Expropriation and Exploitation in Racialized Capitalism: A Reply to Michael Dawson

Nancy Fraser, *New School for Social Research*

ABSTRACT

With Michael Dawson, I hold that exploitation-centered conceptions of capitalism cannot explain its persistent entanglement with racial oppression. In their place, I suggest an expanded conception that also encompasses an ongoing but disavowed moment of *expropriation*. By thematizing that other "ex," I disclose, first, the crucial role played in capital accumulation by unfree and dependent labor, which is expropriated, as opposed to exploited; and second, the equally indispensable role of politically enforced status distinctions between free, exploitable citizen-workers and dependent, expropriable subjects. Treating such political distinctions as constitutive of capitalist society and as correlated with the "color line," I demonstrate that the racialized subjection of those whom capital expropriates is a condition of possibility for the freedom of those whom it exploits. After developing this proposition systematically, I historicize it, distinguishing four *regimes of racialized accumulation* according to how exploitation and expropriation are distinguished, sited, and intertwined in each.

Michael Dawson offers many powerful insights about the relation between capitalism and racial oppression. In this article, I aim less to dispute his claims than to develop them, while focusing on three main points. Dawson contends, first, that my expanded conception of capitalism as an "institutionalized social order" is better than more familiar conceptions for theorizing the structural imbrication of race with capitalist society. He also claims, second, that I have not realized my model's potential in this respect.

I am grateful to Robin Blackburn, Lawrence Blum, Eli Zaretsky, and Linda Zerilli for helpful comments; to Daniel Boscov-Ellen for research assistance; and especially, to Michael Dawson for inspiration and stimulation.

Critical Historical Studies (Spring 2016).
2326-4462/2016/0301-0006$10.00

Dawson contends, finally, that were I to do so, I would have to revise my view that there is no legitimation crisis in Habermas's sense in the United States today.

I agree emphatically with the first two points, and I welcome the occasion to develop them here. Thus, I shall devote the bulk of my response to explaining why and how my expanded view can clarify capitalism's systemic entanglement with racial oppression—in part by building on Dawson's own insights. I am less convinced, by contrast, of his third claim that present-day struggles over race portend a crisis of legitimation in the United States. In a brief conclusion, therefore, I shall explain my doubts about that proposition.

I. FROM EXCHANGE TO EXPLOITATION TO EXPROPRIATION

Capitalism is often understood narrowly, as an economic system *simpliciter*. Certainly, that is the mainstream view, which equates it with private property and market exchange. In part because it naturalizes and dehistoricizes those categories, this approach has been roundly criticized. Left-wing thinkers in particular have faulted it for obfuscating the system's distinctive mechanisms of accumulation and domination. Elaborating "critiques of political economy," they have proposed broader and far less rosy understandings of capitalism.

Undoubtedly, Marx's is the most influential of these critiques and, to my mind, the most convincing. Famously, his account penetrates beneath the market perspective of the system's apologists to the more fundamental level of commodity production. There it discovers the secret of accumulation in capital's exploitation of wage laborers. Importantly, these workers are neither serfs nor slaves, but unencumbered individuals, free to enter the labor market and sell their "labor power." In reality, of course, they have little actual choice in the matter; deprived of any direct access to the means of production, they can only secure the means of subsistence by contracting to work for a capitalist in exchange for wages. And the transaction does not redound principally to their benefit. What from the market perspective is an exchange of equivalents is from this one a sleight of hand; recompensed only for the socially necessary cost of their own reproduction, capitalism's workers have no claim on the surplus value their labor generates, which accrues instead to the capitalist. And that is precisely the point. The crux of the system, on Marx's view, is the exploitative relation between two classes: on the one hand, the capitalists who own the society's means of production and appropriate its surplus; on the other, the free but propertyless producers who must sell their labor power piecemeal in order to live. This relation defines the essence of capitalism as a mode of accumulation that is simultaneously a system

of domination. Capitalism, on Marx's view, is not an economy but a *social system of class domination*. Its cornerstone is the exploitation of free labor by capital in commodity production.

