

# Introduction

## Debt and Value: Illusions of Axiology and Coherence

Cindy Zeiher and Mike Grimshaw

Within the global economy praxis and coherence of debt and value occur and are appropriated and propagated within the logic of an institutional framework.<sup>1</sup> As Annie McClanahan points out in her excellent book, *Dead Pledges: Debt, Crisis and the Twenty-First Century Culture*, “[d]ebt has certainly become the defining feature of economic life today.”<sup>2</sup> The World Bank, UNESCO, the IMF and so on provide ways in which we can - and are meant to - think about not only the circulation of money and resources, but also how this circulation plays out in terms of pivoting international, regional and local values and priorities. However, the relation between debt and value only gains character from exchange within the domain of social relations and it is here that we must, initially at least, return to Marx and his *Capital*. It important to remember that his theory and critique of the political economy remain unfinished, and is therefore in many ways a work in progress for those who continue to engage his work. Marx considered society and its priorities as having an underpinning economic form: put simply, Marx allowed commodities to ‘speak’ their character as specific social and cultural forms. However, Marx also understood the invisible or hidden forms of economic properties as social material properties, that is, properties with value, however specific and nuanced these may be. Debts therefore have values and similarly values are linked to debts in the circulation of capital. This means the economic structures of society define the social forms of thought and thus the praxis and

logic of how social, economic, intellectual, creative and cultural domains are organized and comprehended.

It is important to note that Marx's theory of value is premised on labour as measured by the magnitude of time. So for Marx the value of labour is dependent on how long it takes to produce a commodity for the purposes of exchange. To be clear, Marx understands exchange value as the mode of expression or form of appearance of value manifested via money-form. Thus Marx's process of abstraction of human labour is expressed as value. Marx also correctly considered those areas of life which allow a worker to undertake labour in the first instance: education, skill, access to technologies and resources, adequate food and housing and so on. This capacity to undertake labour is a necessary systematic organization implicit to production where the worker is interpellated into a condition of alienation. Thus, labour power as a commodity is the insight that allows an opening up of the human experience.

A relation between debt and value is not just for understanding the political economy. It is a relation that we all must navigate, resist and try and make sense of and yet, outside of the political economy, this relation tends to be imaginary or unexplainable. However, debt and value are socially formative modalities which can be understood as an abstraction of the circulation of finance. A structural return to the political economy as a way of understanding, for example, creative pursuits, unpaid labour, surplus or shortage of labour, theological praxis, desire and so on is crucial and one could argue, unavoidable. Debt and value and its relation rest within both a historical teleology and a contemporary (unknown, even) political trajectory. The concept of value is thus extended beyond productivism and towards socially valorized attitudes and thinking.

Let us consider value in its most understandable and illusive form: as a manifestation of the reality of the abstraction of labour, a way to think work, or more precisely a form to make work thinkable through wage labour and exchange. That is, labour is rewarded in the form of a wage and this wage constitutes the foundation for the mode of production as appearing as an actuality which cannot be disputed. However, as Michael Heinrich correctly argues, this relation as constituted by wage labour is mystified because everyone is subordinated to the determinants of the wage-form as value producing.<sup>3</sup> He goes on to say that "the *capitalist process of production* also has a specific dual character: it is the unity of the *labor process* (which produces a specific use value) and the *valorization process*" [emphasis original].<sup>4</sup> Heinrich is adamant that Marx insists such determinants, even in the exchanges of daily life, are socially formed between people and processes. David Graeber also deliberates this point when considering the neoliberal 'fantasy' of deregulation as not

dispensing with structural modes of production and accountability:

[The] government regulates everything from a bank's reserve requirements to its hours of operation; how much it can charge in interest, fees, and penalties; what sort of security precautions it can or must employ; how records must be kept and reported; how and when it must inform its clients of their rights and responsibilities; and pretty much everything else.<sup>5</sup>

This kind of regulatory structure is not unknown to most of us, but most of us do not consider this when we seek, for example, to use the bank. Our use tends to exist at the level of exchange of service. Therefore what frames the service is, for us most of the time, not thought of. Therefore when we talk of the 'values' of a particular bank we do not do so within the framework of governmental regulation, nor of the central relation of those values to the circulation of debt. Rather, such a regulatory structure, mostly unconsidered by us, provides an implicitly coherent understanding regarding the circulation of money, the merging of the public and private spheres and the individual application of these. For, whether in its hard physical form (coinage and notes), its symbolic physical access (bankcards, credit and debit cards), in its increasingly digital access, or even more so in what it can (or can't) do, money is visible, tangible and has a presumed and understood, if fluid, value. Even money emerges from social relations via what Marx calls in Volume 1 of his *Capital* an "imaginary" and "irrational expression". Heinrich clarifies that while "[l]abor creates value, [it] does not itself have value" [emphasis original] which appears as signified via wage labour.<sup>6</sup> There is a social relation which lies behind the relation between humans and things so that things (commodities) can be exchanged systematically. However, such exchange cannot take place without certain social conditions being constituted: where abstraction through the conduit of modernity materializes as a post-industrialization logic to be relied upon. This appearance of labour provides an important value category for which to organize a relation (as well as a modality which can be repeated through exchange) between the condition of value and how this condition can be mediated socially.

