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PATHOLOGY OF THE CAPITALIST SPIRIT

An Essay on Greed,
Loss and Hope

David Levine





Pathology of the Capitalist Spirit

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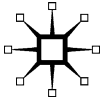
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▶ **Pathology of the
Capitalist Spirit: An
Essay on Greed, Hope,
and Loss**

David Levine

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PATHOLOGY OF THE CAPITALIST SPIRIT

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Preface and Acknowledgments

This book has its origins in work I did early in my career on the dynamics of capitalist economies. That work was heavily influenced by the ideas of the classical economists, especially Adam Smith, David Ricardo, and Karl Marx, on the limits of capitalist expansion. The early political economists understood these limits in different ways. Smith tended to focus his attention on the size of the market. He made the idea that the division of labor, and therefore the productivity of labor, was limited by the extent of the market central in the early part of his great treatise on the wealth of nations. Ricardo turned his attention to resource limits, arguing that the rate of return on capital, and therefore its rate of growth, diminished as cultivation extended from the more to the less fertile land and the cost of producing the subsistence rose. Marx rejected the notion of resource constraint. In treating the matter of capital accumulation, he followed more closely Adam Smith's emphasis on the ongoing process of technical change, the exploitation of economies of scale, and the extension of the division of labor. Marx had more than one argument about the limits of growth, but his main focus was on the way technical change created a tendency for the rate of return on capital to fall.

My own thinking on this matter moved more along the lines initiated by Smith in his discussion of market limits. In this I was influenced by twentieth-century thinkers such as John Maynard Keynes and Michal Kalecki. I mention this not because I intend to continue here my earlier exploration of the problem of market limits to growth, but because

my concern with those limits led me to take an interest in the relationship between the growth of capital and the factors that shape wants and needs. As it turns out, the dynamism inherent in need formation in a modern economy tends to undermine arguments that growth will stagnate due to diminishing investment outlets, waning competition, or the adverse effects on demand of a tendency for profit margins to increase, all factors emphasized in the theory of market-limits to growth.

The more dynamic need to which I have just referred poses significant problems for the classical idea and for those who have attempted to carry that idea forward. More important for my purposes in this book, however, is not the matter of the dynamic quality of need taken by itself, but the matter of the relationship between needs of this kind and the desire for ever-more wealth, in other words, the matter of the connection between the kind of need typical of a modern society and the greedy desire that sets in motion the process of capital accumulation and economic growth.

I think one of the reasons that the matter of limits to growth has been so important to the political economists is that they tend to take greed for granted. As a result of this, their concern has been not with greed *per se*, but with external limits on those driven by greed, notwithstanding that the nature of their greed remained poorly understood. Greed was treated as a given, but the matter of how social systems managed, and especially set limits on, greed was not. The ongoing debate in political economy over market regulation has been, on one level, an argument about the management of greed: does the so-called free market assure that the destructive potential built into greed creates beneficial effects, or is the external control of markets, possibly even their replacement with alternative methods for need satisfaction, the only effective way to moderate the destructive consequences of greed?

These questions are important, but they assume that those who would manage greedy desire, and the methods they would employ, are any less driven by greed than are the actors whose greed they seek to control. Those who focus exclusively on the matter of controlling greed also assume that greedy desire can be controlled externally without placing potentially damaging controls on desire, controls that, paradoxically, foster and intensify the tendency of desire to turn in the direction of greed. Those who place controls on greed by seeking to repress desire do not understand that greed is born not out of desire, but out of its negation.

While the impulse to place external controls over greed certainly expresses an awareness of greed's destructive potential, it also mirrors greed's hidden truth, which is that, far from the liberation of desire we often assume it to be, greed is one response to the loss of hope that we will ever attain desire's object. This is why greed is related negatively to desire; in the words of one student, "greed is despair about pleasure" (Phillips 2012: xix). If this is correct, as I think it is, then the greedy do not seek desire's object, but are instead preoccupied with its loss and who will bear that loss. This preoccupation with loss means that the greedy, rather than being in reckless pursuit of desire's object, are engaged in a relentless attack on it and on the impulse, whether in self or other, to seek to have it.

It is not enough, then, to attach the word "greed" to capitalism. It is also necessary to understand: (1) what greedy desire means to those driven by it, (2) what is the implicit, or hidden, goal of greedy desire, and (3) why greedy desire comes to dominate the shaping of need and of institutions organized to make the satisfaction of need possible. In this book, I offer a contribution to the study of capitalism that does not take greed for granted but seeks instead to understand its meaning and purpose and therefore the meaning and purpose of the economic system organized around it.

Some material in Section I of Chapter 4 and in Chapter 5 appeared originally in *Towards a Socioanalysis of Money, Finance and Capitalism: Beneath the Surface of the Financial Industry*, edited by Susan Long and Burkard Sievers (London, Routledge: 2012) pp. 265–77 and in *The Bulletin of the Hegel Society of Great Britain* 65: 2012, pp. 1–17. I am grateful to the publishers for permission to reprint that material here. I am also indebted to Pam Wolfe for her editorial work on the manuscript.

Introduction

Abstract: *In appearance, capitalism is all about material benefits and those who gain them. Yet, the underlying reality is that of a system in which material benefits count for little because the real end sought is not material gain but a special kind of virtue that no material gain can ever secure. Capitalism is a system dominated by pursuit of an end in the face of which all real, possible satisfactions are made to appear inconsequential. Where pursuit of this special virtue dominates, the system produces not satisfaction but dissatisfaction, not gain, but loss. Loss is the reality of the system not because so many lose, but because, in it, loss becomes the primary end.*

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Since the eighteenth century, economists have defined the terms in which we think about capitalism: economic growth, freedom, and power. Originally, capitalism was understood as the form of economic organization that created a new world of wealth and the alleviation of poverty, or, at least it created the possibility that there might be such a world. Subsequently, the matter of freedom became increasingly important. Capitalism was either equated with freedom or considered an essential precondition for it. At the same time that these two themes were being explored, a third gained traction, which is that capitalism is essentially an institutional–legal mechanism for enabling the few to gain wealth at the expense of the many.

The struggle between these ways of thinking is ongoing and unlikely to come to a conclusion any time soon. The conflicting, or seemingly conflicting, ideas about capitalism have served to motivate those involved in shaping institutions that significantly affect human wellbeing. Within the terms of this struggle, the ideas we embrace are made to place us on one or the other side of a moral–political divide defined in different ways: between those who cherish freedom and those who do not; between those who benefit from owning capital and those who suffer because they do not.

Central to this moral–political divide has been how we understand, assess, and cope with a primitive form of desire: the desire for more. The desire for more is an aspect of the basic human urge to refuse limits. Different systems of social organization manage this urge in different ways, usually involving some significant degree of repression. What is distinctive about capitalism is that in it the urge to reject limits operates at the level of the individual rather than the group. Capitalism makes the urge to overcome limits on the part of the individual a virtue while treating the older impulse to restrict expression of that urge as a vice. In this book, I explore the refusal to accept limits, which, I think, is the essential element in what Max Weber refers to as the spirit of capitalism. The refusal to accept limits is closely linked to the matter of deprivation, a matter which, for all the emphasis that has been placed on it, has not, I think, been well understood in the study of capitalist institutions. In this book, I explore the matter of deprivation as that is connected to the attack on limits, which I take to be capitalism's defining feature.

The theme of the book can be briefly summarized as follows: a capitalist system is not what it appears to be and what those living in it assume that it is. In appearance, capitalism is all about material benefits and

those who gain them. It is all about the satisfaction available to those who succeed. Yet, while, on the surface, capitalism is a system organized to secure benefits, the underlying reality is that of a system in which material benefits count for little. They count for little because the real end sought through the ownership of capital is not material gain but a special kind of virtue that no material gain can ever secure. Capitalism is a system dominated by pursuit of an end beyond any real, finite satisfaction, an end in the face of which all real, possible satisfactions are diminished to the point of becoming inconsequential. Where pursuit of this special virtue dominates, no satisfaction in the world of the real is possible, and, because of this, what the system produces is not satisfaction but dissatisfaction, not gain, but loss. In this system, the appearance of success in gaining satisfaction hides a reality of loss. Loss is the reality of the system not because so many lose, but because, in it, loss becomes the primary end.

I say this not because I believe, as some do, that the material benefits of capitalism are insignificant, or that we would be better off in a world oriented around satisfaction of basic need somehow defined or forms of communal consumption limited by collective goals. Rather, I say this because capitalism is a system organized around a desire that defies satisfaction. In this system, the pursuit of a higher order satisfaction makes the finite needs the system is uniquely capable of satisfying seem inconsequential. These finite needs are those of the individual in pursuit of a personal way of life expressive of an internal or self-determination. The problem with capitalism, then, is not that in it there is too much emphasis on individual satisfaction, but that there is too much emphasis on the failure to satisfy and the kind of want that can never be satisfied.

The underlying reason for creating loss is not simply to enhance the standing of those who gain from the system by assuring there will be a substantial number who do not, but, more importantly, to distance those who succeed from any awareness that they too are losers and that this is a system in which success does not mean attaining the sought-after gratification, but, rather, hiding knowledge that the gratification around which the system is organized can never be had. In other words, capitalism is a loser's game.

It is, of course, the dominance of greed in it that makes capitalism a loser's game. Greed tends to foster activity that imposes loss on others. Less well understood is the fact that greed imposes loss on the greedy as well. This is because greedy desire can never be satisfied, and the effort

to find its satisfaction is one guaranteed to fail. For the greedy, however much they gain, satisfaction remains a distant prospect, and, because of that, dissatisfaction must remain their enduring state.

Greed and loss are tied together both because loss fuels greed and because greed fosters activity intended to create loss. Greed is a response to loss not only because deprivation fuels and intensifies desire, but, more importantly, because of the impact deprivation has on the shape of desire. Deprivation eventuates in an attack on desire, the attack well described by Weber in the essay on capitalism from which the title of this book is adapted. The attack on desire shifts its end from satisfaction in desire's object to seeking pleasure in the deprivation of others. Desire's object becomes the imposition of loss, and, because of this, desire becomes the force preventing satisfaction.

One conclusion of this book is that the only way we can escape from social systems organized to deal with the loss they themselves create is to moderate the losses they impose as the price of admission to them. What is needed to do this is to recognize loss for what it is rather than participating in the celebration of loss by redefining it as gain, for example as an experience that builds character. Redefining loss as gain has been the strategy built into social systems to assure that they endure and thrive on the deprivation they are designed to impose. Celebration of deprivation has been commonplace both for those who favor capitalist institutions and for those who do not. And, whether it is the group or the individual that insists there is something to be gained by the celebration of loss, it is the celebration of loss that makes loss, and the greed it fosters, inevitable.

The language I use to characterize an organism (whether an individual or a social system) that makes loss its end is pathology of spirit. Spirit is the organism's vital principle, the quality of being that indicates the organism is alive and present in its world. Pathology is the turning of spirit against itself so that the activity of the organism, rather than aimed at achieving gratification, tends instead to assure that gratification will not be achieved.

I recognize that, because spirit is an aspect of mental life, application of the term "pathology" to it poses problems. Most notably, these problems arise because judgments about pathological forms of mental life seem inevitably to bring in standards of a moral kind: judgments about whether particular ways of being are morally good or bad, right or wrong. More often than not, such judgments offer an assessment of

the organism's functioning in terms of deviation from morally invested expectations, especially those of a group. The language of pathology, then, is used to denigrate ways of life that deviate from those with which the individual and his or her group are identified. It encourages the treatment of those whose ideas and ways of being deviate as pathogens that endanger the survival of the group, especially its identity and moral standing.

This is not, however, the way I use the term "pathology" here. Rather, my use of the term is a way of referring to a self-induced impairment of the organism in pursuing and achieving its characteristic end. What I have in mind by this is that there is something in the nature of the organism's vital principle that both sets the organism in motion and makes it unable to move effectively toward the goal that gives meaning and direction to it. The pathology with which I am concerned, then, is pathology of a special kind: the seeking after a condition that by its own terms cannot be had or sustained; the pursuit of a hope the terms of which make its realization impossible; the unhappiness that arises because of a definitive separation of spirit from its world.

The link I explore between capital and the pursuit of a hoped-for state that cannot be achieved is especially important in light of the stubborn insistence on the part of its critics that capitalism exists to serve the material interests of those whose vocation is to own capital. This misunderstanding ignores what is essential about capital, which is its link not to interests but to hope, especially the hope that by accumulating capital the individual can achieve an attachment to the good. It is this hope that blocks tolerance of any notion that there is something unfair in the capitalist's acquisition of wealth. It is also this hope that animates the capitalist system as a whole and constitutes its spirit.

1

Capital

Abstract: *This chapter explores the nature and meaning of capital. The idea of capital is the idea of a good that does not get old, does not lose its ability to satisfy need, is not limited in that ability, or have that ability erode over time. Capital enables us to take what wealth we possess and turn it into more. The importance of capital is that in acquiring it we acquire the power to separate income from work and future from past. Capital represents our dissatisfaction with the world we live in and the life we lead there. It represents the rejection of the past and of who we were then. It is hope embodied; and because it is hope embodied, it is desire's object.*

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Capitalism begins with capital; and capital begins with private property. So long as there are no legal restrictions on the use of property to acquire more, capital is a possibility. Thought about in this way, capital is one way we can use our property should we decide to do so. We can imagine a world in which it is legal to own private property, but not to use it to create more, though most economists would argue that in such a world there will not be very much private property for us to use. Wanting to have more is what capital is all about, and whether it seems wise to make owning property in the form of capital legal depends on the extent to which having more seems like a good idea, which depends on how we assess the consequences of making unlimited accumulations of wealth legal.

Judgments about the consequences of using property as capital need not be absolute, though they are often formulated that way. These more rigid formulations tend to stem from the notion that capitalism is synonymous with the absence of all legal restrictions on the use of property as capital and the implied equation of capitalism with the absence of any significant regulation of private property in general and capital in particular. But, using property to acquire more can take place in settings where the opportunities are in some ways limited and the gains from the use of property as capital are not all left in the hands of those who own the capital. Thus, questions can be asked not simply about the consequences of using property as capital, but about how those consequences might vary under different regulatory regimes that define and restrict the use of property.

How we assess these issues associated with ownership of capital depends in part on how we assess the consequences of the use of property as capital: does capital lead to prosperity for all, or for many, or for only a few? Does capitalist accumulation tend to undermine the prosperity it creates, or has the potential to create, by disabling the market systems it fosters and on which it depends? Assessing consequences has been a primary purpose of economic theory since the late eighteenth century. There are also, however, questions that do not depend on our assessment of consequences. We might ask, for example: is the use of property as capital in some sense an inalienable right, the violation of which undermines all possible institutional forms of right? Is the prosperity made possible by capital conducive to wellbeing or not; is having more always, or ever, a good thing? In other words, we can also concern ourselves with the nature of wellbeing, and our judgment of what it means to thrive will affect how we judge a use of property whose end is to produce more.

Beyond the issues of what is right and welfare, there are other important questions that can be asked about capital. These are questions having to do with why anyone would want to take advantage of the opportunity to use property to acquire more, a question linked to the question, “why do legal systems develop to facilitate the accumulation of capital?” Thus, if we assume that legal systems develop to serve interests, and we need not make that assumption, then we might answer the question “why legal systems protect the right to use property to accumulate wealth” by saying that those who benefit from this right exert undue influence on the process of lawmaking and institutional development. But, this still leaves open the question: why do individuals imagine that accumulating wealth benefits them?

Legal systems may develop to serve interests, but a long-standing myth about the origins of capital conceives the process differently. According to this myth, capital comes into existence because individuals decide to refrain from consuming their property in order to assure that there will be property available in the future. In the primitive creation myth about capital, individuals refrain from consuming their property to assure their subsistence in hard times. Hard times may come every year in a predictable sort of way, for example with the changing seasons. But, hard times are not always predictable, and the limited forms of saving—storing, freezing, drying—also have a limited capacity to deal with those hard times that are not so predictable, or that, even if predictable, occur in a time frame inconsistent with attempting to secure future subsistence through adapting the things we need so they do not spoil and can be available to us in the future. We may need to hold goods for future consumption in a more durable form.

Storing goods in the traditional ways just alluded to does not yet result in anything we could reasonably call capital. But, moving toward more durable forms of storage at least suggests the possibility that capital might enter the picture. This is because the problem of storing goods in a more durable form for an indefinite and unpredictable future can be solved only by finding some good that, by its nature, does not spoil. In the first instance, this good is money, that “lasting thing that men might keep without spoiling, and that, by mutual consent, men might take in exchange for the truly useful but perishable supports of life” (Locke 1955\1689: 38). Money makes it possible to store the capacity to acquire goods in the future and in that respect is well suited to the purpose of saving up for hard times. But money can serve this purpose only if goods

are available in the future and if it is meaningful to transfer claims over them from present to future. Consuming less of what we produce in the present does not mean there will be more, or even as much, available in the future. What connects present to future in a way that provides this assurance is not money but capital.

This is an important theme in Keynes's theory. Keynes argued that by holding money we reduce the level of demand for and therefore production of goods and therefore that saving, so far as it means holding money, results in our having less in the future. For Keynes, it is not the acquisition of money, or monetary assets more generally, that assures there will be goods to consume in the future, but the acquisition of the capacity to produce goods—capital investment—that secures the provision of goods in the future. Keynes argued that, contrary to the way of thinking that predominated in economics at his time, acquisition of monetary assets does not in itself stimulate the acquisition of new capacity to produce goods.

The idea of capital is the idea of a good that does not get old, does not lose its ability to satisfy need, is not limited in that ability or have that ability erode over time. For this, money is not good enough, since its ability to satisfy need in the future depends on something it cannot do, which is to produce wealth in the future; capital in the form of productive capacity is the only enduring good that has the potential to hold and increase its value. Put another way, capital has to do with the way wealth endures across time, subsumes individuals into a sequence beyond their particular desires and finite lives.

If our concern is with hard times, capital may not be our only, or even our best, option. We may instead seek assistance from others who do not share our hard times, or are not affected so much by them. Then, we depend not on our private property for our subsistence, but on our community. A community is also a reality that endures, subsuming its members and their particular lives into something not dependent on what is unique and finite about them. In this respect, capital occupies a space in some ways similar to the space occupied by community.

If capital is a use of private property, then it develops where we do not depend on the community and therefore do not conceive livelihood to any significant extent as a communal obligation. Like community, capital is a way we can secure our livelihood when we are unable to produce it for ourselves. But, while capital may secure our ability to acquire our livelihood over time, capital also undermines our ability to produce our

livelihood for ourselves. To acquire capital we must acquire a durable good that is not subject to the deterioration that is the fate of all real, particular things. To acquire this good, we must have the money with which to buy it. And, to acquire money, we must have something to exchange for it. So, rather than producing our livelihood we must produce something that can command money in exchange, then use our money to acquire capital so we can acquire livelihood.

Where livelihood depends on exchange, capital becomes essential to livelihood. Adam Smith develops this argument when, in the *Wealth of Nations*, he considers the relationship between the division of labor and the accumulation of stock:

In that rude state of society in which there is no division of labour, in which exchanges are seldom made, and in which every man provides every thing for himself, it is not necessary that any stock should be accumulated or stored up before hand in order to carry on the business of society.... But when the division of labour has once been thoroughly introduced, the produce of a man's own labour can supply but a very small part of his occasional wants. The far greater part of them are supplied by the produce of other men's labour, which he purchases with the produce ... of his own. But, this purchase cannot be made till such time as the produce of his own labour has not only been completed, but sold. A stock of goods of different kinds, therefore, must be stored up somewhere sufficient to maintain him...till such time at least as both these events can be brought together. (1976/1776: 276)

Thus, the accumulation of stock is, as Smith puts it, “previous to the division of labor” (277). But, the accumulation of stock not only makes the division of labor possible; it has another important consequence. Once the individual has accumulated sufficient stock, which is to say means of subsistence beyond what he himself needs, “he naturally endeavors to derive a revenue from the greater part of it” (279). This is the point at which capital is born, and, according to Smith, it is also the reason capital arrives on the scene.

For Smith, the accumulation of stock may be said to protect against hard times, but the hard times it protects against become a possibility because of the division of labor, which prevents us from producing our own subsistence while also separating us from the community we might otherwise depend on for subsistence in hard times. The division of labor makes livelihood depend on exchange, therefore on others we relate to on the basis of *quid pro quo*. Hard times can now result from a

new factor, which is our inability to find a market for what we own, or a price adequate to assure that we can acquire what we need in exchange for it. Yet, according to Smith, the division of labor arises because of the human propensity to “truck, barter and exchange;” so, it could be said that Smith offers an argument in which each conclusion is also used as a premise and therefore sends us around in circles. This is, no doubt, the case, at least on the surface. We should not, however, allow the back and forth of Smith’s presentation of his argument to entirely obscure what he is attempting to say about capital, exchange, and the division of labor, which might be summarized in the following way.

Where individuals are no longer bound together by communal obligation, any provision of need will depend on a *quid pro quo*. Thus, should anyone want to have access to the stock I have accumulated or what that stock produces, that individual cannot call on my obligation to satisfy his or her need because I have none. Rather, a *quid pro quo* is required. Smith assumes that, in the case of use of accumulated stock, that *quid pro quo* must take the form of revenue. In other words, to acquire the use of stock from its owner, we must return to him an amount greater than the amount made available to us.

