

Week 7. Sociology 621/929. October 13, 2013
BASIC CONCEPTS OF CLASS FORMATION

I. Stating the Problem

1. Structures and People

It is sometimes thought that the study of class structure revolves strictly around *positions*, whereas the analysis of class formation and class struggle centers on *people*, on the actual practices of real individuals confronting the world. This is not an adequate way of drawing the distinction. *Both analyses revolve around people, but viewed from different vantage points.* The analysis of class structures views individuals as *incumbents of relationally defined positions*; the analysis of class formation views them as *participants in collective actions*. One of the central objectives of class analysis, then, is to understand is how individuals-as-incumbents in positions are ***organized, disorganized and reorganized*** into individuals-as-participants in struggle. This is the process of class formation.

2. Potentials for constructing class formations: class structures define three kinds of people

So far, our main preoccupation has centered on the class structure side of this process. The crucial way in which class structure bears on the problem of class formation is *by defining a terrain of material interests and lived experiences upon which collective actors* are formed. More specifically, for all people, the objective, material interests defined by the class structure determines three potential categories of actors:

- a) People who *share* the same class-based material interests as their own (i.e. who face the same trade-offs and strategies: have to do the same things to improve material welfare)
- b) People who have *antagonistic* material interests to their interests, and
- c) People whose class interests may not be identical, but who nevertheless may have sufficiently *overlapping interests* to form the basis of class coalitions.

Class structures thus determine:

- one's potential *friends*,
- one's potential *enemies* and
- one's potential *allies*

Havens Center poster: "Class consciousness is knowing what side of the fence you are on; Class analysis is knowing who's there with you"

A similar trilogy can be specified with respect to the *lived experiences* of being in a class position. Remember the idea about lived experiences: these are things that happen to you by virtue of being in a specific social position. A salient example is the experience of disrespect or humiliation, or the experience of being deferred to. Again, the class structure defines three sorts of people:

- a) People who *share* the same class-based life experiences as one's own
- b) People who have completely different class-based life experiences,
- c) People who have *overlapping* life experiences with oneself.

One way of thinking about these two dimensions is that class interests are particularly important for the *cognitive conditions* for class formation whereas lived experiences are important for the

affective (emotional) conditions. When these closely correspond to each other, class formations are likely to be more cohesive; where interests and experiences are more loosely coupled, class formations may be weaker. Class formation critically depends on the subjectivities of people, on their willingness to act collectively. The claim here, then, is that class locations are one of the critical determinants of subjectivities relevant to class formation. To anticipate a later discussion: interests and experiences are raw materials that get transformed into subjectivity through what we will later call *ideological practices*. That is what ideologies do: take these raw materials and turn them into elements of a person's subjectivity.

3. The Core Interest Logics of class formation

In a simple polarized conception of class structure there are two kinds of interests/formation processes:

1. The *interests of the oppressed* in collectively organizing. Basically the thesis is something like: all things being equal, an oppressed group will tend to **organize** for collective resistance to its oppression.
2. The *interests of the oppressor* in preventing collective organizing by the oppressed. The core thesis is something like this: the more the interests of oppressors are threatened by challenges, the more they will attempt to **repress** collective organization of the oppressed.

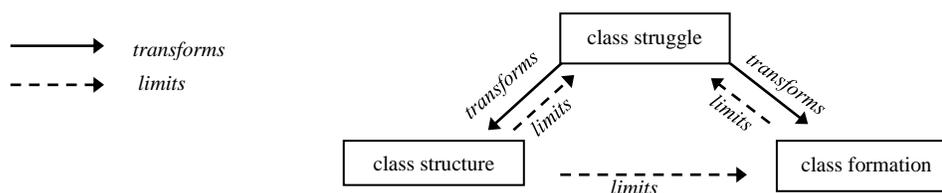
These generate two foundational causal relations:

The interests of oppressed/exploited classes → oppositional class formation;
The interests of dominant/exploiting classes → repressive class formation.

While this is a simplification, this does capture the central thrust of most historical arguments about class struggles and class formation.

Now, these aspects are, in a way, the transparent issues: no one can doubt that interests & repression shape profoundly collective action. The map of interests in the class structure analysis thus generates a map of *potential collective formations*, and these potential class formations, in turn, help explain potentials for struggles.

This causal process can be represented as follows:



II. Why Interests alone cannot explain class formations

If knowing such potentials was sufficient to predict the patterns of actual struggles, then the analysis of class formation would be a simple affair. This is not, however, the case. The diagram we have just looked at indicates that class structures imposes *limits* on class formations and struggles – i.e. it makes some more likely than others -- but it does not determine specific class formations or struggles. Here is a key point: *An analysis of interests, no matter how refined, is never adequate to explain struggle.* Several reasons for this are particularly important.

