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The Diversity of Class Analyses: A Critique of Erik Olin Wright and Beyond

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ABSTRACT

Class analyses are both very old and quite new. This essay argues that Marx contributed a new class definition and analysis focused on the production, appropriation, and distribution of surplus labor. Yet, that innovative, new class analysis was lost by being dissolved into either pre-Marxian conceptualizations of class in terms of property and power or later social theories in which class was determined by people's consciousness and self-identifications. In this context, the essay pays special attention to the recent work of E.O. Wright. Class analysis based on the surplus labor definition of class is compared and contrasted with Wright's differently based definition and analysis.

Introduction

The pages of *Insurgent Sociologist* and then *Critical Sociology* have been an important locus of work, too numerous to list here, in which class analysis featured prominently and effectively. However, the complex and rich tradition of class analysis that bore fruit in this work, as elsewhere, also produced a multiplicity of different definitions of class. The result has been a divergence in types of class theory informing correspondingly different analytical and political projects. We believe, for reasons outlined below, that it is important henceforth to take into account explicitly the irreducibly basic differences in how class is defined and used. Unfortunately, however,

work keeps appearing in which one or another class definition and deployment is used as if it were the only or the ultimate or the universally agreed kind of class analysis. Instead, we propose that henceforth each new class analysis should (1) acknowledge the multiplicity of possible class definitions and deployment, and (2) offer an argument for whichever definition(s) and deployment each uses.

To make the case for this sea change in the method of class analytical work, we will first sketch the basic different kinds of class analysis that have dominated the tradition. In this context, we will pay special attention to situating there the recent work of a well-known contemporary class analyst, Erik Olin Wright (EOW). Then we will sketch a kind of class analysis sharply different from those dominating kinds and now rapidly generating a new class analytical literature. We will explicitly argue why this kind of class analysis needs to be incorporated into a class analytical tradition now mature enough to require each new piece of class analysis to justify its partisan position within that tradition. The next three articles in this section apply this new kind of class analysis to issues of racism, class struggles inside modern households, and Third World development.

The propertied (rich) versus the propertyless (poor): can one think of a more traditional way to conceive of any society's class structure? Every day, in casual conversations, journalistic accounts, and academic presentations, people across the political spectrum seek to understand social issues by analyzing them in terms of how those possessing more wealth interact with those possessing less. They call these two groups classes. Certainly, no other conception of class played a more prominent role in twentieth century socialism. For that century's radicals, socialists and communists, as for many of their opponents, altering a society's structure (distribution) of property ownership more or less defined a revolution in its class nature. Indeed, the classification of individuals into the propertyless-poor and the propertied-rich, for all sorts of social purposes, goes back thousands of years in European (and other regions') histories.¹ Over the last century, the classification has evolved into a developed analytical framework and tradition especially within Marxism.²

¹ See, for example, G.E.M. de Ste. Croix's discussion of Plato and Aristotle's property classifications (1981: 70-80).

² Marxism's "relations of production" often are conceived as "class relations" understood, in turn, to be property relations (Howard and King 1985: 6-7). Support for a property notion of class can be found throughout the Marxian tradition from its early beginnings (Engels 1976: 181; Kautsky 1971: 43) to its Soviet period (Stalin 1954: 683-684; Bukharin and Preobrazhensky 1988: 28; Trotsky 1987: 248) to its more recent developments (Sweezy 1964: 242; Lange 1963: 16; Kuczynski 1971: 10; Cutler et al. 1977: 243; Hirst 1979: 96; Callinicos 1982: 149-150; Roemer 1988: 72-89). A related but still different notion is

Despite its venerable standing within Marxism – and indeed within social theory generally – the property conception of class always had critics who advocated alternative conceptions. Of these, the two best known have advanced power and consciousness conceptions of class. From their perspectives, class analysis focuses properly not on property but rather on power or on consciousness. For those embracing power theory, what matters most is the distribution of power across the population of any society chosen for scrutiny.³ Who has what kind of authority/control over whom? Instead of the rich versus the poor, power theorists of class juxtapose rulers and ruled. In further contrast, theorists of class who stress consciousness push property and power into the background of their investigations in favor of primary attention to the consciousness displayed by social groups. Classes only exist for them if, when, and to the extent that individuals think of themselves as a class unified in specific ways and differentiated from others in specific ways.⁴

How anyone undertakes a class analysis and what conclusions he/she reaches depend upon which definition of class – property, power, or consciousness – the person uses as his/her “entry point” into social understanding. By entry point we mean the focal concept(s) around which a discourse is organized (Resnick and Wolff 1987: 25). For example, in a society where radical change transfers the ownership of the means of production from private shareholders to the state as representative of all workers, that change will count as a class revolution for those who define class in property terms and who make that definition an entry-point into social analysis. However, those who use class as an entry point but define class differently – say, as a radical democratization of power – may well reach a different and even opposite conclusion about that same change in the social distribution of property. Should they find that power was merely transferred from one elite (private) to another (state), then the property change falls far short of a class revolution for them. Class-qua-consciousness theorists, if they find that the consciousness of social groups was little altered despite changed distributions in property and/or power, would therefore argue that no class revolution was achieved despite those changed

Elster's (1986: 319-397) conception of class in terms of individuals' access to a broadly defined notion of “endowments” (property, skills, and still other “cultural traits”). This notion is presented in and used by Eric Olin Wright to formulate his notion of the “middle class” (1997a: 22-23).

