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Degrowth in Movement(s): Exploring Pathways for Transformation.

Edited by Corinna Burkhart, Matthias Schmelzer, and Nina Treu. Winchester, UK: Zero Books, 2020. 347 pages. Paper \$32.95 [or ebook \$26.99]. ISBN: 9781789041866, 9781789041873 (ebook)

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The volume under review here takes the view that redressing entrenched injustice and resulting socioecological crises is not about smarter management of the system but requires radical rethinking and transformation. To that end, it presents degrowth as a three-pronged proposal. The first prong constitutes a critique of the “global growth paradigm” requiring a reduction in the “biophysical size of the economy.” Second is a recognition that unjust appropriation of biophysical stocks and flows is ultimately made possible by deeply entrenched impunity—an “imperial mode of living”—and a call therefore for the “deprivilization” of those who live beyond their just share of socioecological resources. In other words, degrowth, as this book presents it, takes aim at the “overdeveloped” countries of the Global North. The third prong represents a creative and constructive enterprise of imagining “growth-independent institutions and infrastructures” (12). These alternatives are built on values such as “sharing, simplicity, conviviality, care, and the commons” (D’Alisa, Demaria, and Kallis 2015). This volume reflects on such concepts and illustrates instances of these values in practice. The editors make it a point to distinguish and contrast these progressive values from those of “progressive productivists,” or what the book also refers to, with a significant degree of generalization, as a “socialist futurism” (10) invested in emancipation through further economic growth, productivity gains through scale, technological progress, centralization, and finally, redistribution.

The book emerged from a two-year interactive process aimed at filling a gap that the editors identified. Specifically, while degrowth is widely discussed in academic publications, little is written about how its ideas are actually applied by social movements and alternative practices. The volume asks what degrowth in movements looks like and seeks to present a “first account” of “practices that underlie the degrowth discourse” (13). This interactive process included social movements mostly from Germany, but also from some other regions of the world. During this time, the 2014 International Degrowth Conference for Ecological Sustainability and Social Equity brought together over three thousand academics and activists. In its aftermath this volume started taking shape when the editors invited thirty individuals associated with a range of social movements (and alternatives) to reflect on the key concepts around which their movement was organized and whether and how their movement and praxis address or engage degrowth, that is, whether and how degrowth—itself a concept and a movement—finds its way into a variety of other movements. This process produced a volume that is accessible and connects directly to the world of social experimentation and practice.

The twenty-two chapters are framed around as many concepts and the movements associated with them. They include scholars discussing core conceptual questions like the growth imperative of capitalist society, the problem of money, commons, solidarity economies, and degrowth

itself. Perspectives beyond the Global North are represented in chapters on *buen vivir*, radical ecological democracy, climate justice, the movement of refugees, and post-extractivism. In another category of chapters, the one with the most entries, the authors discuss practices such as activism through art, basic income, the 15-M anti-austerity movement, care work, ecovillages, food sovereignty, free software, open workshops, the erstwhile Peoples' Global Action network, transition initiatives, trade unions, and urban gardening.

Each chapter introduces the author(s) through their work with the concept (e.g., food sovereignty) and the movement they have been invited to write about. The chapter then provides an explanation and historical overview of the concept. It then describes instances of movements that have emerged to practice, experiment with, and advocate that concept. The chapter then engages the selected concept and movement in a conversation with degrowth to explore similarities, differences, and synergies and to consider possible future directions.

For example, the chapter on food sovereignty, written by two authors who are also Austrian farmers, notes that it is a movement with over two decades of growth and evolution through concrete struggles across the world. In contrast, degrowth is relatively younger and has a more academic, European origin. Yet they note that degrowth and food sovereignty share a critical appreciation of “capitalist market economics” (193) as a flawed model. While food sovereignty recognizes commodification and profiteering as flawed bases for agriculture, degrowth they note is better able to unpack the “growth imperative” of this economic arrangement. The two can join hands, the authors note, in challenging the commodification and capitalist enclosure of the world.

A chapter on demonetization addresses the central issue of growth and proposes a moneyless society. It argues that production systems based on money as the common standard of value and exchange “forces economic growth” and proffers that “only a demonetized society is capable of degrowth” (162). While counting degrowth as a complementary movement, this chapter argues that the former’s critique of interest on money does not go far enough to challenge economic growth. On the contrary, the chapter argues that money as the standard of value and exchange needs to be dislodged. Social movements counted as advancing this demonetization agenda include solidarity economies, commons, and subsistence economies. The first two here are the subjects of other chapters in this volume.