This perspective is immensely clarifying—as far as it goes. But absent some supplementation and revision, it cannot fully explicate Dawson's point that capitalism is deeply entangled with racial oppression. The trouble is, the Marxian perspective focuses attention on capital's exploitation of wage labor in commodity production; in its usual guise, therefore, it marginalizes some equally fundamental processes that are bound up with that one.[1] Two such processes are essential for theorizing the racial dynamics of capitalist society. The first is the crucial role played in capital accumulation by unfree, dependent, and unwaged labor—by which I mean labor that is expropriated, as opposed to exploited, subject to domination unmediated by a wage contract. The second concerns the role of political orders in conferring the status of free individuals and citizens on "workers," while constituting others as lesser beings—for example, as chattel slaves, indentured servants, colonized subjects, "native" members of "domestic dependent nations," debt peons, felons, and "covered" beings, such as wives and children, who lack an independent legal personality.

1. Marx himself was passionately concerned with many matters that pertain directly to the processes I have in mind. He wrote in *Capital*, for example, about slavery, colonialism, the expulsion of the Irish, and the "reserve army of labor." But with the exception of the last, these discussions were not systematically elaborated. Nor did they generate categories that play an integral, structural role in his conception of capitalism. See Karl Marx, *Capital Volume I*, trans. Ben Fowkes (London: Penguin, 1976), 781–802, 854–70, 914–26, and 931–40. By contrast, a long line of subsequent thinkers has sought to incorporate the analysis of racial oppression into Marxism. See, e.g., C. L. R. James, *The Black Jacobins* (London: Penguin, 1938); W.E.B. Du Bois, *Black Reconstruction in America, 1860–1880* (1938); Eric Williams, *Capitalism and Slavery* (Chapel Hill, NC: University of North Carolina Press, 1944); Oliver Cromwell Cox, *Caste, Class and Race: A Study of Social Dynamics* (New York: Monthly Review Press, 1948); Stuart Hall, "Race, Articulation and Societies Structured in Dominance," in *Sociological Theories: Race and Colonialism* (Paris: UNESCO, 1980), 305–45; Walter Rodney, *How Europe Underdeveloped Africa* (Washington, DC: Howard University Press, 1981); Angela Davis, *Women, Race, and Class* (London: Women's Press, 1982); Manning Marable, *How Capitalism Underdeveloped Black America* (Brooklyn: South End Press, 1983); Michael Omi and Howard Winant, *Racial Formations in the United States* (New York: Routledge, 1986); Barbara Fields, "Slavery, Race and Ideology in the United States of America," *New Left Review* I/181 (May–June 1990): 95–118; Noel Ignatiev, *How the Irish Became White* (New York: Routledge, 1995); Cedric Robinson, *Black Marxism* (Chapel Hill: University of North Carolina Press, 1999); and David Roediger, *The Wages of Whiteness* (London: Verso, 1999); Cornel West, "The Indispensability Yet Insufficiency of Marxist Theory" and "Race and Social Theory," both in *The Cornel West Reader* (New York: Basic Civitas Books, 1999), 213–30 and 251–67; and Adolph Reed, Jr., "Unraveling the Relation of Race and Class in American Politics," *Political Power and Social Theory* 15 (2002): 265–74. My own effort builds upon theirs, even as I also propose a new theoretical model, inspired in part by Dawson.

Evidently, both of these matters—dependent labor and political subjection—are fundamental for understanding "race." But both are also integral to the constitution of capitalist society. In a nutshell, as I shall explain, the subjection of those whom capital *expropriates* is a hidden condition of possibility for the freedom of those whom it *exploits*. Absent an account of the first, we cannot fully understand the second. Nor can we fully appreciate the nonaccidental character of capitalism's historic entanglement with racial oppression.

To develop this claim, I shall draw on my expanded conception of capitalism, which is broader even than Marx's. In place of the two-level picture he gave us, which comprises the apologists' level of exchange plus the "hidden abode" of exploitation, I shall make use of a three-tiered model, which also encompasses the even more obfuscated moment of *expropriation*. By adding this third, non-contractual "ex," I shall disclose the centrality of *racialized dependent labor* to capitalist society. The effect will be to shift our gaze from the political economy theorized by Marx to the latter's "non-economic" conditions of possibility. From that perspective, capitalism appears as an institutionalized social order in which *racialized political subjection* plays a constitutive role. Together, these revisions will provide at least some of the conceptual resources we need to clarify capitalism's deep-seated entanglement with racial oppression.

