Beyond Capitalism?


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The financial collapse of late 2008, the subsequent economic recession, and now the fitful and uncertain recovery have shaken many Americans to the core. But it is not clear that they have shaken up capitalism much, or the market-oriented principles and practices of neoliberal political rule. It is striking, actually, that capitalism has not sustained deeper, more widespread challenge in the last two years. True, former federal reserve chairman Alan Greenspan is now faulted for having been too enthusiastic a deregulator in pursuit of ever freer markets. But the criticism leveled at Greenspan the man has in effect shielded capitalism the system from the more penetrating evaluation it perhaps deserves. And the new regulatory mechanisms championed by the Obama administration (not to mention the bailouts) are intended to stabilize markets rather than fundamentally transform them, and have indeed coincided in recent months with record profits by a few firms. Meanwhile, the American people, while outraged by the greedy hedge fund managers and cheating brokers they see on the nightly news, seem to have nothing very bad to say about the economic system that produced these characters and let them run wild. What we need, the thinking seems to be, is to protect capitalism from these scoundrels not reform it.

Two new books fruitfully contest this response. G. A. Cohen’s Why Not Socialism? and Jodi Dean’s Democracy and Other Neoliberal Fantasies push us (meaning citizens of capitalist liberal democracies) to think about our economic system and the political regimes that sustain it in ways that look beyond the vices of individuals to the basic values and structure of the system itself. Both books are refreshingly radical in the old-fashioned sense of the word:
they mean to pose challenges that go to the roots of capitalism. Although written before the recent economic collapse, the books speak powerfully to our present moment. They are prescient not in the sense that they predicted the collapse (neither one points in that direction) but in drawing attention to how the market mentality has become the only game in town, in which even the contemporary Left largely embraces market mechanisms and accepts many of the economic inequalities they generate. After one has read Cohen and Dean, the American public’s response to our economic ills no longer seems so surprising—but it is even more troubling.

Cohen’s short, posthumously published book is the final installment in what was a lifelong intellectual project, developed in many books and articles over a period of three decades, to identify the fundamental principles of socialism and demonstrate their moral superiority over the market-exchange model of economic distribution. The book has two stated goals: first, to show that socialism is morally desirable; and secondly, to show that it is feasible for organizing society, or at least to dispel the popular conviction that socialism is impossible to achieve on a wide scale. The argument proceeds by way of a thought experiment involving a camping trip. Imagine a bunch of people camping together for several days for the sole purpose of having a good time. There is no hierarchy among them, and each person is expected to be able, so far as possible, to do the things that he or she likes best. The campers do have to provide for their basic needs, however, so they must decide how to divide up the goods and the labor that make this possible. They decide to cooperate so that “everybody has a roughly similar opportunity to flourish, and also to relax, on condition that she contributes, appropriately to her capacity, to the flourishing and relaxing of others” (Cohen, 4–5). It could be otherwise, of course. Consider a camping trip in which “everybody asserts her rights over the pieces of equipment, and the talents, that she brings, and where bargaining proceeds with respect to who is going to pay what to whom to be allowed, for example, to use a knife to peel the potatoes” (Cohen, 5). In other words, you could base a camping trip on the principles of private ownership and market exchange. As Cohen correctly insists, however, “most people would hate that” (Cohen, 6). Instead, most of us would rather organize our camping trips so that we share both the labor and the supplies, exercise generosity, and help everybody to have a good time.