The volume displays self-awareness as a voice of movements largely emergent from the Global North. Yet, it could have done better at situating degrowth as one manifestation of disquiet and reform within a wider and older discussion (not just going back to the Western capitalist crisis of 2007–8) and critique of imperialism and development and resulting efforts at alternatives (e.g., Kumarappa [1945] 1957). Doing so is a useful reminder to strident votaries of economic growth and development that ideas such as post-development and degrowth are not Western impositions. It is a reminder that the Global South generally, and indigenous peoples everywhere, who bore the brunt of extractivism in the service of imperialism and later capitalism and postcolonial nation-states, have also acquired a sharp understanding of such exploitation and have long advocated alternatives to it. This recognition is also important since boundaries of the core and periphery no longer clearly follow a Global North–Global South cartography. New and emerging cores in the Global South continue to be oblivious to the exploited peripheries that are often within their own national boundaries.

The scope and urgency of the socioecological crisis are widely known and discussed today. A reader with this context in mind is likely to be faced with two main questions while reading the book. Will such concepts and associated movements be enough to dislodge growth-based development? Will they add up in time to dent and avert the projected catastrophes? The question of whether or not they *will* add up is difficult to answer. However, the question that might more productively be engaged, based on this literature, is *how* they might add up. What is the theory of social change that may be discerned across these illustrations, and this literature more generally? What path to an alternative future inspires such an effort and gives hope to its contributors and

those they represent here? The foreword to the book outlines the contours of this hope. Central to this construct is the imagination of these concepts and associated social movements as “laboratories of the future” (6) where new ontologies can be experimented with. This act of “militant optimism” that “identifies hidden possibilities and acts like a kind of amplifier, making those possibilities visible, engaging them actively, and weaving them into new configurations” (6) is expected to have the wherewithal to resist, deconstruct, and transform the dominance of economic growth. This is the theory of social change that holds these contributions together.

The key idea being advanced by the volume here is “weaving.” It evokes the necessity of an intertwining, of solidarity between diverse strands that can produce a new and vibrant social fabric. With this in mind, building and nurturing solidarity across the divisions, diversities, and hierarchies that separate humankind is an urgent task that can benefit from greater and continued focus in the literature and practice on alternatives. There are tremendous efforts already under way toward that end, as demonstrated in this book and others cited below. But the recognition of the complexity of building solidarities across identities and interests is also sobering. Building trust and caring relationships across cleavages of identity and interests, while addressing power and inequality, is among the most difficult tasks for a human being.

During his interventions at the Seventh South-South Forum on Sustainability, Ebrima Sall recounted a saying from the Gambia that directly addresses this difficulty: the solution to the problem that a human being has, lies in another human being. He went on to note that the implication of this view is that solutions (and degrowth purports to be one) lie in an enhanced humanism. This is a vast, potent, perhaps provocative view. But it is offered as an invitation to address honestly and explicitly the challenge of building community and solidarity. Challenging growth-based development and creating alternatives to it place a greater burden on the resources of liberalism than might be borne by its marriage of convenience to capitalism. This acquires added salience in a culture where expressing skepticism of a particular view or outlining a genuine difference often ruptures engagement in productive dialogue.

A discussion that is somewhat silent in this volume is about the structure of competitive and conflict-ridden international relations. While the nation-state is critiqued in the alternatives literature (e.g., Vikalp Sangam 2021; Mathai 2013), the question of how to overcome the geopolitical rationalizations for a political economy invested in rapid economic growth needs to be addressed explicitly. Such interrogation of nation-states and their modus operandi in an era of strident populist nationalism, embattled democratic institutions, and weakening rule of law is dangerous. For example, the past couple of decades have seen laws that legalize long periods of jail without trial, normalization of extrajudicial arrests, and even a growth in the murders of environmental and human rights defenders (e.g., Butt et al. 2019). In such a milieu, those nurturing and applying the messages of *Degrowth in Movement(s)* as a challenge to nation-states, the alliances that control them, and their dominant economic growth and power-centric political economy will benefit from more rigorous, explicit, and collaborative engagement and greater solidarity.

This volume adds to a list of titles that records the debates and practices of a world “beyond growth” (Daly 1996). Earlier work in this tradition, such as Kothari (1989), Sachs (1992), Escobar (1995), and Rahnama and Bawtree (1997) emphasized, for a skeptical world, a diagnosis of development as essentially violent and debilitating of biocultural diversity, and all that that implies. Today such skepticism appears increasingly unwarranted as plans to manage industrial modernity and salvage it from its socioecological crises through depoliticized proposals like sustainable development and green growth have faltered (Dale, Mathai, and Puppim de Oliveira 2016).

