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Accounting, risk, and revolution

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ABSTRACT

In response to the position of Steve Toms, this article argues that risk must be understood not as it has been posited by capital but rather as it might be taken up by labour. It uses Marx's socialization thesis to maintain that risk is a symptom of possibility for labour. Drawing on the work of Randy Martin the argument culminates in a consideration of the interanimation of capital in labour occasioned by the second helping of risk produced by its commoditisation. It concludes that far from being just what Michel Aglietta calls a social evaluation of private economic activity, risk offers the opportunity to develop an accounting not just to provoke capital's contradictions with its own tools but to develop an immanent accounting of socialized labour in revolution, an accounting to come.

1. Revolution in finance

Risk as a means to accumulate future capitalist wealth is both an old and new social phenomenon. Steve Toms has done us a service by reminding us that such means have never been subject to an equal distribution. And he is right to attribute this unequal distribution to the underlying distribution of the means of production itself. By controlling the means to life and having the sole prerogative to initiate these means to life (and here we see the origins of biopower are much deeper and clearer than we have been led to believe) capital puts labour 'at risk' from its origins. Labour dies if it cannot be converted to labour-power. And this conversion to labour-power is subject to the market, subject to supply and demand like any commodity. Nothing could be riskier.

But as every student of Marx knows, capital relies on labour despite itself, and thus comes to rely on a risky relation, and to put itself at risk in the process. And if labour becomes the bearer of social relations, then we can quickly see these relations have risk at the heart of them. Indeed if Marx was right that the first thing the labourer produces is himself, then by extension the first thing the labourer produces under capitalism may also go under the name of risk.¹ Risk is the primary commodity of capitalism and is thus a very old story. But this old story, not surprisingly for a Marxist story, is a contradictory one. Steve Toms has hold half of this contradiction when he notes in his article that socializing labour as risk produces the problem of labour's effort in the labour process. He calls for an accounting-based approach to risk, to expose risk as an operation of class. This approach is what Michel Aglietta and Regis Breton call the 'logic of specificity in the process of evaluation' versus the market use of 'the logic of homogenization' (Aglietta and Breton, 2001, 437).

Yet the debate about how to regulate risk should not blind us to the necessity to impose a logic in the first place. This is not just a problem of the 'effort bargain' or what Toms calls, following the neoclassical economists, rent-seeking by labour.

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¹ Feminists working in the autonomist tradition have taught us that the labourer does not just produce himself but is produced by unwaged labour in the home. He thus produces himself at the price of what produced him. See for instance Ellen Malos, editor (1995) *The Politics of Housework* (London: New Clarion Press).

Immiseration on a world scale is once again the order of the day, and risk soon spills over into having nothing to lose but the chains of such 'bargains.' It is not a piece of the rent that workers, farmers, and indigenous movements seek in much of the world today. In Mexico, Bolivia, Argentina, among Chinese miners and Indonesia street vendors, in the *no global* movements in Europe, and ongoing black underground in the United States, capital's problems are hardly just gold-bricking and growth rates.

2. Revolutionary risk

But still we remain here on only one side of this contradiction, if the readers will allow me this old-fashioned language. The other side of this contradictory relation is this: if capital needs labour then capital also needs risk. And again this predicament extends beyond the limits of neoclassical economic thinking about minimising and maximising such risk as a way to modulate a steady stream of profit, something Toms does acknowledge. Capital needs to revolutionise production. And this means risk beyond planned calculation, even beyond models of probability. Indeed it needs not just risk modulation but revolution precisely because it relies on labour, an associated labour that does not just rent-peek, but posits this revolution, although in its own terms.

Risk provokes both the revolution of capital and the counter-revolution of the capitalist political form. The history of the capitalist society is the history of resistance to what its risked revolutions unleash. Most obviously one thinks here of the still urgent project to rethink the state from a contemporary Marxist perspective, something left undone since the brilliant work of Nicos Poulantzas (Aronowitz and Bratsis, 2002; Poulantzas, 1980). We do know the state composes itself in resistance to the collective desire to keep public what capital needs to privatize: the process and the means of production. (Harney, 2006) This may mean the state takes on a revolutionary role for capital in times of threat as in the period of deregulation in the 1970s and 1980s or permanent war in our time, though the conviction of that role is always subject to struggle (Harney, 2002).

