Introduction

The report was alarming. With the 1884 election approaching, the Prussian Interior Minister, Robert von Puttkamer, received word from the Berlin Chief of Police that activists from the *Sozialdemokratische Partei Deutschlands* (SPD) were poised to speak at more than one thousand public meetings throughout Germany.[1] Was this, the Berlin Chief of Police worried, the beginning of a revolutionary situation? Despite the anti-socialist laws, which ostensibly hampered such public meetings, the socialists were more active than ever. What was the occasion for this furtive mobilization of German workers? In this case, to discuss the details of Germany's intricate new health insurance system, recently passed by the Reichstag. There was no small irony in this fact, as the German Chancellor Otto von Bismarck had passed the laws precisely to wean workers away from the socialists. Bismarck was always convinced that, once he de-legitimated the democratic agitators and dispelled the perception that the state sided with their capitalist oppressors, the working masses would become stalwart monarchists. The social insurance laws were his visionary effort to put that conviction into practice. Yet, under the cover of the laws, the SPD was able to mobilize to both reshape public discourse and, eventually, use the social welfare institutions themselves as institutional sites for their broader organizing.

The advent of Bismarck's state socialism presented the socialists with a dilemma. The recognition of their political claims was expressly enacted so as to destroy them. They had to acknowledge the victory that was contained in Bismarck's embrace of social reform without compromising their broader democratic demands. Bismarck's efforts faltered. In the 1884 election, the

[1] Gerhard A. Ritter, *Social Welfare in Germany and Britain: Origins and Development*, trans. Kim Traynor (New York: Learnington Spa, 1986), 77–79.

SPD increased their Reichstag presence from twelve to twenty-four seats. More broadly, as I explore in Chapter 4, the socialists responded to Bismarck's entreaties by using the social insurance laws as mechanisms for popular mobilization. In his essay, "The Socialist Conception of Democracy," the great theoretician of reformist socialism Eduard Bernstein recognized the significance of these institutions. He argued that "half-statist" structures like "the great branches of worker's insurance" were arenas in which workers were creating a new vision of democracy, one based on an "organic association" between different levels of political power.[2] Because the corporate boards that administered the laws ensured worker representation, the new social insurance institutions provided the socialists with a foothold within the state and new resources for supporting their most active members. As socialist leader Paul Singer observed in 1902, the new social insurance laws provided an essential gathering-point for recruiting and training "goal-and-class conscious workers."[3] Bismarck himself was also aware of the limits of state repression. Even as many of his political allies called for restricting the role of the SPD in the insurance system, Bismarck refused. "The insurance system," he remarked, "must be lubricated with a drop of democratic oil if it is to run properly."[4]

This book is about the dilemmas and possibilities that the social welfare state presents to political movements aspiring to enact democratic transformations. By democratic transformations, I mean a mode of politics that brings critical scrutiny upon previously unchallenged and rigid forms of domination and that thereby seeks to change not just the distribution of material goods or the electoral fortunes of a particular party but the basic structure of social relationships. As a confrontation between the first modern, nation-wide social welfare institutions and a movement seeking such democratic transformations, the clash between Bismarck and the SPD distills the questions I address: Can democratic political movements use social welfare institutions to achieve lasting change in society? Or will participation in hierarchical state structures inevitably dissipate the transformative aspirations of such movements?

In response to these questions, I advance a theory of democracy and the welfare state that rests on two fundamental pillars. The first is a reconceptualization of the means of social democracy: the democratic welfare state. I develop a theory of welfare institutions that shows how they can function, not as bureaucratic, passive-client-creating entitlements, but as mechanisms for collective democratic empowerment and participation. The second is a

[2] Eduard Bernstein, "The Socialist Concept of Democracy," in *Eduard Bernstein on Social Democracy and International Politics: Essays and Other Writings*, ed. Marius S. Ostrowski (Basingstoke: Palgrave Macmillan, 2018), 50.

[3] Quoted in Florian Tennstedt, *Vom Proleten Zum Industriearbeiter: Arbeiterbewegung und Sozialpolitik in Deutschland 1800 bis 1914* (Cologne: Bund-Verlag, 1983), 429.

