

MARX, DELEUZE, AND THE AXIOMATICS OF CAPITAL

Aidan Tynan

Abstract

In *Anti-Oedipus* Deleuze and Guattari outline the three syntheses of desire in terms of Marx's three categories of production, distribution, and consumption. In *A Thousand Plateaus*, however, the focus on the three syntheses falls away and is replaced with what the authors call the "three lines" or "three flows". What is the place of Marx in this transition? I argue that if Deleuze and Guattari dispense with the categories of desiring production, they do not dispense with the fundamental problematic outlined by Marx, namely, the immanence of capital. This article aims to show how what Deleuze and Guattari call the "axiomatrics of capital" are the semiotic forms by which the machinic processes of desiring production are deployed specifically within the capitalist mode of production. These semiotic forms are what enable capital to generate the cultural or ideological conditions by which subjectivity becomes a fundamental component of the reproduction of capital. The article suggests that, with the financial and economic crash of 2008 and its aftermath, this "subjective" reproduction of capital has been in crisis, a crisis which has brought about, amongst other things, a reassertion of State power. As capital seeks to enter into a new phase of its axiomatic, it is imperative that we extract from the crisis the semiotic components of a new politics.

Keywords: Capitalism, financial crisis, Marxism, money, semiotics.

Resumen

En *Anti-Edipo*, Deleuze y Guattari describen la triple síntesis del deseo utilizando el análisis de Marx de las categorías de producción, distribución y consumo. En *Mil Mesetas*, sin embargo, los autores desvían la atención desde esta triple síntesis hacia las "tres líneas" o "tres flujos" de deseo ¿Qué lugar ocupa Marx en esta transición? Mi hipótesis es que si bien Deleuze y Guattari se desprenden de las categorías que conforman y explican la producción deseante, no ocurre lo mismo con la problemática general identificada por Marx, a saber, la immanencia del capital. El presente artículo busca mostrar que lo que Deleuze y Guattari llaman "la axiomática del capital" constituye la semiótica a través de la cual los procesos maquínicos de la producción deseante son dispuestos bajo el régimen de producción capitalista. Esta semiótica es lo que permite generar las condiciones ideológicas a través de las cuales la subjetividad llega a ocupar un lugar privilegiado para la reproducción del capital. El presente artículo sugiere que, con la crisis económica del 2008, esta reproducción de la subjetividad entra en crisis, entre otras cosas, debido a una reaparición del poder de Estado. Dado que el capital intenta ingresar a una nueva fase de su axiomática, es necesario que extraigamos de la crisis los componentes semióticos de una nueva política.

Palabras claves: Capitalismo, crisis financiera, dinero, Marxismo, semiótica.

A Semiotics of the Axiom

Lewis Carroll's poem "Peter and Paul" demonstrates quite effectively what Deleuze and Guattari call the axiomatics of capital, their term for the mode of social control specific to capitalist society. In Carroll's poem, "poor Peter" is lent £50 by "noble Paul" who, while extolling his own generosity, demands punctual repayment. The sum lent, however, remains purely abstract—a mere promise to pay that can be indefinitely deferred—, while Peter's debt is a concrete state of affairs legally enforced by the obligations entailed by that very same promise. As Peter is "worn to skin and bone" by the burden of repayment Paul remarks of their respective circumstances:

I'm getting stout, as you may see:
It is but seldom I am well:
I cannot feel my ancient glee
In listening to the dinner-bell:
But you, you gambol like a boy,
Your figure is so spare and light:
The dinner-bell's a note of joy
To such a healthy appetite! (Carroll 2007, 110)

Carroll's poem suggests how the materialism of capitalist power relies upon an ability to marshal signs and abstractions, to produce statements in a certain way. Paul's initial promise is not dependent on any material reality but nevertheless grants him a semiotic and legal title over the body of Peter, an ability not just to make statements about the state of affairs in question but to *realize* this state of affairs through the power of those statements. His initial promise grants Paul a semiotic power to portray his own stoutness not as a sign of greed but of illness (inviting sympathy) and Peter's thinness not as a sign of poverty but of vigor (inviting envy). Thus in Carroll's poem we have three elements, which are, as we will see in some detail, the elements of capitalist axiomatics: a purely abstract and creative flow (the £50 initially promised) whose effect is to distribute a material flow of unspecified productive activity (the body of Peter as a worker) in relation to a semiotic flow (the statements of Paul) serving to consume or realize the production in the form of a potentially infinite repayment. At the end of the poem, Paul offers to loan another £50 to Peter, bringing us back to the initial abstract flow.

Axioms are certain kinds of statements which, while having no direct relation to material reality, bring about material effects. If production, distribution or circulation, and consumption are the "machinic processes" governed by the syntheses of desire, then axioms are the semiotic components which accumulate or *capture* these processes for the capitalist mode of production¹.