Against this background, many voices have joined in creative practice and writing on alternatives, of which this book is an example. It sits alongside contributions in English like D’Alisa, Demaria, and Kallis (2015), Kothari and Joy (2017), Gerber and Raina (2018), Kothari et al. (2019), and Klein and Morreo (2019). This recent literature focuses on imagining, recording,

sharing, and building another world. This is not an easy task or a certain end, but the conviction that an alternative world is needed is stated more confidently. It is a confidence derived no doubt from the persistence of the socioecological crisis that is more evident today than in decades past, but it is also derived from the hundreds, perhaps thousands of ideas, experiments, and practices of having, being, and doing across the world that defy growth-based development. This volume is simultaneously an anticipation and celebration of an alternative world. It is a valuable addition with ideas for resistance and hopeful practice amid the crisis of late capitalism.

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Trade Wars Are Class Wars: How Rising Inequality Distorts the Global Economy and Threatens International Peace.

By Mathew C. Klein and Michael Pettis. New Haven, CT: Yale University Press, 2020. 288 pages. Cloth \$28.00. ISBN: 9780300244175

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This is an important book, with some helpful policy recommendations for dealing with global macroeconomic issues and economic inequality. Michael Pettis is a professor of finance at Peking University's School of Management. Mathew Klein is an economics commentator at *Barron's* magazine. The book should be accessible to a broad audience and of special interest to researchers and policy makers in China, the United States, and Germany. While open to some criticism, the book's focus on the destructive macroeconomic implications of inequality makes an important contribution to current discussions of international trade, global finance, macroeconomics, economic development, and government social policies.

The book builds on the work of Hobson, Keynes, and Minsky, among others. The authors' main point is that countries with large economic inequalities suffer from two related potential economic problems: (1) under-consumptionist tendencies, due to the inability of impoverished workers to buy all of the output produced, and (2) speculative excesses, due to the accumulation of large pools of financial capital by high-income individuals and businesses. These problems can lead countries to seek foreign markets for their excess output and excess capital, leading to trade surpluses, the accumulation of foreign financial assets, and the creation of speculative bubbles at home and abroad. The flip sides of the trade surpluses and asset accumulation by high-inequality countries are trade deficits and debt buildup in the countries receiving the excess goods and excess financial capital. Thus, trade wars over markets are the external reflection of class wars within countries over economic distribution. The implication is that if China and the United States had more equal income distributions, there would be fewer domestic aggregate demand problems, fewer unemployment problems, and fewer geopolitical tensions, not to mention a higher quality of life for most people.

The book also emphasizes the special advantages enjoyed and burdens faced by the United States due to the dollar's role as the world's reserve currency and the US financial sector's role as a safe haven for surplus global savings. Unlike many traditional analyses, the authors see the dollar's special status as more of a burden than a privilege, emphasizing its corrosive impact on the US manufacturing sector. While not a critique of capitalism per se, the book provides a sustained attack on supply-side economics and neoliberalism.

The book offers a helpful summary of many of the structural factors that generate economic inequality in China and Germany. With respect to China, Klein and Pettis (hereafter KP) highlight the significance of: (1) repressive labor market policies that constrain workers' share of national income;¹ (2) *hukou* restrictions which limit the access of migrant workers to government social benefits (113); (3) the expropriation of rural land at prices far below market value; (4) financial sector regulations that channel household savings into bank deposits that pay very low interest rates (112);² and, (5) a regressive tax system that collects only 1 percent of GDP

¹ KP assert that "workers at nonfinancial corporations in China are paid only 40 percent of the value of what they produce," while in "most other countries... the labor share of corporate value added is closer to 70 percent" (113). They do not cite a source for this statistic or explain its manner of calculation. Other discussions of national income shares have significantly lower values for non-China labor shares.

² KP argue that "financial repression" "produced a massive and sustained transfer from the Chinese people to large manufacturers, infrastructure developers, real estate developers, and provincial and municipal governments... worth about 5 percent of Chinese GDP each year" 2000–2013 (112).

from personal income taxes and 14 percent of GDP from taxes on consumption and social security taxes (113). They report that from the late 1980s to 2010, household consumption's share of GDP in China fell 15 percentage points, bottoming out at less than 40 percent GDP in 2008 (111). They note that there has recently been some improvement in some of these areas.

For Germany, KP find the driver of increasing inequality to have been reunification and the fall of communist states in Eastern and Central Europe. Reunification created extra demands on the German welfare state. The opening of Eastern and Central Europe to capitalist investment created a Mexico-like option for German firms and tilted bargaining power in German labor markets to employers (142, 154–55). Union density fell from greater than 80 percent in the mid-1990s to less than 45 percent in 2019 (157). German policy makers cut social welfare benefits, especially jobless benefits, and reduced government regulations. They also cut taxes on business and high income households. They lowered the top personal rate from 53 percent to 42 percent (148), and lowered the effective corporate tax rate from 52 percent to 39 percent (148). They eliminated the capital gains tax on some assets (148) and abolished the inheritance tax. The real pay and benefits of German workers stagnated. Part-time work increased from approximately 15 percent in the early 1990s to 30 percent in 2019 (152–53). From the mid-1990s to 2007, labor's share of the net value added by non-financial businesses declined by 12 percentage points (154).