1. Consciousness.
2. Contradictory Interests.
3. Multidimensionality of interests: class/nonclass interests.
4. Lived experiences
5. Collective action dilemmas.
6. The problem of class capacities/power.

1. Consciousness.

Actors may not have clear understandings of their interests. As we shall see in our discussion of ideology, the relationship between subjectively understood interests and objectively determined interests is always problematic. Even if we can unambiguously define objective class interests, therefore, they will at best explain tendencies towards particular forms of struggle, not actual struggles.

2. Contradictory Interests

Even if all actors had perfectly clear understandings of their interests, the existence of “contradictory locations within class relations” means that many people in class structures have objectively contradictory or inconsistent class interests. This in turn implies that, quite apart from any subjective factors, there is an objective indeterminacy in the direction of participation of people from such locations in class struggles. This indeterminacy comes from the fact that the role of the “middle classes” in class struggle necessarily involves the formation of class *alliances* in which the coalitional parties make certain compromises of class interests in order to cooperate with each other. Given the complexity of the configurations of interests involved, there are nearly always multiple possible formable alliances of this sort. Which, if any, of these possible alliances in fact gets formed, therefore, is not ordained by the class structure itself, but depends upon a variety of political and ideological factors. This again means that it is impossible to read off class struggles and class formation from class structure.

3. Multidimensionality of Interests: class/nonclass interests.

The interests of individuals – whether we understand those as “objective” or simply “subjective” interests – are generally not restricted to class interests. Individuals may have ethnic interests, national interests, regional interests, occupational interests, gender interests, even spiritual interests, and so on, all of which can potentially become the motivational basis for collective action. To the extent that such nonclass bases for collective identity and action compete with class formations, then the relationship between class structure and class formation become less determinate.

4. Lived experiences

Even apart from the complexity in the array of interests and contradictory interests in the lives of people, there is also complexity in the connection between lived experiences and class interests. Motivations to act are shaped by both reason and emotion, but these can operate at cross-purposes.

4. Collective Action Dilemmas.

For reasons we will explore when we discuss the problem of solidarity in the next lecture, even if these first four problems did not exist -- people had a clear understanding of their objective class interests, those interests were backed by lived experience and were consistent with a unique class formation and they had no competing interests -- it is still problematic that they would decide to participate in any class formation. Classes can remain largely disorganized and unformed collectively because of the dilemmas of collective action.

5. The Problem of Class Capacities/power.

Finally, participation in struggles is always at least partially contingent upon the predicted outcomes of struggle, and those outcomes themselves depend upon the relative *power* of the contending forces. Many factors shape the relative power of contending classes: their ability to recruit participants in collective actions and the degree of solidarity among members of the class, their ability to forge alliances, the material resources at the disposal of the organizations representing the class, the institutionalized rules of conflict under which struggle takes place, and so on. But whatever the explanations of relative power, class struggles crucially depend upon class *capacities* as well as class interests. This is where class formations play such a crucial role.

Key conceptual point:

Class structures can be seen as defining the terrain of obstacles and opportunities for the creation of potential class formations.

Some of the formations are relatively easy to create in a given class structure; others are difficult; some may even be close to impossible. A good general theory of class formation would attempt to map out the relative probabilities of different kinds of class formations on a given class structure. Such probabilistic maps of class formations, then, would provide the conceptual framework for the empirical study of the creation of historically specific class formations.

Contemporary Marxism is far from being able to specify such a general theory. What we will do in this section, then, is discuss a range of narrower issues that bear on this broader enterprise. In particular we will explore some of the important “microfoundations” for understanding the *process by which collectively organized social actors are formed*, and how, on the basis of such microfoundations, one can begin to understand a variety of patterns of class formation in capitalist society.

III. A GENERAL APPROACH TO MICROFOUNDATIONS OF CLASS FORMATION

In this section, I will elaborate a general approach to the study of class formation. I will argue, following the work of Jon Elster and others, that the theory of class formation should be formulated within a general analysis of processes of “strategic interaction”. The most developed conceptual framework for doing this is provided by what is generally called “game theory”. In what follows we will examine the essential logic of game theory and show how it is relevant to the problem of class formation.

1. Game theory as a way of thinking about class struggle and class formation

To many radicals it is outrageous to consider “game theory” as an appropriate basis for studying class formation. Game theory is closely associated with neoclassical economics and conveys an image of rational, selfish actors pursuing their own interests in an atomistic world. Furthermore, the simplifying assumptions needed to construct the formal mathematical models that are the preoccupation of game theorists are seen as so unrealistic as to render the resulting models useless for social analysis. This result is that game theory is seen as involving both an ideologically-tainted view of human action and a radically impoverished method for studying class formation and class struggle (and anything else for that matter).