Deleuze and Guattari write that "the axioms of capitalism are ... operative statements that constitute the semiological form of Capital and that enter as component parts into assemblages of

¹ "We define social formations by *machinic processes* and not by modes of production (these on the contrary depend on the processes)" (Deleuze and Guattari 1987: 435).

production, circulation, and consumption" (Deleuze and Guattari 1987, 461). While axiomatization is simultaneously "a semiotization" and "a physicalization" (Deleuze and Guattari 1987, 143) in that it constitutes bodies while simultaneously making statements about them, it is very different from the pre-capitalist manner of policing society through social coding. Pre-capitalist social formations depended on the direct, material inscription of signs on bodies (ritual scarification, tattooing etc.), while the pre-capitalist State functioned to intervene as a transcendent point of "overcoding" on which bodies and signs could be made to converge (everything ultimately accrues to the king, the despot, the feudal lord etc.). But in capitalist societies, bodies and signs are "really distinct", functionally independent of one another and not relative to an external, transcendent term which they could be said to hold in common. This loss of transcendence is the central political issue around which power in capitalist societies revolves because, while the independence of signs and bodies is an immense liberation from traditional power structures, it also precipitates new and unprecedented modes of social control.

Axioms are "primary statements" that can be accepted without proof and do not depend on prior statements. They are thus doubly autonomous, independent from one another as well as from any pre-existing state of affairs. This degree of independence (or abstraction) makes it possible to "realize" a model of reality without necessarily having to define the elements of that reality. Meaning is something that can be produced as an effect of statements rather than the pre-existing nature of things. This is axiomatization's difference from coding: the latter generates localized meanings through contextualized specification whereas axioms work through the functional independence of statements and bodies. As Deleuze and Guattari write:

[T]he axiomatic deals directly with purely functional elements and relations whose nature is not specified, and which are immediately realized in highly varied domains simultaneously; codes, on the other hand, are relative to those domains and express specific relations between qualified elements (Deleuze and Guattari 1987, 461).

This gives power a remarkable flexibility in comparison to coding. Whereas the latter is predicated on a localized knowledge which presumes an ultimately transcendent viewpoint, with axiomatization this kind of knowledge is not necessary. One does not need to know anything about concrete labour in order to control it via the abstraction of wage. Similarly, one does not need an understanding of the flows of finance capital in order to direct them in certain ways. A flow, as an object of an axiom, "can remain out of bounds, evolve without limits, be left in the state of an "untamed" variation in the system" since one can always add or subtract new axioms at any time (Deleuze and Guattari 1987, 462).

This is the type of process we see in the wake of the Second World War with the New Deal and the Marshall Plan. The United States was able to use its post-war position as sole creditor nation to channel massive amounts of money into Germany and Japan to enable them to rebuild their countries by buying American exports. Following the demise of the Breton Woods system in 1971, when Nixon floated the dollar and ended the semiotic regime of a fixed exchange rate, the worldwide axiomatic changed dramatically so that now the United States became a debtor nation,

buying other countries' exports on increasingly high levels of debt. If the United States retained its hegemonic position under these conditions it was because Wall Street, and no longer the Keynesian policies of the New Deal, was the "axiom laboratory" of capitalism. Possibly the most famous axioms of this latter variety were the notorious mortgaged-backed securities known as "collateralized debt obligations", which were quite literally statements which allowed you to take out a mortgage regardless of your concrete economic position. These were backed up by other axioms regarding the workings of capitalism itself, such as the "efficient market hypothesis" and so on. The crash of 2008 led to a brutal subtraction of these axioms, but others relating to "austerity", "budgetary discipline", the idea that the financial sector is "too big to fail" have begun to replace them.

The stakes, then, of Deleuze and Guattari's theory of axiomatics are high in that it has the potential to give us a critique of capitalism that goes right to the heart of the latter's (mal)functioning. As Fredric Jameson puts it in a crucial article on Deleuze and Marx, "we ... urgently need something like a semiotics of the axiom" (Jameson 2009, 186). Such a semiotics was already outlined by Deleuze and Guattari in terms of a political struggle:

It would be an error to take a disinterested stance toward struggle on the level of the axioms. ... The constant readjustments of the capitalist axiomatic, in other words, the additions (the enunciation of new axioms) and the withdrawals (the creation of exclusive axioms), are the object of struggles in no way confined to the technocracy (Deleuze and Guattari 1987, 463).

This suggests something like a politics of capitalist statements, a politics of how capitalism governs subjects not through direct impositions of force but through the manipulation of signs which the subjects themselves realize or fail to realize. Given that we are living through a period of crisis in which capitalism is becoming ever more technocratic and less democratic, in which the addition and subtraction of axioms is a daily occurrence as capitalism tries desperately to repair itself, it is perhaps now more than ever that a semiotics of the axiom is needed. This article hopes to make some small steps in this direction.