³ Formulations of class in terms of power are in Dahrendorf (1959: 137), Mosca (1939: 50ff) and Mills (1956: 3-20; 1962: 106ff). Marxists also understand class in terms of power conceived as struggle: Laclau (1977: 106), Przeworski (1987: 67), and Jessop (1980: 63).

⁴ Thompson presents what we call below a composite notion of class but in the end reduces that notion to consciousness (1963: 9-10).

distributions. Property, power, and consciousness – like the different class concepts they inform – are neither equivalent, nor interchangeable, nor linked in any fixed way. A change in any one can occur together with a similar or opposite or no change in the others. Class analyses and class struggles have, for a long time, reflected a range of irreducibly different concepts of class. What seems to us long overdue is an explicit recognition and discussion, among class analysts, of those differences and the theoretical and political stakes in selecting among them.

The intense global debates over the content and significance of the Soviet, Chinese, Cuban and similar revolutions were, in large part, confrontations of scholars, activists, and others deploying different concepts of class among their respective entry points. No small confusion and frustration characterized those debates in large part because the debaters were so often unaware of their differences at the basic level of class definition. They typically spoke and wrote about class and class conflict as if everyone shared roughly the same definition. As we propose to argue here, because basic differences in class definition exist and have important analytical, political, and social effects, they need to be acknowledged and debated as such. How anyone defines class shapes how social action is understood and engaged: the theoretical debate over class is a practical matter for activists no less than for social theorists.

Beyond the contesting property, power, and consciousness definitions of class, further problems bedevil class analysis. After all, the infinite characteristics of human beings have provided innumerable ways to disaggregate them into groups, quite literally to *classify* them: into age, education, prestige, status, productive skill, “life chances,” ethnic, and many other classes. Moreover, the multiplicity of definitions of class over the years has inspired many to combine various singular conceptions into composites. Thus, for example, one can undertake a class analysis by grouping individuals according to the *property-and-power* that they possess, to their *wealth-and-education-and-prestige*, and many other such composite entry points. For example, these composites are often rendered, by Marxists, as follows: class is defined in terms of “relations of production” or as a position that a person occupies within a mode of production.⁵ Poulantzas (1978) offered a particularly complex (composite) class definition comprising ideological, political, and economic relations. These relations included “political and ideological domination and subordination” and “real economic ownership”

⁵ Cohen presents a notion of relations of production as “effective power over persons and productive forces” (1978: 63) and Carchedi offers his notion of “production relations” as the “owners and the possessors” who “have the power” to order the economy (1991: 39).

(14-24). Similarly, followers of Max Weber (1922) define class in the composite terms of a person's material "life chances" or economic advantages within an economy, while those of Giddens (1973) define a class composite in which power, property, education, and skill are the central terms.

Marx and most other sophisticated social thinkers have used different singular concepts of class at various points in their work and/or combined them into varying composites. To the extent that they acknowledged changes in their concepts of class, these theorists sometimes justified them on empirical grounds: contemporary reality had fractured the social landscape in ways requiring revisions and/or composites of received concepts of class. On other occasions, failed political projects prompted their advocates to alter their views. Shifting popular usages of class have forced intellectuals to rethink their categories, and vice-versa. Purists with singular conceptions of class deployed strictly have often viewed other conceptions as wrong or primitive or politically objectionable (or all three). They therefore clashed with those whose reverence before social complexity made them suspect any singular conceptions and prefer composites that struck them as better suited to their complex objects.

Our concern is not with the debate between singular and composite conceptions of class. Rather, we wish to stress that both singular and composite definitions of class can be analyzed for what they include and what they exclude. The class analyses informed by both must inevitably highlight some aspects of the reality they seek to understand and change while ignoring or marginalizing other aspects. What those analyses include in their singular or composite definitions of class will become central to the understandings they generate. What they exclude will be seen as secondary or not seen at all. Likewise, the class changes pursued and achieved by social movements will depend in large part on what the hegemonic conceptions of class among them include and exclude, what they make visible and important and what they obscure.

Here we will focus chiefly on property, power, and consciousness since they are the three definitions of class central, singly or within composites, to almost all class analyses. Concentrating on these three facilitates the exposure and exploration of the basic differences among class analyses. This focus on property, power, and consciousness also enables us to highlight an alternative concept, one we think originated and defined carefully by Marx in *surplus labor terms*. Remarkably, this alternative concept of class, which he deployed systematically (albeit not exclusively), faded from most subsequent class analyses (Marxist and non-Marxist) or else was assigned a very marginal, secondary role (Norton 2001: 23-55). We will assess some reasons for the absence of this particular class concept and

also some of its consequences. Our assessment will also serve to explain our partiality to the surplus concept.