What Cohen concludes from the moral intuitions elicited by the thought experiment is that “this means that most people are drawn to the socialist ideal, at least in certain restricted settings” (Cohen, 6). He then goes on to argue that the moral appeal of socialism extends beyond this setting. The differences that exist between a camping trip among friends and a large complex
society, although significant, do not “undermine the desirability of the spread across society of camping trip values,” in particular the values of “cooperation and unselfishness” (Cohen, 50), “generosity to others” (Cohen, 51), and “the reciprocating attitude that is characteristic of friendship” (Cohen, 52). Consequently, socialism is desirable, and we should welcome “the aspirations of socialists to realize the principles that structure life on the camping trip on a national, or even on an international, scale” (Cohen, 46). Cohen is surely right to think that more cooperation, unselfishness, generosity, and friendship would improve social life on any scale. But the moral appeal of these dispositions is not a justification for socialism per se, even in the limited context of the camping trip example. Sure, most campers would be revolted if one of their party, having “stumbled upon a huge apple tree, full of perfect apples,” tried to sell the apples to the others rather than share them (Cohen, 8). But this revulsion results not from the assumption that the campers collectively own the apple tree so much as from the reasonable expectation that friends on camping trips will share their stuff with each other. And sharing among campers is typically more like a mutual exchange of gifts than the collective ownership of property. In short, the fact that most of us intuitively find a camping trip that is rich in generosity, cooperation, unselfishness, and friendship to be morally appealing in no way demonstrates that we find socialism, as the collective ownership of property, desirable. It just shows that we value these moral dispositions, as indeed we should. In this respect, the first part of Cohen’s argument fails for the book does not demonstrate the moral desirability of socialism. This failure results in part from a conceptual ambiguity that runs throughout the book with respect to the meaning of socialism. Sometimes socialism is defined in terms of the specific economic practice of collective ownership; at other times, Cohen equates it with the more general moral principles of equality and community, and with the dispositions of generosity, friendship, cooperation, and unselfishness. Cohen’s argument for the moral desirability of socialism trades on this ambiguity. As in the camping trip example, the moral appeal of equality and community, generosity and friendship, is taken to justify the economic system of collective ownership. Yet nowhere in the book does Cohen demonstrate that collective ownership uniquely realizes these general principles and dispositions, or that it is the only way to honor them.

Nor does Cohen show that collective ownership effectively promotes the principles and dispositions that he associates with socialism. In speaking about the feasibility of socialism, he acknowledges that socialists “don’t now know” how to make an economic system of collective ownership achieve these ends (Cohen, 75). Historically, efforts to collectivize the economy through centralized planning in places such as the Soviet Union have failed.
to manifest equality and community (Cohen, 75f), and existing policy prescriptions for introducing collective ownership in more decentralized ways (Cohen mentions John Roemer’s theory of market socialism, for instance) do not adequately capture the generosity and friendship to which socialism aspires (Cohen, 75). Yet Cohen insists that someone someday might solve the “design challenge” (Cohen, 55) and discover how to make a socialist economic system serve these general moral values. As Cohen puts it, “I do not think that we now know that we will never know how to do these things: I am agnostic on that score” (Cohen, 76). Given that this is supposed to be an argument in favor of socialism’s feasibility, Cohen’s agnosticism is a bit bewildering. If the most that can be said for socialism is that somebody someday might figure out how to do it, the feasibility challenge has hardly been met. To be fair, Cohen does succeed in showing that nothing in human nature threatens the feasibility of socialism; the feasibility challenge is one of institutional design, not something that would require a fundamental transformation of human nature. Still, he gives us no grounds to hope that the institutional design challenge will ever be met.

Cohen believes that this relatively weak defense of socialism’s feasibility in no way undercuts the case for socialism’s moral desirability because he sees moral desirability as being fully independent of questions about practical implementation. The moral virtue of generosity, for instance, is no less valuable for the fact that most people fail to practice it as consistently as they might. Yet socialism differs from generosity in an important way. For insofar as socialism is a particular economic system intended to realize the general values of equality, community, and the rest, its ability to realize these values in practice is directly connected to its moral desirability. If we have no reason to be confident about socialism’s ability to achieve these ends, as Cohen’s agnosticism implies, then we have no good reason to desire it. This is how socialism as an economic system differs from general moral principles such as equality or generosity. These principles are (arguably perhaps) intrinsically valuable whether or not they are ever fully realized in practice. If socialism just is equality and community, as Cohen sometimes implies, then it is indeed desirable as a conceptual matter independently of whether or not the design challenge is met—or is ever likely to be met. But socialism is not just equality and community; it is a particular economic system defined by the collective ownership of the means of production. As such, it will be morally desirable only if we can be confident that it does indeed bring about the morally desirable values it means to serve, a confidence that Cohen’s agnosticism denies us. When it comes to socialism as an economic system, feasibility and moral desirability are not as independent as Cohen assumes. Thus the unresolved feasibility challenge of the book’s
second part further weakens the case for the moral desirability of socialism that Cohen presents in the first part. Why not socialism? Cohen indirectly answers his own question: because we have no grounds to believe that socialism as a particular set of economic practices either uniquely or effectively serves morally desirable ends, and hence no grounds to believe that socialism itself is morally desirable. As fraught with difficulties as capitalism may be, this book gives us no good reason to pursue socialism instead.