II. EXPROPRIATION AS A MODE OF ACCUMULATION

Let me begin with expropriation. Distinct from Marxian exploitation, but equally integral to capitalist development, expropriation is accumulation by other means. Dispensing with the contractual relation through which capital purchases "labor power" in exchange for wages, expropriation works by *confiscating* capacities and resources and *conscripting* them into capital's circuits of self-expansion. The confiscation may be blatant and violent, as in New World slavery—or it may be veiled by a cloak of commerce, as in the predatory loans and debt foreclosures of the present era. The expropriated subjects may be rural or indigenous communities in the capitalist periphery—or they may be members of subject or subordinated groups in the capitalist core. They may end up as exploited proletarians, if they're lucky—or, if not, as paupers, slum dwellers, sharecroppers, "natives," or slaves, subjects of ongoing expropriation outside the wage nexus. The confiscated assets may be labor, land, animals, tools, mineral or energy deposits—but also human beings, their sexual and reproductive capacities, their children and bodily organs. The conscription of these assets into capital's circuits may be direct, involving immediate conversion into value—as, again, in slavery; or it may be mediated and indirect, as in the unwaged labor of family members in semi-proletarianized

households. What is essential, however, is that the commandeered capacities get incorporated into the value-expanding process that defines capital. Simple theft is not enough. Unlike the sort of pillaging that long predated the rise of capitalism, expropriation in the sense I intend here is *confiscation-cum-conscription-into-accumulation*.

Expropriation in this sense covers a multitude of sins, most of which correlate strongly with racial oppression. The link is clear in practices widely associated with capitalism's early history but still ongoing, such as territorial conquest, land annexation, enslavement, coerced labor, child labor, child abduction, and rape. But expropriation also assumes more "modern" forms—such as prison labor, transnational sex trafficking, corporate land grabs, and foreclosures on predatory debt, which are also linked with racial oppression—and, as we shall see, with contemporary imperialism. Finally, expropriation plays a role in the construction of distinctive, explicitly racialized forms of exploitation—as, for example, when a prior history of enslavement casts its shadow on the wage contract, segmenting labor markets and levying a confiscatory premium on exploited proletarians who carry the mark of "race" long after their "emancipation." In that last case, expropriation combines with exploitation, whereas in the others, it appears to stand alone. But in all these cases, it correlates with racial oppression—and for reasons that are nonaccidental, as we shall see.

Far from being sporadic, moreover, expropriation has always been part and parcel of capitalism's history, as has the racial oppression with which it is linked. No one doubts that racially organized slavery, colonial plunder, and land enclosures generated much of the initial capital that kick-started the system's development. But even "mature" capitalism relies on regular infusions of commandeered capacities and resources, especially from racialized subjects, in both its periphery and core. Historically, accordingly, expropriation has always been entwined with exploitation in capitalist society—just as capitalism has always been entangled with racial oppression.

But the connection is not just historical. On the contrary, there are structural reasons for capital's ongoing recourse to expropriation—hence, as we shall see, for its persistent entwinement with racial oppression. By definition, a system devoted to the limitless expansion and private appropriation of surplus value gives the owners of capital a deep-seated interest in acquiring labor and means of production below cost, if not wholly *gratis*—and not simply by virtue of greed. Expropriation lowers capitalists' costs of production, supplying inputs for whose reproduction they do not fully pay. This is the case when owners funnel confiscated assets, such as energy and raw materials, directly into industrial produc-

tion. But it holds as well when they use commandeered assets, such as land and dependent agricultural labor, to generate low-cost means of subsistence for waged workers—for example, in the form of cheap food and textiles. In that case, expropriation cheapens the cost of reproducing labor power and thus of wages. In effect, it raises the rate of exploitation and counters the tendency of the rate of profit to fall.

Advantageous even in "normal" times, expropriation becomes especially tempting in periods of crisis, when competition is intense, recent productivity gains are generalized, ecological degradation raises costs, and/or rates of profit fall below what are considered acceptable levels. In those times, which occur periodically and for nonaccidental reasons in the course of capitalist development, expropriation serves as a critical, albeit temporary, fix for restoring profitability and navigating crisis. Absent the ability to commandeer the labor and natural resources of dispossessed and often racialized populations, individual firms would perish, and the system's recurrent profitability crises would be harder to resolve. The same is true for political crises, which can sometimes be tempered or averted by transferring value confiscated from populations that appear not to threaten capital to those that do—another distinction that often correlates with "race."

No wonder, then, that a line of thinkers stretching from Rosa Luxemburg to David Harvey and Jason W. Moore have conceived (what I am calling) expropriation as a built in feature of capitalism—as integral to sustained accumulation as is exploitation.[2] In the view I am developing here, which combines their insights with Dawson's and mine, the distinction between those two "exes" correlates roughly but unmistakably with "the color line." On this view, the expropriation of racialized "others" constitutes a necessary background condition for the exploitation of "workers."

