

# Expulsions: Brutality and Complexity in the Global Economy

Harvard University Press

**Saskia Sassen**

*Editor's Note: The following text is based on an author-meets-critics session that was organized and chaired by Patricia Fernandez-Kelly for the Annual Meeting of the American Sociological Association in August, 2015. My thanks go out to Alejandro Portes, Michaeline Crichlow, Joseph Blasi and Saskia Sassen for agreeing to contribute their comments to the newsletter. I would also like to thank Patricia Fernandez-Kelly for all her help in making this feature possible.*

## Review of Saskia Sassen's *Expulsions*

**Alejandro Portes**

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Sassen's *Expulsions* is a great lament about what happened to the old liberal welfare project of progressive inclusion and protection of people in a world of de-regulations, globalizations, and the absolute domination of financial capital.

Expulsions occur when former government employees lose their jobs without any alternatives and are forced into poverty; when factory workers are laid off from plants moving abroad and compelled to accept casual, low-paid work in the informal economy; or when young people in American cities are arrested and incarcerated even for minor offenses and

are subsequently removed from society and from the labor force. The main insight of the book is that these and other forms of expulsion are systemic and have to do with the reversal of the Keynesian project of social and economic inclusions and the rise of corporate and financial profitability to the status of categorical imperative.

To save the multinational banks, millions are evicted from their homes and governments become bankrupt; no Work Progress Administration to alleviate the plight of those made redundant through no fault of their own. The financiers who have caused so much harm mostly escape consequences of their actions, and return with renewed vigor to the same destructive practices. And all of this with the blessing of world leaders who sanctimoniously proclaim, following Thatcher and Reagan, that "there is no alternative".

The global rise of inequality is well known by now and one can say that there is even now a flourishing industry based on exposing the growth of this or that form of inequality. What makes Sassen's book valuable is the painstaking documentation of a systemic shift encompassing multiple fields and a consistent focus on the precise moment when unsuspecting people suddenly find themselves thrown out – deprived not only of jobs and homes, but also of their dignity. The book overlaps at many points with Piketty's analysis

of capitalism and inequality in the twenty-first century, but it is more sociological in the analysis of the internal dynamics of the finance industry and the processes of globalization that have made the present situation possible.

Inside Sassen's book, one finds real nuggets, such as the commodification of prisoners in the United States whose work is appropriated through various subcontracting mechanisms by well-known multinational corporations and whose very bodies become valuable and tradeable for the benefit of the fast-growing private corrections system. We are informed, for example, that sheriff departments in Louisiana trade prisoners for the sake of keeping jail beds full and per capita payments by the Federal government coming. The section on foreclosures in chapter 1 is particularly powerful and should be read in conjunction with the creation of the financial instruments in chapter 3 that made that social catastrophe possible.

Chapter 3 makes clear that it was not the interest paid by families on mortgages that the financial industry was after, but rather the proliferation of mortgage contracts that could then be spliced, packaged, and sold to eager investors. To secure those contracts, mortgage companies dispensed with down payments and credit reports. In a country like Spain, banks even gave people 10 and 20 percent over the value of their home in order to get their signatures on paper, setting the stage for what was to come. The financial crisis was triggered less by massive defaults on mortgages than by generalized uncertainty in the financial world about the actual value of those packaged derivatives. This social uncertainty was what made them "toxic."

I have only a few comments for expansion and strengthening of future work. First, there is a need for greater attention to the entire class structure. Most of the contemporary literature

on inequality tends to focus on what happens at the "heights" – the top 1 or 2 percent of the population – and the "depths" – the bottom 10 or 20 percent. This leaves out the majority of the population who are not engaged and profiting from financial engineering, but who

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are also not at the "systemic edge." One may argue that these middle four-fifths or so of the population represents the core source of economic and political continuity and stability, and the reason why the entire system does not come crashing down.

In past work, I have tried to develop maps of both the American and Latin American class structures, provide definitional criteria for membership in each class as well as numerical estimates. My map of the American class structure criticizes previous Marxist analysis of the same topic for stopping with the proletariat as the bottom of the class structure, neglecting the rapidly growing classes of petty informal entrepreneurs and redundant workers. The latter, in particular, consists of workers pushed out of employment by dint of dated skills, past union militance, or economic downturns and unable to get a foothold back into the system. This is precisely the social class on which *Expulsions* focuses attention and correctly so. It is important, however, to consider the economic situation and political outlook of the classes above it and how they interact, both

among themselves and with the top 1 or 2 percent. Otherwise, we lose sight of what is happening in reality, because the massive middle classes and their actions hold the key for long-term systemic continuity.

A second observation for future work is driven by current events. It concerns precisely the political behavior of that top 1 percent and its ramifications on American democracy. The recent spectacle of the Koch brothers convening a conclave of billionaires to decide what Republican presidential candidate to back, i.e. to buy, is a worrisome development. It attests both to the hubris of the dominant class, empowered by free markets and the weakness of government, and the looming transformation of the American political system into what President Carter also recently labeled an “oligarchy”. A government by and for the top 2 percent (at most) is what we may be confronting as a counterpart of the growth of the redundant classes. This political corollary to the analysis of the modern capitalist system in *Expulsions* certainly deserves attention in the future.

A final consideration is what can be done about all of this. In a sense, Margaret Thatcher was right and “there is no alternative.” It would be useless and counterproductive to try to set the clock back to the time of national hegemony, strong unions, and generous national welfare regimes. Capitalist globalization is a *fait accompli* and is here to stay. However, as Karl Polanyi knew, the “disembedding” of markets from society and the catastrophic consequences that it brings inevitably triggers new forms of popular mobilization and state activism seeking to bring these forces under new forms of control.

Pierre Bourdieu was resolutely anti-globalization in his defense of the popular conquests and welfare protection achieved within national borders by France and other

developed countries. However, this is not the likely path for future effective mobilizations. The global power of the billionaires must be counteracted by international alliances of activists and workers. The plight of those made redundant by the expulsions that Saskia so vividly describes has to elicit solidarity and protest beyond their national borders. Put differently, the long-held assumption that “capital is global, labor is local” needs to be replaced by an increasing global alliance and mobilization by the subordinate classes.

We already have some examples of these counter-movements in the environmental protection field (Greepeace, etc.); in cross-country mobilizations against labor exploitation by the multinationals in third world countries; in the women’s rights movement; and in the increasing and well-documented transnational activism of immigrant communities and their home country counterparts. These and other incipient forms of “globalization from below” are worthy of attention as potential means of achieving some form of re-balancing, some manner of Polanyian “re-embedding” where the hold of runaway markets and the hubris of seemingly all-powerful billionaires can be brought under control.

## Discussion of Saskia Sassen’s *Expulsions*

**Michaeline Crichlow**  
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In this short text, Saskia Sassen deploys the concept of “expulsions” to perform two related tasks. The first is to make visible particular destructive socio-economic phenomena that have been trending since the 1980s (more or less) in the wake of the untrammled emphasis on growth. The second is to gesture to a methodological imperative - namely, to unthink

or rethink macro-concepts that may be serving to obscure the dynamics of post 1980s devastations occurring across the globalized world economy.

