the world, states took on increased economic significance through economic policies like Keynesian countercyclical investment, as direct providers of benefits to citizens, and as regulators. Investments were often massive (and not all countercyclical), as states expanded provision of education, health care, old age support, unemployment benefits, even media. There were still business cycles, though muted. Unions still struggled with employers, but the struggle was increasingly pacified, partly by state regulation. Firms still made profits, but capital accumulation was widened beyond family fortunes by both individual stock ownership and more socialized structures like pension funds.

This description applies mainly to domestic conditions in the world’s stronger and richer capitalist countries. Organized capitalism was secured in part by cooperation among such states. The World Bank, International Monetary Fund, International Standards Organization, and a range of other such vehicles for cooperation brought aspects of organized capitalism to international political economy. But other imperatives were also at work in efforts to promote peace and secure development, notably through the United Nations, and in the Cold War and its periodic

15. The idea of “Fordism” as a new phase of capitalism comes from Gramsci, *Prison Notebooks* (London: Lawrence and Wishart, 1971). Michel Aglietta and other members of the “regulation school” sought to situate it as one regime of accumulation among others. See Michel Aglietta, *Theory of Capitalist Regulation* (New York: Verso, 1976); and Bob Jessop and Ngai-Ling Sum, *Beyond the Regulation Approach* (Northampton, MA: Edward Elgar, 2006). Arguably, the welfare state era completed a cycle of the double-movement analyzed by Karl Polanyi in *The Great Transformation*.

hot conflicts. These are beyond the scope of present discussion except insofar as the crisis of organized capitalism and the shift into the next phase of capitalism were both shaped by international factors including a shift in state capacities to maintain the boundary between domestic and international matters. It also needs to be clear that outside the rich democracies, capitalism operated according to different ground rules. Companies from the rich democracies commonly left the normative order of organized capitalism (and democracy and even the rule of law) behind when they worked in the Third World.

Organized industrial capitalism entered crisis in the late 1960s and especially the 1970s. There was a legitimacy crisis, informed by issues from questions of satisfaction at work to frustration with bureaucracies to failures to live up to promises of freer, more equal, and more solidary societies. There were political crises, like the US entanglement in the Vietnam War. And there was a remarkable storm of economic crises that came to a head in the 1974–75 recession with its famous problem of “stagflation.” The US Federal Reserve chose to fight inflation at the expense of employment. This cost hundreds of thousands of workers their jobs, damaged faith in the Fordist compromise, helped to initiate deindustrialization of Western societies in favor of countries with cheaper labor, and facilitated the ascendancy of financial capitalism. At the same time, the Yom Kippur War stimulated transformation of OPEC into a near-cartel able to threaten capitalism by throttling oil production and more generally secure massively higher prices. Oil traded at \$3 a barrel before 1973, and it quickly shot to more than \$50, shot up again in the second oil shock after the Iranian Revolution, and though volatile has recurrently traded at more than \$100 a barrel since. This was a challenge to the intensely petroleum-dependent economy of the West. It was also another stimulus for financialization of capitalism. Oil revenues channeled into sovereign wealth funds became central to a further transformation of capitalism.

The welfare states, labor agreements, and relative equality that had made capitalism livable—for the richer countries of the world—have been dissolving ever since. Finance capital and global expansion have helped to hold capitalism together, but with intensifying contradictions. I cannot do justice here to this complicated and multidimensional transformation, but I want to note some key points relevant to the possibility of transcending capitalism.

First, the contemporary transformation of capitalism manifests itself as a crisis of states. Since the 1970s, these have been increasingly starved of tax revenues and subjected to fiscal limits. Projects like the expansion of free public higher education or the provision of equitable social services have suffered. At the same time, neoliberalism has brought a concerted effort to delegitimize all substantive efforts of states

to advance the public good and to make private property appear the only and necessary ground of freedom. As the institutions of postwar welfare states are undermined, their imperfections and limits are exacerbated rather than repaired. The achievement of some degree of democracy coupled to both the nation-state and capitalism is at risk.

