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**Globalization, Postcommunism, and the Modern Project:
The Political Economy of Nihilism, Its Ciphers,
and the Platonic Cave**

by

Vladimir Suchan, Dipl., M.A.

A thesis submitted to
the Faculty of Graduate Studies and Research
in partial fulfilment
of the requirements for the degree of

Doctor of Philosophy

Department of Political Science

Carleton University
Ottawa, Ontario
September 24, 1999

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acceptance of the thesis,

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THE POLITICAL ECONOMY OF NIHILISM, ITS CIPHERS,
AND THE PLATONIC CAVE**

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Chair, Department of Political Science

Thesis Supervisor

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ABSTRACT

This work is a critical study of the modern project with an emphasis on globalization and postcommunism. Its point of departure is a consideration of modernity as a progressive unfolding of Western nihilism. Some of the key questions examined by the author are: What are the ideas that have formed the project of globalization? What is the essence of money, capital, political economy, and technology, and how these are interrelated? What is the relation between globalization and the Platonic cave and its corresponding dystopian 'regime in speech' described by Plato in Book V of the *Republic*? How does nihilism 'work'? What lies behind the idea of efficiency? What does postcommunism tell us about globalization and capitalism? Together, these and other inquiries present an examination of the question of the power of nihilism and its efficiency that form the 'political economy' (commonwealth) of modern nihilism. The work includes theoretical analyses of Heraclitus, Plato, Aristotle, Machiavelli, Hobbes, Smith, Rousseau, Hegel, Marx, Nietzsche, Simmel, Schumpeter, Heidegger, Strauss, Kojève, Hayek, Friedman, Foucault, Darby, and Fukuyama, as well as a more empirically oriented examination of the communist and postcommunist transformation. The main thesis is twofold: (1) globalization may be seen as 'the Platonic cave' writ large; and (2) central to its realization is technology and ciphers (arbitrary abstractions) that transform man 'beyond good and evil.' In this connection, the author argues for a return to the study of political philosophy grounded in Socratic and Platonic thought and teaching in order to revive an essential source of self-knowledge and ethics.

Acknowledgments

Initially, I wanted to write a work on justice and conscience. Later, realizing that no good account of justice can be formulated without seriously clarifying and accounting for injustice, I decided to study the problem of tyranny. From the attempt to understand the connection between tyranny and nihilism, and then between nihilism and postcommunism, this work has received its present direction and form. After a prolonged process, the central idea of the *cipher* matured. The crucial relevance of the Socratic divided line was gradually coming into light - first during my analysis of political economy, then it started reappearing.

I have greatly benefited from the lectures and seminars with Professor Tom Darby who introduced me to nihilism and Plato's *Republic* and taught me a method of a careful reading of the texts. Darby's critical and close reading of my work was very important in showing me how to improve my argument as well as the text itself. I am very grateful to Professor Piotr Dutkiewicz for his diplomatic skills, guidance, support, criticisms, and insights that made it possible to carry out and accomplish this research. I would also like to thank Professor Vincent Della Sala whose views and assistance brought a needed impetus in a critical phase of my work, thus helping me to place the structure as well as the thrust of my thesis on a firmer footing. Ms. Linda S. Smith helped me realize the unifying power of the Platonic divided line. She also helped me improve and clarify the text.

Above all, I would like to thank my family, and especially my wife, for their endurance and great patience throughout the whole period of my studies. Without their support, I would have accomplished nothing.

Vladimir Suchan, August, 18, 1999

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INTRODUCTION

Psychiatrist: Did you do anything terrible?

Patient: I don't know ... Let's just go on.

From a psychiatric interview

"Something radical might be about to happen to our thinking ... This new power of total destruction is bound, in time, to create a new discipline. ... I mean a discipline that would change our traditional logic, the habitual terms of our thinking. ... Things we never questioned before may come to seem like the legends we believed when we were children. ... I leave aside, here, the fact that at our best we have always been conscious of our ignorance ... The new discipline may at last force us ... to think of others beside our people as sharing our common humanity. ... We ought to resolve that there are certain things we will never do again ..."¹

Louis Halle

I only see that the ultimate is calm,
and that we have nowhere to retreat.²

Rudolf Matys

In February 1993, a reportedly 500-strong Muslim unit from Gorazde penetrated behind the Serb positions at *Trojmedje*, literally "the three boundaries," where Montenegro and Bosnia meet Serbia. The soldiers attacked two Orthodox Christian villages filled during that time mostly with old people and children.³ During the raid, the soldiers crucified a Serbian boy on a tree. On his breast, they carved out with a knife an inscription the meaning of which can be loosely translated as "Happy Christmas" or "Happy Childhood." The crucifixion of the child was an attempt to terrorize the living,⁴

¹ Louis J. Halle, *The Elements of World Order: Essays on International Politics* (New York: University Press of America, 1996), pp. 3, 5, 6.

² The original reads: "Vidím jen, že nejzazší je klidné/ a není kam ustoupit." Rudolf Matys, *Lahev do more* [The Bottle in the Sea] (Prague: Československý spisovatel, 1989), p. 75.

³ The following is based upon my personal experience when I worked during the war in Bosnia as a UNHCR Field Officer in Montenegro.

⁴ According to Arendt's reading of totalitarianism, such terror is functional and purposive: "The aim of an arbitrary system [of terror] is to destroy the civil rights of the whole population, who ultimately become just as outlawed in their own country as the stateless and homeless." Hannah Arendt, *The Origins of Totalitarianism* (New York: Harcourt, Brace and Company, 1951), p. 422.

demonstrating in which sense one can, or rather should, decipher Nietzsche's motto of self-declared nihilism that 'all is permitted.'⁵ This crucifixion was one of many other terrible acts ignored or passed-over by the UN agency. It was there, at the place of the three boundaries, where the need to write this work was born as an attempt to give an apology for the terror and a trial of conscience. The unsaid and ignored are not shared or remembered. However, it was the Serbian for-ever-ten-year old boy from Trojmedje who made me question the connection between terror and its tyranny and the question of justice and the ethical, and how that relates to the politics of our times.

Nietzsche's dictum "nothing is true, all is permitted," that became a recognizable sign of nihilism and its times, appears in the section of *Thus Spoke Zarathustra* entitled "Shadow" that tells a story of Nietzsche's Zarathustra who runs away from his own conscience. What immediately precedes this statement can be taken as a prophecy of 'globalization' (global capitalism) as well as a revelation and recognition of its nihilism:

I overthrew all boundary stones and images; I pursued the most dangerous wishes; verily over every crime I have passed once. With you, I unlearned faith in words and values and great names. When the devil sheds his skin, does not his name fall off too? For that too is skin. The devil himself is perhaps - skin. Nothing is true, all is permitted.⁶

⁵ Nietzsche, *Thus Spoke Zarathustra*, in Friedrich Nietzsche, *The Portable Nietzsche*, trans. Walter Kaufmann (New York: Penguin Books, 1982), p. 386. Arendt further explained: "[M]ankind had divided itself between those who believe in human omnipotence (who think that everything is possible if one knows how to organize masses for it) and those for whom powerlessness has become the major experience of their lives)." [Hannah Arendt, *The Origins of Totalitarianism* (New York: Harcourt, Brace and Company, 1951), p. vii] "What binds these men together is a firm and sincere belief in human omnipotence. Their moral cynicism, their belief that everything is permitted, rests on the solid conviction that everything is possible." [Ibid., p. 374] "The concentration and extermination camps of totalitarian regimes serve as the laboratories in which the fundamental belief of totalitarianism that everything is possible is being verified." [Ibid., p. 414; see also *ibid.*, pp. 413, 433, 438]

⁶ Nietzsche, *Thus Spoke Zarathustra*, p. 386.

From the very start, capitalism too has been running together with us from its conscience and now is running so globally that there is hardly anywhere to run. Becoming global, capitalism faces only itself and thus its own truth or lie. Global capitalism ("globalization") is a constant 'overthrowing of all boundary stones and images.'⁷ Does not the overthrow of all boundaries point toward an overthrow of the boundary of humanness too?

However, since these boundaries are at the same time boundaries and images of capitalism itself, capitalism may also exercise its own overthrow or perhaps a renewal - its own 'unlearning' and a new recollection. The tension between these two trends runs parallel to what Tom Darby characterized as a defining tension of globalization - to a struggle "between the globalized slaves and the remnants of masters who refuse to be globalized ... between totalitarianism and tyranny."⁸ But what globalization really *means* has neither been decided nor does it preclude its questioning and a search for understanding. We cannot yet know what our courage will mean or be like when there is nowhere to retreat. However Nietzsche seems to know *his* own answer or rather his command to Zarathustra's conscience: "Then go up to my cave. Up there goes the path to my cave."⁹ Nietzsche's Zarathustra decided to put his "thin, swarthy, hollow, and outlived" conscience, his "broken backbone," at rest.¹⁰

⁷ According to Tom Darby: "Globalization is a dynamic process that progressively makes manifest (concrete) the concept of the U.H.S. [the Universal and Homogeneous State - a global state], thereby transforming the given (human and non-human nature) into the made (artificial or virtual). Tom Darby, "On Globalization: Power and Wisdom: Politics As Destiny," *Kritika & Kontext*, 3-4 (1998): 1117 note 4.

⁸ Tom Darby, "On Globalization: The End of History" Kojève's Serious Joke," *Kritika & Kontext*, 2 (1998): 19.

⁹ Nietzsche, *Thus Spoke Zarathustra*, p. 387.

¹⁰ *Ibid.*, pp. 385-87.

According to Darby, at the end of history that is being progressively exemplified as a globalized system,

[W]e are left either to search among the debris of our ever-changing history for standards by which to judge our actions and speeches, or merely to revel in the 'Zeitgeist' joyfully, unconsciously consuming it as fast as it appears. The first leads to an acute case of bad conscience born out of our consciousness that the soul gets no nourishment from recycled dead values. The second merely results in a terrible case of indigestion.¹¹

One suspects that our situation between bad and terrible, nourishment and indigestion, projection and displacement is a self-inflicted punishment for a lost self-knowledge. No coincidentally, Nietzsche's shows his Zarathustra's ascend back to the cave as a runaway from self-knowledge in the form of an *externalized* conscience. When reaching such an end, the question obviously is no longer the early modern one asked by Hamlet 'To be or not to be?', but rather what it means 'to be' and 'not to be' in the first place. When this knowledge, which is essentially our self-knowledge, is lost, then Hamlet's question itself - the question of modernity - becomes an empty phrase that loses its seriousness and becomes either a matter of indifference or part of the postmodern frivolous games. Coming to terms with our 'bad conscience' might be the missing necessary premise for retrieving self-knowledge and thus the meaningfulness of Hamlet's question. In this regard, this work aspires to be only a preliminary investigation one of the possible ways toward self-recollection and recovery. A key question that I am interested in here is not so much the "why?" but rather the "how?" - "How is it possible that all can be possible and

¹¹ Tom Darby, *The Feast: Meditations on Politics and Time* (Toronto: the University Toronto Press, 1982), pp. xviii-xix.

permitted?" In this regard, the task is to examine the *method* or the *techniques* that mediate, facilitate, and perpetuate nihilism - the 'end' of humanness.

This work is therefore an *apology* in a double sense. First, my account is an apology for the human failure, for the cover-up of the death of the Serbian boy and other crimes by one of the new powerful agencies of globalization, entrusted with 'protection.' A failure to deal rightly with the terroristic act touches the very heart of what it means to be human. Terror thus represents the will to power by causing others to surrender their idea of good. The human failure-surrender is compounded by the unwillingness or inability to take the necessary stance which requires what the ancients called *virtue*, that is, courage based upon a right understanding of the terrible. This study is therefore a critical examination of 'the terrible' - to use the Platonic term - and its political economy - understood as the discipline of a common 'weal' or 'weaving together' - that produces and covers up the terrible. To paraphrase Alfred Fortin, the formidable question - how do things become terrible - would inexorably turn us to the question about what is the language of modern terror?¹² My approach to this question is based on the idea that the political economy of the terrible coincides with the political economy - with the common wealth and poverty - of nihilism.

My thesis is as follows:

(1) The essence of capitalism is the sovereign domination of capital understood broadly as a *commanding* power of *alienation*, that is, as a power *alien* to man. This Marxian notion is compatible with the Nietzschean notion of the revaluation and

¹² Alfred J. Fortin, "Notes on a Terrorist Text: A Critical Use of Roland Barthes' Textual Analysis in the Interpretation of Political Meaning," in James Der Derian and Michael J. Shapiro, eds., *International/Intertextual Relations: Postmodern Readings of World Politics* (New York: Lexington Books, 1989), p. 192.

devaluation of all values or, for that matter, with Schumpeterian 'destructive creation.'

Such alienation is also a form of transformation that changes man *radically* into what he is *not* and thus presents him as alien to himself. Such alienation is to be understood as man's *nihilation*. Accordingly - under these premises - I identify this "essence" of capitalism with nihilism in which all these notions can be conveniently described and subsumed.

(2) Political philosophy in general, and the 'Platonic divided line' together with the 'Platonic cave' in particular, provide a framework or way for revealing, describing, analyzing, and potentially transcending capitalism and its nihilism. My approach draws on Platonic political philosophy for which "the central question is 'what is the good life for humans?'"¹³ The important implication of the centrality of this question is that inasmuch as political science deserves to be called "political," it should have political philosophy for its foundation that keeps in view and defends the idea of the human good and its central concern about justice. Political philosophy is inherently ethical philosophy. On this basis - with a view to the good as its *telos* (end) as what *is* essential, political philosophy is concerned about the state and its laws. The teleological good is then also the source and measure of what *ought* to be.¹⁴

¹³ R. Keat, "The Moral Boundaries of the Market," in Colin Crouch and David Marquand, eds., *Ethics and Markets* (Oxford & Cambridge, Mass.: Blackwell Publishers, 1993), p. 8. Keat however ascribes this question to "a broadly Aristotelian conception of discipline." Though the question for Plato and Aristotle appears to be virtually the same, the Platonic and the Aristotelian ethos differ in a fundamental way. In order to show it in detail would however require a substantive study of its own into which at this moment I cannot enter except for a few brief comments. For Plato, the idea of good transcends as an overarching harmony the visible world of humans and common politics. The transcendental "measure" is conveyed to us by our "daemon" - our conscience examined and cultivated with philosophical discipline, care, courage, and love whose imperative is self-knowledge. For Aristotle, however, ethics is part of politics. Political power imposes and creates standards which are then our customs and habits ("morality"). Men's individual conscience is a liability. Aristotle's ethics, while still preserving something from the Platonic system, is thus closer to morality identified mainly with customs and habits so that knowledge of rules and obedience take over the imperative of self-knowledge and critical examination. In Aristotle, the emphasis moves from the inner to the outer.

¹⁴ It is said that philosophy is not concerned with what *ought* to be but with what *is*. See Tom Darby, "Preface," in Tom Darby, ed., *Sojourns in the New World: Reflections on Technology* (Ottawa: Carleton

I would like to emphasize that my work is not a “*moral*” critique of capitalism. For me, ethics and morality substantially differ from each other. To put it here briefly and in simple terms, I understand ethics as self-knowledge, discipline, and education for virtue on the basis of philosophical examination with a view of the good. Morality is identical with customs, habits, and norms placed by society on its members. What I “critique” or rather try to clarify and understand is not so much a lack of morality on the part of capitalism and capital, which they do have of sorts, but the neglect of and alienation from hard political *and* ethical questions and how capitalism functions through technology and capital. Moreover, while I am well aware of and also respect the moral criticism of capitalism by Catholic thought, I decided to focus within the limited scope of this work on the question of how Platonic thought could be revived as a useful method for analyzing and understanding the modern reaction against a politics of virtue and philosophical culture. Combining or piecing together this approach with Catholic thought as a whole, i.e., “reconciling” Socrates with Rome, would be an all-too great challenge for me to take, which is not to deny the possible merits of such a project.¹⁵

(3) The technique of the *operationalization*, concealment, and reproduction of capitalism and its nihilistic ‘nature’ lie in arbitrary codes that destroy, obscure and abstract from the idea of the good and freedom of a *political* society or *polity*. I see these arbitrary codes of capital as *ciphers* which I understand primarily as arbitrary abstractions from the

University, 1986), p. viii. However, all depends on what how “ought” and “is” are defined and what they mean. How this is understood is also where Platonic philosophy (the ultimate ‘reality’ or essence is the good itself) differs from modern thought (the ego, the state, the material base, the will to power, existence, phenomena, etc.) as represented by Descartes, Hobbes, Locke, Hegel, Marx, Nietzsche, Heidegger, and others.

¹⁵ For a very good review of Catholic critiques of capitalism and conceptions of its reformation see Jonathan Boswell, “Catholicism, Christian Democrats and ‘Reformed Capitalism,’ in Colin Crouch and David Marquand, eds., *Ethics and Markets* (Oxford & Cambridge, Mass.: Blackwell Publishers, 1993), pp. 48-65.

human concern about justice and virtue. The *cipher* has a character of *disfiguration* and fragmentation that slights the ethical essence of humanness. Such *ciphers* are most conveniently and effectively presented and disguised as numbers, i.e., the numbers that make up the prices and quotes of the market. The *ciphers*, to use the Heideggerian metaphor of “concealing unconcealment,” unveil man as *nothing* while concealing the very operation of man’s economic, political, cultural, and ethical *nihilation*. Thus modern terror speaks the language of nihilism - the language of *ciphers*. The terrible is the *nihilation* and self-alienation of man. In other words, nihilism, the hegemonic spirit that has directed and sustained modernity, can be seen according to this thesis as a regime of *ciphers* or cryptic codes and signs that both veil and make possible tyranny - the regime of terror or ‘the terrible.’ The peculiar nature of capitalism lies in its power to conceal the terrible itself by means of *ciphers*.

My thesis can be summarized into a proposition that, from the perspective of present postcommunist capitalism, modernity can be seen as a projection of nihilism centered around the idea that ‘everything is permitted’ and everything is possible.’ The ‘political economy’ of nihilism appears to resemble a globalized Platonic cave. It is a regime of *ciphers* or cryptic codes made up as arbitrary abstractions. Such technology of social consciousness and discipline veils and facilitates tyranny - the regime of terror or ‘the terrible.’ The *nihilistic ciphers* differ from other *ciphers* not because they might be dissembling or false but because they cut off man from his humanness - his ethical nature and self-knowledge. By leaving the ethical boundaries and restraints out, the nihilistic *ciphers* then translate man into a world where everything seems possible and permitted - into the Platonic cave.

The goal of this work is to contribute to a better understanding of the nature of the terrible rooted in the very heart of our nihilistic world and its capitalist political economy. This task, as I understand it, requires to give an account of the technology that facilitates, perpetuates, and also covers up the danger. The question of the terrible is the question of who we are - who we are as humans. I have come to the conclusion that the ability to give an account of the terrible is a criterion of man's emancipation from the cave so he may cross the divide between ethical death to ethical life. To reach for this *logos* means to think, to speak and to maintain a meaningful dialogue by insuring the freedom to question. This work is such an attempt. It tries to speak especially to those who believe that our sense of what is just and unjust deserves to be cared for and respected and is worth fighting for when necessary.

My idea of the political economy of *ciphers* is congruent with what Jean Baudrillard described as 'the political economy of the sign' that refers to "a model of the objective forms of bourgeois society together with all the subjective forms corresponding to them," including its commodity-relations.¹⁶ Baudrillard realized that capitalism is sustained by "a structure of control and of power [that is] much more subtle and more totalitarian than that of exploitation"¹⁷ because the "objective" world of the market, commodities and values is based on *code-based signs* (in my work referred to as *ciphers*). The political economy of code-based signs, codes of domination, corresponds to the commodification of consciousness or a new form of imagination and perception.

¹⁶ Jean Baudrillard, *For a Critique of the Political Economy of the Sign* (St. Lois: Telos, 1981), p. 83.

¹⁷ Jean Baudrillard, *The Mirror of Production* (St. Louis: Telos, 1975), p. 121.

Code-based signs (*ciphers*) nihilate reality by “detering every real process with its operational double.”¹⁸ In his commentary, Timothy Luke explains:

Control of managerial codes rather than the means of production becomes the critical source of power. The free-floating quality of signifiers permits them to fuse arbitrarily with virtually any signifieds and referents. The individual's, the firm's, and the state's real or imagined use for commodities can be reconstituted continuously through advertising, propaganda, public opinion, fashion, or education with purposely coded signals. ... Such coded signals are also organized purposefully to override critical reception. Audiences are chosen or created to accept immediately the signals *as such* by acquiring the commodities as they are, rather than questioning the coded signifiers' actual correspondence to the referent commodity. ... Continuously interwoven, these signals express codes that permeate all aspects of everyday life.¹⁹

Cipher and *zero* are both related to Arabic *sifr* that means *empty, nil*.²⁰ Arabic numerals came into European use through Spanish *cifra* (ca 600 AD). *To cipher* came to signify “to figure” by means of “ciphers.” And interestingly enough, “to figure out” turned into *deciphering* by means of ciphers; as if to figure out the meaning was to undo and uncover the duplicity of the cipher by a cipher. “To figure out,” moreover, stands for

¹⁸ Jean Baudrillard, “The Structural Law of Value and Order of Simulacra,” in John Fekete, ed., *The Structural Allegory: Reconstructive Encounters with the New French Thought* (Minneapolis: University of Minnesota Press, 1983), p. 4.

¹⁹ Timothy W. Luke, “What's Wrong with Deterrence?: A Semiotic Interpretation of National Security Policy,” in James Der Derian and Michael J. Shapiro, eds., *International/Intertextual Relations: Postmodern Readings of World Politics* (New York: Lexington Books, 1989), pp. 220-21.

²⁰ The long evolution of the twined *cipher* and *zero* and their journey into modern English, the lingua of globalization, has arrived at the following meanings. In particular, according to the *American Heritage Dictionary of the English Language*, *cipher* stands for (1) the symbol denoting the *absence* of quantity; (2) one having no influence or value; a nonentity; (3) a cryptographic system in which units of plain texts ... are *arbitrarily* transposed or substituted according to a predetermined code; (4) a key to such a system; (5) a message written or transmitted in such a system; (6) a *design* combining or *interweaving* letters [see the discussion of technology as weaving and text in chapter VII] or *initials*; (7) to put in secret writing; encode; (8) to solve by means of mathematics; calculate. *American Heritage Dictionary of the English Language*, third edition (Boston, New York, and London: Houghton Mifflin Company, 1992), p. 346. *Zero* denotes (1) the numerical symbol “0”, a cipher; (2) an element of a set that when added to any other element in the set produces a sum identical with the element to which it is added; (3) a cardinal number indicating the *absence* of any or all units under consideration; (4) an ordinal number indicating an *initial point or origin*; (5) one having no influence or importance; a nonentity; (6) the lowest point; (7) a zero-coupon bond; (8) nothing; nil. *American Heritage Dictionary of the English Language*, p. 2076.

turning the apparent meaninglessness into meaningfulness. We can thus say that “to figure out” is to de-nullify “the nothing.” At the same time, *the nil and empty* adhered to its own Janus-like, double nature and, through its Arabic form of *sifr*, gave also birth to its doublet, Spanish *cero* and *zeroes* in other European languages, including English. As Joseph Shipley put it, “the great addition to our earlier figures was precisely the *cipher*.”²¹

The *cipher* points to such important connotations as cryptic codes, numbers, abstractions, substitutes, covers, and signs. In this regard, the *cipher* is much richer - more determined, and yet, at the same time more dimensional in its varied meanings than “abstraction,” “concept,” or “notion.” The underlying message of the interconnected meanings of *cipher* and *zero* appears to boil down to this: *cipher/zero* is a sign for the *original arbitrary absence* - radical loss - that initiated *order* together with its measures, i.e., rules, norms, boundaries. And of course, *nil* is also the root of *nihilism*, as well as of the word *nihilation*.²²

Cipher is what is *cryptic* - what is concealed or encrypted *and* what *also* encrypts. Understanding the quality of *cipher* as the cryptic nature of our concepts opens up the concealed essence of the technology of our modern life, thus rendering it more accessible to a critical reexamination. In particular, analyzing our concepts as being either consciously or unconsciously used as *ciphers* yields insights into the methods of the

²¹ Joseph T. Shipley, *Dictionary of Word Origins* (New York: Barnes & Noble, 1995), p. 81.