[4] Quoted in E. P. Hennock, *The Origin of the Welfare State in England and Germany, 1850–1914: Social Policies Compared* (Cambridge: Cambridge University Press, 2007), 127.

reconceptualization of the goal of social democracy. Against the idea that the purpose of welfare institutions is material equality, redistribution, or social rights, I argue that social democratic movements have and should aspire to transform entrenched structures of social domination through participatory welfare politics. Together, these two threads provide a reconceptualization of social democracy as a political theory and historical political project, one that emphasizes the democratic rather than merely protective dimensions of welfare politics.

This is a work of historically grounded political theory. I develop its central arguments by moving between concrete historical examples and reflection on the conceptual categories through which political theorists interpret democratic politics in the welfare state. As a result, my method is dialogic and diagnostic rather than deductive: I search, not for higher-level normative principles that could justify welfare institutions but for the theoretical concepts that can illuminate the traces of past transformative and utopian movements embedded in our current political practices and institutions. I examine three of the most influential twentieth-century theorists of democracy and the welfare state – Max Weber, Hannah Arendt, and Jürgen Habermas – to diagnose the theoretical deadlocks behind current approaches to the welfare state and to develop my own positive vision of transformative politics in the welfare state. In each case, I unearth the basic philosophical and socio-theoretic concepts animating their respective thoughts. However, I view these concepts not as self-contained, philosophical edifices, but as always-partial efforts to make sense of our common world and the political events contained within it. Connecting this analysis up with the history of political mobilizations in Bismarck's welfare institutions and the postwar Swedish welfare state, I show that they can illuminate concrete political dynamics of democratic world-making in the welfare state.

Most briefly, my argument is that democratic theorists are unable to articulate the participatory aspects of welfare politics because they inherit the horizon of political possibility generated by Max Weber's thought. To be sure, Weber is an important starting point because he so clearly captures the specific nature of political action in a world of large-scale bureaucratic institutions, such as those of the welfare state. Nonetheless, I argue that Weber responds to the emergence of popular democratic movements focused on welfare institutions by reformulating the critique of political economy as a critique of technical rationality. The image of the welfare state as a hierarchical, bureaucratic machine arises from the abiding influence of Max Weber's thought in democratic theory. By accepting Weber's assumptions, democratic theorists reduce welfare institutions to state mechanisms of mastery and calculation, thereby foreclosing possibilities for popular democratic participation in those institutions.

I turn to Arendt's thought for an analysis of the relationship between democracy and the welfare state that overcomes Weber's socio-theoretic

categories. Against the widespread view that Arendt was irredeemably hostile to "the social question" – that is, to using democratic state power to address economic or social injustices – I recover unappreciated elements of her thought that prove vital for thinking about democratic politics in the welfare state. Developing her implicit dialogue with Weber, I use elements of Arendt's thought to develop a view of the welfare institutions as what I call *worldly mediators* between calculable material needs and non-calculative, political judgments. I show that once political theorists understand welfare institutions to be the result of democratic world-making – the lasting, worldly objects produced in the course of political struggle – they can better see opportunities for democratic participation and engagement that welfare institutions create. The historical experience of the German labor movement's engagement with Bismarck's welfare regime embodies these possibilities, even as that experience is obscured by the influence of Weber's thought on the historiography of the German state.

Finally, I reconstruct Habermas's complex view of capitalist society to develop a critical account of struggles against domination in the welfare state. I challenge the prevalent view that Habermas inherits Weber's critique of instrumental rationality. Instead, drawing on the experience of Swedish feminists challenging gender domination, I deploy Habermas's theory of domination to analyze how welfare institutions at once reflect implicit structures of domination in society and expose those hidden forms of domination to critical challenge and transformative political action. Together, the theoretical categories I draw from Arendt and Habermas help reveal the historical traces of a democratic, participatory welfare state – one that has yet to be fully realized.

