

Undressing the Wound of Wealth: The Cultural Constitution of Political Economy

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[Reflections growing out of work in progress on the political economy tradition, from Smith, Hegel and Marx, to the early Marginalist economists. Perhaps the introduction to a book. Please do not cite, but comments are encouraged.]

I. Political Economy and the Utopian/Savage Slot

Michel-Rolph Trouillot has noted that “the savage is an argument for a particular kind of utopia.”¹ The “West,” Trouillot explains, constructs itself in relation to a complex Other.² On the one side, “the savage” serves as exemplary of an early state of humankind, against which modern progress is measured and vindicated. On the other side, the savage is only possible as set against a notion of the “West” as a “utopian projection,” a “universalist” and “didactic” project. If Anthropology came to fill “the Savage Slot” in this “field of significance”

¹ Michel-Rolph Trouillot, “Anthropology and the Savage Slot,” in Richard G. Fox, ed., *Recapturing Anthropology: Working in the Present* (Santa Fe, NM: School of American Research Press, 1991), p. 27.

² We draw on *Ibid.*, pp. 18, 26-29

that constitutes the “West,” as Trouillot emphasizes, we suggest that what might be called the “Utopian Slot” comes to be filled mostly by Political Economy.

Political Economy serves to articulate our greatest ambitions and values—for wealth, social stability, ethical refinement, peace, equality and freedom, to draw a list from Adam Smith and his Scottish Enlightenment fellows. David Hume is exemplary. For Hume, “*industry, knowledge, and humanity*, are linked together by an indissoluble chain, and are found, from experience as well as reason, to be peculiar to the more polished, and, what are commonly denominated, the more luxurious ages.”³ “Law, order, police, discipline: these can never be carried to any degree of perfection, before human reason has refined itself by exercise, and by an application to the more vulgar arts, at least, of commerce and manufacture.”⁴ Or further, he notes: “Not to mention, that all ignorant ages are infested with superstition, which throws the government off its bias, and disturbs men in the pursuit of interest and happiness.”⁵ Political Economy, as Hume suggests and as we will argue at length in a larger manuscript, emerges from a cultural partitioning where Others serve as a kind of negative benchmark in comparison to which modernizing Europe is wealthy, civilized and rational. These Others, the developmentally anachronistic, are appropriately poor, barbaric and irrational. The savage is precisely what the modern European self is not. We might say, then, that Political Economy’s role within the field of significance of the “West” reveals it to be less a discipline analyzing the commonality and variety of human experience and more a particular political/cultural project grounded in this splitting of Self and Other.

As we have hinted here and develop later in this book, this separation of savage and West is secured temporally.⁶ For example, the Scottish political economists attempted to

³ David Hume, “Of Refinement in the Arts,” in *Essays: Moral, Political, Literary*, edited by Eugene Miller (Indianapolis, IN: Liberty Fund, 1985), p. 271.

⁴ *Ibid.*, p. 273.

⁵ *Ibid.*

⁶ We have developed a version of this claim at length in Naeem Inayatullah and David L. Blaney, *International Relations and the Problem of Difference* (New York: Routledge, 2004) and David L. Blaney and Naeem

ground Political Economy in the practices of observation and systematic comparison associated with the emerging conventions of Enlightenment science. Most importantly, the self of the West is located on a temporal register of development. The savage is constructed as historically interesting but ethically relevant only as a superceded moment of a heroic tale of social progress that culminates in the modern commercial self. However, it is not at all clear that a Political Economy grounded in observation and comparison of varying human practices can reliably fill the Utopian Slot. The idealized self, the “nowhere” of Utopia, cannot be secured simply against observations about savage Others. Though the savage may serve as the negative social option that continues to give Political Economy its ethical purpose as theory and practice, the idealized self of the West and the savage have multiple, overlapping, and intimate relations. The Scots themselves seemed to sense this logical gap. They worked to secure their vision from challenge and doubt with claims about the naturalness of the social order of Political Economy. Political Economy came to represent nothing less than a Providential unfolding of the natural order. The idealized self of the West became produced as the outcome of the operation of natural laws.

Though we have talked about this as a “temporal wall,”⁷ this architectural metaphor suggests a solidity that the temporal separation does not possess.⁸ The Other, though separated as backward, finds a continuing place in the Self, undercutting the calming certainties associated with Providential claims. The values and visions of the imagined savage, it seemed, were never fully eradicated. Nor, more strikingly, could modern commercial beings do without the savage, since we continue to require those values and visions as a mirror for the idealized self and as a corrective for the shortcomings of modernity. Further, this uneasy juxtaposition of an idealized image of self and its backward

Inayatullah, “The Savage Smith and the Temporal Walls of Capitalism,” in Beate Jahn, ed., *Rethinking the Classics and IR* (Cambridge: Cambridge University Press, forthcoming).

⁷ See Blaney and Inayatullah, “The Savage Smith,” as in note 3.

⁸We are reminded of the power and fragility of architectural metaphors by Kojin Karatani, *Architecture as Metaphor: Language, Numbers, Money*, trans. Sabu Kohso (Cambridge, MA: MIT, 1995), pp. 6-9.

other constitutive of Political Economy provides an opportunity for the “West” to domesticate its most serious anxieties and doubts. Where better to bury our doubts than in our richest source of dreams and fantasies – a domain that seems to vindicate our best selves and represent our greatest historical achievements. Yet our dreams are populated by anxieties; our fantasies twisted with doubts. Political Economy becomes the site where the separation of self and other is most faithfully defended because the overlap between self and other lurks there most dangerously.

An investigation of the cultural constitution of Political Economy involves, then, not only understanding an identity formation that splits Self and Other, but also the overlapping of Self and Other that offers an alternative and transgressive vision. It is a space in which we find the modern “West's” most enduring and most sacred social and political ideals, its greatest fears and anxieties, and potentially powerful alternative visions of social and political life. Exploring this terrain is also a means of recognizing that Political Economy sits in the domain of the cultural.

II. The Bifurcation of Culture and Economy

However, Political Economy and Culture are often set in opposition. Phillip Crang notes that often it is difficult to fix on the relationship of economics and culture because “the economic and the cultural have long been cast as ‘self’ and ‘other,’ each defined by what the other is not.”⁹ Cultural critics usually place the blame on economics, converging on a particular characterization of the problem with economic thinking. Pierre Bourdieu suggests that economic concepts are inappropriately applied “outside of any reference to the work of historians or social anthropologists.”¹⁰ Stephen Gudeman pits his argument applying cultural categories to economic life against the “widely accepted view” that “an economy

⁹ Phillip Crang, “Cultural Turns and the (Re)Constitution of Economic Geography: Introduction to Section One,” in Roger Lee and James Willis, eds., *Geographies of Economies* (London: Arnold, 1997), p. 4.