2. An Example: the Prisoner’s Dilemma

We will discuss the prisoner’s dilemma game a bit more in the next lecture, since it is bound up with the analysis of solidarity, but let me illustrate it here just to tell you what “game theory” look like. The story: two actors confronting each other in a setting in which each makes a choice with consequences for both of them. They cannot communicate with each other; they just have to make a choice. Here is the story: if prisoner 1 defects (i.e. rats on the other) and prisoner 2 does not, prisoner 1 goes free, prisoner 2 gets ten years. If they both defect they get 5 years prisoner. If neither defects they each get 2 years. They are only interested in their own welfare. What choice do they make? Answer = the both confess and thus both get 5 years, which is clearly suboptimal, since they both would prefer 2 years (neither defects) to five years. Reason for this outcome = whatever the other person does, it is always rational for prisoner 1 to defect. If prisoner 2 defects, prisoner 1 gets ten years if he does not defect and five if he does; if prisoner 2 does not defect, prisoner 1 gets 2 years if he does not defect and zero years if he does. This is a simple game with a powerful solution, which turns out to have quite a lot of relevance for many explanatory situations.

3. Radical Theorists Objections to Game Theory

The hostility of many Marxists to game theory, rational choice theory and related approaches, comes in part, as was suggested above, from its close association with neoclassical economics. This association leads many people to believe that game theory implies that actors are *egoists*, that they are *hyper-rational*, and that actions must be explained primarily in terms of *intentions and choice*. The expression “rational choice theory” encourages this characterization and these criticisms. In fact, game theory need not imply any of these things for actual explanations of social phenomena.

1). *Egoism*. There is no assumption in game theory that people are factually selfish, that they are motivated only out of personal material interests. While it may be a *methodological* postulate that the sensible place to begin analyzing a system of strategic interaction is with assumptions of egoism, this is strictly a simplifying heuristic device. Strategic action models can be developed with any kinds of preferences on the part of actors, but it is easier to understand the nature of those nonegoistic models against a background of pure egoism.

2). *Rationality*: There is also no assumption in game theory that people in fact act rationally, that nonrational and irrational cognitive processes of various sorts are empirically unimportant. The claim is merely that in order to understand the actual explanatory importance of irrationalities it is necessary to begin with models of rational strategic action. As in the case of egoism, rationality serves as a simplifying assumption to make formal model building tractable and to clarify with greater precision the various ways in which actions might be non rational or irrational. These models do not prejudge the question of the *causal* importance of irrationalities; they simply facilitate our ability to specify their effects.

3). *Choice vs. constraint*. Finally, game theory does not imply that the most important explanations for variations across time and place in class formation and class struggle (or anything else for that matter) are variations in the choices, intentions and strategies of actors rather than variations in the social structural constraints within which they make these choices. It is even possible that in specific cases the objective constraints determining the feasible set of possibilities faced by actors is so narrow that choosing becomes virtually irrelevant. The postulate is merely that strategic choice-within-constraint is the framework within which specific explanations must be generated. It is only through the development of theoretical models of such strategic action that it becomes possible to sort out in an effective way the relative importance of constraint and strategy in explaining particular historical outcomes.

The use of strategic action models to understand class formation, therefore, does not imply a commitment to egoism, rationality or voluntarism in social explanations. What it does imply is a particular logic of theory construction in which we begin with simple models built around assumptions of egoism and rationality and then gradually relax the assumptions of the model in order to generate more powerful explanations of specific phenomena.

4. Modes of explaining social action

To understand the value of a game theoretic approach to class formation, it is useful to contrast three ways of understanding human action in general, and the participation of individuals in class struggles in particular:

1). **Action is scripted.** People are socialized in ways which deeply instill various norms and values. With these inculcated norms, people fill roles in society in which their actions are essentially dictated by the nature of the norms that govern the roles. Once properly “programmed” through socialization, people basically act through habit, ritual, routine, convention. Our experience of making choices is thus largely an illusion. Participation in collective struggles, therefore, must be explained by the ways different kinds of norms and values *govern* people’s behavior, not by the process by which people deliberate and consciously make choices.

2). **Action is intentional.** People make choices under constraints, and their actions must be viewed as at least partially explained by their *intentions*. These choices may be *norm*-driven or *goal*-driven, but the action that occurs is consciously chosen rather than programmed as ritual or habit. (By “goal-driven” I mean that the choice of action is made instrumentally to accomplish some goal; by norm-driven I mean that the choice of action is made to conform to some normative condition). For our present purposes, the crucial thing about models of simple intentional action is that the constraints under which people act can in general be viewed as *parameters* of choice: they are objectively given and fixed. Action is thus intentional and rational, but not *strategic*.

3). **Action is strategic.** People make choices under constraints in a world in which *they know that other actors make choices under constraints*. Our choices therefore take into conscious consideration in one way or another the likely choices of others. That is: we are *strategic* actors, not just *rational* actors.