For Sassen, expulsion is a productive concept for ferreting out the subterranean “*savage sorting of ‘winners and losers,’*” (Sassen 2010) that have occurred in the wake of the increasing ontological and spatial complexity of economic globalization manifest in the expansive and intensive devaluing of human social economies and ecologies. Thinking of these material and socio-political processes through the notion of “expulsions” demonstrates the need for, as Sassen put it, “empirical research and conceptual recoding,” given that the destructive forces under analytical scrutiny, “cut across our conceptual boundaries—the terms and categories we use to think about the economy, the polity, the diversity of nation-states.” (*Expulsions*, 215) Using a variety of case studies Sassen explores in detail four manifestations of this “savage sorting”: 1) the emergence of shrinking economic spaces; 2) the land grabs occurring mainly in Africa; 3) the relentless financialization of just about everything; and 4) the devastation of the biosphere in ways that make its capacity for self-healing doubtful. In all these cases, irrespective of their location and regardless of the state forms - whether socialist, communist, or capitalist - a single pattern woven paradoxically from the complexity of the system emerges with the common locus being the myriad “expulsions” of people, places and nature in brutal fashion.

This systemic unmooring which takes off during the 1980s is coincident with the onset of the period commonly deemed *neoliberalism*, (though never named as such in the text). It is implicitly contrasted with the earlier Keynesian order which ushered in the bounteous yield, through the visible hand of the state, of growing economies and importantly expanding middle-classes, incorporating perhaps significant

elements of minorities, including women. Keynesianism also created the spaces for the flourishing of working class organizations, job creation, redistribution policies and other social protections accorded by *strong welfare states*, at least in the Global North. This era of state management for growth and development seems to represent for Sassen a golden age, but she certainly acknowledges its share of disorders such as the marginalization of women and minorities.

Contrasted with the present moment, given Sassen’s cataloging of the devastations wrought across the Global North and South, one would be hard pressed not to read the liberal state as somewhat of an aberration from an ideal counterfactual of alternative world orderings. But I will return to this point later.

Many others have analyzed the growing disorders of the present mode of global capitalist accumulation, with Harvey (2004), for example, pointing to a heightened process of capitalist “accumulation by dispossession,” Piketty (2014) decrying the sharply growing income inequality, Moore (2010) depicting a world-ecological crisis, and various others positing the end of growth, more or less. Sassen’s text is unique in that it operates at a middle range engaging in what she refers to elsewhere as a de-theorizing process that seeks to recover processes and projects overshadowed by the sacred metrics of growth. Drawing diverse cases from across the globe, Sassen maps the precarity of place as expressed in the housing crisis brought on by the proliferation of subprime mortgages, the excess incarceration especially endemic in the US’s privatized prisons, the growing detrimental effects of global warming, and agricultural degradation in areas as diverse as China, Kenya and Bangladesh. In an extensive chapter called “Dead Land, Dead Water,” she discusses the anthropocentric recklessness producing the growing swaths of land and water that have

died through the excessive use of agro inputs ranging from pesticides and fertilizers to overdoses of antibiotics - all in the name of producing higher yields and profits. Of course, among nature's revenge are the superweed, the body's resistance to antibiotics, and other existential backlashes.

Many of these alarming disorders are hidden within such reassuring goals and metrics like "Growth and Development." One illustration is the idea of land sales in Africa - otherwise known as land grabbing - which appear within Growth and Development metric. What is not immediately graspable under the notion of land sales, and perhaps hinted at in the idea of "land grabbing," is the sociocultural and economic implications of such sales. Such sales, especially those that lead to the cultivation of industrial crops like biofuels, invariably involves the eviction of fauna and flora, the displacement of villages, of food economies, the ramping up of poverty and hunger, the expulsion of people who end up in cities - all under some other obfuscatory category. Elsewhere, Sassen similarly asks what relationships a concept like urbanization really conveys. Certainly it does not convey the aggressive gentrification that repurposes neighborhoods, the struggles between the incoming (and invariably younger) tenants and the previous (and usually older) residents, or threats to the particular traditions of place. Thus, these projects of expulsion positioned at, and constituting, the systemic edge provide for Sassen a window onto these *predatory formations*.

Those disappeared, or, as she put it, "expulsed" in the Global North or Global South, no longer count, thus leading to constricted formal economies. This makes Sassen wonder "if this brutal restructuring was undertaken precisely in order to achieve a smaller but workable [formal] economic space that would show growth in GDP according to traditional metrics-

even if it necessitates the expulsion from the economy, and its measures, of significant shares of the workforce and the small business sector" (*Expulsions*, 43).

In this timely work, what are the alternative options that Sassen gestures toward? Her valuation of the regulatory dimensions of the liberal welfare state leads her to argue that despite its shortcomings, it nonetheless is a much needed enabler of spaces for the marginalized to struggle for rights. It furthermore presided over an accumulation process that was rooted in capitalist formations based on real and not fictitious (production of) goods and services, and performed key regulatory functions reining in the market. In this way, Sassen seems to implicitly suggest fixes by way of a return to the liberal welfare state - a state which balanced, more or less, its pivotal components i.e., the market and civil society, in ways which Somers (2008) similarly deems necessary for a rebirth of the social.

But given Sassen's own methodology adopted in *Territory Authority and Rights* (2008, henceforth *TAR*), it would be safe to assume that the seeds for accumulation by savage sorting, of the types that she exposes were already sown within the welfare state, despite its regulatory alertness. For using the logic of *TAR*'s argument (concerned with how historical assemblages of territory, authority and rights have been reworked and remade and how complex systems change) one could well argue that the seed for contemporary expulsions was one of those dis-ordering continuities from the 18th and 19th centuries that remained lodged within the governing structures even of the redistributive state.

Can it not be said then that the root of today's savage sorting, lay in the fact that the political and economic rationalities of the 20th century enshrined a belief in an unbounded expansive capitalist production? Is the complexity that

Sassen analyzes by the numbers not simply the evolved dynamic of high accumulation growth models sustained by optimistic Keynesian planners and by discourses about the benefits of a model of development rooted in crude but seductive promises of the needful destructive transitions from tradition to modernity, and about the benefits of particular forms of rationally-calculative hegemony for progress? In other words, while Keynesian policies articulated the need for checks and balances against the very possibility of the reckless unleashing of autonomous market logics, could

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it not be said that given the geopolitical commitment to a modern market economy, regulatory devices would be too re-active, always too late, to forestall the growth of these brutal complexities? What then is necessary to thwart the relentless charge of this systemic edge? What really sustains the presence of systemic edges? And, finally, can well-intentioned institutional fixes carried out by say, a post-welfarist state, remedy the situation—that ultimately returns a social that has been savaged since the post-1980s at least?

To begin to address the sort of queries that are provoked by the rich detail of layers of crises confronting us in the global capitalist order, one needs to explicitly ask what kind of politics is sustained by institutions and elites in creating this systemic edge. Is there another theoretical

twist to the story that might be told here, as Sassen suggests, that takes us beyond what we have grasped in the discourses already available on crises and modern social spaces? Marxists, for example, point to the intrinsic nature of capitalism aided and abetted by states that have always been sympathetic to the needs of capital. For them, *exclusions* are intrinsic to the system that thrives on class-based exploitation of one sort or another. But what of the modes of violence held to be present in primitive accumulation? Could that also be a basis for contemporary forms of predatory formations - veritable carry-overs from its earlier iteration in the 19th century? I refer here to forms of coloniality as “states of exception” that apparently never died out with the demise of formal projects of colonialism. Certainly Escobar's path breaking text, *Encountering Development* (2011) chronicles the projects and discourses through which the then “Third World” were *included* further within the capitalist world economy. Today, the devastating outcome has not only been the destruction of their food self-sufficiency (Africa was self sufficient up until the 1960s), but also, as Sassen's statistics make palpably clear, their disproportionate membership in that highly-prized group of HIPCS, (Highly Indebted Poor Countries) now paying 20 to 25% of their export earnings toward debt service.