¹⁰ Pierre Bourdieu, *The Social Structures of the Economy* (Cambridge: Polity, 2005), p. 3.

comprises a separate sphere of instrumental or practical action.”¹¹ William Jackson’s reflections on the economics discipline indicates that “mainstream economists never stray beyond core theoretical assumptions which eschew cultural ideas.”¹² “Positing a set of individual motives and capacities as universal,” Rhoda Halperin explains, eliminates any possibility of seeing cultural difference.¹³ Daniel Miller argues that the construction by economists of “algorithms that model particular relationships within capitalism” render it a “general and ideal system,” bearing little resemblance to a “holistic” view that considers “behaviors... within the larger framework of people’s lives and cosmologies.”¹⁴ “Economy,” claims Timothy Mitchell, is thought to refer to a “realm with an existence prior to and separate from its representations, and thus to stand in opposition to the more discursive constructs of social theory.”¹⁵ Rojas and Murphy suggest that the field of international political economy universalizes “the categories of capitalism and of the application of laissez-faire principles” in defiance of history and “cultural, racial or gender differences.”¹⁶ The complaint is that Economics, in order to establish its scientific status (its claims to universality), has set the language of economics in opposition to the language of culture.

Standard neoclassical economists proudly insist that economic laws operate regardless of the specificity of space and time, or the particulars of cultural landscapes. Classical political economy and most Marxist economics likewise uncover regularities and laws that operate despite the culturally attuned intentions of actors. Thus, to promote a “culturally constituted political economy” is to invoke a tension.¹⁷ The modifier “culture”

¹¹ Stephen Gudeman, *Economics as Culture: Modes and Metaphors of Livelihood* (New York: Routledge, 1986), p. xii.

¹² William A. Jackson, “Culture, Society, and Economic Theory,” *Review of Political Economy* 5:4 (1993), p. 453.

¹³ Rhoda H. Halperin, *Cultural Economies Past and Present* (Austin: University of Texas, 1994), p. 14.

¹⁴ Daniel Miller, *Capitalism: An Ethnographic Approach* (New York: Berg, 1997), pp. 8, 17.

¹⁵ Timothy Mitchell, “Fixing the Economy,” *Cultural Studies* 12:1 (1998), p. 84.

¹⁶ Craig N. Murphy and Cristina Rojas de Ferro, “Introduction: The Power of Representation in International Political Economy,” *Review of International Political Economy* 2:1 (Winter 1995), p. 67.

¹⁷ See, for example, Carlo Trigilia, *Economic Sociology: State, Market, and Society in Modern Capitalism* (Oxford: Blackwell, 2002), pp. 120-5.

threatens to undermine the nomothetic elegance of general laws; it seems to make an aesthetic and logical mess of efforts to get beyond intentions and towards unintended consequences. Culture seems to align itself in our imagination as one with the ideographic – culture stands in for cultures and cultures suggest unique systems of meaning and meaningful interaction. As Phillip Crang has noted, the language of culture does point us to a “generic’ fact of human life, bound up with the human competencies to make the world meaningful and significant,” but it also points us towards a “differential’ quality, marking out and helping to constitute distinctive social systems.”¹⁸ To give in to the cultural is to be newly sensitive to cultural variation, seemingly downgrading economics from its status as natural law, to confront alternative meanings and purposes than those central to the modern economy, to transform economics into an ethnological science.

And yet, some scholars embrace economic anthropology – a type of study that has a wide range: from a sensitivity to the cultural variables that serve as inputs into economic laws, or the idea that economic laws are themselves as robust or as soft as cultural interactions, to the notion that the very possibility of creating an economic science is historically constituted by a particular type of culture. That may leave us with questions more than answers. Do cultural interactions themselves have patterns? Might we be able to study these? Rather than starting with a deductive drive, can we mix a nomothetic sensibility into an inductive approach? If there are patterns to cultural interactions, if unintended consequences result from cultural interactions, how might we come to study these with neither the imperialism of the nomothetic approach nor a commitment to phenomena as *sui generis*.

Though we share the critics’ concerns about the Economics discipline – and we take for granted that economy is culturally constituted in some deep sense – our purpose here is

¹⁸ Crang, “Cultural Turns,” p. 5. We have made a parallel presentation of the use of the language of ‘culture’ in Inayatullah and Blaney, *International Relations*, ch. 4.

somewhat different. As part of our understanding of an ethnological political economy we want to suggest the importance of taking the economist's universalist and scientific aims seriously. Understanding the social meanings and ethical purposes created by a seemingly acultural economics perhaps is a project with some merit. If political economy tries to establish itself as the nomothetic or utopian self in contrast to which culture is the savage slot or the ideographic other, why does it do so? Why was it allowed to do so? What work is enabled and produced by this bifurcation for both sides of the divide? To ask these questions is not necessarily to absolve political economy of its imperial pretensions. Rather, we seek to probe how and why the bifurcation enables both political economy and ethnological oriented others to stabilize, naturalize, and overlook the mutually constituting utopian and savage slots. To destabilize and denaturalize the utopian/savage slot requires us to ask: what meanings and ethical purposes are brought into social life through the cultural constitution of the political economy? What meanings and purposes are highlighted by a nomothetically oriented economics? Which remain hidden? How does deploying a culturally constituted political economy help us retrieve important themes? Thus, our project is not simply a rejection of modern economics or modern capitalism, though it does require that we construct, as Linda McDowell suggests, "an understanding of the conflicts and contradictions, the doubts and uncertainties in the multiplicity of practices that constitute 'the economic.'"¹⁹ It involves a recognition that Economics, despite some protest, is intrinsically a "moral economy" – a domain of "moral sentiments and norms."²⁰

Thus, we need to be wary of an alternative force that may drive Culture and Economy apart. If, as we have noted, the Economic stakes a claim to the natural, the universal, the nomothetic and the Cultural finds its *modus vivendi* in the ideographic, in

¹⁹ Linda McDowell, "Acts of Memory and Millennial Hopes and Anxieties: The Awkward Relationship Between the Economic and the Cultural," *Social and Cultural Geography* 1:1 (2000), p. 22.

²⁰ See Andrew Sayer, "(De)commodification, Consumer Culture, and Moral Economy," *Environment and Planning D: Society and Space* 21:3 (2003), p. 341. Amartya Sen, *Development as Freedom* (New York, Anchor, 1999), chapter 5, makes roughly the same point.

difference, then to embrace the Cultural may simply pit oneself in opposition to the Economic. As Nigel Thrift warns, an emphasis on Culture has led many thinkers to take “remarkably little . . . note of economics.” Or, more strongly, suggesting that this opposition is constitutive of elements of the cultural turn itself, he notes that “Culture was culture because it had been purified of the taint of the economic.”²¹ To turn to Culture may simply reproduce this bifurcation.

