

# The Systemic Edge

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*New Politics: In your new book Expulsions, you talk about a “new logic of expulsions.” You claim “expulsion” is a new logic, yet state that the relationship between this advanced form of capitalism and traditional capitalism is similar to the one between capitalism and feudalism. Does “expulsion” operate the same way that “enclosures” did in the development of capitalism? Or in the way “extractivism” works currently in Latin America? What is the significance behind the spatial connotation of the term “to expel”?*

Saskia Sassen: The point of inquiry in this book is the systemic edge. The key dynamic at this edge is expulsion from the diverse systems in play—economic, social, biospheric. This edge is foundationally different from the geographic border in the interstate system. The focus on the edge comes from one of the core hypotheses organizing this book: that the move from Keynesianism to the global era of privatizations, deregulation, and open borders for some, entailed a switch from dynamics that brought people in to dynamics that push people out. Whether such a switch from incorporation to expulsion might also be emerging in China and India requires expertise I lack; China, especially, has seen a massive incorporation of people into monetized economies, but now many of these are among the growing masses of “monetized” poor! China is also experiencing sharpening inequality and new forms of economic concentration at the top, not to mention corporate bullying.

Each major domain has its own distinctive systemic edge—this edge is constituted differently for the economy than it is for the biosphere. One of the organizing assumptions in this book is that the systemic edge is the site where general conditions take extreme forms precisely because it is the site for expulsion. Further, the extreme character of conditions at the edge helps us detect more encompassing trends that are less extreme and hence more difficult to capture. I conceive of these larger trends as conceptually subterranean because we cannot easily make them visible through our current categories of meaning—thus, from there also the importance of positioning my inquiry at the systemic edge.

Today, I see new systemic logics arising from the decaying political economy of the twentieth century ... and these include expulsion logics to a far larger and more extreme extent than the preceding Keynesian period, which also had some of this but not as widespread. This decay began in the 1980s. By then the strong welfare states and workers’ syndicates established in much of the West, including in several Latin American countries, had either been devastated or were under severe pressure. To some extent state projects with people-oriented welfare programs had also been strong features in other parts of the world, including, in their own ways, communist countries and those with varieties of socialist nationalism, as illustrated by Nasser’s welfare-state policies in Egypt, systems developed in several post-independence African countries, and in India’s brand of state socialism. In these countries too, decay began in the 1980s and 1990s.

To talk of this decay is not to romanticize the twentieth century, a period marked by devastating wars, genocides, and starvation, and by extreme ideologies of both left and right.

On the *traditional* capitalism bit, I mean above all the era dominated by mass consumption, when this is the sector that is the key organizer of capitalism and hence the higher the consumption capacity of individuals, households, governments, and firms, the better for the system overall. It brought a vast expansion of those who were incorporated into the system. This was an economic phase where the broad middle—from the working class to the modest middle class—expanded rapidly. The construction of suburban housing and infrastructure meant a sharp increase in the demand for an enormous range of goods. The expansion of the demand for automobiles meant the vast expansion of road, tunnel, and bridge building. The U.S. is the most extreme case certainly, partly given the very physical fact of its vast territory, but we see this dynamic also in Europe and Latin America and in parts of Africa, as well as in Communist Russia.

Mass consumption continues to be a major economic factor, but it is not the sector organizing capitalist logic. That moved to finance. Thus, from my perspective, the decline of the prosperous working classes and the modest middle classes is linked to this systemic shift, much more so than to the outsourcing of jobs, where the financializing of our economy functions as a kind of extractive sector. I love this image: finance is an extractive sector (unlike traditional banking).

The issue of enclosures is just one vector here, and these enclosures from my perspective take the form of a massive set of grabs—of rural land and now increasingly of urban land. This in turn renders the displaced somewhat invisible. ... They go to the margins. The dominant visual order in the rural and in the urban setting is one of grand projects and advanced technologies, all of it easily read as progress, technical advancement. It is that too. But it makes those who are not part of these advanced sectors and luxury consumption increasingly invisible. And insofar as even their consumption capacity matters less if it is not high-end luxury consumption, they are doubly invisible.

As you can tell, I am intrigued by the fact that the material can become invisible, so brutally invisible. When I speak of “expulsions” I am alluding also to this fact, that at a certain point the familiar can become so extreme that it crosses a systemic edge and becomes difficult to capture with our standard categories and measures.

*NP: How would you compare your notion of expulsion to David Harvey's concept of “accumulation by dispossession”? Or your thinking of “crises as systemic logic” to Naomi Klein's concept of “shock doctrine”?*

SS: I think we are all detecting something that cannot quite be captured by our standard categories, including critical categories. And we want to name that. What is actually good is that we have diverse starting points, and diverse points of engagement with the extreme moment of our system. I am particularly keen on including a fairly broad range of conditions, including the fact of the expanding amount of what I call dead land and dead water. I find the language of climate change almost pretty; we need to describe what has been brutalized in brutal terms.