No doubt the critical purchase of *Expulsions* is its revelations of development's unsavory underbellies - the “systemic edge” that Sassen discloses. But this edge is an effect of thriving predatory tendencies, something that seems built into the system and perhaps is the fuel that sustains it. The edge, then, is structural. The diverse sets of elites - whether in government, the financial sector, or in computer software operations - are caught up wittingly or unwittingly in producing processes that engender these catastrophes. But is there a single or plural logic that explains these

developments, this systemic edge? Is the onset of complexity at fault? Other analysts speak to the onset of the extremes of neoliberalism, and certainly the text gestures to this given its timing and its dating of the onset of these expulsive formations. Yet nowhere in the text is this concept named. Neoliberalism is not mentioned. Therefore, in this theoretical silence, one is either led to consider afresh or to seek to disclose what is the subterranean logic propelling us towards these specters of death, and destruction. Why, for example, is systemic complexity retrospectively so malignant? And how can we escape this not-so-opaque journey to the systemic edge, given our lived history of the present? Is this contingent and non-necessary historical trajectory partly a function of the logic of a particular modern philosophical underpinning that makes expulsion the silent metric of our modern power and rational faith? For example, the idea of *Homo Sacer*, the eponymous title of Agamben's book (2003), argues that modern sovereignty is undergirded by the production of *bare life*. Is there a link here, then, between "unrestrained profit maximization," in the economic sphere and the production of racialized spaces?<sup>1</sup> Of course, such racialization is tied to bodies as well as spaces, but not always the same visual cultures mark such bodies as Sassen's work palpably demonstrates in a wide array of situations, geographies and people. For example, we may think human trafficking, though now referred to as the new slavery, casts a wide net over all kinds of bodies in a way that differs significantly from the chattel slavery of say the 18th and 19th centuries or earlier. Differences include the easy disposability and cheapness of bodies and the responsibility of the abused for their own reproduction (not to mention the enormity of the profiteering).<sup>2</sup>

The "Development Project," though also unnamed in the text, seems to be another underlying theme here, with an implicit thesis

that development a la growth seems to have run its course. Accumulation by savage sorting or accumulation by dispossession is its systemic edge. The systemic edge is thus the price for pursuing infinite growth for a finite planet. Given this, and the brutish natural selective logic attending such metrics as GDP, the text implicitly suggests that one should also be moving away from these ways of assessing our progress, as Philippsen argues in his recent book, *The Little Big Number* (2015). In short, a hidden message in Sassen's text seems to be that we perhaps need to think more in terms of the principles underpinning the call for a post-development world even though governments and industry continue to channel those 20th century solutions toward re/solving current planetary catastrophes.

In *Expulsions*, what Sassen seems to gesture to is the idea that the complexity of primarily the economic system emerges out of a simplistic belief in unlimited growth. There is an ineluctable certainty that such a model assumes. It is a model that has been in many ways imposed on the Global South by state-sanctioned agencies like the IMF and the World Bank and also routed through parastatal and non-governmental organizations (NGOs) the latter of which have (and I will be generous here) un/wittingly taken on the language of neoliberalism - suggesting that neoliberal reason has taken over all our sensibilities more than less. For example, the new organizations of banana farmers (most owning less than 5 acres of land) that have emerged in the Windward Islands to fill the void of retreating states and given the WTO mantra of "free trade," also speak the language of neoliberalism and refer rhetorically to the irrelevance of states (Crichlow, 2003).

Therefore if complexity is built on these simplistic singular models of certainty then it seems that our salvation lies in plural models of uncertainty. What I am gesturing to here, to use

Sassen's own words, is *incompleteness*. Might we instead find solutions in uncertainty-being content with incompleteness? Might we consider then incompleteness as a productive tension, that would lead to what Henrietta Moore refers to as more "collaborative experimentation," more incomplete learning, more social political and economic experimentation in order to build prosperity on a broader understanding of human nature?<sup>3</sup> In Sassen's words in *TAR*, and elsewhere, we need to break the path dependency and *jump tracks* on this model of growth, given "the fierce urgency of now"<sup>4</sup> Sassen has produced a wonderful and concise book that brilliantly outlines, to recontextualize and readapt the Irish poet William Yeats, the shape of the rough beast, "its hour come round at last, slouches towards everywhere, already born." Things fall apart.<sup>5</sup>

### Endnotes

1. "Racialized" here is used in a broader sense than is generally understood in the U.S., and refers to a more generic production of a politics of the abject, though it encompasses U.S.-recognized divides.

2. See, for example, the comparisons between chattel slavery and "modern day slavery" made by Barnes (2004).

3. Henrietta Moore, in the program "The End of Development," argues emphatically for a pluralist approach to development, whereby there are different kinds of approaches to building human capabilities. She urges us to look at the various feasible experiments now taking place in the Global South. For example, the experiments in agro-ecology involving some 500 million people in those geographies. Listen here:

<http://www.bbc.co.uk/programmes/p0210c1r>

4. This phrase, "a fierce urgency of now," is appropriated from Reverend Martin Luther King's sermon, "Beyond Vietnam: A Time to Break Silence." See: <http://www.hartford-hwp.com/archives/45a/058.html>

5. This is a slight adaptation of William Butler Yeats, "The Second Coming."

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## Comments on *Expulsions*

**Joseph Blasi**

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Saskia Sassen's book, *Expulsions: Brutality and Complexity in the Global Economy*, examines four areas of savage sorting that results in mass expulsions of persons from a sustainable society. The first area is shrinking economies where the losers are the unemployed, especially women and minorities, who are sidelined by both structural adjustment programs pushed by international economic institutions and facilitated by the monopolization of complex knowledge and technologies by those who concentrate their ownership and control at the



top. The second area is the world market for land where the losers are the farmers, cohesive villages, native peoples, and factories with roots in communities where free trade agreements and open borders and globalized land markets result in people being expelled from their own land and places of work. The third area is financialization where new technologies resulted in a financial collapse that made homeowners the losers by a group manipulating complex knowledge with the new technology of financialization. The fourth area is environmental destruction where the environment makes all citizens the losers as a result of violent massive new mining technologies.

Sassen's principal contribution is to assemble her erudite combination of powerful argumentation and solid empirical evidence to persuade the reader that her use of such harsh terms as "expulsion" (to express being thrown out forcefully), "losers" (to express the notion that some other group is winning in a zero-sum situation), and "brutality" (to express an everyday savage and cruel attitude towards millions of persons), are all, well, entirely accurate. A lot of empirical research is mobilized in this persuasion. Is Sassen exaggerating and selecting these terms for shock value or is this a substantially new insight? As a group, I think that humans like to gild the lily and see the glass half full and accept the social construction of reality as ok rather than contemplate the sharp edge of disaster. Sassen asks: What if the evidence simply does not justify an antiseptic way of looking at the social violence in our world? She does this by looking at the "systemic edge" where the system is coming apart for large groups of people. She deconstructs the tame language of everyday acceptance of brutality with facts showing that no exaggeration is taking place. Based on the evidence, *Expulsions* is not an exaggeration but a creative and new analysis to challenge us to heavily

discount our own socialization to buy into the current social construction of reality. I was reminded of a front page article in the Amherst, Massachusetts newspaper on a recent visit that said, "Amherst to plug homeless meal gap." No, Sassen will simply not allow such dishonesty and escape from the brutal naming of social violence for what it really is.

