

The Mysteries of *Capital*

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ABSTRACT

“The Mysteries of *Capital*” argues that Marx’s *Capital* should be read as an imaginative work of the socialist tradition, and must be re-situated historically and generically. It then outlines a framework for such a reading, arguing that *Capital* is, like *Moby-Dick*, a modern epic, less a linear, heroic narrative than a sprawling encyclopedia and anatomy of the world, consisting of five different books, each of which has generated a distinct form of Marxist thought.

This essay grows out of my attempt to write an introduction to Marx’s *Capital* for readers in *Capital* reading groups, which have long been part of the infrastructure of a socialist-movement culture. Many of the best introductions to *Capital* of the last generation have been written by economists for young economists: I am thinking of such fine books as Duncan Foley’s *Understanding Capital* (1986) and John Weeks’s *Capital and Exploitation* (1981). But the students and activists in *Capital* groups are usually not economists, and the quarrels among economists, Marxist and otherwise, often don’t speak to one’s experience of reading *Capital*. The question quickly arises: how should one read *Capital*? One famous *Capital* reading group rightly said that there were no “innocent” readings of *Capital*, but their own solution—“we read *Capital* as philosophers” (Althusser and Balibar 14)—does not work for all. I would like to suggest that *Capital* is best read *not* as a work of Marxist economics, or even of the Marxist *critique* of political economy, but as one of the major imaginative works of the socialist tradition. We read it in large part because it has been read and reread by activists and militants in *Capital* reading groups for a century and a half. Soon after the 1867 publication of *Capital* in Hamburg and New York (and the 1868-69 serialization of excerpts in New York’s *Arbeiter Union*), workers in New York’s German General Labor Union were meeting weekly in a “low, badly ventilated room in the Tenth Ward Hotel” to discuss it; “among the hundreds of members who belonged to the union between 1869 and 1874,” Friedrich Sorge later wrote, “was hardly one who had not read Marx [*Capital*]” (Foner 461; Sorge qtd. in Messer-Kruse 73). It is a part of our tradition: it has been, in an often-used, if ambiguous phrase, the “Bible of the working class.” That means that, like most texts that live in political/intellectual traditions, it needs to be interpreted. “Hermeneutics,” the liberation theologian Leonardo Boff writes, “is the science and technique of interpreting texts (and realities) whose meaning is no longer immediately available to people today” (62). Since the mysteries of *Capital* are no more immediately available to us than the rhetoric of the *Declaration of Independence*, we need less Marxist economics and more Marxist hermeneutics in reading it.

I will first suggest some reasons why we should read *Capital* as an imaginative work of the socialist tradition; and then I will suggest a framework for such a reading, arguing that *Capital* is, like *Moby-Dick*, a modern epic, less a linear, heroic narrative than a sprawling encyclopedia and anatomy of the world, consisting of five different books, each of which has generated a distinct form of Marxist thought.

Capital reading groups are always wavering between asking “is this still true?” and asserting “this is true.” The first question often leads one to abandon *Capital*, impatiently reaching for the latest accounts of contemporary capitalism. It is the rare *Capital* reading group that has not felt the desire to get on with more directly relevant reading: Baran and Sweezy’s *Monopoly Capital* (1966) or Mandel’s *Late Capitalism* (1972) for one generation, Robert Brenner’s *The Economics of Global Turbulence* (2006) or Naomi Klein’s *The Shock Doctrine: The Rise of Disaster Capitalism* (2007) for another. The second assertion can lead to a fundamentalist or strict constructionist reading of Marx, laboriously mastering the complex laws and tendencies of the text and brandishing them against the world. I would guess that many sympathetic readers of *Capital* have been drawn to the “inner connections” of Marx’s economic abstractions, only later to be shell-shocked by the mathematical artillery of a century of Marxist and anti-Marxist economists proving and disproving the labor theory of value, the transformation of values into prices, and the falling rate of profit. The attempt to do both—to learn Marx’s laws of motion and to judge them in the face of contemporary capitalism, to follow the scholarly disputes over value theory—can take one to the rich and complex world of Marxist economics, but it effectively leaves *Capital* in the hands of specialists.