DEMOCRACY, DOMINATION, AND THE WELFARE STATE

These arguments point to questions and concerns in three areas: first, the nature of democratic agency; second, the critique of social domination; and third, the politics of welfare institutions. Most generally, my argument is concerned with the following question: How can democratic social movements engage with and use welfare institutions to challenge broader structures of social domination in society? Answering this question requires, first, some account of the nature of democratic agency: What makes a social movement a *democratic* social movement, and how should we understand the form of action that enables such movements of people to achieve their political ends? Second, it entails some account of the nature of social domination: What features of the world are we picking out when we use the concept of domination? What makes a political or social hierarchy a relationship or structure of domination? How do those features persist over time and how can they be changed? How we conceptualize democratic agency

will interact with our account of social domination. Insofar as domination refers to some condition of exclusion, powerlessness, and inferiority, our view of democratic agency will capture the processes through which those subject to domination come to view themselves as agents, capable of determining the structure of society as equals and so act together to alter those structures of domination.

Third, my argument requires an analysis of the nature of welfare institutions. I approach welfare institutions from the perspective of democratic actors – not merely as redistribution mechanisms that try to live up to some standard of justice but as sites of political activity and relationships mediated by institutions. More than almost any other set of political structures, welfare institutions form the basis of individuals' social and political visibility. For many individuals, their first official interaction with the state occurs when they are assigned a number by the state that will track their contributions to social insurance programs. Welfare institutions form a distinctive nexus of the intimate and the general. They provide individuals with a specific identity vis-à-vis the state, one based in the minute details of an individual's working and social life, while also one that produces new relationships that extend beyond the closed, kinship networks characteristic of earlier forms of community relief and welfare.

As a result, welfare institutions form something like a connective tissue, drawing together the manifold particular decisions and activities of individuals with institutions of state governance and the structural imperatives of the economy. There is nothing intrinsically democratic about this aspect of welfare institutions – that they materially create new relationships that cut across the private, the state, and the economy. But this fact makes them a crucial site of democratic politics. Indeed, many of the most significant democratic social movements of the late nineteenth and twentieth centuries have mobilized around welfare institutions. The workers' movement, the feminist movement, the Civil Rights movement – each, at some point, fixed their attention on welfare institutions, either seeking to transform preexisting institutions or calling for the creation of new institutions that would reshape the material basis of future democratic action. In each case, actors in the movements recognized that the formation or recreation of welfare institutions – health insurance, unemployment support, family or childcare allowances, job guarantees, minimum incomes – could alter the balance of power in other social domains, mobilize their supporters, and become new sites of democratic participation and action in their own right. Even as they translate the experiences of individuals into more abstract, quantitative languages that enable state administrations to govern them as populations, welfare institutions are crucial means and objects of democratic struggle. Because of their combined generality and intimacy, welfare institutions tend to disclose, in stark form, the structure of the underlying social relations that they are regulating. This makes them

important sites of attention for democratic movements that want to transform entrenched forms of domination.

While I avail myself of existing empirical research on welfare state politics, I also draw attention to the oft-neglected interplay between democratic social movements and welfare institutions – not just at the moment of creation but in the ongoing functioning of such institutions. For example, in Sweden, the turn toward a deliberate gender equality policy was, in part, the product of concerted social movement activity that operated both within and outside formal welfare institutions. To illuminate this, I approach welfare institutions as part of a larger field of political and economic institutions, with no clear center or necessary coherence. For this reason, I tend to think the phrase "the welfare state" can be misleading and I will mostly use the term "welfare institutions" when referring to the various structures with which I am concerned, such as public insurance schemes, poor relief, housing policies, family policies, and employment institutions. All these institutions have evolved to socialize risk, ensure a certain minimum of material well-being, and embody societal expectations around reciprocity and mutual support. While useful as shorthand, to be sure, the term "welfare state" evokes the image of a unitary state with an integrated and coherent set of political institutions, all of which rest on a unified, underlying ideology or a set of normative commitments. It tends to lead us away from the fragmentary, conflicted, overlapping, and simply messy nature of welfare institutions as they operate and interact with each other in the real world.