Her contribution goes far beyond fitting blunt terms to systematic empirical evidence. She has elucidated some distinctively new social processes in our post-modern world. One of her

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ideas is that, while *inclusion* of more and more citizens in the economy used to be profitable and build economic growth, now the *expulsion* of large numbers of persons from the economy creates more economic growth for those who own the economy. The notion that economic growth actually benefits from expulsions is a game-changing insight and also very depressing. Another idea is that brilliant people, who we would love to have at our dinner parties and marry our sons and daughters, are the creators of a new science that uses financial technology, computer

technology, mining technology, and what I will label “neo-liberal economic technology” (which manipulates the economy), in order to plan and execute the actions that make these expulsions happen and expand exponentially. The notion that brilliance and knowledge - not ignorance and lack of science - is the new source of the Frankenstein of neo-liberalism is very disheartening, although carefully exposed in this book. The intellectual and scientific violence underlying the technologies and the reasoning behind these expulsions has a lot of what some in universities and many in the world tell students and children to be: discover the new edge, be interdisciplinary, be empirical, be daring, be unique, “have an impact on your field.” But it surely lacks the norm of human dignity. I emphasize this to also underline that it is easy - as Sassen sometimes does - to say “the 1%” is behind the problems that she elucidates, but it is really the 20% and the 20% is an uncomfortably broader group. The problem of Sassen’s book is how to reclaim the human dignity to drive the project of society in the future with new social and economic and political structures to serve as home bases for individuals whose efforts are compromised by the current institutions.

Sassen puts a heavy finger on the people behind the process and calls them “predatory elites” who combine in “predatory formations.” For example, in the area of finance it would include tech experts and financial engineers, and, unfortunately for us academics, many of our colleagues in economics and finance and computer science departments! It is this “army of the smart” arraigned against the working class and the middle class that Sassen calls a “phalanx,” that are people at our cocktail parties, again, people we want our sons and daughters to be or to marry, and yet, it has an overall predatory effect. The subtext of this book is how does rational science and corporate management now add up to the new brutality when these people think they are all about

economic progress? The overall result of this process, according to Sassen, is a “capacity to concentrate wealth.” As a globalist, she focuses on intra-country and inter-country inequality in some enlightening discussions. I think that the moralizing about these individuals and “elites” and “formations” begs the point of whether there are institutions to contain their activity that would be more beneficial for society.

Sassen’s melding of these diverse patterns of power, status and rewards/resources is a new sociology for our connected, knowledge-glutted world where intellectuals think they are on the side of the angels but somehow get caught up in the predatory phalanx without even knowing it. Her synthesis *is*, in my view, unique, creative, novel, and, as I said earlier, smashing of the linguistic conventions that would allow us typically to talk about all of this in a comfortable way. Realizing her insights is very upsetting, it is very hard to read this book, and one regularly wants to escape to the claim of exaggeration to not have to deal with all of her well-arranged data. The book is worth the patience.

An abiding strength of Sassen’s book is how she weaves together her social analysis of the economy from various corners of society to make her point. Some observers might look at this as observations about disconnected elements, but that is far from the case. Sassen persuaded me that these various social spheres are all a homogeneous part of her story: the “enclosure” happening by financial firms in how they have designed mortgage-backed securities and control the design of the tax system to their benefit, the stunning social policy consensus that less rather than more social benefits are needed, the related worldwide focus on contracting government expenditures (“an economic version of ethnic cleansing”), the fact that the so-called unemployment rate is a lie and excludes people

pushed out of the workforce, and the growing prison population. Nevertheless, while the description and analysis is helpful, identifying clear causality across all of these spheres, remains a limitation of the work. What Sassen observes is not simply a function of the “complex technologies” and “predatory formations” that she describes in each of the four areas of her analysis. These four areas are well described but the description does not constitute a persuasive causal analysis of what underlies them. A causal analysis identifies where pressure must be applied to stop the

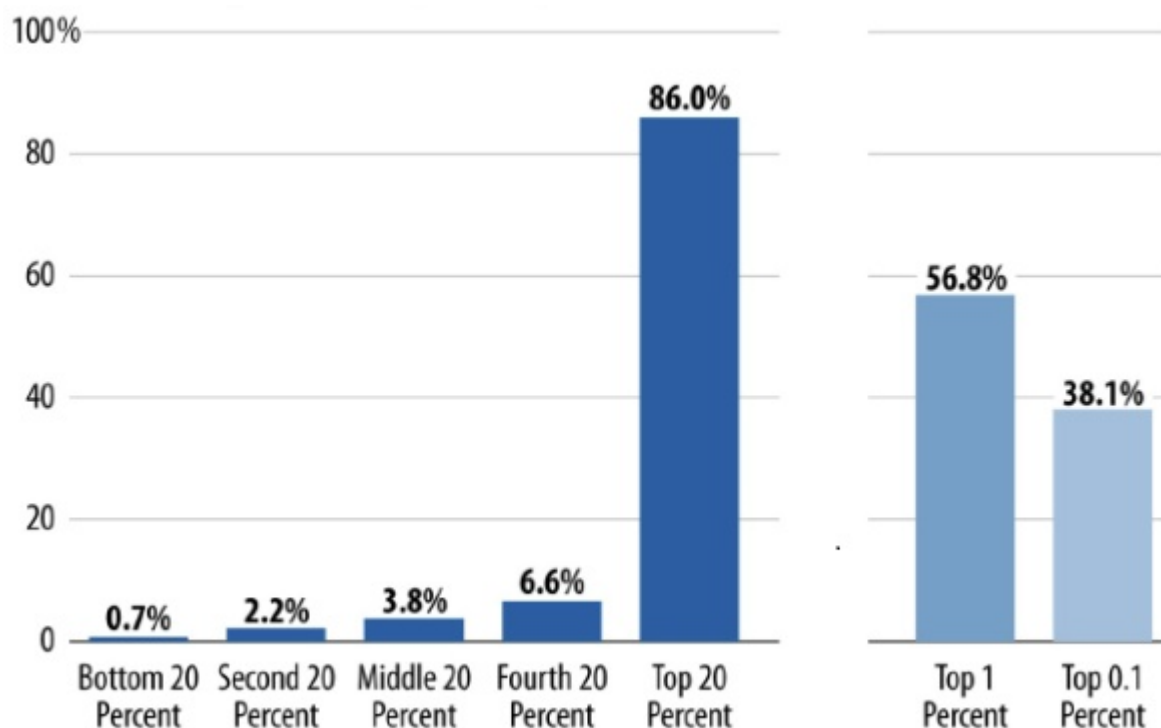
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causation and change the dynamic under discussion. To illustrate, the solution is not to deemphasize scientific and managerial elites or to stop developing technology. This is where the next book and the future stage of Sassen’s work begins. If she brings the same careful analysis to that, her next work will help map out future social institutions.

Every grand project like this requires criticism so there are some issues that I would like to raise. Sassen, for all of her attack on neo-liberal economics, seems to not get beyond one of its main strictures, namely, the focus on

wages and wage growth and wage inequality as the central story of this economic inequality. The work of Thomas Piketty (2014) underlines that, while we know that real wages have been generally flat adjusted for inflation since 1989 and low relative to economic productivity, that the real story of inequality is the stunning increase in the concentration of both capital ownership and capital income. Both Sassen and Piketty emphasize the outsize share of both in the hands of the top 1%. However, it is really the top 5%, 10%, and 20% that is the giant squid-like “predatory formation” that Sassen assails, not just the 1%. One empirical fact will make this crystal clear: according to the Urban Institute and the Brookings Institution Tax Policy Center, 86% of all capital gains and capital income such as dividends and interest on equities and bonds is in the hands of the top 86% of individuals in the United States. Yes, it is true that the top 1% holds 56.8% within this 86% and that the top 0.1% holds 38.1% within this “capital formation,” but Figure 1 (located on next page) shows that the true divide happens where the middle class starts with the fourth quintile of the U.S. population that has only 6.6% of capital income. I am sorry to say that many of us social scientists writing about the 1% are actually solidly in this top 20% “predatory formation” and benefiting from it nicely, as are the creators of the science and technology whom Sassen assails. Bluntly, it is the concentration of both capital ownership (amply covered by Piketty) and capital income (shown in Figure 1, next page) - not just wage income - that is behind this new wealth dynamic.<sup>1</sup> The group in control is really the upper middle class, not just the 1%. This high concentration of capital ownership and capital income needs to be addressed for the causation to be reversed. It leads to a domination of the political system by elites and corporations and hollowing out of the middle class (Madland, 2015).