A *Capital* reading group would better suspend both question and assertion—is it true? it is true—and read *Capital* as a symbolic act, a great work not of “western civilization” nor of “modern thought,” but of the social movements, an inescapable part of the heritage of those who join the social movements. But, you ask, isn’t this just another way of classicizing Marx, abandoning his critique of capitalism for his “poetry,” his savage satire and acid style? It is true that there is a long tradition of “literary” readings of *Capital*—consider the extraordinary influence in the United States of Edmund Wilson’s reading of Marx in *To the Finland Station* (1940)—which have contributed little to socialist culture or even to our understanding of *Capital*. Neither a new critical appreciation of *Capital*’s style nor a deconstructive analysis of Marx’s textuality is likely to change that. However, a Marxist interpretation of *Capital* is overdue; Marxist critics have too rarely approached *Capital* in the way they have approached the works of Balzac or Melville.

What would such a reading of the political unconscious of *Capital* look like? First, it is necessary to historicize *Capital*. I can’t begin to do this in a short essay, but will simply make two assertions. First, we must de-Europeanize Marx. The classic reading of Marx’s situation—the well-worn triad of British industrialism, French socialism, and German philosophy (Lenin 23-24)—is no longer an adequate historicization. *Capital* emerged in the wake of the first global uprising against the capitalist world-system—the world revolution of 1848, a revolution whose legacy was not new revolutionary regimes but the modern social movements themselves—the labor movement, the women’s movement, and the anti-colonial

movements of national liberation. Moreover, while writing *Capital*, Marx was closely following the wars that triggered the end of serfdom in Eurasia and slavery in North America: the Crimean War and the U.S. Civil War. He was also following the uprising in India in 1857 and the Taiping Rebellion in China. A global vision of the upheavals of “1848” is fundamental to re-reading the historical situation of *Capital*. Moreover, Marx must be seen not as a founding father amidst deluded utopian socialists, but as one member of the extraordinary generation of 1848 that included Chartists, associationists, the Owenite movement whose history Barbara Taylor told in her classic *Eve and the New Jerusalem* (1983), the international network of women’s rights activists brought to life in Bonnie Anderson’s *Joyous Greetings: The First International Women’s Movement, 1830-1860* (2000). Marx and Frederick Douglass are exact contemporaries, and we need a historical vision that can bring them together.

Second, we should read *Capital* generically. In writing *Capital*, Marx began by deciding to write a particular kind of book, “what Englishmen call ‘the principles of political economy,’” as Marx once put it in a letter (Letter to Kugelmann, Dec. 28, 1862, 435). Though the final result resembles the *Principles* written by John Stuart Mill or Henry Carey as little as Melville’s *Moby-Dick* resembles the novels of Dickens or Austen, it is important to re-conceive “political economy” as a genre of writing rather than simply as economic thought. Indeed, one might say that the two great genres of writing invented by the bourgeois cultural revolution were political economy and the novel. Marx adopted the vocabulary of value as part of the conventions of the genre. Therefore, in reading *Capital*, we need to reconstruct the conventions of the genre—the commonly-held labor theory of value, the common problem of explaining the declining rate of profits—not to vindicate the truth of these nineteenth-century conventions against the conventions of contemporary academic economics and popular management tracts, but in order to see the kind of symbolic act *Capital* is. But we must also be prepared to leave political economy behind; for just as Melville abandons the form of the novel in *Moby-Dick*, so Marx abandons the form of the “principles of political economy,” as any comparison of Marx’s work with those of Mill or Carey quickly indicates. Readers of *Capital*, like readers of *Moby-Dick*, often wonder what happened to the story, as apparent digressions grow into entire sections. Indeed I would suggest that we can begin to make sense of the mass of published and unpublished writings that make up *Capital* by sorting them into five different books.

The first book, which we might call “The Language of Commodities: The Critique of ‘Principles of Political Economy,’” is, of course, where Marx began; he was addicted to the genre of political economy, steeped himself in these works, and tried to answer them. It is important to understand this book, but it remains the least interesting to contemporary readers because few of us care about Marx’s antagonists: two generations of political economists from Smith and Ricardo, to Malthus and Mill, Say and Sismondi, Senior and Carey, as well as their radical critics like Thompson, Hodgskin, Proudhon, and Bastiat. Marx himself pared this “book” down, so that the materials elaborated in the fourteen notebooks composed over nine months (and published after his death as *Theories of Surplus Value*) are present in *Capital: Volume I* only as asides and extended footnotes.

Perhaps the most enduring passages of this “book” are Marx’s withering satires of what he calls “genius in the way of bourgeois stupidity” (*Capital*, vol. 1, 759 n. 51), the virtuoso demolitions of political economy’s common sense: the great passages on Senior’s last hour and his abstinence theory, the classic footnotes on Malthus and Bentham.