Let us provide a tangential but interesting case in point here though focusing on that which is difficult to measure, yet the impetus to do is often pursued: belief. When Stalin came to power, his first task was to destroy the Russian Orthodox Church – he rendered the faith itself was made obsolete, the clergy killed and those who were understood to practice the Russian Orthodox religion were tried and punished. Prior to Stalin, under socialism, the practice

of belief (and thus, arguably, of belonging) was considered to be separate from the state, or more precisely a way of implementing the project of the self outside of the political economy. However, Lenin implemented the decree, *On the Separation of the Church from the State and the School from the Church*<sup>7</sup> as way of determining and regulating how belief, its value and form should be publicly declared. This kind of transmission of value offered a logical coherence, for better or worse, about how the practice of belief, for example, is articulated as being precisely a part of the logic of the political economy for it did not bypass morality, but rather instituted another modality: that is, a relationship to morality being an unstable relation (even in opposition) to truth.

The commodity<sup>8</sup> of belief 'spoke' for itself as an 'object' of value and as a mutually recognized cultural commodity. The Russian Orthodox Church provided a central service to the structure of class and the circulation of money which was a part of this relation - and it is important to acknowledge the existence and practice of class under both socialism and communism. The suppression and elimination of religion as a cultural practice was more than just a promotion of the value of state sanctioned atheism and the specific devaluing of Christianity. It provided a way to track an extrinsic coherence of the relation, rather than separation, between the church and the state. That the state articulates explicitly how the church should function is a relation and a tension which socializes its values as non-praxis. That is, the exclusion but continuation of the church creates a secular society but not necessarily an anti-religious one. There is still the recognition of the private value of religion - but only for particular individuals. The church therefore exists in a position of debt to the state that allows, but frames, both the claim and recognition - at a personal level - of its value. This kind of negative value is important to realize despite its protracted and complex conflicts because it still privileges certain values and those structures which uphold it. More than this, it socially constructs belief as a form of debt: such a debt is a confrontation with an unmitigated subjective void which is not tolerated by the state.

So, what is tolerated by the state, what gives debt and value coherence? In our current context of political economy, the notion of fiscal viability and success characterizes more neoliberal and desirable qualities which propagate self responsibility and accountability as being effective. Such a critique of the political economy is, as Heinrich points out, a question of how history and theory are related to reveal comprehensive questions of such a relation as logical and even coherent. Marx provides, according to Heinrich and others, an anatomy of the classical political economy, and thus of value.<sup>9</sup> Although debt and value are intrinsically linked to money, money in and of itself has no value. It only has value by virtue of the social relations which enable it to be transmitted for goods and

services- and claims of status and value. This appears and is to a large extent logical and coherent: money justifies its own existence through its continued circulation. Further, when Marx speaks of the political economy, he precisely understands this as an intervention of a critique of it where the value of labour is determined from outside of it. Such a critique starts with a deliberation of value as Heinrich attests:

This critique of categories begins with the most abstract category of political economy, that of value. Marx concedes that political economy has grasped the 'content' concealed in value and its magnitude, the connection between labor and value.<sup>10</sup>

To recapitulate, value as connected to labour is a coherent and logical manifestation which gives rise to a particular trajectory experienced by most of us. Put simply, labour is, to use Althusser's term, a 'lived experience' and an ideological social practice from which to derive value. One undertakes labour which is socially valorised and thus remunerated for their labour. This is logical and linear and it fits with the project of capitalism. But as we all know, this is not always the case. What tends to happen is that for one to demonstrate such a commitment to value (of labour), one must enter into debt. Debt is what is owed in a calculation of value. This is problematic given that value is not always easily measurable – nor it is desirable for it to be always measured. Thus it can be logically determined that debt is not always determinable. Nevertheless, a return to the political economy is necessary to ascertain this lack of coherence. Debt and value are not only concepts, they are a connected praxis which rely on the logic of the political economy (to function, somehow), more pertinently, for capitalism to function as a method one can have faith in, despite its obvious and hidden failings. This is assumed so because we all must, to varying degrees, participate in the market forces – especially pertaining to what is owed and what is valued. What is important here is that we exist in a system which, both implicitly and explicitly, demands a public declaration of what one values according to what one owes. In his *The Making of the Indebted Man*<sup>11</sup> Maurizio Lazzarato considers debt as an increasingly important structure to social life, an instrument of control and morality. For the individual in debt, life revolves around this debt from which an internalisation of morality is pivoted. Debt here takes on a distinctively private and subjective character from which risk aversion is personally (as opposed to structurally) managed. In this way debt is elevated to an honorable mediator of equality as it cuts across social and cultural demographics – everyone experiences debt and thus debt is a part of the ongoing project of the self. What also Lazzarato implies is that debt