“Game theory” – or perhaps what might more appropriately be called *strategic action theory* – adopts the third of these views. If one believes that actions are the result, at least in part, of the intentions of actors in which the mental processes of deliberation are more or less rational, and if one believes that in such deliberations people take into consideration the likely choices of other actors, then game theory is a natural idiom for studying class struggle and class formation.

5. The essential logic of strategic action

Game theory, then, is based on the view of human social practice as radically *interdependent* strategic actions. The object of analysis is to study this interdependency and its consequences. Jon Elster has elaborated the logic of these interdependencies in a particularly clear way in his essay “Marxism, Functionalism and Game Theory” (reference in readings). Imagine a strategic interaction -- a game -- in which people make choices and as a result of the resulting interactions, they receive various kinds of “rewards”. These rewards can be anything: material welfare, feelings of pride, good feelings towards others, or whatever. Three kinds of interdependencies among these choices and rewards, Elster argues, are particularly important in such strategic interactions:

1. *The reward of each is dependent upon the choice of all.* This reflects the diverse ways in which the welfare of each player in the game depends not simply upon his or her own choices, but upon the choices of all others. The “tragedy of the commons” -- in which each person abuses resources held in common thinking that this will benefit them, but because everyone makes the same choice, the commons are destroyed and everyone suffers -- is a vivid example of this kind of interdependency.

2. *The reward of each depends upon the reward of all.* In many situations, each individual’s welfare depends, in part, upon the welfare of others, not simply their own condition taken separately. This is true, for example, in the case of altruism, where one’s own well being depends upon positively on the well being of others, or, alternatively, in the case of envy, where one’s well being is undermined by the welfare of others.

3. *The choice of each depends upon the choice of all.* For many purposes, this is the most important aspect of interdependency, at least for the kinds of substantive problems we will be considering. This is an interdependence of choices in the act of choosing itself, not just in the effects of choices as in the first interdependency. As we shall see, this interdependency is central to understanding problems of solidarity in working class formation.

This **interdependency of decisions and consequences** leads Elster to characterize game theory as the “theory of strategic action” or strategic choice: actors are making decisions in which complex calculations occur both about the decisions of others and about the payoffs of combinations of decisions. The point of game theory is to understand the structure of these strategic interdependencies, especially the patterns of strategic choices that emerge given certain initial conditions and the patterns of consequences that follow from these strategic choices.

Some additional points not discussed in the lecture

6. Types of games

Within game theory as a formal conceptual apparatus a variety of general types of games have been elaborated. In order to clarify the particular way we will use ideas from game theory to discuss class formation, it will be helpful to discuss very briefly some of the principle dimensions on which games vary. Three of these are particularly important: n-person vs. two-person games; zero-sum vs. variable-sum games; cooperative vs. noncooperative games.

1. *N-person vs. two-person.* Most games studied by game theorists are two person games. Games involving more than two actors become mathematically exceedingly complex. Given that in most strategic interactions in the world there are many actors making choices, the emphasis on two person games might seem to seriously undermine the potential insights from game theory. In fact, for many purposes the simplification involved in two person games is not as implausible as it might first seem. For example, if we want to study in strategic action terms the problem of why individual workers do or do not decide to participate in union struggles, one approach is to treat this as a two person game involving an individual worker and “everybody else”.

2. *Zero-sum vs. variable-sum.* Zero-sum games are games in which the total reward available to the players is fixed, so that anyone’s gain is someone else’s loss. Conventional competitive sports in which for every winner there is a loser are good examples. Variable sum games, in contrast, are games in which the total reward available for distribution among the players depends upon the strategies chosen. Under certain strategic combinations, everyone can receive a positive gain (even if some may receive a greater positive gain than others); under other combinations, everyone may suffer.

In the analysis of class formation and class struggle, it is of great importance whether the various “games” one might analyse are viewed as zero-sum or variable sum. If the struggle between workers and capitalists is strictly zero-sum, then it is hard to imagine how class compromises can be forged between them. Every gain in the interests of one class is a loss in the

interests of the other. If, however, the game is a variable-sum game, then compromise may be possible.

3. *Cooperative vs. noncooperative games.* In noncooperative games, the players make their choices in isolation from each other. While they may certainly take into account their anticipations of the choices of other actors, they do not enter into overt bargaining and discussion with other actors. Decisions are therefore individually, rather than jointly, made. In cooperative games, on the other hand, the “solution” to the game -- the strategies that are finally adopted -- are forged through explicit bargaining processes.

One of the basic findings of game theory is that certain kinds of noncooperative games do not have “solutions”. That is, there is no stable or equilibrium set of strategies that will be adopted by the actors under the rules of the game. In such situations, solutions only emerge through the active cooperation of agents. In spite of this, most game theory discussions emphasize noncooperative games. The central justification for this is that the logic of noncooperative interactions constitutes the background for bargaining between players in games: what options each actor faces in the absence of cooperation defines the terrain for their cooperative (but still strategic) interactions.