Axiomatics and Their Vicissitudes

Deleuze and Guattari trace the discovery of capitalist axiomatics to Marx: "if Marx demonstrated the functioning of capitalism as an axiomatic, it was above all in the famous chapter on the tendency of the rate of profit to fall" (Deleuze and Guattari 1987, 463). We can recall briefly Marx's conception of this tendency before going on to explain how Deleuze and Guattari reinterpret it. The falling rate of profit means, at the most general level, the tendency of capitalism to undermine its own productive basis through the way it calculates profit. What Marx called the "organic composition of capital" is the combination of variable capital (the money devoted to wages) and constant capital (the money embodied in the means of production). As Marx describes:

By the composition of capital we mean ... the ratio between its active and its passive component, between variable and constant capital. Two proportions enter into consideration under this heading ... A certain quantity of labour-power, represented by a certain number of workers, is required to produce a certain volume of products (Marx 1981, 244).

The productive process, defined by quantities of labour power and products, is what Marx called the “technical composition”, which he says is the “actual basis” on which the qualitative difference between variable and constant capital (organic composition) develops. In order to push down labour costs, a capitalist will seek to funnel more money into constant capital, developing productivity and lowering the number of workers employed. A greater volume of products will be produced by a smaller number of workers. But as the organic composition grows the enterprise itself will end up being an ever greater store of materialized or “dead” labour (inert machines and raw materials), meaning that even though the capitalist is minimizing overheads by paying out ever decreasing sums in wages to “living” labour (workers), the difference between the total value of the enterprise (constant and variable capital combined) relative to surplus value shrinks as absolute surplus value grows. Thus, the technical composition, the actual productive basis, comes into conflict with the organic composition as a function of the calculation of profit, of the production of *signs* which realize this profit. This is why the *rate of profit declines as a tendency, internal to the dynamic of capital, which necessarily has “no end”, as Deleuze and Guattari emphasize (Deleuze and Guattari 1983, 228). Given the conditions of the capitalist mode of production, there can be no “common” term, external to the conflict between actual productivity and its realization as profit, which could intervene to resolve the tendency; thus there can be no capitalism that is not driven by crises of its own making.*

In *Difference and Repetition*, Deleuze states that if we can admit the concept of intensive difference, i.e. a difference non-identical with the empirical (or “extensive”) differences giving body to the physical world, then this is because the world cannot be said to be ultimately calculable: “if the calculation were exact, there would be no world. The world can be regarded as a “remainder”, and the real in the world understood in terms of fractional or even incommensurable numbers” (Deleuze 1994, 222). Every calculation is conditional upon an “irreducible inequality” whose calculation in extensity does not “cancel” it in intensity. The intensive is explicated (rendered extensive) in terms of the phenomena of the sensible, empirical world, but there remains an irreducible difference, an independence and autonomy, between the two domains, a space which is traversed by the sign². This difference makes itself felt in terms of what we can call the “intensive remainder”, that which refuses to be resolved by calculation. For any Marxist understanding of Deleuze’s theory, we must say that this

² “Intensity is difference, but this difference tends to deny or to cancel itself out in extensity and underneath quality. It is true that qualities are signs which flash across the interval of a difference. In so doing, however, they measure the time of an equalisation—in other words, the time taken by the difference to cancel itself out in the extensity in which it is distributed” (Deleuze 1994: 223).

intensive difference corresponds to the technical composition of capital. Desire is nothing other than this intensive difference³.

The “actual basis” of capitalist production is always intensive difference, a difference in pure quantities or magnitudes: quantities of abstract labour power and quantities of abstract wealth produced. For Marx, this was the great discovery of Adam Smith:

It was an immense step forward for Adam Smith to throw out every limiting specification of wealth creating activity –not only manufacturing, or commercial or agricultural labour, but one as well as the others, labour in general. With the abstract universality of wealth-creating activity we now have the universality of the object defined as wealth, the product as such (Marx 1973, 104).

For profits to be realized, however, these abstract quantities must be qualified: production must yield qualified quantities of commodities in order for abstract wealth to be determined as profit and for abstract labour to be determined as wages. The development of the organic composition, however, in which the dead labour of constant capital triumphs over the living labour of variable capital, contributes to the exacerbation of these qualitative divisions. The organic composition thus serves as an index for the difference in quality and the difference in quantity it cancels/calculates. This is what sets the scene for the revolutionary standoff. The capitalists, as owners of the means of production, are the avatars of dead labour while the workers must defend themselves against the forces invoked to counteract the tendency to the falling rate of profit (which has itself resulted from the ever more ruthless subjection of workers to constant capital).

Deleuze and Guattari, however, see this qualitative or class difference as arising merely as an effect of how capitalism cancels intensive difference, i.e. how it transforms intensive quantity (abstract labour power, abstract wealth) into qualified quantities (wages, profits, commodities). The conflict between living and dead labour, then, is not fundamental but results from a prior non-organic difference which capital, even as it depends upon it, fails to cancel:

There is no common measure between the value of the enterprises and that of the labour capacity of wage earners. That is why the falling tendency has no conclusion. A quotient of differentials is indeed calculable if it is a matter of the limit of variation of the production flows from the viewpoint of a full output, but it is not calculable if it is a matter of the production flow and the labour flow on which surplus value depends. Thus the difference is not cancelled in the relationship that constitutes it as a difference in nature (Deleuze and Guattari 1983, 230).

