

Why Wealth is a Poor Concept

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We are familiar with a couple of questions about wealth, but an important third question eludes us. The first two questions may be illustrated with a passage from Charles Dickens' novel *Hard Times*. Sissy Jupe, who had been adopted by the Thomas Gradgrind family after her father abandoned her, reports to Louisa Gradgrind on one of her many mistakes in the classroom of Mr. M'Choakumchild:

"He said, now this schoolroom is a Nation. And in the nation, there are fifty millions of money. Isn't this a prosperous nation? Girl number twenty [Sissy Jupe], isn't this a prosperous nation, and ain't you in a thriving state?"

"What did you say?" asked Louisa.

"Miss Louisa, I said I didn't know. I thought I couldn't know whether it was a prosperous nation or not, and whether I was in a thriving state or not, unless I knew who had got the money, and whether any of it was mine. But that had nothing to do with it. It was not in the figures at all," said Sissy, wiping her eyes.

"That was a great mistake of yours," observed Louisa.¹

How much wealth is there? and How is wealth distributed? the two questions Dickens puts in play, are familiar from current political and economic discourse. There is plenty of talk about "economic growth," or the lack of it, and we also hear about disparities in the distribution of income and wealth. A third question about wealth: What is the specific social form and purpose of wealth? is not only absent from our discourse, asking it only creates perplexity on the

¹ Charles Dickens, *Hard Times*, ed. George Ford and Sylvere Monod, second edition (New York and London: W. W. Norton & Company; 1966; 1990), 47.

hearer's part. The absence of the third question and the perplexity to which asking it gives rise indicate the poverty of our current discourse about wealth.²

Bad abstractions and false moves hem in this discourse. Among these bad abstractions are the notions of utility and instrumental action. Wealth, which is a general term for useful goods and services of whatever sort, is not a bad abstraction. But it is conceptually thin—poor—precisely because it picks out only features common to all human societies. We find wealth, useful things, wherever we find humans, but only in commercial societies do useful things generally have prices, that is, take the social form of the commodity. As a general concept, wealth says little; in particular, it abstracts from the specific social form and purpose of actual useful goods. There is a point to abstracting from particular societies and the specific social forms that wealth and the production of wealth take in them, but there is no society in general, no wealth in general, no production in general. Consequently, to understand any actual wealth requires that we raise this third question and identify the particular social form that wealth takes. A false move common in social and economic theory is to overlook or ignore this question and not make the specific social form of wealth an ingredient of the theory. Though wealth is a meager concept prone to play into false moves—notably to shift from the general concept of wealth to treating wealth in general as something real—it has a legitimate, limited use in analysis. Indeed, the general concept of *usefulness* plays a critical role in exposing the very different concept of *utility* as a pseudo-concept.

² Drawing on Aristotle's practical philosophy, Amartya Sen and Martha Nussbaum, who also cite this political economy lesson from *Hard Times*, criticize the restriction of current discourse about wealth to the quantitative issues posed in first two questions. They raise numerous specific considerations about wealth but do not identify the topic of the third question. See *The Quality of Life*, eds. Sen and Nussbaum (Oxford: Clarendon Press, 1993), 1-2.

Historical Materialism's Breakthrough

Karl Marx, though he had important predecessors including Aristotle and Hegel, is, in our judgment, the most penetrating author on the topic of the social form and purpose of wealth.

Marx, in his early collaboration with Friedrich Engels, develops the idea of historical materialism not simply to insist on the importance of wealth and its production but to call attention to the historically specific social forms and purposes of provisioning processes. Marx and Engels write in *The German Ideology*:

This mode of production [*Produktionsweise*] must not be considered simply as being the reproduction of the physical existence of the individuals. Rather it is a definite form of activity of these individuals, a definite form of expressing their life, a definite *mode of life* [*Lebensweise*] on their part.³

Here Marx and Engels oppose approaches that ignore the definite social form of production and wealth—as if production was production in general.⁴ Conventional analyses overlook the “*mode of life*” that belongs to wealth and its production process; they treat them as animalistic, bearing solely on the mere “reproduction of the physical existence of human beings.” This view finds in

³ Karl Marx and Friedrich Engels, *The German Ideology*, trans. Clemens Dutt, in *Karl Marx, Frederick Engels Collected Works*, Vol. 5. (New York: International Publishers, 1976), 31. Production, then, always has a double character, “The production of life, both of one’s own in labor and of fresh life in procreation, now appears as a twofold relation: on the one hand as a natural, on the other as a social relation—social in the sense that it denotes the co-operation of several individuals, no matter under what conditions, in what manner and to what end” (*German Ideology*, 43). In *Capital* Marx immediately calls attention to the specific double character of wealth and production in capitalism and keeps it in focus throughout the book.