(problematically) provides a method to consider the surveillance of one's effectiveness of labour.

Not all of measurements of value are tangible as has already been stated: belief is one such example of the forces of debt and value as proponents of (a different kind of) capital in action. The false promise that one can be free from capitalism is the ideological break belief purports. However, as Fabio Vighi states when he draws upon Lacan in his writings of the political economy, this promise is a fantasy:

And yet, Lacan claims that our ultimate horizon is not the epistemological one. For despite its necessity, epistemological alienation – whereby the Other “pulls the strings” and secretly informs our subject-positions – can be overcome, although only by “digging deeper” into the empty foundations of discourse qua social substance. It is at this level, where alienation (the delusional strategy that “anchors” every subjectivity to their historical Other) turns into separation (the intrinsically traumatic awareness that “there is no such thing as a big Other”) that we encounter freedom as the abyssal and unbearable inconsistency or disjointedness of our sociohistorical discursive constellation. For Lacan, freedom can only be posited in correlation with negative substantiality: “subjective destitution”, “traversing of the fantasy”, i.e. radical separation from the necessity of alienation.<sup>12</sup>

This conjures up another interesting way to understand debt and its relation to value as a different kind of ‘investment’, one that surrenders to alienation. Investment is best understood as a way of totalising social consumption. It justifies consumption and thus the existence of contingent crisis, if they were to occur as a result of market forces. Investment is praxis, an axiology, which is a decisive variable from which to justify potential lack. Let us return to the proposition of investment in belief. Belief as a social and subjective praxis lends itself well to a coherent understanding of belief - this is well established throughout history and the notion of sacrifice provides an apt example of this. To deviate slightly, Jean-Luc Marion's theorisation on sacrifice (as principle of ‘givenness’) is important to note: that sacrifice is a gift earned through the establishment and order of belief.<sup>13</sup> We can here segue to note that what is ‘given’ in the sacrifice allows us to understand the political economy, that is debt and value, of that belief. However, Slavoj Žižek in his writings on the neighbour troubles Marion's work closely, offering that nothing is being sacrificed because one always wins in some way, even in the fantastic and perverse call to the investment of belief.<sup>14</sup> Belief here provides an interesting

coherence to justify the investment of sacrifice as it operates as another kind of capital, that which relies on fantasy to seduce the subject to become fully (or even partially) invested. One is always in debt to belief because it tends to provide a nuanced axiology which one must, for the most part, adhere to. These are sometimes very tangible practices but often not so obvious because they are considered so inherent to the workings of the social and political system, they are taken for granted. So given this lack of social visibility, one must rely on those who organise belief in particular ways so that it remains within the social (and arguably, political) realm to be repeated. Belief always ensures that we are always in debt and here we can note that one seeks to free oneself from a belief when the debt no longer corresponds to value. This is not necessarily a postmodern conduit, rather as Žižek states, we believe now more than ever before, particularly during times of crisis and uncertainty.

This imperative to believe, it can be argued, obfuscates the appearance and the handling of social and political chaos by elevating particular values by offering the promise of an ideological break with the chaos of the contingency of capitalism because belief is another value one can count on without (sometimes) spending a cent. Labour is rewarded in other ways: the free gift of one's labour is not salvation from one's guilt, but rather, the permissibility to enjoy one's guilt. This enjoyment is not only the currency of belief, but also our terrifying *jouissance*. Debt allows us to both enjoy and maintain a semblance of managing the inherent violence of the credit economy.