This is why Deleuze and Guattari, developing Marx’s theory of the ineradicability of the falling rate of profit, insist that “capitalists may be the masters of surplus value and its distribution, but they do not

³ Deleuze and Guattari insist that “desiring machines” are the “unconscious” of the “social and technical machines”, their “internal limit” (Deleuze and Guattari 1977: 132).

dominate the flows from which surplus value derives" (Deleuze and Guattari 1987, 226). The central political element is not the fact that living labour is subjected to an increasingly "inhuman" technical process but rather that an intensive and quantitative productive difference is subjected to the imposition of a difference in quality (or in nature) by which money as wages can be distinguished from money as profit and so on.

Deleuze and Guattari thus challenge the idea, predominant amongst Marxists, that living labour is the only source of the surplus value extracted by capitalists. According to the traditional understanding of Marx's labour theory of value, the value of a commodity is based on the amount of labour time expended in the production of the commodity. In this sense, all commodities are the materialisation of labour time. The divergence in the market price at which the commodity is sold and the wages used to purchase labour power is thus supposed to illustrate how the capitalist extorts value in the production process. But Deleuze and Guattari ask if it is possible to determine "who is robbed" and "who steals" in this respect (Deleuze and Guattari 1983, 238), for if there is no common term measuring the difference between abstract labour power and its monetary valuation, how could such determinations be made except on the basis of a dissimulation? They suggest that capitalist power, the power of the axiomatic, operates by making it increasingly difficult to make these kinds of distinctions, because capitalist production itself relies on non-measurable quantities, differences without common measure. The difference in nature constituting capitalism is derived from a more fundamental quantitative difference formed at the *continuum* of abstract labour and abstract product, and this continuum can only be determined at a level of abstraction in which it is impossible to say who owns what. Deleuze and Guattari borrow the economist Bernard Schmitt's terms to describe this abstract flow as "a pure availability, nonpossession and nonwealth" (Deleuze and Guattari 1983, 237). It is like the promise of £50 in Carroll's poem, which neither enriches Peter nor returns to Paul in the payments he realizes from Peter's labour, which is why the debt can never be settled, why the process must continue indefinitely.

In order to increase the amount of relative surplus value, the technical composition must be altered to compensate for changes in the organic composition: production is increasingly automated, mechanized, and subjected to scientific management such that the worker becomes a mere part in a great "megamachine" of social and technical production (Deleuze and Guattari 1987, 434-5), a system of "machinic enslavement" distinct from how the worker will, in her role as consumer, subsequently be subjectified and humanized. There is, in short, a "machinic surplus value" that arises with productivity and automation, a value which cannot be localized or determined as an extortion of living labour because it springs from a zone of indeterminacy between worker and machine –this zone being the domain of desiring machines, the internal limit at the heart of the productive process. Human and machinic surplus value thus combine to constitute a "non-measurable" aggregate, non-measurable because "it cannot be defined by the difference between the value of labour capacity and the value created by labour capacity, but by the *incommensurability between two flows*" (Deleuze and Guattari 1983, 237, my emphasis). This is the crux of the problem of the counteracted tendency: surplus value,

from which capitalist profit derives, springs from an incommensurable difference between two flows, a difference that cannot finally be resolved because there is no third term capable of resolving it (though as we will see the subject is invoked as such a term as part of the dissimulation). "Surplus value cannot be determined mathematically" (Deleuze and Guattari 1983, 228) for the very same reason that it is produced in the first place via the encounter between the deterritorialized flows of abstract labour and the decoded flows of abstract wealth.

The tendency of the profit rate to fall thus results from an axiomatization which simultaneously *connects* these flows as an unqualified productive continuity while also *conjugating* them, reintroducing a qualitative division:

[W]e must introduce a distinction between the two notions of *connection* and *conjugation* of flows. "Connection" indicates the way in which decoded and deterritorialized flows boost one another, accelerate their shared escape, and augment or stoke their quanta; the "conjugation" of these same flows, on the other hand, indicates their relative stoppage, like a *point of accumulation* that plugs or seals the lines of flight, performs a general reterritorialisation (Deleuze and Guattari 1987, 220, my emphasis).

These "points of accumulation" are produced *immanently* through the reassertion of regulatory power within the very terms of the quanta of liberated flows. These points of accumulation are related to the role of the State, but this is no longer a State understood in the traditional sense as an external point of overcoding. Rather, it is because there can be no point transcendent to capital and external to the conjugation of flows that the mechanism of regulation can hope to capture their increasingly accelerated tendency to escape. What this means is that capital increasingly requires that power be located in the immanent management of flows whose essence relates to something ultimately non-measurable, escaping the mathematical calculations of economics on all sides.