One needs to ask why capitalism has led to

**Figure 1: Distribution of capital income by income percentile, 2011**

**Note:** Figures are for calendar year 2011, current law. Capital income includes taxable and non-taxable interest income, income from dividends, realized capital gains or losses, and imputed corporate tax liability. The cash income percentile classes used are based on the income distribution of the entire population and contain an equal number of people, not tax units.

**Source:** Urban Institute - Brookings Institution Tax Policy Center

such high levels of concentration. While shrinking economies, the world market for land, financialization, and environmental destruction all play a role in this concentration, underlying the concentration is that the technologies to which Sassen alludes are more productive than human labor, they are replacing human labor, their owners are compensated more than the human labor involved with them, and these technologies are owned and largely controlled by the same 1%, 5%, 10%, and 20%. Sassen's modern version of Charles Dickens's dank factories are hyper-productive, tightly-owned mining operations whose dirtiness has similar patterns of capital ownership and capital income concentration as the "clean" humming computers of financialized Wall Street. The problem is that workers and citizens do not own

enough capital and receive enough capital income from these operations. Concentrated capital runs the "shrinking economy" which Sassen describes; this capital is driving both wages and benefits down worldwide. The evidence strongly suggests that technological unemployment and underemployment is becoming a reality as part-time Uber drivers in the U.S. replace full-time unionized workers with the once-vaunted solid pay packages of ever increasing wages and expanding retirement and healthcare plans of much of the post-WWII period. Underneath all of this is that computers and technology and robots are becoming more common, more productive, more controlled by an elite, less related to middle class wealth, and less a development machine of middle class jobs (Frey and

Osborne, 2013; Ford, 2015). It is important to explore who will own the computer science algorithms and robots of the future.

I will say more on how this affects Sassen's analysis of the prospects for reform below. But before I do so, I would like to quibble for a moment with Sassen's discussion of mortgage-backed securities (MBSs) and credit default swaps (CRSs). I have praise and criticism. As a sociologist of finance, I admire the accurate, fine-grained, well-informed, grounded-in-economic-research discussion Sassen lays out. It is superbly done. The financial collapse did in fact come down as she recounts it, but there is a certain Luddite-ism in her portrayal of all securitization as bad, as the following quote illustrates:

We all need debt, whether we are a firm, a household, or a country. But do we need this level of debt? More important do we need such complex instruments to finance basic needs for firms and banking loans? (p 146)

Sassen has not proven that well-regulated MBSs and CRSs could not have general benefit to society. The fact that Wall Street currently controls elements of the political system that regulates them does not establish that a reasonable version of regulation cannot exist. The question is whether financialization can be harnessed rather than abolished.

Limitations of space restrain me from going into more detail about Sassen's discussion of the shrinking economies, the world market for land, financialization, and environmental destruction other than to say that reading Sassen's detailed account is well worth the pleasurable effort. Sassen distinguishes herself with a vast interdisciplinary command of concepts, a truly admirable knowledge of many far-flung facts, and an exquisite sociologist's art for naming the essence of how all of this adds up to a particular distribution of the power,

prestige, and rewards pie. I would like to focus on the needed next step in her analysis. First, it would make sense to draw out the linkages between the four areas under discussion. We are persuaded that land acquisitions drive environmental destruction, but does financialization play a role in this process? Sassen's prescription is often "do the opposite." This approach works for raw material markets where she solidly makes the case that many practices must be ended. But it is not clear how many 1950s-type middle class jobs can be created that way, nor is it clear that expanding the welfare state or, as noted above, pursuing the opposite of financialization (such as outlawing MBSs and CRSs), would be the right prescriptions for reform.

Admittedly, *Expulsions* focuses on the tragic outcomes of what Sassen calls "the systemic edge," not the policy reforms. That is for Sassen's next set of lectures and her next book. For now, I would like to suggest some directions for further thinking about reform. Let's take MBSs as an example. Before the financial collapse, mortgage lenders were predatory of low income persons, they broke the law with bad record-keeping and illegal approvals of bad mortgages, they compensated officers for loan volume vs loan quality, they used this volume to drive up stock prices so executive compensation could balloon based on grants of equity and profit sharing to the 1% of America's corporate elite, and they persuaded so-called independent third parties to rate their MBSs with excellent bond ratings. This sector is ripe for corporate governance reform more than abolishment. Whether the current elites are capable of having truly independent board of director elections and a vastly different corporate governance system is a separate question. But Sassen can look to countries in the European Union that do corporate governance differently and even make room for workers on corporate boards and works councils.

Sassen has an underlying perspective that everything that goes wrong deserves to be called “capitalism.” I would propose that what she is really observing is feudalism; namely, an economic system where status, not performance, determines power and rewards. Capitalism was supposed to be performance-based, replacing an entrenched feudal elite. It was supposed to expand economies, broaden real estate and property ownership, and make raw materials and finance drive progress. Sassen labels the brutalities but does not call out many so-called “capitalists” who are actually feudal lords.

As part of her reform discussion, Sassen is now well-positioned to invent some new social measurement statistics. For example, one can imagine a World Expulsion Index, a Middle Class Index measuring its growth or decline, and many others suggested by her analysis. The test of an elegant social analysis of a social phenomenon is often the ability to measure it, track it, and thereby, study it more carefully into the future. Moreover, Sassen’s initial ideas on reform are worthwhile but need to be vastly expanded. Yes, national laws are insufficient to regulate multinational corporations, and yes, a global coordinating body of national Securities and Exchange Commissions is probably necessary, but it is not clear that such reforms will allow corporations to broaden wage income and wealth in the material economy for the masses. Sassen can now turn to articulating a UN corporate reform agenda. This is not to be sneezed at. Look at what Eleanor Roosevelt accomplished with the UN Declaration on Human Rights.

Sassen’s reforms need to confront the political sociology underlying her analysis. She points to an “enfeeblement of local democracies” and a shift away from social and economic inclusion. What reforms are needed to channel the power of democratic majorities? On one hand, she seems to be pointing to a certain

determinism, namely, that political power simply is incapable of overcoming globalized corporate power. On the other hand, if she finds a way to broaden capital ownership in the

***Sassen has an underlying perspective that everything that goes wrong deserves to be called “capitalism.” I would propose that what she is really observing is feudalism; namely, an economic system where status, not performance, determines power and rewards.***

economy, this new ownership force could perhaps tame politics and corporate power more effectively. In the future, she will need to figure this out in a lot more detail.

As a result, a large challenge for Sassen is to articulate what the next economic system should look like. If it is not failed communism and unbridled capitalism (I would say, it is now, essentially, reconstituted feudalism in capitalism’s clothing), well then, what will it look like? Once democratic polities are willing to regulate corporations more and once corporate governance is reformed and once we measure the Expulsions really well so we are not forgetting the brutality under our very feet, how is property ownership and work life to be organized in post-modern society? I will briefly suggest two divergent paths that she has to sort out. (Perhaps the solution is a combination of the two but that requires careful analysis.) One is to grow and expand and feed the state so that it takes care of the middle class and the working class better. One version of this is Thomas Piketty’s annual global tax on wealth and annual high tax on incomes to finance this expansion. Another might be to broaden capitalism so that greater numbers of people have access to capital ownership and

capital income through broad-based worker ownership or citizen ownership of citizen's trusts or wealth funds that pay income to individual citizens worldwide. For example, might populist sovereign wealth funds be a possibility? Examples are Norway's oil fund and the Alaska Permanent Fund that invest their cash in a diversified basket of non-carbon assets and use the capital gains and dividends to fund (in Alaska's case) direct payments of about \$2,000 a year to every citizen and (in Norway's case) to stabilize the welfare function of its state budget.