Game theory has explored these various types of games through highly sophisticated mathematical procedures and specialized language. In the discussions of class formation in the next several sections, we will not examine these mathematical models. While we will use some of the conclusions from the formal mathematical analyses of game theorists, we will deploy them in the theory of class formation a much more informal way.

7. Digression on the status of formal models

Even if one accepts the importance of strategic action in social theory, the objection can still be raised that the extreme simplification of the complexities of real social practices needed to forge the mathematical models of game theory renders the models useless for explanatory purposes. This raises the perennial methodological problem of the role of abstract formal models in social theory, whether those formal models take explicitly mathematical form as in game theory or more qualitative form as in Max Weber’s famous use of “ideal types”.

Without going into great detail on these issues, I believe that whether one likes it or not, abstract, simple models of this sort are *inevitable* in the production of social explanations. Every explanation, even by the most concrete, empirically-minded scholar, involves simplified models of the interconnections and consequences of various phenomena. Every explanation presupposes a host of *ceteris paribus* conditions. These models may be implicit, they may remain unspecified, but it is impossible to offer an explanation of anything without some kind of simplified model for how the world works. The issue, then, is not whether or not theorists should work with simple models, but rather, whether or not such models should be formalized and made explicit or left unformalized and implicit.

Stated in these terms, there are considerable gains to be made in social theory by explicitly formalizing explanatory models. For one thing, formalization forces people to make their background assumptions explicit, thus opening them up for criticism and reformulation. More generally, when models are formalized it is often easier to understand their “conditions of possibility”, the specific social and cultural conditions which make those explanations plausible. Formal models are often criticized for being ahistorical, abstracted from the specificities of

particular times and places. This criticism is generally misplaced. What a formal model does is make its assumptions explicit -- assumptions about rationality, preferences, information, resources. The claim is not that these conditions universally hold in the world, but that when they do, then the model (potentially) has explanatory power.

This does not imply, of course, that the only goal of social theory is to generate abstract, formal models. Social science in general, and Marxist social science in particular, is also committed to generating explanations of specific events (eg. the Russian Revolution) or the empirical variability of outcomes across cases (eg. the variations in welfare state policies across advanced capitalist countries). The abstract formal models of game theory and other frameworks are useful in this context not because they necessarily provide ready-made explanations for these empirical problems, but because they help to define the questions that need to be asked, the variables that need to be observed and the kinds of answers that need to be investigated. They do not, therefore, constitute an alternative to empirical investigation, but a way of organizing the explanatory objectives of such investigations.

IV RATIONALITY, SOLIDARITY AND CLASS STRUGGLE

1. Solidarity as an Element in Class Formation

Solidarity is one of the pivotal aspects of class formation, particularly for subordinate classes. I will define solidarity this way:

Class solidarity refers to the willingness of individual members of a class to support the collective struggles of the class by bearing various kinds of individual costs or sacrifices.

This includes both active participation -- such as joining a strike -- and what could be termed passive support -- such as not crossing a picket line. In both cases, solidarity implies a *willingness on the part of individuals to bear certain kinds of individual costs* in order to achieve some kind of collectively desirable goal.

The capacity for workers to struggle for their class interests against capitalists hinges centrally on their ability to maintain solidarity. As Claus Offe argues, the central resource of working class organizations engaged in struggle is people, especially (but not only) *their willingness to act*: their time, their energy, their ability to labor and withhold labor. While financial resources of working class parties and unions may also be important, the fundamental basis of working class power is the ability to mobilize people for collective action, and this depends to a significant degree on solidarity. Understanding more systematically exactly what solidarity is and what conditions sustain or undermine it, therefore, is one of the central problems in the study of class formation.

2. Solidarity and the free-rider problem

Jon Elster argues that solidarity should be understood as a particular solution to what is generally called the "free rider problem." Collective action is problematic whenever for each potential participant, there is a cost in participating in the collective action while the result of the collective action, if successful, is a "public good" which can be enjoyed by participants and non-participants alike. In these circumstances, every rational agent is tempted to be a *free rider*. Thus workers in a firm may have an acknowledged interest in the successful outcome of a strike, but,

in view of the costs of participation, none may have an interest in personally contributing to a successful outcome, particularly since no one person's participation will make a difference in the outcome. If all individuals reason in this way, then all will free ride and the public good will not be produced. In these circumstances, individual "utility maximizing" – to use the economists' language -- will have produced an outcome worse (in terms of each agent's interests) than could have come about had individuals not individually maximized utility.

This kind of situation is a specific example, applied to the problem of collective action, of the "prisoner's dilemma" game we discussed in the last lecture.