Though Smith does not state why this is the case, the reason presumably has to do with the dominance of self-interest, private property, and the separation of persons. Because my stock is my private property, I will part with it only when doing so serves my interest. The fact that another person needs my property does not, by itself, constitute a reason for my giving him or her use of it. In this world, need does not create a right to use or place any obligation on others. This means that the older solution for dealing with hard times—sharing—no longer carries authority. So, in this new world, we cannot claim what we need but do not have; rather, we must contract for it. And those with whom we engage are outside community; so we must give for what we get. This giving for what we get is the real origin of capital. We must not only hold a stock to get us through hard times; we must hold our stock in a form that has enduring value, in other words, as capital: wealth held in a durable form for which we expect to receive a flow of revenue over time.

Smith begins his account of capital with the accumulation of stock. But, the link between capital and revenue suggests that what is really distinctive about capital is not that it stores wealth in an enduring form, but that it represents a claim over revenue in the future; or, more accurately, what it means for wealth to endure over time is that it takes the form of

a stream of revenue reaching into the future. The “stock,” so far as we can continue to conceive it that way, takes its value from the revenue it generates and simply represents that revenue as an object, or commodity, valued in the present according to the magnitude of the revenue its owner expects to receive in the future. Individuals can acquire this claim over future revenue in the usual way: they can buy it. But, for this to be possible, capital must become available as a commodity for purchase; that is, someone must produce or create it.

Since revenue in the future does not exist in any tangible form in the present, there is substantial room for subjective factors in determining the value of capital, especially those factors linked to desire, hope, and fantasy. Valuing capital thus combines subjective and objective elements, elements having to do with reason and evidence and elements that deny reality testing in favor of the translation of desire into belief. The value of capital, as Keynes emphasizes, depends on our expectations about an unknown, or at least imperfectly known, future.

I suggest above that the motive for owning capital cannot be the simple matter of dealing with the possibility of hard times, since there are other ways of doing that.¹ Yet, acquiring capital remains a way of taking action in the present that shapes want satisfaction in the future. And, while capital may be used to deal with what I have referred to as hard times, because of the availability of alternatives, dealing with hard times should not be considered its primary reason for being. The alternatives to capital—such as sharing and intergenerational transfer—work well when the problem is to insure the continuity of consumption across time. They work well, that is, when the problem is not to have more in the future, but to have the same amount. Capital becomes the dominant option when the goal is not continuity but something else.

This “something else” has to do with having more. The matter of having more enters the picture when our hope is that want satisfaction in the future will differ in some important respect from want satisfaction in the past. This difference has to do with limits. Owning capital offers us the prospect of breaking limits on want satisfaction associated with work and income from work. But, not only does owning capital free us from the necessity of working for a living; it also frees want satisfaction from the limits of whatever finite accumulation of wealth we might possess in the present. It enables us to take what wealth we possess and turn it into more. If the accumulation of wealth we happen to have is an expression of our past, of who we have been and what we have done,

then turning our wealth into capital separates future from past. So, the importance of capital is that in acquiring it we acquire the power to separate income from work and future from past.

Separating income from work becomes important when our goal is to live our lives without the necessity that we do work, in other words to achieve freedom from work. Freedom from work can have two meanings. According to the first, it means having others work for us. According to the second, it means that the production of the things we want requires no one to work. Both of these involve a desire to be free from work, but they differ in that the first also engages a desire to have others work for us. To gratify this desire, it is important that we be free of the necessity to work while others are not.

Both Smith and Marx attribute the ability of accumulated wealth to produce revenue to a division between those who must work for a living and those who need not work because others work for them. In Smith's language, the owner of the stock, the capitalist, uses it to hire workers to produce goods, workers who must, because they own no stock of their own, share the product of their labor with those who do: "In the early and rude state of society... the whole produce of labour belongs to the labourer;" but "[a]s soon as stock has accumulated in the hands of particular persons, some of them will naturally employ it in setting to work industrious people ... in order to make a profit off the sale of their work" (1976\1776: 65–6). Under these conditions, "the whole produce of labour does not always belong to the labourer. He must in most cases share it with the owner of the stock which employs him" (1976\1776: 67). Understood in this way, the ability of accumulated stock to produce revenue for its owner derives from the neediness of those whose labor will produce goods in the future. Because of their neediness, they must contract to share the product of their labor with those who own the stock of subsistence they need because the division of labor makes it impossible for them to produce their subsistence for themselves.

Marx emphasizes this link between capital and making money off the labor of others. He does not, however, consider what he terms the exploitation of labor an expression of any special desire to have others work for us. Rather, because he assumes all value is produced by labor, he concludes that there can be no profit without hiring labor, which means that to eliminate labor from the production process would be to eliminate profit and therefore capital from it as well. Nonetheless, the tendency under capitalism is to reduce the role of labor in production

in order to reduce costs. As a result of this, there is a tendency for the rate of profit and therefore of the expansion of capital to decline, as there is also a tendency to make labor unnecessary to the provision of need. Whether or not labor does in fact become unnecessary, and whether or not the rate of profit does in fact tend to fall, the idea that capitalist production tends to make possible want satisfaction without work remains a powerful element in Marx's vision of capital and of what he refers to as the "historical mission" of capitalism, which is to set the foundation for a world where working for others is unnecessary, and any work we do is for the intrinsic gratification it affords.²

The separation of want satisfaction from work is a form of the separation of the future from the past. So far as we see in the past a world in which our lives were dominated by work and seek in the future a world in which they are not, our desire for that world is a desire to own capital. So far as the things we had in the past leave us unsatisfied, we see in capital the means to overcome our unsatisfied state. Capital represents our dissatisfaction with the world we live in and the life we lead there. It represents the rejection of the past and of who we were then. It is hope embodied; and because it is hope embodied, it is desire's object.

Notes

- 1 Intergenerational transfers of the kind we associate with social security in the United States are an example of an alternative way of insuring future want satisfaction. Intergenerational transfers require that more be produced than is needed to sustain those who produce it, so that there must be a surplus in Marx's sense of the term. But they do not require any increase in output over time (aside from that linked to population growth) or any inter-temporal changes in wants and their satisfaction. In other words, intergenerational transfers do not require the separation of future from past associated with capital.
- 2 Marx's argument for what he refers to as the "falling tendency of the rate of profit" depends on the premise that the value produced in commodity production equals the labor time (or, more precisely the socially necessary labor time) expended in it.

2

The Disease of the Infinite

► **Abstract:** *Capital becomes the object of desire when what we desire is not a finite life, but a life unconstrained by limits, a potential that is never given up by becoming something particular and therefore limited, an escape from what is unique and different in the direction of what remains universal and without limit. Satisfaction implies acknowledging difference, and the pursuit of limitless accumulations of wealth defies both difference and the finite satisfaction linked to it. The disease of the infinite leads to attacks on others that originate in the impulse to deprive them of the satisfaction we cannot have. This makes the capitalist process the process of alienation of spirit, a process that implies the loss of human vitality through its transfer or projection onto capital.*

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I Capital and the finite life

When we speak of spirit as something that resides within the individual and is, in an important sense, peculiar to him or her, we also make spirit finite: it has a beginning and an end, which is the beginning and end of the individual life. It is also, then, the beginning and end of the individual's way of life. Who we are, what we do well, what matters to us, who we relate to, and what we enjoy in living make up a way of life that is uniquely ours. The more this life is unique, the more it is also finite and ceases to exist when we do.

One, though not the only, manifestation of this uniqueness is the set of material possessions that express what we value, that embody an important aspect of our sense of who we are, and that also mark out the space in which we live as a tangible reality for self and other. Our possessions pertain to us in a way that expresses the qualities of the selves they represent. Respect for the integrity of our space and the things we put in it has the same meaning as respect for the integrity of our selves, which is to say respect for the boundary that separates self from other.

The things that together constitute the space in the world that is uniquely ours are our property. Property creates a space for a private life, one that is not inherently exposed to the observation and involvement of others. In so doing, it makes the boundary that separates self from other an objective reality. The self-boundary now exists not simply as an internal psychological matter, an understanding of who I am, what pertains to me and what does not, where I end and others begin, but as a place and the objects in it that are mine and fall under the rule of my will. Because of its connection to the bounded self, property right sets limits. And, because of its involvement with limits, property right defines a finite life.

The implications of this are clearest when the life within the bounds of private property is set against the life led as a group member, the latter being a life in which we can hope for more than the finite. Thus, even if the member's biological existence ends, his or her spirit, to the extent that it is merged into that of the group, does not. This unending quality of life is expressed in ideas such as the afterlife and the migration of spirit from one corporeal existence to another. In contrast to this way of imagining our existence, it could be said that private property is all about finitude and death.

Where private property is the norm, spirit exists not within the group but within the individual and therefore within the limit set by the presence of others and under the rule of respect for their rights. Respect for rights precludes an important way of being and an important set of actions: those involving an imposed merger of self with other and the inevitability of loss of self that results from imposed merger. Protection from imposed merger is also protection of difference. Difference is closely linked to the matter of finitude because difference implies boundaries. To be different means to settle into a way of being and a sense of self that are particular rather than universal, and therefore lack elements present elsewhere. It means that there are things we do not have, lives we do not lead, ways of being that are not ours. Thus, the rule of non-infringement implies that the individual will lead a finite life, and so far as that rule is what we mean by private property, private property implies the imposition of the limits of a finite life.

Yet, even though these limits are implied in private property, private property cannot be so easily contained within them. Private property begins to attack the boundaries of the finite that it represents when it takes the form of capital. This is the main theme of Marx's distinction between the use of money to acquire useful things and the use of money to acquire more money.

The simple circulation of commodities—selling in order to buy—is the means to a final goal which [is]... the satisfaction of needs. As against this, the circulation of money as capital is an end in itself.... The movement of capital is therefore limitless. (1967/1867: 253)

To own money is to own no particular useful thing, but to have the power to acquire useful things yet to be determined. While this power may be sought so that it can be exercised in the future to acquire things to satisfy need, it may also be sought for its own sake, because what we desire is the potential of money to become something particular rather than any particular thing that potential might become. When we use our money to acquire capital, the particular and finite element in the transaction no longer governs. Capital becomes the object of desire when what we desire is not a finite life, but a life unconstrained by limits, a potential that is never given up by becoming something particular and therefore limited, an escape from what is unique and different in the direction of what remains universal and without limit. The power of capital is first and foremost the power to escape the finite life.

According to Marx, this power to escape the finite life involves power over others because others represent the capacity to make value increase and thus to break the bonds of the finite represented in the acquisition of any given accumulation of money. Marx argues (following his predecessors Smith and Ricardo) that the power to make value resides in labor. But the need to acquire the power over labor, as Marx is well aware, predates the emergence of capital as the primary object of desire for those who would seek to live beyond the limits of the finite. This is because work itself represents a primary limit of the finite on the way we live. The fact that we must work to acquire desire's object is linked to the limits of our power, and the fact that we must work assures that our lives are shaped by the need to be able to do something finite: to produce some particular thing. "Work... is desire held in check...; in other words, work forms and shapes the thing" (Hegel 1977: 118). This is the case so far as we can only produce the object of unlimited desire (make money) by producing something that satisfies some particular need, as Smith and Marx insist we must. We cannot simply produce money or value; we must produce something that has a worth measured in value. When we fall under the illusion that we can separate the creation of value from the creation of things, the entire system of production and need satisfaction is put at risk, which is what happens when the fantasy develops that financial assets are not limited by the productivity of the real assets they represent.

Of course, the division of society into those who must work and those who need not has additional implications, including the possibility that having power over the labor of others becomes significant in its own right. In the eyes of the few who are free from work, others who are not represent a lesser order of being. That they must work, especially that they must work for others, can easily become a primary source of gratification in itself for those who can command their work. The point of freedom from work, then, becomes not to achieve a greater satisfaction in living than that afforded by work, but to take pleasure in having others work while we do not.

Yet, this gratification in subjecting others to our will still derives from the freedom from limits it represents. The struggle of wills over who is free from limits and who is not is essentially a struggle over the limits of subjectivity, limits embodied in its presence outside, in the other whose subjectivity represents a limit to ours. In this struggle, we seek to become the only subject and thereby make our finite self something universal

and therefore unlimited.¹ The meaning of power and domination, then, resides in the narcissistic gratification they are imagined to afford, a narcissistic gratification linked to freedom from work and the finitude work represents.

In the world of capital, this struggle is the competitive process through which the individual units of capital seek to dominate in their markets by expanding their market shares. Driven by competition, those who have accumulated more than enough capital to free themselves from work are still hard at work because they remain intent on possessing ever-more wealth, especially more than others have. But, they are also hard at work because, if they do not expand their market shares, those shares will diminish, and, as a result, so too will their ability to increase the amount of wealth they can possess. Because of this, it now appears that competition is the factor that leads to the need for ever-more wealth and the rejection of finite satisfaction. Unless we strive for more, we end up with less or with nothing at all. But, it is not competition that forces us to seek ever more, but the desire within us to escape the finite life that drives us into the competitive struggle, whatever the specific object of that struggle might be.

While we can say that the driving force behind the inability to discover any point at which enough is enough has to do with competition, saying that does not tell us much unless we understand that this competition is over the limits of the finite self originally established by the universality of property right and the equal status of persons as property owners. That is, competing with others in a contest in which accumulation of capital as the measure of success becomes more important than freedom from the constraints of work and therefore of external control over living. And, as it turns out, the more tangled up we become in this competition over the power of the capital we own to expand more rapidly than does that owned by others, the less freedom we experience, indeed, the more our lives are not our own but controlled by the rules of the game and the actions of our competitors in it.

What happens in these cases is that the pursuit of freedom turns into a form of enslavement; as Marx and Weber emphasize, rather than we owning our capital, it owns us. Then, indeed, capital becomes a kind of power in its own right, and we get that odd reversal through which capital becomes the subject and the capitalist nothing more than its agent, the personification of his or her capital:

... value is here the subject of a process in which, while constantly assuming the form in turn of money and commodities, it changes its own magnitude, throws off surplus-value from itself considered as original value, and thus valorizes itself independently. For the movement in which it adds surplus-value is its own movement, its valorization is therefore self-valorization. By virtue of being value, it has acquired the occult ability to add value to itself. It brings forth living offspring, or at least lays golden eggs. (1967/1867: 255)

Emile Durkheim refers to the state in which we have lost all sense of meaningful connection with a self capable of finite satisfaction as the “disease of the infinite” (2006). What Durkheim describes under that heading is the inability to find satisfaction in any particular limited thing. Each particular satisfaction provides no real satisfaction because there are other satisfying objects that it is not and other satisfactions it does not provide. Each satisfaction thus leaves us feeling a sense of deprivation, as we are always deprived of the satisfactions we give up for the object we have. So, we seek to exclude nothing to assure we are deprived of nothing. But this diminishes the value of what we have and therefore the satisfaction we feel in having it. In seeking the infinite we deprive ourselves of the only source of real satisfaction, which is the finite, existing thing.

The disease of the infinite means that we devalue what we have in favor of what we lack. What factors compel us to do so? To answer this question, consider the nature of a particular object capable of providing a particular satisfaction. What makes the object and the satisfaction it provides particular is the presence, in the world, of other (different) objects that provide different satisfactions. But there are many kinds of satisfaction in the world because only where there is difference can the individual separate himself or herself from others and be an individual. So it is the satisfaction in being different that limits satisfaction and assures it will be finite and limited. This satisfaction in being different, even unique, deprives objects of their special status, one previously marked by our judgment about them that they are good or bad, right or wrong. In other words, difference drains objects of their moral standing and prevents their owners from gaining moral standing by owning them. This is implied in the idea that they are particular objects; indeed, it is what we mean when we describe them as particular rather than universal, as one among many objects rather than as the one good or right object.

When we seek a particular satisfaction we seek an answer not to the question, “what is the right object” but to the question, “which is the right

object for me?” To answer the second question, we need to make contact with the self as the seat of judgment and template for what we want or what best suits who we are. Private property makes it possible for us to answer our question because private property is all about what pertains to us. Private property gets in the way when it is the first of our questions we seek to answer, when what we seek is not what pertains to us, but what pertains to all and equally so, what is right without qualification.

How do we find the one good object? In a setting where cultural norms sanction ways of life, we find the one good object by making our way of being conform to a group identity. What we eat, what we call home, how we dress are all matters we can resolve not by turning inward and consulting the self, but by turning outward and seeking the authority of our group identity and way of life. Where, however, doing so is no longer possible because the authority of the group ways of living has eroded, perhaps because of the coexistence of many different groups, we can no longer seek the authority of the group in identifying what is good and right, in identifying what we should want if our attachment to the objects we desire is to be morally sanctioned. Under these circumstances, we must determine what we want not by asking what has moral standing but by asking what pertains to us, not by asking what is good universally, but by asking what is good for us. But, if we cannot respond to the challenge of defining what is the good for us (the particular good), then we must continue to seek an answer to the question, “what is the one good thing?”

What directs us away from what is right for us and toward what is right without qualification is our inability to know what pertains to us, or to feel comfort in seeking to have it. Precisely because it is particular to us it is not *the* good; and not being *the* good, it is not good enough. This makes our selves not good enough because they are distinctively ours in a world of many others. In seeking to know ourselves and what pertains to us we do not find the good, but something much less than good: the particular, individual, finite self.

The moral right offers us a refuge from the despair we feel in seeking to know ourselves and to find the good there. If we cannot find the good in ourselves, we cannot find the good in things we attach to ourselves. On the contrary, the things attached to us cannot be good precisely because they pertain to the particular self, and therefore share its lack of any real worth. What we lack is a positive investment in the self that would enable us to make contact with it and thereby come to know our selves and to

know what affords us gratification because of its connection to the self. Where satisfaction means making this connection with the self, it stands opposed to making a connection with the good. In seeking satisfaction in a connection with the self, what we discover is the loneliness of a self-experience that provides us no comfort and therefore no satisfaction.

If we cannot invest the things attached to us with a sense that they are good because they are attached to us and we are good, we can seek to reverse the relationship and become good in ourselves because the things attached to us are good. But, how can these things become good outside the moral order of group life and the moral sanction invested by the group in ways of life? The answer to this question is that, where we cannot turn to the group, we must discover in the particular, different satisfying objects something universal, some way of knowing how good they are; even if we cannot know which is the good because none is, we can know which among them is the best.

There are many dimensions along which different things can be equated and therefore compared, but among them the market in some ways provides the archetype. In the market different things are made to represent different amounts of the same thing by being equated with money. Once the market sets their price, objects that differ qualitatively in their use now differ only quantitatively in their value. They each represent some set amount of the same thing. Where goods have a price, not only can they be compared, but they can also be ranked. Once ranked, we can know which among them is the best, and therefore the good, or at least the closest to it. Now the pursuit of good things that will provide satisfaction gives way to the pursuit of the value they represent, which measures how good they are. Particular things become important not for the satisfaction they provide, but for the amount of wealth they represent.

While it might be argued that this too is a kind of satisfaction, it can also be argued, and I think more accurately, that this is not a kind of satisfaction, but the refusal to accept whatever satisfaction the use of things can provide. Put another way, we may still use things, but doing so does not mean that we have gotten what we want from them; so, in using them, we remain in a state of want (or lack). And, since nothing can satisfy our want, wanting must be our permanent state. Ownership of capital, then, is about being in this state, which is one in which we seek a kind of surrogate satisfaction in rejecting useful things as deficient in the one thing we value, which is the satisfaction without end or limit that

no useful thing can provide. Our seeking a satisfaction we cannot have because it is one no useful thing can provide turns into the endless rejection of those particular, useful things and into a seeking after a surrogate satisfaction in rejecting things and in stating that they are not, or do not have, what we want, which as I suggest above, is the unending and therefore infinite satisfaction no act of consumption and no ownership with the end of using the thing can ever provide.

This all applies with special force to things that others have. Under the spell of the disease of the infinite, the very fact that others have what we do not makes us covet them; and anything we have that others might also have is by that fact diminished in value for us. In rejecting what others have, we shift our own sense of loss onto them. The disease of the infinite, then, turns the things we covet because others have them into the things we despise so that in having them others can also be despised.

Above, I link the ability to find satisfaction in finite useful things with the capacity to make contact with the self understood as the mainspring and template for a personal and individual way of being, one that makes us different from others and in so doing marks our separation from them. Then, in order to make contact with the self, we must give up something, which is the hope we will overcome difference and separation. This is the hope for merger with the other. Paradoxical as it may seem, the motivation of the capitalist must be understood not as an expression of contempt for merger but rather as an expression for an intense longing to be in that state. It is not so much an expression of the desire to lead an individual life guided by the presence of a distinct and unique self, but of the desire to escape the implications of doing so. Where self-seeking is a real possibility, the pursuit of an endlessly expanding accumulation of capital holds no appeal. The capitalist, then, in all his varied incarnations, is not the exemplar of the individual life, of self-seeking and self-interest, but the exemplar of the failure to make self-seeking meaningful because he holds the conviction that nothing particular and limited can be meaningful.

Because the pursuit of value rather than the particular satisfaction in the use of things expresses the inability to seek and find the self, we can say that, by seeking wealth, we invest value not in what we have but in what we lack: the ability to make contact with the self. When we invest value in what we lack, all those things we lack simply represent the loss of a sense that what we have, which is to say what we are, has any value. Our relationships with objects then expresses not their worth, but the

lack of our own. What we are dealing with in our relationships with objects is not the seeking after satisfaction, but the reenactment of a drama of deprivation.

