

frieze

Books

From the economic crisis to fanaticism, three new publications explore the meaning of capital

What greater engine of super-hybridity is there than capital? In some of the famously ambivalent passages in *The Manifesto of the Communist Party* (1848), Karl Marx and Friedrich Engels characterize it as a force that would liquidate all traditions and territorialities. But what of capital itself, this ‘Frankensteinian surgeon of the cities’, as Jean-François Lyotard memorably described it? How is it to be defined?

In *Capital As Power: A Study of Order and Creorder* (2009), Shimshon Bichler and Jonathan Nitzan argue that most existing definitions of capital are inadequate. Although sympathetic to Marxism, Bichler and Nitzan believe that it shares a fatal weakness with its old adversary, liberalism, in retaining a distinction between economics and politics, both of which assume capital can be ‘cashed out’ in economic terms. For Marxists, capital can be ultimately reduced to the ‘abstract labour’ that has produced it; for liberals, it has an equivalent value in ‘utils’ (units of usefulness). But, for Bichler and Nitzan, the attempt to root capital in some real quantity must fail. Their claim, extremely pertinent in the wake of the recent global financial crisis, is that it is not possible to maintain any effective distinction between so-called real capital (tangible goods and services) and ‘fictitious’ capital (speculative financial products), because capital is essentially finance. They are casually dismissive of Postmodern theory, but many of the themes they broach here – the failure of the Marxist labour theory of value, the irreducible fictionality of capital, capital being inadequately defined in terms of ‘production’ – were, in fact, at the heart of

About this

Published on 2
By *Mark Fische*



[Back to the main page](#)

the work of Lyotard, Jean Baudrillard, Antonio Negri and Gilles Deleuze and Félix Guattari in the 1970s. But Bichler and Nitzan have a lucidity sometimes lacking in their rivals in continental theory, and their approach is fresh. They call upon the work of the theorist Thorstein Veblen, and in particular his crucial distinction between industry and business. Far from enabling industry (which for Veblen comprised the truly creative forces in society), business can only profit by containing (or, in Veblen's terms) sabotaging, the creativity of industry: Microsoft, for instance, has accrued its vast wealth not by producing software but by limiting access to it.

Capital as Power is as bold in its thesis-making as it is detailed in its argument: the book has both a fine-grain engagement with economic theory and a broad historical sweep, which touches upon topics as diverse as the development of credit and the evolution of systems of power.

Capital

is not an economic quantity, but a nomos, a world constructed by social and legal institutions. Capital now plays the role that God once did in theocratic societies. As Bichler and Nitzan argue: 'Instead of the Holy Scriptures, we now have the universal language of business accounting and corporate finance. The power of God, once vested in priest and king, now reveals itself as the power of Capital vested in the "investor".'

This concept of capital as religion is threaded through Alberto Toscano's *Fanaticism: On The Uses of an Idea* (2010).

Succinct yet expansively allusive in scope, dense yet highly readable, *Fanaticism* is a multi-levelled investigation into the role that the idea of the fanatic has played in political discourse. The last decade's 'war on terror' was presented by its supporters as a struggle between an achieved Enlightenment and atavistic fanaticism. It's this unreflective opposition – between a liberal democratic capitalism which calls itself Enlightened, and an Other which it abjects as fanaticism – that Toscano unsettles. Via an engagement with philosophers including David Hume, Immanuel Kant and Georg Hegel, and movements such as millenarianism and abolitionism, Toscano shows that Enlightenment was never able to extricate itself from fanaticism which, rather than

being just an irrational mania, was often construed as an excess of reason, a passion for abstraction. The pathologization of political extremism as a form of religious mania has resulted in some odd reversals, which Toscano dryly notes: first, communism was denounced as a new Islam; then, Islam was denounced as the new communism. For Toscano, the distinctive contribution of Marxism – its ‘critique of the critique of religion’ – was not to attack religion directly, as other supposed radicals had, but to treat it as symptomatic. Eliminating religion wouldn’t eliminate the social conditions that gave rise to religion in the first place. Moreover, it isn’t (just) that revolutionaries share something with religious converts. More importantly – and just as Bichler and Nitzan argue – capitalism’s commodity fetishism constitutes a disavowed ‘religion of everyday life’. Enlightenment can only falter while this religion remains in place.

‘If the alternative globalization movement of the late 1990s declared, another world is possible, then why not say another communism is possible?’ So asks Marxist geographer David Harvey in *The Enigma of Capital and the Crises of Capitalism* (2010). Harvey argues that capital doesn’t solve its crises (it merely moves them around the globe) but neither is it destroyed by them. However, there is one problem, Harvey argues, which capital is now struggling to find even a provisional solution for. It has until now relied upon a three percent compound rate of growth, but its very success and its dominion over increasing areas of the planet, means that it’s becoming ever harder to continue to find this rate of growth. The recent credit crisis was a consequence of capital’s strategy for subduing labour: credit allowed wages to be kept down without standards of living falling. Harvey construes the latest crisis not as the inevitable beginning of the end for capitalism, but as a moment of opportunity. The great contribution of *The Enigma of Capital* is its analysis of how capitalism co-evolved from a number of convergent tendencies and process. Following Marx, Harvey identifies seven different areas of activity which Capital had to revolutionize in order to come to dominance: technological and organizational forms of production, exchange and consumption; relations to nature; social relations; mental

conceptions of the world; labour processes and production of goods and services; institutional, legal and governmental arrangements; and the conduct of daily life. Harvey argues that anti-capitalism has often made the mistake of concentrating one or two of these at the expense of all the others. But revolution will only succeed if it follows capital's co-evolutionary method: the only way for anti-capitalism to overcome capital's super-hybrid is for it to become a super-hybrid itself.

Mark Fisher

Page 1 of 1 pages for this article

Frieze

3-4 Hardwick Street, London EC1R 4RB, 020 7833 7270