Examples of these sorts of dilemmas occur constantly in history. The "tragedy of the commons", where each individual abuses a commonly held resource in pursuit of individual advantage with the result that everyone's ability to benefit from the resource is reduced, is not just a theoretical story told to illustrate a point, but a pervasive historical experience as well. Social movements are constantly faced with difficulties in getting potential participants to accept the sacrifices of struggle, given that each individual's participation is unlikely to make a decisive difference in the outcome and, if the movement succeeds, the benefits will accrue to nonparticipants as well.

Yet, class struggles and other popular social movements involving considerable sacrifice on the part of participants occur throughout history. People do not universally choose to free ride on other people's efforts. Understanding how this occurs, Elster argues, is the heart of understanding solidarity.

1 The formal structure of the free-rider problem

To see how Elster develops this analysis of solidarity, it will be helpful to lay out the structure of the free rider problem somewhat more formally. I assume that this is familiar to most of you (and it is explained in the reading), so I will only quickly run through this idea. Imagine a strategic game involving two actors, "me" and "everyone else". Each of these actors faces a simple strategic choice: whether to participate in a collective action or to abstain. For any pair of choices, there is a specific pay-off to each of the actors. The pay-offs faced by "me" are represented in the matrix below:

		EVERYONE ELSE	
		Cooperates	Defects
"ME"	Cooperates	A	C
	Defects	B	D

2. Three quantities defined by this table are particularly important in Elster's analysis:

A-D: *the gain from cooperation*, i.e. the difference between what the individual gets if everyone (including the single individual) cooperates versus everyone abstains.

B-A: *the gain from free-riding*, i.e. the difference between what the individual gets by abstaining while everyone else cooperates versus what that individuals gets if he/she

participates along with everyone else. Note: if my individual participation significantly affects the probability of success B-A could be negative.

D-C: *the loss from unilateralism*, i.e. the loss the individual experiences by being the only person to participate in the struggle (sometimes also called the “sucker penalty”).

3. The PD preference ordering:

If individuals are selfish and rational, then their preference ordering for these strategic pairs is **BADC**. (i.e. “Ego” prefers B over A, A over D and D over C). This preference ordering represents the classic free-rider problem. “Clearly,” Elster writes,

“whatever anyone else does, it is in my interest to abstain. If all others engage in collective action, I can get the free rider benefit by abstaining, and if everyone else abstains I can avoid the loss from unilateralism by abstaining too. Since the reasoning applies to each agent . . . all will decide to abstain and no collective action will be forthcoming.” (*Making Sense of Marx*, p.360).

The strategic action dilemma arises because while every individual actor prefers alternative A to D -- universal cooperation to universal abstention -- they end up with cell D since they all prefer B to A. But working class solidarity, conceived as a generalized disposition of workers to cooperate as a class, has existed in varying degrees in different times and places; and it is of paramount importance to Marxian theory and practice to comprehend this phenomenon and, so far as possible, to determine the conditions for its fuller realization.

4. A false solution

It might seem that this problem of free-riding in collective struggles can be avoided by trying to explain class struggle in terms of the strictly *collective benefit* to the group that accrues from the struggle, without reference to individuals: *Working class struggle occurs and takes the forms it does, it might be thought, because it is in the collective interests of the working class as such*. This kind of answer is unsatisfactory for two reasons. First, and most importantly, it basically begs the question, since individuals *do* make choices to participate or not participate in struggles and this needs explaining. Secondly, if specifying the collective interests in an outcome were sufficient to explain individual participation, then the theoretical problem becomes why collective actions so often do not occur even though the group as a whole would benefit from them.

The task, then, is to explain why individuals choose to participate in struggles in spite of the material pay-offs illustrated in the above matrix. Elster argues that such explanations should proceed through the following steps: “first, assume that behaviour is both rational and self-interested; if this does not work, assume at least rationality; only if this is unsuccessful too should one assume that individual participation in collective action is irrational.” (*Making Sense of Marx*, p.359). This order is not meant to prejudge the substantive question of which kind of explanation is best. It could well be that individual participations in collective actions are generally deeply irrational. Elster here is simply affirming a methodological strategy: in most

situations, heuristically the optimal sequence for producing explanations of strategic interactions is to move through these steps.

3. Solutions to the free rider problem in collective actions

1. *Collective Action with Rational, Selfish Actors.*

Given the pay-off matrix above, how is collective action possible *if* each individual is selfish and rational? The solution Elster discusses under these assumptions is to treat the game as an *indefinite sequence of games* (or what is called an “iterative” game) rather than a one-shot affair. When the game is played many times, actors begin to take into consideration the likely response of other actors in *future* moves in the game to their *present* choices. Strategies, in short, *begin to have a temporal dimension to them.*

For example, each actor may adopt the meta-strategy of “tit for tat” -- always choosing the same strategy as the opponent did in the previous game. It is known that when the game is continually replayed, players who employ cooperative strategies at least some of the time generally do better than those who do not. It has therefore been suggested by some theorists (eg. Robert Axelrod in *The Evolution of Cooperation*, New York: Basic Books, 1984) that cooperative strategies will tend to evolve through selection -- in much the way that Darwin hypothesized evolution through selection for fitness. Elster is skeptical about the prospects for stably overcoming the free-rider problem through this route, so long as self-interest remains preeminent and defection is an overriding temptation. It is apparently for this reason that in explaining class formation, he privileges changes in “consciousness” which alter the preferences of the actors.