A cautionary tale may help secure this point.²² Richard Ashley is acclaimed for his work challenging orthodox interpretations of international relations theory. His ideas on “economism” are less well known even if, in our view, they are his most lasting and important work. Ashley’s purpose in “Three Modes of Economism” is precisely to de-reify economic logic.²³ However, the impact of his line of argument is to construct economy as an ‘other,’ over and against a “lifeworld” of social meaning and ethical purpose, creative contestation, and thematic ambiguity. Though Ashley does not use the language of culture, preferring to talk about restoring the role of the ‘political,” his embrace of the “lifeworld” as a domain of alternative views and social/political action parallels the role that ‘culture’ plays for some contemporary critics of the economy. This appears to parallel Thrift’s claim that for culture to have the force that contemporary critics want for it, culture must be “purified of the taint of the economic.”²⁴

²¹ Nigel Thrift, “Pandora’s Box? Cultural Geographies or Economies,” pp. 692, 698-9. Peter Jackson, “Commercial Cultures: Transcending the Cultural and the Economic,” *Progress in Human Geography* 26:1 (2002), pp. 4, makes a similar formulation of the problem.

²² We draw here on an earlier paper: Naeem Inayatullah and David L. Blaney, “Economic Anxiety: Reification, De-reification, and the Politics of IPE,” in Kurt Burch and Robert Denemark, eds., *Constituting International Political Economy* (Boulder: Lynne Rienner, 1997), pp. 59-77.

²³ Richard K. Ashley, “Three Modes of Economism,” *International Studies Quarterly* 27 (1983): 463-496.

²⁴ Some critics of postcolonial studies have pointed to a similar problem. Sumit Sarkar, “The Decline of the Subaltern in *Subaltern Studies*,” in Vinayak Charurvedi, ed., *Mapping Subaltern Studies and the Postcolonial* (London: Verso, 2000), esp. p. 309, argues that the effort to recover an authentic voice independent of enlightenment modernism, or to identify cultures of resistance to Eurocentrism has led many postcolonial thinkers to construct an “autonomous world” of culture (“literature, art, education, domesticity” and “religion”) set in opposition to the “material,” where the material is associated with the West. The effect of claiming the cultural for the postcolonial is to surrender the definition of the material to the modern West. Arif Dirlick, “The Postcolonial Aura,” *Critical Inquiry* 20:2 (1994), has been more pointed. He argues that postcolonial critics

For Ashley the economy presupposes a distinction between “social system” (society) and “environment” (nature). Relations within the social system are distinctly political, concerned with key social purposes and relations of domination and contestation. The economy is defined by relations between the social system and the environment, but these relations are treated as distinctly asocial in their logic. The environment serves society as a source of objects subject to “manipulation and control” for social reproduction – a relation of “work and production,” not meaning or purpose. This relationship is conceived as purely technical or instrumental, a system of inputs and outputs in which the system transforms the environment so “that it can obtain what it values, requires, or needs in order to maintain or reproduce its given structures.” Ashley informs his definition with familiar neoclassical propositions of scarcity and efficiency that complete the insulation of the economy from a world of cultural meanings and purposes.²⁵

Ashley thus fears that the logic of economy is “an abstract theoretical contrivance” that has led – with the rise of the modern capitalist economy – to the “conscious contemplation” of all choices in instrumental terms: “Economic behavior” has become “self-consciously understood by women and men in just these transparent terms, i.e., in terms of a logic of economy.”²⁶ Where the logic of economy has a hold on the mind, people are led to accept the social world as “given” or “politically neutral.”²⁷ We might add “culturally neutral,” and note that Bourdieu speaks of the supposedly natural as involving the

have relieved themselves of the necessity of facing their own role in “contemporary capitalism” by “repudiating a foundational role of capitalism in history” (p. 331). However, where Eurocentrism is “built into the very structure of . . . capitalist culture,” it is difficult to imagine any serious decentering or provincializing of the West that does not confront directly political economy (p. 350). Phillip Darby, in a commentary about postcolonialism and the discipline of international relations (“Pursuing the Political: A Postcolonial Rethinking of Relations International,” *Millennium* 33:1 [2004]), notes the neglect of political economy by postcolonial thinkers and promotes a more serious confrontation with political economy as crucial to understanding structures of global inequality.

²⁵Ashley, “Economism,” pp. 474-5.

²⁶Ibid., p. 475.

²⁷Ibid., p. 473.

inculcation of individuals to the habit of calculation, as a “conversion” experience.²⁸ In Ashley’s modern economy, technical rationality prevails. As “the premier justificatory framework for human action,” it presupposes

the essential givenness and internal consistency of the decisionmaker and his values or goals, by regarding as given the definition of a problem (the gap between desirable and actual system conditions) to be solved, and by treating as unproblematic a distinction between values to be served and options to be taken[;] the algorithm exactly reproduces the logic of economy’s presupposition of given boundaries between (a) fixed and apolitically defined system structures to be reproduced . . . and (b) a manipulable environment to be objectified and controlled in the interest of reproducing those structures. Like the logic of economy, technical rationality reflects not at all on the truth content of values or ends, and never on the structures or boundaries of the agent, but only on the efficiency of means. In short technical rationality is the unreflective logic of economy *par excellence*.²⁹

Technical rationality appears to displace all social and political content from the economy. Thus, the logic of economy embedded in existing capitalist societies is especially debilitating to human political and ethical purposes and “the period of historical economism we are now experiencing is a very dangerous time.”³⁰

Although we share Ashley’s concern that technical rationality often overrides substantial ethical concerns, we find it somewhat puzzling that he unproblematically characterizes existing capitalist societies as completely dominated by “technical rational logic.” At one point he admits that “even within bourgeois culture, conformity to the model [of the logic of economy] has its definite limits,” but this admission does not deter the weight of his argument: the internalization of the logic of economy is the “social pathology of advanced capitalist society,” the escape from which is “the political task of our time.”³¹ In the end, Ashley remains satisfied to depict the economy as a social practice that is reducible to and reified as the logic of technical rationality. We see this economizing of the economy as an additional mode of economism and a continued bifurcation of the economy from the

²⁸ Bourdieu, *Social Structures*, pp. 5-6.

²⁹ Ashley, “Three Modes,” pp. 475-6

³⁰ *Ibid.*, p. 490.