To illustrate and concretize our argument, let us return, for a moment, to traditional Marxism's entry point concept of class as property-ownership. That notion enables endless gradations of property and hence of class(es). Between the two main classes – for example, the propertyless proletariat and the propertied bourgeoisie – lie the so-called middle classes that own less (or different kinds) of property than the bourgeoisie but more than the proletariat. Another way to highlight such gradations has been to elaborate notions of class-fractions, sub-classes, strata within classes, and so on. Such traditional Marxism focuses on class structures and struggles in terms of differentiated property-owners.⁶

However subtle and varied the gradations in property ownership informing any such class-qua-property analysis, the problem of power remains as a critical opening for the alternative theorists of class whose entry-point is the social distribution of power. The latter might stress, for example, the difference between a legal right to own property and the actual control over its disposition (Cutler et al. 1977: 243-251). An infant may legally own considerable property, but a guardian may effectively control the use of that property. In this situation, defining a class structure in terms of who owns what would give a different and, for class-as-power critics, a misleading picture of the class nature of a society and hence of that society generally. The same logic applies if we substitute stockowners and boards of directors of modern capitalist corporations for the infant and the guardian in this example.

Power definitions of class and their applications to social analysis also display gradations and subtleties. Between the all-powerful and the utterly powerless lie intermediate positions, the “middle” classes for the power theorists: people who both wield power over others and have some wielded over them. While the non-owning guardian of our previous example may control the use of the infant's legally owned means of production (for example, shares of common stock in a capitalist corporation), the guardian will not control most of the activities of that corporation (including the direction and supervision of its workers). Power to order the behavior of workers usually rests in the hands of the corporation's directors and/or the managers they hire. Typically, neither directors nor managers own significant shares of stock. In Berle's (1959) apt (and decidedly non-Marxist) description of many years ago, such managers have “power

⁶ Lenin, for example, discusses the “differentiation of the peasantry” in Russia before the Bolshevik revolution in terms of differently-sized areas of land cultivated, numbers and kind of livestock used, and implements owned (1972: 70-187).

without property.” The power theorist may well pursue a class analysis focused on the relatively propertyless directors and managers, and only secondarily, if at all, on the shareowners (or their guardians). It follows that while property theorists would designate as “the capitalists” those who own corporations’ shares; the power theorists rather designate the corporations’ boards of directors, those with mass of power in and over corporate affairs. Power theorists often build their class analyses around struggles over power among corporate directors and top state officials (a “ruling” class or classes that give orders), a professional-managerial “intermediate” class (that both gives and takes orders), and the wage-earners (a “ruled class” that takes orders). Many Marxists have found variations of such a power theory very attractive, while others have tried to combine together such power theorizations with a property notion into a singular composite theory of a corporate capitalist class (Baran and Sweezy 1966: 34-35).

For a class-as-consciousness theorist like E.P. Thompson (proudly Marxist), neither the share-owning infant, nor the guardian, nor the directors and managers will necessarily form a class. Indeed, he is most famous for applying this concept to the workers (1963). They only will become classes and their actions class struggles if and when they have acquired a distinct consciousness of themselves as a class. It is, as Thompson argues so forcefully in his Preface (9-14), ultimately a question of cultural development: have social conditions produced a culture in which distinct *class* identities have been forged and thus a true working class made.⁷ For Thompson, struggles among social groups who do not (or not yet) think of themselves as classes are not class struggles, but rather other kinds of struggles with different social effects. In the language of contemporary debate (where culture looms even larger than it did for Thompson), the issue is framed in terms of the “subject-positions” of individuals, how society calls them and thereby defines whether and how class figures in their identifications of self and other.

To illustrate the inclusions and exclusions of alternative class definitions and to draw out their implications and those of the theoretical choice between determinist and overdeterminist logics, we consider a leading modern theorist of class, the sociologist Erik Olin Wright. His work offers a particular composite definition of class. Our discussion of Wright prepares the ground for counterposing a basic alternative conceptualization (a surplus labor class definition). Throughout, we will consider what may be at stake in these different class concepts. The remaining essays in this

⁷ Cohen, while otherwise praising Thompson’s study of the English working class, criticizes his cultural notion of class (1982: 73-77). Cohen deploys a contending and alternative property-power notion of class.

section will then illustrate the kinds of insights that this alternative to Wright can generate.