II Alienation of spirit

As Marx tells us, it is one thing to own wealth and it is something quite different to own capital. Capital is the part of our wealth that has the capacity to produce more wealth for us; so, owning capital means owning not merely wealth, but the power to create wealth. This means that, while in owning wealth we own a dead accumulation of things, in owning capital we own a living, or at least self-moving, entity. This quality of wealth is linked to the matter of agency or subjectivity. Marx describes capital as a process in which value is the subject, its “independently acting agent” (1967/1867: 255n). Describing capital in this way makes it difficult, however, for Marx to pin down the role of the capitalist, the individual we might otherwise assume to be the subject. And, indeed, in a well-known passage from his major work on political economy, Marx does speak of the relationship between the capitalist and his capital in a way that suggests a degree of ambivalence:

As the conscious bearer of this movement, the possessor of money becomes a capitalist....The objective content of the circulation we have been discussing—the valorization of value—is his subjective purpose and it is only insofar as the appropriation of ever more wealth in the abstract is the sole driving force behind his operations that he functions as a capitalist, i.e. as capital personified and endowed with consciousness and will. (1967/1987: 254)

On one side, the capitalist is the locus of will and consciousness, on the other he is no more than the personification of his capital, having, in effect, no will of his own, indeed no real subjective existence of his own, but existing simply to do the bidding of his capital.

A similar difficulty arises on the side of labor, which, for Marx, appears both as the creative subject and as nothing more than an “appendage” of the machine. Thus, Marx refers to the machine as dead labor that confronts living labor as a power capable of dominating over it. In speaking this way, Marx seems to say that capital is both dead and alive. The living labor, on its side, is spoken of as though it is the real agent

of the production process, the only creator of the value that is the real end of that process; and labor is also spoken of as though it is nothing more than so much muscle and bone, and therefore no more the locus of vitality than an electrical power grid or an internal combustion engine. Marx's insistence on the creative force of labor is difficult to reconcile with the main theme of his analysis of the labor process, which is that it involves the transfer of subjectivity (direction and control, end and idea) from the worker, not to the capitalist, but to the means of production, especially as that appears in the form of a system of machinery.

Whether speaking of the laborers or the capitalists, Marx seems to want to say both that they are the subjects of the process and that they are not. Clearly Marx does not want to resolve this problem by treating capital and the capitalist system as simply the expression of the subjective motivation of a class of individuals, especially of their greed for ever more wealth. However greedy the owner of the capital is assumed to be, Marx considers not him but his capital the driving force. And, the fact that greed drives the capitalist seems to mean, at least for Marx, that he cannot be a real subject, but remains always driven by his greed in a way that excludes any possibility of real subjectivity. When driven by greed for wealth, all have the same objective, all are shaped by those external or objective forces that determine what acts will lead to the greatest enhancement of their wealth, and therefore all are essentially determined by external factors. There is, then, an important sense in which to be driven by greed is to lack any internal or self-determination. When we are driven by greed, we do not really exist, but are instead "consumed" by our greed.

In Marx's way of speaking about capital, to be driven by greedy desire is to lose your subjectivity. Then greedy desire becomes a force in its own right, the real subject of the system that dominates over all those existing in it. In this construction, greedy desire exists as an objective reality, one that molds those in it to ends originating outside, one that is no mere expression of the presence of greedy persons who have taken command of social institutions. For Marx, however active the capitalist may be, however he must make choices and decisions, all those choices and decisions are ultimately driven by greed; and those driven by greed can never be real subjects; their choices can never express any real internal or self-determination. As Weber puts it, they remain nothing more than the stewards of their capital. And, while Marx often speaks as if the capital itself were the subject of the process, this is really a way of

describing a process, and a reality constructed around it, in which there is no subject.

Marx speaks about this loss of subjectivity as the fetishism of commodities. In the fetishism of commodities, the relations between men adopt the form of relations between things and the owners of commodities imagine that their property becomes an animate object having the subjective qualities actually residing in its owner. In Marx's words, "the products of the human mind appear as autonomous figures endowed with a life of their own, which enter into relations both with each other and with the human race" (1977/1867: 165).

This theme of the alienation of subjectivity appears throughout Marx's work, most notably in his discussion of labor, where the central point is the transfer of subjectivity from laborer to the means of production. While physically alive, man does not in this characteristic human activity experience the aliveness of subjective being: a locus of will and of that distinctive form of desire we associate with it. Only by retrieving subjectivity from its external container can labor become the active factor and subjective principle embodied in its product. What is needed for this to happen is that subjectivity be retrieved from its external or objective form (capital). This, I think, is an important part of Marx's main theme. For this retrieval to take place, the equation of desire and subjectivity with greed must somehow be dealt with.

The alienation of vitality onto capital can, I think, be usefully considered an externalization or projection of greed. And, this is both an individual and societal act. Thus, the capital we own expands without limit of its own accord; it is greed made into a thing. But, at the same time, and as Marx so vividly insists, the capitalist, as personification of capital, is also a personification of greed, the socially acknowledged locus of greed. The socially acknowledged locus of greed is, in turn, the object onto which the members of society project their greed. In other words, they make the statement that the capitalist is greedy and they are not; all opprobrium is directed at the agent of capital, especially finance capital, so that others need never acknowledge their own greed. This, too, is the social role of the capitalist.

Capitalism is, then, a system through which individuals can separate themselves from their greed by discovering it outside, in the capitalist. If those other than the capitalists are to be judged free of their greed, society must restrict the term "greed" to desire for the object of the capitalist's greedy desire, wealth, thus assuring that expressions of infinite desire

whose object is not wealth (or the signs of it) are not known for what they are: expressions of greed. Thus a voracious desire for admiration, or for virtue, is not considered greed although it may in fact be as limitless and relentless as the desire for ever-more wealth, and it may lead to harmful violations of the self-other boundary of the kind we associate with greed for wealth. In other words, the voracious desire for admiration or virtue may also be a greedy desire, but we do not recognize that it is because we have too closely identified greed with the desire for wealth as part of our projection of our own greed onto those designated by society as its repositories.

Our relationship with capital expresses our relationship with the infinite existing outside ourselves, which expresses our capacity, or lack of capacity, to find satisfaction in the finite, particular thing. It expresses the ever-present desire for more, and therefore our dissatisfaction with any finite real thing we might actually possess, including and especially our finite, real self.

Greed is desire without limit in use and consumption. Greedy desire for food is not a desire for a particular satisfaction afforded by a finite amount of a particular thing. For greedy desire, the needs and capacities of the body are not what matter; rather, it is the imagined self as a limitless container that must be filled. Greedy desire for things that are of use is not a desire to use them to do whatever they are intended to do, but rather to have in them a limitless potential to be and to do. What we need to clothe the body so it will be warm has nothing to do with greedy desire, which reaches out to a potentially limitless wardrobe capable not of keeping the body warm but of assuring the spirit that it will not be known by any uniform it might happen to be wearing. In rejecting each and every particular object and the limited satisfaction it offers, greed insists that this limited satisfaction is no satisfaction at all; or, put another way, it insists that there is a different and greater satisfaction, one that is more than the sum of its parts. And, greed insists that this greater satisfaction can be reached by an accumulation of objects and of the limited satisfactions they offer.

Yet, as I have already suggested, what appears as a pursuit of satisfaction in and through the acquisition of an endless stream of desired objects, represents, on a deeper level, a rejection of those objects. Greed, after all, insists that none of its objects is *the* object of desire and therefore that none of them can satisfy. Were any of them desire's object then in its acquisition the greedy pursuit of things would end. Then, the purpose

in owning capital cannot be to satisfy greedy desire, which can never happen, but to devote our lives to the statement that what is offered to us as desire's object is a sham. It is a sham because it is finite.

But there is an object, capital, that claims to overcome this limit. In our desire to own this object, we accept the validity of this claim. But, we also rekindle our desire, which is lost to us when we lose hope for satisfaction. In this sense, our connection with capital is a way of bringing ourselves to life so far as the loss of desire is the loss of feeling that we are alive and the rekindling of desire is the rekindling of that feeling. Our connection with capital is a connection with the hope that there is a way to find and acquire desire's object and in so doing retrieve our lost vitality. Capitalism can be considered the institutional expression or embodiment of the wish to come to life by owning the object that is, or is imagined to be, alive (contains the alienated form of our own vitality).

We cannot contain our vitality inside and must acquire it in the form of an external thing because to contain it inside is to assure that we will lose it. We will lose it because of the finitude of our own being. So, we must place our vitality outside in an object that is not limited as we are, one capable of an endless existence, an object in no way limited to finite, particular form and the finite and particular gratification available to a being in that form. But, human vitality cannot really exist outside its human form. This is evident in the way that once vitality is moved outside, the human being is no longer really alive; it is still the object outside that lives, not its owner. Thus, capital assures not that its owner will come to life but that he or she will not.

On one side, capital is the objectively existing form of human vitality (subjectivity and will). But, because it is separated from the human subject, it is not really alive, and, rather than representing vitality, represents the loss of vitality. If we were to summarize in a phrase what capital is, it is the objective, external form of man's lost vitality. This means that the secret to capital lies in the necessity of this act that alienates life, and, in so doing, turns it into an object (capital) that becomes a force against the living in the name of the dead. The belief that we can acquire subjectivity by owning it demands that there exist a form of subjectivity that can be owned, thus the appearance of capital as the external form of subjectivity of a special kind, the subjectivity of greedy desire. And when subjectivity is moved outside in this way, those who would appear to be subjects (laborers or capitalists) no longer are; while, at the same time, the external locus of subjectivity, capital, clearly is no subject, but

the mindless process referred to above that is so powerfully depicted in Marx's theory.

This contradiction would cease to be one if we could split its terms and somehow assure that gratification will be for self while denial and disappointment are reserved for others. The hope that we can do this underlies those arguments that seek to interpret capitalism as a system of power, oppression, and exploitation, a system that provides gratification for some at the expense of others. In the end, this is not, however a helpful way to think about capitalism, or about relations of power and domination more generally. This is because the drive to impose deprivation on others derives from a deeply felt conviction that the gratifying relationship has been forever lost. Then, it is hoped that imposing loss on others will alleviate, if not remove, the feelings associated with loss not by retrieving what has been lost but by gaining the substitute gratification of being the agent who adjudicates loss rather than the victim on whom loss is imposed. The essential meaning of capitalism, then, is that it affords some the opportunity to be the arbiter of loss.

The theme of adjudicating loss is an old one, certainly not peculiar to capitalism. What is distinctive to the capitalist version is not inequality or domination, but the relatively open competition over positions in relationships involving loss, and the possibility that individuals might opt out. This difference in the capitalist version arises out of the dependence of capitalism on the universality of right and the freedom associated with it. It could even be said that the meaning and significance of right lies ultimately in the possibility it provides for individuals to opt out of relationships that enact themes involving the imposition of loss.

Just as capital represents the acquisition of what we most deeply desire, it is also the institutional expression or embodiment of a profound sense of loss: the loss of the animating spirit that brings our otherwise dead matter to life. If there is no such loss of life then there is no need to attempt to own capital as a way of coming to life. If we are alive, then we do not need to find a way to come to life; and, if we are alive we do not need to find our vital principle outside, in the things we own. The fundamental hope embodied in capital accumulation is the hope that we might regain what has been lost.

If this is correct, then it is not the power over others, the "domination over living labor," which plays such a large role in Marx's theory (1977/1867: 376), that is the essential element in capitalism, but the power over life itself. Typically, the two are confused, and, as a result, the

meaning and significance of the impulse underlying systems of power is misunderstood. In principle, what interests the capitalist is not, however, power over workers, but power over wealth and especially over the animating factor that makes wealth capable of self-creation and therefore expansion. As Marx emphasizes time and again, the worker as a separate opposing agent or subject is of no consequence to the capitalist except insofar as the worker stands in the way of the self-generative power of capital by threatening to deprive capital of the source of value. Thus, were we to remove from Marx's theory the proposition, albeit essential to it, that labor creates all value, the relationship with labor would cease to have any significance whatsoever.

The more important theme in Marx is not that labor produces value, but the progressive loss of significance of labor and the elimination of the human element as the vital factor in work that produces the special world man creates for himself (Arendt 1958). It is not the importance of labor, but its irrelevance that matters. And, paradoxically, it is capital that offers, for those who have access to it, a way of living where labor has lost its importance and especially its connection to the human spirit. To return to a theme hinted at above, it is capital that secures for the individual the possibility of a private life that is not an expression of greed; but this only becomes a possibility when it is possible to opt out of the system of greed. And, this also is Marx's theme when he looks to capital as the bridge to a future where work is self-expression and not the alienated labor prompted by necessity.

Note

- 1 Private property, especially in the capacity to labor, undermines this aspect of the relation of those who must work to those for whom they work. The more extensive worker rights, the more limited the discretion of employers over what they can and cannot force their workers to do, the less prominent the seeking after gratification in power over others in accounting for the organization of work. The element of acquiring freedom from work becomes progressively more important than the element of acquiring power over those who work.

3

Spirit of Capitalism

► **Abstract:** *For the early capitalist, the pleasure sought in acquisition was not in consuming wealth, but in owning it. This meant that the acquisitive spirit combined an intense desire to enjoy the pleasures of life with an equally intense urge to exert control over desire by negating it. For the modern-day capitalist, the acquisitive drive has been corrupted by a growing preoccupation with those ephemeral worldly enjoyments the early capitalist viewed with contempt. At the same time, so long as the infinite remains the object, no satisfaction can be found in the real, finite world. Thus, the present-day capitalist also bears a complex relationship to the matter of satisfaction and desire, simultaneously pursuing satisfaction and denying that reality has the capacity to provide it.*

Levine, David. *Pathology of the Capitalist Spirit: An Essay on Greed, Hope, and Loss*, New York: Palgrave Macmillan, 2013. DOI: 10.1057/9781137346797.

The title of this book suggests that its subject is something called spirit, specifically the spirit of the economic system referred to as capitalism. I take this reference to spirit from Max Weber's classic essay on the subject. Yet, in his essay, Weber is not as clear as he might be about what precisely he means by the term "spirit." This may be in part because he is interested only in the spirit of capitalism, so he defines spirit only concretely, in the form it takes as the capitalist spirit. He does not tell us what the term might mean more generally, what is the universal of which the capitalist form is simply one possibility.

What Weber has in mind by the capitalist spirit is, however, clear enough. The capitalist spirit is the spirit of acquisition, the endless drive to make ever more money not so that it might be used to acquire things that can enhance the pleasure of living, but as an end in itself. In those settings where the capitalist spirit governs, "man is dominated by the making of money, by acquisition as the ultimate purpose of his life." The capitalist spirit is the ethos of a system of living whose supreme good is "the earning of more and more money, combined with the strict avoidance of all spontaneous enjoyment of life," a system of living that is "above all completely devoid of any eudaemonistic, not to say hedonistic, admixture" (1992: 53).

Yet, while the essential point is that wealth accumulation becomes an end in itself, there is also a sense in which wealth accumulation has an end, which is to realize in living an ethical ideal. According to Weber, "what is here preached is not simply a means of making one's way in the world, but a peculiar ethic" (51). In this connection, Weber emphasizes the idea of duty. When acquisition of wealth represents the "performance of duty in a calling it is not only morally permissible, but actually enjoined" (163). This quality of the capitalist spirit connects it to religion, to Protestantism in particular, but, in principle at least, to any religion that has in it a way to sanction the private accumulation of wealth and make it a virtue. What is interesting about the way Protestantism makes the private acquisition of wealth a virtue is that it does so by making the pursuit of limitless amounts of private wealth a form of self-denial: "Wealth is thus bad ethically only insofar as it is a temptation to idleness and sinful enjoyment of life, and its acquisition is bad only when it is with the purpose of later living merrily and without care" (163).

So far as acquisition has the realization of an ethical ideal as its purpose, it is not, as Weber suggests it is, an end in itself. Nor is it so obviously a matter of self-denial. At least, it is not simply a matter of negating

the self, since it has embedded in it a particularly voracious form of self-seeking. After all, it is through self-denial that we seek to prove that we have the most valued thing of all, indeed the only thing of real value: a special connection to the good.

If this is the case, then we may need to resist the temptation to imagine that the more modern forms of the capitalist spirit, for which taking pleasure not only in the ownership but also in the use of wealth is sanctioned, are very different from the older form. For the early capitalist, there is a powerful sense in which ownership of wealth was meant to provide pleasure, though not the pleasure in consuming it. And this pleasure in owning wealth remains the pleasure sought by greedy desire whether we consume it or not.

We might note in this connection that the endless accumulation of wealth cannot, in principle, have use as its end simply because there are inherent limits both to use and to whatever pleasure use affords, while there are no limits to ownership. We can own as many houses as we can afford, but we cannot live in them all; and if we do not live in them, then the pleasure they provide derives entirely from the fact that we own them. This means that wherever the acquisitive spirit dominates, neither use nor the pleasure in use can be the primary end; so if we are to understand that end we must look elsewhere.

For the early capitalist, this end is clear enough. For him, the pleasure in owning wealth that must not be consumed is essentially the pleasure taken in not consuming, which is the pleasure in exerting control over the impulse to consume and to take pleasure in doing so. The pleasure in control over this impulse is proportional to the temptation set before it, which in this case is proportional to the wealth accumulated. This means that the acquisitive spirit, as Weber describes it, combines an intense desire to enjoy the pleasures of life with an equally intense urge to exert control over that desire by negating it. We cannot have the latter without the former, and the pleasure of desire denied is proportional to desire itself.

For the early Protestant, virtue would be found in exerting discipline over impulse. Thus, for the Puritan, sport “was accepted if it served a rational purpose...[b]ut as a means for the spontaneous expression of undisciplined impulses, it was under suspicion” (1992: 166, 167). In forbidding any spontaneous enjoyment of life, the intent was to exclude any experience of freedom from control over impulse. Doing so was meant to exclude pleasure connected to sensual experience. This attack on anything spontaneous in living meant that life should be subject to

strict control, and conduct “deprived of its planless and unsystematic character and subjected to a consistent method” (1992: 117).

This emphasis on control and discipline indicates that spontaneity was thought to pose a threat, specifically the threat of the loss of any possible assurance in this world that we have been chosen by God, who, it would seem, does not approve of any spontaneous enjoyment in living. This loss is the loss of our hope that we have a special connection to the good. Spontaneity, then, is understood to endanger our connection to the good; or, more precisely, the presence in us of the impulse toward spontaneous enjoyment threatens that connection. If, then, we can purge ourselves of the impulse, we can thereby assure ourselves that we are connected to the good.

But, psychologically, what is good is the source of gratification, especially of our most deeply held desire, which is not for loss of all enjoyment in living, but rather for that very spontaneous enjoyment of life the Puritan must give up if he is to feel assured of his connection to the good. This contradiction at the heart of the Protestant Ethic expresses itself in the profound ambivalence of those driven by the spirit of capitalism, which is also an ambivalence of spirit itself. After all, what could provide clearer evidence of ambivalence than the sanctioning of a greedy desire that must never be allowed to enjoy the gratification it makes possible? What could better attest to ambivalence than the spectacle of the capitalist amassing ever more of the means to worldly gratification then forcing himself to do nothing more than observe it? For him, wealth is the most seductive and tantalizing of objects, an object whose danger to us is proportional to the gratification that it offers and we desire. Indeed, it would not be out of line to suggest that the ambivalence to which I have just referred is the essential element and driving force in capitalism, which is to say its spirit, and that the institutions shaped by that spirit represent little more than mechanisms for coping with ambivalence about the capitalist’s own greedy desire and the repressed vitality it expresses.

With all this in mind, let me return to the matter of what we mean by spirit. To be inhabited by a spirit is to be possessed by an animating principle, to be alive in a special sense. The idea that there is a capitalist spirit connects the feeling of aliveness to the pursuit of wealth. The organism inhabited by the capitalist spirit is animated by money making, and, without the prospect that it will see its accumulation of money increase, lapses into a lifeless state. When we speak of the capitalist spirit, then, we speak of the attachment of vitality to greed, or, more specifically, the

equation of the two: an organism that feels alive only when it imagines that through its own action it will attain the end embedded in greedy desire. This imagined, or hoped-for, end is what brings the organism to life. So far as we can characterize the end and the activity driven by it as originating internally, we can speak of the organism consumed by the prospect of the gratification of greedy desire as one possessed of spirit.

Yet, there is something problematic about the vitality of the capitalist spirit as Weber describes it because that vitality is disconnected from any experience of spontaneity, which must everywhere be suppressed in favor of a life subject to strict regulation. So far as there is a connection between vitality and spontaneity, it would suggest that aliveness involves the lifting of external control over conduct, control implied in the language of rules, duty, and discipline. It also indicates how gratification is the experience of being alive in this sense and that the ethic that defines the capitalist spirit for the early Protestant was fundamentally at odds with any feeling of aliveness and therefore of being the home of spirit, thus the contradiction that the early capitalist could feel alive only when engaged in an activity the essence of which was the repression of all connection to his vital center.

The connection of spirit to vitality suggests a connection to agency, or to the self, which is the center of agency and initiative. Where there is agency, there is self-movement, which is what we have in mind by the presence of spirit in the organism. Self-movement involves action not wholly determined by external forces, those embodied in rules or in duty. So, for Weber, an element of self-movement must be embedded in the notion of duty, and this is indeed the case. This element exists in the link between action and duty, which is not immediate, but mediated by an internal factor, the factor Weber refers to in the language of will. The “worldly asceticism” of the capitalist spirit, which “turned with all its force against...the spontaneous enjoyment of life and all it had to offer” was made possible by the subjection of “man to the supremacy of a purposeful will” (Weber 1992: 166, 119). This means that the self-deprivation to which I have referred is above all else an act of will, and in this sense expresses the presence of agency in its most powerful, or at least primal, sense.

