

Social Democracy and Capitalism

BY EVA ILLOUZ

The political Left worldwide finds its source in two struggles: one against the exploitation of human labor; the other for the emancipation of disenfranchised groups and individuals. The first is identified with the socialist Left, the second with the liberal Left. The first emphasizes economic policies of redistribution and regulation of labor. The second struggles to enforce group and individual rights through courts and cultural representations. These two Lefts need not be opposites, yet the recent world-wave of populist, xenophobic, conservative, authoritarian regimes has compelled many to wonder how to hold both projects together, with many calling for discarding identity politics and returning to socialism. Is the Left condemned to be a hydra, or can it unite its two heads into a plausible overall vision of the struggles to come?



Since the 1960s, the liberal Left has successfully fought for minority rights, but could not do this without neglecting what had historically been its vocation: the struggle against economic domination and inequality. Exactly as, from the 1980s, markets and market-thinking invaded all spheres of social life (the famous turn to neoliberalism), the Left in most parts of the Industrial West started emphasizing cultural rights and sexual politics at the expense of the struggle against the class inequalities produced by capitalism: The shift away from politics of redistribution occurred at the same time that capitalism was starting to reach into all interstices of society to slowly tear apart the social fabric.

The Left's disaffection with the rhetoric of class struggle has multiple

causes. Identity politics and sexual equality, initially at least, did not sit well with materialist views of history. It was mostly middle-class women and homosexuals who fought for equality, because only those above

brutal extraction of value in coal pits, but a highly sophisticated machine that had made work "creative" and tapped into the desires and aspirations of workers through consumption. Mass markets created broad

became a matter of discourse, images and stories. Social movements and academic studies focused on the media as the arena for the transformation of images, stereotypes, prejudices against minorities. Ironical-

ing the Left's new politics of identity, promoting multiculturalist, feminist, or pro-gay content in movies and TV series, the media neglected to portray working class lives. Studies of media content in the USA have consistently found that the media express middle and upper-middle classes world views and the working classes are symbolically erased. Finally, the critique of capitalism declined also because various leaders of the Left—Blair, Mitterand, Clinton, Macron—increasingly accepted the free-marketers' premise that markets could not be surpassed.

Former class alliances—between the working and middle classes and intellectuals—are no longer possible because the moral chasm between these social groups is too large.

subsistence level could notice they were victims of non-economic forms of exclusion. In addition, the nature of capitalist domination became less clear. In the 1970s, capitalism in the Industrial West was no longer the

frames which made the idea of class struggles seem outdated: more and more social groups could consume more and more goods. A third reason was that inspired by post-modern and post-structuralist theories, equality

ly, media industries were also the source of new forms of extraction of surplus-value: through stories and images identity was refashioned to become a matrix of tastes and consumer choices. Moreover, in reflect-

How to save social democracy

But while capitalism was slowly corroding the fabric of work, of family, of democracy and of solidarity, its transformative impact was no lon-

ger intelligible. The struggle to understand and contain capitalism remains the main goal of the Left. Let me propose four theses how the two Lefts can and should join to save social democracy:

1. Capitalism has had a direct impact on democratic participation. In most Western countries, soon after the vote became universal the capacity of the *demos* to shape political processes was considerably diminished by the increasing role played by capital. Oligarchies and/or their representatives in the form of “bureaucratic experts” started shaping state-level decision processes. Recent examples are too numerous to count: tax cuts which benefit the super-rich; the EU imposing stiff austerity politics on Greece, the deregulations of labor law in various countries, the relative impunity of the financial brokers who caused the 2008 financial collapse, down to the enormous role which capital now plays in political machines through “philanthropic” foundations, lobbies, think tanks, and informal networks where business and political elites mix. Nor should we underestimate the role which economists have played by using their scientific expertise to serve the free-market worldview of this oligarchy, indirectly undermining not only democracy but more crucially *the belief* in democracy. Exposing systematically and fighting the dispossession of democratic power by oligarchies and their experts should be one of the first items on the agenda of the Left to restore trust in the democratic process itself.

2. The second major issue which the Left must address is that of work. Traditional work has been destroyed by technology, by downsizing, by the permanent obsolescence of skills, and by the delocalization of production. The precarization of all forms of employment, the stagnation of salaries, the rising costs of education, the difficulty to achieve social mobility, and the prospect of technology replacing human beings, all suggest that capitalism erodes both the quality of work and the very capacity to work. While urban centers have experienced an economic and cultural renaissance in the last two decades, exurbs, suburbs, the countryside and small towns have declined because they do not generate wealth or offer attractive work prospects (Trumpism, Brexit or *Les Gilets Jaunes* are all expressions of the economic dwindling of zones on the periphery of urban zones). The degradation experienced in these zones metastasizes to other spheres of daily life, affecting family stability, social mobility, and crucially, trust in the future. This degradation of working class lives is a fundamental element of the vast unrest and social malaise throughout Europe and the USA, which only the extreme right has known how to capitalize on. Rehabilitating work in non-urban zones, repairing infrastructures and revitalizing associative and democratic life in non-urban centers is thus a primary goal.