⁴ Writing in the *Paris Manuscripts*, Marx argues that the social form and purpose of *wealth* are the consequence of the social form of *labor*: “The product is after all but the summary of the activity, of production. If then the product of labor is alienation, production itself must be active alienation, the alienation of activity, the activity of alienation. In the estrangement of the object of labor is merely summarized the estrangement, the alienation, in the activity of labor itself” [*The Economic and Philosophic Manuscripts of 1844*, ed. Dirk J. Struik, trans. Martin Milligan (New York: International Publishers, 1964), 110].

the provisioning for human life little food for thought. Marx's complaint against idealist ways of thinking is that they skip over the provisioning process because they fail to see that wealth and its production always have historically specific social forms and that these forms are of great human consequence. Materialists and economists, on the other hand, highlight material production but likewise miss the fact that a mode of production is "*a mode of life*." As Martha Campbell characterizes this two-pronged criticism: "Marx's case against idealist philosophy of law is that the goal of each particular way of life is realized through the process of satisfying needs; against economics, it is that satisfying needs is the means for realizing the goal of a particular way of life."⁵ Historical materialism's breakthrough is to recognize that social form and purpose reach all the way down and therefore must be elemental concepts in understanding any actual mode of production.

Marx returns to this idea in the *Grundrisse*, "Whenever we speak of production, then, what is meant is always production at a definite stage of social development—production by social individuals."⁶ We can make general observations about production whatever the state of social development, but "there is no production in general." Marx then states the kernel of historical materialism, "All production is appropriation of nature on the part of an individual within and through a specific form of society."⁷ With this phenomenological breakthrough, Marx insists on asking the third question about wealth. Because we take Marx's statement to be true—production always does take place "within and through a specific form of society"—we conclude that general categories such as wealth and production have a legitimate use in

⁵ Martha Campbell, "Marx's Concept of Economic Relations and the Method of *Capital*," in *Marx's Method in "Capital*," ed. Fred Moseley (Atlantic Highlands, N. J.: Humanities Press, 1993), 146.

⁶ Marx, *Grundrisse*, trans. by Martin Nicolaus (Harmondsworth: Penguin Books, 1973), 85.

⁷ Marx, *Grundrisse*, 87.

identifying features that all specific social forms of wealth and production have in common. But these useful general notions get misused when cut off from or conflated with specific social forms and purposes.

Why Bother with the Third Question about Wealth?

Why trouble ourselves about the specific social form and purpose of wealth? If we abstract from the specific social form of wealth, the pathway from human needs to the production of goods, their distribution, and finally their use is unimpeded. Needs, labor, and consumption then take a generic form that is free of socially imposed obstructions. The building blocks of any society then seem as evident as the biological requirements of survival. We will call the view that settles for these generic features of human life “animalism.” Classical and neoclassical economics are “animalistic” in this sense.

However, when we attend to the specific social form of wealth, matters are not so simple. Consider the familiar case of wealth that takes the commodity form. Commodities are made not to be used by their producers but rather to be sold to others, ordinarily, at a profit, making them commodity capital. Potential customers, then, must be willing and able to purchase them at a price that yields a return on the producer’s investment. In the *Grapes of Wrath*, John Steinbeck illustrates what can happen when goods are wanted but cannot be sold profitably:

The works of the roots of the vines, of the trees, must be destroyed to keep up the price, and this is the saddest, bitterest thing of all. Carloads of oranges dumped on the ground. The people came for miles to take the fruit, but this could not be. How would they buy oranges at twenty cents a dozen if they could drive out and pick them up? And men with hoses squirt kerosene on the oranges, and they are angry at the crime, angry at the people

who have come to take the fruit. A million people hungry, needing the fruit—and kerosene sprayed over the golden mountains.⁸