While this may be true of the early capitalist, who found pleasure in self-deprivation, it is not so clearly the case for the modern-day capitalist, who feels no need to refrain from consumption and in this way demonstrate the power of will over desire. And, yet, this does not make

consumption the end of wealth accumulation. So much remains obvious given the urge to accumulate wealth beyond any limit in use. As Donald Trump puts it in the *Art of the Deal*, "I've got enough, much more than I'll ever need. I do it [accumulate more wealth] to do it" (1987). Here, Trump sounds much like the capitalist described by Weber for whom wealth accumulation was an end in itself. But, here also, we can wonder whether this is in fact the case or whether, instead, there remains a purpose, or at least a form of gratification in ownership, that has nothing to do with use. And, indeed, further on in his book we learn that Trump does have a purpose and a special gratification he seeks, which is the gratification in owning the power over goods (Levine 2008: chapter 7). If we consume or use them, the goods disappear and so does our power over them. In other words, to use a good is to demonstrate its finite quality and with it the finite quality of the gratification it affords. But in pure ownership we can overcome what is finite in the good and in the gratification it affords, replacing it with something infinite. David Denby, who spent a year trying to make a million dollars in the stock market during the boom of the late 1990s, captures this quality of the acquisitive drive when he speaks of money making as a way of dealing with mortality, "an attempt to steal time from the end" (2003: 196).

For the modern-day capitalist, then, the pleasure of ownership lies not in the gratification found in exerting will against desire, but in the pursuit of an infinite gratification, one not limited by the particular use of a particular thing. The acquisitive instinct expresses the dissatisfaction with any finite, therefore real, gratification; and, in this he (or she) may not be so different from the early capitalist driven by the capitalist spirit as Weber describes it. After all, the early capitalists were also driven by an infinite end, which is the goodness of God and the prospect of a special connection with Him.

Still, an important difference remains between the capitalist spirit as Weber describes it and that same spirit as it inhabits the later-day capitalist, who does not see consumption in the here-and-now as something inconsistent with the pursuit of the infinite. This difference is clearly expressed in the absence of an ethic of the kind that drove the early capitalist, one for which self-deprivation was the path to salvation. For the modern-day capitalist, it is not the mobilization of will against desire that matters because salvation is not the end; rather, what matters is the pursuit of the infinite in its all-too worldly form. It might be said that now the acquisitive drive has been corrupted by a growing preoccupation

with those ephemeral worldly enjoyments the early Protestant viewed with such contempt. However powerful that drive remains, it has also lost some of its hegemony.

We can understand better what has been lost and perhaps what has been gained in this movement away from the emphasis on self-deprivation if we consider more fully the ethical ideal that animates the spirit of capitalism as Weber understands it. Where the spirit of capitalism is linked to an ethic of the kind Weber describes, the central factor in acquisition is the exercise of will. The purpose of the exercise of will is to secure an identification between the ideal self, the self that has no desire, and the real self, the self that is driven by intense, indeed overwhelming, desire. This struggle over desire operates at the level of ethics so far as ethics provides a guide to action aimed at identifying the real self with the good, or ideal, self.

What animates an organism driven by ethics is the dynamic interaction between an ideal and the reality of life as we lead it. And what makes the effort to realize an ideal important is that realizing the ideal makes us good and therefore, in the case of the Protestant ethic, worthy in the eyes of God. If we become rich, we thereby gain proof that God does indeed love us, that we are special to Him. Thus, the idea of the capitalist spirit as Weber conceives it is that all of life is permeated by the goal of providing evidence that we are special in the eyes of the ultimate good object (God) and that life in this world has meaning only so far as we can convince ourselves, and others, that this connection with the good object is secure.

If our ideal is a form of the worldly asceticism exemplified by the early Protestant sects, then ethical conduct means the act of will by which we negate desire. In mobilizing will against desire, we assure our standing in the eyes of God. This goal is, however, subject to two distinct interpretations. According to the first, what we intend to do by accumulating wealth is to produce the worthy self from a self that is not. According to the second, what we intend is not to produce the worthy self, but rather to produce evidence of an already existing worthiness, not to create salvation, but rather to create “the conviction of it” (Weber 1992: 115). This second interpretation means that the purpose of wealth accumulation is to dispel self-doubt, or doubt that the self has been chosen for admission to the Kingdom of God.

The matter of dealing with self-doubt is essential in Weber’s understanding of the capitalist spirit. Thus, for the early Protestant “it is held

to be an absolute duty to consider oneself chosen, and to combat all doubts as the temptations of the devil, since lack of self-confidence is the result of insufficient faith, hence of imperfect grace” (1992: 111). This is, I think, an especially interesting observation since it not only highlights the role of certainty, and therefore also of combating doubt, about the standing of the self in the eyes of God, but it also highlights the internal struggle between God and the devil as the central dynamic underlying the capitalist spirit.

Yet, it remains unclear why our connection to the good, especially our identification with the good self demands self-denial and the elimination of all that is spontaneous from living. Or, put another way, what remains unclear is the nature of the threat posed to our connection with the good by our impulse toward the spontaneous enjoyment of life. If we are to seek an account of this threat, we are most likely to find it if we focus our attention on the link between desire, spontaneity, and destruction already implicit in the acquisitive spirit. In other words, because the early capitalist was driven by a voracious desire to accumulate wealth, which is to say the means for pleasure in consumption, we can reasonably see in the limitlessness of the urge to accumulate a limitless desire that has embedded in it an assaultive quality. To offset the potential destruction built into desire, desire must be turned against itself, transformed from a desire for the enjoyments of life into a desire to negate the impulse to enjoy life. The expression of desire in acquisition then is a means to protect the world from it while at the same time allowing it a form of expression consistent with its negation. Vitality or spirit is expressed here primarily in its negation.

We have in this melding of opposites, I think, evidence of the dominance of an especially sharp and absolute opposition between the infinite and the finite, specifically between the absolute gratification promised by salvation and the worldly gratification that is treated with contempt. To imagine that worldly gratification has meaning is to diminish the other-worldly gratification and by so doing tarnish it as a goal and distance yourself from it. The impulse to conceive the matter this way remains powerful for the present-day capitalist, but the opposition between finite and infinite is not so absolute. Because of this, there is room for seeking gratification in this world. In this, there is a kind of acceptance of the reality of the world we live in, but only up to a point. There remains, after all, the powerful urge to find in the worldly form of wealth something inadequate because it is finite, and to seek instead limitless accumulations

of wealth in a form that is not subject to the decay implied in use and consumption.

Within the individual, spirit refers to an internal drive or agency. But, the spirit of capitalism is not exclusively, or even essentially, an individual psychological state, although it expresses itself at that level. Rather, at least in the way Weber conceives it, spirit refers to a “unique cultural totality” or “ethos” (Giddens 1992: x). Spirit, then, is something that inhabits the individual but does not originate there. This quality of spirit obviously creates problems of interpretation, especially insofar as it suggests that the individual is somehow inhabited by an agency originating outside, or that the individual cannot be considered an agent in his own right but is nothing more than one representative of a larger force acting in and through him.

How might we conceive this connection? One way to do so is to consider how ideas about the self and its world can originate outside and yet shape internal experience. An idea about the self is taken in, or internalized, by those immersed in the relevant cultural reality, and, through this process of internalizing an idea, the individual becomes integrated into that reality in the way we associate with being inhabited by its spirit. This process takes on a connection to agency when it provides the basis for motivation. Ideas motivate action when they set themselves up within the psyche as ideals the individual aspires to realize in his or her life. The “self-ideal” then connects spirit in the form of cultural ethos to spirit as agency. It does so because the individual is organized to strive to reconcile ideal and actual selves. More specifically, individuals are organized to see this reconciliation as the route to a special form of gratification, and to see in failure to bring about this reconciliation the permanent loss of any hope that such gratification can be secured. Spirit resides, then, in the dynamic process linking ideal to real in the struggle over gratification and loss.

The process of connecting the individual to the cultural ethos is essentially one of embedding a self-ideal originating outside into the individual psyche. The process by which this is accomplished remains, however, to be specified. Indeed, it is not at all clear what it means to “embed” an idea, especially one of the kind with which we are concerned here. Clearly, to embed an idea means to do something more than we might imply if we refer, for example, to learning it. Thus, we might learn the meaning of a concept or a method of proof without in any meaningful sense having either embedded in our psyche. And, indeed, it is this

difference that is the essential point in understanding the way a cultural ideal takes on the qualities of agency implied in use of the term “spirit.”

What is distinctive, I think, about the process of embedding, as contrasted, for example, with learning, is that when we embed an ideal of the self we reshape the inner world; indeed we reshape the personality and redefine what it means for it to exist in the world. The process by which we do this is the process of taking in or internalizing we speak of in the language of identification. This means that what I refer to as embedding is the fundamental psychological process by which an emotionally meaningful connection is made between internal and external world, between self and the larger reality of a world of others taken as a whole. This is because, psychologically, connecting with others means finding a common dimension of being. Identification means not only finding this common dimension of being, but also shaping the personality in a way that assures that common dimension will be present in self and other. And when we speak of embedding a self-ideal, we refer to a process that assures not merely the presence of some common dimension, but a process assuring that what we share with others is the essential element in being, which is the image of the ideal we most wish to become.

If through identification individuals come to share not contingent aspects of their personalities, but what is essential about them, then in identifying they lose what differentiates them one from another. When this happens, we can no longer refer to them as individuals; rather, we now refer to them as members of a group defined by the shared qualities of a group self-ideal. In other words, identification, when it works in this way, is the process that creates not the individual but the group. The idea of a group works well with the idea that spirit as cultural ethos becomes the primary driver of human action. Indeed, we can say that the spirit is, in essence, the presence of a shared self-ideal.

The group creates a collective agency through mobilizing the power of identification both among members and between each member and the group's leader. The leader comes to represent or embody the collective agency of the group. Group members share a self-ideal and the conviction that meaning in life comes from the effort to make real and ideal the same. They also share the conviction that making real and ideal the same is not an individual matter, but a matter of the activity of the group and the commitment of each member to it. In the group, there are no individuals, there are only members; there is no individual agency, there is only the member who strives to make his or her actions those of the group as a whole.

When we attempt to apply this idea to understanding the spirit of capitalism, however, we run into a problem. This is because the spirit of capitalism, especially as Weber describes it, does not involve any notion that realizing the ideal involves the group rather than the individual. On the contrary, for the early capitalist, salvation is an entirely personal matter, a relation between God and the individual unmediated by any institutions of group life. What could be further from the group ethic than the principle that “God helps those who help themselves,” or the idea that the individual “creates his own salvation” (Weber 1992: 115). In this world, there is no group member, nor is there a group on which the member can rely for sustenance and a sense of connection. There is, instead, “a feeling of unprecedented inner loneliness of the single individual” (104). Thus, according to the historian R. H. Tawney, Puritan theology made the revelation of God to the individual soul, “not only the center, but the whole circumference and substance, dismissing as dross and vanity all else but this secret and solitary communion.” Salvation is made the direct gift of God, “unmediated by any earthly institution.” The Puritan’s moral self-sufficiency “nerved his will, but... corroded his sense of social solidarity” (1962: 227–8).

The connection between loneliness and self-sufficiency might tempt us to attribute the unhappy state of mind of the early Protestant to the absence of a group experience in which loneliness might be offset by a sense of belonging. But, while the matter of group experience is of special importance in understanding the spirit of capitalism, the matter is considerably more complex than we might assume if we simply attribute loneliness to the insistence on self-sufficiency. This is for two reasons. The first is that loneliness and self-sufficiency are not inherently connected and the second is that the presence of others, for example within the group, does not in itself relieve us of our loneliness. This is because loneliness is not about the absence of others; it is about the quality of internal experience.

Melanie Klein draws our attention to this when she observes that loneliness is not the state of being by yourself, but “the sense of being alone regardless of external circumstances.” Klein attributes this sense to a “ubiquitous yearning for an unattainable internal state” (1993: 300). In other words, Klein links loneliness experienced as the absence of meaningful connections with others to the inability to form a connection with ourselves. When we can make such a connection, we can find solace in being alone. When we cannot make such a connection not only are we

unable to find solace in being alone, but neither can we find any real solace in being with others.

If we follow Klein's lead in thinking about the distinction between feeling lonely and being alone, the essence of the matter is the experience of being with ourselves as one that provides us no comfort. We feel no comfort in being with our selves because our impulse is always to find fault and judge ourselves harshly. Clearly, this is the case with the early Protestant, who had a singularly harsh judgment of the self, especially where the self is understood to connect to desire and the experience of a spontaneous pleasure in living. Loneliness, then, is nothing more than the intense subjective experience of the ambivalence already considered and the contradiction that the early Protestant could only feel alive in the act of repressing his inner vitality.

This means that being in a group does not resolve the problem of loneliness, which results not from the absence of the group, but from that absence of self-feeling being in a group cannot make right. This is important in thinking about the capitalist spirit because, while we might assume that its connection to self-sufficiency means that capitalism is not a group phenomenon and that therefore capitalism is in an important sense the enemy of group life, this is not, in fact, the case.

While we may think that the spirit of capitalism lives not in institutions and social systems but in the individual, and that it will be found only there, this does not necessarily make it a purely individual experience. To understand the complex relationship between the capitalist spirit and group life it will be helpful to consider more closely the relationship between the Protestant Ethic and the essential principle of group life: identification. However inconsistent the Protestant Ethic may be with group life, it is not inconsistent with identification, which is the binding force of the group. After all, what set of individuals could be more profoundly identified than these early capitalists for each of whom the goal of life is the same: to make ever more money. In this they could hardly be less differentiated. Among them, all ideal selves are the same; all purpose is the same; all agency is the same. In other words, without any group connection, they nonetheless all share the same spirit, which therefore cannot really be said to pertain to any of them as individuals; indeed, as individuals they hardly exist at all, notwithstanding the overwhelming identification with the idea of an individual we tend erroneously to associate with them. This means that there is indeed a spirit of capitalism, a larger force that expresses itself in and through the psychic

life and conduct of the individual. And, there is also a kind of collective agency that animates not simply the individual, but individuals considered without regard to any qualities that might make them separate and distinct units.

Weber's observation on the matter of the connection between those who are chosen by God and those who are not suggests the complexity of the matter of individual and group in the early form of the capitalist spirit:

By founding its ethic in the doctrine of predestination, [Calvinism] substituted for the spiritual aristocracy of monks...the spiritual aristocracy of the Saints of God.... It was an aristocracy which...was divided from the eternally damned remainder of humanity by a more impassable and in its invisibility more terrifying gulf, than separated the monk of the Middle Ages from the rest of the world.... This consciousness of divine grace of the elect and holy was accompanied by an attitude toward the sin of one's neighbor, not of sympathetic understanding...but of hatred and contempt. (1992: 121–2)

It is clear enough from this observation that the member of the Protestant sect is, indeed, a member of a group, a group of the most powerful and primitive kind, notwithstanding his personal relationship with God and the implied profound sense of loneliness he experiences. This complex relationship to group life is captured in Weber's characterization of the Baptist sect as "a community of the personal believers of the reborn, and only these" (1992: 145). By its nature a sect is an extreme sort of group, but this particular sect is distinguished as a group not only by the intensity of its sense of separateness from others (those not chosen by God) and by its contempt for them, but also by the conception of its members as "personal believers." Thus, we have a distinctive combination of an intensity of group connection with a profound isolation of the group's members.

To a large extent, the absence of any individual element in the early capitalists is an expression of the worldly asceticism to which Weber draws our attention; in other words, it expresses the suppression of the self that constitutes such an overwhelming part of the ethic that shapes their lives. Then, the more we move away from the worldly asceticism that marks the capitalist spirit as Weber conceives it, the more enjoyment of wealth loses its moral stigma, the less we can speak of the spirit of capitalism at all because the less the inner drive we associate with that spirit drives each individual in the same direction. This is because the enjoyment of wealth means something different to each individual; or,

at least, it has the potential to do so. Wealth more and more becomes the means to create difference. And, the more wealth is used as the means to create difference, the more each individual is driven by his or her own distinctive, individual, spirit. Worldly asceticism attacks the self by attacking difference. Indeed, it is this threat of difference that we must protect ourselves against by self-deprivation in the face of an ever-increasing mass of the means for asserting difference: money. If difference becomes our end, then what individuals have in common is no longer self-deprivation, but pursuit of the enjoyment of life, where what is meant by the term "enjoyment" is the assertion of self in living by creating difference.

If there is, nonetheless, something in common here that could be the basis for speaking of a spirit of the age, it is this shift toward self-expression in living, which is what we mean by the presence within the individual organism of a principle of self-movement. Then, the spirit of the age is a common construction of the good as something internal to, and, in some important ways, peculiar to, the individual. But, if this is the something in common that allows us to speak of agency as the spirit not simply of the individual unit but also of the whole, then it cannot be purely what is different. There must be, within this drive to create difference, something that remains the same. We can think of this something that is shared as the agency that transcends the individual, existing both outside and within.

The spirit of capitalism equates the universal to which I have just referred with greed: desire whose object is gratification in its purely universal, which is to say infinite, form. Earlier, I suggested that the spirit of capitalism is the equation of vitality with greed. This equation tends to break down the more vitality is linked not to acquiring the infinite gratification, but to the satisfaction of this, particular, self. It is this capacity to invest value in the particular and unique self that leads away from greed and the special kind of universality we associate with it. Rather than the universal that is all things and therefore no particular thing, this is the universal of a potential to become that is not blocked from realizing itself through the act of a subject who begins without restriction and therefore lives within limits of its own making. Self-determination, then, is the universal that does not reject all that is particular and finite. It is universal in that its starting point is that of opportunities yet to be determined; it is particular in that among those opportunities only one will be chosen and only one life lived.

4

Creative Destruction

Abstract: *The capitalist spirit plays itself out in a drama of the creation and destruction of the world. While we are in the habit of thinking that this process is all about the creation of objects capable of a higher order of satisfaction, it is actually a process not of gaining but of losing. In this process, the losers are the most important actors. We can understand the capitalist process, then, as a loser's game. While the game is meant to enable us to reconceive ourselves in a shape that provides definitive evidence of our intrinsic value, its effect is the opposite: to reinforce doubt about the self. Capitalism is not about self-interest but self-doubt.*

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I

In a world where how we live has not been predetermined, it depends on the choices we make, on our talents and interests, and on the opportunities available. When opportunities are available and choices are well made so that they match our talents and interests, the results constitute a life that affords a reasonable degree of gratification and a sense of place. But, if we cannot settle into a way of life, if the alternatives we do not choose remain as or more compelling than those we do, if we do not know what interests us, if we are unable accurately to assess our talents, then we never gain satisfaction from what we do and what we own. If we cannot choose because the very idea of limiting ourselves implied in choice feels not like a way of life but like a way to give up life's possibilities, then satisfaction must always elude us. And, when satisfaction is not possible, there is an implied judgment of all those ways of life we might otherwise make our own, the judgment that they are all fundamentally flawed not because they are not the right one, but because there is no right one; there is no way of life that could both be real and satisfy our desire.

The inability to find satisfaction in particular finite things undermines the authority of the ways of life those particular things support, and in the end of all existing ways of life. This makes dissatisfaction with finite things a force for change. Rather than simply rejecting the particular things made available to us, we seek to find or create new ones and to occupy the way of life they make available, or are imagined to make available. Rather than satisfaction with what is, there is now an endless striving for something else driven first by the hope that in something else the real object of limitless desire will be found, and then by the disappointment felt in being limited to any real thing because of the connection between the real and the finite.

A particularly important instance of this tension is something the capitalist knows all too well: capital itself must always take some particular form whether that be the form of means of production suited only to producing some particular product, or the form of a financial asset tied, however indirectly, to some particular line of investment and therefore also tied to some particular product or set of products. For the capitalist, the contradiction always remains between his goal of owning the infinite and the necessity to do so in the world of the real, where existence means becoming something concrete and particular. After all, if wealth remains in its universal form (money) it is not capital and does not increase in

value; it remains only this limited amount of wealth. The capitalist seeks to overcome his dilemma in two ways: (1) by constantly replacing the real with something new and better, and (2) by attempting to liberate his capital from its connection to the real.

Following the first strategy, the capitalist devotes himself or herself to making what exists obsolete: "All fixed, fast-frozen relationships, with their train of venerable ideas and opinions, are swept away, all new-formed ones become obsolete before they can ossify" (Marx 1978: 476). This is the process Josef Schumpeter describes in the language of "creative destruction" (1942). The capitalist works to demonstrate the deficiencies of the world, indeed the world he has himself created, by offering his customers a new and better one; and when they embrace that new and better world by purchasing the latest iteration of his latest product, he introduces a new one that makes obvious the deficiencies of the product he has just marketed as the best there is. Within the cycle of creative destruction, that process becomes an end in itself and not the means to achieve satisfaction. In other words, the real end is to create dissatisfaction, to make it clear to all that what we have, indeed what can be had, is never good enough.