The thesis that expropriation enables exploitation has some affinities with Marx's account of "primitive" or "original accumulation."[3] Both ideas serve to reveal capitalism's disavowed confiscatory underside; both make visible the violence and theft concealed behind the orderly façade of contractual relations and market exchanges. But they differ in two respects. First, primitive accumulation denotes the "blood-soaked" process by which capital was initially stockpiled at

2. Luxemburg called this process *Landnahme*, while Harvey prefers *dispossession* and Moore speaks of *appropriation*. Rosa Luxemburg, *The Accumulation of Capital*, trans. Agnes Schwarzschild (London: Routledge, 1951); David Harvey, "The 'New' Imperialism: Accumulation by Dispossession," *Socialist Register* 40 (2014): 63–87; Jason W. Moore, *Capitalism in the Web of Life* (Brooklyn: Verso, 2015).

3. Marx, *Capital Volume I*, 873–76.

the system's beginnings.[4] Expropriation, in contrast, designates an ongoing confiscatory process essential for sustaining accumulation in a crisis-prone system. Second, Marx introduces primitive accumulation to explain the historical genesis of the class division between propertyless workers and capitalist owners of the means of production. Expropriation explains that as well, but it also brings into view another social division, equally deep-seated and consequential, but not systematically theorized by Marx. I mean the social division between "free workers" whom capital exploits in wage labor and the unfree or dependent subjects from whom it sucks value by other means.

This second division is central to the present inquiry. My thesis, inspired by Dawson's discussion, is that the racializing dynamics of capitalist society are crystallized in the "mark" that distinguishes *free subjects of exploitation* from *dependent subjects of expropriation*. But to make this case requires a shift in focus—from "the economic" to "the political." It is only by thematizing the *political order* of capitalist society that we can grasp the constitution of that distinction—and its correlation with the color line.

III. POLITICAL SUBJECTION, EXPROPRIABILITY, AND RACIALIZATION

Consider that the distinction between expropriation and exploitation is simultaneously economic and political. At one level, call it "economic," these terms name mechanisms of capital accumulation, analytically distinct yet intertwined ways of expanding value. At another, however, they implicate hierarchical political relations and legal statuses, which distinguish rights bearing individuals and citizens from subject peoples, unfree chattel, and dependent members of families and subordinated groups. In capitalist society, as Marx insisted, exploited workers have the legal status of free individuals, authorized to sell their labor power in return for wages; once separated from the means of production and proletarianized, they are protected, at least in theory, from (further) expropriation. In this respect, their status differs sharply from those whose labor, property, and/or persons are still subject to confiscation on the part of capital; far from enjoying protection, the latter populations are defenseless, fair game for expropriation—again and again.

4. For an account that extends the concept of primitive accumulation beyond initial stockpiling, see the chapter "Extended Primitive Accumulation," in Robin Blackburn, *The Making of New World Slavery: From the Baroque to the Modern, 1492–1800* (London: Verso, 2010).

This contrast is eminently political. The paradigmatic agencies that afford or deny protection are states, although geopolitical arrangements are also implicated, as we shall see. Thus, the social division between the exploited and the expropriated does not arise simply from capitalism's economy. It is produced, rather, at the intersection of the system's economic logic with its political order. It is by means of this double or joint determination—at once economic and political—that racial hierarchy and imperial predation are anchored in the depths of capitalist society.[5]

To see why, recall my argument in "Legitimation Crisis?" I held there that capitalism's "economic subsystem" depends for its very existence on conditions external to it, including some that can only be assured by public political powers. Evidently, accumulation requires a legal framework to guarantee property rights, enforce contracts, and adjudicate disputes. Equally necessary are repressive forces, which suppress rebellions, maintain order, and manage dissent. Then, too, political initiatives aimed at managing crisis have proved indispensable at various points in capitalism's history, as has public provision of infrastructure, social welfare, and of course money.

Bound up with all these public functions, and central to our purposes here, is *political subjectivation*. By this I mean the codification by public powers of the status hierarchies that distinguish citizens from subjects, nationals from aliens, entitled workers from dependent scroungers. Available in principle for racialization, status hierarchy, too, is an essential condition for accumulation, marking off groups subject to brute expropriation from those destined for "mere" exploitation. Constructing exploitable and expropriable subjects, while distinguishing the one from the other, subjectivation is another way in which public powers enable private capital to perform its magic of self-expansion.