As in China, KP argue that high levels of economic inequality and economic insecurity in Germany increased national savings rates, depressing domestic consumer demand (158). Rejecting appeals to the “thriftiness” of Asian families or the “rectitude” of German households to explain these countries' savings behavior, KP argue that “the savings rate of any country is determined not by cultural factors... but rather by how income is distributed domestically” (65). As in China, KP subsequently link the softness of domestic aggregate demand in Germany to a search for export markets for excess output and excess capital (155, 159).

While high domestic savings rates can fuel rapid economic growth if allocated to high payoff domestic investments, they can be a drag on economic growth and living standards if diverted into wasteful projects. KP argue that until the late 1990s or early 2000s China's investment led growth made excellent sense (102). The social surplus was used to finance productive infrastructural investment and firms' modernization of the nation's capital stock. Thereafter, however, the authors find that China's investment strategy reflected the power of political-economic interests tied to the industries benefitting from past investments, such as the construction industry, rather than the search for economic opportunity (104). The authors see this misallocation as a common outcome for countries following an investment-led growth strategy. They point to Japan as a classic example. They highlight the dramatic success of its investment-led growth from the end of World War II to the early 1980s, as well as the painful lingering of the policy past its usefulness (75). In China's case, they fear that unproductive investments will be sustained by an endless line of credit from government owned or controlled banks until the debt burden becomes unbearable.

KP recommend that China rebalance its macroeconomy, reducing reliance on investment (and to a lesser extent exports), and increasing reliance on consumer spending and government financing of the social wage. They call for the redistribution of income and wealth from high income households with relatively low marginal propensities to consume (MPCs) to low income households with high MPCs. More specifically, they recommend: (1) eliminating *hukou* restrictions on access to government safety net benefits (229); (2) increasing retirement and health benefits; (3) reforming labor markets to strengthen workers' bargaining position; (4) paying dividends from state-owned enterprise (SOE) profits directly to Chinese households; (5) spending to improve environmental quality; and, (6) reforming the tax system.

For the United States, they also recommend reducing inequality as a way of reducing under-consumption pressures and problems of insufficient aggregate demand. In the short run, they recommend the United States find better ways to absorb the world's capital flows. In the long

run, they call on global policy makers to reform the international monetary system along the lines Keynes laid out at Bretton Woods. Especially important are mechanisms that would force export surplus countries to enable actions to eliminate those surpluses, such as currency appreciation.

The book contains two interesting historical chapters on the history of global trade and the history of global finance. There are some engaging topics addressed in the finance chapter, such as the assertion that changes in financial markets and the availability of credit drive trade flows (46). There is also a lot of support for Minsky's conclusion that credit markets invariably degenerate into speculative frenzies and bursting bubbles.

In the trade chapter there is an interesting critique of Ricardo's trade theory and a helpful discussion of the major drivers of changes in international trade since the late 1960s. While interesting reading, the major significance of the book lies in its discussion of inequality and macroeconomics in the United States, China, and Germany.

While the book offers many important insights, I have a few reservations about the treatment of some topics. The analysis largely ignores potential problems associated with capitalist economies that are unrelated to income inequalities, such as macroeconomic downturns due to wage-profit squeeze dynamics and worker alienation.


While the analysis portrays both the Chinese working class and American working class as victims of their respective country's elites, Chinese policies still appear as a major cause of job loss and manufacturing decline in the United States. Some readers may interpret this as an attack on China for engaging in a new form of imperialism. While I do not think this interpretation reflects KP's characterization of Chinese behavior in the US market, it is more applicable to KP's discussion of the belt and road initiative, which they imply could evolve into an imperial form of economic relations.

Many observers have warned about the need for China to rebalance its economy and rely less on debt financed investment. While it seems reasonable to assume that China cannot refinance unpaid debt indefinitely with new debt, it is not clear what the limit on debt is. Nor is it obvious which popularly-suggested statistics (such as debt/GDP, or interest costs/GDP, or the relative growth rates of debt and GDP) are relevant to answering this question, especially when the debt is denominated in domestic currency. This is a key question for Chinese policy makers and KP warn against simply kicking the can down the road. Like most thoughtful observers, however, they hesitate to offer concrete benchmarks and a timetable for expected crises.