³¹ *Ibid.*, pp. 476, 492.

social/cultural/political domains. Treated in this way, the economy becomes a special source of anxiety for Ashley against which a picture of the “lifeworld” provides hope for “salvation.”³² Political logic is “intrinsically dialectical,” capable of “calling into question the dominant social order on which it depends.” It possesses “generative power” that can override the merely technical and apolitical logic that governs our participation in the economy.³³ Thus, a crucial part of this bifurcation of danger/salvation turns on the opposition between an *asocial* economy and a *social* lifeworld rich with the ethical ambiguity, reflexive questioning, and creative energies of cultural life and the restorative possibilities of political action.

However, this view of the logic of economy and capitalist society stunts our theorizing of political economic possibilities. First, by taking for granted a particular, technical characterization of economy, we are led away from richer, more nuanced accounts of economic life and the political economy tradition. To put it starkly, the economy is not granted the status of social practice, since Ashley reduces economic practice to the asociality of technical rationality. But, as we have asserted and will defend below, political economy is centered in the Utopian slot; it does not entail a mere technical account of a distinctly economic logic, but envisions an entire way of life, reflecting key ethical meanings and purposes: wealth, order, freedom, equality, etc. The economy as an instantiation of these utopian visions is expressive of these meanings and purposes, even if in limited, complicated and contradictory ways: a limited understanding of freedom that seems to produce freedoms for some at the expense of freedoms for others; a formal equality realized but substantively vitiated simultaneously; the creation of wealth alongside poverty; and an expansion of human capacities alongside a vitiation of civic possibilities. He also does not

³² Gillian Youngs, “The Knowledge Problematic: Richard Ashley and Political Economy” (Trent Nottingham: manuscript, 1994), p. 15, uses this term to characterize Ashley’s conception of the political possibilities of the lifeworld.

³³ Ashley, “Three Modes,” pp. 478-80.

recognize that the instrumental elements of economic logic – a kind of asociality at the heart of the social practice of economy – are a consequence of the rich structuring of social meaning and purpose. What is missing in Ashley's vision is that the imperial imposition of technical rationality is motivated and vivified by broader substantive social goals, namely an expansion of wealth that serves as a precondition for human freedom and individuality.

Second, Ashley's bifurcation of the logic of economy and lifeworld produces an equally stunted notion of the possibilities of cultural/political life. Though Political Economy envisions the separation of the economy as a distinct domain, it does not imagine a world in which the other domains of the social whole somehow would be insulated or separated from the social meanings and purposes that sustain the economy. It is only by purifying society of the logic of economy that Ashley can find in lifeworld the pure motivations, creative energies, recursive questioning required for our salvation from the logic of economy. However, our cultural energies, critical reflexivity, and political and social action do not spring from some place free of the operation of technical rationality or insulated from capitalist notions of freedom, equality, and individuality. There is no generative power or creative questioning that simply stands opposed to Political Economy.

Third, Ashley does not recognize that his anxiety about the economy and civic purpose is less a challenge to the political economy tradition than a symptom of fears deeply rooted in that tradition itself; political economy shares the very anxiety that Ashley sets in opposition to a complacent economic logic. Political economy comes to us laced with uncertainty about our selves as social beings. Individuals' role in the economy as narrowly self-regarding may be thought to produce certain social goods, but there is recognition that our civic and familial roles may demand something other than self-interest narrowly conceived. How might we protect and cultivate a broader self-interest or ethicality from the narrow self-regard induced by the alienation of a capitalist economy? Such concerns are never far from the deeper worries of political economists. Likewise, our anxieties

surrounding the meaning of equality, the purposes of wealth, the character and preconditions of freedom all lie deeply within political economy.

Finally, it is curious that both the economist and Ashley share a common view of the distinctiveness of the logic of economy. It is even more curious that each deploys this claim to justify the purity of their scholarly activity. For the economist, the economy is purified of a cultural/political content that would vitiate claims about the universality and naturalness of this distinct economic logic and immerse them in ethical debate. For Ashley, the enclosure of this economic logic allows him to purify the lifeworld so that it might be a privileged site of critical activity in relation to an ethically dead economic analysis. Each needs the certainty of a boundary that cannot be defended and that thereby ends up sustaining our anxiety.

Seeing political economy as culturally constituted exposes the wound that is overlooked when social theory occupies the utopian/savage slot, as either utopian project or abstract criticism. We can finally face what Ashley obscures and the economists treat as a matter of nature: that the technical rationality of the logic of economy is deemed an acceptable consequence of the acquisition of other, more important ends – wealth and the freedom, equality, and individuality that wealth makes possible. A culturally constituted political economy reveals what often remains hidden by both economist and cultural critic, that the wound of modernity is its difficult and violent relation to wealth creation. Both the economists and the cultural critics have an interest in hiding the ambiguous ethics of capitalism but for different reasons: The economists because of their virtually unquestioned commitment to the net benefits of capitalist practices; the critics, immersing themselves in a culture ostensibly detached from political economy, refuse to either acknowledge or debate the possible virtues of capitalism. The nevertheless, implicit and often explicit persistence of this debate *is* the wound; the pain of this debate is the real of political economy – both what we cannot avoid and cannot seem to face.

There is also good news. The resources needed to address this wound are not scarce. Our version of a culturally constituted political economy here draws on the rich legacy of Hayek, Smith, Hegel and Marx. We can find in these representatives of a more “classical” tradition an acknowledgement of this wound, an unwillingness, finally, to treat it as somehow “transcended,” either historically or dialectically.

III. Reclaiming the Classical Tradition

*Hayek and Smith: Peeking at the Wound*³⁴

Friedrich Hayek defends a capitalist political economy for several reasons, not the least of which is that (what he calls) a market order embraces a particular kind of difference. Through the staging of competitions market society reveals and expresses the “the boundless variety of human nature” and “the wide range of differences in individual capacities and potentialities.” Competition is a procedure for discovering differences mostly given by nature but remaining only latent until energized for society.³⁵ In this process, capitalism unleashes human productive effort and it directs those efforts to producing the things needed by others, fostering a situation of economic interdependence. The market exposes and punishes less productive efforts, while validating more productive ones, thereby providing models of effective competitive strategies and generating greater wealth at the cost of fewer resources and efforts.³⁶ In this way, the market is part of a particular vision of the good society, one in which, on first glance, the logic of economy seems merely

³⁴ We have made versions of these arguments in a slightly different form in “*International Relations and the Problem of Difference*, chapter 4 and “The Savage Smith.”

³⁵ Friedrich Hayek, *Law, Legislation and Liberty, volume 3: Political Order of a Free People* (Chicago, University of Chicago, 1979), pp. 67-8.