3. ISAs and socialization

Yet two other kinds of resistance to what risk unleashes in associated labour should also particularly concern us today. The first operates through what was once called the ideological state apparatus (Althusser, 1984). Conditioned for labour in schools, in the media, in sports and recreation, in religious practice, to name only the most studied, labour found itself predisposed to accept risk as its burden and even to accept in many cases the risks associated with the revolutionizing of production. Althusser noted that when this subjectivation was successful it meant that the worker apprehended society immediately as capitalist society. And one of the reasons society appeared thus has to do with the other strategy of resistance to unleashed risk.

Capital has sought security and shelter historically by separating itself from the burden of responsibility for risk attached to private property. Through the socialization of capital a strategy evolved to counter the socialization of labour and its associated risk, without giving up the pleasures of risk, without giving up its capacity to produce new wealth. Capitalism effected a socialism on the grounds of private property as Marx said. In the socialization of capital one finds capital's attempt to have its cake and eat it too. The collective capitalist had more power but also more sense of what today would be called corporate social responsibility, a concern for the conditions of the social reproduction of capital (which at the end of the day is all there is to the ambition of CSR.) This generalization of risk safely on the grounds of private property leads to what Althusser called 'the international of decent feeling,' where like the general equivalent in capitalism a false sense of sharing a common condition comes to prevail (Moten, 2002). Thus to the interpellated worker the landscape of socialized capital produced a social psychology where not just individual capitalists, but a seamless capital itself was arranged against him as a horizon, or perhaps for him as a future.² The only thing moving on that horizon, the only threat to this future, and to this Althusser paid not enough attention, were those without decent feeling, the *relative* surplus population of the unwaged worker, the subsistence farmer and the criminal. Althusser might have said interpellation by the state works in part at least because of these figures in a landscape. After all, a shoot to kill policy does not include by definition in Iraq or New Orleans, a moment of interpellation.

But one could go even further to say that if Steve Toms is right that capital relies on labour as a social relation bearing more than meets the eye, more than can be counted and thus managed (which is to say bearing the capitalist relation itself in historically dynamic form and bearing the sociality of interdependent labour called forth by this dynamism), then this something is itself bound up in risk. But remember that this something, under Marx's socialization thesis, also goes under the name of the conditions for socialism. Can the conditions for socialism be risk? Indeed can risk be socialist?

Before we can answer that question (and it is obviously tempting simply to say that if risk is necessary for capitalist revolutions of production it stands to reason it is equally necessarily for socialist revolution), it might be wise to consider how this contradictory relations today attempts without success to resolve itself anew.

² By worker I do not mean the sociological category but rather labour as such. This would include academic labour and the phenomenon of all those whose coolness to Marxism meant that risk only became apparent to their understanding of social relations with this latest phase of its socialization in capital and in labour. I am thinking of course of Ulrich Beck, Anthony Giddens, and Zygmunt Bauman.

4. Second helping of alienated labour

Today capital appears to double its risk, living off alienated labour in the workplace, but also turning risk as a particular kind of alienated labour into a circulating commodity. Randy Martin in his key study of the financialization of daily life calls this the second helping of risk. And as we have said, this a particular kind of alienated labour because it is also the means to the future of wealth. It is odd then that such means would be deposited through this process of circulation, if not realization, into the hands of labour. The effect is the same as when risk was socialized in capital in the first wave of finance and in the subsequent welfare state. Capitalists had to come to care about the general conditions of reproduction. Today the same thing is happening to labour. And this is why labour politics are observed today to be directly and immediately about the environment, race, sexuality, war and globalization.

I say observable today because as long as risk has been a means produced by associated labour, a means capital both needs and cannot abide, its principles of difference have also been called into being. And here we need to shift to the register of poststructuralism. In particular it will be useful to understand poststructuralism as a moment in what Frederic Jameson simply calls 'theory' (Jameson, 2004). Jameson considers theory the advent in the academic disciplines of the political and ideological problem of the relationship between the production of words and the concepts they are said to represent. Jameson sometimes simply calls this the recognition of the materialism of language and it is for him the extension of the Marxist critique of alienated labour to work we do as scholars, to our tools, to our means, to our associated labour. It prompts us to ask what is left out not only of financial economic's account but of critical accounting's account of risk.

We might start by noting that the production of risk is the production of a means to control the future of wealth by reducing it to a number of probabilities. And this reduction of difference in the future, with its attendant problems is, one might say, the structuralism capitalism needs to assert its functionalism. Here we have returned to the modulation of risk that can be said to indicate the possibility of capital's rationality, and its accompanying armed positivism. (This is incarnation of risk Toms recognizes in his article.) So long as difference can be both produced and contained through risk then capital can be said to have a wealthy future for all who participate in such risk. But this capitalist 'meaning' taken from difference needs to be submitted to a poststructuralist hermeneutics of suspicion. We ought to ask whether the capitalist concept of risk can withstand a materialist interrogation of how it represents the world.