²² The etymology of *nil* or *nihil* coincides with the meaning of its synonyms - *zero* and *nothing*. It is from Latin *nullus* (“nothing;” “void”) that is composed of *ne* (“no”) and *ullus* (“other”). Thus *nil* contains, as well as conceals the other. At the same time, it negates what it hides in its very root - the *other* (meaning) or that which is pointed at. *It is a pointing out that disappoints*. *Ullus* is also related to Greek *allos* and Latin *alius* (“other”) from which such words are derived as *alibi* (testimony of the absence of the suspected on the scene of crime), *allegory* (transferred, hidden, or other meaning), *alternative*. Hence *nihil* is in a sense an *alibi*, *allegory* with *alternative* interpretation plus its denial and cover-up. [See Josef Holub and Stanislav Lyrer, *Stručný etymologický slovník jazyka českého se zvláštním zretelem k slovům kulturním a cizím*, pp. 272, 313]

Western project of globalization and its nihilism. Attentiveness to the ubiquity and nature of *ciphers* that surround us also facilitates self-reflection.

The *cipher* as a representative sign of the capitalist ethos, as far as I was able to determine, is for the first time explicitly, though in a very cursory way, mentioned in Honore de Balzac's novel, *The Wild Ass's Skin* whose first version was published in 1831.

Once dead, he was worth fifty francs; alive, he was merely a man of talent, without friends or patrons, with nowhere to sleep and no one to sing his praises: a social cipher, of no use to the State which had no concern for him. But death in full daylight seemed sordid to him, and so he decided to die by night, in order to deliver an unrecognizable corpse to the society which had not appreciated his greatness while alive.²³

It is interesting to note that Balzac himself saw his calling rather as "a philosopher and sage whose business it was to explain man to himself."²⁴ *The Wild Ass's Skin* is the most important of Balzac's so-called "*Etudes philosophiques*" whose philosophy combined materialism with "illuminism."²⁵ These "philosophical" studies were to explain the cause and the foundations upon which rested the edifice of Balzac's *Human Comedy* consecrated to the new capitalist world and its bourgeois spirit. Moreover, in the same novel, Balzac also expounds the doctrine of the will to power- later appropriated and recognized by Friedrich Nietzsche as the fundamental doctrine of nihilism. In the words of Balzac's old man who is later "metamorphosed" back into "a bill of exchange"²⁶:

²³ Honore de Balzac, *The Wild Ass's Skin*, , trans. Herbert J. Hunt (New York: Penguin Books, 1977), pp. 30-31.

²⁴ See the "Introduction" by Herbert J. Hunt in Honore de Balzac, *The Wild Ass's Skin*, p. 7.

²⁵ See the "Introduction" by Herbert J. Hunt in Honore de Balzac, *The Wild Ass's Skin*, p. 8, including note 5.

²⁶ Honore de Balzac, *The Wild Ass's Skin*, p. 182.

I am going to reveal to you, in a few words, one of the great mysteries of human life. Man exhausts himself by two acts ... which dry up the sources of his existence. Two words express all the forms that these two causes of death can assume: will and power. ... The exercise of the *will* consumes us; the exercise of *power* destroys us ... I have encompassed the whole world. ... I have lent my money to a Chinese and taken his father's body as a pledge. ... Often I mentally review your wars and revolutions and pass judgment on them.²⁷

As Herbert Hunt stresses, the principle of the will and power - the will to power - "is summed up in the phrase *l'usure par la pensee*."²⁸ Here it needs to be noted that *l'usure par la pensee* can be translated both as "exhaustion-consumption by means of idea" and "usury by means of idea." As Balzac stresses, debt is an effective form of man's self-alienation: "To be in debt means that one no longer belongs to oneself. ... A debt is a work of the imagination which such people do not comprehend."²⁹ Balzac himself seems to invite us to think about the possible relationships between the will to power (nihilism), *usury (credit or money creation)* unveiled as an *exhaustion of thought or imagination by means of idea or imagination*, the nihilism of the bourgeois spirit, and terrible death. All these notions are also some of the principal implications of my own thesis: the will to power creates and destroys "the world" by manipulating, creating and destroying social imagination; the will to power is translated into such alien imagination by means of *ciphers*. In particular, this means that credit and money creation, while being ultimately linked to the "real world," are offsprings of the will to power (nihilism) and its artificial, willed imagination, which means that the rule of money capital is inseparable from the character of the modern imagination and culture to which we all have been *socialized*.

²⁷ Honore de Balzac, *The Wild Ass's Skin*, pp. 52-53.

²⁸ See the "Introduction" by Herbert J. Hunt in Honore de Balzac, *The Wild Ass's Skin*, p. 10.

²⁹ Honore de Balzac, *The Wild Ass's Skin*, pp. 181, 182.

Briefly put, money and debt creation is sustained at least as much by the “economy” as by culture. As Balzac himself later indicates, nihilism is the true ‘religion’ of capitalism; its message of alienation - the innermost message of its *ciphers* - is a “death-sentence”:

‘Death to the weak!’ That is the watchword of what we might call the equestrian order established in every nation of the earth, for there is a wealthy class in every country, and that death-sentence is deeply engraved on the heart of every nobleman or millionaire.³⁰

The cryptic nature of the *cipher* substitutes one thing for another. In other words, the *cipher* is a substitution of a cover for what is already concealed. As McLuhan pointed out, “[w]hen the one object is exchanged for another, it is already assuming the function of money, as translator or reducer of multiple things to some common denominator.”³¹ The monetary formula, which is always also a numerical formula, reduces everything to the common denominator of *ciphers*. The price itself confronts us as a *cipher*.

Some authors have already come very close to the realization that when money is stripped of its emperor’s clothing it reveals its bare essence as the nothingness of the *cipher*. Thus Roberto Calasso says in *The Ruin of Kasch* (1983):

For many centuries every thing, every being, appeared and moved accompanied by its own Double. ... But new Doubles, of another species, began to spread. This species was exchange value ... There was actually a Double that was transformed immediately into a thing and that corresponded to no body at all. This was money. ... Money is the sign of *representation*, the sign of dominion achieved by the system of representing (hence the system of convention, of substitution, of ‘standing-for,’ of the interchangeable) over the system of corresponding ... Once the implications of this passage have been absorbed, all talk of structures and

³⁰ Honore de Balzac, *The Wild Ass’s Skin*, p. 255.

³¹ Marshall McLuhan, *Understanding Media: The Extensions of Man* (Cambridge, Mass., and London: The MIT Press, 1997), p. 143.

superstructures is pure *blabla* (a word invented by Celine), ready for the Soviet encyclopedia. ... It is enough to say that we live *under the sign* of exchange value, and that exchange value is the economic *name* of a power that is otherwise manifested in substitution, in convention, in all forms of representation generally.³²

Money provides the most obvious example of inversion; the world becomes *too* esoteric.³³

The reduction of the context to zero and the arbitrariness of the signs in the formal system are two procedures that generate boundless power.³⁴

Gilles Deleuze and his student Eric Alliez also appear to view the 'nonessential essence' - money - as a *cipher*. This is perhaps most explicitly manifested in Deleuze's "Foreword" to Alliez's work on "capital-times." Speaking of capital and its power, Deleuze says:

Nonetheless, a mutation of thought is required for time to be defined as the *cipher* of the soul's intensive movement ... This differentiation of time implies a *double* movement ... The closer one gets to *zero*, however, the more the stride changes, the more the fall becomes a real fall, a new aberrant time takes shape in which the spiral disappears in the froth, a time derived from distension that no longer lets itself be converted [my emphases].³⁵

Similarly, Lash and Urry concluded that money in its newly developed forms of options, swaps, and futures has become "a kind of free-floating signifier detached from the real process to which it once referred."³⁶ In these virtual forms, the pure essence of money

³² Roberto Calasso, *The Ruin of Kasch*, translated by W. Weaver and S. Sartarelli (Cambridge, Mass.: The Belknap Press of Harvard University Press, 1994), pp. 243-45.

³³ *Ibid.*, p. 247.

³⁴ *Ibid.*, p. 282.

³⁵ Gilles Deleuze, "Foreword" in Eric Alliez, *Capital Times: Tales from the Conquest of Time*, trans. Georges Van Den Abbeele (Minneapolis and London: University of Minnesota Press, 1996), p. xii. On capitalism as an "imaginary political economy of signs," "imaginary things," i.e., numbers, see N. Denzin, *Images of Postmodern Society* (London: Sage, 1991), p. 91. See also A. Leyshon and N. Thrift, *Money/Space: Geographies of Monetary Transformation* (London and New York: Routledge, 1997), chapters 8-10, pp. 260-354.

³⁶ S. Lash and J. Urry, *Economies of Signs and Space* (London: Sage, 1994), p. 292.

as nothing but a *cipher* becomes increasingly evident. Money thus demonstrates the free detachability of its outward, apparent, numerical, that is, *ciphered* form from any reality, any meaning that is thus concealed, abstracted, denied, or lost. Such money can refer to everything as well as to nothing.

In the article “Power and Interdependence in the Information Age,” Robert Keohane and Joseph Nye, Jr., explaining the essence of information technology as ‘soft power,’ say: “[T]hose who can distinguish valuable signals from white noise gain power. Editors, filters, interpreters, and cue-givers become in demand, and this is a source of power. ... information power flows to those who can edit and credibly validate information to sort out what is both correct and important.”³⁷ All these “editors, filters, interpreters, and cue-givers” are *de facto* in the business of decoding or deciphering. We are enmeshed in *ciphers* constantly generated and innovated by our technology. Essentially, all that is not directly, fully and completely transparent, understandable or comprehended shares the character of a *cipher*. Every *cipher* of course also indicates something and has at least potentially some ‘informative value.’ However, information and fact are not the same as their real *meaning* with all their consequences. In this disconnection between facts, bits and pieces of news and information and their true meaning lies the “catch” and from here comes the power of ubiquitous *ciphers*. A meaning establishes and defines distinctions and thus also help reveal contradictions. This is also a precisely a point that is emphasized by Hegel in the “Introduction” to his *Philosophy of Right*:

³⁷ Robert Keohane and Joseph S. Nye, “Power and Interdependence in the Information Age,” *Foreign Affairs*, Volume 77, No. 5, September/October 1998: 89.

A definition should contain only universal features; but these forthwith bring to light contradictions, in all their nakedness. Thus in roman law, for instance, no definition of man was possible, because it excluded the slave. The conception of man was destroyed by the fact of slavery. In the same way to have defined property and owner would have appeared to be perilous to many relations.³⁸

The *systematic* encryptions and nihilations of meanings are, however, what distinguishes capitalism and modernity. Thus Yuriy Lotman describes our global world as a museum which is “in a certain sense” a single mechanism where “exhibits from different periods are on display, along with inscriptions in known and unknown languages, and instructions for decoding them; besides there are explanations composed by the museum staff ...”³⁹ Viewers, trapped in such a museum with no apparent exit to any ‘beyond’ or outside, depend on “the museum staff,” a different class, who can instruct viewers how to *decode* what they see. If this is so, then again the exhibits that are shown have a *cryptic* form. And needless to say, a museum is neither a political space nor a space for action. It is precisely technology in general and money capital in particular that alienate men and things from their context, stripping them of meaning, and thus render them manipulatable and controllable freely by the arbitrary will.⁴⁰

I also will argue that a key to nihilism and capitalism lies in the Platonic divided line that cuts between the good and the terrible, that is, between the upper philosophico-ethical life endowed with the idea of the good and the Platonic cave - the lower realm of earthly ‘death’ ruled by terror, moneymaking, images, blind trust, and blind

³⁸ G.W.F. Hegel, *Philosophy of Right*, trans. S.W. Dyde (Amherst: Prometheus Books, 1996), p. 3. It is also in the same Introduction where Hegel argues that philosophy is not concerned with what *ought* to be but with what *is*. See note 14 on p. 6.

³⁹ Yuriy Lotman, *Universe of the Mind: A Semiotic Theory of Culture* (London: I.B. Tauris, 1990), pp. 126-7.

⁴⁰ Cf. Tom Darby, “Reflections on Technology,” in Tom Darby, ed., *Sojourns in the New World: Reflections on Technology*, p. 6.

opinion. The Platonic divided line marks the boundary of the Platonic cave. The Platonic divided line thus “divides” good from bad and evil, knowledge from ignorance, friends from enemies, and those who have courage and understand the terrible and those who do not. The Platonic cave is essentially man’s cognitive space bound by alien *imagination*, which man *imitates* without reflection, and blindly *trusted opinions*. The Platonic cave is also the resting place for human beings who live an existence of a spiritual and ethical emptiness filled with shadowy mimicking and mimicked images.⁴¹

Karl Marx, in his *Economic and Philosophical Manuscripts*, identified capitalist political economy as a project of man’s going down (*untergehen*). As he put it, man is “regressing to the *cave* dwelling, but in an estranged, repugnant form.”⁴² However, the “estranged” and “repugnant” nature of the Platonic cave writ large over the globe is covered up by and lost in numbers, stock market indexes, labels, virtual realities, statistics, and images - in *ciphers* that surround our bodies, eyes, and minds and numb them to what is real and essential. People are becoming like a radar operator for whom the screen with its flashing dots and *ciphers* has captured the externalized reality and life of others as well as the externalized reality of the operator’s own mind. The screen becomes man’s own mind - his own Platonic cave in which man is hermetically and hermeneutically locked. The screen of *ciphers* is also the minds of all those who are represented and guided on its surface as its digital dots or *ciphers*. Through such technology, people appear and vanish as if guided by a distant, detached object. Man becomes his own *cipher* - and nothing beside that.

⁴¹ See Plato. *The Republic*, translated by Allan Bloom (Basic Books, 1991), 509c-511e, 534a, 595c-603c, 605a-d.

⁴² Karl Marx, *Economic and Philosophical Manuscripts*, in Karl Marx, *Early Writings*, trans. Rodney Livingstone and Gregor Benton (New York: Vintage Books, 1975), p. 366.

In this regard, the *New York Times* reported on the work of the American soldier-technicians who, on March 24, 1999, aboard U.S.S Gonzales in the Adriatic, unleashed against Yugoslavia the destructive power of “smart” cruise missiles while sitting in front of their computer screens and merely clicking with a mouse on the pre-selected *ciphers* and keys:

It was a click of the computer mouse that blasted open the missile hatches, intensifying a conflict that many on board do not understand. ... “Here, half don’t know what Kosovo is, let alone Yugoslavia,” the chief, 46, said of his crewmates. ‘Half of them wonder what it’s all about. ‘Who’s who?’ said Seaman Louanda Harris of New York City, when asked if she knew who the Yugoslav President is.⁴³

It is evident that frankly acknowledged ignorance does in no way impede “intensifying a conflict.” The soldiers themselves “do not understand” and do not see their ignorance as a problem. They do not question automatic, machinelike obedience. In this, the soldiers acknowledge *de facto* that they are only automatic extensions of their computers and technology. They fight a war without having to know where the war is actually occurring, why the war is being fought, and who they are killing. In the culture of *ciphers*, these questions do no matter, and individual conscience is suspended. The technicians only need to know how to read the *ciphers* on their screens and how to press the preprogrammed commands which appear in the form of *ciphers*. Ignorance makes blind obedience not only possible but also allows for only a small measure of curiosity which is destined to be ignored. Ignorance also allows for the smooth and untroubled clicking with a mouse. This technology is the “smart” way to destroy targets and to kill people enciphered as “collateral damage” from a distance because for the

⁴³ *New York Times*, March 25, 1999, p. 5.

soldier-technician, targets (and people) are merely *ciphers* that appear and disappear on the screen. The soldiers at the computer screens are essentially no so much different from the money traders who sit in front of different computers for both groups are basically in the 'business of ciphers' and oblivious to the not-so-virtual realities of 'the receiving side.'

The terror of such war also becomes merely a *cipher*. It is important to stress that terror ruled by and embodied in *ciphers* is concealed terror. *Ciphers* and technology based on *ciphers* produce ignorance and *translate* (conceal) terror into ignorance and ignorance into terror. However, both terror and ignorance appear only as *ciphers*. In other words, the translation of terror into ignorance and vice versa is concealed behind the cover of *ciphers*. In this way, *ciphers* fuse and blend terror with unconsciousness. Paraphrasing McLuhan's pronouncement on the nature of the modern comics, it is possible to say that "*ciphers* involve people in the consequences of their own stupidity and then *take away* their conscience and brains so that they cannot suffer and can do nothing about it."⁴⁴ Such uses and abuses of *ciphers* suggest that *ciphers* represent the making (*poiesis*) of modern unselfconsciousness and terror, that is, the modern "poetry" of nihilism.

The specter of the terror of modernity has manifested itself in varied forms in its destructive potency as well as its political and ideological promiscuity. Modern terror thus includes not only that modern phenomenon we call 'revolution.' but also economic and financial crises, i.e., the Great Depression of the 1930s, as well as aspects of imperialism, Stalin's *gulags*, Hitler's concentration camps, not to mention the terror visited upon civilian population during total war and other forms of genocide. Modern terror is so pervasive that no record is exhaustive enough. Jacques Derrida speaking about the *cipher*

⁴⁴ Marshall McLuhan, *Understanding Media: The Extensions of Man* (Cambridge, Mass., and London: The MIT Press, 1997), pp. 165-66.

of Marx's *specter* said: "All phantasms are projected onto the screen of this ghost (that is, on something absent, for the screen itself is phantomatic, as in the television of the future which will have no 'screenic' support and will project its images - sometimes synthetic images - directly on the eye, like the sound of the telephone deep in the ear)."⁴⁵ What surrounds this new world order is the image of terror and its screening (off). In other words, the boundary is the *cipher* of terror, or to use Heidegger's term, its 'unconcealing concealment.' The boundary of this hermetic enclosure is modern technology and money.

The principles of the political economy or commonwealth are those of the Platonic cave maintained by the fear of its occupants and their trust in images, phantoms, and shadows projected on the surrounding walls. Imagination impervious to ethical questions is the bondage as well as the essence of the political economy of the global Platonic cave and its technology. Since this bondage is concealed - has a form of *cipher* - it appears as nothing, as an absolute lack of any boundary, thus of any restraint, and, as such, being "beyond good and evil." This bond is nihilism - man's apparent absolute emancipation from everything given, including man himself.

This Platonic cave is also in our living room. This is necessarily so since the 'microeconomic' nihilism of *ciphers* is organically tied to the modern 'macroeconomy' of the Platonic cave. The 'wall' of the cave is the TV we sit in front of every night. We voluntarily chain ourselves to the TV screen and its images that take us out of our own minds into a magic world of pictures whose "messages" are not the programs but the commercials repeated every five minutes. These messages have one special characteristic: they create false associations, that is, they connect things and ideas that really do not

⁴⁵ Jacques Derrida, *Specters of Marx: The State of the Debt, the Work of Mourning, & the New International*, trans. Peggy Kamuf (New York and London: Routledge, 1994), p. 99.

belong to each other at least in the way they are presented - like vegetables and Coca Cola or “Zen Buddhism” and junk food. The virtual space of these Platonic caves is therefore a hermetic cosmos of arbitrary and hence false associations, false logic, and false men, which also means that both commercial advertising and the Platonic cave are based on the principle of false association. This flood of falsity and self-forgetfulness is entertaining as long as one does not get bored. This form of existence is also convenient because it demands very *little* from us - merely to be passive and to give up what makes us *human* - the power to act and think for ourselves. Our living room has thus become our “private” Platonic cave. However, the Platonic cave writ large as a commonwealth of global capitalism implodes into these private caverns through the TV digital imagery and the World Wide Web pages whenever the screens are turned on and we disengage from our families - from our real lives. False associations disconnect us from reality and from truth. False associations are the instruments of alienation that, separating us from the concrete and the particular, including ourselves, can also homogenize and thus create new commonalties and thus lead us through false associations to a global association of the disassociated and self-alienated. The more imprudently and uncritically we sink and drift under the waves of our self-forgetting that flood our Platonic cave, the more we waste our allotted time to live and thus the chance to give our lives a meaning. In Robert Barlund’s words:

We are now a society based on images and pictures. ... We’ll just go home and enjoy some free time in front of the television watching CNN with the kids. Then maybe we’ll top off the night with a good action movie. What have we actually done? Let’s analyze it. We watched electrical impulses being thrown at a glass screen. We probably didn’t talk other than to tell someone to be quiet, or to pass

the remote. In the time we spent in front of the TV what did we *really* watch? Nothing. What was *really* said? Nothing. And all the junk we put into our system had no *real* nutritional value. We did nothing, said nothing, consumed nothing. NOTHING.. Our whole night was a waste. All the commercials and shows only served two purposes: (1) to entertain us in our boring lives, and (2) to desensitize our young children.⁴⁶

Thus, as William Vollmann said, it is “more difficult than usual to escape television” with its instruction “don’t question anything.” In the TV space of *living* rooms, isolated and silent individuals submerge themselves in pictorial and verbal *monologues* through which “a captive and self-captivated press transmits received spectacles while obeying guidelines laid down [for example] by the Pentagon.” As a result, captive TV viewers “reserve judgment, which is to say [he or she] doesn’t really know and doesn’t care.”⁴⁷ Such lack of care conforms to the terrible - nihilistic notion that “all is possible and permitted.” The Platonic cave and the *cipher* have therefore one essential thing in common: production of nothingness whose other face is indifference toward good and evil. This only masks our failure to cope with terror.

A possible way to escape from the hermetically sealed caves of *ciphers* is to try to examine and understand them. Thinking opens the seal. And once the mechanism is examined, the Platonic cave itself can serve as a map that can guide us through the labyrinth of the postcommunist global order. Globalization is a planetary Platonic cave where all the boundaries and restraints appear to be ignored, obliterated, or blurred. With the collapsed boundaries, distinctions are lost, and hence, we find ourselves bereft of the knowledge of the difference between good and evil. Without being able to discriminate and

⁴⁶ Robert Barlund, “Funny isn’t it?,” Norwich University, April 1999, a manuscript developed as a part of our common project on the Last Man’s concept of international relations.

⁴⁷ William T. Vollmann, “After the Bombs Dropped: Heart of Darkness,” *Gear* (September/October 1998): p. 107.

discern, the Last Men domesticated in the Platonic cave of globalization are deprived of self-consciousness, and above all of the understanding and memory of the terrible - their own condition. The captives of the global or final ('financial'⁴⁸) empire are submerged in the rising flood of political unconsciousness in the form of *ciphers* - abstractions, numbers, images, shadows, fantasies, projections.

Without conscience and its elevation into a self-conscious thought, the Last Men are undergoing the terrible without knowing it. This is the terrible of the terrible or the terrible negating, ignoring, or concealing the terrible itself. This insight also represents the basis of the hypothesis or answer to the principal question asked here: "How is it possible that men do to each other terrible things, without thinking?" The key to the answer lies in the last part of the question: it is possible because there is no thinking. Lack of thinking is lack of self-consciousness, and the lack of self-consciousness is man's failure to consider *seriously* the terrible. This lack of seriousness, that characterizes the global politics of 'frivolity and boredom,' stems from the ignored nature of the terrible as well as the nature of man encrypted by the *nihilistic ciphers* (abstractions and reductions) - ciphers that leave out the ethical by cutting it off.

George Kennan, the celebrated author of the U. S. ideological justification of the Cold War and its buzzword or cipher "containment," saw contemporary politics in terms of the Platonic cave as well. As John Lewis Gaddis related it:

[Kennan said in June 1947:] 'it is the *shadows* rather than the *substance* of things that move the hearts, and sway the deeds, of statesmen.' Ultimately, Kennan

⁴⁸ Interestingly enough, *final* and *financial* are de facto twins which share the parental root *fin* - end. Thus *finance* war "originally a payment that settled matters, brought concern and accounts to an end." Joseph T. Shipley, *Dictionary of Words Origins*, pp. 152-53.

believed, these shadows, if not dispelled, would demoralize American society as well. ... 'The fact of the matter is,' Kennan argued, 'that there is a little bit of the totalitarian buried [encrypted] somewhere, way down deep, in each and every one of us.' The Soviet threat lay not in the area of military potential, but rather 'in the *terrible* truths which the Russians have discovered about the vulnerability of liberal democratic society to organizational and propaganda *techniques* totally cynical in concept and based on the exploitation of the *evil*, rather than the *good*, in human nature.'⁴⁹

It is not clear if the Russians were really those who had discovered and *learned* "the terrible truths" about the political technology of imaginary and *mimetic* shadows "based on the exploitation of the evil." However the case seems to be that Kennan himself discovered the terrible truth of "the totalitarian buried" in himself and then read it - like Hobbes did with his own opinions - into everybody else as well. Having achieved this important insight, Kennan purifies himself by having it projected, that is, externalized beyond himself as a shadow of the Russian threat and the Russian "discovery." It is probable that this projection also left the "substance," that is, the totalitarian seed of the politics of containment protected, "contained," and conveniently unexamined. Moreover, as one of my students noticed, if one substitutes in Kennan's remarks "U.S." for the "Soviet" threat and the "Americans" for the "Russians," the observation would remain relevant.