We read EOW as desiring to remain within the broad Marxian tradition and what he understands as its property based notion of class. On the other hand, his approach explicitly recognizes and proposes solutions for problems presented by a singular property definition of class. The binary structure of a singular property notion of class strikes EOW as inadequate especially for theorizing individuals who own little or no property, who therefore sell their labor power, and yet wield considerable power over other employees in the enterprises where they work. He is also concerned that such individuals receive much larger incomes than the employees over whom they wield power do. For EOW these powerful and well-paid employees do not fit into a singular property theory of class: neither to its bourgeois nor its proletarian classes. He therefore offers a different concept: a composite definition of class. His composite includes property ownership but also power and income. He works this out theoretically and then applies his particular concept to elaborate empirical studies of the so-defined class structures of various societies and especially the U.S.⁸

The property notion of class lies at the core of EOW's composite, framing its other entry points. It merits some special attention to understand not only EOW's particular type of class analysis but also the many other composites that, while different from EOW's, share the quality of being grounded by a property definition. The shared generic property concept of class presents capitalism as a society in which a class of workers, separated historically from ownership of the means of production, confronts a class of capitalists who through that same historic process came to possess those means. A historically evolved distribution of property (in means of

⁸ A still different issue concerns the causal relationship between EOW's composite notion of class and all other non-class parts of society (for example, race, gender, ethnicity, consciousness, state, and so forth). We read in his work the rejection of the idea of determination by class alone (1997a: 1 and especially chap. 13). Instead, he (1997a: 388) allows for "reciprocal effects" "between structure and agency" and, we thus assume in the context of our argument here, between a composite notion of class and all other aspects of society. This welcome move to a causal notion of overdetermination (Resnick and Wolff 1987: chaps. 1 and 2) is unfortunately compromised in his continued claim that a "class structure" alone determines the "limits" within which other factors operate (1985: 29-31; 1979: 15-29, 102-108; 1997a: 387-388). As we have argued elsewhere (Resnick and Wolff 1992: 131-140; 1994: 41-42), one cannot affirm a full notion of "reciprocal effects" or our preferred term of overdetermination and simultaneously hold onto some kind of last-instance determination or limiting power bestowed upon some aspect(s) in society. To do so is to retreat back onto traditional determinist grounds in which, yet once more, one chosen part of society (its "class structure") determines in the last instance ("limits" or "ultimately determines") other effectivities.

production) structures the classes of capitalist societies. As a result of this class structure, the mass of dispossessed workers have no choice but to sell to capitalists the only remaining asset such workers privately own: their labor power. Receiving money in exchange, they can purchase some of the commodities produced by capitalist enterprises and thereby both survive and reproduce their labor power for sale once again. Capitalists purchase labor power because without it the means of production they possess cannot be worked up into commodities, the value of those means would not then expand, and such capitalists' survival would then be threatened by the whirlwind of competition among them.

Marx and countless other economic theorists (both Marxist and non-Marxist) have developed this generic property conception of class, variously nuanced, to high levels of refinement. Thus, for example, the distribution of productive property thus drives the propertyless and the propertied into a market relationship (commodity exchange) that both enables each to survive and also makes them antagonists. The propertyless want ever more for their labor power while the capitalists wish always to pay less; the latter strive to charge more for their commodities while the workers seek to pay less. This property paradigm makes the interdependence and contradictions of the two great classes *effects* derived from (determined by) a singular *cause*, namely the distribution of property in means of production.

Within this paradigm, Marx's special insight was to show how the property distribution enabled the capitalists to increase the value of the means of production they owned. The hired workers added more value to those means during the production process than the value paid to them for their labor power. This "more value" – translated from the German as "surplus value" – was the secret Marx is credited with having revealed in his analysis of capitalism. Capitalists appropriate the surplus (what they call "profit") and thereby increase the value of their means of production; the workers merely reproduce their labor power and remain compelled to sell it again to the enriched capitalists. The profits and hence enrichment accruing to the latter thus arise most basically from the production "relations" imposed by the distribution of productive property. Marx thus ridiculed the capitalists' claims that it was the supervisory labor they performed, the risks they took, the savings they accumulated, or their market shrewdness; these were secondary details explaining differential performance among capitalists. All capitalists relied upon the unequal distribution of property in means of production for the existence of and for their exclusive access to surplus value. Here too lay the revolutionary potential of Marx's insight. If embraced by the workers, it could lead them to refuse to produce the surplus for capitalists and insist instead that they should collectively appropriate the surplus they produced. The logical

means to achieve this revolution would require a fundamental change in the distribution of property in means of production: the workers would have to dispossess the capitalists. The tight and compelling logic of the property theory of class has remained an important factor in its widespread survival and its powerful social influences.

Now, EOW begins with and from the property paradigm as his Marxist inheritance. However, he presents that paradigm with what he sees as the major problem of corporate managers. Since managers usually lack ownership of means of production and therefore must sell their labor power to capitalists, the property theory of class would have to place them in the class of workers, the proletariat. In short, the choices they have (or lack) derive from the property distributed (or not) to them. Their class position, as determined by property distribution in what EOW takes to be Marxism's class theory, locates them as exploited proletarians. EOW finds this inadequate. Managers, he argues, display a characteristic that undermines their designation as proletarians. This characteristic is power. Even though capitalists control managers, the former delegate authority to the latter to ensure that capitalists acquire the labor effort of workers. Because of the power delegated to them inside capitalist corporations, managers are, for EOW, fundamentally unlike workers. Their authority endows them with a "privileged position" there. They obtain, he explains, a higher income than other workers because they can appropriate part of the surplus produced by those other workers (1997b: 16-17). EOW calls this a form of exploitation, a "loyalty rent" that he defines as the difference between their received salaries and the value of their labor power. He concludes that managers both exploit other workers and also are exploited by the capitalists who hire them. They therefore occupy a "contradictory location within class relations" (1997b: 16). Across his writings, EOW elaborates the insight he has gained in this theorization of managers and also extends it to other groups who occupy a "privileged appropriation location within exploitation relations" (1997a: 23).