This is not only a domestic matter. In the modern capitalist world-system, the order of nation-states is always an international as well as a domestic order. Both dimensions are now in crisis. The sense of internal state weakness is matched by external anxieties amid new manifestations of globalization, many driven by capitalist expansion. Some of these fuel extreme forms of ethnonationalism and hostility to immigrants. Some give authoritarian government an appeal as antidote to real or imagined crime waves and deterioration of public order. As important as these issues are, they also inhibit recognition of other powerful transformations of capitalism.

A major example is the growing prominence of illicit capitalism. Starting with simple protection for private property, states provide capital with legal protections for continued accumulation. Nonetheless, capitalism has always included illegal or extra-legal dimensions. Lands seized from monasteries, gold bullion seized by privateers, and people seized into slavery were all prominent in the “primitive accumulation” that boosted early modern capitalism. Governments have tried, though inconsistently, to police such illegality. Certainly, they have had a strong interest in increasing the range of economic activities that could be subjected to taxation. And capital has been augmented by evasion of taxes as well as forms of illegal acquisition.

At the same time, significant illegality has been woven into the global capitalism of the neoliberal era. Something like one-third of global capitalist exchange is now illegal or at least off the books in some or all of the jurisdictions in which it takes place.¹⁶ Tax avoidance is a primary objective. This starves states of resources to fund social provision that may be crucial to stabilizing society and protecting capitalism. The extent of illegality and tax evasion has grown during the last 40 years with the rise of neoliberalism and the unraveling of the postwar Fordist bargains between states and capital.

International crime is, of course, not only a matter of finance. Weapons, drugs, and people also flow across borders, often using the same routes and smuggling networks. These create security problems and augment risks of terrorism. They help fan populist anxieties that states are failing to protect their peoples. At the same time, funds from these various activities are mingled with funds from legal trade in the global financial

16. Gabriel Zucman estimates that some 11.5 percent of total household wealth and 20 percent of corporate profits are sheltered in tax havens. Emmanuel Saez and Gabriel Zucman, *The Triumph of Injustice: How the Rich Dodge Taxes and How to Make Them Pay* (New York: Norton, 2019). See also Gabriel Zucman, *The Hidden Wealth of Nations* (Chicago: University of Chicago Press, 2015).

system. And illicit capitalism serves as a continuous source of what we might see as additional primitive accumulation—or simply subsidies.

Despite neoliberal ideology, states have been integral to the rise of global finance. This was true as far back as Spanish expropriation of gold and silver from the New World, state backing of privateers who reappropriated some of that for rising capitalist powers, and the early British and Dutch East India companies. This does not contradict the structuring of finance as a property relation within capitalism, but it does point to a basic reliance of modern finance on states even while it seeks to offer private alternatives to states. Capitalist finance relies not just on state protection but on state issuance of money and debt, and it benefits from state guarantees for high-leverage projects like infrastructure; it benefits from state guarantees of liquidity (something only some rich and powerful states can offer). The rise of both corporations and large-scale investment (debt and equities) markets has depended on state recognition and often direct support.

Second, large-scale corporations themselves have transformed capitalism. In part, they have simply furthered a Weberian rationalization, separating personal and family wealth or control from formal bureaucratic and legal organization. They are entwined with a new structure of capital and investment in which both debt and equity are pooled in various funds (hedge, pension, etc.) and traded in securitized forms. They are important vehicles for making capital “productive” twice: first by direct exploitation of labor and second by profits on debt.