With the "Russian threat" and its "truth" gone, the old projections are gone too.

Our postcommunist world order is in principle unified. As a result, major external enemies

⁴⁹ John Lewis Gaddis, *Strategies of Containment: A Critical Appraisal of Postwar American National Security Policy* (Oxford and New York: Oxford University Press, 1982), pp. 35-36. My emphases. Cf. another Kennan's statement from 1951: "The first part of this task is a *negative* one: not to let ourselves be diverted by *irrelevant or confusing concepts of war aims*. We can avoid, *this time*, the *tyranny of slogans*. We can avoid *confusing ourselves with grandiose and unrealistic, or even meaningless, phrases designed simply to make us feel better about the bloody and terrible business in which we are engaged*." George Kennan, *American Diplomacy*, expanded edition (Chicago and London: The University of Chicago Press, 1984), p. 144. I have emphasized the points where Kennan speaks the language of the Platonic cave.

have vanished, and with them the readily available, projections of our own evil. Only minor substitutes remain - an Iraqi leader with a mustache and a man from the Balkans without a mustache. Their names have become favorite topics in radio and TV talk shows and the monologues of the comedians where to be funny means everything, and understanding may not matter. With the Big Devils, Big Saints have died too: a pope defending the immunity of the Chilean dictator, and a president, the 'first man' of the world, whose greatest crime is projected as being nothing but a matter of a banal excess in an 'improper' intercourse.

We witness a global production of excessive meaninglessness in the form of increasingly irrelevant ciphers, images, abstractions. Excess is a mark of arbitrariness and abuse as well as the lack of understanding of the nature of things. The images and *ciphers*, that are either entertaining or boring or both, are also increasingly revealed as what they are: "nothings" and/or as our own projections. Ultimately, we find ourselves again in a situation where we have nothing to fall back on but on our own conscience. However the question is: Do we have now more or enough courage - are we ready - to deal with the substance of the terrible itself rather than occupying ourselves only with its shadows, projections, and *ciphers* - "the nothings?"

Such self-consciousness pertaining to the essence of being human comes from courage. For courage is needed to break through the hermetics of the nihilistic cave and keep to the Platonic 'upper road' without regressing and falling back. Courage requires both the knowledge of the terrible and the fortitude to stand up against the terrible when necessary. Courage cannot be ignorance. The idea of 'the terrible' comes from Plato's Socrates, namely, from Plato's *Republic*, the true *Apology of Socrates*, and thus also of

political philosophy itself. Socrates defines courage and its relation to the terrible in Book IV of the *Republic*. According to Socrates, courage is the “kind of power and preservation, through everything [and through education], of the right and lawful opinion about what is terrible and what not.”⁵⁰ Socrates uses the metaphor of dying a textile purple (the color of the terrible initiation) that ought to be preceded by a preventive care, that is, by choosing, cultivating, and preparing “the single nature” belonging to man - his courage - so that the nature, human nature, becomes steadfast and “washing either without lyes or with lyes can’t take [it] away.”⁵¹ Men without courage and its “preparatory care” are “washed out and ridiculous.”⁵²

The idea of the terrible and courage as part of the Socratic doctrine of four virtues (moderation, courage, wisdom, and justice) is followed in Book V by the trap of the famous ‘utopia’ of a seemingly ‘perfectly just’ regime which is actually a not-so-much-disguised dystopia - an unjust regime or absolute tyranny. Here, the interlocutors force Socrates to interrupt his discussion of justice and release instead a ‘flood’ that washes away and covers in ‘three waves of ridicule’ (common property; children and wives in common; and the lost distinctions between philosophers and kings or tyrants) all the previous labor, boundaries, and distinctions.

The global shadow play of *ciphers*, abstractions, counterfeits, ‘virtual realities,’ and money projected on the walls of the worldwide cave and on the screens of our own eyes and minds is the technology of imitation or *mimesis*. This technology or economy of nihilism also hermeneutically and hermetically closes and seals the space of modern life.

⁵⁰ Plato, *The Republic*, translated by Allan Bloom (Basic Books, 1991), 430b; cf. 429c. Cf. Plato, *Republic*, translated by Robin Waterfield (Oxford and New York: Oxford University Press, 1994).

⁵¹ Plato, *Republic*, 429d.

⁵² Plato, *Republic*, 429e.

The technology of *mimesis* - the *mimic* practice of exchanging abstractions for realities - covers and obliterates the distinctions between good and evil. This loss of the discernment or consciousness of good and evil by imitating images without serious examination also connects moneymaking with tyranny and capitalism with nihilism.

This work touches upon and challenges some of the theoretical foundations of modernity in order to contribute to the needed Western self-criticism and hence Western self-knowledge. Since this work is not a manifest, it is open to debate. Encouraging such a debate is precisely what I can hope for. My approach to the material at hand is based, as much as I was able to, on an attentive and detailed reading of the sources. The question of so-called falsification includes, in my opinion, two interrelated factors: experience and logic. I tend to believe that experience is crucial both at the very start and also at the end. And inasmuch as logic is ultimately also part of our experience, our experience is decisive for our ability either to “see” things and thus to reason and/or to falsify what see and say. In this regard, I would actually like to see experience falsify a great part of my theses, for I would not like to experience them. However since falsifiability should not be governed by what we wish or what we like, an attitude of concern, questioning, and preparatory care seems to be more advisable. In any case, this work is an account of the way I have heard, heeded, and understood some authoritative voices of modernity and the *logos* of the all-too-long silenced Platonic philosophy.

Chapter 1 is an initial exposition of the basic terms and definitions as they are understood and used in this thesis. These are capital, capitalism, globalization, the *cipher*, nihilism, technology, and the Leviathan on one hand and the Platonic cave and the Platonic divided line and ethics on the other. The core of the chapter deals with Hobbes’ principles

and technology of the *Leviathan* which represents a foundation upon which the new capitalist order and its global commonwealth has been built. The *Leviathan* also allows me to compare and contrast the modern project as it is presented in Hobbes with the opposing view of political philosophy which is epitomized in Socratic and Platonic thought. The purpose of this chapter, as well as the others, is to establish if and how nihilistic principles may be detected at the core of the analyzed concepts and how these relate to the *nihilistic cipher qua* method and the framework represented by the Platonic cave and the Platonic divided line. In chapter 2, I focus on the concept of modern ‘common wealth’ or ‘political economy’ understood here both as a discipline and an organization of modern society as a radical and deliberate departure from the principles of political philosophy. I trace the conceptual evolution of the commonwealth of the modern from its proto-formulation by Aristotle through the ideas of Hobbes, Rousseau, Adam Smith, Hegel, Marx, Nietzsche, Schumpeter, and Foucault’s revisiting of Bentham’s panopticon. This approach allows me to examine an underlying continuity of the principles and concepts of the capitalist commonwealth from the stage of its early modernity to our postcommunist present and globalization. If capitalist political economy is the ‘mainframe,’ its prime mover is money capital. The next Chapter 3 therefore deals with the question of money capital. I argue that the question of money is essentially a question of method. The method of money may be seen as a dialectics of veiled alienation or war (*crypteia*) against human nature, to which the *nihilistic cipher* is central. However, neither modernity nor capital may be understood in separation from technology. Consequently, the question of technology is discussed in chapter 4. I argue that a proper understanding of technology can be achieved only on the basis of an adequate grasp of its deviation from the sense of *techne* and *logos* as

formulated by Platonic philosophy. Chapter 5 is an analysis of postcommunism where the main arguments and insights from the previous chapters are drawn together and related to the concrete experience of communism and its aftermath. The search for the meaning of communism and postcommunism has to address a question of their underlying nihilism. However, to treat such a question seriously also means to ask a question about a type of a prospective regime that would most 'efficiently' correspond to the nihilistic projection in order to prepare for the danger - the terrible. In the form of an appendix I present a review of J.K. Gibson-Graham's book *The End of Capitalism (as we knew it): A Feminist Critique of Political Economy* that I use as a case to test the validity and usefulness of my theses both as a method and as an idea worthy of consideration. What recommends Gibson-Graham's argument for such a purpose is that their study is an imaginative and creative attempt to reconceptualize and criticize the political economy of capitalism and, at the same time, represents a position and approach greatly divergent from mine.

1. MODERNITY: THE LEVIATHAN'S PROJECT OF NIHILISM

In fiction, your imagination
doesn't have any limitation.
Dogs can talk and kids can fly
and no need to justify.

From a promotional children's poster

"Now that Marxism is over, in its place stands - nothing."¹
Ronald Aronson

"The experience of nothingness is an incomparably fruitful
starting place for ethical inquiry."²
Michael Novak

The purpose of this chapter is to further define and clarify basic terms used in this work such as capitalism, globalization, the *cipher*, nihilism, technology, the Platonic cave and the Platonic divided line. I start with capitalism, globalization, and nihilism and I try to demonstrate the interdependence of these three concepts. Central to the understanding of the political economy of nihilism is the concept of *cipher*. I proceed to show how nihilism and the method of *ciphers* appears as the modern method in Machiavelli, and especially in Hobbes whose Leviathan can be regarded as the most systematic elaboration of the political foundations of modernity. In the *Leviathan* created by Hobbes, we have a blueprint of the capitalist commonwealth together with its principles, reasons, and *telos*.

In this connection, I propose that breaking through and transcending the hermetic circles of the nihilistic *cipher* is possible on the basis of the philosophy and ethics of Socrates and Plato. In this regard, the Platonic dived line and the Platonic cave can also

¹ Ronald Aronson, *After Marxism* (New York and London: The Guilford Press, 1995), p. 9.

² Michael Novak, *The Experience of Nothingness* (New York, Evanston, and London: Harper & Row, 1970), p. 1.

serve us as a cognitive framework and map to guide us back to a more genuine philosophical and ethical thinking about the principal human concerns: which life we ought to live, what life is good, and what it means to be a good man and a good citizen.

Our situation is summarized well by Leo Strauss in his critique of Carl Schmitt's account of the nihilation of 'the political' in the modern age:

The present situation is characterized by the fact that a process three hundred years old has 'reached its end.' The age at the end of which we find ourselves is 'the age of neutralizations and depoliticizations.' Depoliticization not only is the accidental or even necessary result of the modern development but its original and authentic goal.³

The critique introduced by Schmitt against liberalism can therefore be completed only if one succeeds in gaining a horizon beyond liberalism. A radical critique of liberalism is thus possible only on the basis of an adequate understanding of Hobbes.⁴

In this regard, my view can be summed up as twofold: the horizon within which liberalism was founded corresponds to what we, late moderns, experience and see as *nihilism*. Consequently, a possibility of a 'radical critique' depends on gaining a horizon beyond nihilism itself. For the West, this means to appreciate and learn from political philosophy, especially from its founders, Socrates and Plato.

³ Leo Strauss, "Notes on The Concept of the Political," in Carl Schmitt, *The Concept of the Political*, trans. George Schwab (Chicago and London: The University of Chicago Press, 1996), pp. 83-84. Cf. Heinrich Meier, *Carl Schmitt and Leo Strauss: The Hidden Dialogue*, trans. J. Harvey Lomax (Chicago and London: The University of Chicago Press, 1995). The words in brackets are Schmitt's own expressions used by Strauss to summarize and critique Schmitt's account.

⁴ Leo Strauss, "Notes on The Concept of the Political," p.107.

1. 1. The terrible and the riddle

We, the late moderns who will live into the 21st century, are children of a revolution that began as a discovery of a New World (1492) and is now worldwide. This “long revolution”⁵ has its *ciphers* that appear in labels and code words: colonization, communism, consumerism, development, imperialism, the industrial revolution, the information age, modernization, nazism, the revolt of the elite, the revolt of the masses, the scientific revolution, social change, socialism, the technological revolution, totalitarianism, westernization. All these code-names present different forms of possible “globalizations,” that is, unifications of mankind on the planet. The new *cipher* for this “long revolution” is globalization itself. With globalization we assume the following phenomena: bigness, downsizing, an ‘end of history,’ the European Union, financial and economic crisis, free flow of capital, NAFTA, post-communism, ‘race to the bottom,’ religious and ethnic conflict, tribal warfare.

This work is about our encounter with the *terrible encrypted* in this long revolution of capitalism which I understand primarily as the hegemonic rule of money capital. Marx said that “[r]eflection begins *post festum* [after the feast], and therefore with the results of development ready to hand.”⁶ New labels and code words are becoming part

⁵ See Crane Britton, *The Anatomy of Revolution* (New York: Vintage Books, 1965), pp. 265, 268; See also C.E. Black and T.P. Thornton, eds., *Communism and Revolution: the Strategic Use of Political Violence* (Princeton: Princeton University Press, 1964).

⁶ Karl Marx, *Capital: A Critique of Political Economy*, Volume I, translated by Ben Fowkes (New York: Penguin Books, 1976), p. 168. Interestingly, but with a reason, Professor Tom Darby compared “the end of history” (global capitalism) to “the feast;” as the cover of his book suggests, namely to the comeback of the terrible Kronos (Time) and his feast - devouring his “children,” who symbolize wisdom, civilization, order, and moral culture. See Tom Darby, *The Feast: Meditations on Politics and Time* (Toronto: the University Toronto Press, 1990). Heidegger’s translation of the code word “feast” pertaining to nihilism is also noteworthy. Here, “feast” stands for *abstract* thinking - abstracted from the idea of the good and evil. In Heidegger’s opinion, it is “the highest form of human existence.” It is “the will to power” - the innermost creed of nihilism. Using Nietzsche’s concept of the “feast,” Heidegger adds: “For that reason ... the feat of thinking never takes place in Christianity. ... Feasts require long and painstaking preparations. ... we want to prepare ourselves for the feast, even if we do not make it as far as the

of entertainment that idly occupies our minds. This entertainment of catchy labels impairs thinking through the opiate of its frivolity that presents what is serious as boring and hence as indifferent. The essential premise for thinking - the ability to concentrate on what is serious - is diluted by attractive superficialities. As we try to keep up with the new labels and understand the new terms, we should know that we are simultaneously compelled to go again and again through the experiences of the terrible and its lessons which we have unlearned due to the loss of seriousness - as it relates to evil as well as to the virtues of strictness, humility, courage, and wisdom

When communism ended as a frivolous comedy of the communist "new class," the often secretly decadent consumerism of the highest nomenklatura emancipated itself from its ideological restraints and produced the ostensible *nouveau riche*. The rest of their societies, officially the "ruling classes," were forced to join the global "race to the bottom" because the "forces of production" supposedly liberated from communism went through a "belt-tightening" period of an almost virtual "free fall." New tragedies have been born. In a sense, the whole course of the revolution of modernity has been characterized by similar turns and inversions made up by false friends and false enemies, who were turning a tragedy into a comedy and vice versa. As a result, the project of planetary autonomy of capital has received a powerful boost. The world now resembles one huge body whose life is reduced to the sheer force of its metabolism where all is reprocessed, recycled,

digested.⁷ What cannot be assimilated is labeled and designed as waste (for example, the

celebration, even if we only catch a glimpse of the preliminary festivities ..." Martin Heidegger, *Nietzsche: The Will to Power as Art*, Volume I, translated by D.F. Krell (Harper San Francisco, 1991), pp. 5-6]

⁷ On an uncritical account of Hans Jonas' ostensible overcoming of Heidegger's preparatory nihilism via Aristotle by explicating and consummating it as "metabolism" see John Grant, "Metabolism and Being: The Neo-Aristotelianism of Hans Jonas," a paper prepared for the Annual Meeting of the American Political Science Association (APSA), Boston, September 3-6, 1998.

Serbian almost exotic stubbornness, hardheadedness, and “uncivilized” disobedience that is now a “war crime;” the ethnic cleansing of the Serbs by the Kosovo Liberation Army under the auspices of the “the international community;” or the Russian industrial and military complex; or higher wages of Eastern European workers and their social security; or the rule of law in these countries; or even democracy).

Thinking of the evident results of a collapse of another regime, Nazism, Hannah Arendt wrote a book on totalitarianism. Arendt did not write about the end or collapse of the modern tyranny and its politics of the terrible rather the opposite, as the title of her seminal work - *The Origins of Totalitarianism* - states. Hannah Arendt claimed that an absolute evil exists here and now as the total power of our age. The factual results of such absolute evil confirms a certain, “Oriental hypothesis that an absolute evil was the source of things human.”⁸ Arendt saw in this absolute evil as “a truly radical source of knowledge.” She held that “in the final stages of totalitarianism an absolute evil appears (absolute because it can no longer be deduced from humanly comprehensible motives), it is also true that without it we might never have known the truly radical nature of Evil.”⁹ However, because this radical evil produces “inanimate men” as “uncomplaining animals,” the very ability to know and recognize the nature of this evil is destroyed.¹⁰ “Inanimate men” cannot know good and evil and think. Arendt did not elaborate on how this “Oriental hypothesis” is related or belongs to modernity and its concomitant revolution of “Westernization.” However, Leo Strauss in his exchange with Alexandre Kojève on the

⁸ Hannah Arendt, *The Origins of Totalitarianism* (New York: Harcourt, Brace and Company, 1951), pp. 433-34.

⁹ *Ibid.*, p. ix. Later, during the trial with Eichmann in 1964, absolute evil already became according to Arendt “banal.”

¹⁰ *Ibid.*, pp. 414-415.

question concerning tyranny identified the globalized, final state as “planetary oriental despotism.” Leo Strauss consciously chose this term in reference to oriental despotism presented by Hegel as the first phase of history where only one, the despot (*despotes* - the head of a private, household *economy* and master of slaves), is free.¹¹

1.2. Capitalism

To speak about all these issues and phenomena also means to speak about globalization. Hence what is globalization? Instead of approaching this question directly, it is necessary to define capitalism because the way to globalization not only leads through capitalism but these two phenomena are so closely intertwined that they appear to be almost identical.¹²

Thus, what is capitalism? The root of capitalism is obviously *capital*. The *-ism* like in any other words ending with *-isms* signifies here a sense of a complete style, a system, or perhaps even of a self-sustained, autonomous universe. It is also this side of capitalism which is stressed by Adam Smith in his description of the new system of making wealth - as an autonomous, self-generating, self-propelling and self-regulating system that is capable of producing both the wealth of nations and social harmony.”¹³ So far so good.

¹¹ Leo Strauss, *On Tyranny*, revised and expanded edition including the Strauss-Kojève correspondence (New York and Toronto: The Free Press, 1991), p. 222.

¹² See William Robert Clark, “The Game is Locked? Endogenous Monetary Commitment Technologies in an Open Economy Framework,” a paper presented at the Annual Meeting of the APSA, Boston, September 3-6, 1998; Cal Clark, “Globalization: Schizophrenic Scenarios and the Need for Creative Crossdressing in U.S. Policy,” a paper prepared for the Annual Meeting of the APSA, Boston, September 3-6, 1998. Cal Clark demonstrates here that globalization (global capitalism), or what he calls “schizophrenic scenarios” (global division of labor, footloose capital, weak state, global village), is dominated by a master scenario of “enhanced exploitation.” [See *ibid.*, pp. 2-11; especially very good diagrams on pp. 11, 5] However, in principle, not every unification of the mankind has to be nihilism or capitalism. See the conclusion to this section on p. 16.

¹³ These words are Pejovich's fair summary of Smith's position. Svetozar Pejovich, “Basic Institutions of Capitalism and Socialism,” in Svetozar Pejovich, ed., *Philosophical and Economic Foundations of*

Although this might be a good step to start with, in itself it does not take us really far. For after this one can rather quickly discover that, as Hartwell said, “[o]n what capitalism is, there is remarkable silence or confusion.”¹⁴

Initially *capital* meant relating to the *head*.¹⁵ In Roman law *capital* referred not merely to *capital* punishment, or man’s head, but was used as a legal term for the principal of a loan as distinguished from interest - its imaginative offspring.¹⁶ In the twelfth and thirteenth centuries, *capital* came to be identified for the first time as money carrying interest and also with money and other funds in general as well as stocks of merchandise. Braudel cites a sermon by St. Bernardino of Siena (1380-1444), where capital is also already praised and noted as a “common” name for “that prolific cause of wealth” (*‘quandam seminalem rationem lucrosi quam communiter capitale vocamus’*).¹⁷ After this, *capital* apparently again retreated to reappear on the stage of modernity fully armed and with unprecedented strength in the seventeenth century as an interchangeable

Capitalism (Lexington and Toronto: Lexington Books, 1983), p. 1.

¹⁴ R.M. Hartwell, “The Origins of Capitalism: A Methodological Essay,” in Svetozar Pejovich, ed., *Philosophical and Economic Foundations of Capitalism* (Lexington and Toronto: Lexington Books, 1983), p. 11. For a review of some earlier definitions of capitalism see *ibid.*, pp. 12-13.

¹⁵ *Capital* is etymologically related not only to the Greek *cephalus* but also the German *heben* (to sublate). [Josef Holub and Stanislav Lyrer, *Stručný etymologický slovník jazyka českého se zvláštním zretelem k slovu kulturním a cizím* (Prague: SNPS, 1978), p. 43] Coincidentally - so it seems - a dialogue on justice at the beginning of Plato’s *Republic* opens when a head of family and merchant with arms and with the name *Cephalus* leaves the scene (viz. the conclusion of this work). And the verb *aufheben* is a central “lever” that moves the Hegelian dialectic of negation. Thus in Plato “head” also means a person (subject), while in Hegel “head” becomes a verb that denotes action. Plato and Hegel & subject and action, when put together, point to a sentence - to a sentence *qua* history of philosophy. Two heads and each so different: one at the beginning of philosophy, when the advent of philosophy causes “Capital” to flee, and the other at “the end of philosophy” when capital forces philosophy to retreat. And each of these heads - supposed seats of thought - seems to be pronouncing a *death sentence* on the other. At “the end of philosophy,” capital is “action.” And action is not thought.

¹⁶ Svetozar Pejovich, “Basic Institutions of Capitalism and Socialism,” in Svetozar Pejovich, ed., *Philosophical and Economic Foundations of Capitalism*, p. 1.

¹⁷ Peter L. Berger, *The Capitalist Revolution: Fifty Propositions about Prosperity, Equality, and Liberty* (New York: Basic Books, 1986), p. 17.

synonym for wealth and the stock of goods.¹⁸ In the eighteenth century, capital became *productive* - that is, the neologism of “productive capital” entered into common language.¹⁹ As a new social power, *capital* became famous through Karl Marx, who tied *capital* to the term *mode* (‘mode of production’) which is the linchpin of Machiavellian politics of ‘the Prince,’ including its ‘doctrine of appearances.’ Unfortunately, this apparent connection of these two “modes” - Machiavellian and Marxian - has not been yet described, even though the parallels between *virtu* and *Fortuna* in Chapter 24 of Machiavelli’s *Prince* and Marx’s capital and bourgeois fortunes represented by money capital show an interesting contrast and affinity. Although, “the capitalist” might have been used in the mid-seventeenth century, according to Schumpeter, it became a “scientific” term only in the nineteenth century.²⁰ “Capitalism” (as a term) is a very recent newcomer: Adam Smith never used it; Marx was still speaking about “the bourgeois society” or “modern bourgeois society” and rarely used the word “capitalism.” In Marx’s *Capital*, the word “capitalism” appears only once in what is today published as its appendix which Marx initially intended as a Part Seven of Volume 1, that was excluded from the edition published during Marx’s life:

The self-valorization of capital - the creation of surplus-value - is therefore the determining and overriding purpose of the capitalist; it is the absolute motive and content of his activity. And in fact it is no more than the rationalized motive and aim of the hoarder - highly impoverished and abstract content which makes it plain

¹⁸ Svetozar Pejovich, “Basic Institutions of Capitalism and Socialism,” p. 1.