In theoretical terms, EOW rejects the singular property concept of class that he attributes to traditional Marxism and substitutes a composite concept in which property still plays a key role but which also includes power and income as criteria. The rationale that he offers for this theoretical change is empiricist. That is, he argues that the managerial realities he has observed require just the particular theoretical change his work accomplishes. He believes that he has made the theoretical change necessitated by empirical fact.

EOW has no doubt fashioned a consistent composite concept of class and deployed it for interesting empirical studies. His is one of the many possible composites outlined above. However, it is not, as he claims,

necessitated by the empirical observations he refers to. Proponents of alternative concepts of class, singular and composite, can accommodate all of EOW's observed facts about managers and his other "privileged groups" while theorizing them very differently. For example, a singular property theorist could readily argue against EOW. Such a theorist could claim that managers (or perhaps only the higher managers) have had the capitalists' property temporarily delegated to them for specific, exploitative functions. As agents of property in the means of production, they belong quite properly in the class of capitalist owners. Readily spinning an analysis of how empirical observation of managerial behavior confirms this class designation, a traditional property theorist of class could logically and consistently reject any need to depart from the property paradigm. While we will shortly explore another alternative to both the singular property theory of class and EOW's composite – one equally capable of producing a consistent analysis of managers – it is worth first treating EOW's composite in somewhat more detail.

In our judgment, EOW did more than merely add power and income to property to fashion his particular composite concept of class. His composite rather places power at its center and adds property and income. His interest in Max Weber is likely both cause and effect of this power focus. Like many other such attempts to marry the unwilling partners, Marx and Weber, EOW's produced a composite concept of class in which the power wielded by social groups takes center stage in constituting them as classes. From Marx, EOW takes the notion of property as of crucial importance and also the concepts of relations of production, exploitation, labor power, and so on. He begins with the distribution of property as a kind of framework, but then the Weberian moves take over. Whereas property begins the analysis, power completes it and so dominates the final picture. Managers and others like them hold distinct class positions fundamentally different from those of capitalists and workers because of the particular configurations of power that they wield and, derivatively, the incomes they can therefore command.

There are high stakes, analytical and political, in the contest between a singular property concept of class and EOW's power-focused composite. In our example, the singular property theorist renders managers mere adjuncts to capitalists, their agents, and thus highly unlikely to be susceptible to anti-capitalist politics, let alone ever to ally with workers in such politics. In contrast, for EOW, the unique class position assigned to managers – and others privileged like them – makes their political loyalties and hence an anti-capitalist politics much more open questions. EOW's composite conception of class bears the imprint of the social movements of the 1960s and 1970s. It deserves special attention because it is one

of the most productive and lasting of the theoretical products of that time in the US. Indeed, EOW's work represents one of the prevailing conceptualizations of class at least on the very broadly defined left of the analytical spectrum. Its focus on power while including property, its further inclusion of income and its openness to still further criteria have found a sympathetic audience for the resulting kinds of class analyses.

However, it is not the case that contemporary realities necessitate EOW's particular conception of class, any more than they necessitate any of the many alternatives to it. EOW disregarded the claim of traditional property theorists of class when they claimed that "reality" warranted only their theory. He observed reality differently and theorized differently; his observations depended upon and shaped his theory just as his theory depended upon and shaped his observations. EOW's theory is no more final than those he disagreed with; he can no more claim "the" match of theory to reality than those others can. How EOW observes reality is not how others do or must do. His theory is one way to think about class and apply it to social analysis; there are others. What is excluded in his approach is included in others and vice-versa. What they stress, he marginalizes, and vice versa. The result is a set of alternative class analyses generating alternative social understandings and informing alternative political projects on the left and beyond.

To dramatize this last point, we propose to conclude this introduction with a brief sketch of an alternative and then contrast it with EOW's notion of class exploitation. It is the kind of class analysis that we have found most persuasive and provocative. We also believe that its neglect or marginalization within the class analytical tradition has had very negative results, both theoretical and political. We will refer to some of them briefly below. The subsequent articles in this special section will then allow readers to begin to form judgments about this kind of class analysis as compared with others such as EOW's.