Harvey is focused on a specific feature of the logic of capitalism that has been present since the start of capitalism. I am interested in capturing the specifics of this current period; this does not negate Harvey—not at all. I think he is spot-on in so many of his arguments. It does mean, however, the need to develop a range of new analytic tools and data sets that concern the current period. Similarly, with Naomi Klein: She captures a specific feature of the new phase of capitalism. And I agree with her identifying the destructiveness of capitalism. My interest, like hers, is also in a broad array of consequences: documenting them in order to make them visible to all of us. One difference,

perhaps, is that I am keen on getting at that which is not self-evident.

More generally vis-à-vis both Harvey and Klein, I would say the social scientist in me also wants to detect at what point we need to de-theorize, go back to ground level, in order to re-theorize. This angle into what it means to gather knowledge organizes the research and interpretation in *Expulsions*.

Further, I have developed a logic that emphasizes the importance of cutting across the domains through which we have specialized our knowledge and organized our analyses about the world out there, ... the ways we position ourselves and our categories in order to study our world.

That leads me to make some unusual moves. One of these is the need to exit the silos through which we have pursued our research and within which we have placed our data. For instance, I want to explore what I can discover if I place the long-term imprisonment in the U.S. in conversation with the internally displaced in war zones. This is not to provoke but to give ourselves a chance of learning, of seeing something that we do not see if experts of each prisons and displaced camps only focus on their respective domain. I do this with the environmental question, too.

*NP: Your writings engage in a number of contrasts between the material and nonmaterial economy. How do you see the relationship between Capital and Knowledge? Between Inequality and Expertise? Between Destruction, (economic, environmental, and so on) and notions of Progress?*

SS: Knowledge with a capital K is not a useful category in my research practice. It is an abstract concept that functions a bit as an invitation not to think: "Ahh, 'Knowledge'! Well, of course ...."

This mode generates no need to interrogate or interpellate the term. We somehow "all know what it means."

Those are not the tools that serve my purposes. On the contrary, I am keen on understanding, for example, the type of knowledge embedded in the neighborhood and its people, knowledge that might be of great use to "urban experts" in the government and in the academy. From there arises one of my projects: the need to open-source the neighborhoods, to bring that knowledge into the government and the realm of experts. I could go on and on, on this, but I will spare the reader!

As for Capital and Knowledge, both in caps, that is a deep but utilitarian project. Rarely is knowledge inspirational in capitalist circuits—it is a tool, an enabler.

One basic aspect I seek to capture in *Expulsions* is the fact that types of knowledge we admire for their complexity are today often leading to very elementary brutalities. One simple example is outsourcing jobs: It takes enormously complicated logistics, brilliant engineers, and all of that, for what?! To pay low wages so that the stock market valuations of these companies go up—it is not even to avoid paying minimum wage. ... It is about what investors want.

*NP: There has been a lot of recent writing on globalization and capitalism, much of it inspired by a re-engagement with Marx. What role does Marxism play in your current thinking?*

SS: Well, I grew up on Marxism in Buenos Aires. ... It has shaped me, but I cannot simply deploy the old Marxist categories. ... I need to develop new categories. Harvey is the master at this. I am less of a European Marxist than Harvey, and more of a Latin American, mixed up with my own set of categories that come out of the Latin American condition.

*NP: Some recent Marxists have focused on integrating ecology into Marxism. As you suggest that workers are playing a diminishing role in capitalist accumulation, is your current work also a*

*challenge to, or an expansion of, Marxist thinking?*

SS: I do think that if Marx were alive he would be developing some new categories to get at the current extreme financializing of our economies, at the environmental question, and more! In *Expulsions* I really went sprinting with the environmental question, developed new modes of thinking of it. I like that chapter a lot: “Dead Land Dead Water.”

*NP: You offer many comparisons of categories of people around the world that we might not have paid as much attention to in the past, for example, the relationship between the poor of sub-Saharan Africa and the poor of the United States. Can you explain what the “emerging systemic logic” is here that is transcending borders? What can two groups with assumedly no contact with each other have in common in the twenty-first century? And also can you reflect on the relationship not solely between the poor of two countries, but the growing rich of one country with the poor of another. Is there a relationship?*

SS: One example is my comparison of Norilsk, the highly destructive nickel-producing complex in Northern Russia, and the gold mines of Montana, also very destructive. Each has a distinctive history: one deeply communist, the other deeply capitalist. I describe the specifics in the book. I ask what matters more, these distinctive histories that belong to the geopolitical world we live in, or that both have enormous capacities for destroying the environment. In this way I interpellate the older categories.

*NP: Those who are faced with expulsion do not simply disappear, they often are forced to migrate as we are seeing now with the refugee crisis in Europe. Can you comment on the relationship between expulsion and migration?*

SS: The immigrant has long been a familiar figure in our Western history: someone in search of a better life. She or he has also long been the most familiar instance of people on the move. Refugees and the displaced are typically seen as a very different lot—victims of larger forces, defeated souls at the mercy, or lack of it, of governments, often sequestered for many years in dedicated camps. And then there were the “exiled” of European history: mostly distinguished and once powerful figures, well received, and at home in the great European cities. They came to fight to get back to their home countries.

The reality at ground level is often fuzzier than these clearly delineated personas. But one feature stands out across this diversity of people on the move: The generic subject in times of peace in our Western history was and is the immigrant, the one ready to work, to start her own little business, to send money back “home,” often imagining herself going back home for visits or for good.