Usually, we equate the powers in question with the territorial states that have exercised them most overtly throughout modern history. But capitalism's political order is inherently geopolitical. Bent on limitless expansion, its economy thrives on international trade, transnationalized production, global markets, and international finance, none of which would be possible absent cross-border coordination. To achieve the latter, capitalism's economy has relied on trans-state political powers—treaties, international law, and supranational governance re-

5. This is not to say that status hierarchies always originate via state action, although some do. I mean to suggest, rather, that even those that first emerge through "private" relations of domination (imposed prior to official imperial state involvement by, for example, early colonial companies or planters' associations) assume an institutionalized, quasi-political character that may be subsequently ratified and codified—or indeed challenged—by law. I am grateful to Robin Blackburn for this point.

gimes. Equally indispensable have been the organizational and military capacities of a succession of global hegemons, each of which has undertaken to (re)shape an international environment conducive to sustained and ever-expanding accumulation within a multistate system.

These geopolitical arrangements also play a role in fabricating the political statuses essential to capital accumulation. At one level, the "Westphalian" picture of an international system of bounded territorial states underwrites the border controls that distinguish lawful residents from "illegal aliens," while also providing the template for political membership, which is nationalist and open to racialization. Directing attention inward, this official mapping of political space has facilitated domestic democratization, while truncating transnational solidarities and obscuring cross-border processes of exploitation and expropriation. At another level, meanwhile, the capitalist "world system" has incubated an alternative, imperialist geography of "core" and "periphery." In this unofficial but all-too-real mapping of space, the core appeared as the emblematic heartland of exploitation, while the periphery became the iconic site of expropriation. Explicitly racialized from the get-go, the imperialist geostructure, too, generated status hierarchies: metropolitan citizens versus colonial subjects, freemen versus slaves, "Europeans" versus "natives," "whites" versus "blacks."

In general, then, a multileveled order—simultaneously national/domestic, international/"Westphalian" and colonial/imperialist—secures the indispensable political preconditions for a capitalist economy. All levels work together to shape arrangements that enable exploitation, on the one hand, and expropriation, on the other. All work together, too, to distinguish populations and regions suitable for the former from those destined instead for the latter.

To see how, let us look more closely at political subjectivation. What is at issue here, as noted before, is the political fabrication of status–or rather, of a hierarchy of different statuses, suited to capitalism's disparate mechanisms of accumulation. Two such statuses are especially important for understanding Dawson's claim about capitalism's persistent entwinement with racial oppression: the *free exploitable citizen-worker*, on the one hand, and the *dependent expropriable subject*, on the other. Both of these statuses were constructed politically, but the dynamics of their fabrication differed sharply. In the capitalist core, dispossessed direct producers became exploitable citizen-workers through historic processes of class compromise, which channeled their struggles for emancipation onto paths convergent with the interests of capital, within the liberal legal frameworks of national states. By contrast, those who became ever-expropriable subjects, whether in periphery or core, found no such accommodation, as their uprisings were more

often crushed by force of arms. If the domination of first was shrouded in consent and legality, that of the second rested unabashedly on naked repression.

Often, moreover, the two statuses were mutually constituted, effectively co-defining one another. In the United States, for example, the status of the citizen worker acquired much of the aura of freedom that legitimates exploitation by contrast to the dependent, degraded condition of chattel slaves and indigenous peoples, whose persons and lands could be repeatedly confiscated with impunity. In codifying the subject status of the second, the US state simultaneously constructed the normative status of the first. As a result, politically constructed subjection, which signified expropriability, became a badge of dishonor in "the land of the free." Borne originally by "natives" and slaves, this stigma continues to burden their descendants today, long after they joined the ranks of exploited wage labor. Racializing stigmata attach as well to other expropriable subjects, such as dependent "paupers," convicted felons, undocumented workers, and ex-colonial immigrants of color.

As noted, however, the political fabrication of dependent subjects within capitalism has always exceeded state borders. For systemic reasons, rooted in the intertwined logics of geopolitical rivalry and economic expansionism, powerful states moved to constitute expropriable subjects further afield, in peripheral zones of the capitalist world system. Plundering the furthest reaches of the globe, European colonial powers, followed by a US imperial state, turned billions of people into such subjects—shorn of political protection, ripe and ready for confiscation. The number of expropriable subjects those states created far exceeds the number of citizen-workers they "emancipated" for exploitation. Nor did the process cease with the liberation of subject peoples from colonial rule. On the contrary, masses of new expropriable subjects are created daily, even now, by the joint operations of postcolonial states, their ex-colonial masters, and the trans-state powers that grease the machinery of accumulation, including the global financial institutions that promote dispossession by debt.

