

Marx, Wertkritik and the Illusions of State, Politics and Law

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Wertkritik is a critical theory [developed first and foremost by Robert Kurz](#) (1943-2012), which claims to capture the totality of modern societies in the tradition of Marxian thought. [Marx](#) made value the central category, the fulcrum not only of his economic critique, but of his entire social analysis, and this is what *Wertkritik* refers to. Turning away from the traditional Marxism of class struggle, labor movement and the post-Hegelian philosophy of history, *Wertkritik* emphasizes the revolutionary socio-scientific insights that Marx unfolded in his critique of political economy: the concept of modernity associated with commodity-producing society as well as the idea of the value of commodities that valorizes itself, always striving for its own increase. This is the idea of the "automatic subject" of society, constituted by human beings by their daily actions, but at the same time subjecting them totally and making them mere functionaries of an anonymous, unconscious process that is out of their control.

Following on from Marx's famous chapter in *Capital* on the "fetish character of commodities", *Wertkritik* speaks of a fetishist constitution of modern society, one that does not consciously determine its relationships, needs, production of useful things etc., but has outsourced control to self-valorizing value – in this way modern society has placed itself under the rule of the automatic subject. By and large, this negatively conceptualized automatic subject is what political economy from Adam Smith to Hayek refers to as the "market" and sees as a quasi-divine "invisible hand" or as an information processor superior to humans, which ensures that scarce resources and goods are optimally distributed and thus macroeconomic and macrosocial equilibrium prevails.

The divide between economics and its critique by Marxian *Wertkritik* shows also in respect to money: For the former, money is a mere token that facilitates exchange. *Wertkritik* however sees it as a valuable commodity and as the very embodiment of value in its self-referential quantitative expansion movement. Money is the god of modern fetishism: the abstract, featureless thing around which everything revolves and which steers all social relations. When economic science claims that the economy is there to supply people with scarce goods, *Wertkritik* objects: The purpose of economic activity obviously is to increase the value of M, a given sum of money, by using various commodities (C) in the production process to make more money (M'). The supply of commodities is but a by-product of this movement $M - C - M'$, not its purpose.

The market and the state

Marx's critique is not much engaged by mainstream academic economics, which often seem to adopt a rather hermetically sealed system of thought, based on assumptions far from social reality. Sometimes, however, cracks appear in their intellectual edifice. Hardly ever, perhaps, with respect to the concept of economic activity itself, but rather in recurring controversies over the relationship between state and market, usually prompted by crises, a for instance after the stock market crash in 2008.

Marx regards this relationship between the market and the state as a complex one, including elements of cooperation, but also a kind of polar tension. For him, the state is the necessary complement to the modern "bourgeois society" based on the pursuit of naked private interests, where socialization primarily takes place through money relations in pursuit of individual enrichment. The state as the embodiment of the general will is necessary because a sustainable social order is not viable on the basis of the modern bourgeois war of all against all. Such a sociality would have to remain asocial.

Money and the state

The state is the authority that in the first place has to ensure, by means of legal regulations and other precautions, that individuals can meet each other as owners of commodities – that is main function of law in modern society. Marx and *Wertkritik* see the protection of private property, as the primary right of bourgeois society.

Undoubtedly, the tasks of the modern state include issuing the currency and providing the economy with the necessary means of exchange and payment. However, *Wertkritik* is based on Marx's insight that money evolves by quasi-natural necessity out of the exchange relationships of commodities, and that the state is only a secondary guarantor. The nowadays influential idea, put forward mainly by [Modern Monetary Theory](#), that political-legal implementation of token money, as a measure of value and obligatory means of exchange, is the original basis of the modern market economy – which therefore would ultimately be a creation by the state – fails to recognize not only the historical development, but above all the logic of modern socialization.

This misconception points towards one of the fundamental elements of the dominant social thinking of modern times – namely the belief in the steering competence of that central modern authority, the state. This belief persists in spite of both the skepticism of neo-liberalism towards the state's regulating power and the theoretical coolness of systems theory as represented by Gunther Teubner's contribution to this symposium.

The illusion of the state

From the point of view of *Wertkritik* the belief in the so-called primacy of politics, or more generally, the belief in the sovereignty of men in the process of their

socialization, is one of the central illusions of modernity – a kind of founding myth, deeply rooted in the thinking of the Enlightenment and the idea of the autonomous individual subject that arises out of it. With the establishment of the modern state and its subsequent democratization, not only the belief that citizens determined their social affairs in free deliberation emerged, but also the idea that all social affairs could be controlled in political community by argumentation based on reason and in accordance with transparent procedures secured by law and administration.

Wertkritik contradicts this state illusion. It holds that not only unavoidable crises bear witness to the fact that the economy does not obey any political or social rationality outside or above its own. Even the normal functioning of the capitalist wealth machine is a process that does not follow any social reason. Since it is about the multiplication of money as the expression of abstract wealth, and not material wealth embodied in beneficial goods, the use of resources (raw materials, energy, labor, etc.) for the production of useless and even harmful commodities – for which the corresponding needs have to be created by means of persuasion – is the rule. This reality speaks against the enlightened liberal image of man as the autonomous subject of his own sociality.

More (anti-)politically spoken: There is no autonomy, no sovereignty and no state capable of deliberately determining the social "subsystem" called "economy". Instead, the capitalist economy is the outcome of a wealth fetish. The state lives by material prerequisites which it cannot guarantee.

Consequently, there are limits to politics and law in capitalist society: Politics cannot question the basis of modern socialization, i.e. the rule of value, and it has never done so in modern times, not even in the so-called "socialist" states governed by communist parties. Additionally the state's capacity for political steering strongly depends on historical conditions: In times of growing magnitude of value, as in the Golden Age after World War II, the leeway is greater; in times of crisis it narrows. This applies all the more to [the present crisis](#), which might turn out to be the terminal one: The mode of production based on value has encountered its "internal barrier" by virtue of the elimination of labor – the only value-producing commodity – from the production process, as a result of the ongoing microelectronic revolution. There is no way to reverse that history.

The illusions of present times – of the everlasting market economy, producing useful goods for the needs of man, an economy that can be regulated by the state – have their origin in an unquestioning belief in the naturalness and eternity of the modern form of socialization. But modernity is a historical phenomenon with a genesis, an ascent, and an end. The current public discussion suffers from the fact that the alienated consciousness of humans seems no longer to be able to free itself from its self-built mental cage. It remains arrested in fetishism. If humanity wishes to redeem the future, it must deal with the finiteness of late modern society, with fundamental and escalating crises rooted in modern socialization as driven by the automatic subject of ever-increasing abstract wealth.

Social Critics who once again try to save capitalism from itself – e.g. by pricing and valorizing nature, by implementing alternative currencies or, as [Teubner](#)

proposes (against his own insights into the self-referential nature of modern functional systems), by incrementally producing different constitutional constraints and incentives for the various systems – show that thinking in the categories of modernity leads far astray. Although the end of modernity holds enormous potential for destruction, as can be seen every day, this cannot be a motive for trying, anyhow in vain, to prolong the totalitarianism of value. Instead, the task is to disenchant the fetish. Socialization on the basis of value and its corresponding forms – commodity, labor, money, law, nation, state, politics – have not to be reformed, but abolished altogether.