2. *Collective Action with Rational, Nonselfish Agents: conditional altruism & assurance game*

The premise of the free-rider problem was that the preference ordering of individuals facing the pay-off matrix above was BADC, that is, that they would prefer to reap the benefits of struggle without paying the costs. There is no reason, however, for people necessarily to have radically selfish preference orderings of this kind. People may derive positive utility from gains that accrue to others, not simply from their own individual gains. They may also believe in the Kantian imperative that one has a moral obligation to act in the way one wants everyone else to act. In either of these cases they would prefer universal cooperation to a situation in which everyone else cooperates but they do not. Where such altruistic values are in place, the free-rider gain (B-A in the pay-off matrix) could completely disappear, and thus the overall preference ordering may be **ABDC** rather than BADC.

[One way of seeing how altruistic values would shift the pay-off matrix is by imposing a guilt-fine for being a free-rider. Simply valuing the welfare of others might not be sufficient to induce participation since one’s own participation would still make such a little difference in the likely outcome of the struggle compared to the individual cost of participation. What altruism -- genuinely valuing the welfare of others -- does, however, is make people feel guilty for being a free-rider, and this changes the relative magnitude of the pay-offs. In such situations, cooperation may appear as a solution to the game. If you don’t like the guilt-fine idea, you can simply think

of this situation as one in which one gets positive utility out of cooperating along with everyone else because of ones Kantian values.]

This change of preference ordering, however, does not reduce the loss from unilateralism, the costs an individual faces by “being a sucker” and engaging in struggle when “everyone else” abstains. Even without the free-rider gains, therefore, individuals will not *individually* choose to engage in collective action (because of the losses from unilateralism) *unless they are confident that others will cooperate as well* (i.e. they prefer D, universal abstention, to C, being a sucker and suffering the loss of unilateralism). This implies:

Even where people hold genuinely altruistic values, collective action requires significant information about what other people will do.

Nonselfish, rational behavior, will therefore generally take the form of *conditional* altruism rather than *unconditional* altruism: each individual prefers to cooperate if and only if the others can be expected to do likewise. (This is called an “Assurance Game”: you cooperate if you have assurance that others will do so as well).

Elster’s Punchline: *Conditional altruism constitutes the essential content of class solidarity.*

Class solidarity will be high when two conditions are met:

- (a) The preference ordering of conditional altruism is deeply held by most workers, and
- (b) The information conditions are present such that each worker has reasonable confidence that other workers will participate in the struggle.

3. *Collective Action with Irrational Agents.*

There are many ways in which “irrationality” may enter into an explanation of collective action. Individuals may decide to participate in collective actions because of the irrational belief that their personal participation will actually make an important difference in the probability of success. Or they may participate out of rage, in which they make no calculations at all of the consequences or the effectiveness of their action. Or they may participate because of “wishful thinking” about the likely personal costs of participation (eg. subjectively underestimating the probability of being killed or wounded in a battle).

Whether these kinds of irrational beliefs and motivations play a large or small role in explaining actual class formation and class struggle is an empirical question. They are not needed, however, to define solidarity itself. Solidarity is not a willingness to make personal sacrifices for the common good based on irrational beliefs or motivations, but rather a rational strategy for realizing certain values given rational expectations of the behavior of others.

III. Social Conditions for Solidarity

The reason for elaborating the concept of solidarity as a particular kind of solution to the free rider problem is not simply for the sake of a more rigorous definition. Rather, this

characterization of the strategic action problem of class solidarity is important because it helps to focus our attention on the likely factors that could explain the variability across time and place in solidarity.

The claim that conditional altruism is the essential content of solidarity implies that the determinants of solidarity can be broken down into two primary categories: (1) those determinants which directly shape the preference orderings of workers, and (2) those which affect the information conditions necessary for conditional altruistic preferences to be translated into collective action. The various social factors commonly treated as important determinants of solidarity can be analyzed in these terms. Let us look briefly at three of these: the concentration and interdependence of workers in production, the stability of working class communities, and the role of leadership and organization.

1. *Concentration and Interdependence of Workers.*

Marx emphasized the importance of the increasing concentration of workers in large factories and their growing interdependence within the labor process for increasing the likelihood of solidaristic struggles. How do these social structural changes work through the mechanisms discussed above?