Part of this future discussion has to do with Sassen's ultimate prescription for how sociology must change to catch up with her insights. One uncomfortable implication of her analysis is that sociology itself requires reform and revision. As I have alluded to in this review, Sassen confronts us with the uncomfortable and highly inconvenient truth that a lot of science and research and technology are being formulated by middle class elites to create the expulsion society. She challenges sociology to develop a more critical analysis of this phenomenon. In the recent past, sociology has also become dominated by identity sociology, identifying, measuring, analyzing and articulating the bad distributions of power, prestige, and rewards for different minorities. This is correct, it is right, and it is just, and it is evidence-based, and these analyses suggest what must be changed about our society. But what if our research and arguments about who is excluded get way ahead of our ability to recast and recreate institutions that are actually capable of broadly distributing power, prestige, and economic rewards? My point is that modern sociology and sociologists have not invested enough study, empirical investigation, theory-building, and policy analysis to figure out what kinds of social and economic systems might expand power, prestige, and rewards for more people, including the aggrieved minorities. By Sassen's

own analysis, the combination of the "shrinking economy" and the fact that the middle class itself is becoming a giant minority, suggests that we have to focus simultaneously on studying exclusion and expulsion while studying more inclusive societies and economies that are alternatives to the current social and economic institutions.

This new sociology needs to ask a lot of new questions that it has not traditionally been good at asking. Given Sassen's concern about the evils of finance, the sociology of finance as a sub-discipline needs to be meaningfully developed. Here are some of the new questions that have to be asked: Is the reform of the current wage system enough to rescue the working class and the middle class? Will there be enough jobs and work organizations to employ everyone with robotization? What might social life look like if many citizens are supported by either government programs or Alaska-type dividends and economic support is not work-based? Under such circumstances, can forms of social interaction be developed that are not based on work and wages but based on pro-social behavior where people with a lot of "free time" help the dispossessed, work with the elderly, pay attention to children and adolescents, etc.? In the end, Sassen's major contribution is to shake up sociology itself so that the discipline can conduct a more accurate and meaningful measurement of society and analysis of society and evaluation of policy alternatives for the reform of society.

### Endnotes

1. For detailed data on this, see also, Mischel, Bivens, and Gould (2012) and related updates: <http://www.stateofworkingamerica.org/>.

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## At the systemic edge: an author and her critics

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The point of inquiry in this book is the systemic edge.<sup>1</sup> The key dynamic at this edge is expulsion from the diverse systems in play - economic, social, biospheric. I conceptualize the systemic edge as the point where a condition takes on a format so extreme that it cannot be easily captured by the standard measures of governments and experts and thereby becomes conceptually and analytically invisible, ungraspable. Each major domain has its own distinctive systemic edge - thus the edge is constituted differently for the economy than it is for the biosphere or the social realm. This edge is foundationally different from the geographic borders in the interstate system.

The core hypothesis is that we are seeing a proliferation of systemic edges originating partly in the decaying western-style political economy of the 20th century, the escalation of environmental destruction, and the rise of complex forms of knowledge that far too often produce elementary brutalities. It is in the spaces of the expelled where we find the sharper version of what might be happening inside the system in far milder modes and hence easily overlooked as signals of systemic decay. In this regard, I posit that a systemic edge points to the existence of conceptually subterranean trends because we cannot easily

make them visible through our current categories of meaning.

In earlier work (Sassen 2007; 2008) I developed methodological and conceptual elements to cut across the weakened categories of the inter-state system. There I identified a variety of vectors that allow one to track processes whatever their geographies. Thus the intent here was not to contest the weight of interstate borders, but rather to study how a given process scales globally. What are the instruments - of law, the economy, the social, the cultural - that have been and continue to be developed to enable the making of cross-border processes?

In *Expulsions* (2014) I develop an additional conceptual instrument - the systemic edge. This project does not override or contest the earlier (2007; 2008) work. On the contrary, it often builds on that earlier work and takes it further both theoretically and empirically by calling for the need to de-theorize - to go back to "ground level" - in order to re-theorize. For instance, I compare a highly polluting industrial complex in Russia and one in the US, and ask: What matters more to understand the current period? that one has a long communist trajectory and the other a long capitalist trajectory, or that they both have vast capacities to destroy the environment?

Inserting the environmental question serves to triangulate what is otherwise a mere comparison. Thereby it helps generate a variable that can go beyond traditional comparisons: we leave behind the cold war and organize our research and interpretation in terms of the environmental question. This kind of third dimension takes on specific contents and meaning depending on the domain or variables I focus on. For instance, I explore the growth and privatizing of prisons in the US and the growth and privatizing of refugee camps. Both are growing, and both have private sector



interests increasingly at work that can profit from prisons and camps. My question becomes: Are these two very diverse formations, with such different specifics, actually systemic parallels, each adapted to its particular environment? I find in this mode of interrogating complex conditions a methodological and interpretive practice that runs through *Expulsions*.

In what follows I address the comments and analyses of Professors Crichlow, Portes, and Blasi. Each wrote extensive and smart pieces that will stay with me for a long time.

Crichlow gets at the heart of the matter in *Expulsions* when she writes that I aim at “a methodological imperative - namely, to unthink or rethink macro-concepts that may be serving to obscure the dynamics of post 1980s devastations...across the globalized world economy.” Yes, that is very much the case, as it is when she observes that for me “expulsion” is a productive concept” for getting at the “*savage sorting of winners and losers*” that marks the current epoch, one insufficiently captured through standard categories such as inequality and poverty.

What I think of as *conceptually* subterranean conditions is one way of describing the fact that there is a reality that we are not capturing well through our existing master categories - categories rooted in pre-1980s historical periods. By using the notion of subterranean I am signaling that much, though far from all, of this conceptual work exists, but is not known or is being contested by those deploying well-established traditional categories. In my reading, Crichlow has developed categories for analysis in her own work (Crichlow 2009) that I would describe as fitting this argument.<sup>2</sup>

These are research practices I see as critical for studying and theorizing a new period, or epochal transformations, or periods where the old conditions become increasingly unstable. I

found Crichlow’s observation that using the category “expulsions” demands empirical research and conceptual recoding very useful: the notion that some categories push us to do the work of discovering and interpreting while other categories do not, or even keep us from doing so.

To illustrate, critical in my work is the need to negotiate between established paradigmatic categories and the fact that the empirical ground on which they rest or from which they were generated is unstable. For instance, well-established categories such as the national state, the middle classes, the economy, have all served us well for decades, but today they are all unsettled or weakened by the instability of the conditions they seek to capture. Mostly, none of the conditions these categories seek to capture can today be confined to the national, and, even if they can, they have each undergone radical, even if partial, change.<sup>3</sup>

In the book I argue that the destructive forces I seek to analyze, or to subject to critical scrutiny, cut across our familiar and/or dominant conceptual boundaries. One empirical way of putting it is that these forces and dynamics cut across the terms and categories we use to think about the economy, the polity, nation-states. This brings to the fore the distinction between conceptual structure and the conditions at ground level. I appreciate Crichlow recognizing that I am not arguing that these destructive forces are all interconnected, and that my point is rather different: the conditions at ground level cut across some of our well-established *conceptual boundaries*. That is the issue for me.