Here, then, are at least some of the elements needed to elaborate systematically one of Dawson's most important claims—namely, that, far from being contingent or superficial, capitalism's entanglement with racial oppression is structural and deep. Forged through the joint, intertwined dynamics of "economy" and "polity," racialization in capitalist society appears at the point where a hierarchy of political statuses meets an amalgamation of disparate mechanisms of accumulation. "Race" emerges, accordingly, as the mark that distinguishes free subjects of exploitation from dependent subjects of expropriation.

This thesis bears out another of Dawson's claims—namely, that my understanding of capitalism can illuminate its persistent entanglement with racial oppression. To make sense of that fateful connection, it does not suffice to analyze processes of exchange and exploitation. What is needed, rather, is an expanded view of capitalism as an *institutionalized social order*, built also on expropriation. No mere economic system, capitalist society also encompasses the extra-economic arrangements that enable the endless expansion and private appropriation of surplus value. Most relevant for our purposes here are the *political powers* that underwrite accumulation—in part by fabricating (at least) two distinct categories of subjects, one suitable for expropriation, another for exploitation. Only by bringing these powers and processes into view can we appreciate the full complex of social forces—economic and political, domestic and international—that anchor racial oppression in capitalist society.

IV. HISTORICAL REGIMES OF RACIALIZED ACCUMULATION

Nevertheless, the case I have made here for this proposition remains schematic. To put flesh on its bones requires history. It would be useful, for starters, to sketch the sequence of *regimes of racialized accumulation* that constitute the principal phases of capitalist development. As I imagine it, such a sketch would build on the one I developed in "Legitimation Crisis?" There I identified structural shifts in the nexus of economy and polity in three regimes of accumulation from the nineteenth century to the present era. Now, however, I would reconceive those regimes so as to highlight the historically specific relations between expropriation and exploitation within each phase. For each regime, I would specify the geography and demography of those two "exes," ascertaining the extent of their separation, the dynamics of their intertwinement, and the relative weight of each in the overall configuration. My aim throughout would be to disclose the mutually constitutive relations among historically specific logics of accumulation, epochal constellations of political subjectivation and the shifting dynamics of racialization in capitalist society.

Such a project far exceeds the bounds of the present article. But its rough outlines are already clear. Unlike the schema I constructed in "Legitimation Crisis?," which began with the liberal capitalism of the nineteenth century, this one must begin earlier, with the commercial or mercantile capitalism of the preceding era. It was in that phase, after all, that the confiscatory process that Marx called "primitive accumulation" first unleashed its violence on a massive scale. Well before the rise of modern industry, commercial capitalism brought

not only land enclosures in the core but also conquest, plunder, and "the hunting of black skins" throughout the periphery.[6] Prior to large-scale exploitation of factory workers in Europe came massive expropriation of bodies, labor, land, and mineral wealth in the "New World." Proportionately, expropriation dwarfed exploitation throughout the phase of commercial capitalism. Not machinery, not land, but *slaves* constituted the single most valuable form of capital in early nineteenth-century United States.

That initial configuration of expropriation and exploitation shifted with the abolition of slavery and the rise of mechanized manufacturing in the latter half of the nineteenth century. In this new regime, often called "liberal capitalism," the confiscation of land and labor continued apace, as European states consolidated colonial rule, while the United States perpetuated its "internal colony" by transforming recently emancipated slaves into debt peons through the sharecropping system. Now, however, ongoing expropriation in the periphery entwined with highly profitable exploitation in the core. The rise of large-scale factory-based manufacturing forged the proletariat imagined by Marx, upending traditional life forms and sparking class conflict. Eventually, struggles to democratize metropolitan states delivered a system-conforming version of citizenship to exploited workers, even as brutal repression of anticolonial struggles ensured continuing subjection in the periphery. In this regime, expropriation and exploitation appeared to be separated from one another, sited in different regions and assigned to different populations. In fact, however, the geographic division between the two "exes" was never so cut-and-dried, as some extractive industries employed colonial subjects in wage labor, and only a minority of exploited workers in the capitalist core succeeded in escaping ongoing expropriation altogether. Despite their appearance as separate, moreover, the two mechanisms of accumulation were thoroughly and systemically imbricated in this regime. It was the expropriation of populations in the periphery (including in the periphery within the core) that supplied the cheap food, textiles, mineral ore, and energy without which the exploitation of metropolitan industrial workers would not have been profitable. In the liberal era, therefore, the two exes were distinct but mutually calibrated engines of accumulation within a single world capitalist system.