Beyond this, corporations have benefited from regimes of limited liability, shielding investors from both civil litigation and criminal prosecution for damages wrought in the course of accumulating capital. These have arisen alongside states and across their borders. The largest have revenues and investable wealth beyond all but a handful of nation-states. In a change from the industrial era, they do not have comparably large numbers of employees. Whereas more than 600,000 people work for Amazon, Google and Microsoft, which deal less in material objects, only employ a little more than 100,000 worldwide each, despite their comparable revenues.¹⁷ This has telling implications for the future of work and employment. But here I want to note simply the strategic role that these and other large firms play in global capitalism. On the one hand, capitalism retains the structure of a world-system of nation-states.¹⁸ Corporations for the most part work within this and complement it, stabilizing it so long as

17. Nat Levy, “Amazon Tops 600K Worldwide Employees for the 1st Time, a 13% Jump from a Year Ago,” *GeekWire*, October 25, 2018, accessed December 1, 2019, <https://www.geekwire.com/2018/amazon-tops-600k-worldwide-employees-1st-time-13-jump-year-ago/>.

18. Immanuel Wallerstein, *The Modern World-System*, 4 vols. (1974–2011; Berkeley: University of California Press, 2011).

their terms are met. But they also exert increasing power. This is not exactly state power, nor is it simply the power of markets as against states. It is the power of capital, but of capital as harnessed in a specific form and organizational structure, not of capital in general.

Marx and Engels wrote that the executive of a modern state was “a committee to manage the common affairs of the whole bourgeoisie.”¹⁹ This was always a limited conceptualization, rightly stressing the extent to which modern states were shaped by the interests of capital, but underestimating their “relative autonomy.” The organizational and financial characteristics of nineteenth-century capitalism limited attention to transformations in ownership and control that became bigger concerns in the twentieth century. But crucially, corporations (and investment managers) now represent a new and different kind of “committee to manage the common affairs of the whole bourgeoisie”—that is to say, of the owners, beneficiaries, and managers of capital. In both domestic and global affairs, they stand alongside states and markets, depending on both but also exerting shaping influences on both. And, of course, they are integral to a new era of finance capitalism.

Third, the historical specificity of capitalism helps us understand not only the distinction of labor as value production from work outside capitalism but also the relationship of capitalism to finance. Marx was well aware of the many ways in which debt figured in the prehistory of modern capitalism. Debt was central to merchant capitalism (ancestor of merchant and investment banks as well as industry). Sovereign debt, undertaken for example to finance wars, helped produce some of the so-called primitive accumulation that went into the development of capitalism. Before the development of capital markets—and while share markets were banned in the United Kingdom because of the South Sea Bubble—credit was crucial to producing concentrations of capital.

The boundary between what we would now call stocks and bonds remained fuzzy through the era of the great Dutch and British East India companies. But though this is an interesting story, the point for Marx (at least in Postone’s interpretation) must be that this is not mature capitalism. Debt relations in these configurations do not produce the form of social mediation that would make capitalism a totality.

Debt also played important roles in the main era of mature industrial capitalism. Marx was also well aware of the “protoindustrial” putting-out system—a kind of credit relationship at the heart of a mode of craft production—and indeed of piece work and of craft labor in which workers sold completed products rather than selling

19. Karl Marx and Friedrich Engels, *Communist Manifesto*, ed. Jeffrey Isaac (1848; New Haven, CT: Yale, 2012), 77.

their labor directly. He recognized that some distinctive features of capitalism, like the nominal freedom of labor, existed in preindustrial forms. But he regarded the development of wage labor as part of completion and maturation of capitalism (though still a form of labor as value production, not the whole of work). Moishe emphasized further the way in which quantification figured in constructing the category of socially necessary labor and enabled the basic mode of appropriation of labor not in concrete terms but as shares of socially available labor power.

This argument in a sense anticipates the role of securitization in the modern finance industry.²⁰ A key to the way debt is managed and marketed in the contemporary world is bundling many debts together to create securities that can then be sliced into shares and sold. The shares work and are priced only as parts of the whole; they are no longer traceable back to individual loans. Prices must balance out better and worse underlying debt. In the same sense (despite some other differences), socially necessary labor time must balance out individual workers who are more productive and less.