Crichlow captures this when she says that this is “manifest in the expansive and intensive devaluing of human social economies and ecologies.” I detect and/or construct conceptual spaces within which we can aggregate (not connect) conditions that our categories of

analysis keep separate. Such a conceptual aggregator can be thought of as space that allows us to cut across traditional conceptual boundaries.<sup>4</sup>

An example of such a conceptual aggregator used in the book is that of two highly polluting industrial operations: one is the vast nickel-producing complex in Norilsk, Russia, and the other is one of the major gold mining companies in Montana. One has a deeply communist history and the other a deeply capitalist history. But today, what matters most, I would argue, is their extraordinary capacity to destroy the environment. We can think of this as a way of interpellating the older categories (Western democracy and Russian Communism), making visible their limits in today's epoch. This means not taking them as givens – as we so often do with terms such as the economy, the state, etc. It takes us beyond our conventions, and becomes a way of unsettling the ground on which those established categories sit.

An issue that recurs in both Crichlow and Portes, is my position regarding the Keynesian period. Perhaps I should clarify not only my position regarding this period but also what I see as the key features marking that period. I do not see it as a golden age nor is this book a lament about its demise. Both Crichlow and Portes list the positives I invoke, but both also recognize that I have critical elements. Indeed, Crichlow posits that I allow for the seeds of the post-keynesian capitalism to be already present in the Keynesian period given the methodology I developed in *Territory Authority and Rights* (2008). In that book I interrogate diverse historical periods to understand how complex systems change. They do not change via erasure of the preceding period but rather by the fact that capabilities developed in the earlier period (in this case Keynesianism) are repositioned in different organizing logics.

As Crichlow puts it, “it would be safe to assume that the seeds for accumulation by savage sorting, of the types that she exposes were already sown within the welfare state.” Yes, I do find that at its best, that Keynesian period brought good things to many, even if not to all. Further, and as noted by Crichlow, particular negative components of the post-1980s phase of capitalism began to grow already in that earlier period. For instance, inequality was already growing at that time in particular ways: thus the income of corporate executives in major firms was increasingly growing distant from that of workers. But, unlike what is the case today, the income of workers in those corporations was also growing, only at a slower pace.

The second feature is that the working classes often were well organized, with unions that could confront corporations. Today both of these features are either severely weakened or simply gone. This tells us something about the importance for a larger society of enabling some measure of power to contest and make claims by the more modest classes. That is the best that liberal democracy can offer - not equality, but some voice, and having that voice requires specific material conditions. Without those conditions, there is no voice.

And yes, as Crichlow writes: “In all these cases, irrespective of their location and regardless of state forms - whether socialist, communist, or capitalist - a single pattern woven paradoxically from the complexity of the system emerges with the common locus being the myriad ‘expulsions’ of people, places and nature in brutal fashion.” And one instantiation is what I refer to as “economic cleansing” – the elimination from what is measured as “the” economy of growing pieces of the economy that are in deep trouble. The result is a formal economic space that can show economic growth, even as it rests on some serious economic cleansing. Why bother with

this? It creates a safe zone for investors and politicians and real estate speculators, and such.

Mine is then not quite a “lament” as Portes puts it, and, I imagine, with a smile. It is a project that wants to get at the innards of the Keynesian period and the ensuing “post-Keynesian” present. In a way, this comparison serves as an empirical staging for my insistence that we need some new categories for analysis. Portes puts it well when he describes it as “...the painstaking documentation of a systemic shift encompassing multiple fields and a consistent focus on the precise moment when unsuspecting people suddenly find themselves thrown out – deprived not only of jobs and homes, but also of their dignity.” The project I pursue in the book includes the work of tracking *conceptually* subterranean processes in order to detect the extent to which what has been categorized as very diverse and distinct conditions, often for good reasons, may actually share key features that take on special importance in the current period. For instance, those who are confined to camps for the internally displaced, on the one hand, and those in long-term imprisonment, on the other, can also be seen as different instantiations of a similar basic fact: they are both expelled.

Portes’s comment leads me to address a second, easily confusing matter: the fact that my transversal focus on very diverse conditions (that may share some key structural element) is decidedly not predicated on *connections* across these differences. In his comment, Portes recovers the diverse empirical moments in the book. And in fact, in many ways it is empirical conditions that enable the larger conceptual project. They do so, as Portes writes, in two different ways. One was finding empirical aspects that supported my hunches and the second was to mark or feed the specifics of my conceptual work.

I need to emphasize this given the locus of

“connections” as one of the all-dominant terms in discussions about globalization: everything is connected now. It is not at all. It is rather about how we the social scientists have gone

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about understanding our world. Much good has been done conceptually and empirically in detecting specificities. This accumulated knowledge enables me to ask a transversal question: not more detail about the differences or similarities, but rather detecting a systemic condition that recurs across very diverse domains which we, in turn, have constructed as very different “bodies” of knowledge. The outcome is silos. But what if, to repeat an earlier example, long-term imprisonment, long-term homelessness, and long-term displacement camps can be conceived of as all sharing a key feature no matter their significant differences? I name that feature expulsion.

At the other extreme we might find a case that also shows a shared feature across enormous differences: the increasingly international class of top-level economic actors in the global economy - executives, lawyers, managers, and such. We can select their diverse nationalities and emphasize that type of internationalism, as is typically done. Or we can, as I would argue, find that at that level, regardless of national differences, they are also, and perhaps above all, a global corporate actor. In both examples I

seek to interpellate the conventional category in order to get at some basic ground level that is emerging. This is also the analytic operation in the comparison of Norilsk and the gold mines of Montana.

In short, it is not so much about sharing and connecting as it is about stepping into a specific kind of operational space - the space of those who are expelled, in the first case, and the space of those who are running much of the global economy, in the second case. It is more about a spatial formation than the features of the individuals: many who could easily have become prisoners or displaced wound up avoiding it and many who could have been in that top global capital space are not. My emphasis is on the making of such spatial formations and what it tells us about the usefulness of some of our categories for analysis in the social sciences: these often focus on the attributes of individuals and assume a somewhat fluid open space of upward and downward mobility. Mostly western economies have functioned in that mold, albeit with multiple types of visible and invisible walls. Today we see new kinds of alignments, and these are not easily captured with our existing categories of analysis – perhaps especially in the case of the most extreme alignments, notably the spaces of the expelled and those of leading economic deciders, investors and innovators.

Finance is often seen as a major instance of connection across sectors, places, and such. But in my own research I find little interconnection among the clients of finance (governments, investors). Finance circulates its instruments and advice across multiple borders. But this does not mean it institutes an interconnected space for its clients. In fact it does not. It can install its preferences in diverse financial centers but does not necessarily promote connections among its clients (whether governments or investors). Thus in *Expulsions* I

conceptualize finance as marked by a logic of extraction.<sup>5</sup>

In his conclusion, Portes calls for work that can expand and strengthen the analysis of our current period. He notes that a population sector left out of the many discussions about class is the majority of those “who are not engaged and profiting from financial engineering, but who are also not at the ‘systemic edge.’” He further adds that “one may argue that this middle four-fifths or so of the population represents the core source of economic and political continuity and stability, and the reason why the entire system does not come crashing down.” I agree with this. In *Expulsions* and elsewhere in my work I have argued that the top 50 or more of the residents in a city who are doing very or reasonably well are a key force in the upgrading of our cities and the general sense of an expanded prosperous population. They also keep us from noticing the other half that is losing ground. Portes is right: the more modest success of this top 50% is a significant force that keeps our economies going and keeps our societies from collapsing. Portes has made significant contributions to the debate about class in today’s US and Latin America (Portes 2010). And yes, I also agree with his call for examination of where the political system is going, a subject that led me to a 9-year research project (Sassen 2008). One central issue for Portes in such a revisiting is that “the long-held assumption that ‘capital is global, labor is local’ needs to be replaced by an increasing global alliance and mobilization by the subordinate classes.”