How can such actions be accounted for without paying attention to the commodity form of the oranges?⁹

A second example concerns so-called laborsaving technologies. When wealth is produced on a capitalist basis, machinery functions not simply as means of producing new useful things, it functions as capital, that is, for the specific social purpose of making money. Marx, who argues that the surplus labor of wage laborers is the ultimate source of profit, explains why that matters:

John Stuart Mill says in his *Principles of Political Economy*: “It is questionable if all the mechanical inventions yet made have lightened the day’s toil of any human being.” *That is, however, by no means the aim of the application of machinery under capitalism.* Like every other instrument for increasing the productivity of labour, machinery is intended to cheapen commodities and, by shortening the part of the working day in which the worker works for himself, to lengthen the other part, the part he gives to the capitalist for nothing. *The machine is a means for producing surplus-value.*¹⁰

In other words, as long as wealth is produced on a capitalist basis, we should not expect so-called laborsaving devices to shorten the workday. On the contrary, as Ha-Joon Chang points out, the

⁸ John Steinbeck, *The Grapes of Wrath*, Updated Viking Critical Edition, ed. Peter Lisca with Kevin Hearle (New York: Penguin Books, 1972; 1997), 348.

⁹ The 1951 film *The Man in the White Suit* hilariously challenges the related notion that nothing social stands between a new idea for a product and its production. When an oddball industrial chemist (Alec Guinness) fabricates cloth that never tears, wears out, wrinkles, or stains, both the mill owners and the workers conspire to suppress his discovery rather than see the mills shut down once the market is saturated.

¹⁰ Karl Marx, *Capital*, Volume 1, trans. Ben Fowkes (New York: Vintage, 1977), 492, our emphases.

washing machine, by sharply reducing unpaid domestic labor, has made it possible to increase the paid labor done by households. When the third question is missing, we lack the means to understand why farmers will deliberately destroy their crops or improved technology won't shorten the workday.¹¹

Uses and Hazards of the Concept of Wealth

Wealth, then, is not a worthless concept, but it is a poor concept in the sense of being conceptually meager. Frequently, wealth gets twisted into a bad abstraction or “abstract idea” in the sense explicated by George Berkeley.¹² Though Berkeley had nothing against general ideas, such as triangle or wealth, he criticized “abstract ideas” for pretending to be perceptible or imaginable themselves, when in fact only sensible particulars are. General ideas are particular ideas attended to in the right way; there are no abstract ideas. David Hume adopted Berkeley's point with his notion of a “distinction of reason,” which can be drawn where we can distinguish aspects of a thing that cannot be separated in perception or imagination. Hume's example involved a white marble sphere. By attending to the white marble sphere in the right ways, we can distinguish its whiteness from its spherical shape, but we cannot separate the two.¹³ In making this point, Berkeley and Hume point to the necessity for what we understand by phenomenology, namely, experience-based inquiry that determines what in perception and imagination is separable and what is not. Hume's claim that the whiteness and the spherical

¹¹ Without an understanding of the difference between gold and the value of gold, we could make no sense of the plot of the James Bond film *Goldfinger*. Why would Goldfinger attempt to nullify—not steal—all the gold in Fort Knox when he supposedly “loves only gold”? As Bond surmised, Goldfinger loved value more than gold, and he anticipated quite a boost in the value of his existing gold stocks once he detonated a nuclear device in Fort Knox.

¹² See the Introduction to George Berkeley's *A Treatise Concerning the Principles of Human Knowledge*, ed. Colin M. Turbayne (Indianapolis: Bobbs-Merrill Co., 1957).

¹³ David Hume, *A Treatise of Human Nature*, ed. L. A. Selby-Bigge; revised P. H. Nidditch, second edition, (Oxford: Clarendon Press, 1967), 24-5.

shape of the marble globe, while distinguishable are not separable, counts as a phenomenological observation.