Looking at debt mainly as part of circulation rather than production, Marx recognized that it could increase profit by lowering the costs of circulation. He did not specifically explore the role of debt in “smoothing” the temporal volatility of capitalist markets, but this is not contradictory to his theory. Finance facilitated both industrial capitalism in general and specific structures like the Fordist compromises of the postwar era.

Distinguishing finance from value formation does not mean that debt does not mediate at all, but that debt is not a self-moving subject-object in the way labor is and therefore cannot become the form of social mediation that distinctively generates not only a totality but one with an intrinsic internal dynamism, a capacity for self-expansion.

Meister has suggested that in the transition to financial capitalism and in particular from the 1970s, debt gains this sort of capacity.²¹ Derivatives introduce not only a new temporality but also a way to expand capital by making money from money. In his view, finance can therefore complement or potentially replace labor as a “source of value.” That last phrase makes clear why Moishe, though sympathetic to the concerns Meister and other analysts of finance take up, could not agree. Marx’s mature theory, as Moishe reconstructs it, sees labor not as productive of value but as value. In a

20. See my discussion in “From the Current Crisis to Possible Futures” in *Business as Usual: Sources of the Global Financial Meltdown*, ed. Craig Calhoun and Georgi Derluguiian (New York: NYU Press, 2011), 9–42.

21. Comment on oral presentation at this conference. I have also had the benefit of reading a version of Robert Meister’s forthcoming book, *Historical Justice in the Age of Finance* (Chicago: University of Chicago Press, 2020).

transhistorical sense, work produces goods and goods can be exchanged to generate income through exchange value. But this is not the fundamental category of labor-as-value that is constitutive of capitalism. Likewise, thus, Moishe could recognize that finance is important, that it can augment the real wealth of capitalists, and that it is abstract in some senses. But none of those features makes it value (or make the phrase “productive of value” theoretically precise).

As Moishe wrote, “If, however, the current economy of debt is considered against the background of stagnating surplus value production, financial capital could become seen as attempting, as it were, to constitute its own realm of wealth production. The wide variety of promissory notes and meta-promissory ‘instruments’ developed are oriented toward the horizon of the future. That horizon, within the framework of value theory, however, recedes as surplus value production stagnates; there is not enough wealth production in the underlying form of value to eventually cover those debts.”²²

Financialization is also significant for the shape any transition beyond capitalism may take. Precisely because it is not based on value in the core Marxist-Moishist sense, it need not remain bound to the same reckoning of what human beings and their products are worth. It might underwrite new systems of social ownership, though like most positive visions of the future, these are only possibilities. In any case, financialization is not a small thing, but it is not the same thing as the transformation of labor-as-value into capital.

Fourth, the era of financialization since the 1970s has been an era of asset price bubbles and stagnant or declining incomes. From oil to real estate to works of art and indeed shares traded in stock markets, money expanded by financialization has chased assets but not created value. Finance has indeed vastly expanded actual wealth. In the 1970s about a quarter of all wealth (at least of the world’s richer societies) was held in the form of financial assets. By the 2008–9 financial crisis, about three-quarters of wealth was invested in finance. For related reasons, the ratio of wealth to income has shot up in all developed capitalist societies.²³

A combination of finance and ownership is an alternative to labor-as-value in accumulating wealth. But it stands in contradiction to the continued centrality of labor-as-value. This is among the most important of the contradictions that make the capitalist value regime anachronistic. We see this in the extent to which wealth

22. Postone, “The Current Crisis,” 14.

23. See Thomas Piketty and Gabriel Zucman, “Capital Is Back: Wealth-Income Ratios in Rich Countries, 1700–2010,” accessed December 1, 2019, <https://eml.berkeley.edu/~saez/course131/Piketty-Zucman13.pdf>, and Emmanuel Saez and Gabriel Zucman, “Wealth Inequality in the United States since 1913” (NBER working paper 20625, Cambridge, MA, 2014), <https://eml.berkeley.edu/~saez/saez-zucmanNBER14wealth.pdf>. Also, Louis Chauvel, *La spirale du déclassement*, rev. ed. (Paris: Seuil, 2019).

is increasingly pivotal to social structures of inequality.²⁴ Paid employment and more generally earned income are declining as explanations of inequality—and indeed, of how people eat and provide for their families.