If *Capital* reading groups tend to glaze over during the chapters that are part of this “book”—like Volume Two’s “Theories of Fixed and Circulating Capital: The Physiocrats and Adam Smith”—the second book, which we might call “The Mystery of Profit,” attracts most of the attention of professional guides to Marx. This is not surprising: after an opening that two legendary introducers—Karl Korsch (47) and Louis Althusser (52)—as well as Marx himself (Letter to Ludwig Kugelmann, 30 Nov. 1867, 490) advise you to skip, *Volume 1* becomes a great mystery story, following the adventures of our friends, the linen weaver and moneybags, as they work the trick of making a profit and accumulating capital. Marx, the epic guide, leads us down from the noisy sphere of circulation to the hidden abode of production, a land of vampires and monsters, solving the mystery of profit in the discovery of surplus value and the unraveling of processes of valorization and accumulation.

For many, this is the heart of the book: the dialectic of work and worth, labor and value, as it is entwined in processes, circuits, movements, turnovers, laws of motions, tendencies, or—my own favorite among Marx’s terms—inner connections. If this “book” contains much riveting analysis, it also includes many of the repetitive chapters where the algebra of self-valorizing value takes over, those chapters where Marx holds one and then another aspect constant in order to demonstrate various inverse and direct relationships. In this book lie most of the substantial controversies of the last century and a half: the debates over the transformation problem, the reproduction schemes, and the tendency of the rate of profit to fall.

All of these controversies revolve around the issue of crisis: the “end” of the processes, circuits, and movements within the capitalist market economy. This *Capital* also seems to confirm a productionist or automatic Marxism, in which the crisis and collapse of the system are imprinted in the logic of the system, a logic that some claim is drawn from the categories of Hegel’s *Logic* and others see as mimicking the categories of nineteenth-century political economy. In either case, this logic seems to exclude workers’ subjectivity and workers’ struggle, leading many Marxists—perhaps most notably Antonio Negri—to turn from *Capital* to the *Grundrisse*. However, perhaps the problem lies not in *Capital* but in its readers. For many—perhaps most—readings of *Capital* end with this “book” and its abstract logic, its sketchy crisis theories. Here we have to turn to the histories in *Capital*, the vast empirical work that Marx appropriated in the decade after the “Rough Draft,” and which makes *Capital* such a powerful advance over the more abstract *Grundrisse*. It is this embedded historical texture that makes *Capital* still rewarding in a way that no other nineteenth-century “Principles of Political Economy” is.

By turning to the history in *Capital*, I don’t mean to reopen the long debate between logic and history in reading *Capital*; I am not arguing for the primacy

of empirical history over theoretical writing. Rather, I am suggesting that we see *Capital's* history not just as empirical stuff, illustrations of the theory, but as two semi-autonomous narratives, with their own logic, their own theory.

The first, which we might call "The Present Crisis: Class Struggles in England, 1844-1867," is too rarely explored. One of Marx's primary concerns was, as he writes in the famous 1857 letter to Engels, "the present crisis," and *Capital* is a history of the present, an explicit revision and updating of Engels's *Condition of the Working Class in England in 1844*, a reflection on the aftermath of the upheavals of 1848. "It is a great fact that the misery of the working masses has not diminished from 1848 to 1864, and yet this period is unrivalled for the development of its industry and the growth of its commerce," Marx writes in his 1864 Inaugural Address to the Working Men's International Association (First International) (5), delivered while he was in the midst of composing *Capital*. The Inaugural Address takes the form of a review of the fortunes of the working class since 1848, and one task of *Capital* is just this contemporary history. Let me make just two points about this "book": First, Marx covers these "class struggles in England" in several keys, shifting between workers' struggles and legislative battles, international trade and technological innovation. Across the three volumes of *Capital*, there are histories of the banking and currency crises, the commercial and import/export crises, the Indian crisis, the cotton crisis, the battle over the Factory Acts, strikes and Chartism, the introduction of machinery, all spanning the period between the mid-1840s and mid-1860s, and having their roots in Marx's day-to-day journalism. Second, the grandest and most famous of these narratives—the struggle for a shorter working day in "The Working Day" chapter—is not merely an empirical illustration of the concept of "absolute surplus value," to which it is often reduced. Nor is it merely a historical and theoretical justification for the political campaign for the eight-hour day, the central demand of the First International. Rather it should also be read as a complement to *The Eighteenth Brumaire*: if *The Eighteenth Brumaire* is the story of the French 1848, "The Working Day" is the story of the British 1848, where the revolution took the form not of barricades and short-lived revolutionary republics, but of the battle over the Factory Acts. The analysis of this "protracted and more or less concealed civil war between the capitalist class and the working class" (*Capital*, vol. 1, 412-13) ends not with the 8th of February 1850, the 18th Brumaire of the factory-owner's "pro-slavery rebellion in miniature" (398) but with the successful resistance of Lancashire and Yorkshire workers, which "compelled the passing" of this "modest Magna Carta of the legally limited working day" (416).