¹⁹ Peter L. Berger, *The Capitalist Revolution*, p. 18.

²⁰ Ibid., p. 18; Joseph A. Schumpeter, “Comments on a Plan for the Study of Entrepreneurship,” in Joseph A. Schumpeter, *The economics and Sociology of Capitalism* (Princeton: Princeton University Press, 1991), p. 425 note 4.

that the capitalist is just as enslaved by the relationships of capitalism as is his opposite pole, the worker, albeit in a quite different manner.²¹

If we gather the key elements of this statement, it appears that for Marx, much in accordance with the signification of all *-isms*, capitalism is seen *both* as a self-determining, self-valorizing, and absolute motive *and* content, that is, a new universe or cosmos for itself. It is, however, a “highly impoverished” and “abstract” world whose deficiencies are simultaneously “*rationalized*” or “self-valorized.” In other words, deficiency and abstraction become “value” and a sign of rationality. This also points to an underlying idea of capitalism as a highly impoverished rationality and rationalized “high impoverishment.”

Perhaps most succinctly these notions show capitalism as an new artificial cosmos of abstractions besides which there ought to be nothing else. The key appears here to the idea of highly impoverished abstraction which is abstraction driven to an extreme. Moreover, since such abstraction is at the same time *rationalized* as if being “self-determining” and “self-valorizing,” the “absolute content” of capitalism thus appears to be or tends to be absolute abstraction that is hermetically/hermeneutically cut off from what it is abstracted - from that *whose* abstraction it is. That is, abstraction and nothing beyond.

Here to “rationalize” means to legitimize - to cover the system of power with a veil of abstract justifications or “values.” Abstractions from the concrete world and concrete human beings however clear a free, unbound space for the arbitrary will and power. Arbitrary abstractions when taken for granted become legitimizing “facts.” Such capitalist ‘rationality’ by means of abstractions projects and displaces justice and its concerns into an

²¹ Karl Marx, “Results of the Immediate Process of Production,” Appendix, *Capital*, Volume 1 (New York: Penguin Books, 1990), p. 990.

imaginary world of abstractions out of the concrete experience and the real world of individuals. As Berger put it, "at least in Western societies capitalism has created a wealth of 'facticities' - economic and social facts that, to a large extent, have come to be taken for granted and thus legitimate themselves."²²

A generic term for such abstraction is *value*. And, in practice, *value* most commonly appears as a price made of *numbers*. Value (abstraction) represents social codes (abstraction). For the time being, these abstractions as absolute ends in themselves and numbers can be subsumed in turn under the heading of *ciphers*.

All this is admittedly - by definition - highly abstract, but let us note that behind all this an experiential sense of *nothingness* is taking place:

The bourgeoisie, wherever it has got the upper hand ... has left remaining no other nexus between man and man than naked self-interest, than callous 'cash payment.' It has drowned the most heavenly ecstasies of religious fervor, of chivalrous enthusiasm, of philistine sentimentalism, in the icy water of egoistical calculation.²³

The "icy water of egoistical calculation" that covers indifferently good and evil alike is also such nothingness. It is such experience of nothingness that both touches modern conscience and numbs it. The experience of nothingness may be compared to an underground crypt upon which rests and rises the City of Modern Man. In Marx's words, "[m]odern bourgeois society ... is like the sorcerer, who is no longer able to control the powers of the nether world whom he has called up by his spells."²⁴ What is called up is the nothingness itself. Here the roots of modern experience are buried. And such is also the

²² Peter L. Berger, *The Capitalist Revolution*, p. 208.

²³ Karl Marx, *The Manifesto of the Communist Party*, in Karl Marx, *The Revolutions of 1848*, Political Writings, Volume 1 (New York: Penguin Books, 1993), p. 70.

²⁴ *Ibid.*, p. 72.

fundamental 'mood' of capitalism. According to Michael Novak, "[t]he experience of nothingness ... is a vaccine against the lies upon which every civilization, American civilization in particular, is built."²⁵ Experienced nothingness *qua* ground produces and is produced by a corresponding political economy that involves: (1) the need and desire of society and individuals to engage in "constantly *inventing* selves" in order to keep constructing and deconstructing their nothingness;²⁶ (2) social institutions which "are fundamentally mythical structures designed to hold chaos and formlessness at bay;" (3) dissolution of every fixation and solidity; (4) a pursuit of "happiness with little regard for the lot of the vast majority of men."²⁷ In this regard, Berger indicated that the underlying ethos is an encounter with *terror* - the experience and cultivation of radical *autonomy* which was for the Jews paradigmatically expressed as "an encounter with a terrible God" and for others "the (perhaps equally terrible) discovery of the autonomous power of human reason."²⁸ Such autonomy inescapably belongs to the experience of nothingness which, as Novak put it, is "a *mode* of human consciousness."²⁹ Nihilism and the experience of nothingness are intimately related but they are not identical. As Novak said, "[n]ihilism is an ideological interpretation imposed on the experience of nothingness."³⁰ Nihilism thus

²⁵ Michael Novak, *The Experience of Nothingness*, p. 1.

²⁶ *Ibid.*, p. 1.

²⁷ *Ibid.*, pp. 1-2. On point 3 cf. Marx: "Constant revolutionizing of production, uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation *distinguish the bourgeois epoch from all earlier ones*. All fixed, fast-frozen relations, with their train of ancient and venerable prejudices and opinions, are swept away, all new-formed ones become antiquated before they ossify. All that is solid melts into air, all that is holy is profaned, and man is at last compelled to face with sober senses, his real conditions of life, and his relations with his kind." [my emphases]. [Karl Marx, *The Communist Manifesto of the Communist Party*, pp. 70-71] This Marx's famous passage is nihilism as pure as it can be.

²⁸ Peter L. Berger, *The Capitalist Revolution*, p. 95. [The experience of nothingness] is, often, a kind of exhaustion of spirit ... It is accompanied by terror. It seems like a kind of death, an inertness, a paralysis." Michael Novak, *The Experience of Nothingness*, p. 11.

²⁹ Michael Novak, *The Experience of Nothingness*, p. 10. My emphasis.

³⁰ *Ibid.*, p. 13.

depends on such experience and is also a reaction to it. What distinguishes nihilism from a philosophical response manifested in Plato, for example, is nihilism's resentment of ethics. Affirming the *terrible* experience of nothingness in whose view it remains entrenched, nihilism denies a possibility of the *good*. We may therefore conclude that as a "self-valorizing" and "self-determining" system which nihilates and emancipates itself from other ethical and political purposes and concerns, capitalism brings about and is brought by a *nihilistic* mode of consciousness. In fact, nihilism is the necessary premise of capitalism's very existence for it "must try to trap the resources of the psyche and turn them toward consumer goods: a girl's loins, the fenders of a shiny car, a deodorant, a forbidden adventure, a toothpaste utter joy, a politician God's humble son."³¹ This indicates that "the rise of capitalism was not a purely economic process" and that capitalism is in principle "a particular scheme of values and a particular way of life."³² Accordingly, capitalism should not be seen as being determined (rationalized) by economics or by the 'Protestant work ethics' only. Capitalism is at least as much a system of new modes or culture with attending social consciousness *and* unconsciousness and their various imaginative powers and limitations rooted in the 'experience of nothingness' and its terror. Nihilism is therefore both the specter and the spirit of capitalism.

The term "capitalism" became a household name when capitalism completed its colonial conquests and emerged truly imperial on the planet. The popularization of the term "capitalism" is associated especially with Werner Sombart's magnum opus, *High Capitalism* (1929).³³ "Capitalism" appears in the titles of other important studies by

³¹ Michael Novak, *The Experience of Nothingness*, p. 117.

³² Joseph A. Schumpeter, "American Institutions and Economic Progress," in Joseph A. Schumpeter, *The Economics and Sociology of Capitalism* (Princeton: Princeton University Press, 1991), pp. 442-43.

³³ Peter L. Berger, *The Capitalist Revolution*, p. 18.

Sombart: *Modern Capitalism* (1903), *Luxury and Capitalism* (1913), *The Quintessence of Capitalism* (1915).³⁴ It is thus possible to suggest that capitalism also conveys a sense of a corresponding *imperial* or total experience that was also commonly recognized at a time when the colonization of the world by capital had been achieved. Something of this can be reflected in an otherwise puzzling statement by Hannah Arendt: "Imperialism must be considered the first stage in political rule of the bourgeoisie rather than the last stage of capitalism."³⁵ According to Arendt, such imperialism is "the product of superfluous money and superfluous men."³⁶ This definition is remarkable in that it contains an implicit dialectic of money and people that have in common their superfluity, various forms of 'waste' and excess. 'Superfluity' of capital mediates 'superfluity' of humans and vice versa, thereby forming the 'dialectics' of capitalism. In this regard, it is possible to say that abstraction is in a sense a kind of superfluity because it is our limitation and deficiency as human beings that makes it impossible to grasp the whole world in its *entire* concreteness. In order to make sense of it, we have to rely on abstractions which are thus necessary surrogates for our limited capacity to know and think and our incapacity to access "truth" in an immediate and concrete way. If this is so, then superfluity can be seen as a symptom of some underlying or concealed deficiency and failure.

³⁴ Frank H. Knight wrote: "With the appearance of [the] *High Capitalism*, [Sombart] recognizes himself as heir and continuator of Marx who made capitalism a household name in all the languages of civilization. Sombart ... displaced his predecessor as proprietor of the concept and its problem." Quoted in Samuel Klausner's Introduction, in Werner Sombart, *The Jews and Modern Capitalism*, trans. M. Epstein (New Brunswick (USA) and London: Transaction Books, 1997), p. xix. Sombart himself said: "As bluntly as I decline [Marx's] *Weltanschauung* so unreservedly do I admire him as a theoretician and historian of capitalism." [Quoted *ibid.*, p. xix] A key difference between Marx's and Sombart's presentations of capitalism lies in the fact that, whereas Marx classified societies according to their 'mode of production,' Sombart held that the prime criterion is the spirit (*Geist*) or the cultural principle that directs given societies.

³⁵ Hannah Arendt, *The Origins of Totalitarianism*, p. 138.

³⁶ *Ibid.*, p. 151; Moreover, in Arendt's view, the culture of such imperialism represents "infantilized Western moral standards." [*Ibid.*, p. 211]

Moreover, if we grant, as Aristotle already did in his *Politics*,³⁷ that “superfluity” can be presumed in or rather shares in the very essence of money, while similar “essential” superfluity cannot be ascribed to humans (as long as we do not stand on the position of fascism), then we can make a logical proposition that self-determined capitalism starts with the *development* of superfluous money. The superfluity of money is reflected in the superfluity of profit. Capitalism as development is thus a development of superfluity and for superfluity. Such development also unfolds its essential principle - the essence of money - as a “self-valorized” and “absolute” abstraction that leaves the *abstracted* as its “nothing” behind, i.e., as “superfluous people.” From this point of view, Arendt’s placing “superfluous money” in the definition of imperial capitalism as the first, principal element is indeed justified.

Our discussion of capitalism and capital point to the mystery of money.³⁸ In this regard, Pejovich indicated that Joseph Schumpeter “was perhaps the first economist of some influence to define capital as a purely monetary category: Capital is the sum of means of payments which is available at any moment ... [as] that specific power which enables the entrepreneur to divert resources from their routine uses.”³⁹ The same view was also formulated by Friedrich Hayek for whom, as Pejovich summarized it, “capitalism proved to be an effective way of making man take part in a process more complex than he could comprehend since it was through the free market that he contributed to ends that

³⁷ Aristotle, *Politics*, “Natural and Unnatural Methods of Acquiring Goods,” I ix; “The Proper Limits of Household-Management: The Unnaturalness of Money-Lending,” I x; “Some Practical Considerations, especially on the Creation of Monopoly,” I xi. Aristotle, identified such unnaturalness or superfluity with usury, that is, with the “creation” of debt and credit that in turn “creates” more money out of itself as its “interest.”

³⁸ Peter L. Berger, *The Capitalist Revolution*, p. 18.

³⁹ Svetozar Pejovich, “Basic Institutions of Capitalism and Socialism,” p. 1.

were not of his purpose."⁴⁰ Capital is therefore something that *diverts, inverts, and subverts the purpose of man's politics and life*. This is a formula of *alienation and negation*. In this sense, we can therefore also speak of capitalism as a self-determining *mode* - rationalized ratio - of alienation.

The crucial innovation by capitalism with regard to the traditional and limited uses of money is that, under capitalism, money is also endowed not only with auxiliary "economic" functions, i.e., to serve as a convenient instrument of exchange and trade. Under capitalism, money is convertible and turned into a virtual political power. Money as power *over society* and as a 'currency' of such power is capital. Specifically, money becomes a more or less autonomous surrogate for (wanting) political deliberation and decisions. To this effect, capital denoting here both its corresponding subject and material objects *diverts* politics and turns it into a private business. That is to say, capital is a *mode* antithetical to politics as such. Capital is a method of measured and numbered artificial, man-made "modes" - "reasons" or *ratios of efficiency*.⁴¹ Such efficiency is a ratio between money and money and hence essentially self-referential: capital-money is both its own measure and its end.

To sum up our discussion, capitalism may be defined as a system of rationalized or objectified ratios or *modes* of societal relationships in which man himself becomes a value,

⁴⁰ Svetozar Pejovich, ed., *Philosophical and Economic Foundations of Capitalism*, p. xi. The emphases are mine.

⁴¹ The word *mode* was originally used to indicate one of the *scale* in music. The Latin *moderari* is to give measure to. Thus *model* was literally a little measure, criterion, and *modest* is "measured." [Joseph Shipley, T. *Dictionary of Words Origins* (New York: Barnes & Noble, 1995), p. 5] Machiavelli's *modo* that introduced the word "mode" into the *modern* political language is also translated as "so that": *lo modo* becomes a new magic word that creates a sense of a new logical connection or interference as it appears or as it is presented at the given moment. See Harvey C. Mansfield and Nathan Tarcov, "A Note on the Translation," in Niccolo Machiavelli, *Discourses on Livy* (Chicago and London: The University of Chicago Press, 1996), p. 1.

abstraction like any other commodity, or negation for which a man is “exchanged” and by means of which he is controlled and subjected to capital’s discipline.⁴² The key, pivotal element that enables capital to recycle society and capitalism to ‘go around’ is here *alienation*: “This estrangement or alienation of labor from its product is fundamental to capitalism, because ‘*private property is ... the product, the necessary result of alienated labor ...*’”⁴³ Such alienation, which is also “exclusion from control,” is premised upon compliance.⁴⁴ In other words, capitalist alienation is a particular *mode of compliance*. Capitalism as such is a project, phenomenon, and experience of imperial dominance, hence a particular *mode* of ‘globalization.’ For Marx, capitalism was *already* a *global* system:

The need of a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, establish connections, everywhere. ... It compels all nations, on pain of extinction, to adopt the bourgeois mode of production; it compels them to introduce what it calls civilization in their midst, i.e., to become bourgeois themselves. In one word, it creates a world after its image.⁴⁵

Capitalism is thus, almost by definition, a form of globalization; however not every globalization - unification of the mankind on earth - has to be capitalism.

⁴² This definition follows the structure of a ‘classic’ Marxian definition of capitalism according to which capitalism is a “mode of production in which labor becomes a commodity like any other object of exchange,” or “a system under which labor-power had ‘itself become a commodity’ and was bought and sold on the market like any other object of exchange.” [Maurice Dobb, “The Essence of Capitalism,” in Richard C. Edwards, Michael Reich, and Thomas E. Weisskopf, eds., *The Capitalist System: A Radical Analysis of American Society* (London: Prentice-Hall, 1972), pp. 56, 58]

⁴³ Editors’ introduction to Karl Marx, “Alienated Labor,” in Richard C. Edwards, Michael Reich, and Thomas E. Weisskopf, eds., *The Capitalist System*, p. 106. Marx: “*Private property* is thus derived from the analysis of the concept of *alienated labor*, that is, alienated man, alienated labor, alienated life, and estranged man.” [Ibid., p. 108]

⁴⁴ Editors’ introduction to Karl Marx, “Alienated Labor,” in Richard C. Edwards, Michael Reich, and Thomas E. Weisskopf, eds., *The Capitalist System*, p. 106.

⁴⁵ Karl Marx, *The Manifesto of the Communist Party*, p. 71.

1.3. The cipher of globalization

“Globalization,” as Meghnad Desai put it, “is a new buzz word, a cliché, a new term to frighten the children.”⁴⁶ Yet globalization can also be seen as an idea, respectively, an ideological construct, in which the Western optimistic myth of ‘progress’ has been revived.⁴⁷ From this perspective, globalization does many good things and has much to offer to all of those who are either riding the waves of its new virtual realities or who are at least willing to let themselves be carried by its currencies and flows. In this regard, Andrew Leyshon said:

Although the globalization thesis may be well flawed and based upon a mixture of poor social science, hyperbole, exaggeration and corporate desire, it works as a discourse because it has a highly receptive audience with the offices and boardrooms of the international business community. It is in this sense a self-affirming and self-propagating discourse.”⁴⁸

To make things even more complicated, experiencing globalization as good and beneficial does not mean to have adequate understanding of it. Nor can any presentation of globalization guarantee that reality would follow its ideological promise or prescription. In this regard, Thomas Klad, for example, suspects that, as a rhetoric, globalization is

⁴⁶ Meghnad Desai, “Globalization and Sustainable Development,” in Satya Dev Gupta, ed., *Globalization, Growth and Sustainability* (Boston, Dordrecht and London: Kluwer Academic Publishers, 1997), p. 231. On a attempt to dissipate ‘unfounded fear’ of globalization from a liberal, pro-globalist perspective see Gary Burtless, Robert Z. Lawrence, Robert E. Litan, and Robert J. Shapiro, *Globaphobia: Confronting Fears about Open Trade* (Washington, DC: The Brookings Institution, The progressive Policy Institute, 1998).

⁴⁷ On globalization as mythology see M. Ferguson, “The Mythology about Globalization,” *European Journal of Communication*, 7 (1992).

⁴⁸ Quoted in Thomas Klad, “Thirteen Theses on Globalization and Neoliberalism,” in Thomas Klad, ed., *Globalization and Neoliberalism: The Caribbean Context* (Lanham, Boulder, New York, and Oxford: Rowman & Littlefield Publishers, 1998), p. 20.

“perhaps the most overused, abused, and dangerous euphemism for the current restructuring of international capitalism.”⁴⁹

Globalization operates at two levels: it is both an ideological rhetoric and an empirical process.⁵⁰ Experience informs many discourses which however name, define, frame, construct, and deconstruct something from our common experience. As such, globalization is broad and ambiguous enough to produce fear as well as enchantment, concern as well as indifference.⁵¹ In this regard, globalization seems like a new postmodern deity which is everywhere and yet nowhere. As an experiential and ideological unclarity, globalization signals the existence of common gaps in our knowledge and understanding of our global environment that by its sheer ‘bigness,’ complexity, and obscurity appears to be omnipresent and omnipotent. Such a vague, almost sibylline nature of globalization also points to the underlying difficulty to discriminate and make informed ethical and moral choices. Yet, and fortunately, globalization is also a contested process at the empirical and conceptual as well as local and universal levels.⁵²

Therefore, it is necessary to question globalization, but it is not enough. In order to mitigate the ideological abuses of “globalization,” its particular uses need to be clarified.

⁴⁹ Thomas Klad, “Thirteen Theses on Globalization and Neoliberalism,” p. 3.

⁵⁰ Thomas Klad, “Thirteen Theses on Globalization and Neoliberalism,” pp. 19-20; D. Harvey “Globalization in Question,” *Rethinking Marxism* 8, no. 4 (1995): 1-17; 1995.

⁵¹ See Noel O’Sullivan, “Concept and Reality in Globalization Theory,” in C.P. Rao, ed., *Globalization, Privatization and Free Market Economy* (Westport, Connecticut, and London, 1998), p. 11; for a review of the various perspectives on globalization, including its doubters and skeptics, see *ibid.*, pp. 11-27.

⁵² See especially P. Hirst and G. Thompson, “The problem of “globalization”: International economic relations, national economic management and the formation of trading blocs,” *Economy and Society*, 21, No. 4 (1992): 357-396. On the critique of the truisms of globalization and its rhetoric seen as an “antipolitical liberalism” see P. Hirst and G. Thompson, *Globalization in Question: The International Economy and the Possibility of Governance* (Cambridge: Polity Press, 1996). See also Roland Robertson, *Globalization: Social Theory and Global Culture* (London: Sage, 1992), p. 182; D. Harvey, “Globalization in Question,” *Rethinking Marxism*, 8, No. 4 (1995): 1-17; Hazel J. Johnson, *Dispelling the Myth of Globalization: The Case for Regionalization* (New York, Westport, and London: Praeger, 1991).

Otherwise, “globalization” would remain a catchword - a manipulable *cipher* that can mean all one wishes it to be. To this effect, Thomas Klad pointed out:

It is important that users of the term *globalization* specify its meaning in particular contexts ... Otherwise there is a danger of simply reinforcing ideological globalization while further mystifying its empirical referents. In this sense the discourse of even progressive-minded observers can inadvertently play a reactionary role.⁵³

What is striking about globalization is its association with (1) a finality and (2) a totality. Immanuel Kant was the first liberal thinker of great stature who conceived a finality of history as an *achievable* project in the form of a “cosmopolitan” or global federation of “Perpetual Peace.”⁵⁴ For Hegel, however, “the end of history” had already been in principle accomplished in a series of events that were brought about by the Great Bourgeois French Revolution.⁵⁵ Marx, for his part, identified this finality with communism. Since then, the question of finality and its *possibility*, distinguished as such from a mere *utopia*, has been an important theme in Western thought.

In 1931, French thinker Paul Valéry declared that “the age of free expansion,” “unoccupied territories,” and “discovery” was over. Instead, “the age of a finite world” had begun.⁵⁶ Robert Cox sees such a finality rather as an ideological representation of the

⁵³ Thomas Klad, “Thirteen Theses on Globalization and Neoliberalism,” p. 21.

⁵⁴ See Immanuel Kant, *Perpetual Peace and Other Essays*, trans. Ted Humprey (Indianapolis: Hackett Publishing Company, 1983); cf. Michael W. Doyle, “Liberalism and World Politics,” in *The New Shape of World Politics: Contending Paradigms in International Relations* (New York: Foreign Affairs, 1999), pp. 39-66.

⁵⁵ Alexandre Kojève, *Introduction to the Reading of Hegel* (Ithaca & London: Cornell University Press, 1993); Tom Darby, *The Feast: Meditations on Politics and Time* (Toronto: the University Toronto Press, 1990); Barry Cooper, *Action into Nature*. (London: University of Notre Dame Press, 1991); Francis Fukuyama, *The End of History and the Last Man* (New York: The Free Press, 1992).

⁵⁶ Paul Valéry, *Reflections on the World Today*, trans. F. Scarfe (London: Thames and Hudson, 1951), pp. 21-22; Noel O’Sullivan, “Concept and Reality in Globalization Theory,” in C.P. Rao, ed., *Globalization, Privatization and Free Market Economy* (Westport, Connecticut, and London, 1998), p. 19.

dominant power of the capitalist market: “[G]lobalization began to be represented as a finality, as the logical and inevitable culmination of the powerful tendencies of the market at work.”⁵⁷ Roger Burbach, Orlando Nunez, and Boris Kagarlitsky agree that globalization is a final epoch of capitalism as well as a climax of Western civilization, but they also argue that this finality “has already begun harboring in its bowels its antithesis - the postmodern societies and economies.”⁵⁸ Becoming global, Western civilization may be blossoming and exhausting itself at the same time, since “most of the values of domination and exploitation that have been at the core of Western civilization and the rise of capitalism for past half-millennium are now under siege.”⁵⁹ However, according to Ian Clark, “[i]f globalization means anything, then it assuredly means the end of the view of international relations as a realm governed by its own, and distinct, interstate political logic.”⁶⁰ Despite the differences in these views, there appears to be one common underlying thesis, namely, that globalization is radically changing the way we used to think about politics and do politics as a result of a consummation of a historical development of capitalism.⁶¹ Similar connotations are also present in the related concept of totality. Thus, for Robertson, to understand globalization is to “come to terms with the world as a whole,” which is to say, with “the problem of *the form* in terms of which the world

⁵⁷ Robert Cox, “A Perspective on Globalization” in J. Mittelman, ed., *Globalization: Critical Reflections* (Boulder, Colo.: Lynne Rienner, 1996.), p. 23.