Welfare institutions are significant for another reason: They are key institutional mechanisms that link up deliberate political action with broader economic processes in capitalist societies. In developing a political theory of the welfare state, I also hope to reopen a set of questions that have been left off the agenda of political theory and democratic theory: How should we theorize the relationship between democratic world-making and the broad structural forces of political economy?[5] Much of the development of democratic

[5] Indeed, my argument harkens back to the once-vibrant theoretical debate about the implications of the political economy for the possibility of democratic action and social transformation. Key interventions in this earlier debate include Jürgen Habermas, *Legitimation Crisis*, trans. Thomas McCarthy (Boston: Beacon, 1975); Claus Offe, *Contradictions of the Welfare State* (Cambridge: MIT Press, 1984). In the wake of the 2008 financial crash and the subsequent crisis of the post-1970s accumulation regime, there has been some important recent interest in reviving the critique of political economy. Nancy Fraser, for instance, has drawn on a variety of left thinkers, such as the early Habermas and Karl Polanyi, to rethink the politics of economic crisis. Similarly, Wolfgang Streeck has recently argued that the earlier strains of critical theory were too quick to think the problem of democratic capitalism had been solved through Keynesian state intervention. And theorists such as Margaret Kohn have looked to earlier modes of critical thinking about the relationship between democracy and capitalism – in her case, solidarist thought based on the idea of the commonwealth – to critically understand processes of privatization and commodification. Finally, Albena Azmanova provides most extensive recent discussion of these themes in critical theory. Like Azmanova, I want to shift the frame away from inequality and towards

theory has insisted on what thinkers call "the autonomy of the political." Reacting to the tendency of liberals to reduce politics to interest group bargaining and Marxists' disdain of "formal" democracy as a mere cover for class warfare, a variety of thinkers – including the three under consideration in the following – insisted that democracy rests on modes of action irreducible to economic, means–ends reasoning. Whether it is Weber's notion of charismatic leadership that appeals to nonmaterial needs, Arendt's analysis of political action as disclosure amongst human plurality, or Habermas's idea of meaning-generating communicative action, in each case the distinctive nature of "the political" is set against the domain of material, calculable, economic needs. Democratic theorists look to the mass protest, the town-hall meeting, and more generally the "extraordinary" as moments when genuine democratic agency can break through the torpid routines of economic and bureaucratic institutions.

Behind this view resides a whole background of imagery, rhetoric, affect, and orientation that made the autonomy of the political vocabulary attractive. The post–World War II critique of the welfare state, a critique that inspired the move toward the autonomy of the political, conjures images of brutally gray offices, corporate men with no distinctive personalities, the mundane and the technical, within which inheres no space for agency and individuality. "Politics" breaks through like a ray of sunshine. The critiques of technocracy, administration, bureaucracy, and instrumental rationality captured important aspects of that historical moment. Yet they also distorted crucial facets of it, and we are now, with the relative decline of welfare politics, more painfully attuned to what was left out. My argument challenges this broad fixation on the political as a distinctive domain of activity that needs to be protected from economic forces and mentalities. I show that the thinkers, such as Arendt, most closely associated with the desire to "rescue" the political from economic reductionism, were, in fact, deeply concerned with how to theorize the relationship between democratic action and the dynamics of political economy. At the same time, I do not want to return to economic determinism. Here I develop a properly *political* account of the welfare state. Like Weber, Arendt, and (at times) Habermas, my argument seeks to capture the distinctive experiences of actors engaged in politics, and especially the fragility, contingency, and

domination. My argument is indebted to this work, and I contend that such arguments need to be supplemented with an understanding of the underlying social-theoretic assumptions that have made the analysis of political economy fall out of democratic theory. Albena Azmanova, *Capitalism on Edge: How Fighting Precarity Can Achieve Radical Change without Crisis or Utopia* (New York: Columbia University Press, 2020); Nancy Fraser, "A Triple Movement? Parsing the Politics of Crisis after Polanyi," *New Left Review* 81, May–June (2013): 119–132; "Legitimation Crisis? On the Political Contradictions of Financialized Capitalism," *Critical Historical Studies* 2, no. 2 (2015): 157–189; Margaret Kohn, *The Death and Life of the Urban Commonwealth* (Oxford: Oxford University Press, 2016); Wolfgang Streeck, *Buying Time: The Delayed Crisis of Democratic Capitalism*, trans. Patrick Camiller (London: Verso, 2014).

unpredictability inherent in political action. Rather than search for an "Archimedean point" above politics from which to develop a normative defense of the welfare state or an even more ambitious economic project that all reasonable agents should accept, I approach the welfare state from the perspective of the vagaries of political action.[6] But I depart from the way that the "autonomy of the political" has been mobilized to present administrative, bureaucratic structures like welfare institutions as inherently predictable, routine, and unpolitical.