First, a small percentage of people in contemporary capitalist societies own enough capital and derive enough income from its investment, sale, or use as collateral to allow them to remain net investors. Although their numbers are small, their wealth is large.

Second, a significantly larger percentage of people live mainly on their current incomes. They may have some wealth—say the home they live in and retirement savings—but not enough to live on it and remain net investors. Having some wealth is a major differentiator of classes—and in the United States of races. Most people have very little. But when members of this group draw income from their assets they rapidly deplete them; this is an important factor in the “hollowing out” of the middle classes. During difficult times, small business owners often do this in an attempt to keep their businesses afloat. But the more familiar example is taking money out of noncapital property like homes through mortgage loans. During the last quarter of the twentieth century and first decade of the twenty-first, this was a crucial way in which members of the middle and working classes of the developed countries maintained their living standards. It amounts to a combination of depleting their savings (and inheritances) and benefiting in a temporary way from asset appreciation. This was an option available especially to older generations—a sort of one-time use of wealth to buffer the effects of capitalist transformation. But it contributed to the bubble in mortgage debt that precipitated the 2008 financial crisis, to foreclosures, and over the long term to a society more sharply divided between owners and nonowners.

Third, many people in the “advanced” capitalist societies of the world live neither by income on their invested assets nor by labor. They receive government subsidies, charity, or support from friends and family. Millions of citizens of the “rich” countries would not have survived the 2008 financial crisis were it not for these sorts of subsidies. Many are in-kind rather than monetary. Beyond outright subsidies, many people were and are sustained by cooperative, largely unmonetized, exchange of both goods and services. This kind of informal economy is a crucial support to the more formal economy of global capitalism.²⁵ Proposals for universal basic income

24. See Lisa Adkins, Melinda Cooper, and Martijn Konings, “Class in the 21st Century: Asset Inflation and the New Logic of Inequality,” *Environment and Planning A: Economy and Space* (September 2019), accessed December 1, 2019, <https://journals.sagepub.com/doi/full/10.1177/0308518X19873673#articleShareContainer>.

25. This sort of informal economy and its relation to formal, monetary exchange is poorly theorized, but see esp. Keith Hart, *The Memory Bank* (London: Profile, 2000).

schemes are attempts to use government and formal monetary means to add to nonemployment support.²⁶

Fourth, people steal. The forms of illegal appropriation range from petty theft to embezzlement to Ponzi schemes to the kinds of violent robberies that link the depredations of warlords in Africa or Central Asia to gangs and cartels in the Americas and both to state-assisted seizures of land and other assets by shady businesses. But perhaps the crucial linkage is not the similarity of these activities but the mingling of their proceeds in financial flows and capital accumulation.

VALUE IS A FORM OF SOCIAL MEDIATION AT ODDS WITH OTHER FORMS OF SOCIALITY

To constitute capitalism, value not only mediates among goods, producing prices. It mediates also, and fundamentally, among people and between people and the accumulation of capital to produce a form of society. It does so in a very problematic way, at the expense of most of the people involved, and in a way that disguises both their contributions and its own social character. As Moishe put it, “Labor itself constitutes a social mediation in lieu of overt social relations.”²⁷ Or again, “social domination in capitalism does not, on its most fundamental level, consist in the domination of people by other people, but in the domination of people by abstract social structures that people themselves constitute.”²⁸

Moishe was committed to seeing capitalism—this system of value and social domination—as a totality. He thought that totality was a distinctive feature of capitalism and that theorizing this was a distinctive feature of Marx’s theory. Indeed, he would go further and say it made Marx’s analysis a theory in a strong sense in which Weber, say, did not produce a theory. He did not show how all the parts fit together and had to be explained in terms of each other; he allowed too much to be merely reported or documented as facts of history not, in this strong sense, theorized. This is an interesting argument about the nature of theory.²⁹ But in my view (not Moishe’s), the idea of totality can also get in the way. It can make us think that capitalism is in some sense complete of itself, that there is nothing outside of capitalism in capitalist societies. This is not so.