⁵⁸ Roger Burbach, Orlando Nunez and Boris Kagarlitsky, *Globalization and its Discontents: The Rise of Postmodern Socialisms* (London and Chicago: Pluto Press, 1997), p. 53.

⁵⁹ Roger Burbach, Orlando Nunez and Boris Kagarlitsky, *Globalization and its Discontents*, p. 39.

⁶⁰ Ian Clark, *Globalization and Fragmentation: International Relations in the Twentieth Century* (Oxford: Oxford University Press, 1997), p. 6.

⁶¹ See also, for example, Claus Offe, *Disorganized Capitalism* (Cambridge: Polity Press 1985); Scott Lash and John Urry, *The End of Organized Capitalism* (Cambridge: Polity Press, 1987).

becomes 'united'" and to enter into "the problem of 'world order' in the most general sense."⁶²

In contrast to postmodernism⁶³ which celebrates diversity and fragmentation in place of totalities and holistic approaches, the idea of the "world as a whole" is connected with "homogeneity" and "borderless" "space" that are also seen as current modes of "totalitarianizations."⁶⁴ Such universality and homogeneity are implicitly normative because they suggest an objectified absence of fundamental and meaningful alternatives, which is perhaps also the real underpinning of these notions. As Zdravko Mlinar put it: "The higher the level of globalization, the *narrower the scope for 'escape alternatives'*. In this sense

⁶² Roland Robertson, *Globalization: Social Theory and Global Culture* (London, Thousand Oaks, and New Delhi: SAGE Publications, 1992), pp. 25, 51. According to Robertson, "the point" of his discussion is "to promote a fluid perspective." [Ibid., p. 188] Cf. Mlinar: "Globalization is a process extending the determinative frameworks of social change to the world as a whole." Zdravko Mlinar, "Individuation and globalization: The Transformation of territorial social organization," Zdravko Mlinar, ed., *Globalization and Territorial Identities* (Aldershot: Avebury, 1992), p. 19.

⁶³ Postmodernism can be seen as an "ideological frame that enables globalization to be empirically tested." Piotr Dutkiewicz's personal communication.

⁶⁴ Will Hutton, "Whither Global Capitalism?," in Colin Crouch and David Marquand, eds., *Ethics and Markets* (Oxford & Cambridge, Mass.: Blackwell Publishers, 1993), 138-45; Zdravko Mlinar, "Individuation and globalization: The Transformation of territorial social organization," in Zdravko Mlinar, ed., *Globalization and Territorial Identities* (Aldershot: Avebury, 1992), pp. 20-21. Bernard Poche, "Identification as a process: territories as an organizational or a symbolic area," in Zdravko Mlinar, ed., *Globalization and Territorial Identities*, p. 139. Also Michael Hart, "What's Next: Negotiating Rules for a Global Economy," *Occasional Papers in International Trade and Policy* #36 (Ottawa: Center for Trade Policy and Law, 1996), pp. 2, 5; Colin H. Williams, "Towards and new world order: European and American perspectives," in Colin H. Williams, *The Political Geography of the New World Order* (London and New York: Belhaven Press, 1993), p. 2; Ian Clark, *Globalization and Fragmentation: International Relations in the Twentieth Century* (Oxford: Oxford University Press, 1997), p. 1; S. Brunn and T.R. Leinbach, *Collapsing Space and Time* (London: Harper Collins Academic, 1991). On globalization as "an ability to act in real time on a planetary scale" see Mammel Castells, *The Network Society*, M. Castells, *The Informational City* (Oxford: Blackwell, 1989); R.H. Ballance, *International industry and business: Structural Change, Industrial Policy and Industry Strategies* (London: Allen & Unwin, 1987); P. Dicken, *Global Shift: Industrial Change in a Turbulent World* (London: Chapman, 1988); N. Glickman & D. Woodward, *The New Competitors: How Foreign Investors Are Changing the US Economy* (New York: Basic Books, 1989); R. Gilpin, *US Power and Multinational Corporations: The Political Economy of Foreign Direct Investment* (New York: Basic Books, 1985); K. Ohmae, *The Borderless World* (London: Collins, 1990); for a critique see Kevin R. Cox, ed., *Spaces of Globalization: Reasserting the Power of the Local* (New York and London: The Guilford Press, 1997), especially ibid. Michael Storper, "Territories, Flows, and Hierarchies in the Global Economy," pp. 19-44.

globalization is a kind of *totalitariaization* of world space.”⁶⁵ In particular, globalization *qua* escape is conceived (1) as unleashing global market forces from the political constraints of the state, hence from politics,⁶⁶ and (2) as the increasing uncoupling of the elites from labor and its demands.⁶⁷ This is well documented in the increasing polarization of wealth and incomes: “In 1960, the richest 20 per cent of the globe’s population had 30 times as much income as the poorest 20 per cent: by 1989 the rich had almost doubled that ratio, to 59 times as much.”⁶⁸

In a way, globalization is thus framed and can be presented as an escape from alternatives and of alternatives into the ‘nothingness’ of the past and the ‘nothingness’ of an ever-new virtual, homogenous space. As we will see later, such an escape is based on the magic workings of abstractions, especially *ciphers*.

To this effect, globalization is presented as a totality without inner barriers and impediments. Global capital becomes “increasingly less bound by the limitations of time, space and resources” Accordingly, globalization is said to have “overcome the significance of space” and to have created “spatial compression, universalization, and homogeneity” instead.⁶⁹ The implication is that it is the real, concrete “space,” respectively, concrete

⁶⁵ Zdravko Mlinar, “Individuation and globalization,” p. 20. Mlinar’s emphases. Cf. also Michel Chossudovsky, *The Globalization of Poverty: Impacts of IMF and World Banks Reforms* (New Jersey and London: Zed Books, 1997), p. 25. Fukuyama’s argument on a lack of any other alternatives in the form of the “end-of-history” thesis can also be cited here. See further below in the text.

⁶⁶ S. Corbridge *Development Studies: A Reader* London: Edward Arnold, 1995; A. Leyshon “True Stories: Global Nightmares, Global Dreams, and Writing Globalization,” in R. Lee and J. Wills, eds. *Society, Place, Economy: States of the Art in Economic Geography* (London: Edward Arnold, 1997); Kevin R. Cox, ed., *Spaces of Globalization: Reasserting the Power of the Local* (New York and London: The Guilford Press, 1997).

⁶⁷ Eva Etzioni-Halevy, “The Relationship Between Elites and the Working Class: On Coupling, Uncoupling, Democracy and [In]Equality,” in John Higley, Jan Pakulski and Włodzimierz Wesolowski, eds., *Postcommunist Elites and Democracy in Eastern Europe* (London: Macmillan Press, 1998), pp. 251-276.

⁶⁸ Roger Burbach, Orlando Nunez and Boris Kagarlitsky, *Globalization and its Discontents: The Rise of Postmodern Socialisms* (London and Chicago: Pluto Press, 1997), p. 13.

⁶⁹ Ian Clark, *Globalization and Fragmentation*, p. 1.

spatial reality that is overcome and becomes insignificant. Let us further note the underlying idea that a borderless or homogeneous “space” is an *insignificant* “space.” In these concepts, we see the same operation which characterizes money and capital at work: that of abstraction. Here, globalization becomes an abstraction that negates, displaces, and substitutes space. What this effectively means is not a loss of “space” as such but a posited loss of the ability to discern like and unlike in general and to distinguish right from wrong in particular. For what is really at stake here is not so much “space” or “time” but man. In this way, capital’s power of abstraction is closing in on man. This line of attack is already well manifest in Hayek who argued that markets “can be neither just or unjust, because the results are not intended or foreseen, and depend on a multitude of circumstances not known in their totality to anybody.”⁷⁰ The maneuver, which follows the logic of capital, is evident: “the market” (abstraction) is abstracted from justice and injustice that are to this effect also posited as abstractions. As abstractions, they signify for “the market” nothing. Arbitrarily constructed and separated *abstractions* cover up and “sell” as legitimate in void of justice whatever *concrete* hardships and suffering “the market” chooses to inflict. Abstract justice and injustice become indeed irrelevant and insignificant. As such, “justice” and “injustice” become in fact indistinguishable; they are ‘homogenized’ nothings - abstractions.

Globalization, which is so far largely about a universalization of capitalism, can therefore also be seen as an increased and expanded domination and dependence of the *modes of abstractions* - their universalization.⁷¹ Perhaps most advanced in this regard are

⁷⁰ Quoted in Russel Keat, “The Moral Boundaries of the Market,” in Colin Crouch and David Marquand, eds., *Ethics and Markets* (Oxford & Cambridge, Mass.: Blackwell Publishers, 1993), p. 7; Friedrich Hayek, *The Constitution of Liberty* (London: Routledge and Kegan Paul, 1960).

⁷¹ On globalization as “the expansion of domination and dependence” see Zdravko Mlinar.

heavily monopolized global media whose uniform, coordinated coverage was essential in the management of the undeclared war against Yugoslavia by NATO in March-April of 1999. These media also ensured that when the Kosovo Liberation Army was essentially free to complete its own campaign of 'ethnic cleansing' of the Serbs from the NATO 'protectorate over' Kosovo, the term 'ethnic cleansing' was replaced by more "humanoidized" terms such as 'revenge,' 'rough justice,' and 'peace,' although the practices included numerous daily killings, torture, rape, kidnapping, burnt houses, plundering. By changing a name, the media also changed a virtual reality received on the screens of global audiences⁷² and, importantly, blurred the notions of "good" and "evil." In this way, abstractions from reality massively pour out of the global media, who appear to have become guardians of our consciences and our individual judgments. This is also one of the most important venues through which, as Mlinar put it, "[e]very individual *part is becoming increasingly like the whole*, while *the whole* is increasingly *manifesting all its parts*."⁷³ To become "like the whole" however means to become oneself a replaceable abstraction for others as well as oneself. Thus to be "like the whole" one would have to be in fact either nothing or, at most, a "borderless" and "homogeneous" abstraction in the image of "the whole." Hence insignificant. A whole made up of such parts would reflect merely the insignificance of these indistinguishable "parts." Under such a techno-utopia, individuals and whole nations would become assimilated by abstractions - labels, clichés, money signs, *ciphers*. The ideological dimension of globalization is therefore far from

"Individuation and globalization: The Transformation of territorial social organization," p. 20.

⁷² On globalization as a commonality of "the viewers of screens" see Tom Spybey, *Globalization and World Society* (Oxford: Blackwell Publishers, 1996), p. 5 and Chapter 5, pp. 104-119.

⁷³ On globalization as "the expansion of domination and dependence" see Zdravko Mlinar, "Individuation and globalization: The Transformation of territorial social organization," p. 22. Mlinar's emphases.

being neutral; it thrives at the expense of individual, concrete experience and thought. It is possible to propose that the ideal of such nihilating abstraction would be a total removal of the empirical dimension as such and its complete replacement by ideologically constructed abstractions. But this would be incompatible with life itself. In any case, such a triumph of globalization would evidently require rather more - a great deal more - of ideology, hence more prejudices and deceptions, than any sane healthy and sensible society could possibly bear.

An interesting part of Fukuyama's argument is that "the end of history" is *not only* "the final form of human government" but also an imperium of an *ideology* which he identifies with liberalism.⁷⁴ For Fukuyama, ideology is a large totality that encompasses as "a large unifying world view" virtually everything man can think of; it "includes religion, culture, and the complex of moral values underlying any society as well."⁷⁵ In fact, Fukuyama's "ideology" stands for man's whole "sphere of consciousness."⁷⁶ This "end point" of *one world view* means that "the total exhaustion of viable systematic alternatives" because their "pretensions were ultimately unmasked by history."⁷⁷ The implication of this thesis is obvious: beyond this *total* exhaustion mankind cannot pass under a *human* government. Under this last human government, "[t]here is no struggle or conflict over 'large' issues."⁷⁸ Perhaps because the one victorious total world view is itself is "cause and not effect" that "creates the material world in its own image."⁷⁹ There is, however, one important requirement upon which "the end of history" is premised: namely

⁷⁴ Francis Fukuyama, "The End of History?," p. 2.

⁷⁵ *Ibid.*, p. 5.

⁷⁶ *Ibid.*, p. 7.

⁷⁷ *Ibid.*, pp. 1-2, 20.

⁷⁸ *Ibid.*, p. 4.

⁷⁹ *Ibid.*, p. 6; see also p. 8.

that “all societies ... end their ideological pretensions of representing different and higher forms of human society.”⁸⁰ Thus from now on there are (not to be) any “higher ideological pretensions” than those of liberalism. Man’s aspirations are surrendered, and the way out is blocked by cynicism, apathy, or by boring entertainment coupled with entertaining boredom. Then only two basic options would seem to remain: either to stagnate or hibernate at the end of history as the Last Man or to descend under the human level of the contemporary government *back* into history. The latter option seems to be a real possibility, since Fukuyama, having *de facto* unmasked liberalism, finds underneath only a void and concludes that “the emptiness at the core of liberalism is most certainly a defect in ideology.”⁸¹ Such a central void of liberalism and the related experience of nothingness unveiled at the end of history invite free fall. And the more so since this “spiritual vacuity” is, as Fukuyama claims, could not be “remediable through politics.”⁸² And the more so still, because

[t]he end of history will be a very sad time. The struggle for recognition, the willingness to risk one’s *life for a purely abstract goal* [my italics], the worldwide ideological struggle ... will be replaced by economic calculation, the endless solving of technical problems, and the satisfaction of the sophisticated consumer demands. ... I can feel in myself, and see in others around me, a powerful nostalgia for the time when history existed. Such nostalgia, in fact, will continue to fuel competition and conflict even in the post-historical world ... I have the most ambivalent feelings for the civilization that has been created in Europe since 1945 ... Perhaps this very prospect of centuries of boredom at the end of history will serve to get history started once again.⁸³

⁸⁰ Francis Fukuyama, “The End of History?,” p. 18.

⁸¹ *Ibid.*, p. 19.

⁸² *Ibid.*, p. 19.

⁸³ *Ibid.*, p. 25.

History here amounts to a series of battles over ideological pretensions. The “sadness” Fukuyama feels at the loss of such history seems to have something to do with a perceived loss of such pretensions. It is questionable if such a loss, if we had really advanced so far, is to be regretted. However, in Fukuyama’s argument there is another implicit line, for his notion of the remaining nothingness would appear to suggest that this is the only cause left to die for - to die for *nothing*. This amounts to an admission that under its mask liberalism too is nothing but *nihilism* and as such, indeed, the “perfect” ideology, in fact, the very genus of ideology. And nihilism means the utter meaninglessness of politics, philosophy, ethics. In this regard, the issue is not so much that such nihilism is not “remediable through politics” but rather that politics cannot be redeemed by nihilism.⁸⁴ However, one could also ask: Is not the claim of dying making the greatest, most radical pretensions of all? For such nothingness abstracts from everything and from All and forgets that.

Moreover, the *exchange* of one’s life “*for a purely abstract goal*” is precisely the essence of the capitalist *mode* of consciousness which contains and conceals a nothingness in its very center which Fukuyama has revealed. I would even suggest that all other alternatives have been for the time being “exhausted” and assimilated because they have been dragged down into nihilism - into “the emptiness at the core” of capitalism - and have become pretensions, abstractions separated from concrete human concerns.⁸⁵ However, the important point, which Fukuyama carefully suggests, is that “the end of history”

⁸⁴ “More fundamentally, globalism cannot tolerate politics, the system by which people express their preferences and determine their priorities as a community.” Eric W. Kierans, *Globalism and The Nation-State* (Montreal, Toronto, New York and London: CBC Enterprises, 1984), pp. 53-54.

⁸⁵ To use Fukuyama’s expression, we can say that these alternatives “have arrived at the end-of-history view” and “the consciousness of the universal homogeneous state” “in a remarkably short time.” Old slogans may continue for a while “out of sheer cynicism.” [See Francis Fukuyama, “The End of History?,” pp. 23, 15] What determines a “speed” of a particular pretension?

promises to be a moment when the nihilistic ‘truth’ behind the *culture*, rather than behind market “economics,” shall be revealed. However this might come at a great price, as Fukuyama indicates, of losing also or being deprived of the final form of human government. This idea is well present in Fukuyama’s “post-historical” article “Women, World Politics and Chimpanzee Politics” where Fukuyama announces “the return of biology,” while apparently making a case against the concept of ideology and its effectiveness.⁸⁶ Titles of the sections are indicative: “Chimpanzee Politics,” “The Not-So-Noble Savage,” “The Return of Biology,” “The Reality of Aggressive Fantasies,” “Living Like Animals?” The article starts with giving some examples of mutual brutal killings of chimps who “like humans ... are preoccupied with achieving and maintaining dominance in status hierarchies.”⁸⁷ One of Fukuyama’s examples is taken from “the largest captive chimp colony at the Burger’s Zoo.”⁸⁸ Fukuyama seems to find that even chimps are nihilists since they practice the will to power which serves no other purpose and that they do that even in “the world’s largest captivity.” From such a ‘post-historical perspective,’ Fukuyama came to a conclusion that “nothing much has changed since early hominids.”⁸⁹

The following propositions or statements probably best express Fukuyama’s ‘post-historical’ biological paradigm and its purpose which points beyond ‘the final form of human government’:

⁸⁶ Francis Fukuyama, “Women, World Politics and Chimpanzee Politics,” in *The New Shape of World Politics*, p. 274.

⁸⁷ *Ibid.*, p. 272.

⁸⁸ *Ibid.*, p. 272.

⁸⁹ *Ibid.*, p. 283.

Once one views international relations through the lens of sex and biology, it never again looks the same.⁹⁰

“In a system of competitive states, the best regimes adopt the practices of the worst in order to survive.”⁹¹

Theories of international relations like realism that see international politics as a *remorseless struggle for power* ... are rooted in biology ... [my italics].⁹²

Fukuyama’s ‘post-historical’ “pretension” can be summarized into a proposition that “adopting the practices of the worst regime” is being predetermined by “biology.” If we accept such a thesis, world politics would “never again look the same.” This strange argument should however sound all too familiar. This century had already heard such a tune.

To see a possible connection with globalization, we need to return to Fukuyama’s article on “the end of history” in order to see how Fukuyama links together liberalism, imperialism, and fascism. Fukuyama stresses, nineteenth-century liberalism, which was not yet so much penetrated by the democratic attitudes of the twentieth century, was in reality “illiberal” insofar as such liberalism “believed in the legitimacy of imperialism, that is, the right of one nation to rule over other nations without regard for wishes of the rule.”⁹³ In this regard, Fukuyama stresses:

The expansionist and competitive behavior of nineteenth-century European states rested on no less idea a basis [than Marxism-Leninism and National Socialism]; it just so happened that the ideology driving it was *less explicit* than the doctrines of the twentieth century.⁹⁴

⁹⁰ Francis Fukuyama, “Women, World Politics and Chimpanzee Politics,” p. 279.

⁹¹ Ibid., p. 281.

⁹² Ibid., p. 274.

⁹³ Francis Fukuyama, “The End of History,” p. 20.

⁹⁴ Ibid., pp. 21-22. The emphasis is mine.

With regard to fascism, Fukuyama says:

The radical and deformed outgrowth of nineteenth-century [liberal] imperialism was German fascism, an ideology that justified Germany's right not only to rule over non-European peoples, but over *all* non-German ones [Fukuyama's emphasis].⁹⁵

It should be noted that Fukuyama's notion of fascism as a *de facto* global ideology is virtually the same as his previous definition of less "explicit" liberalism which "believed in the legitimacy of imperialism, that is, the right of one nation to rule over other nations without regard for wishes of the rule." Moreover, according to Fukuyama, "[w]hat destroyed fascism as an idea was not universal moral revulsion against it, since plenty of people were willing to endorse the idea as long as it seemed to wave the future, *but its lack of success.*"⁹⁶ Thus in an apparent contradiction to his own thesis that all other ideologies have been defeated and exhausted,⁹⁷ Fukuyama here suggests that fascism was merely unsuccessful in its one-time experiment at the empirical level and *not* as ideology.⁹⁸ It therefore seems warranted to conclude that the "exhaustion of all alternatives" to

⁹⁵ Francis Fukuyama, "The End of History," p. 22.

⁹⁶ Ibid., p. 10. My emphasis.

⁹⁷ On the collapse of communism "as the decisive historic event" see Roger Burbach, Orlando Nunez and Boris Kagarlitsky, *Globalization and its Discontents: The Rise of Postmodern Socialisms* (London and Chicago: Pluto Press, 1997), pp. 1-2; Meghnad Desai, "Globalization and Sustainable Development," Satya Dev Gupta, ed., *Globalization, Growth and Sustainability* (Boston, Dordrecht and London: Kluwer Academic Publishers, 1997), pp. 231-32. According to Desai, the collapse of Soviet communism means more precisely "the defeat of socialism at the level of a single country," which is related to and accompanied with "the demise of Keynesianism in one country." On Keynesianism, globalization, and postcommunism see further Chapter 5 here.

⁹⁸ In Fukuyama's argument on the accidental failure of fascism, there is nothing that prevents making a similar claim about communism. Fukuyama however avoids such an implication of his own claim. Extending the logic of such an argument would obviously made his thesis of 'the end of history' more problematic.

liberalism amounts to this: that all Western ideologies, when they become explicit or unmasked, are at the bottom the same: imperialism based on force, whose core is nihilism - the real, unpretentious ideology of globalization.⁹⁹ Thus what had been “defeated” was not so much alternative ideologies, which are but different species of Western ideological thinking, but perhaps only their “pretensions” to be something else than nihilism. In this regard, it is indeed plausible to argue that such unmasking has already been done *in principle*. Fukuyama might be wrong but I am concerned here with clarifying his thesis which is one amidst the “flood of articles” on globalization¹⁰⁰ and to this effect more radical than others. Yet it is precisely such radicalism that calls Fukuyama’s ideas to our attention. Moreover, Fukuyama’s perspective admittedly seems to be correct in a sense of its uncompromising consistency. Only the “problem” is that it seems to be at the same time ethically wrong. But we will return to Fukuyama again - at the end of this work.

The idea of the whole therefore implies that capitalism through its globalization is reaching its fullness and, together with it, is also bound to reveal its ‘truth’ or ‘essence’ as a global system of a particular kind. As Hegel already states, the truth is a whole and as such it can be revealed only at the end.¹⁰¹ In this connection, globalization can also be seen as “*an enlargement of modernity, from society to the world,*” as “modernity on a global scale.”¹⁰² Or in the words of Tom Spybey: “In the present context, globalization might be interpreted as the ultimate terrestrial expression of universality during the period of late

⁹⁹ “There is, however, an attempt to impose order from above through the use of economic and military violence, which is what Bush’s New World Order was all about.” [Roger Burbach, Orlando Nunez and Boris Kagarlitsky, *Globalization and its Discontents*, pp. 2-3.]

¹⁰⁰ Francis Fukuyama, “The End of History,” p. 1.

¹⁰¹ G.W.F. Hegel, *Phenomenology of Spirit*, (Oxford, New York and Toronto: Oxford University Press, 1977), Preface, paragraph 20, p. 11.