But how can the apparatus of capture, whose model is the State, be erected within the immanence of the flows? The answer is via a certain model of subjectivity as consumption or realization. The effect of capitalist axiomatics is, ultimately, that it causes what we above termed the "intensive remainder", the quantum of unresolved difference, to be *privatized*, installed in subjects as the basis of a form of consumption. This is why Deleuze and Guattari give absolute importance to the role of *money* as an axiomatic: "capitalism is the only social machine that is constructed on the basis of decoded flows, substituting for intrinsic codes an axiomatic of abstract quantities in the form of money" (Deleuze and Guattari 1983, 139). When the otherwise perceptive Marxist critic Kojin Karatani proposes that, since commodities are merely materialized labour power, a politics of consumption could be developed which extends the productive process into the "cultural" spheres of ideology and reproduction, we can only wonder if he is falling victim, in an almost exemplary way, to axiomatization (Karatani 2003, 20-1). Should we not rather focus on the failure of consumption to realize the kind of continuity we find within production, and thus on the *difference* between these domains? For axiomatization, as Deleuze and Guattari define it, is predicated precisely on the

dissimulation (which I will explain in a moment) that we –to the extent that we are privatized, interiorized, consumerist subjects– can provide the flows with the term that could resolve them, that our own private sense of “lack” could be mapped onto what the flows themselves lack, and that we could thus define ourselves as “external” (transcendent) but supplementary to the socioeconomic field. Is this promise of externalization, of being that which capitalism itself lacks and wants, not the greatest “lure” capitalist control has in its armoury?

The Failure of the Axiomatic

Prior to the financial crisis of 2008 it seemed to many that national sovereignty had been rendered terminally obsolete by the transnational networks of corporate power famously described by Hardt and Negri as an “empire” without borders. Yet, with the financial and economic crash of 2008 the State seems to have rediscovered its political purpose⁴. As Alex Callinicos recently put it, “as the banking system crumbled and the world slipped into recession, it was the state that came to the rescue with rationalizations, bailouts and fiscal stimuli” (Callinicos 2010, 96). Similarly, in terms of the debt crisis currently afflicting Europe, new forms of national division have emerged –both despite and because of the common currency–, separating the bankrupt countries of the periphery (Greece, Portugal, Ireland, and Spain) from the central powers of France and Germany. At the present time, capitalism seems caught in a dilemma, or a rather a *double bind*, of its own making. This is how Callinicos describes it: on the one hand, the States could let the market “do its worst”, letting the banks (and associated firms such as hedge funds and insurance companies) fail and allowing large swathes of capital to be wiped out. On the other hand, greater and greater amounts of money are needed, in the form of government bailouts, simply to keep the banks alive, meaning that money does not get out into the “real” economy in the form of loans (Callinicos 2010, 94). Furthermore, the state-based interventions in America and Europe designed to save the financial sector are in fact serving to sustain the very kinds of activities that precipitated the 2008 crash in the first place (Varoufakis 2011, 177).

The current dilemma of capital signifies neither the death of globalized capital nor the triumphant return of the nation State, but simply their mutual stalemate or deadlock, the impossibility or paradox of their effectively establishing a “transcendence in immanence”. This is suggested by Slavoj Žižek’s idea that we have entered “a period in which a kind of economic state of emergency is becoming permanent: turning into a constant, a way of life” (Žižek 2010, 86). Similarly, Gopal Balakrishnan suggests that the Western economy has entered a “stationary state” of prolonged

⁴ David Harvey relates a story which has, at least amongst Marxists, acquired an almost legendary status:

When Her Majesty Queen Elizabeth II asked the economists at the London School of Economics in November 2008 how come they had not seen the current crisis coming ... the economists has no ready response. Assembled together under the aegis of the British Academy, they could only confess in a collective letter to Her Majesty, after six months of study, rumination and deep consultation with key policy makers, that they had somehow lost sight of what they called “systemic risks”, that they, like everyone else, had been lost in a “politics of denial” (Harvey 2010: vii).

Could there be a better dramatization of the encounter between the representatives of the immanent flows of capital and the transcendent State? What the collective failure of the economists betrays is that they still need something like a State, regardless of how archaic or obsolescent the latter becomes.

stagnation (Balakrishnan 2009, 6). We are not witnessing the end of capitalism as a mode of production, not a disappearance of the connective flows but rather a failure of their conjugation or articulation at the level of economic signs. In November 2011, the economist Karl Smith wrote on his blog that “a recession is not when something bad happens. A recession is not when people are poor. A recession is when markets fail to clear. We have workers without factories and factories without workers. We have cars without drivers and drivers without cars” (Smith 2011). The suggestion is that the current period of financial crisis is manifesting itself as unemployment and stagnation because the market has not been able to calculate the value of labour and commodities in such a way that it would cause supply and demand to articulate one another.