26. See Aaron Benanav (and sources cited there), “Automation and the Future of Work-1,” *New Left Review*, II/119 (September/October 2019): 5–38, accessed March 27, 2020, https://drive.google.com/file/d/1Bg5-V4BNQCvbeWfY1_acuiXujBc6Ykkl/view; “Automation and the Future of Work-2,” *New Left Review*, II/120 (November/December 2019): 117–46, accessed March 27, 2020, https://drive.google.com/file/d/1CTr_nM6zznOWAF-gH82LbiQ98nQQOtPO/view.

27. Postone, *Time, Labor, and Social Domination*, 150.

28. *Ibid.*, 31.

29. See Martin Jay, *Marxism and Totality* (Berkeley: University of California Press, 1986).

It may be that capitalism is a totality in the sense that the elements of capitalism must all be explained and understood in relation to capitalism and not to what is outside capitalism. It may be useful to keep reminding ourselves (not least by remembering Moishe) that we should not slip into everyday transhistorical usages of terms like “labor” or “wealth” and pay attention to the specific ways they are constituted in capitalism. But it should not make us think that the internal system dynamics of capitalism by themselves explain everything that is going on—or even everything on which historical capitalism depends.

I would prefer to say that capital is *totalizing*. That is, capitalism is a sort of greedy system that works to take over the rest of social life. In addition, capitalism is a powerful way of organizing social life and thus exerts domination in society. But capitalism needs to be understood in relation to some other things which it may help explain but does not completely subsume. Capitalist society is never only capitalist society. It is socially organized in other, usually subordinated, ways as well.

Capitalism depends on states in many ways, from financial security to legal infrastructure to investments in material infrastructure. Sometimes states act as direct enforcers of capitalist interests. But states are not subsumed into capitalism. The “logic” and projects of states interact with the “logic” and projects of capital. Since the 1970s, the ideology of neoliberalism has speeded replacement of the Fordist compromise between democracy and organized capitalism with increasing inequality and disorganized capitalism.

To speak of capital as being totalizing is to recognize among other things that there is an expenditure of effort to doing the work of totalizing—that is, of holding capitalism together. Labor in capitalism goes not just into making things, but into making capitalism and securing it through the state and other structures of power and participation. In the words of Jean-Paul Sartre: “The *totality*, despite what one might think, is only a regulative principle of the totalisation. . . . If, indeed, anything is to appear as the synthetic unity of the diverse, it must be a developing unification, that is to say, an activity.”³⁰ Abstract totality never matches identity or subjectivity perfectly. Living in relationship to capital as a would-be totality always requires labor not just of production and reproduction but of adapting and complying.

Theoretical totality may demand the complete domination of the whole over its parts. But in actual life this is at most incompletely achieved. This is manifest in the continuing processes of both intensification and extension of capitalism as well as in the labor demanded for capitalism’s integration as such. It is also manifest, in a more

30. Jean-Paul Sartre, *Critique of Dialectical Reason*, in *The Philosophy of Jean-Paul Sartre*, ed. R. D. Cumming (New York: Random House, 1965), 422; emphasis in original.

conceptually challenging way, in the enormous part of contemporary capitalism that is outright illegal or at least off the books.