¹⁰² R. Robertson, *Globalization: Social Theory and Global Culture* (London: SAGE, 1992), pp. 141-42.

modernity.”¹⁰³ As Giddens put it, “modernity [is] coming to understand itself.”¹⁰⁴ Indeed, universalized capitalism would mean that it would be increasingly harder to uphold its myths and to keep them away from critical examination. If this is so, as indeed it seems to be the case, then one can expect that globalization as capitalism and modernity “on a global scale” is also transcribing the Western ethos in “big letters” both at the level of experience and consciousness. This might well be spelling the end of the West as we have known it.¹⁰⁵ For, as John Gaddis already indicated, globalization based on the freedom of capital is antithetical to the freedom of people: “The search for freedom, then, tends toward fragmentation in the political realm, while the search for prosperity tends toward integration in the economic realm ...”¹⁰⁶ The freedom of capital requires homogeneity, while the freedom of people is depends upon a commonly upheld ‘ethics of care’ that requires the community to make distinctions and to discriminate between right and wrong. Thus “what is really striking feature of the world today“ and what has been so far concealed

is the crucial change that has occurred in Western culture: the replacement of the traditional concern with freedom by something very different, which is a ‘narrower concept - the pursuit of self-interest. In simple terms, the West has given up its concerns for defending any international moral principles ... [as a result] the democracies are unlikely to face up to the danger ...’¹⁰⁷

¹⁰³ Tom Spybey, *Globalization and World Society* (Oxford: Blackwell Publishers, 1996), p. 6.

¹⁰⁴ A. Giddens, *Consequences of Modernity* (Cambridge: Polity Press 1990), p. 48; see also pp. 63, 174-5, 177.

¹⁰⁵ Roger Burbach, Orlando Nunez and Boris Kagarliitsky, *Globalization and its Discontents*, pp. 39-41.

¹⁰⁶ John Lewis Gaddis, “Toward the Post-Cold War World,” in John Lewis Gaddis, *The United States and the End of the Cold War* (New York: Oxford University Press, 1992), p. 201.

¹⁰⁷ This is a summary George Soros’ position as presented by Noel O’Sullivan, “Concept and Reality in Globalization Theory,” in C.P. Rao, ed., *Globalization, Privatization and Free Market Economy*, pp. 13-14.

In particular, “the amoral, ‘geopolitical’ mode of thinking” effectively dissipates the ability on the part of the democracies to discern and resist a possible resurgence and reassertion of fascism.¹⁰⁸

In this regard, Eric Kierans presents systematically developed argument. In his view, the idea behind economic globalism is that “an imperial federation” organized on the principle “an in-house transfer of resources” wherein “the colonies and dependencies have no room to pursue the balanced growth of their own economies.”¹⁰⁹ In other words, the model is the old patriarchal *household* (*oikos*) extended over the whole planet. To this effect, Kierans stresses:

If one wants to create a world economy, one does, one does it in the Soviet manner. One creates a bloc, a collection of nations and peoples ruled over and dominated by a powerful state. The center is supreme and imperial and all the rest are satellites. Then, and only then, can one speak of a collective world, a world economy in which the factors and resources of all the member nations are integrated in the pursuit of one set of goals, the goals of governing bloc. The cohesion of the bloc is effective when the goals of the satellites - balanced growth, as an example - are sacrificed to the imperial aims of the bloc itself.¹¹⁰

Such an ‘economic’ empire necessarily means the death of the nation-state and politics.¹¹¹ Kierans compares such globalism to “Mussolini’s grandiose vision of ‘the complete organic and totalitarian regulation of production with a view to the expansion of the wealth and political power of the Italian people.’”¹¹²

¹⁰⁸ Noel O’Sullivan, “Concept and Reality in Globalization Theory,” p. 14.

¹⁰⁹ Eric W. Kierans, *Globalism and The Nation-State* (Montreal, Toronto, New York and London: CBC Enterprises, 1984), p. 10.

¹¹⁰ *Ibid.*, pp. 10-11.

¹¹¹ *Ibid.*, pp. 49, 53-54.

¹¹² *Ibid.*, pp. 53-54.

It is also interesting to compare this view of globalization with Huntington's interpretation of Fukuyama's "end of history." It is noteworthy that, despite their deeper ethical disagreements, these views have much in common - insofar as they agree on the nature of the subject. Huntington points out:

More generally, Fukuyama's thesis itself reflects not the disappearance of Marxism but its pervasiveness. His image of the end of history is straight from Marx. Fukuyama speaks of the "universal homogeneous state" ... [which is] but the Marxist image of society without class conflict ... The struggles, Fukuyama says, "will be replaced by economic calculation ..." ... Engels said it even more succinctly: "The government of persons is replaced by the administration of things and the direction of the process of production. ... [Fukuyama and Marx] are basically saying the same thing and, most importantly, they are thinking the same way. Marxist ideology is alive and well in Fukuyama's arguments to refute it."¹¹³

Paradoxically enough, the term "economic totalitarianism," when recently introduced, did not refer to a 'rogue state' or a US-friendly Latin dictatorship but to the practices of the International Monetary Fund.¹¹⁴ According to Chossudovsky, the global in-house economy is constructed essentially as a system of a worldwide debt (tax) collection without representation that is thereby reinforcing - in addition to other means - what Priyatosh Maitra called a "perennial pool of cheap labor."¹¹⁵ Under this system, national governments are being effectively placed under the trusteeship exercised on one

¹¹³ Samuel Huntington, "The Errors of Endism," in *The New Shape of World Politics*, p. 37. The IMF which stands at the helm of globalization indeed behaves like a commanding authority. "In Indonesia, for example, in exchange for \$40 billion package (more than 25 percent of Indonesia's GDP), the IMF has insisted on a long list of reforms, specifying in minute detail such things as the price of gasoline and the manner of selling plywood." [Martin Fieldstein, "Refocusing the IMF *Foreign Affairs*, Volume 77, No. 2 (March/April 1998): 24.

¹¹⁴ The term was introduced by Argentinean President Carlos Andres Perez. [Michel Chossudovsky, *The Globalization of Poverty: Impacts of IMF and World Banks Reforms* (New Jersey and London: Zed Books, 1997), p. 36]

¹¹⁵ Michel Chossudovsky, *The Globalization of Poverty*, pp. 15-29; Priyatosh Maitra, *The Globalization of Capitalism in Third World Countries* (Westport, Connecticut, & London: Praeger, 1996), pp. 225-26.

hand by the IMF and finance capital and criminal mafias on the other, that are quickly becoming part of new financial and banking environment as well.¹¹⁶ Simultaneously, free flows of capital mean in practice that 'legal' and 'illegal' activities are increasingly intertwined and indistinguishable. The Central Banks are being taken out of the sovereign prerogatives of the nation-state and are becoming virtual 'consulates' of foreign capital in the state. So far this important institutional trend of globalization is most forcibly pursued outside the capitalist core (the United States, Canada, the European Union, and Japan). The governments are no longer to control money creation in the economy, this now occurs primarily "within the inner web of international banking."¹¹⁷

Of crucial importance in this regard is the developed mechanism of global public indebtedness and its global market which is "at the very heart of the economic crisis."¹¹⁸ This system of global taxation, control, discipline, and policing has been created by using the governments as politically convenient and effective transmission belts to transform and recycle private debts into public debts (so-called 'debt conversion'). This has amounted to a historically unprecedented and systematic redistribution of wealth on the global scale:

In the developing countries a vicious circle had been set in motion. The recipients of governments 'hands-out' had become the state's creditors. Public debt issued by the Treasury to fund big business had been acquired by banks and financial institutions, which were simultaneously the recipients of state subsidies. An absurd

¹¹⁶ Cowen and Shenton persuasively demonstrated that modern development has been based on the idea of 'trusteeship.' See M.P. Cowen and R. W. Shenton, *Doctrines of Development* (London and New York: Routledge, 1996).

¹¹⁷ Michel Chossudovsky, *The Globalization of Poverty*, pp. 20, 24, 58ff, 66. "Central banks are increasingly under the trusteeship of the state's creditors. In the Third World and Eastern Europe, central banks are largely regulated by the IMF on behalf of the Paris and London Clubs. In the West, central banks are to become 'independent' and 'shielded from political influence.' What this means in practice is that the national Treasury is increasingly at the mercy of private commercial creditors." [Ibid., p. 23]

¹¹⁸ Ibid., pp. 20, 44ff.

situation: the state was 'financing its own indebtedness', government 'hands-outs' were being recycled towards the purchase of bonds and treasury bills.¹¹⁹

What we are therefore witnessing is "a period in which capital is so powerful that its beneficiaries enjoy a 'grand banquet.'"¹²⁰ It is a 'feast' in which the long waves that have been informing Western history and ethos are coming together to their 'post-historical' consummation. It is also a 'feast' where a regime of consumption divides the world into the consumers and the commodities to be consumed. It is a 'grand symposium' whose real question might have not been announced yet, for it might be too terrible to ask.

1.4.1. Nihilism and the cipher

According to Arendt, for the totalitarian experiment to succeed, it is not enough to force people to think about it. The planned changes can be impressed only "by the real experience of horror."¹²¹ What is then the distinctly modern relation between the experience of the terrible or terror and thinking that keeps a totalitarian tyranny alive as an ever present possibility and project? It might be the very way we experience, think, and refer to the terrible, using language unconsciously and without examination. A language which is not questioned about what it means, what it entails, and what it exacts from us. Ready-made clichés, bon mots, abstractions, and stereotypes are applied to experiences which are extraordinary. They prepare us for new rounds of totalitarian experiments. For these projects to succeed, it is not enough that people experience the terrible. It is

¹¹⁹ Michel Chossudovsky, *The Globalization of Poverty*, p. 23; see also *ibid.*, pp. 21-27.

¹²⁰ Roger Burbach, Orlando Nunez and Boris Kagarlitsky, *Globalization and its Discontents*, pp. 1-2.

¹²¹ Arendt, *The Origins of Totalitarianism*, p. 416.

necessary that they cease to question it and to reflect upon it. To make people stop experiencing their own lives and not think about them seems like an impossible task. However it is perhaps more common than we might expect. Unthinking attitudes are cultivated, induced, rewarded, and thus internalized, that is, they become one's own and also unconscious. To accomplish such internalization and socialization, that is, artificial remaking of man and depriving him of his critical self-consciousness and judgment, the totalitarian project needs to be both hermetic and hermeneutic.

What is central in creating and achieving such often convenient and commodious, yet deadly and fatal unconsciousness and systemic lack of thinking? It is that which itself buries and encrypts: *ciphers*. A *cipher* is an *abstraction* from meaning. It is a cryptic code, a secret discourse that hides the inner information or knowledge with an apparent and false outer shell. Ciphers *as numbers* make possible moneymaking, modern economics, technology, cybernetics, and the modern administration of war and global production and distribution of commodities.

Arendt said that "making death anonymous" is "robbing death of its meaning" where no one, neither the living or dead, belongs to anyone.¹²² Making death meaningless, indifferent, or trivial is but a way of carrying out one's own suicide or "murder of the moral person in man."¹²³ Meaninglessness, trivialization, and indifference allow for a lack of judgment that produces then a lack of witnesses and evidence, rather than vice versa.¹²⁴ The lack of judgment and witness mediated by indifference then translates into what Arendt defines as "perfect reliability" of victims.¹²⁵ As a result, the terrible secures itself by

¹²² Arendt, *The Origins of Totalitarianism*, p. 424.

¹²³ *Ibid.*, p. 422.

¹²⁴ Cf. *ibid.*, pp. 422, 414.

¹²⁵ *Ibid.*, pp. 426-7, 424.

means of such ciphers and encryptions a system that “lacks the structure of consequence and responsibility.”¹²⁶ This is precisely what ciphers do when isolated from man’s judgment, conscience, and courage.

Such empty abstractions are the lingua of globalization, which also hold the whole process together. They are thus, in a way, systemic. Yet these ciphers, though obscure in themselves, are not mere “nothings.” Ciphers always point somewhere. The question then is: do these ciphers have any common denominator? Perhaps any common principle? It might turn out to be another cipher.

1.4.2. Nihilism: the unbearable lightness of the enclosure in the nothing

We need to rephrase the question and rather ask: “What is the overarching principle that negates our individual experience and thus incapacitates our resistance to the terrible and keeps tyranny alive as a project?” My proposition is that the principle and the unifying concept is *nihilism* - a whole (system) of “nothing.” However what is nihilism, “the Nothing”? Nihilism is admittedly a cipher too. In fact, nihilism is a whole envelopment of systemically intertwined and interdependent ciphers. To proceed further, it is necessary to return to some of the roots of nihilism and to some of the original formulations of the problem of “nothing.” For our purposes this means to return to Platonic political philosophy, the old adversary of Sophism and its rhetoric.

Seeking the meaningfulness of nihilism requires crossing the threshold of its indifference. Nietzsche already recognized nihilism as *adiaphora* - indifference. Nietzsche used the term “indifferent” as synonymous with “dead” and “tedious.”¹²⁷ Nihilism is first

¹²⁶ Arendt, *The Origins of Totalitarianism*, p. 418.

¹²⁷ Friedrich Nietzsche, *The Will to Power*, aphorism 435, 585; pp. 239, 317.

and foremost the indifference toward good - the indifference of the Platonic cave. As Nietzsche said:

We [the artists of nihilism] flee to where nature moves our senses ... where we have nothing to love, where we are not reminded of the moral semblances and delicacies ... We prefer that which no longer reminds us of 'good and evil.' ... Life without goodness. ... This consists in ... *indifference* to good and evil.¹²⁸

Meaningfulness belongs to *logos* (the beyond of the cave). Indifference, being antithetical to *logos*, is the empty selfsameness made of frivolity, entertainment, boredom and fatigue. This nothingness of the Platonic cave or tomb is made of "a fool and a corpse" who "turned their backs on all life."¹²⁹

To keep the inhabitants of the cave-tomb indifferent and empty requires stealing their memories so that nothing any "longer reminds them of 'good and evil,'" of the ethical life above the hermetically and hermeneutically sealed Divide:

The perfect nihilist. - The nihilist's eye idealizes in the direction of ugliness and is unfaithful to his memories: it allows them to drop, lose their leaves ... And what he does not do for himself, he also does not do for the whole past of mankind: he lets it drop.¹³⁰

The "first perfect nihilist of Europe," Friedrich Nietzsche, informs us that "[f]or some time now, our whole European culture has been moving toward a catastrophe" - toward "*the advent of [radical, consummate] nihilism,*" and that this is "the ultimate

¹²⁸ Nietzsche, *The Will to Power*, aphorism 850, p. 448.

¹²⁹ Hegel, *Phenomenology of Spirit*, "Preface" 11, pp. 6-7; Nietzsche, *Thus Spoke Zarathustra*, I, "Prologue" 7, p. 133; *Thus Spoke Zarathustra*, II "The Soothsayer," pp. 245-49.

¹³⁰ Nietzsche, *The Will to Power*, aphorism 21, p. 17. Here, the genesis of the nihilistic Genesis is laid bare naked - for a moment.

logical conclusion of our great values and ideals.”¹³¹ The elimination of the good by the elimination of its meaningfulness is “the ultimate logical conclusion” and “freedom” where “evil appears full of meaning.”¹³² As such, nihilism is “arbitrary experimentation” and “a superabundance of bungled experiments” with evil.¹³³ It is “the art of making others experience their progress in evil as something higher.”¹³⁴ Practical nihilism is the realization of suicide and its encouragement “with scientific [technological] conscientiousness.”¹³⁵

A certain form of technological mindlessness encrypts and translates theoretical nihilism as deliberate murder or willed death into unconscious suicide or practical nihilism. The essence of such “technology” is the will to power. Such conversion is, as Strauss put it, “only the inversion of the sacrificing of God to stupidity, to the Nothing.”¹³⁶ Such

¹³¹ Friedrich Nietzsche, *The Will to Power*, “Preface” 3, 2, 4, pp. 3–4; aphorism 3, p. 9.

¹³² Ibid., aphorism 4, Preface; pp. 10, 4. Cf. Barry Cooper’s elucidation of the connection between nihilism, technology, and man’s alienation from the good: “That potential [of nihilism] is actualized when reason is detached from its natural affiliation with the good. ... If the connection between reasonableness and goodness has been lost or forgotten, then limits to our activities are merely so-called limits, limits we set arbitrarily and that we can easily deny. The dissolution of reason and the good ... is a summary description of nihilism. The actualization of [such] potentiality undirected by anything other than will ... is the most prominent feature. ... [technology] can be directed by nothing.” Barry Cooper, “Nihilism and Technology,” in Tom Darby, Bela Egyed, and Ben Jones, eds. *Nietzsche and the Rhetoric of Nihilism* (Ottawa: Carleton University Press, Ottawa, 1989), p. 167. I argue that the detachment of man and his reason from man’s “affiliation with the good” produces nihilistic *ciphers* - arbitrary abstractions. Moreover, a situation where “the connection between reasonableness and goodness has been lost or forgotten, [and where] limits to our activities are merely so-called limits,” is precisely what defines the condition and the forgotten premise of postmodernism.

¹³³ Friedrich Nietzsche, *The Will to Power*, aphorism 58, p. 40. The word “experiment” also appears as a crucial term in Arendt’s account of “totalitarianism” and her concept of imperialism as “the first stage” of capitalism. [Cf., for example, Hannah Arendt, *The Origins of Totalitarianism*, p. 378] “Nothing then remains but ghastly marionettes with human faces, which all behave like the dog in Pavlov’s experiment, which all react with perfect reliability even when going to their own death ... [this system] is incomparably the best for keeping a whole people in slavery. ... Nothing is more terrible than these processions of human beings going like dummies to their death.” [Ibid., pp. 426–427] “[This experiment] requires global control in order to show conclusive results.” [Ibid., p. 433]

¹³⁴ Friedrich Nietzsche, *The Will to Power*, aphorism 123, pp. 75–76.

¹³⁵ Ibid., aphorism 247, p. 143.

¹³⁶ Cf. Leo Strauss, *Studies in Political Philosophy*, p. 181. In Strauss’ words, “the stupidity or the Nothing to which God is being sacrificed ... is the will to power.” [Ibid., p. 181]

nihilistic technology and corresponding technological conscientiousness epitomize the “death of God” and the “divinization of the Nothing,” the concomitant inversion of theoretical nihilism into practical nihilism of modernity.¹³⁷

To sum up, the pivot of practical nihilism is “the nothing.” In Strauss’ words: “The adoration of Nothing proves to be indispensable transition from every kind of world-denial to the most unbounded Yes ...”¹³⁸ The whole magic of such inversion depends on the “adoration” or “divinizing” of “the nothing” - stupidity of technological (un)consciousness. Since stupidity is a lack of proper (self)reflection, “the nothing” needs to be understood as a code word for lack of (self)reflection and thought. In other words, the magic of practical nihilism depends on the trust in stupidity - “the nothing.” In as much as such stupidity is “divinized,” the essential form of recollection - philosophy, thinking, conscience, ethics - are cheapened, devalued, and fragmented. The “divinized nothing” or stupidity means that “the nothing” is posited as the highest; and the highest is what by definition cannot be overcome or surpassed. The “divinized” and highest is also what is not questioned. In this case, it means not only unquestioned stupidity, but also stupidity enforced in place of God - the highest. Conversely, this also unequivocally means that “the nothing” can be broken and transcend by recollection and thinking (*logos*).

1.4.3. The divinized nothingness of nihilism and its catch

This journey into the meaning of nihilism has revealed that the *effective essence* of nihilism is “The Nothing.” This effective essence or “the nothing” is realized and

¹³⁷ Strauss said that only “after a long preparation,” it was possible to “divinize the Nothing.” Leo Strauss, *Studies in Political Philosophy*, p. 181.

¹³⁸ Cf. *ibid.*, p. 180.

manifested through the technology of nihilism (viz. the Hobbesian *mimesis* described later in this chapter), which should not be confused with *techne and logos* (viz. Chapter 6).

Heidegger explained the relation between “the nothing” and technology to which he referred as “science” or “scientific existence” as follows:

... scientific existence is possible only if in advance it holds itself out into the nothing. It understands itself for what it is only when it does not give up the nothing. The presumed soberness of mind and superiority of science becomes laughable when it does not take the nothing seriously. Only because the nothing is manifest can science make beings themselves objects of investigation.¹³⁹

We have actually only the name of the concept. The question ‘what is nihilism’ leads us across “the nothing” that however “goes to the very root of matter.”¹⁴⁰ So “we shall try to ask about the nothing. What is the nothing?”¹⁴¹ “Nothing” is an opposite to a “thing.” What is or was that “thing” negated by “nothing”? The Anglo-Saxon “thing” was the word for deliberative assembly, hence public or political gathering and recollection. The term “thing” was then applied to matters discussed by a deliberative assembly. Hence, a “thing” was both the active public gathering together, political *thinking*, and the result of such public gathering, recollection, remembering, thinking, and political conscience. Only later was the connection between a “thing” and deliberation and assembly lost and forgotten. Separated from the idea of common deliberation and discussion, the word “thing” came to signify any matter or object and thus obtained its current, abstract and indiscriminate meaning.¹⁴² The essence of a “thing” is then more than an “objective” or

¹³⁹ Martin Heidegger, “What is Metaphysics?,” in Martin Heidegger, *Basic Writings*, p. 109]

¹⁴⁰ Plato, *Sophist*, 238a.

¹⁴¹ Martin Heidegger, “What is Metaphysics?,” in Martin Heidegger, *Basic Writings*, p. 96. “If science is right, then only one thing is sure: science wishes to know nothing of the nothing.” [Ibid., p. 96]

¹⁴² See Joseph T. Shipley, *Dictionary of Word Origins*, p. 356. In Slavic languages, the same origin of

dead “stuff.” Treating a “thing” as “stuff” is a result of forgetting which conforms to the mores of the nihilistic indifference. A “thing” as such is an offspring of gathered thinking, common thought and care. It is the thought itself. Moreover, it is both a thought and thinking in which the whole assembly, the whole *polity* can share. Through such common gathering of things-thinking-thoughts, the assembly or polity establishes its political universe, its “wealth,” and “property,” i.e., what is proper and what is not. For “things” and “thinking” to exist, there has to be something in common - some common point of reference, i.e., a shared space, shared memory. Without such shared memory, even the “thinghood” of “things” is forgotten, and so is common deliberative thinking.

“Nothing” is therefore not merely nothing. It is: no open deliberation, no assembly, no thinking, no polity, no politics. The “nothing” as the opposite of deliberative assembly is thus “privacy” or deprivation *par excellence*. Things are be destroyed, expropriated, alienated, dissembled, dismembered, silenced as “nothings.” Such “nothings” is what scatters thoughts, communities, their political life and ethics. Hence, the choice of Dionysus as the God of nihilism is justified - not the least because he is a supreme symbol of tearing things asunder, of dismemberment but also because he is the god of decomposed things and thoughts.

Let us however move beyond “stupidity” and “the nothing.” The essence of the magic of “the nothing” lies in the fact that “the nothing” is rather something with a catch,

“thingness” seems to be preserved. The Czech *vec* (“thing”) appears to be related to the Serb *vece* (“assembly”) that is used in this sense still today. Moreover, *vec* (thing) also gave the German *Wichte* (“being”) from where the German word for “nothing” was then derived - *nichts*. Moreover, the Slavic *vec* had still earlier probably a form of *vekr*, its variant is *(v)oik-ti-s*. The same root is then present in the Czech *ves* (“community,” “village”), *vsechen* (“all,” “everything”) as well as in the word “economy.” [See Josef Holub and Stanislav Lyr, *Stručný etymologický slovník jazyka českého se zvláštním zretelem k slovu kulturním a cizím* (Prague: SNPS, 1978), pp. 463, 465, 61] This reveals an interesting etymological connection between the notions of “thing,” “nothing” and “economy.” Unconsciously, we, moderns, have been moving along the same track.

a hook, a trap. To catch means to reveal or produce some comparative deficiency, error, weakness, or blindness on the part of the hunted who becomes the "catch." One important way of such manhunt is to grasp or "enclose" man from within, from within its mind - for example, by means of arbitrary abstractions that keep man away from the crucial questions about order, justice, himself.¹⁴³

Accordingly, the point is to *represent* the presence of a catch itself, i.e., a trap, a trick, a magic, a pure absence, an absolute abstraction - as "the nothing."¹⁴⁴ Real nothing would have to be perfect nonexistence. It would have to be absolutely separated and isolated from any being whatsoever, including this very sentence.¹⁴⁵ As Socrates put it: "This isolation of everything from everything else means a complete abolition of all discourse, for any discourse we can have owes its existence to the weaving together of forms."¹⁴⁶ All our "nothings" have always some context, point of reference, anchor, history, idea - some "catch."¹⁴⁷ Often then, "nothing" is but a sophist(icated) sign and excuse for putting men and their questions off.¹⁴⁸

As far as we, humans, are concerned, "the nothing" cannot be but connected to ourselves. And as far as our "nothings" are related to us, and it cannot be otherwise, it is a man himself who is ultimately - when all is said and done - the *catch of "the nothing."*

¹⁴³ Cf. *Sophist*, 219e-221a, 221d-222b, 235b-c; cf. also Heidegger's concept of technology as man's enframing, Martin Heidegger, "The Question Concerning Technology," in Martin Heidegger, *The Question Concerning Technology and Other Essays* (New York: Harper Torchbooks, 1977), pp. 3-35; on the closing of the mind cf. Allan Bloom, *The Closing of the American Mind* (New York: Simon and Schuster, 1987).