The capitalist always experiences the state of the world as a constraint to be overcome rather than as a reality into which he can settle and live his life. In response to the limits the capitalist perceives to be implied in the way things are, he sets out to do what he can to change the state of the world. The capitalist's ability to change the state of the world, then, determines whether and to what extent the value of his or her capital increases.¹

The notion of creative destruction captures well the two-sided quality of the urge underlying the capitalist process. On one side it is an urge to make a new world, one that is better than the old in that it approximates more closely to the ideal expressive of the hope that limits may be overcome, mortality set aside. On the other, it is an urge to destroy the world as it is because that world falls so far short of the ideal, indeed represents not only an obstacle to it but its negation. Within the terms of this process, destruction is the hidden truth of creativity. What we create to replace what we have destroyed cannot provide the infinite satisfaction we seek but instead just the latest form of that given world whose reality represents the denial of the wished-for gratification. Creative destruction expresses in a real process the contradiction embedded in the desire for the infinite, which is the contradiction embedded in the urgent need to

make real what cannot be real: the perfect world in which all of the good is ours and it is never-ending.

On the side of creativity lies the wish to escape the finite; on the side of destruction lies the disappointment of the wish. The more profound the wish, the more inevitable its disappointment, the more deeply felt the disappointment, and the more intense the destructive impulse. The creativity we associate with capitalism, then, is not only inseparable from destruction; it is inseparable from the destruction of ways of life, indeed of all ways of life that might actually exist in the world. In the most basic sense, the capitalist finds any movement to protect finite and given ways of life, expressed, for example, in the idea that the state should secure the subsistence of its citizens, hard to tolerate.

For Marx, as I have suggested, creative destruction arises ultimately from the organization of economic institutions to serve greed. By contrast, for Schumpeter, creative destruction owes its origin to what he terms the entrepreneurial spirit: the urge and ability “to act with confidence beyond the range of familiar beacons and to overcome ... resistance ...” (1942: 132). According to Schumpeter, the entrepreneurial function “does not essentially consist in either inventing anything or otherwise creating the conditions which the enterprise exploits. It consists in getting things done” (132). Thus, the entrepreneurial function is an expression of will, more specifically the will to get things done, but, evidently not just anything. Rather, the entrepreneurial function lies in creating the new and destroying the old. This emphasis on will is clear when Schumpeter considers the erosion of the capitalist spirit, which occurs when “innovation itself is ... reduced to a routine” and, therefore, “personality and will count for less” (132).

In this emphasis on will, Schumpeter connects his argument to the Protestant Ethic which, on one level is all about “will organized and disciplined and inspired ... quiescent in rapt adoration or straining in violent energy” (Tawney 1962: 201). Will is the force that exists only where there is resistance to be overcome. The entrepreneurial spirit expresses itself as the act of overcoming the resistance of interests vested in the status quo. Interests vested in the status quo are interests attached to already existing ways of life; so, overcoming interests is another way of talking about overcoming the inertia of attachment to the way things have been done and the way life has been shaped in the past. According to Schumpeter, however, this resistance has over time diminished, indeed “well-nigh vanished,” and, as a result, the entrepreneurial spirit is no longer needed

for innovation and change. Change itself has become institutionalized; “economic progress tends to become depersonalized and automatized” (1942: 133). Committee work replaces individual action.

It may be that Schumpeter was wrong in predicting the demise of the capitalist, or in his language the entrepreneurial, spirit. The decline of the old moral order and the attachment to ways of life associated with it has not left the entrepreneur with nothing to do, no way to exercise his or her will. This is because even where the world is receptive to change, there is still the gratification to be had in creating the world, or the new world, and in so doing demonstrating the limitations of the old, in other words in demonstrating that it is not the good. Innovation makes the new world old, and so long as there is innovation there is the clash of old and new and a role for the exercise of will in the attack on what is.

The creation of a new world takes place through innovation, implementation and work. In other words it operates on the temporal plane of the real. For those suffering from the disease of the infinite, however, this temporal plane is experienced as an intolerable limitation. Much to be preferred would be a collapsing of the process into a point in time, the calling into existence of the object of limitless gratification in the here and now. The fantasy that this can happen is the one we associate with a special form of capital, the form in which it appears to shed its dependence on real particular things and the process by which they are conceived and produced.

Finance capital appears to offer the means to satisfy the special form of desire we associate with capital in a particularly powerful and uncompromising way. This is because the increase in wealth invested in financial assets is only indirectly linked to the reality-based production of more. As a result of this, financial assets foster the illusion that the increase of wealth is not subject to limits associated with the production and sale of goods. Put another way, financial assets encourage the impulse to dismiss the necessity that the increase in capital and wealth take place in time, collapsing the process into a single point in time. This collapsing of the temporal frame is the speculative movement through which it is believed, for a moment, that the fruit of a temporal process can be acquired and consumed in the present and not when that process has completed its work. The speculative process insists that gratification need not be delayed, which is another way of expressing the attack on limits which is the essence of the impulse we associate with capital. Not only can we have it all, but we can have it all at once.

Speculative movements in asset prices have been a common occurrence in the history of capitalistic economies. While the effects of such movements may be restricted to the markets in which they occur, it is also possible for them to affect other sectors of the economy, and to have adverse consequences for employment, income, and welfare. This happens when speculation undermines the circulation of money and finance in a way that makes it difficult for producers and consumers to acquire the credit they need to support their activities. With the growing sophistication of financial markets, the tendency toward speculative movements is enhanced by the development of new and more complex financial instruments.² This process tends to further disconnect the creation of claims over wealth from the capacity of capital investment in real assets to produce wealth. The difficulty of sustaining this disconnect over time eventually leads to a downward adjustment in asset values the magnitude of which is no more limited by their real potential to produce wealth than was the original upward adjustment we refer to as a speculative boom.

During the speculative boom, the belief spreads that prices can only continue to rise and that the circumstances leading to the current inflation of asset prices differ in some fundamental way from those that fueled earlier bull markets. This belief makes it unnecessary to consider the historical record, which would show that all speculative processes must come to an end, that they are all based on faith rather than fact, and that once belief falters, prices will not return to their “normal” levels, but will fall until wealth has been destroyed more than in proportion to its fictional production by the bidding up of the prices of assets representing claims over it.

Thus, the financial dislocation of the first decade of the present century begins with the belief that housing prices cannot fall and have no upper limit, and therefore there need be no link between the debt incurred by the homeowner in purchasing a home and any ability to service that debt given that the rapid increase in the house’s value assures a growth in wealth unconnected to income from work. Here, as always, belief expresses an underlying hope, which is the hope to be freed from the limitations of reality so that life can be radically different from our experience of it, in this case so that we may have a life in which income from work will not limit gratification. The speculative boom occurs in a space where memory is dismissed, the past and present are radically disconnected, and the wished-for future is now.

The problem is compounded because, given the possibility of reselling mortgage debt, the lender need not incur whatever risk is acknowledged

to be embedded in questionable mortgage loans, but can instead pass that risk along to whoever purchases the mortgages, bundles of which are now recreated as marketable assets in their own right. In other words, the speculative movement is fueled not only by a denial of history, but also by a shifting of responsibility onto others. This also shifts the entire process outside the realm of reality, which is a place where all assets must be owned by someone and actions have consequences. One consequence of this process of the creation of what have been termed “toxic” assets is that the speculative process now takes on an added purpose, which is to transfer the toxic assets to others, something that, at least on a psychic level, can be thought of as an end in itself rather than simply an unfortunate byproduct of the effort to get rich quick.

The language that opposes real to financial assets points to a division of the world of economic affairs into real and fantasy worlds, while emphasizing the complex relationship between the two. We will recognize the power of fantasy in the know-no-limits quality of speculative movements, which in this respect clearly indicate that the bonds of the real have been negated and that we have therefore moved into an alternate universe governed by hope and fear, and by the denial of the boundaries that establish the finiteness of the self in a world of others.

Once we consider the speculative movement an expression of the forces shaping fantasy life, and therefore as an attack on reality, we can understand its destructive potential. At the same time, however, once we consider the link to fantasy, we cannot see in these movements simply a destructive process from which the real economy must be protected. This is because fantasy’s attack on reality is an expression of the human creative potential, indeed of that peculiarly human capacity to create reality as it might be by negating reality as it is. If we have the power to negate, the relevance of history does indeed fade.

This power applies above all to the self. Indeed, it is the power of self-creation that denies history and drives the speculative boom. In the fantasy embedded in the speculative process, the process of self-creation takes on a specific purpose, which is to dismiss the unacceptable and painful reality of the impoverished self in favor of a fabricated reality in which the self is rich beyond measure. What distinguishes the operation of this fantasy in the speculative movement from the way it might function elsewhere, and assures that its attack on reality does not express the creative impulse, is the idea that we can enter into a new reality without the characteristic human creative activity: work. Those caught up in

speculative processes are essentially engaged in watching their wealth magically increase. The dominance of magical thinking tells us that the creative force is not to be exercised by the individual through work, but rather is to be invoked by an act more akin to prayer.

Work connects us to the real. This connection is nowhere more clearly felt than in the time dimension associated with work. Work takes time and the product of work is forthcoming only in time. In this, work differs radically from financial speculation, a process that is progressively pushed outside of time as the individual seeks to gain work's product now rather than waiting until the end of the work process.

The link of capitalism to the fantasy just briefly summarized means that capitalism represents the release of man's creative potential. The release of creative potential always involves an attack on what is and therefore on what we experience as real. Creativity shares with the speculative process this attack on the real, and therefore this destructive potential. Capital needs to be understood, however, not only as the source of the destruction that creates a new world, but also of the destruction that does not.³ Within the capitalist system, the specific mentality expressed in the speculative movement represents a kind of pathological trend that indicates a regression from more to less mature forms of thought, from reason linked to work in the direction of magical thinking linked to the attempt to invoke a higher power.

It might seem that financial speculation is the opposing pole to the entrepreneurial process described by Schumpeter, and in a way it is. But, on a deeper level, the process of financial speculation, which attacks the temporal setting for the entrepreneurial function, also reveals its underlying meaning. The entrepreneur is also engaged in the pursuit of the infinite, a pursuit that appears in its purest form where the actual design, production and sale of goods is unnecessary. Financial speculation represents a pathological trend implicit in the accumulation process, wherever that operates, but the extent to which there is also a link to reality can vary and with it the relative power of destructive trends will also vary.

II

The capitalist spirit plays itself out in a drama of the creation and destruction of the world. In the cycle of creative destruction, there is first the creation of something that is new and, along some important

dimension, better than what we had before. But this new and better object soon becomes old and inferior. When this happens, the satisfaction afforded by the once-new object is revealed for what it was all along, an inferior sort of satisfaction. While we are in the habit of thinking that this process is all about the creation of the object capable of a higher order of satisfaction, considered as a whole what the process does is drain our experience of objects of the satisfaction owning and using them originally promised to provide. It is a process not of gaining but of losing the satisfying object.

In this process, loss results when we measure the object and the satisfaction it provides against an ideal that, while imagined to be attainable, can never be attained. This unattainable object is what I have referred to as the infinite, and it is well represented in the pursuit of ever larger accumulations of wealth, accumulations that, because of the nature of what is accumulated—value—can never reach their goal. Because any finite satisfaction falls short of the goal around which the process is organized, no real satisfaction is possible. It is therefore reasonable to view the process not as one that is designed to produce satisfaction, but as one that is designed to reveal that satisfaction must always be a receding goal. But not only does the process reveal how far away is the goal of gaining satisfaction, it offers it and then it takes away. In this sense, it is a process the meaning of which is to create the experience of loss. And, this means that the *raison d'être* of the process is the endless reenactment of a drama of loss.

It might seem that the loss of a satisfying object is, taken by itself, a matter of little consequence. Yet, because it affects not this or that object, but all objects, the loss built into the capitalist process is no small thing. Rather, in this process, loss becomes the experience we have with all desired objects and therefore becomes an aspect of our experience of desire itself. This making loss an aspect of the satisfaction of desire, then, is what the capitalist process is all about. Put another way, we enact, through relations with the particular limited forms of desire's object, a more encompassing experience with a greater object (desire's true object), which is the object those particular things simply represent temporarily and inadequately.

The process works in the way I have just described because desire's true object is unattainable. It is unattainable not, however, because the true object has not yet been invented, but because having it makes it less worth having or not worth having at all, because for us to acquire

and consume the true object is to render it false. The rejection of the particular satisfaction provided by all real objects is a rejection of all limited satisfaction in favor of the ultimate satisfaction, one that is perfect in form and unending in duration. The object we seek, then, is the one capable of affording this ultimate satisfaction. Put in the language of the self, we seek to know through having desire's true object that our selves are the ultimate or one true self, the self whose worth can never be placed in doubt.

I think it is useful to formulate the matter in the language of doubt, specifically doubt about the self, and to say that the object we seek is the one whose possession eliminates all doubt about the value of the self. But to seek to dispel all doubt can only mean that we are dealing with a substantial reservoir of doubt. We do not, after all, need to work so hard to dispel doubt where there is none, or very little, to dispel. Not only, however, does the urge to dispel all doubt suggest the presence of a considerable measure of doubt, but the process of creative destruction, because it destroys the worth of all the things we can actually have, creates the doubt those involved in it seek to dispel. When doubt is cast on the value of things, doubt is also cast on the worth of those who own them.

Recall that, for the Protestant sects, the value of the self was its value in the eyes of God, and, for them, the accumulation of capital was the process through which they sought proof that they had been chosen to enter His Kingdom. The starting point for the process, then, is doubt about the value of the self. How do we account for this doubt about the value of the self? Why is the early Protestant uncertain about his or her relationship with God? If we bear in mind that, for the early Protestant, the purpose of accumulating capital is not to become worthy of the Kingdom of God, but to provide evidence that he or she has already been chosen by God, we can surmise that doubt derives from the absence of any direct way to confirm the individual's status in His eyes; he or she cannot simply ask. Rather, the sought-after status is wholly contingent on a decision made by an unfathomable judge employing unfathomable criteria and communicating, if at all, in indirect and obscure ways.

This may be the way that the early Protestant experienced doubt about the self, but it will not appear to apply very well to the capitalist spirit of the more modern era, where the religious element is either attenuated or missing altogether. Yet, we should not be too quick to arrive at this conclusion. Even the modern capitalist has occasion to invoke a

relationship with God in describing his or her work. Thus, for example, those at the Enron Corporation, all deeply invested in the pursuit of the infinite, explicitly thought of what they did as “God’s work” (MacLean and Elkind 2003: xxv). Another rapacious capitalist of the same period was described as someone who “believed in small-town values: strong families, hard work, church on Sunday” (Leonard 2002). It would seem that we have not strayed so far as we might imagine from the mentality of the Protestant sects.

Still, appeal to Weber’s formulation can take us only so far in light of the changes in culture that have occurred over the past century. Clearly, we will need an account of doubt about the self that applies in a more secular context. Yet, while this account may not use the language of the older world, this does not mean that the account of the process couched in that language is of no relevance. To see how this might play out in the more secular context, it will be useful to consider how the element of chance enters into the capitalist process.

Consider a game of chance in which the outcome is wholly independent of any action on the part of those playing. While we may know on one level that the outcome is determined by no agency, nonetheless, at the unconscious level, we continue to imagine that the game is a test of whether we are favored by the Unknown Power. Winning is evidence that we are; losing is evidence that we are not. But playing is evidence of our uncertainty, and a compulsion to keep playing, win or lose, is evidence of how powerful in our psyche is the doubt about our standing in the eyes of the Unknown Power and how urgent is our need to know. Even when we win, the doubt remains, and we must play again to assure ourselves that we remain favored. Then, it is playing the game that matters, because only while playing can we find out what we need to know. Participation in the game is evidence of our belief in an Unknown Power whether we understand that power in explicitly religious terms or not. And the compulsion to play the game is an indication of how deeply embedded is the doubt about the self that drives us.

I think it will be useful to consider the capitalist process as a variant of the game just considered. To invest our wealth in the hope that it will increase is to take a risk. More specifically, it is to risk what we have so that we might get more. We take this risk in part because what we have is not enough. But, we also take it because the reassurance winning provides does not alter the existential doubt driving us. And, while the capitalist might work very hard to improve his or her chances, there are

no sure bets. And, the reason there are no sure bets is the process of creative destruction itself, a process that tends to undermine the conditions that define opportunities and thereby to create risk, specifically the risk associated with change in the structure that creates opportunities. To eliminate risk means to eliminate change and to eliminate change means to eliminate opportunity for profitable investment. And, to eliminate the opportunity for profitable investment means to accept our inability to alter what is, to give up the infinite in favor of a finite, limited existence.

The risk to which I refer is not something that can be insured against, and, because of this, there must always remain a significant element of the game of chance in the capitalist's endeavor; it is a necessary condition for the capitalist spirit to thrive. This means that, even in the secular context, there is significant room for the encounter with the Unknown Power of the early Protestant even though that power may no longer be explicitly conceived in religious terms. In other words, the capitalist entrepreneur is engaged in an activity whose outcome he or she does not completely control. When the entrepreneur is successful, this will be understood, at the conscious level, as a measure of his or her skill, foresight, and hard work. But, it will also be seen as a reflection of character and as a measure of his or her intrinsic worth. It will be seen to dispel doubt about the value of the self, and to dispel doubt about the value of the self in the eyes of an Unseen Power may still be considered its implicit purpose. This happens when chance is understood to indicate the presence of an Unseen Power. What appears to the participant in the process as taking a risk, when seen as the expression of the Unknown Power appears as putting our wellbeing at the mercy of that power, whose actions are not capricious but follow a purpose, albeit one unknown to us. Because this purpose, while unknown to us, governs our fate, its presence is not an unfortunate element in the process best eliminated so far as possible, but something essential to it.

In thinking about games, the tendency is to focus attention on winning and those who win. But, a game is also about losing and those who lose. Without them, there can be no winners. And, while in winning the winner provides evidence that he or she is favored by God, in losing those who lose must equally provide evidence that they are not. I have thus far characterized the capitalist process as an enactment of a drama of winning and losing. But, as I have also emphasized, there is a sense in which losing is the dominant moment in the process because however much we gain, it can never be enough, and because what we gain can never be

simply held for the gratification winning provides; it must always be put at risk to see whether winning continues to be our fate.

Losing is important, or, more precisely, having losers is important. Indeed, it could be said that the losers are the most important actors in the drama; after all, it is a drama of loss and of how we cope with it. I think we can make some progress in understanding the capitalist process if we understand it as a loser's game. I refer to the process as a loser's game for two reasons. First, many, perhaps a majority, of those who play end up losing, and, second, only those who know, or fear, that they are losers need to prove to themselves that they are not. Indeed, the greater the fear we harbor about ourselves, the more urgent our need to be involved with others in ways that can provide evidence that our fear is without foundation. And, the best way to reassure ourselves that we are not losers is to create in the world others who are, which is what the game does.

Who are the losers? One answer is that all the players are losers; that's why they play the game. They hope that in playing the game they can become something other than what they are or, at least, let others know what it is like to be a loser. But, there are also those who lose the game; and they are losers in an additional sense. In the game we think of as capitalism, the losers are those who have to work for a living because their capital is not productive for them or because they have none or not enough. When you have to work for a living, you are a loser in the special sense that you are subject to the will of others. Lacking will, or at least the possibility of making living the expression of will, you have no opportunity to make doing an expression of the pursuit of the infinite. So it is not just work but that special kind of work that distances the individual from the infinite. Set in the context of winning and losing, to work for others is to suffer a narcissistic injury. By contrast, to have others work for you is to enhance your self-esteem at their expense. Having others work for us becomes, then, a part of the process aimed at dispelling doubt about the self.

The point of the capitalist process is to connect work to loss: loss of will because when we work for others work and will are opposed rather than integrated, loss of self-esteem because we can only admire a self that is a locus of will. But in connecting work to loss we also connect the activity by which we make our world to the loss of the infinite, the gaining of which is the goal of creating the world. This newly created world is one that is not subject to the limits of man's natural existence. Rather, "work is the activity

which corresponds to the unnaturalness of human existence” (Arendt 1958, 7). This loss of connection to instinctual life is the starting point for self-determination and creativity in living. Work, as Hegel (1952) emphasizes, is the other side of the multiplication of wants and of the means for satisfying them, a multiplication that expresses the disconnection of life from what is already given and predetermined for the individual.

The loser’s game originates in self-doubt. The game is meant to enable us to reconceive ourselves in a shape that provides definitive evidence of our intrinsic value. In other words, by winning the game we see ourselves and are seen by others in a form that provokes admiration and envy. We are now the realization of an idealized image of the self, one that replaces what is imperfect, limited, and finite, with one that knows no such limits.

My power is as great as the power of money. The properties of money are my—(its owner’s)—properties and faculties. I am ugly, but I can buy myself the most beautiful women. Consequently I am not ugly, for the effect of ugliness, its power of repulsion, is annulled by money....I am a wicked, dishonest man without conscience or intellect, but money is honored and so also is its possessor. Money is the highest good, and so its possessor is good. (Marx 1977: 109)

The capitalist process rejects all that is finite, limited, and to that degree imperfect. It rejects the body that is marred by age or infirmity, replacing it with a fantasy of eternal health and life. It rejects love objects that are similarly imperfect and grow old replacing them with younger models that must also be rejected the more they become known for what they are: imperfect and distant approximations of the ideal. It rejects all possible sources of gratification in consumption because all of them are flawed: the video image is too small or its resolution too low; the smart phone either doesn’t speak and understand the spoken word, or it does not speak very well; the expensive bottle of wine disappears in its consumption. The same need for the ideal object that leads to denigration of all real particular things is a need for an ideal self that is also denigrated in its manifestation as this real particular self, a self limited by its physical embodiment, its base desires, and its desperate need for love. The need to diminish the value of things simply reflects the powerful impulse to devalue the self, which fosters that feeling of loneliness we identify with the life of the capitalist however much he or she may be surrounded by others.

