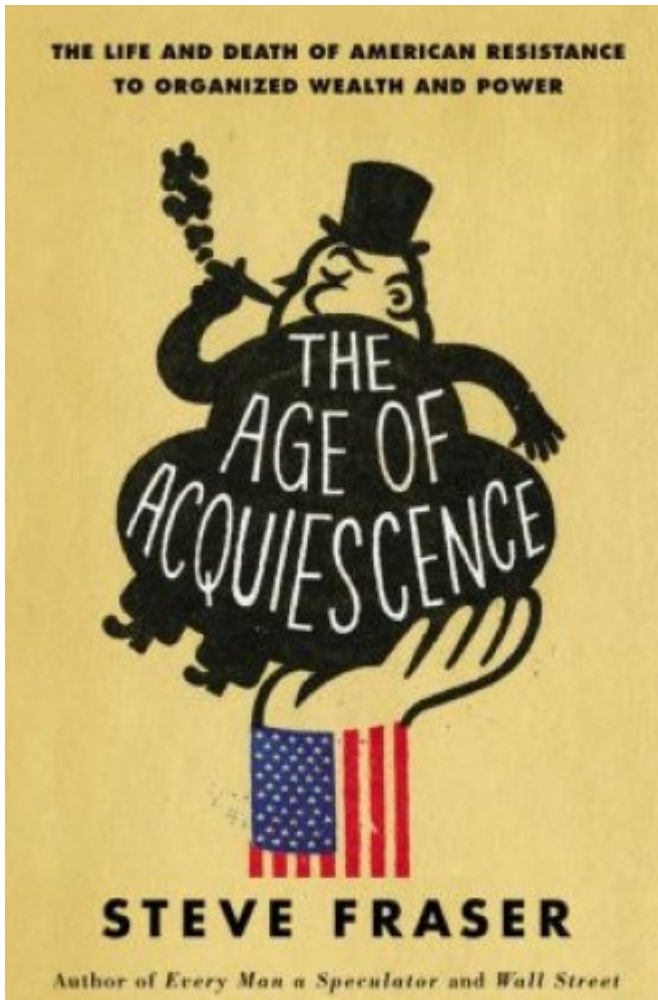


*The Age of Acquiescence*, by Steve Fraser

reviewed by [Robert Westbrook](#) in the [April 29, 2015](#) issue

## In Review



## The Age of Acquiescence

By Steve Fraser

Little, Brown

It has become commonplace to refer to the last quarter of the 19th century and the last quarter of the 20th (and beyond) as two Gilded Ages, using the phrase Mark Twain and Charles Dudley Warner coined in 1873 to describe their era of growing

economic inequality and the domination of putatively democratic politics by a plutocracy.

There is much to commend the analogy, even beyond comparable statistics on the wealth and income of the richest 1 percent of the population and similar struggles to survive at the bottom of the social hierarchy. Thomas Piketty's best-selling anatomy of the inequalities inherent in capitalism, *Capital in the Twenty-First Century* (2014), has its ancestors in Henry George's *Progress and Poverty* (1879), Edward Bellamy's *Looking Backward* (1888), and Henry Demarest Lloyd's *Wealth Against Commonwealth* (1894). The rhetoric of the turn-of-the-century People's Party would have been right at home had it been shouted in the fall of 2011 from the megaphones of the Occupy Wall Street movement in New York's Zuccotti Park:

We meet in the midst of a nation brought to the verge of moral, political, and material ruin. . . . Our homes are covered with mortgages; labor impoverished; and the land concentrating in the hands of the capitalists. . . . The fruits of the toil of millions are boldly stolen to build up colossal fortunes for the few, unprecedented in the history of mankind; and the possessors of these, in turn, despise the republic and endanger liberty.

Steve Fraser calls these similarities to our attention, but his principal concern is with the differences separating the two Gilded Ages, especially in the level of opposition and protest that the inequities of each era occasioned. He writes that although class warfare "was a commonplace of everyday life" during the first Gilded Age, it "became virtually unspeakable during the last generation." Piketty's book has received critical acclaim, but it has not become required reading for an egalitarian mass movement in the United States, for no such movement exists or even looms on the horizon—certainly nothing close to the Populist cause of the early 1890s, in which Bellamy and Lloyd enlisted. Why was their Gilded Age also an age of sometimes violent resistance, while ours is an "age of acquiescence," Occupy Wall Street notwithstanding?

Fraser's explanation for this difference is twofold: American capitalism has changed dramatically, and so has the social imaginary that enfolds it. The first Gilded Age was dominated by large industrial firms that were undergoing consolidation into an oligarchy of corporations. The signal institutions of our "financialized" Gilded Age are giant banks and other major players in the "FIRE" (finance, insurance, and real estate) sector. Though the first Gilded Age was marked by pronounced inequality, it

also witnessed a significant rise in real wages of the nation's working class. During the second, real wages have been stagnant or falling. "Prosperity, once driven by cost-cutting mechanization and technological breakthroughs," Fraser writes, "came instead to rest uneasily on oceans of consumer and corporate debt."