³⁶ We draw here on Friedrich Hayek, *Law, Legislation and Liberty, volume 2: The Mirage of Social Justice* (Chicago: University of Chicago Press, 1976), chapter 10, and Friedrich Hayek, *The Constitution of Liberty* (Chicago: University of Chicago, 1960), chapter 5.

an instrument to wealth creation. However, rather than simply vindicating Ashley's anxiety, Hayek also embraces competition because it promotes and expresses the values of individual equality and liberty. The market, as a discovery procedure, embodies and expresses the status of competitors as equally individual and independent selves. Competitors come to the market with a right to property, as property owners who engage in voluntary contracts. Thus, the market allows the expression of, and yet may also be seen as the unintended consequence of, the particular, independent, and voluntary actions of free and equal individuals.³⁷

Hayek is known for his spirited defense of a market society; it is less well known that his defense of capitalism is accompanied by recognition of some of its disadvantages. This culture of competition, that is so intrinsically and instrumentally valuable, purports to increase the desires of all, but it can only fulfill the desires of some. Despite what may be the best and most skilled efforts to contribute, some will be rewarded highly and others will receive little benefits. This outcome is an inevitable accompaniment of "a progressive society:"

[W]hile it relies on [a] process of learning and imitation, [it] recognizes the desire it creates only as a spur to further effort. It does not guarantee the results to everyone. It disregards the pain of unfulfilled desire aroused by the example of others. It appears cruel because it increases the desire of all in proportion as it increases its gifts to some. Yet so long as it remains a progressive society, some must lead and some must follow.³⁸

Hayek admits that "pain" is one of the consequences of unequal rewards and that to ignore this appears "cruel." Yet, these do not outweigh that the culture of competition represented by Political Economy generates a wealthy society that endorses, supports, and produces selves that are independent, formally equal, and free. Given these advantages, the unequal rewards that such an order produces seem acceptable to Hayek.

³⁷ Hayek, *Mirage of Social Justice*, p. 107

³⁸ Hayek, *The Constitution of Liberty*, pp. 44-5.

Similarly, but perhaps more damaging, Hayek admits that there is no necessary connection between individual effort and reward and therefore a deception lies at the heart of capitalist society:

It certainly is important in the market order (or free enterprise society, misleadingly called “capitalism”) that individuals believe that their well being depends primarily on their own efforts and decision. Indeed, few circumstances will do more to make a person energetic and efficient than the belief that it depends chiefly on him whether he will reach the goals he has set for himself....but it leads no doubt also to an exaggerated confidence in the truth of his generalization which to those who regard themselves (and perhaps are) equally able but have failed must appear as a bitter and severe provocation...³⁹

This situation produces a pedagogical problem for Hayek: “It is therefore a real dilemma to what extent we ought to encourage in the young the belief that when they try they will really succeed, or should rather emphasize that inevitably some unworthy will succeed and some worthy will fail...”⁴⁰ Hayek seems to put the problem to the side; it may prick our conscience now and then, but a progressive society seems to require this noble and productive lie. That such issues are foreclosed by Hayek’s ultimate conclusions about the progressive benefits of capitalism need not preclude contemporary debates in political economy.

For Adam Smith the deception at the heart of capitalist culture is still more poignant and more revealing. Though he is the preeminent theorist of the virtues of a wealthy society, Smith is less certain of the benefits of wealth for *individuals*. In *The Theory of Moral Sentiments*, Smith acknowledges that the power and wealth created by the division of labor should be considered quite “contemptible and trifling”:

Power and riches appear then to be, what they are, enormous and operose machines contrived to produce a few trifling conveniences...[that] keep off the summer shower, not the winter storm, but leave him always as much, and sometimes more exposed than before, to anxiety, to fear, and to sorrow; to diseases, to danger, and to death.⁴¹

³⁹ Hayek, *The Mirage of Social Justice*, p. 74.

⁴⁰ Ibid.

⁴¹ Adam Smith, *The Theory of Moral Sentiments*, edited by D. D. Raphael and A. L. Macfie (Indianapolis, IN: Liberty Fund, 1979), 182-3.

Few are able to perceive this deception created by wealth because such a vision requires a facility with the abstractions associated with philosophy. Perhaps surprisingly, Smith regards this failure of popular vision with some relief, for without it “civilization” could neither be created nor advanced:

It is this deception which rouses and keeps in continual motion the industry of mankind. It is this which first prompted them to cultivate the ground, to build houses, to found cities and commonwealths, and to invent and improve all the science and arts, which ennoble and embellish human life; which have entirely changed the whole face of the globe, have turned rude forests of nature into agreeable and fertile plains and made the track less and barren ocean a new found of subsistence, and the great high road of communication to the different nations of the earth.⁴²

If we take Hayek’s and Smith’s word for it, progress and civilization rest on deception. Inducing the effort to generate wealth (and progress) requires that individuals see the producing machine: (1) as a simple relation of inputs and outputs – in which their inputs will be duly recognized; and (2) as ethically justified, not by a broader social purpose, but by the individualized and separate ends that it produces. Though this conclusion should be modified by including Hayek’s enthusiasm for the intrinsic values of participation in the market (as would Smith, though we have not considered his account here), both come close to making an ethical justification for the kind of economism that Ashley exposes. But, rather than an empty instrumentalism, for Hayek and Smith this economism is crucial to the ethical purposes of a good society.

Smith goes further than Hayek in opening a market society to substantive ethical debate, locating a series of specific problems within Political Economy, particularly in relation to the division of labor which is so central to his thinking. He focuses on the way in which the wealth-creating division of labor generates human social deformity and systematic poverty. It is at these points that the savage returns, not simply as a foil for progress, but as a commentary on the weaknesses of a commercial society.

⁴² Ibid., 183-4.