Capitalism is the peculiarly modern way in which the inevitability of loss can be denied in favor of living life in the hope that the ultimate gratification can be attained. In psychological terms, it is simply one modality of chronic mourning, which is the way we live when we refuse to accept loss. Yet, while capital is the way we reject what is particular and finite, it also creates the possibility of living a life that is distinctively our own, a life that must therefore be finite both in scope and duration. Capital is, after all, the source of the multiplication of useful things that makes it possible for individuals to shape a place and way of living uniquely their own; in this, capital is inseparably connected to difference. Its significance is tied to what is unique about us. And, because it is tied to our unique presence, capital is part of what enables the individual to find the universal in the particular and gain satisfaction in the finite life.

It is, then, not capital per se that represents loss, but the acquisition of capital for its own sake, the turning of capital into desire's object. There is then, within the world of capitalist institutions, a struggle between capital as the vehicle for fostering difference and the possibility of leading a uniquely individual way of life in the world and capital as the object of a desire that rejects all finite satisfaction. The outcome of this struggle depends on the prevalence of loss in the world and therefore the power of the need to compensate for fundamental doubts about the value of the self.

III

Capitalism is the economic system that emerges when the idea of private property is instantiated in institutions and ways of life, especially in the form of a legal system in which wealth and the means for producing it are privately owned. The idea that animates the capitalist system is self-regulation. A capitalist economy is one in which what is produced, how it is produced, and how output is distributed are all primarily determined by a system of private transactions governed by private ends rather than by external authority in the form of the state. This contrasts sharply with earlier systems of economic arrangements in which what can be produced, how it is to be produced and by whom, and the terms on which exchanges take place are all subject to strict regulation. The destruction of this older system constitutes land, labor, and capital as commodities to be disposed of at the discretion of their owners.⁴

The older system was organized to assure that the economy would serve the ends of the community, in particular by reproducing a hierarchical structure of subsistence and right.

Each member has his or her own function. Each must receive the means suited to his or her social position or class, and must claim no more. Within each social position there must be a rough equality. Between classes there must be inequality; for otherwise class would have no material form or visible reality. "Peasants must not encroach on those above them. Lords must not despoil peasants. Craftsmen and merchants must receive what will maintain them in their calling." (Tawney 1962: 23)

In other words, regulation served both to protect the member by instituting a communal obligation to secure his or her welfare, and to subject the member to that strict control associated with the dictates of what Marx and Tawney refer to as a moral order. In particular, it assured adhesion of the member to an order of higher and lower, dominant and subordinate. The movement toward free trade, which begins with the Physiocrats in France and achieves its classic formulation in Adam Smith's great work, *The Wealth of Nations*, is the movement to free the individual from those bonds of community that secure the older system in which custom and tradition define who he is, how he will lead his life, what work he will do, and how he will be related to others (as master or slave, lord or serf, head of the household or servant).

To achieve these ends, not only must the individual be set free from the bonds of membership in a traditional community and the forms of domination that defined that community, but he must also be set free from the security that community provided. This freeing of the individual from the bonds and security of community is the defining feature of the capitalist system. The destruction of the older order transformed the member of the community into the independent property owner and citizen. The rise of a modern economy separates individuals one from another, erodes their sense of mutual commitment, and turns them inward rather than demanding that they concern themselves with the group and the greater good it represents. This frees the individual to make living in the world express what Christopher Bollas (1989) refers to as his or her "unique presence of being."

Being alive in this latter sense involves the matter of difference and especially the matter of creative living rather than living by adapting to what already exists for us (Winnicott 1986). When what we do represents only our adaptation to a reality predetermined for us, then we are not

subjectively alive in that we have no being to call on as the mainspring of our action. Being alive means leading a life shaped by an inner force, one usually referred to in the language of the self. When what we do is shaped by this inner force, then doing expresses being and our lives are determined, at least in some significant part, by the presence of the self.

The connection of being alive to the self suggests a connection between the self and the idea of an animating spirit. Indeed, since its spirit is the factor within the organism that brings it to life, in a modern society this spirit is the self. The economic system we refer to as capitalism is the expression of the liberation of the self to pursue its interests however it chooses to define them. Private ownership is the institution that makes this possible, at least so far as economic affairs are concerned. Private ownership, especially of capital and labor, which defines capitalism, does not in itself, however, imply domination by the spirit of acquisition. What is also required is the attachment of self-interest to the goal of the endless accumulation of wealth, or that “boundless greed for riches” to which Marx so vividly draws our attention.

In attempting to understand the relationship between self-interest and greed, we might begin with the observation that to pursue self-interest means to establish a special relationship between the internal and external worlds, one in which the inner world shapes conduct and relating in an especially powerful way. More specifically, to pursue self-interest means to have interests that are not fully determined by external factors, especially adherence to group identities and ways of life, but emerge out of an internal process not fully governed by those factors. This means that there must be a negation of external reality, the reality of the group and its needs and ends, which is also a denial of the limits it sets for us.⁵ In other words, there is inherent in self-interest a denial of the power of external reality to determine fully who we are and what we do.⁶ This immediately suggests a connection to greed, which represents a refusal to accept the limits external reality places on the expectation that our desires will be satisfied.

Understood in this way, greed is about the emergence of an inner world and a determination of conduct and relating originating in that inner world, and this implies a connection between greed and what Winnicott refers to as being alive and feeling real. This line of thought is consistent with Joan Riviere’s description of greed as “an aspect of the desire to live,” which, like the impulse to live, must be “endless and never assuaged,” ceasing “only with death” (1964: 26–7; see also Hyatt-Williams 1998: 46).

What Riviere refers to here must, however, be a life of a special kind, since we can imagine creatures whose lives are not marked by greed, but rather transpire within the narrower confines of a finite metabolism with a natural environment. Evidently, what Riviere has in mind is a peculiarly human sort of life, one in which the organism has, in the words of Harvey Kaplan, “broken loose from the original instinctual drive and lost [its] original instinctual motivations” (1991: 514). What has replaced the original instinctual motivation is a freedom from it and openness to forms of satisfaction not limited by the natural metabolism. This openness is sometimes confused with greed, and, especially in its most primitive forms, does constitute a relationship with the world that knows no limits; in that sense, it could reasonably be considered a form of greed. Yet, it would be a mistake to confuse this primitive form with the acquisitive instinct Weber equates with the spirit of capitalism.

When driven by greed, our goal is to incorporate all the good things into the boundary of the self, to consume the good as a way of demonstrating that no limits exist to the domain of the self, or, in other words, to establish the dominance of the self over its world (creativity) rather than the dominance of the world over the self (compliance). For an individual driven by greed, the alternatives are limited to two: either I dominate all objects in the world or they dominate me. But, neither option really works. When I succeed in dominating over all others and all things, there remains no sphere for the exercise of will, no satisfaction to be gained in defining a particular life for myself and occupying a distinct world of my own making. Indeed, the idea of a world of my own can have no meaning in the absence of other worlds that are not distinctly mine and the unique expression of my being. True creativity requires a middle ground where the individual’s orientation toward external reality allows him or her to be and have a self in the world of others.

It follows from these considerations that the attachment of greed to self-interest is a complex matter. The main issue, however, that must be addressed if we are to understand it should be clear enough. It is the matter of whether the organism’s original urge to incorporate all the good things resolves itself into the development of a finite self with finite ends, or continues to dominate the organism throughout its life without any real modification to take into account the presence of others. This is essentially a matter of the ability of the individual to make a transition from the primitive to a more mature orientation to the external world, one in which it is possible to acknowledge the separateness of self and other.

The key to understanding this transition is a seeming paradox: it is not interest in the self as end that fosters the limitless need and exclusion of others that characterizes greed, but precisely the opposite state. That is, greed is linked not to self-interest but to the inability to find in the self something worthy of our interest. The key to this paradox reveals itself when we consider how greed is all about the attachment of good things to the self and the hope that this attachment will establish that the self is good intrinsically. It becomes necessary to seek to achieve that result in this round-about way because the self is not judged to be of any intrinsic value, but to gain all its standing from those external things it is able to acquire and make its own. This is what greed is all about: compensating for a devalued self.

The premise of greed, then, is that the worth of the self is not intrinsic, but reflects the worth of objects attached to it. Greed's objects are all those things in connection with which we imagine that we will be made good: "any and every imaginable kind of good—material possessions, bodily or mental gifts, advantages and privileges" (Riviere 1964: 27). This is a natural extension of the individual's inability to find in the inner world an adequate basis for creating a conviction that his or her self has value. Doubt about the intrinsic value of the self demands that value be acquired from outside. Thus, any failure to form an attachment to the external good things would expose the true condition of the self, which is that it has no value, and as a result, "our deepest fears are realized" (Riviere 1964: 27). Greed, then, is our drive to avoid coming to terms with our deepest fear, which is that we are unworthy.

This suggests how we might understand greed in relation to self-interest. Specifically, it suggests that self-interest expresses greedy desire when the self is intrinsically of little interest, and the individual seeks to offset the pain induced by this situation by forming an attachment to things that are made valuable by an authority outside the self. In doing so, the self seeks to have its worth measured not by an intrinsic standard, but by the accumulated value of the things attached to it. Thus, the pursuit of greedy self-interest indicates not that too high a value is placed on the self, but that the value placed on the self is too low. When this situation develops, the external world and all the objects in it, both human and non-human, are considered exclusively from the standpoint of their potential to enhance or diminish the self.

At this point, the implicit link between greed and envy becomes explicit. To have a devalued self means that the presence of others in the world whose selves are of intrinsic value only makes our suffering more

acute. To counter this suffering, it is necessary to impose the negative evaluation of the self that we experience internally onto others so that our devalued self can be experienced by them. Doing so, then, justifies the individual's treatment of others as so many objects to be used as means to the end of his or her self-aggrandizement. To treat others in this way has a two-fold significance: it is justified by their lack of intrinsic worth, and, by devaluing others, we assure they will lack the standing that would prevent their use as means rather than as ends in themselves. Thus, greedy desire means that the individual has little or no capacity to treat others with respect for their integrity as separate and different selves existing in their own right. The result is the rapacious self-interest that marks the spirit of capitalism as Weber characterizes it.

Greed means that neither desire nor self-interest is subject to any internal limits. By contrast, the individual operating on a basis other than greed defines for himself or herself what is and is not of interest; and this activity of self-definition is also the activity of limit setting. Where, instead, what is of interest is defined externally as all things others deem of value, such limits do not hold, and the process of limitless accumulation is the result. So far as the individual has developed a capacity for limit setting, he has also developed a tolerance for regulation, which is an expression of limit setting, but now at the level of institutions and policy. Similarly, the attack on regulation at the level of institutions is simply an attack on any expectation that the individual can and will set limits for himself or herself.

Because the greedy seek to find the value of the self in the value of the external things attached to it, greed is a stance toward the external world that invests it with power over the self. This sets greed in opposition to creativity, which finds in the self the source of its own reality. Saying this would seem, however, to conflict with the proposition advanced above that true creativity exists in a middle ground involving an orientation toward reality that allows the individual to be and have a self in the world of others. There is, however, a difference between creating a world suitable for the self and attempting to absorb everything of value in the world into the domain of one particular self. The second attacks the reality of other selves, the first accepts that reality, seeking to exist, and therefore to create, within the world of others. What is complicated about greed is that the greedy both attack the reality of others and invest that reality with the power to adjudicate their own. The greedy are both profoundly dependent on others and profoundly intolerant of their presence in a world they seek to make exclusively theirs. This is the contradiction that

defines the stance of the greedy, and assures that, because it is defined by a contradiction, their ultimate goal can never be attained.

As Marx emphasizes, capital is not an accumulation of wealth, but the process of the self-expansion of value. As the process of the self-expansion of value, capital appears as the power that creates wealth. The owner of capital appears, through identification with it, as also a creative power. This fosters the notion that the owner of capital is the creator of, or at least the reason for, wealth, and, therefore, the source of the good things.

To create what is good makes one good in a special sense, a sense we would not apply to the mere owner of the good things. To be the source of the good things is not only to have, but to be, the ultimate creative power. Greed is, then, linked to creativity; and so far as a good is only good if there are none better, greed is inseparable from creativity so far as a creative act is worthy of the name only if it produces not this or that particular and therefore imperfect instance of the good, but the good itself. Greed comes into conflict with creativity, however, because insistence that there can be none better overthrows the whole project of producing the good, which must mean giving it a finite form. This means that the connection between capital and creativity is a complex and problematic one. On one side, capital is clearly a powerful expression of the creative urge. On the other side, the creativity capital seeks to embody is one that can never be realized.

Creativity is the expression in living of the presence of spirit. Creativity refers to the intent and capacity to make a world in which we, which is to say our spirits, exist. This is the “unnatural world” to which Arendt refers in her discussion of work. The activity of creating this world includes the creation of objects that embody our spirit and make it real, which is to say tangible to ourselves and to others. The world we create will differ from the world that is given to us because we are in it and because we do things and make things that assure our existence can be experienced by others. If our spirit is something worthy of existing in the world, existing for self and others, then the things we create to express the presence of our spirit are good just as the things to which we attach ourselves are good.

The complications greed introduces into the creative impulse stem from the hidden premise of greed, which is that we are not good intrinsically, and therefore that what we create cannot be the good. Thus, while our greed is the greed to be and have all that is good, the impulse to do so expresses the conviction that we are not good and that what we have

is not the good. Greed then shapes creativity in a particular direction, which is the one I explore in this book.

Must the destructive effects of greed be accepted as an inevitable part of our collective experience? In part, I think, the answer to this question must be yes. Greed is not the invention of capitalist institutions; rather, those institutions are simply one way society channels greed so that its destructive potential is limited (see Levine 2008). This does not mean, however, that we must accept the hypothesis that destructive forms of greed must dominate social institutions and the interactions taking place within them. I have suggested that the destructive forms of this impulse dominate only where the intrinsic value of the self cannot be reliably established. If this is correct, then, in attempting to address the problem of the destructive consequences of greed, we should turn not only to law and institutions, but also to those factors that determine whether the self has intrinsic value or not. Where the self cannot be invested with value, substitutes for it must be found. This seeking after substitutes for the valued self is the process that expresses what I have referred to as the pathology of the capitalist spirit.

Notes

- 1 Indeed, profitability can be shown to depend on the capacity of the capitalist to bring about change; see Schumpeter (1934), Levine (1982).
- 2 It is also possible to bundle claims over financial assets representing direct claims to real assets so that the new financial assets' claim to the product of real assets becomes indirect.
- 3 The former is the unity of creativity and destruction, or "creative destruction" that Joseph Schumpeter sees as the central feature of capitalist development (Schumpeter 1934). On the link between creativity, change, and destruction see Winnicott (1971), Benjamin (1988), and Levine (1999).
- 4 Karl Polanyi (1957) refers to these as "fictitious commodities," a term that captures some of the fantasy element so prominent in the shaping of capitalistic economy.
- 5 In another sense, it can be argued that, for the member, the group does not constitute an external reality since in group life the boundary between internal and external is not allowed to develop fully. Then, strictly speaking, the group becomes an external reality and external limit on the member only so far as the member becomes, at least to a significant degree, a separate individual with the potential to exist outside the group.
- 6 For a fuller discussion, see Levine (2010), chapter 2.

5

Political Consequences

Abstract: There is a tension between the spirit of capitalism and regulating what individuals can do with their wealth. Further, so far as regulation is meant to lessen the impact of losing on life chances, it reduces or eliminates the experience of loss that is so much a part of the purpose of the capitalist process. Finally, intolerance of regulation and authority results when we substitute fantasy for reason (our connection to external reality) as the basis for conduct and relating, a substitution implied in the disease of the infinite. Among the factors promoting this substitution, two are of special importance: the connection between self-interest and greed, and the dominance of fixed ideas rooted not in interests, but in myth and fantasy, a factor also linked to greed.

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I

One of the qualities most closely associated with a capitalist economy is the absence of external limitation or control. This quality is clearly expressed in the notion of the “self-regulating” market, a term that refers to a system controlled entirely from within. What this means is that there is no authority that decides outcomes. A capitalist economy is sometimes equated with this rejection, or at least absence, of authority, although I think that equation is in some ways problematic. Whether we make this equation or not, there always remains a tension between the spirit of capitalism and the idea of limiting what individuals can and cannot do with their wealth through regulation.

To the extent that the presence of external authority signifies the restriction of the self within the bounds of what is real and finite, we can think about the rejection of authority as an expression of the disease of the infinite. So far as the disease of the infinite takes the form of an attack on all limits, it provides a powerful stimulus for the attack on regulation we associate with movements against government, which is experienced as the locus of external regulation and therefore limitation.

An important part of this resistance to regulation is the way the capitalist process fosters loss. To the extent that the capitalist process is organized around loss, in it there must be losers; and so far as regulation is meant to lessen the impact of losing on life chances, it reduces or eliminates the experience of loss that is so much a part of the purpose of the process. More importantly, it removes the stigma of loss that associates it with what is internal to the individual, specifically with the close link between what one gains in life and qualities attributed to the self.

Of special importance, given the connection between loss and the necessity to work, especially to work for others, regulation that weakens the necessity that the losers must work undermines the whole meaning and purpose of the process. Viewed from this standpoint, regulation does not manage or limit the process; it destroys it by attacking its defining idea. The wealthy oppose government regulation, then, because they see in it an attack not primarily on their wealth, but on the virtue their acquisition of wealth implies that they possess.

For regulation to have meaning there must be a system subject to regulation and an authority capable of regulating that system. In this sense, even self-regulation requires a division between regulator and regulated, between a regulating self and a self subject to regulation. There must be,

as Adam Smith might put it, a self that commands the passions even though the passions are also part of the self. The more powerful the passions, the more repressive the self must be and the less tolerant it must be of its own impulses. The self does not tolerate its own impulses when it finds in them what is wrong, defective, inadequate, and unacceptable in the motivations that drive conduct. The self must repress itself because it is bad. The self repressed is the self denied. Denial represents the active side of loss; it is loss imposed.

To repress the self is to deny it access to desire's object. Thus, the Puritan accumulates wealth so he can exercise the power of will over desire by refraining from consuming it. For the Puritan, this drama plays out within the self, but this is not the only arena available. The same drama of deprivation and loss can be enacted not in relation to the self, but in relation to others, who might be available to experience desire denied and therefore gain the benefit of proving their character through experiencing deprivation. But, government blocks the enactment of this drama so far as it protects the individual from deprivation, and therefore from the unique opportunity deprivation affords.

The role of the disease of the infinite in resistance to regulation is, I think, clear enough. Yet, the intensity of the attack on regulation, and especially the moral tone that attack sometimes adopts suggests that the matter is not as simple as it appears. Whenever we observe this level of intensity of aggression mobilized against an idea or policy, we need also to consider the possibility that the antipathy expressed toward the idea or policy represents not simple opposition to it, but a defense against powerful impulses operating in the opposing direction. In the case considered here, the intensity of the aggression mobilized against regulation suggests an intensity of desire to be regulated. The desire to be regulated is closely linked to the matter of dependence since regulation represents the external control we associate with dependence on another to determine what we can and cannot do as well as guiding us in the direction of what we should do. So far as dependence is experienced as a threat, we must protect ourselves from it.

In the first instance, dependence is experienced as a threat because those on whom we depend are experienced as hostile to us. The result of this construction is an equation between regulation, authority, and the intent to do harm. The attack on regulation expresses, then, a need to be regulated combined with a powerful conviction that those on whom we would depend for regulation have a hostile intent toward us. This

complex construction is familiar in contemporary political discourse, where we have come to expect to find an attack on government regulation combined with the powerful intent to impose moral constraints such as those associated with abortion and birth control. The need to control government is a need to control greed and desire: the greed of government and the license of those who seek birth control and abortion to indulge desire without constraint associated with desire's potentially harmful consequences.

By its nature, the moral orientation toward the world indicates the presence of an especially intense desire and an associated need for control. As I suggest in Chapter 2, the intensity of the impulse to repress desire measures the intensity of desire and the conviction that desire must be a destructive force unless through repression it is channeled in a direction opposite the one associated with its natural end. If it can be said that the more powerful and destructive desire the greater the need for regulation, it can also be said that the more powerful the urge to regulate, the more powerful the underlying desire and the more destructive it is experienced to be. While, in the case of the early Protestant, this impulse to control through redirection was expressed as repression of the self, in the modern context the impulse to control is redirected outward, toward others. These others exist in different forms, most notably as government itself, but also as those dependent on government. In the moral turn, the fact that it is above all sexual desire that must be controlled redirects the impulse toward those defined as the locus and/or stimulus for sexual desire, most notably, but not exclusively, women.

When the needy self is projected onto others, the attack on government understood as a potential source of welfare for them simply expresses the externalization of the internal attack on the internal needy self. Those who attack government, then, do so in part because they imagine it will provide others with what they themselves cannot have: care for their needy and dependent selves. The powerful aggression involved in the attack on the self is also projected onto government, which is experienced as a dangerous and destructive force that makes people needy and dependent so they will become vulnerable to its harmful intent.