Blasi’s comment is long, picky, brilliant. It deserves an extensive set of responses, and the conversation will, thus, have to continue beyond the space of this text.

Blasi gets at just about all the key efforts in the book. It would not be possible to comment on

them all here. I will focus on a few. First, a framing proposition, and I quote, “the notion that brilliance and knowledge not ignorance and lack of science is the new source of the Frankenstein of neo-liberalism is very disheartening, although carefully exposed in this book.” He notes my effort to lay bare “the intellectual and scientific violence underlying the technologies and the reasoning behind these expulsions.” He criticizes the far too easy invocation of “the 1%” as the source of many of the problems I analyze in the book, and that the focus should be on the top 20% , which he describes as “an uncomfortably broader group.”<sup>6</sup>

I agree with all of this. And let me add that I actually often speak of the top 20% in my work. I am far less in the top 1% camp that remains dominant. Most of the charts in the book show distributions across different levels of income. But the most important aspect of Blasi’s statements is that they are spot on.

This does not preclude disagreement with some of Blasi’s observations. Thus he writes that “for all of her attack on neo-liberal economics,” I do not seem to “get beyond one of its main

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strictures, namely, the focus on wages and wage growth and wage inequality as the central story of this economic inequality.” I would disagree with this. I think of myself as a systems

researcher, probably most evident in *Territory, Authority, Rights* (2008). I see wages as making visible larger worlds, and want to get at those larger worlds. I would agree that concentration at the top is very important, but my focus is on a larger set of dynamics that go well beyond income concentration.

For this reason, I give a “yes” to Blasi’s quote here, but would also add that it is not enough: “The work of Thomas Piketty (2014) underlines that, while we know that real wages have been generally flat adjusted for inflation since 1989 and low relative to economic productivity, that the real story of inequality is the stunning increase in the concentration of both capital ownership and capital income...Both Sassen and Piketty emphasize the outside share of both in the hands of the top 1%.” I agree with this, but I also agree with what Blasi says next, and that is in fact closer to how I work the evidence: “However, it is really the top 5%, 10%, and 20% that is the giant squid-like ‘predatory formation’ that Sassen assails, not just the 1%.”

Most related to the effort to specify a larger setting than the 1% is my emphasis that the working category for me is predatory formations, not simply predatory elites - even though the latter are certainly present worldwide. The argument I make is that even if we managed to get rid of the very rich - which is not a realistic option - we would not succeed in crashing the current system.

These formations include mixes of elites, technical capacities, global networks, laws, accounting rules, government policies. Capital owners and managers matter, but by themselves they could not have achieved the extreme concentration of wealth and unaccountable power they now have across the world. This mix produces massive capture at the top, environmental destruction on a scale we have not seen before, and the growing expulsion of

people from survival options even in rich countries. Getting rid of one element in this mix is not enough.

One feature of these predatory formations is a roving capacity for liquefying and capturing what there is to be captured, all done with a minimalism of sorts. This is not the old imperial mode: no interest in controlling vast territories, just extracting what is needed. This efficiency requires complex tools.

A major supplier of such tools is high finance. These are tools that are well beyond violations of the law (as in the Libor scandals, for instance). They involve a far more difficult to combat autonomous effect of interacting electronic networks. Yes, the decisions are taken by individuals and the algorithms are constructed by physicists. But when they are sent into electronically interacting markets, there are unexpected outcomes. To this we need to add to that computer driven high-frequency trading and the new types of private trading networks referred to as “dark pools” - all subjects engaged in *Expulsions*.

Here is an instance of a predatory formation at work whose details we now know thanks to a freedom of information request by Bloomberg News: the secret “necessary” use of US\$ 7 trillion of taxpayers money to support the global financial system in order to rescue the economy. While the US legislature was having a passionate public debate about whether to give US\$ 300 billion to the major US banks, the Fed was designing a “facility” to pass on those US \$7 trillion to US and foreign banks. Blasi’s slightly wicked observation seems especially relevant here, and I cannot resist quoting it at length:

It is this “army of the smart” arraigned against the working class and the middle class that Sassen calls a “phalanx,”<sup>7</sup> that are people at our cocktail parties, again, people we

want our sons and daughters to be or to marry, and yet, it has an overall predatory effect. The subtext of this book is how does rational science and corporate management now add up to the new brutality when these people think they are all about economic progress?

This observation also segues to Blasi’s notion of the need for a new sociology, which I of course endorse: “Sassen’s melding of these diverse patterns of power, status and rewards/resources is a new sociology for our connected, knowledge-glutted world where intellectuals think they are on the side of the angels but somehow get caught up in the predatory phalanx without even knowing it.”

Blasi also makes a critical observation, which I fully agree with, about technologies and robots that are not only replacing human labor and “owned and largely controlled by the same 1%, 5%, 10%, and 20%” but are also “becoming more common, more productive, more

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controlled by an elite, less related to middle class wealth, and less a development machine of middle class jobs.” To this I would add that I also bring a range of additional variables we might summarize under the notion of a massive loss of habitat partly produced by these developments and the enormous demands generated by the technical/electronic revolution on land and water - to develop mining to get at the new components demanded by electronics,

water to keep cooling all those machines, and so on. There is a parallel history in the making that gradually replaces the older histories of environmental destruction. This became a crucial part of the book. I named the chapter, the most intense one for me, “Dead Land, Dead Water.” I find that the language of “climate change” is almost too beautiful. I want language that captures the brutality of the condition, and what it took to get at this vast level of destruction.

Finally, Blasi finds that I do not document causality. This is correct. Establishing causality requires a specific process and given the mix of variables I focus on it would have meant a whole other book. Further, I was not quite ready to sacrifice elements which are almost impossible to establish causally. My whole effort to de-theorize in order to re-theorize in a way was in tension with the notion of sacrificing empirical elements in order to demonstrate causality. I have not yet resolved this issue in my own mind. I do find Blasi’s way of describing such work very compelling: “a causal analysis identifies where pressure must be applied to stop the causation and change the dynamic under discussion.” On this point, I am in basic agreement that the solution is not to give less weight to “scientific and managerial elites or stop developing technology.”

I am not against knowledge, though I could object to the notion we need knowledge in the shape of elites. But the point about causality brings me to what is a key logic in my work: discovering trajectories, whether these are marked by causality or not. I do not prioritize causality, partly because the complex and long-term trends I tend to examine are often marked by multiple causalities depending on what point in time one examines. What runs through the book *Expulsions* is a logic of discovery and of detecting the limits of some of our key categories when it comes to explaining some major emergent conditions.

## Endnotes

1. I want to start by expressing my deep gratitude to Professor Fernandez-Kelly for organizing and chairing this panel and to Matthew Baltz for inviting us to publish the session in ASA’s Comparative and Historical Sociology Section newsletter, *Trajectories*.
2. See also the debate about *Expulsions* that appeared in *Cultural Dynamics* (2015, Vol. 27, No.1)
3. Elsewhere (2008), I have developed an analysis that posits that change of, and in, complex systems functions mostly by shifting old, established capabilities to new organizing logics. Thus in the case of these three categories, they are still valid but the ground, and hence key organizing logics with which they function, have changed. Thus much of the familiar is still there, but it inhabits or is shaped by a different organizing logic.
4. I see the detecting of such a specific transversal conceptual space also in diverse interpretations that Patricia Fernandez-Kelly makes in her recent book (2015).
5. I also address this point elsewhere (Sassen 2013).
6. This is also a subject that Blasi and his collaborators (2014) develop.
7. I don’t think I do, though I could have. I stick with the concept of predatory formations, which is harsh enough.

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