

Book Review

**Jan Lust (2019) *Capitalism, Class and Revolution in Peru, 1980–2016*. Cham: Palgrave Macmillan. ISBN 9783319914022
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Capitalism, Class and Revolution in Peru is a book that has not been sufficiently discussed within the Peruvian and Latin American social sciences despite its theoretical and empirical contribution to the analysis of social classes, their link with the development of capitalism and the party politics of the (socialist) left. Unlike other research on social classes centred on the works of Bourdieu and Weber or prioritising occupations and levels of economic income, Lust proposes a Marxist approach, recovering the relational quality of this concept and focusing on the relations of production. The puzzle posed by the author begins with a crucial premise: the weakness of the socialist left is not the result of the strength of the right; the right's strength is the result of the defect of the left itself. By recovering the "agency of the left parties", the book shows that the socialist left in Peru could not interpret and understand in depth the neo-liberal capitalist development of the last thirty years and its impact on the transformation of the social class structure. Although the failure of the Peruvian left has been studied in terms of its strategic-electoral decisions, the consequences of the internal armed conflict and the impact of the neo-liberal reforms, which weaken its traditional social bases, the author argues that the equation is incomplete if we do not consider how these parties acted in the face of the transformation of the class structure. In this sense, the absence of a creative political praxis to analyse, study and understand in-depth capitalist development has prevented the recovery of their social bases, which were diminished after the economic crisis at the end of the 1980s and the introduction of neo-liberal reforms in the 1990s.

Through interviews with former members of leftist parties and the analysis of their official documents and strategic plans, the author shows that (1) although the socialist parties saw the changes undergone by the class structure in the country, (2) their analysis of this process was partial and superficial, preventing (3) a political practice under the new specificities of capitalist development in the country. The theoretical corpus behind this argumentative logic recovers the Marxist concept of class consciousness. Lust argues that the material conditions of the class structure do not determine class consciousness. Thus, class consciousness does not emerge automatically if it is not constructed by the political and intellectual work of political parties and workers' organisations. Therefore, the author calls attention to the fact that the absence of social bases that support socialist left programmes is not only the fault of the political crisis, structural reforms and the growth of the informal sector, but of the renunciation of political praxis to build this class consciousness in a changing class structure. In that sense, it is in the interaction between material conditions and political praxis where class consciousness(es) emerge as collectivities.

The book has a double contribution. On the one hand, it analyses how the political and

organisational capacity of the left is closely related to understanding the changes in the structure of capitalist production relations. This contributes to the debate on Latin America's "pink tide" and how it is possible to understand the absence of the Peruvian party left in this regional process from a Marxist perspective. The second contribution is related to the analysis of social class itself. In the first part of the book, Lust not only explains the different stages of the development of Peruvian capitalism – from the Revolutionary Government of the Armed Forces to the last three governments of Toledo, García and Humala – but also contributes a theoretical framework to delimit social classes and provides empirical evidence to show their transformation during the last three decades. This contribution could guide the analysis of social classes in countries of the Global South based on the social relations of production and their link with the means of production. This could be particularly useful in cases such as Peru, with a high proportion of workers in the informal sector as well as high under-employment rates.

The theoretical framework proposed by the author recovers the relational quality of the concept of social class, focusing on production relations. There is an important effort to delimit social classes regarding the means of production and the concerns of exploitation and control over the labour force. The author proposes eleven criteria for defining social classes in Peru. The criteria revolve around three fundamental elements in capitalist production relations: property, the expropriation of labour, and the function performed within the production process. Lust found four social classes: (1) the bourgeoisie, (2) the intermediate class, (3) the proletariat, and (4) the peasantry. The main contribution of that theoretical construct is the author's discussion of what has traditionally been understood as the middle class. For example, there may be occupations commonly considered middle-class which Lust includes as proletariats. Similarly, in this work, the independent middle class can be divided into individuals with middle-class characteristics (what Poulantzas called the petty bourgeoisie) and workers with proletarian characteristics (semi-urban proletariat).