In its extreme form, the link between regulation and desire becomes obvious, as it did when Rush Limbaugh attacked a woman defending the availability of birth control as a "slut." More significant, however, than the simple association of sexual license with birth control was the clear evidence that it was Limbaugh's uncontrolled sexual impulse that

needed regulation. This became clear when Limbaugh demanded that women “with contraceptive coverage post sex videos online ‘So We Can All Watch’” (Limbaugh 2012). This makes it evident that it is Limbaugh’s own sexual desire that was in play, and also that desire for him is powerfully involved with destructive impulses involving exposure and humiliation. There is, then, nothing surprising about Limbaugh’s outburst nor anything mysterious in the way it expresses his own need to regulate his own desire now projected onto others.

Limbaugh’s comment was in response to a bill in Congress that would prevent government from requiring that health insurers provide coverage for birth control. The way he addressed the issue provided strong evidence that, in his mind, the problem with government regulation was not only that it tended to limit individual action, but also that it tended to fail to set limits where those were desperately needed, most notably for his own destructive desire projected onto others. If this is the case, then the intensity of our hatred for government may be a measure of the intensity of our desire to be governed, which is rechanneled into an intense desire to govern others. All of this expresses the dominance internally of a dependent and needy self, one incapable of exerting control over its destructive desire, a destructive desire allowed full expression only when directed against government and those protected by government regulation.

The attack on those dependent on government is an attack on the dependent self projected onto others. Removing support for the dependent self in other also removes support for the dependent self in self. The loss of government repeats the loss of a nurturing family-like relationship, assuring that if we cannot have it neither can anyone else. So far as this is the case, the attack on government support for the needy is driven by envy. When driven by envy, the end is not to get something for the self, but to deprive others of what we are convinced we cannot have. This suggests that to view the process as one driven by the desire for gain misses the point. The real goal is not gain but loss, and the only gain is the gratification we get from seeing others lose. When the economic system fails, loss is fully shared.

While it could be argued that institutions organized to assure self-regulation require the absence of government intervention, this is not in fact the case. Rather, those institutions cannot survive unless conduct is regulated in a way that protects their integrity. The need for regulation to protect the integrity of institutions is more marked the more

self-interest is attached to, or confused with, greed. This is because its attachment to greed makes self-interest a drive to violate all limits, especially those that protect the integrity of others. External regulation, then, is needed because self-regulation is not possible; but, the more powerful the attachment of greed to self-interest the more powerful the forces operating against regulation, both internal and external. Thus, speculative movements that lead to economic dislocation represent the results of a system in which internal regulation is not effective and external regulation is not allowed. The resulting conundrum characterizes the political landscape wherever individual self-determination has made any significant progress in eroding domination of the group in shaping ways of life.

The attack on regulation and authority expresses the conviction that regulation is the enemy of desire and is part of depriving the self of desire's object, which is the source of gratification without limit. This fixation on the object of limitless desire makes the individual intolerant of any external reality that embodies the limits of other, different, persons. Self-boundaries mark out such limits, and those suffering from the disease of the infinite will not accept the limits of the real those boundaries represent. This intolerance of the limits of the real is, however, also an intolerance of reason which is our connection to the boundary between self and not-self and therefore the limits that external reality represents. In place of reality, infinite desire and the prospect of gaining its special object introduces a fantasy of living where what is external is adapted to internal need and becomes its servant. This means that the intolerance of regulation and authority results when we substitute fantasy for reason as the basis for conduct and relating.

II

The above considerations suggest how the pathology of the capitalist spirit plays itself out in the political process. In considering this matter, I will focus more specifically on the way greed undermines the capacity for reasoned argument to influence political process and outcome. Among the factors standing in the way of reason, two, I think, are of special importance. The first is the connection between self-interest and greed, and the second is the dominance of fixed ideas rooted not in interests, but in myth and fantasy, a factor also linked to greed.

The second factor poses, I think, the more significant challenge to reason. This is because, while the politics of interests limits the role of reason, it does not altogether exclude it. That there is a limited role for reason where politics is dominated by interest is suggested by the idea of rational calculation for which interest is the starting point. So far as a rational calculation is required, so too is an objective assessment of alternatives, at least up to a point. Rational calculation, then, demands that the outcome not be altogether predetermined. From the point of view of this calculation, we cannot know ahead of time whether a specific policy is desirable or not, although it is assumed that we do know ahead of time what serves our interest. Thus, rational calculation requires that agents suspend fixed assumptions about the external world, if not about the internal world, and that they inquire, in however limited a way, into alternative possibilities. The ability of agents to do this makes them, at least to some degree, susceptible to a broader influence of reason and reality testing on their political positions.

While interest-based politics can create space for reason, what tend to dominate in politics are not interests so much as other factors, factors operating on an altogether different plane. These are the factors associated with fixed ideas, convictions made impervious to any doubt by forces over which reason has no power. It is possible, of course, to attempt to treat conviction as a kind of interest. We can, after all, be said to take an interest in our belief systems. Yet, an important distinction can still be drawn within the set of objects in which we might take an interest between those associated with belief and those associated with the narrower matter of economic wellbeing. For the former, our interest is in validation of belief, while, for the latter, it is in acquisition of property. So far as the matter of reason in politics is concerned, having an interest in acquisition of property has implications significantly different from those having to do with an interest in validation of belief.

What we refer to as economic interests have to do with access to the means to maintain a personal way of life in a private world. The shaping of a private world is particular to the individual, family, or partial group, and not a matter over which it is meaningful to insist on adherence by others. Of course, decisions made about the shape of a private world can have larger consequences, for example in the form of their environmental impact or the larger public burden private health care can impose. Nonetheless, within broad limits, the shape of the private world remains a private concern. This means that the shaping of policy

becomes a matter not of imposing a common belief and the way of life that embodies it, but of determining how institutions can secure the integrity of a private world in which ways of life differ for reasons not essentially connected to matters of belief.

Achieving this end requires that policy and political debate about policy operate at a level of abstraction on which the object is not to defend and impose a particular end because it represents a moral imperative, but, rather, to defend the possibility of many different ends none of which has any special moral standing of the kind associated with the attachment we refer to in the language of belief. Defending this possibility requires that we treat our chosen way of life as possible rather than inevitable. Thinking about our way of life in this way means that it could be different; it is only one among many possibilities. For us to think this way, we must be able to make an abstraction, the result of which is the idea of the potential for living to take on different particular forms. This is the way of thinking toward which arguments about choice and rational calculation point us. In so doing, they make deliberation about public issues possible, since it is possible to appeal to reason in attempting to judge when policy and institutions do and when they do not facilitate the shaping of many different private worlds each realizing an abstract potential in a different way.

We can do this, however, only when we can get outside the perspective shaped by our private worlds and the special value we invest in them. If we cannot move outside our particular way of living, we cannot invest meaning in policies except insofar as they force public institutions to serve our private ends and validate the inevitability, and therefore universality, of what would otherwise be contingent and particular. But, serving our private ends and validating our particular way of living is not the same thing as securing the possibility of many different private worlds. For the latter, there must be an investment not simply in a particular way of living, but also in the potential to shape a particular way of living. And, this means that we disinvest our way of life of that special significance it might have were it the one way of living having moral standing. The possibility of shaping different ways of life, rather than the concrete form those different ways of life take, must become our end. When it is accepted that making the abstraction needed to think and live this way is an essential part of public debate, then reason can play a role in the political process, since making the abstraction that enables us to get outside of what is particular to us is what reason enables us to

do. Reason plays a role so long as there is or can develop some understanding that security of the private world depends on our conceiving what is particular in it as only one instance of something more universal. Because interest, by its nature, points us in this direction, politics based in interest creates space for reason.¹

Yet, while this may be the case, the pursuit of interests in politics can also operate as an important factor limiting the influence of reason there. Interest limits reason when it develops in a direction inconsistent with the abstraction just considered. More specifically, reason loses its place in politics when the end of securing our private world becomes the end of excluding others from securing theirs. When this happens, pursuit of private ends does not lead toward the development of an understanding of their dependence on a larger order, and does not provide a basis for involvement with public ends that in some meaningful sense transcend particular interest. Interest develops in a direction inconsistent with reason when it attacks the boundaries and limits to satisfaction represented by the interests of others. This refusal to acknowledge limits is what we refer to as greed. Then, it is the attachment of greed to interest that sets it in opposition to reason. If we cannot acknowledge the limitations of our claims to a private world established by the like claims of others, then the basis for rational calculation is undermined and the clash of interests in politics cannot be limited by the end of securing the institutions that instantiate the ideal of many private worlds.

The attachment of greed to interest has normally been interpreted to involve a mediating term, which is the self. In other words, it is assumed that it is the attachment of interest to the self that leads to its attachment to greed because the self is understood as the locus of greedy desire. The resulting equation of self-interest with greed makes self-interest a destructive force. Insistence that the pursuit of self-interest is a destructive force has provided the counterpoint to arguments in favor of grounding politics in interest and presents a significant obstacle to any understanding of the complex relationship between interest and reason.

Interpretation of the self as the locus of a destructive form of desire makes repression of the self the logical response to the attack on reason in politics. Yet, without access to the self as mainspring of conduct and relating and as a primary factor in mental activity, reason is not possible. This, then, creates a conundrum since reason requires access to the self, while the self is seen as the locus of greedy desire and therefore the enemy of reason. If we are to escape from this conundrum, we will need

to consider the self more closely, and especially to question its identification with greedy desire.

We have already seen how the individual's inability to make a positive investment in the self fosters a powerful impulse to attach things of value to it as a way of compensating for its lack of intrinsic worth. This attachment to things of value is a vehicle for acquiring the admiration of others, which, it is imagined, will make up for the self-contempt that dominates inner experience. Greed, then, involves seeking after recognition from others as a way of creating an alternative self, which is a contingent artifact of our relations with them. This "overdependence" on relatedness with others is the essential basis of greedy desire (Kernberg 1986: 246) and the definitive feature of adult greed. If greed develops out of the conviction that the self is of no value, and if that conviction develops out of the experience of the self as a locus of destructive desire, then greed operates as both cause and effect. The more intense the denigration of the self, the more powerful the hold greed has over it.

For the individual to move in the direction of a self-determined life, he or she must discover in the self the active force for deciding, choosing, and determining how to live and what matters in living. When, however, the self, which is the original human impulse to overcome the limits of external reality (the given world), is treated as a destructive force this cannot happen. As a result, the original impulse to turn inward and to find there a starting point for living becomes an unrelenting impulse to repress the inner source of determination of conduct because it has been judged of no value, and therefore to attempt, by adapting to an external judgment of worth, to take from outside what is unavailable within. The result is denial of the intrinsic value of the self in favor of the accumulation of things of value whose attachment to the self establishes a value it cannot establish on its own terms. Greed, in other words, is the product of the repression of self-interest, and of the failure to invest value in the self that would make it something of interest. And this means that the impulse to repress the self because of the attribution of greed to it is what makes it a destructive force; self-repression, rather than limiting greed, intensifies it.

If greed expresses the lack of self-worth, it will not be surprising to find in greedy desire a powerful impulse to treat the self-in-other with an equal lack of regard. Indeed, it is typically the case that greed promotes a predatory attitude toward others, one that treats them as either means to the accumulation of wealth or obstacles to doing so. The instrumental

attitude toward others is consistent with rational calculation and suggests how action based on rational calculation can offer only a limited basis for reason. In reasoning with others, we acknowledge that they exist as independent centers of judgment and action. To reason with others is to give up any impulse to coerce them to act on behalf of our ends, but accept that they remain independent of and separate from us. In other words, reason is all about respect for self-boundaries, while greed offers no such respect.

III

Economic interest can provide a limited basis for reason in politics, but, this limited basis tends to erode as the influence of greed increases. This erosion becomes that much more marked when we move toward a politics dominated not by interests, but by belief. This result has to do with the way in which belief connects us to its object. While we are connected to the object of our interest by the prospect of satisfaction having it will provide, we are attached to our beliefs by the conviction that our devotion to them makes us good.

The purpose of institutions and policy dominated by belief is to validate the goodness of the object and our connection with it. To validate means to exclude all doubt, and to exclude all doubt means to assure that no one can question the identification between self, object, and the good. In other words, thinking must be excluded from politics, since there must be no moment in which the ends of policy are not yet determined. Exclusion of doubt and insistence on shared belief as a way of assuring validation creates a world of interaction with others in which differences are excluded. This is the world of the group.

While the goal of merger with the good does not inevitably lead to involvement in groups, such involvement is one of its most common expressions, and does follow in a logical way from the impulse at work in attachment to belief systems. This means that, while greed for things of value tends not to require any involvement in group life, the urge to become good by merger with the good typically does. Conviction as the driving force in politics needs to be understood, then, as a feature of group life. Because of this, the dynamics of group life come to bear directly on the matter of reason in politics, and a brief consideration of those dynamics should help us understand why reason tends to be excluded from public life.

It is in the nature of groups, as Freud tells us, that they promote the “intensification of affects and the inhibition of the intellect” (1959: 20). In groups, individuals transfer their capacities for judgment outside themselves, onto the group and its leader. To encourage this result, the group calls on the individual’s capacity for identification and the associated sacrifice of any firm distinction between self and other. Groups, that is, are held together by the “earliest expression of an emotional tie” (1959: 37), which is the impulse to become like the other and, in this sense, to create sameness. The group is all about merger and not at all about respect for self-boundaries and the integrity of others. The impulse to return to a primitive form of relating, one that excludes difference and operates before the development of the capacity for reason, makes groups, by their nature, the site of regression. Following this line of thinking, Wilfred Bion, in his essay on group experience, notes how, in joining what he refers to as the “basic” group, all the individual needs to be able to do is to “sink his identity in the herd” (1960: 89).

The basic group is the kind of group in which work is not the end, but, rather, belonging becomes an end in itself. When work is put aside and belonging becomes an end in itself, the group must distance itself from reality understood as what might exist outside the group and not be subject to control by it. In other words, such groups constitute themselves as “self-contained closed systems” that have “little or no desire to know” because knowing disturbs the internal harmony of the group (Turquet 1985: 77). Being “fearful and aggressive toward knowledge,” they are “uninterested in consequences” (Turquet 1985: 77). Put another way, they are fearful and contemptuous of causal relationships because such relationships indicate the presence of a reality not subject to their control.

For our purposes, the essential point about groups of the kind with which Freud is primarily concerned is that they are vehicles for creating reality, and identification is the force they deploy for doing so. To create reality, they create an internal space in which recognition creates self and other. Through recognition, we subsume other into self, present into past. All of this is done in the service of imposing a group-defined reality of self and other.

We can see more clearly how the creation of reality by the group makes it the enemy of reason if we consider further the matter of causality. One way to understand the problem of reason in politics is to consider it as part of the larger problem of the evolution of the idea of causation from

a subjective act of will to an objective attribute of an external reality. Reason becomes relevant in politics only so far as it is possible to adopt the latter standpoint, or, put another way, to acknowledge and enter into relationship with an external reality over which it is not possible to assert omnipotent control. What is irrational in politics, as elsewhere, is the attack on external reality, or more precisely, the insistence that all reality is subject to the kind of control exerted over fantasy life. In fantasy, wishing makes it so, and nothing more is needed to make self and other conform to their desired ideals than agreement on the desirability of doing so.

A special problem arises in politics because politics is conceived as a process through which we create our world. So, politics lends itself to the fantasy of omnipotence to which I have just referred, and, indeed, seems to be its natural home. This is particularly true in the modern context where all “fixed, fast-frozen” relations are “swept away” (Marx and Engels 1978), a situation that makes it appear as if politics writes on a *tabula rasa*, that institutions can become whatever we wish them to be, and, as part of those institutions, we can also become whatever we wish to be. Then, the only causation is that of the collective act of will constrained by nothing but the presence of an opposing will; and politics is the struggle of groups over control of the agency imagined capable of creating the world. This is the struggle over validation of the hope-invested beliefs embodied in ways of life.

Projection of the fantasized and wished-for omnipotent will onto government understood as the agency with the power to create the world and therefore gratify all desire and realize all hope makes government responsible for all that affects our lives and therefore the target of desire, fear, and blame. The assumed subjectivity of government’s will makes citizens the potential victims of the arbitrary exercise of power. And, this fantasy of the all-powerful government intervening capriciously into the lives of citizens necessitates its subjection to strict control, especially by starving it of the resources it would need to pursue its end of domination. The latter is the response to the inability to imagine that government might act in relation to an objective reality, one in which cause and effect are not linked in a purely subjective way. This has the effect of making the work of government impossible. But, it also has the effect of making politics the struggle over control of the organization invested with unlimited power to create and destroy.

In the modern world, group-created reality encounters a limit in the system of private realities made possible by the full development of the

institution of private property. The imposition of limits on the group construction of reality is linked to reason to the extent that the property system is understood to have its own internal “laws of motion,” as Marx terms them, or, in the more usual formulation, is treated as a self-regulating system. Here, causation resides not in the will of a collective agent (the group), but in the objective functioning of a property system, in what Hegel refers to as the “mutual interlocking of particulars” (1952: 268). This means that, in place of the creation of reality by an act of will, there develops the idea of public policy aimed at bringing about desired outcomes by understanding and working within the limits of the laws of operation of an objectively functioning system. This way of thinking stands opposed to that associated with the idea that the group can create reality so that it accords with its collective fantasy.

When government conceives itself as existing in relation to civil society, and, indeed, as responsible for securing a vital private realm, then it cannot conceive itself as creating reality in the way groups are imagined by their members to do. And, this also means that government cannot conceive itself on the model of the group or as the agent of the group (the community of the whole). But, from the standpoint of the group, once government conceives itself as something other than the agent of the group, it becomes the enemy of the aspiration of the group to make external reality a part of internal, and thus by internalizing all external reality securing a closed system and the way of thinking appropriate to it.

The conclusion just drawn can be applied not only to politics driven by belief and therefore by the impulse to create identity, but to interest-based politics as well. Interest-based politics comes to share essential qualities of belief- or identity-based politics when interest is the binding force of a group, and attachment to interests is driven by the impulse to belong as much or more than it is driven by the material benefit that, on the surface, defines interest’s object.

It needs to be emphasized that interest groups arising in civil society and seeking to influence the political process are *groups*, and therefore experience the pressures effective in all groups to shift from vehicles for pursuing specific ends to ends in themselves. When this happens, interest groups coalesce around ideas inconsistent with logic and evidence (“climate change is a myth,” “balanced budgets will lead us out of recession”), ideas that, if implemented, will do tangible harm to their own advocates. This happens, in part, as an expression of the power of group identification, which makes the material interests of members secondary

to their interest in belonging to the group. In other words, it is not so much interests that block reason as interest groups.

Thus, for example, there is an important distinction to be drawn between the interest of the individual business owner taken by himself and the interest of the businessman acting as a member of a group. This difference lies not simply in the enhanced influence made possible by forming an association, but in the change in the nature of interest that goes with the creation of an interest group. For the individual business owner, deficit spending aimed at assuring economic growth is a policy that might very well serve his or her interest; but, the group may not see the matter this way. For the group, more important than economic interest is validation of a belief system central to which is the idea that government is the enemy, a harmful and intrusive force intent on diverting resources to its own ends. Belief in this idea is a decisive part of membership in the group and builds a sense of shared identity among those in it. As a result, the group pursues ends and favors policies that are irrational from the standpoint of its material interest, policies having nothing to do with deliberation, reality testing, and causal relations. This move away from rationality in politics is fostered, then, not by the dominance of interest, but by making interest a group phenomenon. The effort to advance interests by forming an association of like-minded persons moves thinking from reason to more primitive forms linked to identification.

The conclusion just drawn would seem to conflict with the idea that the movement within civil society in the direction of associations offers a connecting point between the autarchy of self-interest and the development of an interest in public ends, the idea that as a member of an association, the individual “belongs to a whole which is itself an organ of the entire society,” and “is actively concerned in promoting the comparatively disinterested end of this whole” (Hegel 1952: 153). To the extent that the associations referred to are groups in the sense considered above, the idea that associations in civil society provide an important link to public ends consistent with freedom and self-determination does become problematic. It is possible, however, to consider associations not as groups, or, at least, to think of them as a distinct kind of group for which the concerns raised here about groups do not apply. We can, in other words, distinguish between those groups for which being in the group is an end in itself, and those groups that do work that connects them to an external reality.

Freud directs our attention to this other possibility of group life, a possibility he associates with “those stable groups or associations in which mankind pass their lives, and which are embodied in the institutions of society” (1959: 15). Freud characterizes those groups of which a higher opinion might be formed not only as more stable, but also as “organized” and “artificial” (49). Since these organized or artificial groups operate only where the regression typical in groups has been somehow limited, if not prevented, their existence expresses the emotional development of their members and the special emotional capabilities made available by that development. Ultimately, what distinguishes the two kinds of group is devotion to work involving something other than securing adherence to the group-constituting fantasy and to fending off contact with any reality outside the group that might disrupt that fantasy. Then, the more interest groups coalesce around a shared belief system, the less their work (if we can use that term to refer to what they do) connects them to external reality, and the less the association they represent assures that reason has a place in politics.

IV

The link between interest and reason suggested earlier is limited by two factors. One is the dominance of greed, and the other is the reshaping of interest as a group phenomenon. Where greed is an essential element, however implicit, of the group, the two factors serve to reinforce each other. This is typical in those groups that exist to a significant degree as vehicles designed to serve greed, whether that be the greed for riches or the greed to be good so dominant in groups whose purpose is to secure the special moral standing of their members. In groups of the latter kind, greed's object is not riches as markers of the good, but the good itself. The implicit, and often explicit, moral quality of group identification links the group to the greed of its members and makes the pursuit of group interest the enemy of reason. All of this tends, then, to link the attack on reason originating in the attachment of greed to interest to the attack on reason originating in the shift from politics grounded in interest to politics grounded in belief systems and the need to assure their validation.