In *Lectures on Jurisprudence*, we find a powerful set of passages concerning what Smith calls the “inconveniences” of the division of labor.⁴³ These concerns are largely replicated quite famously in book V of *Wealth of Nations*. The key excerpt is worth quoting at length:

In the progress of the division of labor, the employment of the far greater part of those who live by labour, that is, of the great body of the people, comes to be confined to a few very simple operations, frequently to one or two. But the understandings of the greater part of men are necessarily formed by their ordinary employments. The man whose whole life is spent in performing a few simple operations, the effects of which too are, always the same, or very nearly the same, has no occasion to exert his understanding, or to exercise his invention in finding out expedients for removing difficulties which never occur. He naturally loses, therefore, the habit of such exertion, and generally becomes as stupid and ignorant as it is possible for a human creature to become. The torpor of his mind renders him, not only incapable of relishing or bearing a part of any rational conversation, but of conceiving any generous, noble, or tender sentiment, and consequently of forming any just judgment concerning many even of the ordinary duties of private life. Of the great and extensive interests of his country, he is altogether incapable of judging; and unless very particular pains have been taken to render him otherwise, he is equally incapable of defending his country in war. The uniformity of his stationary life naturally corrupts the courage of his mind, and makes him regard with abhorrence the irregular, uncertain, and adventurous life of a soldier. It corrupts even the activity of his body, and renders him incapable of exerting his strength with vigor and perseverance, in any other employment than that to which he has been bred.⁴⁴

Turning the common laborer into a specialist has a number of negative consequences: it makes him “stupid,” incapable of “rational conversation,” unable to “conceive any generous, noble, or tender sentiment,” and therefore inept at forming judgments concerning the “duties of private life,” unqualified to ascertain the “interests of his country,” and powerless in “defending his country in war.” In direct contrast, the absence of a division of labor in savage and barbarous societies means that: there exist “varied occupations;” inventiveness is “kept alive;” “every man is a warrior;” every man is a “statesman” and each is able to “form judgment concerning the interest of society.”⁴⁵ Thus, while specialization provides a

⁴³ Smith, “Report Dated 1766,” in *Lectures on Jurisprudence*, edited by R. L. Meek, D. D. Raphael, and P. G. Stein (Indianapolis, IN: Liberty Fund, 1982), pp. 539-41.

⁴⁴ Adam Smith, *The Wealth of Nations* (Chicago: University of Chicago, 1976), pp. 302-3 [V.i. iii.i].

⁴⁵ *Ibid.*, pp. 303-4 [V.i.iii.ii]

material plenty unavailable to savage and barbarous societies, this advantage is “acquired at the expense of [the laborer’s] intellectual, social, and martial virtues.” The sober consequence is that, “in every improved and civilized society this is the state into which the laboring poor, that is, the great body of the people, must necessarily fall.” It is hard to tell from these passages if Smith believes, as he usually asserts, that the working classes are better off than savages. Indeed, so worried is Smith about the fate of the workers that he invokes the visible hand of the state. If the state does not provide counter-measures, warns Smith, “all the nobler parts of the human character may be, in a great measure, obliterated and extinguished in the great body of the people.”⁴⁶

Smith’s treatment of poverty suggests a more radical direction. In line with his dominant theme, Smith asserts again and again that a commercial society produces greater material well being for common people than previous forms of society. Indeed, Smith sets this increased wealth of the lowest ranks as a key criterion by which to assess contemporary society:

No society can surely be flourishing and happy, of which the far greater part of the members are poor and miserable. It is but equity, besides, that they who feed, cloath and lodge the whole body of the people, should have such a share of the produce of their own labour as to be themselves tolerably well fed, cloathed and lodged.⁴⁷

He promises earlier in the text that, in a “well-governed society,” the “universal opulence extends itself to the lowest ranks of the people.”⁴⁸ Additionally, Smith is famous for his claim that the poorest in commercial society are far wealthier than savage kings. As it turns out, however, such relative comparisons are not entirely favorable to commercial society. Smith admits to the presence of “indigence” in commercial society. As he puts it: “Wherever there is great property, there is great inequality. For one very rich man, there must be at least five

⁴⁶ Ibid., p. 303 [V.i.ii.ii].

⁴⁷ Smith, *Wealth of Nations*, p. 88 [I. viii].

⁴⁸ Ibid., p. 15 [I.i].

hundred poor, and the affluence of the few supposes the indigence of the many.”⁴⁹ The systematic production of wealth also generates systematic poverty, an unfortunate but perhaps necessary side-effect of social advance, as in Hayek.

A still deeper tension may be read from the juxtaposition of rather puzzling comments about savage society. Smith suggests that “extremities of hunger” impose on the savage a kind of “Spartan discipline.”⁵⁰ It is precisely this condition of scarcity that Smith believes a commercial society brings to an end. However, Smith also presents savages as possessed of the leisure to pursue music and dancing:

It seems even to be amongst the most barbarous nations that the use and practice of them is both most frequent and most universal, as among the negroes of Africa and the savage tribes of America. In civilized nations, the inferior ranks of people have very little leisure....Among savage nations, the great body of the people have frequently great intervals of leisure, and they have scarce any other amusement; they naturally, therefore, spend a great part of their time in almost the only one they have.⁵¹

This abundance of leisure for savages is quite damaging to Smith’s claim about the nature of their poverty. They cannot “spend a great part of their time” in music and dancing unless they can readily meet their minimum requirements as biological beings, a requirement that would seem to belie claims about their poverty.⁵²

If this is so, even assuming Smith’s most optimistic assumptions about a commercial society, we cannot sustain the claim that poverty is a condition distinct to savage societies. Rather, poverty is strikingly associated with, perhaps even tied to the emergence of, commercial society. Poverty cannot be assumed as an original condition for which commercial society is the antidote. Nor can poverty simply be relegated to the past; we

⁴⁹ Ibid., p. 232 [V.i.b]

⁵⁰ Ibid., p. 205 [V.2.9].

⁵¹ Adam Smith, “Of the Nature of that Imitation which Takes Place in What are Called the Imitative Arts,” *Essays on Philosophical Subjects*, edited by W. P. D. Wightman and J. C. Bryce (Indianapolis, IN: Liberty Fund, 1980), p. 187 [II.i]. See a similar passage in *Wealth of Nations*, p. 219 [V.i.i], though Smith also suggests (p. 214 [V.i.i]) that the precarious subsistence of savages leaves them little time.

⁵² See Levine, *Economic Studies*, Chapter 2, and Naeem Inayatullah, “Theories of Spontaneous Order.”

cannot so readily put aside the moral resources offered by 'superceded' forms of society.

The point is poignantly made by Eric Cheyfitz:

Indian kinship economics, which, I want to make clear, I understand not as precapitalist but as anticapitalist, constitute a powerful *and continuing* critique of the waste of an expansive, acquisitive capitalism that . . . [Europe] could not *afford* to entertain. The loss in social vision was, and is, incalculable.⁵³

Nevertheless, as we have suggested, Smith's dominant mode of relating to poverty (and other realities of commercial society) is either to re-locate them to the past or to dilute their potency by pointing to the advantages of the age of commerce relative to past ages. Smith's stance seems indicative of the fact that poverty and moral corruption serve to signal a wound within a wealthy commercial society—the other a commercial society can neither solve, nor avoid.