Today there is a whole new set of migrations: Their epicenters are the Mediterranean, the Andaman Sea, and Central America. It is not Russia, Germany, or Italy that are sending the migrants.

And, most importantly from my perspective, the causes are not so much the search for a better life, but the push of murderous conflicts, wars, massive land grabs for plantations, the destruction of their habitats through toxicity of land and water, droughts, desertification, an explosion in mining for the metals that we need for our electronic revolution. Whole families and communities are being pushed out of their home territory. There is increasingly no more home to go back to.

These flows of desperate people are an indication of emergent processes that are more likely to grow rather than diminish. These flows may well be the merest beginnings of new histories and geographies made by men, women, and children in desperate escape from unsustainable conditions. For them, there is no home to go back to: Home is now a plantation, a warzone, a private city, a

desert, a flooded plain.

One encompassing way of capturing this emergent condition is an extreme loss of habitat.

*NP: You don't refer to this global inequality and austerity by its popular term, neoliberalism. Instead you call it the "current systemic deepening of capitalist relations, ... a new phase of a certain type of global capitalism." Can you explain what you mean? Why don't you call it neoliberalism? How does your beginning "with the facts at the ground level" lead you to these new ideas?*

For one, neoliberalism covers specific aspects, and leaves out others that I care about. Neoliberalism captures today's logic of corporate economies and how governments enable this. It leaves out other logics at work including massive environmental destruction, abuse of law and of power.

My entry point into this subject is a bit transversal. The core fact for Western-style economies, which nowadays are most, is the move from an economy where mass consumption was the key sector, and hence, as I said earlier, the spending capacity of each person and household mattered, to an economy where the financializing of everything becomes the key sector, the one that can make new orderings, ... not change everything, but make new orderings.

Finance is very different from traditional banking. We all need such banking. Finance is a sort of economy of extraction: Complex instruments are developed that allow financial firms to extract value from even modest assets or capitals. Once extraction has happened, it does not matter what happens to that from where extraction was executed. This is the opposite of mass consumption, where the system needs to ensure ongoing consumption by more and more individuals and households.

In the financialized global economy many extreme situations are invisible. The financialized economy can be extremely brutal because it uses whatever it can use to build up a financial instrument, a source of profits. Nor is it like making cars and baby strollers—highly visible products where an imperfect part will get a vast amount of attention and put the full burden on the originating manufacturer. Financial instruments have a capacity to make their effects and products quite invisible because they use familiar elements (mortgage on a home, student loans, investment pools) to build up a new instrument that can maximize profits for finance but at high risks to that homeowner, student, or investor. In so doing, the original mortgage or student loan itself becomes invisible and often irrelevant to the larger financial project—though not to the holder of that loan. The destructions it can produce (for instance, all those millions of households thrown out of their homes) become invisible because what is destroyed often becomes invisible, and key financial actors (though not modest intermediaries) will have extracted their profits. One contrast I am interested in is this tension between the materiality of the resources used to construct a financial instrument and the potential of the material to become invisible.

But it is not only the economy that is in play, and that is why I do not use the term neoliberalism in this book. I also am focused on how we have destroyed land and water. ... My last and longest chapter is called "Dead Land Dead Water." No commas!

*NP: Since the publication of Thomas Piketty's work Capital in the Twenty-First Century, there has been a groundswell of interest in the discourse of economic inequality. Of course, much of this discourse focuses on symptoms rather than causes. What do you believe is missing from the current discussion?*

SS: What is missing? A focus on how "we" made this, directly or through multiple intermediations.

Inequality is a distribution and we have always had it. No complex differentiated system is going to do without inequality. So we need more than inequality to capture what is wrong in our current

epoch. Or we need to interpellate inequality: at what point does it become profoundly unjust, and that is then perhaps also the point where we need a new term. So I went for a term that captures the extreme moment—expulsions.

In fact, in *Expulsions* my point of inquiry is not the distribution we call “inequality,” but the systemic edge. The core hypothesis is that we are seeing a proliferation of systemic edges originating partly in the decaying Western-style political economy of the twentieth century, the escalation of environmental destruction, and the rise of complex forms of knowledge that far too often produce elementary brutalities. The expulsion logics I focus on are just a few of the many that might exist; they are, generally, more extreme than whatever expulsion logics existed, for instance, in the preceding Keynesian period. Further, these expulsion logics are also evident beyond the West.

*NP: What's next after expulsion? Can we begin to think about reintegration? Progressive change? Revolution? How do you envision a progressive response?*

SS: The places where people are expelled could be an interesting laboratory for new ways of organizing an economy or other forms of living together. I see it as a set of very diverse spaces that we need to understand, we need to study, we need to engage the expelled. Localities, and the work of re-localizing what has now been hijacked by major corporate logics, is one (partial!) component of such spaces. This is a first step in a process that can generate elements for change, because it will horizontalize what is now verticalized, and hence require cooperation to replace at least some of what we now simply depend on from large corporations, which always take part of the consumption capacity of a community out of the community.

## **Footnotes**