Indeed, we can say that individual greed and the impulse toward losing the self in the group represent two alternative responses to the same

problem, which is coping with a problematic self by forming a relationship with something outside that is judged good. And this means that the strategies used to cope with the attack on the self also foster the attack on reason that is so prominent a part of politics. While, on one level, the two responses to the denigrated self are sharply opposed, this opposition appears less absolute when we take into account the important role greed plays in groups.²

The group protects itself from the greed of its members not by eliminating greed, but by shifting it from the individual to the group as a whole and making the group the vehicle through which the member's greed can be expressed and empowered. By joining the group, the individual makes himself or herself the locus of what is good, and indeed of everything that is judged of value. In the group, the good is absolute and attached exclusively to members. The difference between the individual and the group is not that in one greed is the driving force and in the other it is not, but, rather that in one greed is an individual phenomenon while in the other it can only be expressed by the group as a whole and its leader.

The know-no-limits quality of the acquisitive spirit expressed most notably in the accumulation of wealth finds its parallel in the know-no-limits quality of group life in which it is imagined that what constrains the individual operating on his or her own no longer places restrictions on the collective. This means that the attack on reason stems from the prominence of greed whether that attack is associated with the individual or the group. In either case, greed, originating in the inability to invest value in the self, promotes political movements for which reason is the enemy because of reason's connection to the acknowledgement of an external reality that places limits on gratification.³

The intense emotional states that tend to dominate in politics and make any appeal to reason useless stem from the intensity of the insistence on the possibility we will realize a wished-for state and the intensity of our need to dispel, even destroy, any forces assumed to stand in the way of our wish. Aggression in politics is, in other words, a response not to a specific agenda, but, rather, a part of the attack on reason itself, which is an attack on limits. Then, so far as government is associated with limits, and therefore with reason, aggression must be directed against government. The increasing influence of group identification in politics means that policy-making is not about specific issues (employment, environment, and so on), but always about belonging and the investment of value

in doing so as an end in itself. Then, what appears to be discussion of real, concrete issues is, in reality, nothing more than a struggle over the standing of the group, and therefore of those belonging to it. When this is the case, reasoned argument about the issues does not matter.

The space in politics that might otherwise be occupied by reason is occupied instead by fantasy, specifically fantasy associated with the prospect of the ultimate gratification. Reason and fantasy differ in essential respects, and this difference accounts for the quality and nature of political engagement. Fantasy depicts subjective reality in a narrative form. It is concrete; it is driven by powerful impulses associated with the prospect of gratification; it attacks the boundaries between persons so far as those are experienced as obstacles to gratification. By contrast, reason is abstract, deliberate, and acknowledges boundaries between self and other, internal and external reality. In fantasy, actors, time, and space are all concrete and particular. Abstraction is not allowed. Reason attacks the irreducible quality of fantasy implied in its attachment to what is concrete and particular. It does so by offering the abstraction of possibilities yet to be determined in place of the life already fully formed. Abstraction makes the particular life something contingent, even ephemeral, no longer absolute and inevitable. By doing so, reason undermines the moral authority of ways of life already determined.

In fantasy, all things are possible. Because of this, fantasy is the ultimate locus for the creation of reality. The problem for fantasy is the translation of the purely subjective, or internal, reality created to serve subjective desire into an objective reality. If to create reality is to control reality, and if to control reality is to assure that all wishing conforms to our own so that the subjective can be made objective through an enforced sharing of desire's object, then reason attacks fantasy at its most fundamental level. Reason means that we must give up the omnipotent control over reality associated with fantasy and therefore also the prospect of gaining the ultimate gratification the narrative of the fantasy leads us toward and assures that we will attain.

Reason demands that the impulse to gain the ultimate gratification be countered by another force. Countering this impulse is the work of thinking, which is deliberate rather than impulsive. Internally, the starting point for impulse-driven action is thoughts in the form of images representing driving factors in the mind. Thoughts are something the mind has; whereas thinking is something the mind does. Thinking creates ideas that can make action the result of deliberation. Thoughts have a self-contained quality that

resists thinking, even experiences thinking as a threat. Wilfred Bion clearly indicates the importance of thinking in relation to thoughts when he notes how “thinking has to be called into existence to cope with thoughts” (1967, p. 111). Put another way, thinking is what we do to bring thoughts under the dominion of the self. In doing so, we create for ourselves a basis for action different from, and in important ways opposed to, fantasy.

Fantasy is registered in the mind in the form of what Ronald Fairbairn (1958) refers to as a “frozen drama.” Fantasy is not only a narrative depiction, then, but it is a scripted drama that must be endlessly repeated. But, beyond repetition of the drama in thought, there is the enactment and reenactment of the drama in interpersonal space. This enactment expresses the power of the urge to make the subjective objective, or, at least, to create the semblance of objective reality for it. The end of fantasy is not simply to have the self exist in a world specifically made for it, but to have others act in ways predetermined for them by the forces shaping the narrative. This is the dramatic aspect of fantasy, and clearly marks its opposition to reason, where, as I suggest above, deliberation replaces impulse, the abstract replaces the concrete, and acknowledging limits replaces the attempt to exert omnipotent control through which we seek to create our world.

When public life becomes the site for enacting fantasy, the stakes are raised. Now politics involves nothing more or less than a struggle over the realization of the hope for the ultimate fulfillment, which is the underlying meaning of fantasy. Those who resist the effort to enlist them in the enactment of fantasy become obstacles to gaining the fulfillment promised in fantasy’s narrative. As the obstacles to this promise, they become the targets of aggression. This means that the dominance of fantasy in public life implies heightened emotional states and mobilization of significant aggression. Aggression mobilized to protect fantasy is aggression mobilized to prevent reality testing and appeal to any objective logic embedded in reality that might call into question the fulfillment of the hope expressed in the fantasy.⁴ It follows that, where emotions rise and aggression takes over, there can be no space for reason.

V

While contemporary politics is not an arena for reasoned debate, it is an arena for the struggle over reason. Indeed, much of public life consists of a battle ground for this struggle in which real social issues are subsumed

into fantasies about identity. Central to these fantasies is the conviction that reason is the enemy of hope. The hope is for identification of the self with the good; and the group is the primary vehicle for advancing this hope. Because of this, mobilizing reason-based arguments against the irrational trends in politics can have little effect. Indeed, once we understand the implications of group attachment for the way people think and interact, we can hardly avoid the conclusion that reason cannot play a significant role in politics. Whether we are speaking of groups organized around interests or around identity, and, as I suggest above, the distinction is not as sharp as we might at first assume, attachment to the group limits access to reason. And, since the political process favors groups over individuals, it must inevitably limit the influence of reason.

But, more fundamental than the group dynamic is the role of greed in it, which also affects economic interests, driving them in a direction inconsistent with reason. In the end, it is greed that poses the main obstacle to reason in politics, whether that be the greed associated with the private accumulation of wealth or the greed associated with the effort on the part of groups to establish an equation between the good and the particular qualities and beliefs of their members. Greed attacks the boundary between internal and external, undermining the idea that there is an enduring reality outside the group and outside the subjective desire of the individual, a reality to which reason provides us access. The struggle over reason, then, is a struggle over reality, or more specifically, a struggle between reason and greed.

What I refer to as the struggle over reason is also a struggle over loss. This is the loss of the hope for the ultimate fulfillment. The capacity for reason is the capacity to go on living without the prospect for the ultimate fulfillment promised either by the group or by the endless accumulation of wealth. For reason, we must give up the idea that we are uniquely worthy and accept life in a world where our worth is contingent and limited. This is possible only so far as the contingent life is deemed of value, even if its value is not of the same order as that demanded by greedy desire. We reject reasoned argument because only by doing so can we hold to the conviction that the loss of our unique and absolute moral standing can be made good. No exercise of reasoned argument can appeal to an unreasoned attachment to a hope for a fulfillment without which we are convinced that life can have no meaning.

For reason to have a place in public life, the project of enacting fantasy and seeking thereby to fulfill the hope embedded in it must be given up.

In the end, the hope for the ultimate fulfillment is the hope that we can replace a self judged unworthy of it by one whose value knows no limits. In place of reasoned argument in achieving this end, what is needed is a way to counter the conviction that the self has no value, since it is this conviction that empowers all movements against reason. Strengthening the self cannot be the work of moral education because morality represents the attachment to an external good self through which the intrinsic badness of the self can be disavowed. This makes morality a part of the attack on the self. There are, however, forms of education that do not inculcate moral values, but speak to the individual's capacity to recognize the potential for self-determination present in self and other (Levine 2011: chapter 7). To speak to the self understood as this potential for a life yet to be determined is to strengthen the self and make it possible for conduct to express its presence. In brief, we can say that to strengthen reason against the forces working against it is to strengthen the self against the demands for moral thinking, and to strengthen the state as a counter to the power of the group so that dependence on the group will be weakened and with it the need to repress the self in the interests of survival.

Notes

- 1 In the following, when the term "interest" is used without qualification, it refers to material or economic interest as described above.
- 2 Here, I am speaking of the kind of group whose goal is not to do work but to establish the goodness of its members.
- 3 Insistence on the ultimate fulfillment has the paradoxical effect of dismissing the possibility or desirability of seeking gratification in reality that we find expressed in the self-deprivation demanded by many groups. Contempt for reality is consistent with experience of it as inferior to the wished-for world. What gratification reality offers is judged an inferior and suspect alternative that must be renounced if we are to sustain our hope for a true gratification in a world "beyond."
- 4 Aggression in politics can also be mobilized by the need to prevent others from having what we cannot have for ourselves, in other words by envy rather than greed. Then the end of politics becomes the deprivation of others rather than the satisfaction of the self. The more envy comes to dominate in politics, the more destructive political processes are likely to be since the goal of envy is not to acquire the good but to prevent others from doing so even if that means destroying the good.

6

Conclusion

► **Abstract:** *For freedom or creativity in living, it is not sufficient to have the means of production capable of producing and reproducing the things needed to sustain an already well-defined way of life; it is necessary to have the potential to live a life not yet determined. In other words, there must be a source of revenue capable of supporting varied and changing ways of life. Capital is this source when it is owned not as an end in itself, but as the potential to become something yet to be determined. When this is the case, capital is not desire's object, but the way we secure that object, and the presence of capital does not imply dominance of greed.*

Levine, David. *Pathology of the Capitalist Spirit: An Essay on Greed, Hope, and Loss*, New York: Palgrave Macmillan, 2013. DOI: 10.1057/9781137346797.

Since the time of Adam Smith, capitalism has been thought of as a mechanism for managing greed so that it can produce beneficial effects. This way of thinking has had two unfortunate consequences. The first is the tendency to dismiss the destructive effects of greed as if the possibility of benefits makes those effects of no importance. This tendency is well expressed in the idea that what is good for private profit-making must be good not only for those who make profit, but also for those who do not. The second is the tendency to equate capitalism with greed and ignore the dominance of greed in societies that seek to repress self-interest in favor of the group. This second tendency is well expressed in the fantasy that envisions community as a place where greed does not exist and where the sought-after escape from greed and also from the human destructiveness associated with greed can be achieved.

The *differentia specifica* of capitalism is not, however, that in it greed plays a primary role in shaping institutions and interaction while outside of capitalism this is not the case, but that in it greed is located not in the group, but in the individual. Now, destructiveness is clearly understood as an individual matter. The growing dominance of individual greed has fostered the illusion that the group is the solution to the problem of destructiveness even though it has been and continues to be the locus of some of its most intense forms.

After all, the group is an incubator that tends to intensify emotional states rather than moderate them, to free the individual from constraints on their expression rather than demand of him that he limit that expression in recognition of the integrity of others. Since there are few things as destructive as the group in pursuit of its peculiar form of greedy desire, we might follow the economists and find in the movement of greed out of the group reason for hope that human destructiveness, if not dismissed altogether, will lose some of its force. Perhaps this is the case, but it would be difficult to assess in any objective way, and, however we assess the matter, we are still left to contend with the greedy individual, and to wonder whether there is not some way to move that individual to a position from which, even if greed cannot be eliminated, at least its intensity can be moderated.

Here, I have formulated this matter as one having to do with loosening the connection between greed and self-interest. The evolution of greed from the group to the individual opens up this possibility though it in no way assures it will be realized. Now, all that is needed is that the individual give up his greed and thereby discover his desire; in other words give up greed in favor of self-interest.

For us to see greed and self-interest as different forces driving conduct, self-interest must be made consistent with the presence of others and their right and ability to occupy space of their own. Put simply, it must be possible for me to create a world suited to my being in it without thereby preventing others from doing so, or, most importantly, without requiring others to live in my world and on my terms. When this is possible, self-interest need have none of the exclusionary implications we associate with greed, and, because it recognizes the boundaries set by the existence of others, nor must self-interest be a drive to encompass all that is good into the sphere of one particular self.

The separation of self-interest from greed is consistent with private ownership of capital only so long as the qualities we associate with capital need not imply violation of the boundary alluded to above. Clearly this has not always, or even typically, been the case. For Marx, of course, capital cannot exist without the exploitation of labor. Part of the reason for this is definitional, and has to do with Marx's assumption that value equals labor time. But, part also stems from the idea that the worker sells not a well-bounded commodity, one clearly defined in relation to a well-specified use, but rather his or her working capacity the use of which is yet to be determined. In this respect, the sale of labor-power, as Marx conceived it, carried none of the limitations or constraints associated with particular use, and, connected to this, neither did the purchase of this commodity constrain the kind and intensity of laboring sold by the worker.

Absence of any legal-institutional limits on the labor contract became a basis for exploitation when those purchasing labor did so with an end that mirrored the absence of limits in the definition of the commodity they acquired. Because of this, the exchange of labor for a wage created the opportunity to exploit the worker, a result that became more or less inevitable the more the purchaser was driven not by the prospect of using labor's product to gain a finite satisfaction, but by the prospect of using that product to make money, in other words by greed. Marx was quick to characterize the motivation of the capitalist in this way, and did so repeatedly.

For Marx, as for many observers, the greedy capitalist has become an icon of modern economic organization, and, beyond that, he has become the repository of societal greed, which is to say of the disavowed and projected greed of those who are not capitalists and do not engage in the activity made synonymous with greed. The emotional

trajectory of the world made for capital is one whose slogan might be: they are greedy and we are not, or, possibly, they are greedy, so we can feel reassured that we, who are not capitalists, are therefore not greedy. Indeed, the more critical we are of the capitalists for their greed, the less likely we will ever be associated with our own. The more we need capitalists to contain or represent our greedy selves, the less possible it will be to achieve any meaningful reduction in the presence of greed as a dominant force in shaping social institutions and interaction.

The intensity of our need for capitalists to contain our greedy selves is determined by two factors: (1) the intensity of our greed, and (2) the weakness of our access to the community as a repository for our greedy selves. In other words, so long as we can locate our greedy self in the greed of our community, we have no need to displace it onto greedy capitalists. But when this possibility has been sufficiently eroded by the emergence of the idea of a private world, capital emerges to replace the group as the primary way in which we use social institutions to cope with greed.

To the extent that capital is nothing more than a vehicle for pursuing greed's object, the eclipse of greed and rise of real self-interest would mean the decline of interest in owning capital. But the matter is more complex when we consider capital not simply as greed's object, but also as the object that offers the possibility for us to live in a new world of our own making. Capital is well suited to become greed's object, but it is also well suited to become the vehicle for realizing the hope that, because of our presence in it, the future is not destined to recreate the past. In this book, I have described capital as hope embodied. Capital separates past from future; it holds out the possibility that limitations of the real can be overcome. So long as the hope that limits can be overcome remains alive, desire cannot, or need not, attach itself to what is, but can instead attach itself to what is not. What is not comes to us, however, in two forms: what lies within the range of the possible, and what lies beyond.

When I defined pathology of spirit, I defined it as the attachment of desire to a hope that can never be fulfilled. This is a hope rooted in a desire for something that is by definition beyond the possible. How do we distinguish between desire that operates within the realm of the possible and desire that does not? How can we free ourselves from the tyranny of what is without entering into a fantasy world built entirely of wishes for a world that can never be?

The answer to this question involves the distinction between capital as the potential to become an object that provides satisfaction and capital

as desire's object. This is the distinction we engage when we think about money as purchasing power, as the ability to acquire what we want rather than as what we want. The disease of the infinite makes money and capital desire's objects because no particular and therefore finite object, because it is particular and finite, can ever satisfy. But, in the end, simply owning the potential to acquire a satisfying object by holding money or capital cannot be enough. Owning the potential for satisfaction is not about gaining satisfaction but about rejecting all finite forms of satisfaction. In the end, desire cannot be satisfied by owning this potential to become desire's object. Instead, making capital desire's object always keeps satisfaction at a distance, something that is always yet to be.

For real satisfaction, the potential embodied in capital must be realized in the form of some particular thing, and this means that desire must itself become something finite. When desire cannot do this because to accept restriction is to give up the hoped for fulfillment, which has no limits, then desire is for the good as such and not for any particular good, or set of goods. Then, desire remains greedy desire. Greedy desire is not defined by its attachment to money, wealth or capital; greedy desire is defined by its attachment to the good without restriction or limit.

Money is not the creature of greed, but the object that, because of its peculiar qualities, attracts greedy desire to it. The same holds for capital. Capital is not greedy desire, but the object to which greed attaches itself. What capital and money have in common is their involvement with the universal moment of desire, the moment when desire's object is yet to be determined. That the individual seeks money or capital may mean that he has attached his desire to the potential and not to what that potential might become, but it may not. In other words, we might seek money because we cannot tolerate the limitations associated with realizing the potential in some particular finite form; or, we might seek money as a moment in the process of realizing our potential in a form not yet determined. In this second case, capital is not an end in itself, but a means for securing the money needed to assure that ways of life are not fixed and given, but yet to be determined.

For freedom from predetermination in living, it is not sufficient to have the means of production capable of producing and reproducing the things needed to sustain an already well-defined way of life; it is necessary to have the potential to live a life not yet determined. In other words, there must be a source not of a fixed basket of goods but of a revenue stream capable of supporting varied and changing ways of life. Such a

revenue stream represents the potential for self-determination. Capital is the source of this revenue stream when it is owned not as an end in itself, but as the potential to become something yet to be determined. When this is the case, capital is no longer desire's object. If capital is not desire's object, but only the way we secure that object, then neither is capital greed's object.

In the world of the greedy, however, capital is greed's object, or one of greed's objects. The world of the greedy is not a place where we seek, and some of us find, satisfaction. It is a world where desire's end is defined in such a way as to make it unattainable. Because satisfaction is unattainable, its pursuit is a loser's game. What makes capital the creature of greedy desire, then, is the dominance of loss in its world. Capitalism is the loser's game writ large. It will end only when the pursuit of loss ends. And, the pursuit of loss will end only when desire can find its object in the world of the possible.

The problem lies not in the object, but in desire, which has been reshaped to make it a desire for the loss of its object. As we have seen, satisfaction in the real is blocked by the attachment of desire to the infinite. It is possible to find satisfaction in the real when loss of the infinite has been accepted. When we accept our loss we need no longer impose it on others and the loser's game will no longer attract us.

To seek to become the good by owning the good in its universal form involves the individual in a contradiction. In the case of owning money or capital, the attachment of the good to the individual only distinguishes him or her by amount, by quantity rather than quality. As a result, when we seek to become the good by accumulating wealth, we lose ourselves into our wealth; we cease to exist as distinct personalities. To exist as a distinct, or particular, person, we must engage in an act of self-determined choice, an act whose goal is not to acquire more, but to acquire some particular thing needed for us to be and express who we are. For attachment to the good to establish that its owner is good, it must be the good in some way made distinctive to him or her. But this "making the good particular" also makes it partial and limited; it is set against the good attached to others. To make desire's object something real and finite is to find it in a world of other persons whose desire attaches to other objects. It means that your self is not the one true self, that the object of your desire is not desire's one true object. Greed insists that there can be no others in the world, that there is only one true object of desire and that you must have it.

The individual driven by greed and its most notable form as the pathology of the capitalist spirit finds him or herself in a dilemma: on one side any movement toward an object of desire that is real sacrifices hope for the one good object, which is and must remain universal; on the other side, refusal to make desire's object something real and particular assures that in gaining desire's one true object, we lose all that is distinctive about ourselves. On one side, the fantasy of capital: that our hope to dispel the past and create ourselves anew can be realized, and specifically that our renewal will create in us a valued self, indeed the one true and good self. On the other side, the fantasy of the flight from capital into the group: that we can escape the destructive consequences of our greed by shifting it onto the group. Both fantasies sustain the hope that fuels greed, and therefore each is nothing more than a variant on the theme of greed. They do not resolve the problem of greed, but empower and perpetuate it.

If it is important to understand how the drive for ever-more wealth can be, at least to some extent, weakened in its hold over conduct, it is not by understanding how resources run out or profitability of investment goes to zero, but in understanding how the idea (and the fantasy it expresses) embedded in the way of life of the capitalist can weaken its hold on society and culture more broadly. In suggesting that this is possible, I do not mean to suggest that this loss of dominance is imminent, or that it is reasonable to place it into any clearly defined time frame. My point, rather, is that capitalism does not end until the drive that gives life to it loses its ability to dominate what we do and who we are.

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