Jodi Dean’s *Democracy and Other Neoliberal Fantasies* is animated by a commitment to the same fundamental values of equality and community that drive Cohen’s defense of socialism. And like Cohen, Dean is exercised by capitalism’s destructive effects on these values—and on the moral psychology of citizens. But whereas Cohen’s book remains highly abstract, proceeding by way of counterfactual thought experiments designed to appeal to very general moral intuitions, Dean sets her sights specifically on capitalism as it is actually embraced by the American Left today, and her attack is explosive. She means to shatter the illusions of self-identified progressives who have capitulated to market ideology and the neoliberal (i.e., individualist, market-oriented) values it promotes, and she blasts the Left for abandoning the poor and failing to sustain a vision of a genuinely collective political life. In championing “isolation as freedom and consumption as creativity,” for instance, progressives have indirectly fueled “the neoliberalization of the economy” (Dean, 4). In short, the Left has “failed to provide good reasons to support collective approaches to political, social, and economic problems” (Dean, 4). It has no vision, no dream of a common life, no compelling policy alternatives that could resist the power of neoliberalism in both politics and the economy.

The Left’s embrace of several contemporary cultural phenomena has exacerbated its political weakness and moral bankruptcy, according to Dean. One such phenomenon is identity politics. Progressives have largely abandoned the workers and the poor in favor of personal freedoms, including “freedoms from parental and state constraints as well as freedoms for the expression of differences of race, sex, and sexuality” (Dean, 33). The Left has thus been fragmented into particularities, emphasizing a “plurality of struggles” for individual freedom rather than the “social solidarity” and collectivist spirit that a genuinely political life requires (Dean, 34, 22, 77). The changes Dean depicts are real, and their effects are powerful. But why should we assume that economic equality has moral priority over individual freedoms of the sort associated with the new identity politics? The quality of life for gay people in the U.S. today is an order of magnitude (or more) better than what it was just twenty years ago, as a direct result of the identity-based movement for gay rights. Why shouldn’t the Left take on this cause? And why can’t the Left
defend both gay people and the poor? Why should the remedy for the ills of the Left be limited to old-style, class-based politics? Economic inequality often does constitute injustice, but it is not the only form of injustice that demands our attention today.

Another cultural factor that undercuts progressive politics is what Dean calls “communicative capitalism.” Global telecommunications—the Internet in general and social networking in particular—have “coincided with the stunting of left political ideals and the diminishment of progressive political struggle” (Dean, 25). Dean does acknowledge that social networking technologies have been valuable in facilitating political resistance in some contexts (Dean, 24, 47), but on balance she thinks that global telecommunications tend to inhibit more political action than they generate. For “by sending an email, signing a petition, responding to an article on a blog, people can feel political” (Dean, 47), even can “imagine themselves brave participants in a combative arena” (Dean, 31), without really doing anything. This fantasy of political agency dissipates the motivation to make the effort that would be required to redirect the state over the long term (Dean, 47). Moreover, because there is no pressure in Internet communication to generalize one’s perspective or make appeal to common principles or the interests of others, as there is in direct political engagement, contributions frequently take the form of particularized identity-based claims. Thus communicative capitalism exacerbates the disabling effects of identity politics, and in doing so this ostensibly democratic practice “continues to strengthen the place and power of the wealthy and diminish the lives and opportunities of the poor” (Dean, 25). Although Dean understates the degree to which the Internet can both generate and sustain real political activism (consider the role of Twitter in Iran in recent months), she is right to say that it can also have disabling effects on political agency.

But what is the remedy? The book raises a big question: where should the American Left go from here? Dean doesn’t really tell us. She criticizes progressives for their lack of vision, but a vision for the future is not something Dean herself offers, other than to press the importance of collectivism and concern for the poor. And if you take her critical analysis seriously, it is difficult to imagine what the collectivism she champions might look like, for she is also emphatic about the intrinsic divisiveness of politics (Dean, 84). There may be a way to reconcile her aspiration to collectivism with her insistence on divisiveness but she has not done that work here. The upshot is that while Dean opens the door to a way of life that leads beyond capitalism, she stops short on the threshold. Neither she nor Cohen has given us an alternative to
neoliberalism. What they have done—and Dean with particular force—is to press us to think more critically about how the principles, practices, and unintended effects of our political economy square with our moral ideals, and to confront with more courage than the American public has done so far (despite all that has transpired in the past two years) the sometimes deep conflicts between them.

About the Author

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