The nexus of expropriation and exploitation mutated again in the following era. Begun in the interwar period, and consolidated following the Second World War, the new regime of "state-managed capitalism" softened the separation of the two "exes," without abolishing it altogether. In this era, expropriation no

6. Marx, *Capital Volume I*, 915.

longer precluded exploitation but combined directly with it, entering into the internal constitution of wage labor, segmenting labor markets and exacting a confiscatory premium from racialized labor. In the United States, African Americans displaced by agricultural mechanization flocked to northern cities, where many joined the industrial proletariat, but chiefly as second-class workers, paid less than "whites" and consigned to the dirtiest, most menial jobs. In this era of racially segmented labor markets, their exploitation was overlaid by expropriation, as capital paid them less than the average socially necessary cost of their reproduction.[7] Moreover, the mark of "race," previously constituted as political subjection-cum-expropriability, retained its oppressive power in the form of Jim Crow, as segregation, disfranchisement, and countless other institutionalized humiliations continued to deny the status of citizen to African Americans. To be sure, that subordination was forcefully challenged when movements for civil rights and black liberation erupted in the postwar era, but their victories proved fragile and partial, as we see today. In the periphery, meanwhile, struggles for decolonization exploded throughout the era of state-managed capitalism. With political independence, some postcolonials managed to raise their status from expropriable subject to exploitable citizen-worker, but precariously and on inferior terms. In a global economy premised on "unequal exchange," their exploitation, too, was suffused with expropriation. For one thing, new states hobbled by the legacy of colonialism lacked the necessary heft to protect such citizen-workers from ongoing international predation. For another, independence left many more peripheral subjects outside the wage nexus and still subject to overt confiscation, as the "development" strategies of postcolonial states often entailed expropriation of "their own" indigenous peoples. In the era of state-managed capitalism, then, exploitation no longer appeared so separate from expropriation. Rather, the two mechanisms of accumulation became internally articulated—in racialized wage labor and low-value postcolonial citizenship—even as the "purer" variants of each "ex" persisted in core and periphery.

This brings me, finally, to the present regime of racialized accumulation, which I call "financialized capitalism." In this regime, expropriation is on the rise, threatening to dwarf exploitation again as a source of value and driver of capital expansion. Moreover, the geography and demography of the two "exes" has shifted

7. This formulation aims to capture phenomena often discussed under the category of "superexploitation." But it improves on the latter, in my view, by disclosing the systemic link between such exploitation and expropriation. For superexploitation, see Ruy Mauro Marini, *Dialéctica de la Dependencia* (Mexico City: Ediciones Era, 1973).

dramatically. Much large-scale industrial exploitation now occurs outside the historic core, in the BRICS countries of the semi-periphery. And expropriation has become ubiquitous, afflicting not only its traditional subjects but also those who were previously shielded by their status as citizen-workers. In these developments, debt plays a major role, as global financial institutions pressure states to collude with investors in extracting value from defenseless populations. It is largely by means of debt that peasants are dispossessed and rural land grabs are accorded a veneer of legality in the capitalist periphery; these developments intensify, thanks to crises of profitability in production, the overaccumulation of capital, and ecological degradation, which together inspire a new round of corporate confiscation, aimed at cornering supplies of energy, water, arable land, and "carbon offsets." It is largely by debt, too, that accumulation proceeds in the historic core. As low-waged precarious service work replaces unionized industrial labor, wages fall below the socially necessary costs of reproduction; in this economy, continued consumer spending requires expanded consumer debt—hence, the proliferation of highly inventive but dicey "financial products," which fatten investors and cannibalize citizen-workers of every color, but especially racialized borrowers, who are steered to hyper-expropriative "sub-prime" loans.

In financialized capitalism, accordingly, we encounter a new entwinement of exploitation and expropriation—and a new logic of political subjectivation. In place of the earlier, sharp divide between expropriable subjects and exploitable citizen-workers, there appears a continuum. At one end lies the growing mass of defenseless expropriable subjects; at the other, the dwindling ranks of protected exploited citizen-workers. At the center sits a figure, already glimpsed in the previous era, but now generalized: the *expropriable-and-exploitable citizen-worker,* formally free but acutely vulnerable. No longer restricted to peripheral populations and racial minorities, this hybrid figure is becoming the norm in much of the historic core. Nevertheless, the expropriation/exploitation continuum remains racialized, as people of color are still disproportionately represented at the expropriative end of the spectrum.