The reason why wealth is a thin concept that can be twisted into a bad abstraction, is implicit in the third question mentioned above: What is the specific social form and purpose of wealth? The question assumes that wealth *always* has a specific social form and purpose. The phenomenological claim that wealth always has a specific social form and purpose, which we take to be the key discovery of Marx's historical materialism, is the basis of this presentation. If this seems like a trivial point, we hope to show otherwise. If the claim is true, as we believe, then wealth functions either a partial, open concept of any actual wealth that must be completed through the identification of the specific social form and purpose of that wealth or as a bad abstraction, an "abstract idea." The fact that we can make some useful general observations about wealth irrespective of its particular social form and purpose should not mislead us into thinking that wealth ever actually exists in general. There is no wealth in general, and there is no general science of wealth.

Failure to recognize that wealth always has a specific social form and purpose is hazardous. Two hazards arise from the legitimate use of wealth in analysis. First, as a thin concept, wealth is a relatively uninteresting and uninformative one. While there are some things to say in general about wealth, they do not add up to anything that we could call a science. This raises grave questions about economics, if that is taken, as usual, to mean an investigation into wealth that abstracts from its specific social forms and purposes. Classical and neoclassical economics fit this description: they present themselves as generally applicable social sciences. In his classical definition of political economy, John Stuart Mill insists that "wealth" *per se* is the topic: "The science which traces the laws of such of the phenomena of society as arise from the

combined operations of mankind for the production of wealth, in so far as those phenomena are not modified by the pursuit of any other object.”¹⁴ The generality of Lionel Robbins’ neoclassical definition of economics likewise excludes specific social forms: “Economics is the science which studies human behavior as a relationship between ends and scarce means which have alternative uses.”¹⁵ The lesson of Marx’s phenomenology of the human provisioning process is this: If economics is understood to be a generally applicable science of human behavior, then there is no economics.

A second hazard in employing the simple concept of wealth without recognizing that it always has some specific social form and purpose is this: by contrast to the sparse general concept of wealth, the specific social forms and purposes of wealth are interesting and significant in multiple ways. So when social inquiry confines itself to the general concept of wealth, it cuts itself off from the better part of its subject matter. To see what is at stake, consider Marcel Mauss’s short anthropological study *The Gift*.¹⁶ What Mauss calls the gift is a specific social form of wealth with specific social purposes; indeed, these forms, social relationships, and purposes make up the subject of his inquiry. Had Mauss satisfied himself with the general concept of wealth—giving gifts is transferring wealth—there would have been no book for him to write. As we shall see, the same holds true for Marx’s *Capital*, whose opening sentence announces his intention to study not “the wealth of nations” but wealth in the generalized commodity form, a form that he argues is peculiar to societies where the capitalist mode of

¹⁴ John Stuart Mill, “On the Definition of Political Economy and the Method of Investigation Proper to It,” in *The Philosophy of Economics*, ed. Daniel M. Hausman, third edition (Cambridge: Cambridge University Press, 2008), 43.

¹⁵ Lionel Robbins, *An Essay on the Nature and Significance of Economic Science*, in Hausman, ed., 75.

¹⁶ Marcel Mauss, *The Gift* (Harmondsworth, England: Penguin, 1973).

production predominates. The implications of the commodity form of wealth provided Marx with a lifetime of food for thought.

One false move—bait and switch—combines these two hazards. Because of the bareness of the concept of wealth, social theorists (including economists) naturally find themselves turning to the richer concepts having to do with the specific social forms and purposes of wealth. However, because the underlying phenomenological point that wealth always has specific social forms and purposes has been missed, the attentiveness needed to differentiate clearly between general features of wealth and its production and those features that are specific to a certain kind of society is absent. As a result, general features get conflated with specific ones. To take two crucial cases, goods are identified with commodities, though goods need not have a price, and instruments of production are identified with capital, though instruments of production need not be used to make money. Conflating generally applicable categories—goods and means of production—with socially specific ones—commodities and capital, respectively—results in two kinds of equivocation: general categories are mistaken for socially specific ones, or, more commonly, socially specific categories are taken to be general ones. The latter sort of bait and switch is rampant in economics textbooks. These texts purport to be general inquiries but leap in with socially specific categories such as the commodity, money, prices, wages, profit, interest, and rents. Supply and demand curves are drawn as if goods always and everywhere have prices and demand were a general measure of desire. It is easy to miss this point and equate demand with desire. Thus, Wendell Berry writes, “rats and roaches live by competition under the law of supply and demand; it is the privilege of human beings to live under the laws of justice and

mercy.”¹⁷ But living under the law of supply and demand involves a peculiar kind of competition, a kind that rats and roaches do not engage in, since supply and demand are well defined concepts only where goods generally take the form of commodities. The number of widgets that I am willing to buy at a given price measures my demand for them. Since only humans live in a world of commodities and money, only humans live under the law of supply and demand, even if that is not the only law under which they live.