3. The modes of capitalist accumulation since the 1960s have considerably diminished the capacity to form class alliances. Cities—not in-

dustrial towns or agrarian lands—are now the major source of wealth. They are the privileged sites for the flourishing of what Richard Florida has called the “creative classes” who live in large urban centers (or proximate suburbs) and constitute a large segment of liberal, left-wing voters. Its members have college degrees, work in the media, in art and design, advertising, publishing and journalism, in academia, or other

roles and identities, and question the Christian and white identity of the West. In contrast, the emphasis on religious tradition, on territory and the (white) nation, and on the traditional family is located on the other side of a chasm that has opened between two competing political views. These views now engage *moral* perspectives, raising the stakes of political opinions, making them more fundamental to one’s identity. The

extreme right suggests that such voters have not necessarily adopted right-wing narratives but rather explain their political allegiance in terms of their sentiment of devaluation.¹ Material and symbolic devaluation fuels the perception that “no one cares” and hence feeds resentment directed at the groups who seem to be cared for, such as women or ethnic, religious, and sexual minorities. The Left has to realize that

ple experience a dwindling of state resources, if immigration flows increase competition at the bottom and benefit the rich, then the question of how resources should be shared with newcomers should no longer be taboo to the Left. This goes against the internationalism that has been an attribute of the Left since at least the early 20th century. But the internationalism of yore has merged with the cosmopolitan consumer lifestyle of the liberal classes, who share with business elites their knowledge of English, their Frequent Flyer miles, their intense touristic practices and their fluency in different cultures. Instead of disdaining nationalist reactions to immigration, the Left needs to understand them as a plausible response to the uncertainty and insecurity entailed by the competition which cheaper labor represents, by the degradation of work and neighborhoods, by the perception of the devaluation of one’s life world. Nationalism can be endorsed as long as it is inclusive, that is, as Yascha Mounk put it, devoid of racism and xenophobia, and able to inquire directly how borders and immigration should be regulated.



Eva Illouz at her IWM Lecture in Human Sciences at the Radiokulturhaus in December 2019.

positions of the intellectual/cultural labor process. They are the most likely to identify with the politics of identity of the post-1960s Left. This has created a cultural and ideological chasm between the creative classes and the working and lower-middle classes. Traditional socialism represented the working classes and the lower segments of the *petite bourgeoisie*, frequently includ-

deep cultural alienation between the working and creative classes around key topics like sexuality, the family, religion, immigration and nationalism, is thus both material and symbolic, and has morphed into a struggle about morality itself. In parallel to this moral chasm, the creative classes became increasingly perceived as illegitimate elites because they enjoy (a very moderate) accu-

for many members of the working classes, transgender bathrooms or norms of gender-neutral speech do not constitute any significant improvement of their lives.²

The Left needs to address the causes and pathological expressions of the malaise affecting the working classes with the cold scalpel of the surgeon and the empathy of the nurse. This means engaging with bigotry

It is no longer as easy to identify capitalist exploitation as it was for Engels in 19th century Manchester; its connections to its current victims’ insecurity and tensions are less direct. This is why liberal free-marketers conservatives and far righters can eat their cake and have it too: the free-marketers promote ruthless economic policies which drive down jobs and disempower the working-classes, but the deep social malaise which their own economic policies entail can be harvested by the far right-wing.

The antidote to right-wing populism might thus be left-wing populism—not as a long-term strategy, but as a short-term response to the current crisis of democracy. This left-wing populism would expose the true enemies of the people—the class of experts and corporate power that have disempowered democratic forms of participation—and function as a mode of political recruitment that addresses ordinary people’s daily struggles. Finally, it would use intelligence rather than morality in politics: preferring to understand what motivates popular resentment, fear or hatred rather than responding with moral disgust. It is incumbent on the Left to overcome the moral tribalism that increasingly constitutes the core of contemporary politics. <

1) www.progressives-zentrum.org/politically-abandoned/?lang=en
2) See for example: www.progressives-zentrum.org/politically-abandoned/?lang=en

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ing intellectuals who functioned as a vanguard for the working classes. Since the 1980s, such alliances between members of the working and the upper-middle classes have come undone mostly because the latter have made alliances with LGBTQ, ethnic, racial, gender and religious minorities, and developed value systems very different to the working classes. Their main ethos is what we may call individual and sexual expressivity, tolerance for all forms of life, cultural relativism and cosmopolitanism. To be sure, the struggles for women and LGBTQ were and remain crucial for the democratization of our societies and for the emancipation of genuinely oppressed groups. But large working and lower middle-class groups have not joined these struggles, which remain the apanage of the educated and urban, generating deep class divisions that are not only material but mostly cultural. For the working and lower middle classes, the traditional family has remained a key value, a source of social solidarity and mutual help. The creative classes favor new family forms, challenge gender

mulation of wealth accrued by cities and the symbolic power of creative industries. They attract far more attention than the Wall Street and corporate oligarchs who have been quietly amassing unprecedented levels of wealth and undermining democratic processes. The result is clear: former class alliances—between the working and middle classes and intellectuals—are no longer possible because the moral chasm between these social groups is too large, a fact that has been capitalized on by the likes of Steven Bannon, Marine Le Pen or Salvini, who are able to create alliances between workers, religious-traditionalist people and free-marketers liberals.

The working classes have been devalued materially—by the precarization of work, the stagnation of salaries and the decay of neighborhoods—and symbolically, because they did not join the moral identity of so many urban and liberal people. They could not participate in the politics of recognition because they themselves were increasingly denied recognition. An important study of German and French voters of the

or racism. Blanket condemnations of racism cannot substitute for an understanding of what it stands for. In particular, the Left should separate what in xenophobia and racism expresses a hierarchical view of human beings from what in it contains an aspiration to pride. However abhorrent racism is, it often is a way of organizing in-group boundaries and restoring pride in one’s group. To bridge the cultural chasm between the creative and the working classes, the Left has to abandon its Olympian moral position and reflect on what can restore a sense of pride to the people.

4. Current immigration flows are largely connected to the unequal distribution of wealth worldwide and have to do with the multi-fold strategies which the wealthy nations have used to exploit economically weak nations. A left policy of immigration should not only oppose the ultra-nationalistic reactions, but also expose immigration as the result of the globalization of capitalist processes of production.

Immigration will continue to be a deeply divisive issue. If many peo-

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