Michael Hardt and Antonio Negri attend to the problem of measurability as both an extension and critique of Marx's conceptualisations of immaterial labour from the perspective of his value-form theory.<sup>15</sup> Our desperate attempts to continually measure through surveillance mechanisms create a fantasy that labour can in fact be measured according to a logical value. This attempt to quantify labour along with a subjective theory of value sets up particular distinctions (and distortions) about what constitutes labour and what its corresponding value. This desire for measurability as primarily a 'productivist' one has implications for how we can consider the political uses and usefulness of labour as well as how such labour is conceived and acted upon.<sup>16</sup> As Hardt and Negri go on to critique, the strong emphasis to the project of rationalism is problematic.<sup>17</sup> This kind of theoretical pragmatism is an attempt at the resolving the age-old binary concerning the thinker and the worker. It also posits the problematic assumption that the relation between debt and value are conditional on an economics of behavior as being representational.

However, to return to our earlier question inspired by Vighi, what might surrendering to alienation entail, and further, how might this offer a different coherence of understanding debt and value as an enigma of capital? What we

can posit here is that belief takes a different value form from that of a tangible commodity, although it carries with it the same content as a commodity: precisely nothing. Given this, how might we consider the relation between belief as a condition of value? The response to this is complex and not fully located in an empirical project, because not all activity is practice. Of course, for the individual believer, belief has value, although this value may not take on the visible particularities of social forms. Rather such forms can be hidden or not articulated and silent. It is still nevertheless in the main socially valorised (and when not at a societal level, such belief becomes variously economically, politically, culturally, religiously, ethnically sectarian) and this socially valorised form takes on different contours which require us to be imaginative. Kojin Karatani notes this as “silent trade” when he says

let us consider where exchange among communities was practiced. What we call the market traces its origins to this. One example of early forms of the market is silent trade: one group leaves some trading goods at a particular location and withdraws, and the other group comes out to examine the goods. If they like the goods, they take them and leave their own goods in return and leave. Philip James Hamilton Grierson, who researched silent trading around the world in his classical work *The Silent Trade* (1903), concluded as follows; places chosen for silent trade need to retain neutrality. Holy places, for instance, are suitable. These places grew into markets. The market welcomes and protects outsiders or foreigners, connects diverse individuals and communities, and as a result creates a special social space.<sup>18</sup>

That sacred and holy sites were considered neutral enough, that is untainted by existing human value, is an interesting concept and one which is still arguably fetishized today. For such sites are taken to have a pre-existing value independent of human existence and action. Yet such sites are of course only recognized and circulated by human action. Value takes on more complex hues under this conduit: value needs to have meaning which is determined by social valorisation, but at the same time it needs to be devoid of such meaning at the instance prior to exchange. Let's consider a contemporary example as a symptomatic reading of debt and value. If we consider *savoir-faire* – surplus-enjoyment – as a feature of the relation of debt and value of belief, then it takes on a different orientation: one that attempts to dispense with time, an important characteristic of value. Firstly, Vighi articulates the logic of *savoir-faire* drawing upon Lacan and Marx:



What Lacan insists on is the mystification of the obscure meaning of the worker's *savoir-faire*. At the dawn of capitalism the worker is robbed not only of a specific amount of surplus labour-time (abstract quantity of energy), but especially of his 'knowledge-at-work', his innate creative capacity by definition tied to the intervention of unconscious signifiers: the 'effect of truth' intended as a crack within knowledge.<sup>19</sup>

An ahistorical investment in the movement of belief is crucial to constituting the subject as valuable because what it does in many ways is neutralize the subject to prove 'value' through different modalities such as sacrifice which are not time limited. In this way the shaping of temporality is governed still by the political economy, but as a precise abstraction of it. According to the logic of belief, one is always presumed to be in need and thus, in debt. The struggle is different here because one knows what one might owe but not necessarily to whom, given the Other is for the most part, imaginary. This does not free us from the quantitative measure of debt and value, but more gears it towards another subject or entity of considerable more value. The appropriation of debt is the investment of the circulation of belief and sacrifice as specific practices to be attempted to measure, despite the reality of both modalities being abstracted from and not solely contingent on such practices in the first instance. Put simply, one can believe without ever doing a thing to demonstrate it.

Belief offers a way to harness *savoir-faire* within the valorisation of social relations more than ever in contemporary culture. It is a fetish which attaches itself to the false consciousness of the commodity of belief. Let us recapitulate alienation for a moment: Vighi describes this as: "taking[ing] the subject away from its being, in the direction of the Other".<sup>20</sup> What a better way to surrender to alienation than to belief as the ultimate *savoir-faire*? In this way belief expresses itself as an actuality on the condition of subjective lack. As Marx points out in his first volume of *Capital*, it is within "the misty realm of religion" products take on a life of their own".<sup>21</sup> Therefore the market as a social space mediating belief and as physical entity and framing the circulation of the political economy, operates at the level of debt and value precisely because we take it as both pre-existing us (that is, a belief and social space we are born into), and that which frames our current existence. Belief is both an axiology and praxis of debt and value because it operates as an accumulation of capital which extends into subjectivity: this means that it aims at precisely depersonalizing debt and valuing the person. However, value is conditional on the totalizing nature of debt (founded on lack) in this instance which is a localising principle underlying subjectivity in the first place. Belief is the contemporary form of 'ethical' labour because it includes that which cannot be entirely measured and obfuscates