We first return one last time to the issue of managers so important to EOW. Then we turn to his notion and rejection of Marxian value and surplus value theory. Our reading of Marx finds that his analysis of the production, appropriation, and distribution of surplus enables a well-developed class analysis of managers (Resnick and Wolff 1987: 128-129, 174-176). It differs sharply from EOW's treatment, both in analytic content and in the implications of that content. In the surplus approach, the employees of a capitalist industrial corporation are divided into two different groups according to their relationship to the production, appropriation, and distribution of the surplus value produced in that corporation. Marx called the first group "productive" because it is their labor that generates the surplus, the difference between the value that

their labor adds and the value of the wages paid to them. The capitalists are those who appropriate that surplus (in modern capitalist corporations, the board of directors performs that appropriation). Those who enlarge their capital in this way – by appropriating surplus in production – are defined as exploiters: exploitation is the direct appropriation of a surplus from its producers. However, Marx went to pains to point out that certain conditions had to be in place for any group of productive workers' labor to generate surpluses for the capitalists employing them. For examples, (1) they had to work hard and diligently, (2) the right quantities and qualities of raw materials had to be continuously available, (3) threats from capitalist competitors had to be monitored and thwarted, and so on. To secure such “conditions of existence” of surplus production by the productive workers required the labor of other workers such as supervisory managers, purchasing managers, research and development managers, lawyers, and so on. Marx's label of “unproductive” aptly distinguished workers and labor aimed to secure conditions of existence from the surplus-producing labor of productive workers. *Capital* (especially volume 3) systematically details how and why capitalists who appropriate the surplus from productive workers must then distribute portions of it to the unproductive workers (as their salaries and operating budgets). The subtlety of Marx's analysis lies in his specification of how productive and unproductive labor depend on each other. The production of surplus (by productive laborers) presupposes and requires the distribution of surplus (to unproductive laborers), and vice-versa.

A class analysis based on surplus – its production, appropriation, and distribution – locates individuals and groups in relation to those three aspects of the economy (rather than, say, in their relations to the ownership of assets, or to powers they wield over others, to incomes they earn, or to their social consciousness). Thus, unproductive laborers do not exploit productive workers since they are not in the class position to do so; the capitalists are in that position. Managers receive from the exploiters a distributed share of the appropriated surplus to manage, i.e. to secure certain conditions of existence for exploitation. In such a class analysis, the salaries of managers, whether above or below the wages of productive workers, do not determine their class position, since that is rather determined by their situation in the structure of producing, appropriating, and distributing surplus. Likewise the greater or lesser powers they wield do not determine their class position. Rather the manager's class situation is one of receiving a distributed share of the surplus appropriated (exploited) by someone else. Finally, whether the manager owns property or not, how large that ownership might be, and what consciousness reigns in his/her mind do not determine class position

and do not therefore qualify managers as exploiters. Like power, the distribution of property and particular consciousness are *different* aspects of social life from the class aspects; the former refer to phenomena other than the production, appropriation, and distribution of surplus, which is what class refers to. Of course, class aspects interact with non-class aspects; power, property and consciousness interact with class. But that is no warrant for collapsing these differences into identities. Indeed, analysis warrants precisely keeping them distinct so as to investigate their different interactions in different social settings.

Our class definition is singular, whereas EOW's is composite. We offer an argument to explain and justify the singularity of our definition. In our view, Marx used both multiple singular and also some composite conceptualizations of class across his writings. However, central to much of his mature work, especially in *Capital*, was a focus upon the production, appropriation, and distribution of surplus. Marx's surplus definition of class added something new and different to the much older tradition of defining class rather in property and/or power terms, even as Marx sometimes lapsed back into that tradition. Yet, that original surplus aspect was either ignored by other class analysts or has since largely faded from class analyses, those undertaken by Marxists and also by others. Many contemporary class analytical projects ignore the surplus definition, while a few mention it in passing but usually relegate it to a marginal status, a phenomenon derivative of more central components of class (e.g., property or power) and thus warranting minimal attention.

In his comprehensive book, *Class Counts*, EOW, for example, explains why he thinks the Marxian concept of class exploitation as the appropriation of surplus value is inadequate (1997a: 10, 14-19). His rejection of Marx's value and surplus value theory leads him to a definition of class exploitation in terms of capitalists "extraction and appropriation of effort" from workers (16). While dispensing with that value theory, he does claim that this extracted labor effort produces a surplus that capitalists appropriate. What he jettisons then is the notion that "the value of those products is exclusively determined by labor effort as claimed in the labor theory of value" and "that the appropriate metric for the surplus is labor time" (10, ft.#11). Elsewhere, he worries that the concept of surplus value is "ambiguous" (and, he adds, "open ended and arbitrary") unless the "costs of producing and reproducing labor power" are "clear" (14, 15). Two provided examples illustrate this worry, and he consequently settles for a concept of exploitation in terms of workers' labor effort (14-16).