If this conjunctural history—a British parallel to Marx's pamphlets on France, and one that should be central to reflections on Marx's analysis of politics and the state—is often overlooked by readers of *Capital*, it is partly because it is somewhat overshadowed by the other historical "book" in *Capital*. This fourth book, which we might call "Original Expropriation: The Rise and Fall of Capital's Empire," is of course the answer to the question raised and deferred in "The Mystery of Profit": how came there to be sellers and buyers of labor power? The grand epic of the transition of feudalism to capitalism spans five centuries and is an enduring narrative of the forcible creation of the free and rightless proletarian, emancipated and

expropriated; it is the rewriting and elaboration of the tall tale of *Manifesto*. There are several versions of this history in *Capital*: not only the classic section on “so-called primitive accumulation” that concludes Volume 1, but also the relatively polished historical chapters on merchant capital, banking, and the genesis of capitalist rent in Volume 3. This book is not merely “empirical,” for it develops a good deal of Marx’s theory of history, as he directly rewrites the famous 1859 Preface in a variety of powerful and complex ways. And it is in the context of this narrative that Marx’s vision of a mode of production beyond capital, an associated mode, is sketched. As a result, Marx’s brilliant and sometimes contradictory formulations in this “book” not only lay behind the work of the British Marxist historians but also have sparked a continuing “transition” debate that stretches from Tawney and Weber, to Sweezy and Dobb, to Wallerstein, Brenner, Wood and Arrighi.

The fifth and final book in *Capital* is the one at the beginning and the end, what one might call, using a phrase Marx uses in English, “The Religion of Everyday Life” (*Capital*, vol. 3, 969). The opening of this story is well known by Marxist philosophers and cultural critics; I sometimes think that many readers of *Capital* in the humanities never get beyond the section on “The Fetishism of the Commodity and its Secret.” However, the fetishism narrative recurs with some regularity throughout *Capital*, with strategically-placed chapters on the fetishism of capital, the fetishism of wages, and the fetishism of interest, culminating in the extraordinary section on the religion of everyday life that Engels puts—as Marx seems to have wanted it—at the end of the third volume. Jerrold Seigel, in his marvelous and too-little noticed intellectual biography of Marx, argued that the Marx of the revolutionary 1840s saw capitalism as a revelatory force, stripping off old facades, breaking through old mystifications; but after two decades in exile in the midst of capitalist boom, Marx came to emphasize capitalism’s ability to conceal, to mystify. The younger Marx was scornful of Proudhon’s claim to unveil the mysteries of capital, a sensational task too close to the popular “mysteries of the city” that dominated popular fiction (and which Marx had analyzed in his first book [Marx and Engels, *The Holy Family*, ch. 5]). But the Marx of *Capital*’s fifth “book” does seek to unveil the mysteries of capital, through the analysis of its two-key mechanisms of mystification, the “personification of things and reification of the relations of production” (*Capital*, vol. 3, 969). Here the “books” of economic abstraction and historical narrative find their “inner connection” to evoke a world where objects come to life and human relationships become things, a “bewitched, distorted and upside-down world haunted by Monsieur le Capital and Madame la Terre.”

This outline of *Capital*’s five books is only a sketch of an interpretation that might draw us away from the seductive but unrewarding antinomy between “is this still true?” and “this is still true.” It might also allow us to avoid the attempt to fix a single meaning on *Capital*, an original Marx. The enduring power of *Capital* lies not in its particular solutions to the laws of motion of capitalism: on the contrary, the richness of *Capital* is that the old complaint that you could find support for any position in Marx had a grain of truth. For in posing the then-new questions about these “societies in which the capitalist mode of production prevails” (*Capital*, vol. 1, 125), Marx often imagined, and drafted, more than one answer. Thus

Capital should not be seen as the formulation of a radical or Marxist “economics.” Rather, since the activists of the global justice movements of the twenty-first century continue to be the inheritors of the global social movements of 1848, *Capital* has a deeper importance: it stands as a great imaginative work, a founding attempt to understand the totality of the world system of capitalism from the point of view of living labor: its origins, its politics, its machines, its daily work, its common sense, its ways of seeing, its future.

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