¹⁴⁴ Silver Raven Wolf, *To Ride a Silver Broomstick: New Generation Witchcraft* (St. Paul, Minnesota, 1997), p. xv. Curiously enough, the word "to catch" is also intensively interwoven throughout Plato's dialogue on the Sophism of "nothing," the *Sophist*.

¹⁴⁵ Cf. Plato, *Sophist*, 237d, 263c.

¹⁴⁶ *Sophist*, 260a.

¹⁴⁷ Cf., for example, *Sophist*, 216c, 226c, 257b, 258b, 263b.

¹⁴⁸ See *Sophist*, 217b.

“Nothing” is therefore “a very slippery sort of thing.”¹⁴⁹ The phantomology or Sophism of “the nothing” is captured together with the “secret of its magical power” in the purifying, work of initiation of the Stranger in Plato’s *Sophist*:

The truth is my friend, that we are faced with an extremely difficult question. This ‘appearing’ or ‘seeming’ without really ‘being,’ and the saying of something which is yet not true - all these expressions have always been and still are deeply involved in perplexity. It is extremely hard, Theaetetus, to find correct terms in which one may say or think that falsehoods have a real existence, without being caught in a contradiction by the mere utterance of such words.¹⁵⁰

The reason of such “deep perplexity” is that the sophism of “the nothing” “leaves ourselves out of account [*logos*].”¹⁵¹ In the sophistry of “the nothing,” nihilism and its “extreme cunning,” to use Plato’s words, “has found an impenetrable lurking place” - its home and cave.¹⁵²

1.4.4. The Dionysian ‘nothing’ of death and Socrates’ apology of thinking

Plato’s *Apology of Socrates* is a review and summary of Socrates’ lifelong philosophical fight with the human “nothing” that at the age of seventy brought him before the court of Athens. Here Socrates gives another key to the question concerning “the nothing.” He opens his final defense by stressing the fact that his dispute is not new, it is rather quite old. The old accusers and enemies of philosophical conscience are more original than the new ones; they are also the most dangerous. Aristophanes, the comic poet, is one of them, and he and the other old accusers charged Socrates with crimes

¹⁴⁹ See *Sophist*, 231a, cf. *ibid.* 231c; cf. *Republic*, 515d-516a.

¹⁵⁰ *Sophist*, 236e-237a; cf. also *ibid.*, p. 233a.

¹⁵¹ See *Sophist*, 239c.

¹⁵² See *Sophist*, 239c.

consisting of daring to investigate “all things [gathering] under the earth” and “teaching others to do the same thing.”¹⁵³ Socrates was meddling with the very foundation of the existing order. Here the crucial point is the investigation (tragic search) of the things under the earth. What does it mean?

First, the realm of things “under the earth” was the world of Hades, the underworld, cave of shadows, empire of Death. “Things under the earth” can also refer to a sanctuary of the Dionysian Mysteries where sacred secrets were divulged to the initiates. Usually, this took place at night in a cave where, during the ritual, the initiate symbolically died to his or her previous self. He or she became incorporated into the “secret,” joining the ranks of the “dead” and “initiated.” The outsider turned into the insider and became a “member” of the community (body) of the Dionysian believers. An accusation leveled against Socrates was that he “did not believe in the gods in whom the city believed.”¹⁵⁴ In fact, Socrates had refused initiation into the Dionysian mysteries, thus, singling himself out of the others. This would suggest that Socrates was accused of questioning and undermining the rationality and legitimacy of the existing political order that was anchored in the Dionysian myth and its superstructure represented by poetry, rhetoric, and Sophism. In other words, Socrates was correctly accused of philosophical questioning and examining the (ir)rationality and falsity of the “Platonic” cave or temple. The irony of this charge was that due to its “secret” nature, the public prosecution of Socrates also had to be carried out in an oblique, roundabout way. However, a careful reading and comparison of Plato’s and Xenophon’s Socratic *Banquets*, especially their endings, lend support to

¹⁵³ Plato, *Apology of Socrates*, in Plato and Aristophanes, *Four Texts on Socrates*, translated by Thomas G. West and Grace Starry West (Ithaca and London: Cornell University Press), 17a-19c, including p. 66, note 13.

¹⁵⁴ *Apology*, 24b-c; see also *ibid.*, p. 73, note 38.

such a thesis. In Plato's *Symposium*, Socrates emerges uncompromised and sober from the feast of Dionysian drunkenness, while others have succumbed and fallen asleep. He leaves the sleepers behind and goes out to attend to his usual business of teaching philosophy to those who can listen.

In Xenophon's *Symposium*, the discussion revolves again around the Dionysian theme only to end in the wondrous transformation (inversion) of the play by two slaves - Dionysus, the god of excess and madness, and Ariadne, his seduced victim - into a genuine, earnest love full of true modesty and affection. Seeing this, the guests leave the feast apparently early to search for the fulfillment of their desires elsewhere. "So broke up the banquet held that evening."¹⁵⁵ The night of "Dionysian" amoral pleasure and suffering was aborted and became superfluous.

To advance further, we need to turn back and recover another clue as well as confirmation from Heraclitus (540?-480? BC), 'the obscure philosopher.' Heraclitus' "impiety" toward unphilosophical stupidity was quite plain. Heraclitus as a philosopher was especially "impious" in respect to Dionysus and his mysteries :

They vainly purify themselves with blood when defiled with it, as if a man who had stepped into mud were to wash it off with mud. He would be thought mad if anyone noticed him acting thus.¹⁵⁶

If it were not for Dionysus that they hold processions and sing hymns to the shameful parts [phalli], it would be a most shameless act.¹⁵⁷

¹⁵⁵ This is also the last sentence of Xenophon's *Symposium*. See Xenophon, *Symposium*, in Xenophon, *Memorabilia, Oeconomicus, Symposium, Apology* (Cambridge, Massachusetts, and London: Harvard University Press), p. 635.

¹⁵⁶ Heraclitus, Fragment 5, R.D. McKirahan, *Philosophy Before Socrates*, p. 125.

¹⁵⁷ Heraclitus, Fragment 15, R.D. McKirahan, *Philosophy Before Socrates*, p. 125. See also Heraclitus, Fragment 14, R.D. McKirahan, *Philosophy Before Socrates*, p. 126. T.M. Robinson took great pains trying to explain away all these "troublesome" charges against the Dionysian cult(ure).

Heraclitus gives out the secret identity of Dionysus himself. He is no one else but the God of Death: "but Hades and Dionysus are the same, in whose honor they go mad and celebrate the Bacchic rites."¹⁵⁸ This means that Dionysus, exoterically presented as the god of orgiastic life and comedy, is in truth one and the same with death, his apparent opposite. One cannot have one without the other. The same is implied by Socrates in *Gorgias*, 492e-493a:

But who knows whether being alive is being dead
And being dead is being alive? [Euripides]
Perhaps in reality we're dead. Once I even heard one of the wise men say that we are now dead and that our bodies are our tombs ... Now this man, Callicles, quite to the contrary of your view, shows that of the people in Hades - meaning the unseen [*aides*] - these, the [in reality] uninitiated ones, would be the most miserable. They would carry water into the leaking jar using another leaky thing, a sieve. That's why by the sieve he means the soul ...¹⁵⁹

Socrates here takes on nothing less than the Dionysian mysteries. Socrates moreover speaks of death and the sham mysteries quite clearly in terms of the "Platonic" cave. "Leaky things" are sorts of "nothings" - they are unable to gather and hold together, they are not true "things." Needless to say, this has also a bearing upon the esoteric meaning of the modern Dionysus. One cannot have one without the other.

¹⁵⁸ Heraclitus, Fragment 15, R.D. McKirahan, *Philosophy Before Socrates*, p. 126. And what is Fascism but the cult of Death? The sign of the dead skulls that kept the heads of the SS under its cap clearly testify to this. Jung painstakingly tried to draw attention to this in his *Psychology of Nazism*. [See C.G. Jung, *Essays on Contemporary Events: The Psychology of Fascism*, translated by R.F.C. Hull (Princeton: Princeton University Press, 1989), pp. 11-16, 18-20, 68-70] Fascism is a Dionysian movement. In this regard, Jung also pointed out that Dionysus (also Wotan) is actually "the lord of the dead." [Ibid., pp. 19, 12] "[Dionysus-Wotan] simply disappeared when the times turned against him, and remained invisible for more than a thousand years, working anonymously and indirectly [p. 20]." On Fascism as the culture of death see also Karl Wolfgang Deutsch, *Nationalism and Social Communication* (Cambridge & Massachusetts: The M.I.T. Press, 1966), pp. 175-184.

¹⁵⁹ Plato, *Gorgias*, translated by . Zeyl (Indianapolis and Cambridge: Hackett Publishing Company, 1987), pp. 65-66; cf. also *Gorgias*, 521d-522c.

To gain a full view of the charge raised against philosophy, defended in our court of conscience by Socrates, we also need to understand how “the nothing” and God of Death are related. What connects them is the Platonic cave.

The Divided Line and the Cave:

	The idea of the good/justice itself [Eternal Presence]		
ETHICAL GOOD Intelligible Being	Intelligence (<i>nous</i>)	Dialectic (<i>dialegen</i>)	Knowledge (<i>episteme</i>)
	Thought (<i>dianoia</i>)	Calculation (<i>logismos</i>)	Arts (<i>techne</i>)
GREAT DIVIDE (GATE) ⇔			
CAVE: HADES: Visible, Sensual Becoming	Trust (<i>pistis</i>) [Faith]	Objects, Things, Artifacts	Opinion (<i>doxa</i>)
	Imagination (<i>eikasia</i>)	Images, Shadows Appearances, Phantoms Representations	Imitation (<i>mimesis</i>) [Unconscious]

The Great Divide marks the place where the human philosophical ascent begins. Below the divided line is the underworld or underwater “cave.” It is an enclosure made up of “silly nothings” that conceal a source of certain power over men:¹⁶⁰ “The Sophist takes refuge in the darkness [cave] of not-being [nothing], where he is at home and has the knack of feeling his way, and it is the darkness of the place that makes him so hard to perceive.”¹⁶¹ We need to “strip” the emperor of the phenomenological clothes - screens of the “silly nothing” together with its “catch” - to find what a kind of thing, gathering or banquet, is under “the nothing.”¹⁶²

¹⁶⁰ Plato, *Republic*, 515d.

¹⁶¹ *Sophist*, 254a. The word “knack” (*empeiria*) should be noted here as well as further on, for has an important bearing on the concept of technology. See further Chapter 4.

¹⁶² On such “stripping,” screens, death, and nakedness see *Gorgias*, 523d-525a.

For this “catch” let us return back to the *Apology of Socrates*. In the very first lines, Socrates mentions “nothing” in relation to men of Athens “being affected” by his accusers’ saying “nothing true.” This untrue “nothing” appeared so *effective* that for his “part, even [Socrates] nearly forgot [himself] because of them, so persuasively did they speak.”¹⁶³ “Nothing” is further rendered here as “little or nothing true.”¹⁶⁴ Socrates points out, that “the nothing” can be effective; it works as a weapon of the art of persuasion. It persuades because one forgets to question.

One of the most dangerous catches of the “nothings” - the terrible - is separating the philosophical ‘investigations of the things under the earth and the heavenly things’ from “believing in gods,” that in Socrates’ case would be his *daimonion* or conscience with “God within.”¹⁶⁵ Socrates also indicates that to fear death in the form of Hades-Dionysus and to take this for the knowledge of death means to know nothing. It also means to know nothing of death itself.¹⁶⁶ According to Socrates, such “human wisdom is worth little or nothing.”¹⁶⁷ Socrates can here also (heretically) intimate that the Dionysian mysteries are nothing but a product of certain *human* contrivance. The cult of Dionysus is man’s creation. However, the politicians, rhetoricians, soothsayers, sophists etc. - the ancient “nihilists” - do not know the truth of their divinized “Nothing”; they do not understand the true terribleness of this “Nothing.” They know nothing of the Nothing.¹⁶⁸ Since Socrates has courage to see through this form of blind knowledge and

¹⁶³ *Apology*, 17a.

¹⁶⁴ *Apology*, 17b.

¹⁶⁵ *Apology*, 18c, 24c, 29a, 31c-d; cf. *Ion*, 534c.

¹⁶⁶ *Apology*, 29a-b. Socrates is suggesting that the Dionysian cult (“the things in Hades”) does not possess true knowledge of the real nature of death. He knows at least as much, while others stop at this false Dionysian “nothing.”

¹⁶⁷ *Apology*, 23a.

¹⁶⁸ *Apology*, 22c, 23a-d.

knows that it is “the nothing,” he knows what “the nothing” is - he thus knows “nothing.”¹⁶⁹ But he knows something too. He “knows that it is bad and shameful to do injustice and to disobey one’s better, whether god or human being.”¹⁷⁰ Knowing such “nothing” however is not yet true wisdom.¹⁷¹ Knowing nihilism is therefore no wisdom. True wisdom is gathered elsewhere - through its love or philosophical pursuit. Here also opens the way toward transcending “the nothing” of man and his nihilism.

Socrates says:

But I suspect it is not hard, men, to escape death, but it is much harder to escape villainy. For it runs faster than death. And now I, since I am slow and old, am caught by the slower, while my accusers, since they are clever and sharp, are caught by the faster, by evil. And now I go away, condemned by you to pay the penalty of death, while they have been convicted by the truth of wretchedness and injustice. And I abide by my penalty, and so do they. Perhaps these things even had to be so, and I suppose there is due measure in them.¹⁷²

Without examining, that is, questioning both oneself and others - the truth of “the nothings” - “life is not worth living for a human being.”¹⁷³ Unquestioned and uninvestigated, hence trusted and obeyed “nothing” makes us worthless. Conversely, it is by questioning nihilism that we can make our lives more worthwhile. Questioning usually requires moving and changing the position from which we see and observe. Reflecting on the subject from different angles is also an indispensable way for testing any opinion and hypothesis. In this regard, it is not coincidental that the prisoners in the Platonic underground cave dwelling are chained “from their childhood with their legs and necks in

¹⁶⁹ *Apology*, 21d, 22c, 23a, 23c-d, 39a, 40c.

¹⁷⁰ *Apology*, 29b.

¹⁷¹ *Apology*, 20d-e, 21a-b, 21d.

¹⁷² *Apology*, 39a-b.

¹⁷³ *Apology*, 38a; cf. *ibid.* 38e, 41b, 41e; *Gorgias*, 527e.

bonds so that they are fixed, seeing only in front of them, unable because of the bond to turn their heads all the way around.”¹⁷⁴ In order to catch “the nothing,” we need to move now to a different ground so that we might discover some gap.¹⁷⁵ Without moving and thus experiencing a full view of the projected “nothings,” one is unable to think for oneself - to find a paradox, the “beyond-opinion.” Changing points of view and then recollecting them all together is a way of testing the validity of our previous experience and discovering what fits and what does not. Such turning opens a “gap” or contradiction for us to discover. And to discover a gap means to uncover “the nothing” - what we have not been able to see and realize before.¹⁷⁶

1.5. Machiavelli’s new method of political innovation: the new “nothing”

The method of *ciphers* appears in Machiavelli’s metaphor of *dentation*. Dentation was used in architecture, especially for building dented walls of citadels. Dented walls deliberately *leave out* some space so that the defenders protected and concealed by the “dents” can at the same take an aim at the attackers outside the walls. Harvey Mansfield explains: “A dentation is a toothed wall left on the side of a building so that another building may be attached to it ... [so that] a row of houses [empire’s extension] [is]

¹⁷⁴ *The Republic*, 514a-b.

¹⁷⁵ Franz Kafka, describing the project of “The Tower of Babel” *alias* “The Chinese Wall,” emphasized the presence of the “gaps” in the magical circle of modernity and its nihilism: “In fact it is said that there are gaps which have never been filled in at all, an assertion, however, that is probably merely one of the many legends to which the building of the wall gave rise, and which cannot be verified, at least by any single man with his own eyes and judgment, on account of the extent of the structure.” Franz Kafka, “The Great Wall of China,” in Franz Kafka, *The Complete Stories* (New York: Schocken Books, 1971), p. 235.

¹⁷⁶ On the psychology of distorted perception that is a result of a bounded or one-sided perspective and that can be rectified by testing its validity by moving in space see George Berkeley, *An Essay Towards a New Theory of Vision* (E.P. Dutton & Co., 1910); Irvin Rock, *The Nature of Perceptual Adaptation* (Basic Books, Inc., Publishers, 1966); Charles S. Harris, “Perceptual Adaptation to Inverted, Reversed, and Displaced Vision,” in *Psychological Review*, Vol. 72, No. 6, November, 1965: 419-444. In fact, this is also the psychology of the Platonic cave.

continually added to but never finished and, as it were, not begun from the beginning.”¹⁷⁷

Dentation also pertains to towers that were encompassing old cities. In clock-making, dentation, on the other hand, stands as a method of translating a concealed, inner, standardized, mechanical movement into an external, homogenous, standardized, measurable, social time. In Machiavelli’s *Prince*, a treatise on founding a modern state and tyranny dedicated to the Medici and completed by 1517, dentation is introduced in conjunction with an introduction of the word *mode* as a new political term that since then accompanies in various forms modernity and its political economy.

In this regard, to Machiavelli belongs the primacy of introducing the dialectics of measured and controlled concealment and unconcealment presented both in dented walls and clocks as the *new* or *modern* method (*lo modo* - “mode”) of politics and its manipulation - the *mode* (method) of *innovation*. In brief, Machiavelli thus *de facto* introduced the key idea of political technology. The essence of the new method is revealed in last three lines of Chapter II: “In the antiquity and continuity of the dominion the memories and causes of innovations are extinguished; for one change always leaves a dentation for the building of another.”¹⁷⁸

The continuity of *dominion* (originally the *rule* of one person over others in his *private household*) is ensured by forgetting the illegitimate causes of such dominion. This is ensured by constant innovation. The *mode of innovation* as a key method operates on the principle of *dentation* which, by impressing apparent *newness* on public imagination, leaves the memory blank and thus preempts thinking and rational questioning since

¹⁷⁷ Nicolo Machiavelli, *The Prince*, translated by Harvey C. Mansfield, Jr. (Chicago and London: The University of Chicago Press, 1985), p. 7, note 7.

¹⁷⁸ Ibid., p. 7.

thinking loses its experiential and material basis and the ability to compare and relate. The nothingness of memory and thinking produced by innovation then opens space - in a void memory and void thinking - for new impressive innovation by which dominion over men is being extended along the model of a private *dominium* (economy; household). Innovation by *impressing* its “dents” of newness and news onto memory and thinking through imagination creates cognitive “gaps” and thus dismembers and disassembles peoples’ common experience, hence politics, while controlling and commanding dismembered and dissembled experience in such a *state* of dominion.

The essence of dentation is connected with concealment, technology, measurement, and numbers. In particular, dentation, i.e., dented wheel, is also the very heart of mechanical clock that makes possible the division of time into countable beats (ciphers). For a mechanical clock measures time as *punctuality* or ciphers (it points time). A clock is based upon the principle of discontinuous continuity whose purpose is to create an artificial steadiness, standardization, repetition of the same, and homogeneity. This continuous homogeneity of artificial time is based upon quantification, hence upon numbering or *ciphering*. This requires breaking movement into discrete units - the smallest possible, ideally approaching the idea of the point itself.¹⁷⁹ The solution was found in a dented (gapped) wheel that steers the mechanism by both blocking (concealing) and releasing (unveiling) energy. Such blockage and release also correspond to conservation and rationing, that is, the punctual *dividing* and counting of the energy of the *prime mover* - a little Saturnine god. The closer punctuality (time broken into isolated points) is imitated, the higher the accuracy of measuring time as punctuality - a certain tautology is

¹⁷⁹ This pointing time *down* has reached the realm of picoseconds (0,00000000001 second) - almost “nothing.”

here readily apparent. With cybernetics, this method of steering evolved into the *digital* principle.¹⁸⁰ Digital is of course another name for cipher. In this regard, the digital form of programming (by means of the dualism of “zeroes” and “ones”) is a late modern sublimation of the old stop-go mechanism of a mechanical clock.

Bondanella and Musa in their translation of *The Prince* decided to leave “dentation” out and chose instead to translate the sentence as follows: “And in the course and continuity of his rule, memories and the causes for innovations die out, because one change leaves space for the construction of another.”¹⁸¹ Bondanella and Musa thus left out the cipher, but gave its correct decipherment instead. “Dentation” is “the nothing,” emptiness, opening, and gap, as well as *change* that leaves space for another “nothing,” opening, and *change*.

Machiavelli’s citadel of modern tyranny:

THE GOOD ILLUSORY UTOPIAS (Freedom)	PHILOSOPHY LOGOS
Expanding Dentation of the Sublunary “Reality” ⇔ ++++++	
= the State	
“WHAT REALLY IS”: DOMINION, STATE, EMPIRE	MODE OF INNOVATION - CONSTANT CHANGE BUILT ON OPINIONS, IMAGINATION AND TRUST DOCTRINE OF APPEARANCES POLITICAL TECHNOLOGY POWER AND SAFETY OF THE PRINCE (TYRANT)

¹⁸⁰ See David S. Landes, *Revolution in Time: Clocks and the Making of the Modern World* (New York: Barnes & Nobles, 1998), pp. 8-11.

¹⁸¹ *The Portable Machiavelli*, p. 80.

Discovering the method of innovation based on newness antithetical to *unforgetfulness* and *truth (aletheia)*, Machiavelli effectively tried to address the problem of how to *add* to the tyrannical rule *new* states that had been hitherto “disparate in language, customs, and orders” from the prince’s tyrannical “empire held over men.”¹⁸²

In Chapter I, Machiavelli says: “The new [dominions] are either altogether new ... or they are like members added to the hereditary state ...”¹⁸³ In order to add new members, the old body (whole) needs to be dismembered or disassembled so that there are some “members” that can be added in the first place. Such adding new members (imperial expansion) is a form of pseudo-remembering. In other words, we are here dealing with the question of modernity as a new composition of memory and the mind that presupposes decomposition of the previous remembering.

Later, at the beginning of Chapter III, Machiavelli says: “But the difficulties reside in the new principalities. First, if it is not altogether new but like an added member (so that taken as a whole it can be called almost mixed), its instability arises in the first place from a natural difficulty that exists in all new principalities.”¹⁸⁴ Peter Bondanella and Mark Musa translate the notion of adding that “taken as a whole can be called almost mixed” in a way that makes the mechanism somewhat more explicit by substituting “two parts” for the “whole”: “the two parts [the new and old] together may be called mixed.”¹⁸⁵ Here, the concept of “mixing” the two so that they appear as one “whole” is to be noted. The new “remembering,” being mixed with the old ones into a seeming oneness gains something of

¹⁸² Nicolo Machiavelli, *The Prince*, pp. 5, 9; cf. also Chapter VI on Moses and Hiero, *ibid.*, pp. 21-25.

¹⁸³ *Ibid.*, p. 5.

¹⁸⁴ *Ibid.*, pp. 7-8.

¹⁸⁵ Nicolo Machiavelli, *The Prince*, in *The Portable Machiavelli*, translated by Peter Bondanella and Mark Musa (New York: Penguin Books, 1979), p. 80.

the appearance of the old one and vice versa. Nevertheless, such adding and recomposing is a form of doubling or duplicity.