EOW certainly has the right to question and reject Marx's value theory. He hardly is alone in spurning that theory. What we question is his proceeding as if his is some summary comprehensive statement about all

labor theories of value or some imaginary absolute, singular labor theory of value. There is no singular labor theory of value. Endless debates have altered and differently interpreted at least Smith, Ricardo, and Marx's formulations thereby producing a whole range of labor theories of value. EOW's notion is, for us, a strange one in which no mention is made of Marx's notions of abstract labor which he distinguished from concrete labor, exchange value which he distinguished from price, or how and why the magnitudes of values and prices may interact and change because of changed economic, political, or cultural environments. He ignores all of this and more and hence for us the Marxian labor theory of value he rejects is a caricature of what the vast literature on that subject contains.

He seems incapable of accepting and handling a notion of a historically contingent, ever-changing and always-contested level of the costs of producing and reproducing labor power. That variation is precisely one of the major contributions of Marx: the idea that the value of labor power (and hence surplus value) depends on the swirl of social changes in the society. Included in the latter are capitalism's ever-present drive to increase productivity and a "moral and historical element." The former alters the unit value of wage goods and the latter molds workers' needs and desires for quantities of wage goods. Hence Marx's value and surplus value theory affirms and its conclusions depend upon a continually varying value of labor power. That variability enables it to analyze and explain ever-changing, concrete events of the day.

In discarding Marx's value theory while simultaneously holding onto his notion of an appropriated surplus, statements and conclusions appear in *Class Counts* (1997a) that directly contradict what we understand to be Marxian economics: "capitalists may also work – they perform labor of various sorts – and thus the reproduction of their labor power should count as a 'cost of production'" (14, ft. 16); "high wages can be a source of exploitation (15);" "the linkage between production and exchange which is at the heart of the theory of exploitation" (16); "Empirical prices within exchange relations, therefore, can constitute a mechanism for the appropriation and distribution of surplus to capitalists as well as to privileged categories of wage-earners" (16, ft. 19); "some petty bourgeois might be exploited or even be exploited through uneven exchange in the market" (17, ft. 21).

Of course capitalists may labor. Marx recognizes this but makes a careful distinction between those whose labor produces surplus over and above their "costs" and whose labor produces no surplus. Any or all capitalists may perform unproductive labor involved, among other activities, with the labor of managing, researching, marketing, and finance. Such forms of labor may result in handsome rewards ("high wages").

However, Marx repeatedly argues that those rewards are a distributed share of an already appropriated surplus. That is why he defines this kind of labor to be unproductive (of a surplus), even though it helps to secure the conditions of existence for a surplus to be produced and reproduced.

EOW seems to be unaware that Marx carefully distinguishes among different kinds of capitalists, reserving the adjective of “exploiting” or in his words “functioning” only for the surplus-appropriating capitalist. In that sole function, the capitalist performs no labor but receives another’s unpaid labor.⁹ Because EOW defines capitalists solely as owners of property (and nowhere recognizes differences in these kinds of capitalists), he then must worry about how to handle them when they also labor rather than being “merely rentier coupon clippers” (14, ft. 16). When he empirically finds them working, he places them ipso facto into the ranks of workers in general, which for him means all workers who are all equally working. He thus ignores Marx’s own and others’ writings on productive/unproductive differences in a capitalist class structure. As we discussed above, an alternative that recognizes these differences ends up with a very different notion of class exploitation than his.

EOW’s idea that exchange could at least in part be a source of exploitation runs counter to one of the most important economic contributions of Marx. He repeatedly stressed that the appropriation of surplus occurs not in exchange but in production – in capitalists’ consumption of the purchased commodity labor power. Exchange is a location in which value is realized or already created value and surplus value are redistributed but not created. This different Marxian value theory renders impossible EOW’s assertion of a link between “empirical prices” or “uneven exchange” and exploitation. For one example, capitalists may use market power to establish a “privileged” location in which they sell commodities to, say, workers for a retail value that exceeds their exchange value. This “uneven exchange” has nothing to do with a Marxian notion of exploitation in terms of surplus appropriation. Rather, it involves sellers creating and using market power to redistribute an already existing value from the wages of buying workers in this case to

⁹ Any individual may occupy several different class positions depending on the social processes in which he or she participates. For example, an individual who participates at one and the same time in the processes of appropriating surplus value, managing the corporation as a CEO, and owning means of production in the form of shares of common stock occupies three different class positions. In one, he or she is a productive capitalist (who exploits workers as a receiver of their produced surplus value) and in the two others an unproductive capitalist (who receives distributed shares of that surplus value in the form of a salary for securing management and dividends for providing access to owned means of production).

themselves as monopoly-capitalists. For another example, when merchants purchase commodities from capitalists at wholesale prices that are less than exchange values, merchants don't exploit capitalists. Merchants receive a distributed share (equal to the difference between the capitalists' unit value and the merchants' paid wholesale price times the units purchased) of the already existing surpluses capitalists have appropriated from workers. This distribution of value in the first example or of surpluses in the other explains the respective earnings of the "privileged" locations enjoyed by the monopoly and merchant capitalists. These examples can be extended to explain the earnings of several different kinds of laboring individuals including, as have noted, managers and CEOs of corporations as well as landlords, bankers, patent holders, and so forth (Resnick and Wolff 1987: 124-132, 174-183, 237-245).