A fundamental false move occurs when actual wealth is taken to be wealth in general, that is, wealth without any social form or purpose. We call this “the illusion of the economic.”¹⁸ This misstep goes hand in hand with seeing wealth and the production of wealth in animalistic or purely instrumental terms. Those two ways of thinking about wealth lead Hannah Arendt and Jürgen Habermas, respectively, to worry that the growth of the sub-human or the instrumental realm—what Arendt calls “the rise of the social” and what Habermas calls “the colonization of the lifeworld”—will crowd out properly human life.¹⁹ Here we see how even critical discourse about wealth and its production can be trapped in bad abstractions, inasmuch as it fails to recognize, much less answer, the third question: What is the social form and purpose of wealth?

The Narrowing of Western Discourse about Wealth

The horizons of Western discourse about wealth have been narrowing. Michael Sandel sketches the constricting of the horizon of American economic discourse in Part II, “The Political Economy of Citizenship,” of his *Democracy’s Discontents*. He observes, “in

¹⁷ This is an epigram to Paul Farmer’s book *Pathologies of Power* (Berkeley, CA: University of California Press, 2003).

¹⁸ See Patrick Murray, “The Illusion of the Economic: The Trinity Formula and the ‘religion of everyday life,’” in *The Culmination of Capital: Essays on Volume III of Marx’s “Capital,”* ed. Martha Campbell and Geert Reuten (Basingstoke, Hampshire: Palgrave, 2002), 246-72.

¹⁹ See Hannah Arendt, *The Human Condition* (Chicago: The University of Chicago Press, 1958) and Jürgen Habermas, *Theory of Communicative Action, Volume Two: Lifeworld and System: A Critique of Functionalist Reason*, trans. Thomas McCarthy (Boston: Beacon Press, 1987).

contemporary American politics, most of our economic arguments revolve around two considerations: prosperity and fairness,” whereas “republican ideals led nineteenth-century Americans to address issues now lost from view.”²⁰ Sandel’s terms “prosperity” and “fairness” correspond to the first two questions about wealth, how much is there and how is it distributed, while the “issues now lost from view” are the sort that involve the third question: what is the social form and purpose of wealth?

Two historians of modern European thought who have noticed the narrowing, Henry C. Clark and Jerry Z. Muller, attribute the contraction to disciplinary specialization. We believe that’s a dodge. Clark writes:

In the seventeenth and eighteenth centuries, even the most sophisticated students of economic life combined their analyses with moral and cultural considerations more than is usually the case in today’s specialized intellectual environment.²¹

Clark’s use of the word “combined” preempts the question of whether “moral and cultural considerations” are separable from “economic” ones in the first place. It thereby projects assumptions of today’s discourse—such as the separation of fact from value or positive from normative inquiries—onto the past even as it correctly calls attention to the narrowing of discourse about the provisioning process. Clark’s appeal to specialization, however, diverts inquiry from questions concerning the constitution of the concept of the “economic.”

In *The Mind and the Market*, Jerry Muller picks up the story for European discourse stretching from Voltaire to Friedrich Hayek and Herbert Marcuse. He justly observes, “thinking about the ramifications of capitalism forms one of the great threads running through modern

²⁰ Michael J. Sandel, *Democracy’s Discontents* (Cambridge, Mass: Harvard University Press, 1996), 123 and 168.

²¹ Henry C. Clark (ed.), *Commerce, Culture, and Liberty: Readings on Capitalism Before Adam Smith* (Indianapolis: Liberty Fund, 2003), ix.

European intellectual history.”²² As to why this thread of discourse has been lost, Muller, like Henry Clark, sees academic specialization as reducing the scope of modern economics. We need is to dig deeper. We need to expose the false moves involved in the conceptual shifts that made this particular “academic specialization” possible and put “moral and cultural” topics beyond the horizons of present-day discourse about wealth.