Thus, in contrast to his dominant practice, we can see that there is a part of Smith that engages the 'real' of the wound of wealth. He creates a horizon within which engaging the other of commercial society—what Cheyfitz above calls the *kinship economics* of the Indians, or what Smith himself alludes to as the *singing and dancing economy of savages*—serves as a potential learning experience for his European commercial society and those of us who remain immersed in modern capitalism.

Hegel and Marx: Pressing the Wound of Wealth

Hegel conceives the economy in terms of its implicit and explicit ethical purposes. The capitalist economy within modern bourgeois society crucially promotes individuality, equality, and, more generally, freedom. The historical development of the market is seen by Hegel, in parallel to Hayek, as an ethical advance because it promotes the pluralization of interests and fosters individual initiative and action, freeing the individual from subordination

⁵³ Eric Cheyfitz, "Savage Law," in Amy Kaplan and Donald E. Pease, eds., *Cultures of United States Imperialism* (1993), p. 118.

to the whole, as in historically and logically prior forms of life. However, Hegel also recognizes that placing the market at the center of civil society produces paradox: it meets people's needs but it also produces poverty; it is at the center of bourgeois social order but it also threatens social disintegration; it fosters a new social identity but also creates alienation. The market is therefore circumscribed necessarily by the state, the needs of the family, and the requirements of an ethically healthy civil society, though Hegel's efforts to reconcile individual freedom and social life are frustrated and the ethical ideal of modern civil society remains incomplete. He maintains a necessarily nuanced understanding of the ethical role of the market in modern society that engages the wound of wealth.⁵⁴

In terms similar to Hayek's, Hegel sees "civil society" as a stage of "difference" that constitutes people as "private persons," freeing them from the social bondage predominant in other societies. Each individual is a "particular" – each with her or his own set of needs and interests and for whom these needs and interests are her/his primary end.⁵⁵ The market, as a central institution of civil society, promotes individual self-expression and self-seeking and Hegel recognizes this as a real achievement of modern civil society, but he also warns that the unleashing of this particularity can be destructive. It can, Hegel notes, let loose "boundless extravagance," the endless multiplication of desires, and the individual may be tempted to define others as merely means to his/her own ends, as mere means or instruments of their own desires.⁵⁶ Freed from the political, ethical, and religious strictures of earlier eras, individuals may act as atomized, narrowly self-interested actors, who may rend the very fabric of society. Thus, Hegel is very aware that the economization of social

⁵⁴ Our account draws inspiration from Schlomo Avineri, *Hegel's Theory of the Modern State* (Cambridge: Cambridge University Press, 1972), chapter 7; Peter Stillman, "Hegel's Critique of Liberal Theories of Rights," *American Political Science Review* 68:3 (1974), pp. 1086-92; Raymond Plant, "Economic and Social Integration in Hegel's Political Philosophy," in Donald Phillip Verene, ed., *Hegel's Social and Political Thought: The Philosophy of Objective Spirit* (New Jersey: Humanities Press, 1980), pp. 59-90; Shaun Gallagher, "Interdependence and Freedom in Hegel's Economics," in William Maker, ed., *Hegel on Economics and Freedom* (Macon, GA: Mercer University Press, 1987), pp. 159-81.

⁵⁵ G.W.F. Hegel, *Elements of the Philosophy of Right*, edited by Allen W. Wood (Cambridge: Cambridge University, 1991), sections 182-3, 187.

⁵⁶ *Ibid.*, sections 182, 185.

life would entail the dominance of self-seeking and an instrumental rationality. However, in partial contrast with Ashley, Hegel recognizes that the logic of economy cannot stand alone; it is embedded within a wider set of social institutions comprising a historically specific ethical order. Self-seeking can only be “actualized,” says Hegel, within a “system of all-round interdependence, so that the subsistence and welfare of the individual and his rightful existence are interwoven with, and grounded on, the subsistence, welfare, and rights of all, and have actuality and security only in this context.”⁵⁷ The individual appears as a *social* being, embedded in a system of individual/social needs, and as a bearer of individual rights enforced by the state. And, for Hegel, this is not merely a set of material facts operating on the individual; individuals come to recognize through life in this private sphere that the pursuit of self-interest is possible only in relations of mutual dependence, entailing the recognition of the rights and needs of others.⁵⁸ Though the logic of instrumental rationality is central to modern civil society – indeed, is a key moment of the constitution of the person as particular self-seeker – the unleashing of the individual is also laden with ethical value: subjectivity, self-expression, and social recognition. Rather than being a special source of reification as in Ashley – an asocial or acultural domain – the particularized and self-seeking life of civil society is rich with ethical meaning and purpose.

This claim should not be taken to suggest that civil society fully lives up to its ethical promise. A modern society, with an expanded division of labor, may generate prosperity and realize the individuality of many; with wealth comes a sense of independence and social respect. However, Hegel, like Smith, is acutely aware that many in such a society remain in a state of at least relative privation and social deformity. While human needs and the capacity to meet them are expanded “[w]hen the activity of civil society is unrestricted,”

⁵⁷ Ibid., section 183.

⁵⁸ Ibid., section 187. See also Peter Stillman, “Partiality and Wholeness: Economic Freedom, Individual Development, and Ethical Institutions in Hegel’s Political Thought,” in William Maker, ed., *Hegel on Economics and Freedom* (Macon, GA: Mercer University Press, 1987), pp. 65-93.

the *specialization* and *limitation* of particular work also increase, as do likewise the *dependence* and *want* of the class which is tied to such work; this in turn leads to an inability to feel and enjoy the wider freedoms, and particularly the spiritual advantages of civil society.⁵⁹

Hegel is more precise. When a mass of individuals sink “below the level of a certain standard of living,” by which Hegel means a socially respectable minimum not absolute immiseration, “that feeling of right, integrity, and honour which comes from supporting oneself by one’s own activity and work is lost.”⁶⁰ Though Hegel recommends state action as a response to this problem, he recognizes that providing livelihood *for* people does not get at the real issue of social respect. It does not substitute for the sense of integrity that comes from individual initiative and self-support. He finds no clear solution to this dilemma and notes that the “important question of how poverty can be remedied is one which agitates and torments modern societies especially.”⁶¹ Here, Hegel directs our attention to the wound of wealth.

Marx, as opposed to Hayek, Smith, and Hegel, is usually read as the preeminent critic of the logic of capitalist society, and so he is, but we suggest that Marx’s evaluation of modern, commercial society is more nuanced than a popular view would suggest. That is, Marx is an insightful analyst of the relative achievements of capitalism and thus avoids simplistic readings that would pit the logic of economy v. a rich logic of culture as we find in Ashley.