In discussing excessive and wasteful investments, KP appear to implicitly use the profit rate on investment and the ability to cover financing costs as key measures of investment prudence. Like many observers, they imply that a large number of investments by important SOEs are bridges to nowhere. This claim needs to be carefully interrogated. There may be positive externalities to SOE investments that change the accounting. Some investments, for example, might have long run payoffs that are undervalued by the market's short run horizon. Other investments might have large neighborhood effects.

KP may overpaint their canvas, needlessly denying cultural factors a role in determining savings behavior and implying the direction of causality almost always goes from changes in the conditions of credit to equal and opposite changes in trade flows.

In spite of reasonable concerns, I think the book can make an important contribution to political-economic discussions in China, Europe, and the United States. It forces attention to the corrosive implications of economic inequalities and challenges the underlying arguments of supply side economics and neoliberalism.

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Capital and Time: For a New Critique of Neoliberal Reason.

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Among other things, the “Enlightenment” was characterized by a strenuous intellectual effort to secularize the foundations of knowledge, such that instead of relying on religious faith as the ultimate arbiter of truth claims, greater empirical verisimilitude backed by logically consistent techniques of inquiry would yield properly testable statements. The scientific leaps that this occasioned were accompanied by philosophical riddles and knowledge gaps that became ever more apparent as a result of empirical lacunae that were not supposed to be there. Modernity emphasized human agency and ingenuity, which unleashed the often contradictory and clashing forces of democratization and centralized planning. Myths were constructed to paper over these fissures, such as *Homo economicus*, the corporation as private property or dictatorship of the proletariat, but there persisted the deep suspicion that the proclaimed certainties of the age rested upon foundations far less secure than people had been led to believe. These were exacerbated by the increasingly glaring shortcomings of the competing versions of modernity that had been built on the ashes of two world wars, colonialism and enslavement. The failure of state-led planning in either to first anticipate and then deal with the economic stagnation that culminated in the 1970s corroded much of the social fabric that had sustained the post-1945 reconstruction. Into the void emerged a radical new regime that cast itself as more fundamentally democratic and therefore liberating, especially with respect to cumbersome bureaucracy and rigid adherence to the plan. Social theory reflected this change in a shift from “grand narrative” to contingency, from structure to agency, from modern to postmodern.

Is neoliberalism the dominant mode of production of postmodernity? If postmodernity is characterized by a general non-foundationalism, which denies that there can be “ontological or epistemological foundations for knowledge that serve to ground other claims” (Guarino 1996: 141), and that instead “we are embedded in and constituted by. . . ‘discursive relations’ which, in turn, structure our understanding of the world and establish the ways in which we reproduce it” (Maiguashca 2006: 241), following Laclau and Mouffe (1985), then the answer is affirmative. This has implications for political economy, not least that the materialist critique of speculation, as “an irresponsible bet on the future, one unwarranted by fundamental values” (2), is invalid. So, too, is the often accompanying idealism of governance mechanisms “understood as standing in an external relation to finance, as standing above rather than being embroiled in the dynamics of economic life” (Konings 2018: 136).

These are the claims with which Martijn Konings begins his exploration of possible means by which the critique of neoliberalism might move beyond an essential moralism, based on an

ultimately futile effort to “re-embed” markets in accordance with Karl Polanyi’s conceptualization in *The Great Transformation* (Polanyi 1957). The rejection of Polanyi’s cyclical teleology is a long-standing preoccupation (in particular, see Konings 2015, reviewed by Keaney 2018). It is emblematic of a more fundamental problem of what is explained in this book as heterodox critique’s “inability to think self-referentiality properly” (33), despite its recognition elsewhere in the social sciences and our own everyday “intuitive certainty that money works as self-referential value” (32), notwithstanding our inability to “define money beyond its fictitious and promissory character” (31).

Speculation is not to be treated as an irrational or “dysfunctional deviation from fundamental values” but instead “as a normal aspect of economic life, as reflecting the absence of foundational certainties and the impossibility of eradicating risk” (Konings 2018: 136). Economic action is inherently speculative, given its forward-looking, anticipatory nature. It is also purposive and constitutive of the future, as opposed to being merely a “bet” on a right or wrong outcome. Of course there is this aspect to decision-making too, but it is hardly the whole story, given that the outcome is often a partial result of the decision, rather than independently generated.

The multiple predictions of neoliberalism’s demise following the financial crisis of 2008 have not materialized (Crouch 2011). Nevertheless this has not stopped what Konings satirically refers to as “the bizarre emergence of an academic growth sector devoted to explaining the failure of social reality to conform itself to social scientists’ fantasies of a re-embedding movement... a curious imitation of the financial sector’s own ability to profit from failure” (127–128). This is all the more contradictory for Konings because “the critique of speculation is in fact premised on a notion of real value” (32). This is underpinned by a widespread, if often more implicit, rejection of self-referentiality as economic essentialism, due to its foundationalism, by the same heterodox critics. In other words, one foundationalism merely serves as the basis for the rejection of another, but the rejection itself is represented as nonfoundational in character.