I argue that welfare institutions are important sites of democratic worldmaking precisely because of how they interface with the structuring forces of capitalism. They are the structures through which people's material needs, the potential objects of means–ends calculation become, instead, the occasion for collective forms of political judgment and action. On a conceptual level, then, my argument examines how we should think about the relationship between democratic forms of collective action and the broader imperatives of economic forces and structures. Rather than the autonomy of the political, I am interested in how we can theorize the interaction between democratic agency and political economy without, on the one hand, reducing one to the other, or, on the other, divorcing our thinking about democracy from a theory of capitalism.

DEMOCRATIC THEORY AND DEMOCRATIC AGENCY

While my goal in the following is to develop a political theory of the welfare state, I am interested in the politics of welfare institutions in large part because of how they illuminate broader problems in democratic theory. I articulate an account of democratic agency that highlights the centrality of welfare institutions as sites of political struggle and action. In turn, I argue that we can learn something about democratic agency by examining it in the context of the welfare state. First, though, we need some working definition of democratic agency. I can by no means settle the disagreement about the concept of democracy, an inherently contested concept that tracks a set of controversial normative commitments. Nonetheless, my argument is guided by an understanding of democracy in terms of democratic agency. By democratic agency, I mean the ability of groups of individuals to deliberately and collectively determine the rules governing their social cooperation such as to realize an egalitarian set of relationships.

In this view, democracy refers, first, to a form of collective action. And it refers, second, to broad societal processes of collective mobilization that focus

[6] For example, John Rawls enjoins his reader to view society "*sub specie aeternatiatis* . . . to regard the human situation not only from all social but also from all temporal points of view." John Rawls, *A Theory of Justice: Revised Edition* (Cambridge: Harvard University Press, 1999), 514, emphasis in original. Rawls developed this methodology in a climate of skepticism about more ambitious projects to democratize the economy. For an insightful discussion of this context, see Katrina Forrester, *In the Shadow of Justice: Postwar Liberalism and the Remaking of Political Philosophy* (Princeton: Princeton University Press, 2019), 18–24.

on social transformations that extend beyond formal political institutions. My perspective, then, focuses on democratic theory in relation to the politics of social movements and civil society. These broad forms of political mobilization in society interact with the formalization of specific decision-making rules and procedures within institutions.[7] Second, democracy, as I use it, is not purely procedural but has substantive normative content based on an ideal of equality.[8] Democratic action seeks to realize a certain ideal of mutual recognition as moral equals who are authors of legitimate political claims. There are still leaders and followers in social movements – this is not an ideal of strict, distributive equality. Nonetheless, democratic social movements try to realize a relationally egalitarian culture and institutional structure.

Third, democratic agency refers to both structure of social movements and the tactics they use to pursue their goals as well as the substantive goals they seek to realize. Democratic social movements strive to be both internally democratic and to help realize institutions that are more democratic. In each case, though, there are inevitable compromises between expediency and ideals, compromises that do not admit of theoretical resolution and must rather be negotiated in the course of politics. A perfectly egalitarian or democratic group that makes no effort to reorganize broader social relationships in a more egalitarian direction is not an instance of democratic agency. Rather, democratic movements collectively organize to challenge and transform unjustified arbitrary inegalitarian structures in society, such as class, gender, or racial structures. They seek to reorganize political and social

[7] This way of thinking about democracy distinguishes my view from theorists like Sheldon Wolin who identify democracy only with moments of noninstitutional collective agency and so view institutions as inherently undemocratic. See, for example, Sheldon Wolin, "Fugitive Democracy," in *Democracy and Difference*, ed. Seyla Benhabib (Princeton: Princeton University Press, 1996). Recently, John Medearis has advanced a theory of democracy that, like mine, emphasizes the interplay between institutional decision-making and the broader societal processes through which groups challenge the alienation of their activity in institutions. My argument very much builds on his perspective. However, I emphasize, more than Medearis, the need to develop a critique of the view of institutions that makes them seem inimical to democratic participation, which I do through my analysis of Weber. I then use that to develop a perspective that can help reveal the possibilities for democracy to go beyond opposition and build new, participatory institutions that can then empower struggles against domination. John Medearis, *Why Democracy Is Oppositional* (Cambridge, MA: Harvard University Press, 2015). A complete account of democracy would integrate both aspects – the procedural and the societal – to show, for example, how majoritarian decision-rules in institutions like elections relate to democratic social movements. For my purposes, I focus on the broader, societal dimension.