Today’s foreshortened discursive horizon constrains the usual university curriculum as well as public and scholarly discourse on wealth. Consider how little room if any the curriculum makes for any exploration of the basic social forms and purposes of a capitalist society. Critical questions such as the following go unasked: What is the significance of generally producing wealth in the form of a commodity? What is value, that is, the sort of value that money measures and stores? What is money? How is money related to value and how integral is money to capitalist societies? What are the social ramifications of money? What is capital? How does it matter that, in capitalist societies, labor generally takes the form of wage labor? The horizon of the dominant social theoretic discourse serves to put these questions concerning social forms constitutive of capitalism out of sight. And, as Thomas Pynchon wrote in *Gravity’s Rainbow*, “If they can get you asking the wrong questions, they don’t have to worry about the answers.”²³

In *Marx, Marginalism and Modern Sociology*, Simon Clarke argues that economic discourse was stifled when Marx’s profound critique of economics was passed over, while neoclassical economics came to the fore:

²² Jerry Z. Muller, *The Mind and the Market: Capitalism in Modern European Thought* (New York: Alfred A. Knopf, 2002), x. Patrick Murray’s anthology *Reflections on Commercial Life* (New York: Routledge, 1997) collects key contributions to that Western conversation about wealth.

²³ Thomas Pynchon, *Gravity’s Rainbow* (Penguin edition, 255).

There was a scientific revolution in nineteenth-century social thought....It was inaugurated by Marx's critique of the ideological foundations of classical political economy, which he located in the political economists' neglect of the social form of capitalist production.²⁴

Like classical political economy, neoclassical economics presents itself as a generally applicable theory of human behavior: socially specific categories are excluded from the ingredients of the theory. In their book *Microeconomics*, R. Glenn Hubbard and Anthony Patrick O'Brien define economics as "a group of useful ideas about how individuals make choices."²⁵ Since people have been making choices for as long as we know, and we can expect that to continue, economics, when defined this indiscriminately, claims to be applicable across history and diverse societies and cultures—and across all subjects where decisions are made. No wonder, then, that all of the "important economic terms" that Hubbard and O'Brien identify are generally applicable ones, like *goods and services* (as opposed to commodities, which have prices), *labor* (as opposed to wage labor), *natural resources* (as opposed to landed property), and *produced goods used to produce other goods* (as opposed to capital in Marx's sense of a specific social form of wealth with the specific purpose of moneymaking). Notice that, as a consequence, none of the categories that are the ingredients of economics so broadly construed, have any social, moral, or political specificity. In a similar vein, the substantial glossary at the back of an introductory microeconomics textbook previously used at our university lacks entries for commodity, value, money, capital, or wages.²⁶ C. E. Ferguson and S. Charles Maurice's

²⁴ Simon Clarke, *Marx, Marginalism and Modern Sociology* (London: Macmillan, 1982), 240.

²⁵ R. Glenn Hubbard and Anthony Patrick O'Brien, *Microeconomics*, fifth edition (New York: Pearson), 17.

²⁶ Ralph T. Byrns and Gerald W. Stone, *Economics*, sixth edition (New York: HarperCollins College Publishers, 1995).

neoclassical economics text *Economic Analysis* has an index entry for capital punishment but not one for capital.²⁷

Simon Clarke argues that consequences of the missed opportunity provided by Marx's scientific revolution spread, since modern sociology uncritically adopted the horizon of neoclassical economics. This obliviousness to the topic of the specific social form and purpose of wealth and its production extends, for the most part, to contemporary social and political philosophy. For example, John Rawls' *A Theory of Justice* has no index entries for commodity, money, or capital.²⁸ Calls for the redistribution of wealth, even including means of production, may be found in this literature. However, the trouble with ideas for redistributing wealth is that to answer "wealth" to the question what is to be redistributed? is to engage in bad abstraction: wealth does not exist independently of specific social form and purpose. Discourse confined to redistribution puts the topic of the actual social form and purpose of wealth out of mind.²⁹ In sum, the discursive space for probing the nature and significance of the specific social forms constitutive of capitalist (or other) societies has largely disappeared. The air has been sucked out of the room. Where does the topic of the specific social form and purpose of wealth arise? Generally it does not, which is just how a discursive horizon functions—it keeps certain questions from being asked. Its quiet work of exclusion goes unnoticed.