Given the above, how are we to proceed with any critique of neoliberalism? Given his rejection of foundationalism and the associated idea of an external vantage point from which critics can analyze the phenomena from which they would professionally detach themselves, Konings proposes instead a “non-essentialist economism” (129) that would avoid the pitfalls of both much heterodox critique and orthodoxy’s unreflexive reproduction of self-referentiality (32). Although he does not use the phrase, Konings appears to be advocating the development within political economy of a discourse of immanent critique. This is defined as “a normative position that is developed from existing society that not only reveals prospects for social change but also contributes to that change” (Herzog 2016: 282).

Konings finds inspiration in the work of a variety of sources, beginning with Niklas Luhmann, whose work “seeks to understand how systems endogenously generate their conditions of possibility,” and for whom “an emphasis on self-referentiality is the only way to do something useful with the idea of postfoundational theory, a theory appropriate to a society that is able to understand itself in terms of risk, and its institutions as contingent constructions” (33). Luhmann’s key insight here is the problematic of the eye that cannot see itself: a system “cannot observe the totality of its own operations in real-time and it cannot therefore ever fully predict or comprehensively control the effects of its own functioning” (Konings 2018: 140). As a result, the reproduction of the system is inherently speculative and generative of complexity and uncertainty, within a world where actors and systems are engaged in the same effort to reproduce whilst responding to the impacts of other actors and systems.

Yet while Luhmann himself is argued to have relegated the economic sphere to the status of a subsystem, Konings builds on the work of other authors to propose a full reinstatement of the economy into a Luhmannian social system that is itself conceptualized as a response to the problematic of “how order arises out of uncertainty” (56). This is described elsewhere by Konings as

“double contingency,” whereby our own speculations combine with the speculations of others to create “more or less stable (but never static) forms of organization from within its own logic” (Konings 2018: 141). This problematic of radical uncertainty has been recognized within the post-Keynesian tradition (Davidson 2002), but for Konings the dualistic separation of uncertainty from calculable risk is itself “highly problematic” (Konings 2018: 141).

Konings’s elevation or restoration of the economic sphere within a Luhmannian system is justified not least because of what Joseph Vogl (2015: 100) has observed as the “waning of functional differentiation” between different social spheres, with money assuming a central role in “the total process of social reproduction” (Deutschmann 2011: 91). This is reminiscent of the critique of “financialization,” although once again Konings does not explicitly acknowledge this, possibly due to a reluctance to be associated with the moral critique often associated with that. As for immanence, Luhmann thought it impossible to settle “the question of immanence and transcendence, norm and exception” (67). Konings sees located in this tension neoliberalism’s intuition of its “productive force.”

The result of this is an increasing social awareness of contingency, and, associated with that, speculative risk. This has penetrated the heart of governmental rationality such that decision making “functions on a logic of pre-emption, a paradoxical practice that fully blurs the distinction between prevention and activation” (67). This can be seen in the evolution of central banking, which has become ever more implicated in the support of activities that it was originally intended to prevent or punish: “central bank policies amplify leveraging dynamics and sustain the practices that gave rise to instability in the first place” (90). In a manner similar to that of Joseph Vogl (2017: uncited), albeit more briskly, Konings traces the symbiosis of state and capital to the foundation of central banks, conceived as ameliorative or even preventative institutions in the event of bank crises, with their “lender-of-last-resort function seek[ing] to prevent the procyclical logic of balance sheet contractions from working itself out” (81).


It is at this point in his argument that Konings refers to the work of Hyman Minsky, for whom the balance sheet metaphor is central to his concept of economic entities as “clusters of promises received and promises made” (75). Relatedly, for Minsky “there is no clear dividing line between practices of banking and their governance; no qualitative break exists between the ordinary logic of risk navigation and the management of system risk” (82). The logic of “too-big-to-fail” is “thus a core feature of capitalist financial management”; indeed, it is “the core operational modality of central banks” (82–83). Once again we are confronted with the blurring or erasure of theoretically separate concepts in practice, underscoring the limitations of traditional means of understanding, and the simultaneous arbitrariness and precariousness of efforts to apply value standards originating independently of the system to which they are supposed to be applicable.

This is demonstrated with reference to the always more inherently speculative US financial system (Konings 2012), and specifically regarding the notorious “Volcker shock” heralding the turn to monetarism. This had been preceded by an acceleration of credit creation innovations that the Federal Reserve proved unable to thwart, despite their contribution to systemic inflationary pressures since the 1950s. In 1979 recently-retired Fed chairman (and student of Wesley Clair Mitchell) Arthur Burns complained of the risk of collateral social and political damage required in any serious effort to tackle inflation, in a speech entitled “The anguish of central banking” (reprinted in Burns 1987). His eventual successor, Paul Volcker, demonstrated exactly what Burns meant.