Alongside these dramatic changes in material life have come equally startling cultural changes. Gone is the work ethic of the first Gilded Age, which "frowned on self-indulgence, was wary of debt, denounced wealth not transparently connected to useful, tangible outputs, and feared libidinal excess whether that took the form of gambling, sumptuary display, leisured indolence, or uninhibited sexuality." In its place, we find an economy grounded in a spectacularly intangible shuffling of gigabytes, one that rests on an ethos of immediate gratification, speculation, and risk.

Perhaps the most acute distinction Fraser draws is between the "cannibalizing" of the first Gilded Age and the "auto-cannibalizing" of the second. The target of 19th-century American industrial cannibals was the "producer's republic"—the simple market society of farmers, artisans, and petty proprietors ushered in by the American Revolution. The gravest threat for the "producerists" who burned railroad cars in 1877 and marched to the polls to cast a vote for the People's Party in 1892 was the regime of permanent "wage slavery" that industrial capitalism forecast for most of their kind. They succumbed to it, but not without a bitter fight.

Our second Gilded Age has witnessed the self-devouring of the industrial order that devoured the producers' republic. The American economy is undergoing "disaccumulation" or, in another nice Fraser formulation, the striking process of "a developed nation undergoing underdevelopment." In 1945 manufacturing accounted for 30 percent of the economy; by 2010 it had fallen to 10 percent.

"Disaccumulation thus waged war against capitalism on behalf of capitalism. . . . Tangible assets got liquefied and turned into bundles of tradable intangibles." As one hedge fund manager observed, today "the money that's made from manufacturing stuff is a pittance in comparison to the amount of money made from shuffling money around."

The wreckage of disaccumulation is strewn all about us. Fraser's chapter on "the political economy of auto-cannibalism," with its relentless, horrifying litany of statistical evidence of the wreckage, is alone worth the price of the book. Wage income is stagnant or falling, infrastructure is crumbling, social mobility is declining,

resources once considered the “commonweal” are being privatized, consumer debt is exploding, work weeks are longer, more children are in poverty, and middle-class neighborhoods are shrinking. The life expectancy of white American men and women is declining, the use of convict labor is growing, and “the United States is one of only four countries—Liberia, Swaziland, and Papua New Guinea being the others—that does not mandate paid maternity leave.” Some of this might surprise even the most observant students of our time.

Those who resisted the corporate capitalist regime of the first Gilded Age did so in order to defend, preserve, or reconstruct the precapitalist producers’ republic and its way of life. Their reactionary radicalism accounts for the fierceness of their protest, Fraser contends. Most Americans who oppose the auto-cannibalization of capitalism do so within the confines of the New Deal order, which aimed not to defeat corporate capitalism but to “civilize” it—and succeeded in doing so for a time by building a “Keynesian commonwealth” rooted in relatively equitable mass consumption and economic growth.

Fraser provocatively suggests that the last vestiges of 19th-century reactionary radicalism are to be found in the Tea Party, which he interprets as a rearguard action of “family capitalism” that nevertheless lacks the alliances that small proprietors forged with farmers and workers during the first Gilded Age. Consequently, “national politics over the last half century has polarized between efforts to defend and restore the New Deal order, and relentless attempts to repeal it and replace it with something even older.”

Ironically, it was the New Deal order and its Keynesian commonwealth of civilized capitalism that democratized consumer culture. Fraser argues that the consumerist ethos has weakened opposition to financialized American capitalism by eroding the communal solidarities “that constitute the emotional substructure of collective resistance and rebellion.” In what historian Daniel Rodgers has termed our “age of fracture,” the individual self has become the locus of liberation, and the shopping mall and smartphone the sites of redemption. Those who would recivilize American capitalism must try to do so without pivotal institutions of the New Deal order, such as a vigorous labor movement and a Democratic Party willing to entertain social democratic impulses, and amid a culture that “has exiled forms of communal consciousness, rendered them foolish, naïve, wooly headed, or, on the contrary, sinful and seditious.” Such is the recipe for acquiescence.

Fraser's book may stir up controversy among American historians, though much in his interpretation and the rich scholarship on which it rests (including his own work as a leading student of Wall Street) will be familiar and persuasive to them. He has admirably made accessible to a wide readership a narrative that would not meet with the approval of most local school boards. I suspect, though, that the readers who are most likely to take issue with his sometimes despairing portrait of our Gilded Age are those who see themselves as anything but acquiescent in the making of our increasingly awful society. One hopes that they will not only dispute the concluding gloominess of his story but set about proving Fraser wrong with every move they make to recivilize, if not radically transform, contemporary American capitalism.