Because in order to limit differences some difference must be excluded or repressed. This is more than a matter of the language of modulation, or markets, or mathematical models that claim to represent risk. The production of risk is also the material production of exclusion, or if you like, of the relative surplus population, again with an emphasis on relative. We would have to turn in more detail to subaltern studies here and especially to the work of Gayatri Spivak and Dipesh Chakrabarty if we were to pursue the conditions of production that make the concept of probability in difference possible (and by extension the science of financial economics.) In subaltern studies epistemological violence and material violence undo the distinction of words and things that the positive science of financial economics, and much of accounting, takes for granted. Capitalist risk is thus taking at face value at our own risk. But for our purposes what we need to establish is that to invite labour for a second helping of risk through its mass commoditisation is thus to provoke the mechanism of exclusion still further. (So we find for instance the rise in our times of what David Harvey calls accumulation by dispossession or the Midnight Notes Collective called the new enclosures.)

5. Social undertaking of risk

To invite labour to the table is also to prompt it to care about the way differences are excluded, through what means and to what ends, a political point implicit in Martin's work on quotidian financialization. And yet this is precisely what is happening.

Today we are encouraged as consumers to take risks by holding the means to such risks (Arnoldi, 2004). Housing for example has literally become housing stock. To be a market in risk, housing must not be owned but risked through the mortgage and its securitization, a bet on the future by the consumer that quickly becomes socialized. To hold a house is to hold socialized risk, as capitalists once held a stock not a ground rent (Martin, 2002). And of course to hold a pension is in one sense to hold a share like old moneybags. Moreover to hold a credit card is to hold simultaneously both your own future alienated labour and that of others (through the interest rate).

It needs to be stressed that none of this is to suggest labour can enjoy the prerogatives of capital because of this second helping of risk precisely because it is so diffuse, but also because as Poulantzas argued one needs both the means and the monopoly on putting them to work. Even if this diffusion forces labour to experience the concerns of the collective capitalist, it does so through what Frantz Fanon would understand as an alienated ontology (Fanon, 2000). But it also needs be stressed that all of this takes place without any let up in the amount of risk labour produces in the workplace proper, and indeed the increase in risk born by the globalized worker in recent years is not coincidental. It is rather a complex class recomposition, as the Italian autonomists would say, acting throughout the circuits of capital, in which all of these forces are in play, state resistance, ideological deployment, and new socializations of capital and labour (Tronti, 1987). And all of this throws the relative surplus population into sharp relief again (though it may pass under the name of terror, race and natural disaster, or corruption and governance).

This obviously places risk in labour much more substantially than Steve Toms acknowledges. And this is therefore where we reach the limits of Steve Toms' approach. The call for fairer accounting, for social accounting is, as he well recognizes,

not a Marxist position. It would be doctrinaire to dismiss such a call for this reason alone. But if one accepts that capital has to revolutionize itself in response to the revolutionary tendency of the labour it brings together, then the most Toms can do is to point out why a stable accounting-based regulation can never obtain, and this he does convincingly. Yet the very historical subject he seeks to save may not be able to rid itself of such risk. The accounting of what risk is proper to labour and what might come to exceed it has yet to be attempted. This would also be the accounting that can account for itself as an ideological formation in the service of associated labour.

6. Accounting in revolution

If we are concerned only with the subsumption of labour under capital then all we can hope for is to use accounting as we find it to provoke revolution as Toms does. And we could reasonably expect that such a revolution would either be based on the pre-theoretical (in the Jamesonian sense) position we have taken, or that there would be no place for such accounting in revolution and we would have to begin again. But if we are also concerned with the subsumption of capital under labour we may have the possibility of creating the future in the present in accounting. In this case accounting might not only be a tool for revolution but in revolution as well.

Risk evidently makes us care about the conditions of the reproduction of its limited difference. Risk therefore gives us the chance to extend Marx's thesis on socialization into the future. Forced to think about the means of risk, associated labour has the opportunity to ask under what conditions of the production of difference would we be willing to give our future to others. In other words, risk may today offer the chance to think about the collective inclination toward difference of which risk is only an historical subset. If so, we might tentatively answer that the place of risk in revolution is to be surpassed, not eliminated, by a more robust accounting of difference. This kind of accounting would work toward a collective means to produce difference as the possibility for the individual to give herself over to the future of others, to become Marx's social individual. Such an accounting of difference would be necessary not just for revolution but in it because such an 'accounting to come' would hasten the movement from necessity to freedom.³

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