The recession thus dramatizes a *semiotic* failure of capitalism to conjugate the flows on which it depends. Capitalist semiosis is, as Deleuze and Guattari explain, a power proceeding via connection and conjunction: “on one side, the deterritorialized worker who has become free and naked, having to sell his labour capacity; and on the other, decoded money that has become capital and is capable of buying it” (Deleuze and Guattari 1983, 225). The problem for capitalist society is how to produce a semiosis for these flows without the resources of coding or overcoding provided by a transcendent power. The answer to the problem is the axiomatic, in which State power asserts itself (however precariously) in immanence. The wage is a simple example of this: it allows for the concrete activity of the worker to be expressed according to a rate which has been established in advance. The wage is a kind of statement which simply presupposes that concrete labour power can be exchanged for a certain amount –that concrete labour already *is* an abstraction– and in this sense it generates both the “form of content” corresponding to the body of remunerated labour as well as the “form of expression” corresponding to the value of the wage packet, conjugating both the flow of labour and the flow of money in terms of a subjectivity that consumes on the basis of this conjunction (the purchasing power of the wage). The wage is a “primary statement” because it does not function by representing or communicating information about the labour itself or any prior state of affairs regarding the material bodies of workers. It does, however, stipulate that labour submit itself to a socially recognized form of equivalence and in so doing it produces statements about a state of affairs it simultaneously helps to bring into being. There is a capture of content by expression *even though* the content does not pre-exist the expression but, rather, results from it as a function of the political and legal efficacy of the statement itself⁵.

The subjectivity of the worker thus results from a conjugation facilitated by axioms. This is how state power works in capitalist society: it acts as a means of realizing, rendering into concrete terms, that which an axiom only presupposes from a position independent of any state of affairs. This is why Deleuze and Guattari refer to the State as a “model of realization for the capitalist axiomatic” (Deleuze and Guattari 1987, 456). The State is the “living” and “passional” domain by which subjectivities are formed at the interface between the continuous abstract flow of difference (singular points) and the homogenizing qualitative oppositions (distinctive points). The task of Deleuze and Guattari in *Anti-*

⁵ As Deleuze and Guattari write, State power functions by “capturing while simultaneously constituting a right to capture” (Deleuze and Guattari 1987, 448). This is the essential meaning of Marx’s theory of primitive accumulation.

Oedipus was to show how the psychoanalytic theory of the subject was, far from being revolutionary, exemplary of the type of subjectivity engendered under capitalism. For psychoanalysis, the theory of *Oedipus* consists in showing how desire can be transgressive while also being a desire to submit to repression and punishment. The transgression, taking place in the realm of dreams and fantasies, is the means by which desire becomes “repressible”, a willing recipient of repression in the real world because it believes itself to have already transgressed. Indeed, from the perspective of psychoanalytic theory itself –for example the work of Žižek– it has proved surprisingly easy to show how psychoanalysis seems to corroborate the position of the capitalist subject in relation to the fantastic worlds of nationalist ideology and consumer culture. Such a theory, however, only indicates how capitalism itself works by consistently transgressing what appear to be its external limits –the political limits of the State, the ecological limits of resources– while rediscovering them all over again, under new conditions, as limits internal to itself. This is precisely the logic from which the counteracted tendency derives: capital believes it has overcome the limitations of human labour power through the efficacy of machines only to rediscover these limits freshly inscribed in the pure mathematics of its own calculations.

How, then, are we to make sense of the current crisis, in which the limits capital confronts seem to be its own “extreme limits” of finance and credit? Can Deleuze and Guattari help us in this respect? I believe they can, in that their work provides us with a remarkable theory of money and of banking power. They argue, in fact, that “the meaning of a return to Marx” needs to take account of issues relating “to banking practice, to financial operations, and to the specific circulation of credit money” (Deleuze and Guattari 1983, 230). Marx’s own theory of money is that it is not a mere neutral expedient for the exchange of goods and services, but is first and foremost the object of a specific type of desire alien to pre-monetary societies. This desire is what Marx calls “hoarding”. He writes that

[Q]ualitatively or formally considered, money is independent of all limits, that is it is the universal representative of material wealth because it is directly convertible into any other commodity. But at the same time every actual sum of money is limited in amount ... This contradiction between the quantitative limitation and the qualitative lack of limitation of money keeps driving the hoarder back to his Sisyphean task: accumulation. He is in the same situation as a world conqueror, who discovers a new boundary with each country he annexes. (Marx 1976, 230-1)

While money is obviously not identical with capitalism, it does nevertheless constitute a type of subjectivity from which the specifically capitalist demand for money as simultaneously a store of value and a means of exchange will develop. As Jason Read puts it, “for Marx, hoarding is a subjective disposition toward money, and in part produced by money, prior to capital; that is, prior to the possibility of investment or surplus value” (Read 2003,22). To the extent that the pre-capitalist or proto-capitalist hoarder constantly encounters a limit that he continually displaces, he originates, in

subjective form, the objective dynamic of capital itself as simultaneously limited and unlimited. For, does not the relationship between quantity and quality in money seem to be the mirror image or inverse of the one we saw earlier with respect to production? The productive process, as we defined it, is an effectively unlimited *continuum* of quantities of abstract labor and abstract product whose determination according to a series of qualitative oppositions (variable capital, constant capital) brought about its limitation in the falling rate of profit.