Because we believe the loss of attention – analytically and politically – to the production, appropriation, and distribution of surplus has had disastrous consequences, we have undertaken a class analysis with class singularly defined in surplus terms. The absence of attention to the surplus concept among class analysts has served theoretically to strengthen the whole gamut of conservative social theorists who long ago committed themselves to expunging the concept from both scholarly and popular usage.¹⁰ Class analysts should, in our view, at least be advocates of the salience of societies' various modes of organizing the production, appropriation, and distribution of surplus, whatever other aspects of society they wish to stress more in their work. The point is to build from Marx's contribution rather than proceed as if it did not exist. As economists, we are especially aware of the current global hegemony of neo-liberalism and its formal expression in economics, neoclassical theory: a hegemony founded on the project of eliminating all reference to, let alone analysis of,

¹⁰ A recent work (Boss 1990) exemplifies efforts to expunge the concept of surplus from economics. Recognizing that Smith and Marx made concepts of surplus central to their work, she dubs them "misguided Classics" (11). She prefers most neoclassical economics because they see how all workers exist in a web of interdependence. For her, theories of surplus are blind to this interdependence, wrongly pursuing a surplus, gleaned from the economically productive but then transformed to the unproductive (whom she labels "parasites"). Actually, Marx's notion of surplus and productive and unproductive labor contains no notion of parasitism. When he writes in *Capital* (Vol. 2, 1967: 131) that "He (the unproductive laborer) performs a necessary function..." his analysis understands surplus not as opposed to interdependence, but rather as a way to grasp critically the particularly capitalist mode of interdependence and its social consequences. See also our discussion of Marx's distinction between productive and unproductive labor in Resnick and Wolff (1987: 124-141). Marx's goal is thereby to show how economic interdependence could and should be organized differently, i.e., by organizing the production, appropriation, and distribution of the surplus in non-capitalist ways.

the production, appropriation, and distribution of the surplus generated in production.

Politically, the evaporation of attention to class in its surplus sense has likewise, in our view, contributed to disastrous social consequences. For example, socialist revolutions premised on class analyses (often Marxist) have taken more or less radical steps to equalize property and power and to alter social consciousness in collectivist directions. They did that believing class, class struggle, and class revolution to be matters of property, power, and consciousness, whatever the different weights they assigned to these components of their composite definitions of class. They rarely worried much, if at all, about the production, appropriation, and distribution of surplus. They rarely changed them radically. If an enterprise had ceased to be private property and had become property of the state in the name of the whole people, might the organization of the surplus within that enterprise have remained little changed? Might state officials have merely replaced a private board of directors in an unchanged class-qua-surplus situation? And might that unchanged class-qua-surplus structure have undermined the viability or durability of the changes in property, power, and consciousness that the revolution had achieved? Such questions could not be asked or answered or acted upon in places like the USSR, China, and Cuba – among others – because surplus had disappeared from or been marginalized within the hegemonic definitions of class in those countries and across the left elsewhere as well. One of the key lessons that can and should be learned from the collapse of the USSR as well as from recent changes in China and troubled socialist projects in many other places is that the cost of abandoning Marx's insights about the production, appropriation, and distribution of surplus far exceeds any benefits it may have accrued. Hence our project of bringing class-qua-surplus into the framework of class analyses and the adjunct project of criticizing the claims of class and other analysts who exclude or marginalize the surplus definition.¹¹

Of course, all class analyses recognize that class is not the only aspect of society or of individual identity; non-class aspects are always part of class analyses. What distinguishes class analyses from other kinds of analysis is that they highlight the class aspects, foregrounding them to gain a wider appreciation of their importance to understanding and changing society. And what distinguishes class analyses from one another – for example, EOW's and ours – is precisely what they include, exclude, and marginalize within their definitions of class. All class analyses recognize and treat many

¹¹ See, for example, the recently published collection of essays on class conceived in surplus labor terms in Gibson-Graham, Resnick, and Wolff (2000, 2001).

aspects of society – cultural, political, and economic – but they do so from the standpoint of those particular aspects included in their respective definitions of class.

EOW's particular kind of class analysis does what any class analysis must: it highlights some issues and throws others more or less into the shadows of its concerns. EOW highlights control (power distribution) primarily and property and income secondarily. EOW then goes on to connect these foci to many other, non-class aspects of the societies he analyzes. In contrast, we highlight the production, appropriation, and distribution of surplus and connect them to a host of other aspects of the societies we investigate and seek to change. The articles that follow are examples from a growing literature built around the surplus concept of class (Resnick and Wolff 1986, 1987; Gibson-Graham 1996; Gibson-Graham, Resnick, and Wolff 2000, 2001). We ask readers for two things: (1) do not allow any particular class analysis to claim itself as the only one that corresponds to reality, and (2) compare the results of different class analyses in terms of what they reveal and what they occlude. Perhaps the next step is to rethink and reconfigure what needs to be included in the class analyses that will shape the twenty-first century, given the lessons of the twentieth.

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