For Konings the significance of the Volcker shock is its demonstration effect, the use of monetary targets “a means to affect expectations... a rhetorical device” with which the state would “productively engage—rather than just accommodate—the endogenous dynamics of banking and money production” (98–99). Volcker employed the levers of the state to recalibrate the state’s role within “a process it was constitutively implicated in and could not just extricate itself from” (98). Consistent with the central Luhmannian problematic of how order emerges from

uncertainty, Konings enlists the aid of Friedrich Hayek's doctrinaire anti-statism to highlight Minsky's contrasting prescience in recognizing that the centrality of the state's role "in the production and definition of money was in fact the outcome of an evolutionary process characterized by its own internal rationality" (107; see also Vogl 2017). Equally, he shows how the Volcker shock "set in motion wider political, economic, and social adjustments," including a "dramatic expansion of the shadow banking system" (110). This was simultaneously the application and vindication of neoliberal logic: the deliberate expansion of uncertainty in order to create disciplinary austerity that would encourage productive credit-financed speculation (cf. Klein 2007). Its intellectual antecedents in the depiction of the market as neutral and "a bulwark against unearned privilege and concentrations of power" (123) can be observed in the practical politics of the Tea Party movement that swept the US Republican Party following the collapse of Lehman Brothers in September 2008.

Capital and Time is a significant and timely intervention that does much to go beyond what often feels like ritual denunciations of neoliberalism that rely heavily on moral condemnation as compensation for their lack of expository insight. Konings is asking probing questions not only of neoliberalism, but also of political economy's ability to properly come to grips with it. On the evidence of this book, he seems to be making good progress.

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Capitalism and Disability: Selected Writings by Marta Russell.

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Despite the vast bodies of work Marxist thinkers have dedicated to understanding racial, gender, and sexual oppression under capitalism, disability continues to be undertheorized. The new collection *Capitalism and Disability: Selected Writings by Marta Russell*, edited by Keith Rosenthal (2019) is one of the few works that begins to fill this gap in the literature on disability.

Russell, a US-born disability activist who passed away in 2013, offers one of the few and most comprehensive historical materialist analyses of disability oppression available in English. Her work spans across such topics as eugenics, imperialism, the environmental crisis, employment, and the prison industrial complex, among others. Despite the breadth of Russell's work and her unflinching critique of both capitalism and disability civil rights, her contributions remain little known. This new collection, with essays that originally appeared in a variety of publications such as *The Monthly Review* and *Socialist Register*, attempts to change that by gathering some of her strongest political writings on the subject and organizing them into sub-topics, introducing readers to her work in a highly accessible manner.

Russell, following Marx, eschews liberal and postmodern understandings of disability and disability oppression, and instead argues that disability oppression lies in the exclusion of disabled people from the workforce. Because disabled bodies cannot be exploited—they are too slow, too expensive—they are excluded from full participation in economic, political, and social life. The only way for disabled people to produce surplus value for capitalists, Russell argues, is by being commodified into beds in nursing homes or superexploited in prisons or sheltered programs in which they are legally paid as little as twenty cents per hour. This is the theoretical core of her arguments.

In the introduction, cowritten with Ravi Malhotra, Russell both builds upon and critiques the limits of the social model of disability, which serves as the theoretical basis for the book. The social model emerged from the disability rights movement in the United Kingdom in the 1970s, and posits that disability is not a medical condition but a social one. Disability is not the physical and/or mental impairments but instead the barriers created by society and placed on top of those impairments, such as the denial of accommodations and exclusion from the labor force (1). Russell goes a step further, however, to historicize disability as an inherent part of the emergence of the capitalist mode of production, and that the construction of disability and the subsequent division of the working class into the abled workers and the disabled (almost always) nonworkers is a key component of what has allowed for the accumulation of capital. Continuing from the historical materialist method, Russell makes use of such conceptual terms as “wage labor, exploitation, the rate of profit, market competition, the reserve army of labor, and the bourgeois state,” among others (viii). For Russell, Marxist political economy is a tool to be wielded against the oppression of people with physical and mental impairments.