Deleuze and Guattari criticize the tendency of Marxist economists to place undue emphasis on the role of money as general equivalent or means of exchange in the mode of production and to ignore the way money functions to regulate the social investment of desire (Deleuze and Guattari 1983, 230). Throughout *Anti-Oedipus* and *A Thousand Plateaus* they consistently return to the theme of money, specifically to “the duality of money, as a structure of external financing and as a means of internal payment, along with the objective “dissimulation” that it comprises, essential to the capitalist system” (Deleuze and Guattari 1983, 356). We have already encountered these three elements—the two types of money and the objective dissimulation—in Carroll’s poem above. These are the constituent elements of the axiomatic, but we can now elaborate them via Deleuze and Guattari’s remarks on banking and finance in order to try to determine, with greater detail, what a semiotics of the axiom might look like. To begin with, there is the abstract flow of credit as “nonpossession and nonwealth”. This form of money as pure abstraction corresponds to a spontaneous creativity. Deleuze and Guattari provide an eloquent description of how banks create money in this way as:

[A] debt owing to themselves, a creation *ex nihilo* that, instead of transferring a pre-existing currency as means of payment, hollows out at one extreme of the full body a negative money (a debt entered as a liability of the banks), and projects at the other extreme a positive money (a credit granted the productive economy by the banks) (Deleuze and Guattari 1983, 237).

This money, although it is creative, is also distributive in that it effects a distribution amongst the “factors” of production, causing these factors to enter into a productive relationship. “Subjacent” to the abstract or molecular flow, then, is the flow of money as means of payment allocated to the different factors of production. This second order of money allows for the cancelation of the first flow, its segmentarization into different “molar” categories such as “real wages, net profit, management salaries, interest on assets, reserves, investments, etc.” (Deleuze and Guattari 1987, 217). The flows are not of the same order, there is a difference in nature between them, from which derive all the qualitative differences defining capitalist society, including class difference. And yet, whenever we receive wages or pay off a credit card debt, we are already under the spell of the dissimulation (which operates even without our belief in it): we act as *if* the flows were commensurable, as if we ourselves as consumers were the external term capable of mediating between them. The third aspect, then, is the relationship money as purchasing power forms with commodities: this is “a flow made truly *impotent*, that represents the absolute impotence of the wage earner as well as the relative

dependence of the industrial capitalist. This is money and the market, capitalism's true police" (Deleuze and Guattari 1983, 238-9).

We should not be surprised that the analyses of the oedipal subject in *Anti-Oedipus* are the basis for Deleuze and Guattari's critique of the capitalist State in *A Thousand Plateaus*. Just as there can never be a resolution to the conflict between one's dreams and fantasies on the one hand and social and political reality on the other, just as the guilt over "imaginary" transgressions can never be alleviated by "real" repressions, there can be no resolution of the difference between the two forms of money. It is the "apparent objectivity" (dissimulation independent of belief) of the convertibility of the money flows, the apparent elimination of the difference in nature constituting them, that secures "the Desire of the most disadvantaged creature [who] will invest with all its strength, irrespective of any economic understanding or lack of it, the capitalist social field as a whole" (Deleuze and Guattari 1983, 229). Was this not the case with the subprime mortgage crisis, in which the most disadvantaged of the working poor of the United States invested, through their meagre and insufficient earnings, in the vast transnational flow of finance known as the derivatives market? How could such impotence penetrate into the flow of greatest power were it not for the fact that the convertibility was at bottom a dissimulation? And does not this impotence seem to be of the very same order, if vastly removed in scale, as the impotence of the State to control the flow of finance, to make it submit to the molar segments of money as means of payment? The subprime crisis ultimately was an inability of the monetary authorities to govern what Deleuze and Guattari call "the points where flows are converted into segments", where the difference between the flows is calculated into debts, profits, and so on (Deleuze and Guattari 1987, 226).

The real "police" of capitalism, then, are not the industrial capitalists and entrepreneurs who control the distributions of surplus value, since they too are dependent on the "power centres" governing the conversion of the flow of finance into the flow of payment. As Deleuze and Guattari explain, power in contemporary capitalism must be said to be based around the co-ordination of two "conversions": between the two forms of money on the one hand and, on the other, between money as purchasing power and goods consumed:

[I]f the flow of financing-money, or credit money, involves the mass of economic transactions, what banks govern is the conversion of the credit money that has been *created* into segmentary payment-money that is *appropriated*, in other words, coinage or State money for the purchase of goods that are themselves segmented ... What banks govern is the conversion between the two kinds of money, and the conversion of the segments of the second kind into any given good (Deleuze and Guattari 1987, 226).

A new politics may be proposed on the basis of the *failure* of the co-ordination of these conversions, which opens up a whole semiotic field in which the structure of capitalism reveals itself. This failure must be considered both at the level of the State to govern the economic flows and at the level of the subject as a consumer capable of realizing these flows.