I am acutely aware of the schematic and incomplete character of this account. Omitted here are the gendered and familial forms of expropriation and exploitation that correspond to each regime of racialized accumulation. Also missing are the historically specific cultural logics that promote and authorize the distinctive configuration of the two "exes" in each phase. Then, too, I have failed to specify the characteristic energic and ecological basis of each regime. In each phase, finally, I have slighted the distinctive repertoires of political action fashioned by expropriable subjects and exploitable citizen-workers, respectively,

while also neglecting to specify each regime's overall landscape of social struggle, which is profoundly shaped by its historically specific dynamics of subjectivation. I shall try to remedy these and other inadequacies in future work.

V. ON LEGITIMATION CRISIS, YET AGAIN

What I have written to this point is in agreement with, indeed inspired by, Dawson's essay. But I must conclude with a brief dissent from his claim that the current struggles around "race" amount to a crisis of legitimation in the United States. Our difference here may be partly semantic. By "legitimation crisis" I mean something more than a legitimation deficit. Following Habermas, I intend that phrase to connote broad-based rejection of the regime's fundamental structure as an institutionalized social order and widespread willingness to contemplate its deep-seated transformation. In my previous essay, I suggested that such a crisis could only occur with the emergence of a counterhegemonic commonsense that encompassed anti-systemic views of subjectivation, public power, economy/society, social justice, and history.

As I see it, these conditions do not obtain in the United States at the present time. As I write, in March 2016, the presidential primary campaign is a crisis-fueled cauldron of boiling anger. But much of that anger is finding expression through the authoritarian populism of figures like Donald Trump, who give it a racist, system-conforming articulation, which scapegoats blacks, Mexicans, and Muslims, while ignoring the systemic predations of financialized capitalism. By contrast, a progressive, antisystemic sensibility pervades the campaign of "democratic socialist" Bernie Sanders, which is challenging some important features of the present regime. To date, however, the Sanders campaign is serving less to embody a counterhegemonic commonsense than to express the desire for one. Lacking a developed sense of the racialized interplay of expropriation and exploitation in our current financialized capitalism, it is missing the chance to attract broad support from people of color. Meanwhile, the Black Lives Matter movement is forcing Americans to confront the persistence to this day of long-standing practices of state violence against black bodies. Undoubtedly, this movement represents the most impressive anti-racist mobilization in several decades. Forging a whole new generation of activists, it has in its sights some important elements of the current nexus of subjection, expropriability, and racialization in the United States. But the movement has not (yet) contemplated the possibility of expanding its focus to the broader configuration that links expropriation to exploitation in financialized capitalism. That configuration not only makes intellectual sense of anti-black police violence and the racist crimi-

nal justice system of which it is a part. In addition, it offers some practical clues as to how the struggle against that system could be linked to struggles against other forms of expropriation (subprime loans, home foreclosures, payday loans, segmented labor markets, red-lining, residential and school segregation, underfunding of public services, food deserts, and the like) and to the forms of exploitation with which they are connected in turn.

In my view, the connections between expropriation and exploitation go straight to the heart of financialized capitalism. Seen that way, in view of the systemic links between those two "exes," it becomes possible to envision another, more promising political scenario. Suppose that Black Lives Matter were to cross-fertilize with the Sanders campaign. Suppose that the two movements were to ally with one another, developing complementary organizational capacities and programmatic visions. Suppose that together they were to flourish, expanding in numbers, ambition, and reach. Suppose, too, that they were to internationalize, linking up with cognate movements abroad. In that case, we might see the emergence of a true legitimation crisis in Habermas's sense.

But failing that, we face a crisis of another sort: not a legitimation crisis but a "crisis of authority" in Gramsci's sense. Writing of another era while sitting in a fascist prison, the Italian offered a description that could have been composed for our time as well: "The crisis consists precisely in the fact that the old is dying and the new cannot be born; in this interregnum a great variety of morbid symptoms appear."[8]

8. Antonio Gramsci, *Selections from the Prison Notebooks*, trans. and ed. Quintin Hoare and Geoffrey Nowell Smith (New York: Progress Publishers, 1971), 275.