Following the introduction, she turns to a rigorous application of Marx's labor theory of value to account for the invention of the “category of ‘disabled’” in the labor market (15). While many disabled people are unable to perform any wage labor, Russell argues that it is class interests that regulate the labor supply in regard to who is and is not categorized as disabled: in times of a tight labor market, more disabled people will be drawn from the reserve army of labor and hired—even with the extra costs of accommodations—and therefore not categorized by the federal government as “disabled”; whereas in periods in which there is low demand for labor,

more will be unemployed. She uses these arguments to critique the rights-driven movement that arose from the social model of disability and poses an alternative that, based in historical materialism, seeks to abolish the capitalist state and capitalist mode of production as the only means of abolishing disability oppression. This critique continues in the second section with a focus on the limits of disability civil rights, specifically regarding the limits of the Americans with Disabilities Act (ADA) and its inability to protect disabled workers from employment discrimination. Section 3 focuses on the incarceration and institutionalization of disabled people in the prison and nursing home industrial complexes. Section 4 offers critiques of the US Social Security system, while section 5 turns outward looking to the connections between disability, imperialism, and the environmental and housing crises. The final section, one of the darkest, looks to the methodical extermination of disabled people in Nazi Germany as well as the contemporary euthanasia movement.

The editor, Keith Rosenthal, is a socialist writer and activist who has written for the *International Socialist Review* on the topics of disability and the Russian Revolution as well as on the political writings of Helen Keller. Rosenthal, selecting essays for their clarity and concision, organizes the book into six parts: “The Political Economy of Disability”; “Civil Rights and Retreats”; “Disability Incarcerated”; “The Social Security Complex”; “Beyond Ramps”; and “Body Politics: The Missing Link.” The selections have been taken primarily from the years 1998–2005, which Rosenthal identifies as her “most prolific” (x). Rosenthal notes that the book is intended to be read not as an anthology but as “successive chapters of a single cumulative argument or thesis” and thereby shortens Russell’s original essays, selecting headers to organize by theme (x). He outlines this in his brief editor’s preface in which he overviews Russell’s life and work. While he originally thought of updating the statistics, he decided to maintain those from the original time of publication and to instead attach an appendix following the essays in which the most current disability statistics are included relating to education, labor, living conditions, war, crime and policing, and nursing homes, among other subjects. The statistics in and of themselves are shocking and speak volumes about the often-ignored political and economic condition of disabled people in the United States. For example, 40 percent of homeless people in the United States are disabled (173).

Russell is known for her staunch critique of Disability Civil Rights, namely the ADA, as well as her film, *Disabled and the Cost of Saying I Do* (1994), about marriage inequality of disabled people receiving federal benefits who are, to this day, unable to marry without being stripped of those benefits. Born in Mississippi with cerebral palsy, she was politicized through the Civil Rights Movement but wasn’t radicalized around disability until her late thirties, when her condition worsened. She eventually became involved in the organization ADAPT (American Disabled for Accessible Public Transit), which used fiercely radical tactics such as blocking public transport routes as well as wheelchair-bound members crawling up the stairs of and occupying government buildings. She also became involved in the ACLU, in the disability activist organization Not Dead Yet, and later in the antiwar movement in 2003.

Russell’s works are among a handful of Marxist disability studies, which also include Rosenthal’s essays in the *International Socialist Review* (2015, 2016a, 2016b), Ravi Malhotra’s *Disability Politics in a Global Economy: Essays in Honor of Marta Russell* (2017), Roddy Slorach’s work on disability history and austerity in the United Kingdom (2015), and, more recently, Frances Ryan’s *Crippled: Austerity and the Demonization of Disabled People* (2019). This literature, unfortunately, often goes under the radar.

While Russell’s work provides an expansive critique of disability oppression, it remains rooted in the specificities of the United States. While she explores the relation between disability oppression and imperialism in the chapters “Disability and the War Economy” and “The United States versus the World,” there remains an absence of discussion about disability in a global

context, especially in the Global South—a gap not only in Russell’s work, but within Disability Studies more broadly.¹ Additionally, while Russell touches on the inequities of disability and race in her essay “Disablement, Prison, and Historical Segregation,” there is room for further expansion—others could, for example, conduct a more thorough investigation of the connection between racism, ableism, and eugenics, and the connection between racism, poverty, and disability. Finally, there is a notable absence of discussion in her work of links between disability oppression and gender and sexual oppression, such as how disabled women are much more likely to suffer abuse at the hands of healthcare workers, caretakers, family, partners, and so on. While Frances Ryan (2019) offers an in-depth journalistic approach on these issues, there’s a need for future research from an historical materialist perspective.

Overall, Rosenthal’s edited collection offers an indispensable opening to Russell’s oeuvre, which remains underread, for anyone interested in disability studies, Marxist political economy, and prison studies. This is essential reading for those committed to envisioning a socialist future truly free of disability oppression.

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¹Though not Marxist, one of the best known studies of disability in English from a global perspective remains the anthropological *Nothing About Us Without Us: Disability Oppression and Empowerment* by James Charlton (2000).