Towards a Politics of Impotence

By way of conclusion, then, we can observe that the theory of capitalist axiomatics, parsed in terms of Deleuze and Guattari's analysis of banking power and the duality of money, appears to be a semiotic reconceptualization of the three syntheses of desire. Firstly, there is the creative or productive flow of finance or credit. The semiotic units composing this flow are, as Deleuze writes, "singularities" or singular points (Deleuze 2006, 12), quanta of intensive difference, rises and falls of intensities without qualitative distinction. Whereas for Marx this flow was exemplified by the *continuum* of abstract labour power and abstract product, Deleuze and Guattari prefer the great "mutant" or molecular line of transnational finance. This flow is necessary for capitalist axiomatics precisely in the sense that it constitutes a "non-axiomizable" mass on which the operations of the axioms come to bear: "the axiomatic necessarily marshals a power higher than the one it treats ... a power of the continuum, tied to the axiomatic but exceeding it" (Deleuze and Guattari 1987, 466). It is only because such a mass or *continuum* exists that a struggle on the level of axioms is possible. These struggles are manifested as a demand for axioms themselves, for the mode of production to expand in response to the struggle over wages, the struggles of the unemployed and social welfare recipients, and so on. This is the second or the "distributive" dimension composing the flow of money as means of payment, where the "quanta" are converted into "rigid segments" by which the qualitative oppositions, or distinctive points, of rich and poor, bourgeois and proletarian and so on are formed as so many conjugations of content and expression which nevertheless presuppose the abstraction of the first flow. This is why Deleuze and Guattari say that there is "always a sign to indicate that these struggles [for axioms] are the index of another, coexistent combat. However modest the demand, it always constitutes a point that the axiomatic cannot tolerate" (Deleuze and Guattari 1987, 471). This second order of signs then may be said to be composed of indexical signs suggesting the link between the axioms and the non-axiomizable flows.

Thirdly, there is the flow of impotent money-signs, the signs by which we invest from within the "passional interior" of the State, and by which the convertibility (or rather its dissimulation) between the two types of money is "realized" (or, rather, fails to be). These signs are characterized by the fact that the ability to convert between the flows of finance and payment, on which banking power rests, is in fact a kind of non-power or inconvertibility, as much of an imposture as the attempts of capital to erect a "transcendence in immanence". For, as much as the State may rule over the molar segments, they do not rule over the flow from which these segments are derived. Their most recent attempts to do so, in the context of the 2008 crisis and its aftermath, have been revealed to be as impotent as those disadvantaged creatures whose desire, in all its meagreness, tapped into the great mutant flow of world finance. It was Marx who famously said that in capitalism money becomes power, but we may likewise say that it is also, perhaps primarily, a kind of impotence. It may well be via these impotent

money-signs –which strangely unite the most powerful men of the State with the lowliest creatures of desire—that a new politics will arrive.

Bibliography

- Balakrishnan, Gopal. 2009. "Speculations on the Stationary State", *New Left Review*, 59: 5-26.
- Callinicos, Alex. 2010. *Bonfire of the Illusions: The Twin Crises of the Liberal World*. Cambridge: Polity.
- Carroll, Lewis. 2007. *Sylvie and Bruno*. Stroud: Nonsuch.
- Deleuze, Gilles. 1994. *Difference and Repetition*. Trans. Paul Patton, New York: Columbia University Press.
- 2006. *Two Regimes of Madness: Texts and Interviews 1975-1995*. Trans. Ames Hodges and Mike Taormina, ed. David Lapoujade, New York: Semiotext(e).
- Deleuze, Gilles and Félix Guattari. 1977, "Balance Sheet - Program for Desiring-Machines", *Semiotext(e)*, volume II, number 3, pp. 117-35.
- 1983. *Anti-Oedipus: Capitalism and Schizophrenia*. Trans. Robert Hurley, Mark Seem, and Helen R. Lane, Minneapolis: University of Minnesota Press.
- 1987. *A Thousand Plateaus: Capitalism and Schizophrenia*. Trans. Brian Massumi, Minneapolis: University of Minnesota Press.
- Harvey, David. 2010. *The Enigma of Capital and the Crises of Capitalism*, London: Profile.
- Jameson, Fredric. 2009. *Valences of the Dialectic*, London: Verso.
- Karatani, Kojin. 2003. *Transcritique: On Kant and Marx*, trans. Sabu Kohso, Cambridge: MIT Press.
- Marx, Karl. 1973. *Grundrisse*, trans. Martin Nicolaus, London: Penguin.
- 1976. *Capital: A Critique of Political Economy, Volume One*. Trans. Ben Fowkes, Harmondsworth: Penguin.
- 1981. *Capital: A Critique of Political Economy, Volume Three*. Trans. David Fernbach, London: Penguin.
- Read, Jason. 2003. *The Micro-Politics of Capital: Marx and the Prehistory of the Present*, New York: State University of New York Press.
- Smith, Karl. 2011. "Prices Clear Markets, Ctd.", *Modelled Behaviour*, November 13th, 2011, <http://modeledbehavior.com/2011/11/13/prices-clear-markets-ctd>.
- Varoufakis, Yanis. 2011. *The Global Minotaur: America, the True Origins of the Financial Crisis and the Future of the World Economy*, London: Zed.
- Žižek, Slavoj. 2010. "A Permanent Economic Emergency", *New Left Review*, 64, pp. 85-95.