Increasing interdependence, it can be argued, is likely to have a particularly important effect on the preference orderings of workers, increasing the extent to which workers care about each other. Interdependence acts as a counterforce to the competitive pressures of the labor market, pressures which underwrite selfish preference orderings. Marx certainly felt that competition undermined solidarity of workers. In a passage from the *German Ideology* quoted by Elster, Marx writes, "Competition separated individuals from one another, not only the bourgeoisie but still more the workers, in spite of the fact that it brings them together" (quoted on p.355 in *Making Sense of Marx*). The division of labor within production and the accompanying interdependence of workers in what Marx sometimes calls the "Collective Worker", would tend to produce preferences in which the welfare of coworkers became important.

Increasing concentration in large factories, on the other hand, is an important determinant of solidarity not simply because it may change workers' preferences, but also because of its impact on the information conditions for struggle. In contrast to small holding peasants dispersed throughout the countryside or workers in small shops, the concentration of workers in large factories facilitates communication among them and increases each worker's ability to predict the behavior of others. Since conditional altruism will lead to active solidarity only when workers are reasonably confident that other workers will join the struggle, concentration facilitates solidarity by increasing the knowledge workers have of each other.

2. *Community*

The stability of working class communities bears strongly on both conditions for solidarity. Conditional altruistic preferences do not fall from heaven; they are created and reproduced through the lived experience of reciprocities of helping and sharing in times of distress and need. Such experiences are likely to be more pervasive in communities which are basically class homogeneous than communities which have deep cleavages within them. They are also likely to be more pervasive when there is a long time horizon in which people experience such reciprocities, particularly where individual experiences are extended intergenerationally and

become part of “historical memory”. Suburbanization, fragmentation of communities, high residence turnover and geographical mobility, are likely to atomize preferences and reinforce egoism by breaking this historical memory of past reciprocities and reducing the individual experiences of helping and sharing.

Community structures also affect the information conditions of struggle. It takes time for people to get to know their neighbors, to be able to predict their responses to particular conditions. Newcomers to communities are often hesitant to be active participants in struggles, not just because they may care less for their neighbors, but because they have less reason to trust them (and be trusted). If there is high levels of mobility in communities, therefore, it will be harder for people to have the necessary confidence in the good faith of others to decide to participate in collective struggles.

3. Leadership, activists and organization.

Marxists, particularly since Lenin, have always argued for the importance of formal organization and leadership in class struggle. The spontaneous collective actions of workers can never, by themselves, achieve sufficient coherence and capacity to transform capitalism; leadership and organization must be added to those struggles to make them effective.

In addition to the obvious importance of leadership for sheer coordination of struggle, Elster emphasizes two other roles for leadership which bear directly on our analysis of solidarity: first, the effects of leadership and organization on the information conditions for collective struggle; and second, the potential importance of a core of unconditional altruists within a social movement for the movement to reach the necessary threshold for wider participation.

Leadership and organization play a particularly vital role in facilitating predictability and knowledge among potential participants in collective struggle. Elster writes:

If one individual knows and is trusted by one hundred people, he can create the information conditions by two hundred transactions -- first asking each of them about their willingness to join the collective action and then telling each about the willingness of everyone else. By contrast, bilateral communication between the hundred will require about five thousand acts of communication. The information gains from leadership can be quite substantial. (*Making Sense of Marx*, p.366-367.)

Leadership and organization thus provides potential participants with an indirect communication network essential to convincing them that they will not be “suckers” in a collective action struggle.

A second important role for leaders, or perhaps what could more generally be called activists, revolves around the preference orderings needed for class formation. In our discussion so far we have characterized solidarity as “conditional altruism” in which individuals are willing to cooperate in collective struggles so long as they are assured that others are willing to participate as well. The *conditionality of conditional altruism*, however, should be regarded as a *variable* rather than an absolute. The threshold level of expectation of other people’s participation, therefore, may vary considerably across a population of potential participants. Some individual’s will only participate if they are confident virtually everyone else will participate; others will participate so long as they know they would at least have a small group of

comrades in struggle. *Unconditional* altruists are then the limiting case: people who are willing to participate in the collective action regardless of anyone else's participation.

This variability of participation threshold creates the possibility for activists to create snowball effects in collective struggles:

a hard core of unconditional cooperators may make it easier for others to join . . . One may imagine a snowball effect, where a hard core of 5 per cent unconditional cooperators attract another 10 per cent who need at least 5 per cent already participating, thus making it possible to attract another 30 per cent who need at least 15 per cent cooperators, etc. (*Making Sense of Marx*, p.364.)

Leadership and organization thus not only coordinate action and facilitate communication, but may provide the necessary motivations to allow a process of solidarity activation to occur.

Imagine = concentric circles of participation thresholds: leadership core, cadre, active masses, passive masses. Cadre are pivotal in this process: they are the bridge between leadership and masses in a movement.