Crucially, there are other forms of social mediation that help to constitute capitalist societies besides capitalism. Cultural mediation starting with language is important in all societies, including those also shaped by capitalism. It figures as both inheritance and creativity. Shared relations to the “natural” environment are not entirely structured by capitalism, much as it drives an ever more intensive instrumental use and depletion of nature-as-resources. States and other forms of at least largely noneconomic power also structure relations among the members of capitalist societies. Not least of all, society is also created and reproduced out of concrete social relationships.

Concrete social relations are basic to family life, friendship, and local community. Many are directly interpersonal relations. Some are close and multidimensional, for example, among family, lovers, friends. But some are also among strangers or near strangers, crowds on a street or at a concert, or just people who walk their dogs at the same time. Some of these are indirect, as people attending this conference have had relations mediated by knowing Moishe, or through reading some of the same texts, even when we have not all previously known each other.

Some of these concrete social relations are produced within capitalism, though they are not the categorical relations constitutive of it. Workers form relationships of friendship and solidarity with other workers. This is true even in the noisiest factory subject to the harshest work discipline; it is true even in the most backbiting and competitive of offices. In the kind of retail stores that are now being boarded up in towns around the developed world, workers have at least sociable interaction and often relationships with customers. Losing these social settings is part of what makes retirement hard for some. It is part of what makes deindustrialization devastating. It is something lost with the development of a logistical economy grounded in largely automated warehouses and transportation systems, and in a gig economy exemplified by Uber and Lyft.

Concrete social relations are important to sustaining social cohesion today. Indeed, capitalism is parasitic on concrete relations produced in families, friendship, communities, and workplaces for the reproduction of society itself—to the extent that capitalism requires stable societies to operate. Alas, they are being traumatically undermined by current transformations of capitalism. The results can be seen in the devastation and destruction of communities, families, and lives. But concrete social relations are also basic to imagining how society might work and what we as members do if freed from domination by abstract time and labor. Not all social relations are fully subsumed under abstract labor and its form of social mediation.

The contemporary world is shaped by a tremendous rise in the importance and power of indirect relations and systems that organize many of these in increasingly automated or otherwise autopoietic ways. Capitalism is by far the most important source of these, connecting people all over the world through market exchange, corporate structures, distributed production relations, finance, and various forms of integrated consumption (from social media and movies to massive multiplayer games).

For some of the people some of the time, there are pleasures and rewards from connections forged through profit-making capitalist enterprises. But taken together, these constitute domination. Capitalism may contingently occasion some of these relationships—among fellow workers, or salespeople and their customers. But these are not constitutive of capitalism, and when the pursuit of profit and capital accumulation do not require them, they are not reproduced. As Moishe said, “Social domination in capitalism does not, on its most fundamental level, consist in the domination of people by other people, but in the domination of people by abstract social structures that people themselves constitute.”³¹ The word “structure” used here does not convey the dynamism that is essential to capitalism. Capitalism is not just a structure of indirect relations. It cannot be grasped by network analysis. As Moishe and Marx demonstrated, it is a system.

But systematicity also appears in many forms, often driven by capitalism and its expansion but not necessarily contained within it or adequately grasped on the basis of a theory of capitalism alone. Three important examples make the point: Infrastructural systems, from the electrical grid through the supply of water and removal of waste to transport and communications, will all still be systemic supports for large-scale society even if capitalism is transcended. Increasingly automated military systems are deployed by states and might be rolled back in the absence of capitalism, though there are no guarantees. The climate system that we recognize as being not only natural but also shaped—and disrupted—by humans is heavily influenced by capitalism but not contained by it.

Capitalism is a finite system because of its contradictions. Moishe’s focus was on the contradictions embodied in value. He would likely recognize capitalist relations to nature as involving another kind of contradiction—necessary reliance and constant destruction—immediately relevant to the challenges of climate change. I am not sure what he would say about the extent to which capitalism is a system for externalizing many of the costs of doing business, but this seems crucial to me. Capitalism could not survive if capitalists had to repay all the damages they do, just as it

31. Postone, *Time, Labor, and Social Domination*, 31.

could not survive if workers were paid the full product of their labor. Yet capitalism constantly produces illth—that is, following Ruskin, bad stuff like pollution—which is not counted as a cost of production.³²

The world of concrete, directly interpersonal relations is not a contradiction of capitalism. It is something normal to it but distinct from it. It is affected by capitalism, of course. And it provides a sort of subsidy in the form of unpaid work. But most of all, it is important for thinking beyond capitalism.