critique. It is affective or immaterial labour. Thinking about belief is hard labour, for sure. But even more than this, belief operates as a guardian of capitalism and a moral rationalization for debt because it is one of the most mobile, somewhat fluid and amenable of modalities. It can justify the role and relation of debt and value both at subjective and collective levels through the consumption of affective labour and thus also within the acceptance of socially valorized power relations. In the logic of *savoir-faire* we sacrifice ourselves to the market and yet win in the value of the debt made as gift; for without the debt we have no value. In this way the relation between debt and value produce the subject and continues its own relation through the subject never being completely 'produced': belief always speaks to the subject's lack which is a particularity of it under capitalism. During these times of precarious employment and increasing unemployment, where work is manifesting as a luxury item, investment in belief is the currency for modern day capital. And what results in the end is that we believe (with)in the necessity of the debt. Belief is an aesthetic (of fantasy) which money can't buy. It sets a moral limit to the market which individualizes the relation between debt and value because it is steeped in a moral character. For it is debt which is the Other from which – and by which - we gain our value.

- 
- 1 The authors would like to thank the *Auckland Critical Theory Circle* at the University of Auckland and Bruce Curtis for their discussions which have informed this paper.
  - 2 McClanahan, Annie. *Dead Pledges: Debt, Crisis and Twenty-First Century Culture*. (Stanford University Press, 2017), 1.
  - 3 Michael Heinrich. *An Introduction to the Three Volumes of Karl Marx's Capital*. Tr. Alexander Locascio. (New York: Monthly Review Press, 2004), 98.
  - 4 *Ibid*, 99.
  - 5 David Graeber, *The Utopia of Rules: On Technology, Stupidity, and the Secret Joys of Bureaucracy*. (New York: Melville House, 2015), 16-17.
  - 6 Michael Heinrich. *An Introduction to the Three Volumes of Karl Marx's Capital*. Tr. Alexander Locascio. (New York: Monthly Review Press, 2004), 97.
  - 7 1918.

- 8 It is here important to refer to Marx's Volume I of his *Capital* when considering the commodity, which is the dual form of utility and value as a product of labour.
- 9 Michael Heinrich. *An Introduction to the Three Volumes of Karl Marx's Capital*. Tr. Alexander Locascio. (New York: Monthly Review Press, 2004).
- 10 *Ibid*, 33-34.
- 11 Maurizio Lazzarato. *The Making of the Indebted Man*. Tr. Joshua Gordan. (MIT Press, 2012).
- 12 Fabio Vighi. Capitalist Bulimia: Lacan on Marx and Crisis. *Crisis and Critique*, 3, 3, 417.
- 13 See Jean-Luc Marion. *Reduction and Givenness: Investigations of Husserl, Heidegger, and Phenomenology*. Tr. Thomas A. Carlson. (Chicago: Northwestern University Press, 1998) and Jean-Luc Marion. *Being Given: Toward a Phenomenology of Givenness*. Tr. by Jeffrey L. Kosky. (Stanford: Stanford University Press, 2002).
- 14 Slavoj Žižek, Eric Santner, & Kenneth. Reinhard, *The Neighbor: Three Inquiries in Political Theology*. (University of Chicago Press, 2013).
- 15 Michael Hardt and Antonio Negri. *Empire*. (Cambridge, Mass.: Harvard University Press, 2001).
- 16 It appears that Yanis Varoufakis' political project includes a critique of the increasing attempt to fetishize labour power (and thus, value) through its quantification. See <https://www.theguardian.com/news/2015/feb/18/yanis-varoufakis-how-i-became-an-erratic-marxist> as well as his recent book, *And The Weak Suffer What They Must: Europe's Crisis and America's Economic Future* (New York: Nation Books, 2016) for a discussion on the political usefulness of labour.
- 17 *Ibid*.
- 18 Kojin Karatani. Capital as Spirit. *Crisis and Critique*, 3, 3, 167-189.
- 19 Fabio Vighi. Capitalist Bulimia: Lacan on Marx and Crisis. *Crisis and Critique*, 3, 3, 422.
- 20 *Ibid*, 417.
- 21 Michael Heinrich. *An Introduction to the Three Volumes of Karl Marx's Capital*. Tr. Alexander Locascio. (New York: Monthly Review Press, 2004), 73.