[8] A complete account of the nature of egalitarianism and its relationship to democratic theory is beyond my focus. For exemplary efforts to develop these connections, see Elizabeth Anderson, "What Is the Point of Equality?," *Ethics* 109, no. 2 (1999): 287–337; Niko Kolodny, "Rule over None II: Social Equality and the Justification of Democracy," *Philosophy & Public Affairs* 42, no. 4 (2014): 287–336. James Lindley Wilson, *Democratic Equality* (Princeton: Princeton University Press, 2019).

institutions and cultural patterns of normative respect to eradicate undemocratic relationships of domination.[9]

How do welfare institutions act as institutional infrastructures that are sites of both technical administration and democratic agency? How do they reinforce and expand state power and the structural imperatives of capitalism? How, in response, can they enable democratic movements to advance their transformative goals? These questions all speak to larger problems in democratic theory. First, many democratic thinkers note the tension between democratic agency and the routines and structures of ordinary political institutions. On the one hand, without institutional form, democratic agency seems impotent; on the other hand, institutions threaten to absorb the transformative energies of democratic movements into the status quo.[10] My argument draws attention to the underlying assumptions that produce this apparent dilemma. These debates rest on a view of political, and especially welfare, institutions as sites of technical calculation and administrative rationality that inevitably suppress authentic democratic agency.[11] Against this view, my argument tries

[9] Such aspirations are compatible with the creation and recognition of justified forms of hierarchy, so long as those do not, over time, erode the bases of egalitarian social relationships. For example, the ancient Athenians, while extremely worried about inegalitarian political structures, nonetheless accepted elections rather than lot for the appointment of magistrates that required specific expertise, such as generals. But they were then careful to hem in such inegalitarian structures with a variety of mechanisms, ranging from short terms, post-term accountability, and ostracism, so as to ensure that legitimate forms of hierarchical political institutions did not corrupt the broader egalitarian institutions and culture of Athens.

[10] The two poles of this dilemma map onto the opposition between the so-called deliberative and radical democrats. Heralding the possibility of institutionalizing democratic forms of communication, deliberative democrats argue that a more expansive vision of democratic possibilities arises from the idea that all coercion must be rationally justified through discourse. Radical democrats challenge this focus on institutional reason-giving by emphasizing the disruptive, unruly, and ephemeral nature of democratic agency vis-à-vis the routines of established institutions and dominant norms. The fullest expression of the deliberative-democratic vision remains Jürgen Habermas, *Between Facts and Norms: Contributions to a Discourse Theory of Law and Democracy*, trans. William Rehg (Cambridge, MA: MIT Press, 1998). For developments of the radical-democratic thought, see Bonnie Honig, *Political Theory and the Displacement of Politics* (Ithaca: Cornell University Press, 1993); *Emergency Politics: Paradox, Law, Democracy* (Princeton: Princeton University Press, 2009); Andreas Kalyvas, *Democracy and the Politics of the Extraordinary: Max Weber, Carl Schmitt, and Hannah Arendt* (Cambridge: Cambridge University Press, 2008); Aletta J. Norval, *Aversive Democracy: Inheritance and Originality in the Democratic Tradition* (Cambridge: Cambridge University Press, 2007); Sheldon Wolin, "Fugitive Democracy," in *Democracy and Difference*, ed. Seyla Benhabib (Princeton: Princeton University Press, 1996); Linda M. G. Zerilli, *Feminism and the Abyss of Freedom* (Chicago: University of Chicago Press, 2005). For a defense of the welfare state in terms of deliberative democracy, see Kevin Olson, *Reflexive Democracy: Political Equality and the Welfare State* (Cambridge, MA: MIT Press, 2006).

[11] These aspects of welfare institutions have been most insightfully analyzed by Michel Foucault and scholars who are indebted to him. There is also considerable overlap between Foucaultian analyses and radical-democratic views, although scholars like Barbara Cruikshank have