THE FUTURE OF CAPITALISM IS IN DOUBT, BUT THE FUTURE OF FREEDOM AND THE REALIZATION OF HUMAN POTENTIAL ARE IN EVEN MORE DOUBT

Many of the highest probability paths to postcapitalism would be unmitigated disasters. Capitalism could succumb not to its internal contradictions but along with the human race to climate catastrophe, war, or epidemic disease. Capitalism could succumb to its internal contradictions by displacing most people from paid employment and other opportunities, creating a permanent underclass, and expending ever more on force and repression for security. Illegality could reduce capitalism to a global contest among armed gangs.

Then there are mitigated disasters. The complementarity of capitalism with democracy (at least to some level and in some mostly rich states) could be undermined to the point of collapse.³³ Capitalism could be incorporated into authoritarian regimes that develop versions of state-managed enterprise and finance coupled with some combinations of repressive politics, development of legitimating ideologies, and provision of social benefits in return for compliance. Capitalism could be pursued in some parts of a globally fractured world without successfully achieving hegemony over the whole. The global regime of finance could collapse without bringing down the entire capitalist system.

Of course, more or less successful renewal and reinvention of capitalism are also possible—until the moment they are not. Another transformation can produce a new “phase.” Collapse and transcendence are not the only possibilities.³⁴

Amid all the more problematic scenarios, it is still possible that capitalism might be transcended and a more liberatory social formation achieved. Socialism is possible,

32. John Ruskin, *Unto This Last* (1860; London: Penguin, 1986).

33. See Charles Taylor, Craig Calhoun, and Dilip Gaonkar, *Degenerations of Democracy* (Cambridge, MA: Harvard University Press, 2020).

34. See Immanuel Wallerstein, Randall Collins, Michael Mann, Georgi Derluguian, and Craig Calhoun, *Does Capitalism Have a Future?* (Oxford: Oxford University Press, 2013), esp. chapters by Mann and Calhoun.

if not probable. As Immanuel Wallerstein suggested, “We have at best a 50–50 chance of getting the kind of world-system we prefer. But 50–50 is a lot, not a little.”³⁵

But, to think this future well, following Moishe, we need to abandon the idea that labor points the way beyond capitalism. However, this does not mean moving beyond work. We should hope it means organizing work differently, more fairly, with more opportunities for creativity, and without domination.

To say postcapitalism could be a realm of freedom rather than necessity is helpful only to a degree. It may be more helpful to say it could be a realm of solidarity. That is, freed from the need to be labor, work could be in greater degree oriented to the building of better social relations with each other and care for each other. This could be what we seek when we overcome what Moishe termed the “growing contradiction between the sort of labor people perform under capitalism and the sort of labor [work] they could perform if value were abolished.”³⁶

Capitalism is historically specific, but it is not timeless. Indeed, Moishe’s theoretical work was among the greatest of efforts to work out the transformations of capitalism—and modern capitalist societies—that came at the end of the twentieth century and continue around us. It challenged some post-1960s pieties and romanticisms, including any notion that one could simply achieve freedom directly as an act of individual will or personal expression without systematic transformation.

In Moishe’s words, “capitalism does give rise to the possibility of its own negation, but it does not automatically evolve into something else.”³⁷ So, my friends, Moishe’s friends, it remains for us to integrate the implications of his work into an effective movement for a better human future.

35. *Ibid.*, 35.

36. Postone, *Time, Labor, and Social Domination*, 35.

37. *Ibid.*, 34.