Based on this theoretical and methodological framework and using household survey data, the author analyses the evolution of class structure in Peru. Lust finds that the main changes in Peru's class structure have not occurred in quantitative terms – that is, the percentages relative to the bourgeoisie, middle class, proletariat and peasantry have remained constant from the 1980s to 2016. The main changes, which the author later compares with the interviews conducted with unionist and leftist leaders, focus on the composition and internal characteristics of the classes. Thus, Lust shows two essential changes concerning the bourgeoisie. First, the bourgeoisie has gone from being mainly composed of national capital to one of international and extractivist capital. Second, the percentage of employers with more than 100 workers has decreased, increasing the number of employers with two to nine workers. Thus, about 94 per cent of this class runs a microenterprise (small business). In the case of the intermediate class, there has been an increase in self-employed workers. These have gone from 50 per cent of this class to around 75 per cent. And, within the independent middle class, there is an increase of individuals with jobs with proletarian characteristics and, therefore, a reduction of the self-employed with "middle-class" characteristics. Finally, regarding the proletariat, the author finds that during the last twenty years, there has been a concentration of the proletariat in microenterprises (two to nine workers), mostly performing manual labour, and a reduced percentage of 30 per cent in salaried conditions.

These transformations have some implications for labour studies in Latin America and the Global South. On the one hand, the increase of independent workers with proletarian characteristics is striking as it sheds light on the transformation of the relationship between the state, companies and outsourced workers. The increase of independent middle-class workers with proletarian characteristics could be understood because of new labour relations that allow

companies and the state to subcontract processes or functions. On the other hand, the author shows a new panorama for understanding the relationship between capital and labour. Thereby, he exposes the growing distance between big capital and most workers. A publication from the Economic Commission for Latin America and the Caribbean (ECLAC) speaks of the heterogeneity of the productive structure in Latin America (Dini and Stumpo, 2019). However, in the Peruvian case, the author shows a consolidation of a homogeneous productive structure led by micro-enterprises. This presents challenges for left-wing parties and for labour and union activists. It is an invitation to rethink the traditional forms of worker organisation, adapting them to new relations and linkages between an increasingly petty bourgeoisie and a large majority of independent workers. In this regard, Agarwala's (2008) research for the case of India has shown how informal workers' movements demand new labour relations forms from the state, not employers. These new labour relations allow them access to benefits and social protections. Although perhaps the most compelling case to look at as an example is that of the Popular Economy in Argentina, a movement that has managed to negotiate with the state a category that does not reduce them to the "informal sector" (Felder and Patroni, 2018).

In the final chapter, Lust gives voice to former leaders of leftist parties to show the difficulties they had in facing these changes in the class structure. We can note that the legal and armed left knew Peru was experiencing changes in its class structure. However, these changes needed to be sufficiently discussed and analysed at a certain level that would allow them to implement a strategic political tactic to counteract the impact of the crisis of the late 1980s and its deepening after the introduction of neo-liberalism in the 1990s. Thus, Lust finds that, although there are references to classes and fractions within classes, these are only enunciative. As some leaders point out, they witnessed how independent and informal workers grew in number, but they did not know how to organise them. They also saw the increase of micro-entrepreneurs and assumed they no longer had a "traditional exploited worker" mentality. This brings us back to the book's value in imagining new forms of worker organisation that transcend traditional forms to build class consciousness(es) within a new class structure.

The book is an invitation to link intellectual and political work with activism, particularly within workers' organising processes. Primarily, Lust proposes to break with the static category of the "unorganisable worker" and reminds us that it is in the process of organising that new collectivities are built. While it is true that not considering the changes that the transformations in the class structure have brought at the subjective and "ideological" level is a limitation of the book (more due to the non-existence of the information than to the author's omission), the book does portray a new way of understanding the economic structure, inviting us to think outside the conventional categories of "informality", "middle class", and "formal worker". For future analysis, it would be interesting to include the role of race as an analytical category that allows us to see differences and fractures within each class; see, for example, Parodi (1986), particularly in a region where social bonds continue to be permeated by racism and its reproduction (Quijano, 2000).

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