For Marx, the unprecedented release of human productive capacities by capitalism was historically momentous. Capitalism creates a stock of wealth and develops the means of wealth production necessary to fuel social progress and an eventual transcendence of

⁵⁹ Hegel, *Philosophy of Right*, section 243.

⁶⁰ *Ibid.*, section 244.

⁶¹ *Ibid.*, section 244 (addition). Hegel’s commentary on modern society and poverty is much noted. See, for example, Avineri, *Hegel’s Theory*, chapter 7; Robert Fatton, “Hegel and the Riddle of Poverty: The Limits of Bourgeois Political Economy,” *History of Political Economy* 18:4 (1986), pp. 579-600; Ian Fraser, “Speculations on Poverty in Hegel’s *Philosophy of Right*,” *The European Legacy* 1:7 (1996), pp. 2055-68; Robert Siemens, “The Problem of Modern Poverty: Significant Congruences between Hegel’s and George’s Theoretical Conceptions,” *American Journal of Economics and Sociology* 56:4 (1997), pp. 617-37.

capitalism.⁶² But Marx's evaluation of capitalism did not turn on its historical preparatory role alone. Marx recognizes that the social and material structures that generate this expansion of productive capacity are associated with an expansion of human freedom and equality. In his *Grundrisse*, Marx locates the realization of these social values primarily in the domain of exchange: "Equality and freedom are thus not only respected in exchange based on exchange values, but, also, the exchange of exchange values is the productive, real basis of all equality and freedom."⁶³ Marx suggests again and again that freedom and equality are at the heart of economic and social life in a capitalist society, that "free individuality" is constructed as a central aspiration of this form of society.⁶⁴

However, Marx warns us, appearances can be deceiving. A deeper, more penetrating analysis of capitalism reveals a more discouraging reality. The real relations of capitalism vitiate the promised equality and freedom: The personal independence of individuals in a capitalist society depends, in a claim similar to Hegel's about the division of labor, on the "objective dependence" of the worker on a capitalist.⁶⁵ In an evocative passage in *Capital*, Marx suggests that the "exclusive sphere of Freedom, Equality, Property, and Bentham" offers different experiences for the capitalist and the worker: "The one smirks self-importantly and is intent on business; the other is timid and holds back, like someone who has brought his own hide to the market and now has nothing else to expect but a tanning."⁶⁶ Marx sees, with Hegel, that capitalism expands human possibilities and "the development of a rich individuality,"⁶⁷ but only at a tragic cost: poverty, alienation, and

⁶² Karl Marx, *Grundrisse*, translated by Martin Nicholas (New York: Vintage, 1973), pp. 325, 540-2.

⁶³ *Ibid.*, p. 325.

⁶⁴ *Ibid.*, pp. 158, 245, 472-4. See also Carol Gould, *Marx's Social Ontology: Individuality and Community in Marx's Theory of Social Reality* (Cambridge, MA: MIT Press, 1978) and Russell Keat, "Individuality and Community in Socialist Thought," In John Mepham and David Hillel-Reuben, eds., *Issues in Marxist Philosophy. Volume IV: Social and Political Philosophy* (Sussex: Harvester Press, 1979), pp. 127-152. For a partly contrasting view, see Joan Cocks, "Hegel's Logic, Marx's Science, Rationalism's Perils," *Political Studies* 31 (1983), pp. 584-603.

⁶⁵ Marx, *Grundrisse*, pp. 507-8.

⁶⁶ Karl Marx, *Capital. Volume I*, translated by B. Fowkes (New York: Vintage, 1977), p. 280.

⁶⁷ Marx, *Grundrisse*, p. 325.

domination. In the modern era, the expansion and enhancement of human needs and capabilities “appears” also “as a complete emptying out, this universal objectification as total alienation, and the tearing down of all limited one-sided aims as sacrifice of the human end-in-itself to an entirely external end.”⁶⁸ These are strong words that may remind us of Ashley’s characterization of an ethically empty economy.

Marx’s work thus poses an interpretive problem because of the delicate balance he strikes – in exactly the opposite direction of Hayek and Smith. Though far from an apologist for bourgeois society, he recognizes the advances it brings over previous modes of life, especially that it promotes the aspirations for and material possibilities of equality and freedom. Yet, as Marx emphasizes, it also may produce history’s cruelest and more complete exploitation and alienation. In Marx’s view, bourgeois society both supports and inverts the narrative of progress.⁶⁹ This nuanced picture allows Marx to negotiate a middle ground between a romantic rejection of capitalism and the shameless apologetics he mostly correctly attributes to the economists of his day.

This middle ground is also distinguishable from Ashley’s condemnation of the economy as a zone of technical rationality. Marx would share Ashley’s concern that economists have constructed a project that offers only alienation for the vast majority of citizens, threatening to empty social life of human meaning and purpose. Though he would reject much of Hegel’s claims that civil society is a space for realizing freedom and equality, he does recognize that capitalism at least serves the historical purpose of connecting wealth with individual and freedom, if only for the few. For the many, this connection remains an aspiration, at least until they act to make that wealth their own. An alienated and alienating economy must be understood in the context of its historical purposes – purposes that should not be obscured by impoverishing the economy as a simple embodiment of technical

⁶⁸ Ibid., p. 488.

⁶⁹ Ibid., p. 84; see also Marx, *Capital*, pp. 169-71.

rationality. Capitalism, even in Marx's hands, represents a more complex system of ethical meanings and purposes. That is, Marx himself does not construct a version of capitalism without regard for the meanings and purposes it does and can hold for actors.

IV. Conclusion

The logic of this paper might be summarized as unfolding in four steps. First, the paper suggests that Political Economy as a discipline is culturally constituted; that is, it occupies a particular and important space in the 'field of significance' in terms of which the 'West' constructs itself. Second, emphasizing the way this space or site juxtaposes the savage other and the utopian idealization of the self highlights the ethical content of Political Economy as theory and instantiated as practice, but also that this ethical content involves an idealization, built via a process of othering that is always in question. This 'always in question' appears as the presence of a gap or a wound in, or an indefensible boundary around, the self of the West. Third, and therefore, despite efforts to secure its natural and necessary character, Political Economy appears both as a particular culture among many, subject to criticism from other sets of values and visions, including the savage against which it constructs its ethical superiority, and as a 'nowhere' that fails to present a coherent and fully realizable ideal. Fourth, a reading of the major thinkers in the classical tradition of political economy allows us to specify more fully the character of that gap or wound in the self of the West as turning on the question of wealth – on the problem of poverty as a modern condition, on the social deformity of many that is the result of wealth creation, of the subjection of some to others in the name of prosperity and its attendant goods of freedom and equality.