Concluding Remarks

²⁷ C. E. Ferguson and S. Charles Maurice, *Economic Analysis* (Homewood, IL: Richard D. Irwin, Inc., 1974).

²⁸ John Rawls, *A Theory of Justice, Revised Edition* (Cambridge, Mass.: Harvard University Press, 1999).

²⁹ See the criticism of Nancy Fraser's politics of redistribution in Patrick Murray and Jeanne Schuler, "Recognizing Capital: Some Barriers to Public Discourse about Capital," in *Race, Class, and National Identity*, ed. Andrew Light and Mecke Nagel (Amherst, N.Y.: Humanity Books, 2000), 101-16.

The third of three questions concerning wealth: what is the specific social form and purpose of wealth? is largely absent from social theory and notably from economics. This is a catastrophe for social theory. The third question assumes that wealth *always* has a specific social form and purpose and that they matter. The phenomenological claim that wealth always has a specific social form and purpose, which we take to be the momentous discovery of Marx's historical materialism, has been the basis of our presentation. We can make useful general observations about wealth; wealth is a poor concept but not a bogus one. However, there is no wealth in general. Consequently, we follow Marx in arguing that there is no general science of wealth or the production of wealth. Marx grants that "what is customary to say about [wealth and its production] in general terms is restricted to abstractions which had a historic value in the first tentative steps of political economy," but he goes on to observe, "Later, they become leathery commonplaces, the more nauseating, the more they parade their scientific pretensions."³⁰ When Marx wrote, just before that passage, that "Political economy has to do with the specific social forms of wealth or rather of the production of wealth," he was making a counterfactual statement about what political economy should be, since economics, whether classical or neoclassical, fails to make these specific social forms integral to its thinking.³¹ Identifying this dismal failure is the most basic point to Marx's "critique of political economy." Economics as it is ordinarily understood, that is, as a generally applicable science of human behavior, is a hoax.

If the concept of wealth is poor, the going conception of capital is veering toward the ridiculous. Today we hear not only of human capital and social capital, but also of political capital, cultural capital, concept capital, natural capital, moral capital, relationship capital,

³⁰ Karl Marx, *Grundrisse*, 852-3.

³¹ Karl Marx, *Grundrisse*, 852.

spiritual capital, erotic capital, and sexual capital. In other words, any conceivable resource, anything that might be considered wealth of whatever sort, is capital. Likewise, the language of “adding value” is ubiquitous. For Marx, a proper grasp of the concept of capital is the key to understanding the modern commercial world: “The exact development of the concept of capital [is] necessary, since it [is] the fundamental concept of modern economics, just as capital itself ... [is] the foundation of bourgeois society.”³² The ordinary conception of capital as a produced resource that can be used in the production of new wealth—which is a legitimate generally applicable general concept; it is what Marx calls instruments of production—tells us nothing about what sets a capitalist society apart. Properly conceived of, capital is a socially specific form of wealth with a specific social purpose; capital is value that valorizes itself, that is, increases its value. It is an on-going embarrassment to the academy that a conception of capital that was overthrown over a hundred and fifty years ago continues to be presented as tenable.³³

In his remarkable encyclical *Laudato Si'*, which is about much more than climate change, Pope Francis writes, “We urgently need a humanism capable of bringing together the different fields of knowledge, including economics, in the service of a more integral and integrating vision.”³⁴ The only way to make that happen, we believe, is to reconceive the horizons of social theory by putting front and center the integrating inquiry into the significance of specific social forms and purposes of wealth and its production.

³² Karl Marx, *Grundrisse*, 331

³³ How revealing it is that, with his book *Capital in the 21st Century*, the brilliant French economist Thomas Piketty should be lauded by many as the standard bearer for Marxist economics when his conception of capital is of the ordinary, socially non-specific sort overthrown by Marx.

³⁴ Pope Francis, *Encyclical on Climate Change & Inequality: On Care for Our Common Home* (Brooklyn: Melville House, 2015), #141.