However, Machiavelli also brought back to our attention the weak spot of this technology of concealment. It is memory - the anchor for freedom. Machiavelli himself pointed out the essential connection between memory and freedom: "But in republics there is greater life ... the memory of their ancient liberty does not and cannot let them rest, so the most secure path is to eliminate them or to live in them."¹⁸⁶

1.6.1. The Leviathan and its method of man's new genesis

Thomas Hobbes' (1588-1679) work, *The Leviathan* (1640), provides a systemic and radical founding doctrine of modernity. Arendt makes a penetrating comment on Hobbes in her letter to Mary McCarthy of August 20, 1954: "The ritual of doubt started with Descartes and only in him will you find the original motives: the real anxiety that not God but an evil spirit is behind the whole spectacle of Being. In Hobbes you will find the consistent development of [such] modernistic argumentation."¹⁸⁷

Hobbes' *Leviathan* is *de facto* a mortal duel with Plato's *Republic*, the principal work of philosophical initiation and the most fundamental critique of tyranny.¹⁸⁸ Without

¹⁸⁶ Nicolo Machiavelli, *The Prince*, p. 21. This also might a clue to the mystery of Job's transgression. Note especially all the uses of "nothing." See especially Job 8:8-9; Job 1:9; and Job 26:7.

¹⁸⁷ *Between Friends: The Correspondence of Hannah Arendt and Mary McCarthy 1949-1975*, edited by Carol Brightman (New York: Harcourt Brace & Company, 1995), p. 24. In her review of these modernistic "doubters" of the good, Arendt includes such thinkers as Hume, Kant, Hegel, Kierkegaard, Pascal, Nietzsche, Heidegger.

¹⁸⁸ Hobbes: "But the language of the Hebrews does not allow it. An essence, therefore, is not a thing, either created or uncreated, but only a name [cipher] feigned out of guile. It is only Aristotle [Hobbes skips Socrates and Plato and the rest] who gives birth to new, bastard and empty beings ..." [Thomas Hobbes, *Leviathan*, edited by Edwin Curley (Indianapolis, Cambridge: Hackett Publishing Company, 1994), "Of the Darkness from Vain Philosophy," xlv (OL), 17, p. 474; see also *ibid.*, xlv (OL), 6, p. 470; xlv, 11; xlv, 13-42; v, 7; cf. xxxi, n15] Hegel understood and apologized for Hobbes to Aristotle: "no philosopher has had so much wrong done him respecting his philosophy ... the falsest prejudices reign respecting him." [G.W.F. Hegel, *Lectures on the History of Philosophy: Plato and the Platonists*, Vol. II,

letting ancient philosophy speak, Hobbes summarily dismissed it as “ancient errors,” “errors from tradition,” “the unwritten word of God,” “old wives’ fables” and “old bottles of Gentilism.”¹⁸⁹ What is dismissed first and foremost is the idea that the good and justice are the essential thing. Hobbes’ project was thus toppling and replacing all the previous philosophical and ethical tradition so that a new system rectifying old popular errors and aberrations can be erected. This slighting of Platonism, that already appeared in Machiavelli, permeates and is carried through the whole epoch of modernity, and it is most sharply articulated in Nietzsche. It is also Arendt’s problem: “The Socratic answer [the answer of philosophy; philosophical conscience] would not help ... Help means here only: Cut short the argument.”¹⁹⁰ To cut short means to sever, to silence, to kill, to belittle, to reject. It also means to *leave out* a great part of something, for example, an argument. To cut short, that is, to abstract and leave out the essential is the “essence” of the politics of *nihilistic ciphers*. With Platonism belittled, its cultivation of philosophical conscience and courage are cut short too. Cutting short the Socratic argument, however, prolongs the life of the other - Arendt’s “Oriental hypothesis” of Westernization. If Arendt is correct in her thesis pertaining to evil, then the revolution of modernity is not merely a consequential atheism but an attempt at God’s vilification, that is, at the debasement of the highest

translated by E.S. Haldane and F.H. Simson (Lincoln and London: University of Nebraska Press, 1995) p. 118] For Aristotle was also of the opinion that “it is not good that many govern; let alone bear the rule.” [Cited by Hegel *ibid.*, p. 153] In Hegel’s own comment on Aristotle’s Politics: “Here Alexander is no doubt in Aristotle’s mind, as one who must rule as though he were a god, and over whom no one, and not even law, could maintain supremacy. ... ‘Nothing remains but, what is natural to all, quietly to submit to such an one, and to let men like this be absolutely and perpetually kings in the state.’” (*Ibid.*, p. 210) For Nietzsche too “all about Socrates is wrong.” As Marianne Cowan rightly put it, “the problem Nietzsche called “Socrates” [i.e. conscience] remained an insuperable obstacle to him throughout his life.” [See Friedrich Nietzsche, *Philosophy in the Tragic Age of the Greeks*, translated and introduced by Marianne Cowan (Washington, DC: Regnery Publishing, 1996), p. 13; see also *ibid.*, p. 20]

¹⁸⁹ Hobbes, *Leviathan*, A Review and Conclusion, 14, p. 495; xlv, 41, p. 467; xlv, 45, p. 338.

¹⁹⁰ *Between Friends: The Correspondence of Hannah Arendt and Mary McCarthy*, p. 22.

principle, that traditionally also stood for truth and justice to the level of nihilism, to man's own will to power for which 'all is possible and all is permitted.'

Moreover, we also need to remember that, according to Hobbes, not only is the modern state of a Leviathanian kind, but modernity itself is also structurally and ideologically the Leviathan. The modern terrible is then the Leviathan's property. We live inside it. It is therefore indispensable that we examine Hobbes' founding work as well as the Leviathan itself. To this effect, we need to establish the link between the Leviathan, the terrible, and nihilism.¹⁹¹

1.6.2. Opinions rule

Hobbes is "a man who loves his own opinions."¹⁹² Because opinions are all "the same in all men," Hobbes' opinions are opinions of all other men: "whosoever looketh into himself ... shall thereby read and know, what are the thoughts and passions of all other men."¹⁹³ This homogeneity of opinions, that is, radical abstraction from the real opinions of real individuals, serves a concrete purpose: "He that is to govern a whole nation must read in himself, not this or that particular man, but mankind ... yet when I shall have set

¹⁹¹ The first part of Nietzsche's *Zarathustra* reads under a closer look reads as a poetic commentary on Hobbes' *Leviathan*. Sometimes the parallels are so striking that a coincidence seems to be almost impossible. "Indeed, a hellish artifice was invented there, a horse of death, clattering in the finery of divine honors. Indeed, a dying for many was invented there, which praises itself as life: verily, a great service to all preachers of death!" [Nietzsche, *The Portable Nietzsche*, p. 162] And particularly: "State? What is that? Well then, open your ears to me, for now I shall speak to you about the death of peoples. State is the name of the coldest of all cold monsters. Coldly it tells lies too; and this lie crawls out of its mouth: 'I, the state, am the people.' ... It is annihilators who set traps for the many and call them 'the state': they hang a sword and a hundred appetites over them. ... But the state tells lies in all the tongues of good and evil: and whatever it says it lies - and whatever it has it has stolen. Everything about it is false ... this sign I give you as the sign of the state. Verily, this sign signifies the will to death. Verily, it beckons to the preachers of death. All-too-many are born ... 'On earth there is nothing greater than I: the ordering finger of God am I' - thus roars the monster." [Nietzsche, "On the New Idol," *The Portable Nietzsche*, pp. 160-61]

¹⁹² Hobbes, *Leviathan*, "The Letter Dedicatory," p. 2.

¹⁹³ Ibid., "Introduction" 3, p. 4.

down my own reading orderly and perspicuously, the pains left another will be only to consider if he also find not the same in himself.”¹⁹⁴ The opinions of the new ruler are thus declared to be *a priori* opinions not of a “particular man” but those of the whole mankind, thus obliterating the distinctions of opinions between the ruler and the public in such a way that the “*political*” opinions of mankind become the property, part of the private “*economy*” of the ruler. In this way, a new form of politics that blurs and negates the distinctions between politics and private economy is established. The opinions of the ruler thus become the content of all political opinions of the whole mankind. Hobbes is as a prophet of this new opinion.¹⁹⁵ He consciously entrusted the founding of a new world provided that his opinions would “fall into hands of a sovereign” who “by the exercise of entire sovereignty in protecting public teaching [i.e., Hobbes’ book], [would] convert this truth of speculation [Hobbes’ opinions] into the utility of practice.”¹⁹⁶

Everything including man and his opinions are artificial. They are made and created.¹⁹⁷ Hobbes grounds the whole of man’s universe in what is today called technology. This becomes obvious as soon as we notice that Hobbes self-consciously uses the key word *art* in its original sense, that is, as a term employed to translate the Greek *techne* (teleological, purposive art or making). The *Leviathan* thus opens with a momentous declaration that all nature is “the art [*techne* in Greek] whereby God hath

¹⁹⁴ Hobbes, *Leviathan*, “Introduction” 4, pp. 4-5.

¹⁹⁵ Hobbes himself believed that the crucial error in the history of (Western) mankind, which he was to rectify, occurred because of “the revolt of the Israelites in the election of Saul.” [Hobbes, *Leviathan*, xxxv, 11, 13; xli, 4; xlii, 135; cf. xxxvi, end of 8] This revolt put an end to the supreme authority of the high priest (xl, 9). Instead, the Israelites, with an alleged consent of God himself (1 Sam. 8:22), chose the manner of the Gentiles. This was for Hobbes tantamount to the rejection of God himself and his kingdom. [Hobbes, *Leviathan*, xl, 11; xli, 4, 17]

¹⁹⁶ *Ibid.*, xxxi, 41, pp. 243-44]

¹⁹⁷ *Ibid.*, “Introduction,” 1-2, pp. 3-4.

made and governs the world.”¹⁹⁸ Accordingly, everything is reduced to being nothing but matter or motion. And life is nothing but a motion, i.e., “but a motion limbs.”¹⁹⁹

1.6.3. The elevation of the Leviathan: the Hobbesian suspension of the Aristotelian causes

Behind the apparent rule of opinion there is, however, a concealed mechanism of Hobbes’ artful appropriation and use of Aristotle’s ‘doctrine of causes,’ especially Aristotle’s concept of *automata* that are turned by Hobbes into the artificial subjects of his new Leviathan.²⁰⁰ For the fact is that, although Hobbes was vehemently denouncing Aristotle elsewhere in his book, he nevertheless modeled his code and structure after Aristotle’s doctrine of causes. The way Aristotle’s causality served Hobbes also gives a key to the reading of his *Leviathan*, since it helps reveal the very purpose of the work as well as its *technique* - the way it was written.

Hobbes believed that “no one is evil gratuitously.”²⁰¹ The question ‘*for whose benefit?*’ was for Hobbes also “the criterion to seek out the authors of the doctrines which for so long now have disturbed the peace of Christian commonwealth.”²⁰² “Who profits” is also the key to the cryptic doctrine of the Leviathan itself. This key both opens and closes Hobbes’ treatise in particular and the Hobbesian project in general. As Hobbes put it in the Introduction to the *Leviathan*, “to decipher without a key [is to] be for the

¹⁹⁸ Hobbes, *Leviathan*, “Introduction,” 1, p. 3.

¹⁹⁹ *Ibid.*, “Introduction,” 1, p. 3.

²⁰⁰ *Ibid.*, “Introduction,” 1, p. 3.

²⁰¹ *Ibid.*, xlvii (OL), 1, p. 484.

²⁰² *Ibid.*, xlvii (OL), 1, p. 485.

most part deceived, by too much trust, or by too much diffidence, as he that reads is himself a good or evil man."²⁰³ Abstractly, the universal key is man.²⁰⁴

Hobbes describes the structure and purpose of his Leviathan project as follows:

To describe the nature of this artificial man [Leviathan], I will consider: First, the *matter* thereof, and the *artificer*, both which is *man*. Secondly, *how* and by what *covenants* it is made; what are the *rights* and *just power* or *authority* of a *sovereign*; and what it is that *preserveth* and *dissolveth* it.²⁰⁵

The fourfold structure of Hobbes' project is apparently modeled upon the four Aristotelian causes: 1) the material cause; 2) the formal cause (know-how; shape, form); 3) the efficient cause (agency; who); 4) the final cause (*telos*).²⁰⁶ According to Hobbes, both the first and third causes are man. He is both the matter and the artificer (agent). The *telos* is a man - a sovereign. The second cause - *how* this domination of a man is preserved or dissolved - pertains to man too. For it is his idea, mind, as well as his likeness; and, more generally, it is man's life and death - hence man himself. In comparison with Aristotle's sequence of causes, Hobbes' order is here changed: the third cause is listed as the second in order, and the second as the third. This seems to indicate that Hobbes

²⁰³ Hobbes, *Leviathan*, Introduction, 3, p. 4.

²⁰⁴ I am indebted for this decrypting to Professor Tom Darby who was the first to recognize here the structure of Aristotle's causes and also decipher the answer given by Hobbes to all of them as man.

²⁰⁵ Hobbes, *Leviathan*, Introduction, 2, p. 4. Hobbes' emphases.

²⁰⁶ See Aristotle, *Physics*, II, 3, 194b-195a; *Physics*, II, 7, 198a, in *A New Aristotle Reader*, edited by J. Lackrill (Princeton: Princeton University Press, 1989), pp. 98, 105-6; cf. Martin Heidegger, *The Question Concerning Technology*, 6-11. Heidegger seems to put *efficiency* in place of the final cause, as if indicating that the *telos* of technology is efficiency or, to put it differently, the *telos* as finality is completely excluded as causality [ibid., pp. 6-7] Heidegger at the same time argues that the artificer (worker) is not the efficient cause and even questions the rationality or correctness of the efficient cause itself [ibid., p. 8]; this actually might be in accordance with Aristotle - that is, in accordance with Aristotle's causes pertaining to *automaton*.

wanted to stress the ambiguity between the second and third causes, that is, that they are basically one and the same: the ideal shape is a man himself.

Since Hobbes reduces the whole universe merely to matter and motion,²⁰⁷ the four causes are accordingly reducible to two: 1) the *matter* (the would-be *first* cause) and the laborer (the would-be *third* cause) - another material - that are both *moved* from the outside; and 2) the power of the "covenants" (the would-be *second* cause) and power that preserves and dissolves men (the would-be *fourth* cause) as the effective *motion* (Hobbes' equivalent both for "soul" and "life"²⁰⁸). It is evident that these two Hobbesian "mega-causes" conceal a whole set of all the "four causes." These first two causes complete in themselves formally represented 1) the material cause (*what*), and 2) the formal cause (*how*). The Aristotelian structure of four causes offers a further clue to Hobbes' *Leviathan* and its structure. The remaining efficient cause (who would work it out) and the final cause (*why*) would then correspond to the third and fourth causes as given by Hobbes: "Thirdly, what is a *Christian commonwealth*. Lastly, what is the *kingdom of darkness*."²⁰⁹

In the next section, Hobbes discusses again the "first" cause. He translates its meaning into a new imperative "*read thy self*." However, at the end of the section, he indicates that merely doing so means to be "deciphering without a key" and hence to "be for the most part deceived." Evidently, this ought to pertain to the laborer who is a tool, matter, inner part of *body* of the *Leviathan* and its metabolism.

²⁰⁷ See, for example, Hobbes, *Leviathan*, "Introduction," 1, p. 3.

²⁰⁸ *Ibid.*, "Introduction," 1, p. 3.

²⁰⁹ *Ibid.*, "Introduction," 2, p. 4.

The final section of the "Introduction" offers the key to the magic *moving* power, Leviathan's *life*. Hobbes says here:

He that is to govern a whole nation must read in himself, not this or that particular man, but mankind, which though it be hard to do, harder than to learn any language or science, yet when I shall have set down my own reading orderly and perspicuously, the pains left another will be only to consider if he also find not the same in himself. For this kind of doctrine admitteth no other demonstration.²¹⁰

The ultimate power is identified with projecting or reading oneself into all other men who then become nothing but a matter of one's projection. This powerful projection is the Hobbesian "language." Men would be only what is read into them - what signs, names, and numbers are impressed on their former natural slate. If one man were able to do this, he would extend himself into mankind whom he would be then moving at will through the ciphers. Mankind would become his "project." And this is exactly what modernity and capitalism set up to accomplish. Hobbes is therefore a founding thinker of capitalism *par excellence*.

This also confirms that capitalism and nihilism essentially coincide. For, as we have shown, the core of nihilism is "the nothing" that is a *cipher* or *number*, especially *zero* or *nihil* (*nil*, *null*). Man is "nothing" when he becomes a cipher, number - when he is so "numbered" in another man's head. Hobbes' Leviathan is defined as an artificial watch, that is, an artificial Time.²¹¹ It is an attempt to recreate a new, artificial Kronos (Death). The clock is a model of perfect tyranny. It is a closed and ordered *system* of ciphers that "makes," orders, and directs time (man).

²¹⁰ Hobbes, *Leviathan*, "Introduction," 4, pp. 4-5.

²¹¹ *Ibid.*, "Introduction," 1, p. 3; and *ibid.*, xiii, 8, p. 76.

If the former notion of Time had been a function of man's quest for self-knowledge or subject to the final triumph and emancipation of good designed by God; in Hobbes, time becomes a watch that devours, incorporates, and watches over all mankind - by means of ciphers and their ordering. Hobbes implies that the natural time is not only war, but also consists of *knowledge* of it. The artificial Leviathan, man, and time is however defined as "peace." Such peace requires certain ignorance. Such time of artificial "peace" is not defined primarily by knowledge as by obedient reading of the artificial signs and numbers projected by the Leviathan into his body made of mankind. Time as knowledge is replaced by Time of signs or "nothings."

The heart of this Clock is "the right definition of names" or ciphers. Here, according to Hobbes, also "lies the first [correct] use of speech;" on the other hand, the use of names (ciphers) without knowing their definitions (decipherment) produces "the first abuse."²¹² Therefore:

Seeing then that *truth* consisteth in the right ordering of names in our affirmations, a man that seeketh precise *truth* had need to remember what every name he uses stands for, and to place it accordingly, or else he will find himself entangled in words; as a bird in lime twigs, the more he struggles the more belimed.²¹³

The *cipher* is a name or sign that by definition *stands for* something else. As a thing *in-itself*, it means *nothing*. If we follow Hobbes along this path, we find out that we are moving again along the same circle. The *seed* of this *circle* (i.e., a cipher, "nothing," or zero) is again a man: "Seeing there are no signs nor fruit of *religion* but in man only, there

²¹² Hobbes, *Leviathan*, iv, 13, p. 19; vii, 5, p. 36.

²¹³ *Ibid.*, iv, 12, p. 19.

is no cause to doubt but that the seed of *religion* is also only in man ...”²¹⁴ Moreover, this heart of the Leviathan Clock-Machine is to be one man, actually one *person* (mask): “This done, the multitude so united in one person ... is the generation of great LEVIATHAN, or rather (to speak more reverently) of that *Mortal God*, to which we owe, under the *Immortal God*, our peace and defense.”²¹⁵

The identity of this *person* is touched upon in the Latin version of the last chapter “Of those who profited from this darkness” that precedes the conclusion. Here Hobbes takes up the crucial question “for whose profit” that is also the key to the edifice of the Leviathan. Hobbes appears to have set before him the task of “exposing the ambitious and cunning plans.”²¹⁶ He also speaks of “the advantage arising from the crime.”²¹⁷

The purpose of Hobbes’ Leviathan is namely to set a ground for “gathering power with arms and wealth in the hand of one person.” To this effect, “all citizens, for their own good,” should be obliged to support such an order “by the decision of the one to whom they have given the supreme power.”²¹⁸ Hobbes here also complains that democracy had won, but he finds a reconciliation in that it was so only for a while. In fact, he equates democracy with “great crimes” and “seditious principles.”

²¹⁴ Hobbes, *Leviathan*, xii, 1, p. 63. Emphases are Hobbes’ own.

²¹⁵ Hobbes, *Leviathan*, xvii, 13, p. 109. Speaking of the “Immortal God,” one however needs to remember that later Hobbes himself recovers an important qualification: “This change [affecting change of Government] is like the breach of the first God’s commandments; for there God says *Non habebis Deos alienos*, Thou shalt not have the Gods of other nations, and in another place, concerning *kings*, that they are *Gods*.” [Hobbes, *Leviathan*, xxx, 7, p. 222] Strictly speaking, the commandment not have other gods but the One means that, in the case of *two* Gods - one Immortal and another Mortal - one would have to be sacrificed to the other.

²¹⁶ *Ibid.*, xlvii (OL), 29, p. 488.

²¹⁷ *Ibid.*, xlvii (OL), 1, p. 485.

²¹⁸ *Ibid.*, xlvii (OL), 29, pp. 487-88.

Hobbes stresses that his doctrine is *not for democrats*. Therefore, he decided to write this more explicit chapter in Latin.²¹⁹ Briefly said, Hobbes' doctrine was made for the sake of absolute despotism and against democracy. However, to establish an absolute rule of one, it is necessary to rely on many people as its efficient agency: "For two men conspiring, one to seem lame, the other to cure him with a charm, will deceive many; but many conspiring, one to seem lame, another so to cure him, and all the rest to bear witness, will deceive many more."²²⁰ In a section on "Secret Cabalas," Hobbes adds such a claim: "And though he hire such friends with money, (unless there be an express law against it) yet it is not injustice. For sometimes (as men's manners are) justice cannot be had without money ..."²²¹ In other words, money bears witness to the correctness and validity of Hobbes' work of founding a new seat of power over men.²²²

The question of *automaton* is part of Aristotle's discussion of causes. Aristotle's exoteric doctrine of causes is well known. However, it is interesting to note that Aristotle himself devotes much more space to the discussion of the more esoterically woven doctrine of *automaton*. In any case, Aristotle's treatment of *automaton* helps to unveil the nature of the Leviathan, as well as its *automatic* technology. Aristotle's concept of *automaton* also provides additional support for the fundamental role of the cipher that translates soul, power, and life into the system of reordered, rationalized reality.

An automatic outcome is often a cause of wonder and amazement. It resembles magic. It is also akin to luck or, at least, to what appears to us as luck. According to

²¹⁹ Hobbes, *Leviathan*, xlvii (OL), 29, p. 488.

²²⁰ Ibid., xxxvii, 12, p. 299.

²²¹ Ibid., xxii, 30, p. 154.

²²² On "the seat of power" cf. Ibid., Dedicatory Letter, p. 2. The notion of "the seat" and "power" also reminds one of the last sentences of Hegel's *Phenomenology*.

Aristotle: "Everything which is the outcome of luck is an automatic outcome, but not every thing which is the latter is the outcome of luck."²²³ The automatic "extends to the animals other than the men [who can think and hence capable of choosing] and to many inanimate objects," among which Aristotle listed beast, child, and stone.²²⁴ What is automatic is, according to Aristotle, thoughtless or thoughtlessly done. Thus Aristotle already inverts the meaning of *automaton* (what thinks or learns on its own) into its very negation. Through this redefining inversion or encoding lies a theoretical base for the politics of the technology of manipulation.

For Aristotle, automatic is also synonymous with "in vain." When something appears to come to be without any purpose or *telos*. Automatic is what appears to happen for *nothing*. It is presented as purposeless. This is also perhaps the reason why Aristotle's *automatic* was usually translated as "spontaneous."

According to Aristotle, "automatic" or "in vain" is "something which is by nature such as to be for something else, when it does not accomplish that which it was for and which it is by nature such as to be for."²²⁵ Therefore, a thing becomes "automatic" when its nature (what it is) is aborted or annulled together with the natural purpose of its being. Such "automatic" is artificial, in a sense of being anti-natural: "for if something comes to be contrary to nature, we then say ... that is an automatic outcome."²²⁶ Speaking however more truly, "the source of an automatic outcome is external."²²⁷ The automatic has its

²²³ Aristotle, *Physics*, II, 6, 197b, p. 104; see also *ibid.*, II, 4, 196a, pp. 100-1.

²²⁴ Aristotle, *Physics*, II, 6, 197b, p. 104. All these three "objects" are also prominent as metaphors in the discourse of modern nihilism. Reference to beast and child are frequent in Nietzsche's works. On "stone" in the context of Hegel's and Heidegger's thought see, for example, John Sallis, *Stone* (Bloomington and Indianapolis: Indiana University Press, 1994). Beast, child, stone as ciphers for "inanimate" objects - objects without their own soul or mind - are ciphers for a new artificial man, clock-machine.

²²⁵ Aristotle, *Physics*, II, 6, 197b, 104.

²²⁶ Aristotle, *Physics*, II, 6, 197b, p. 105.

²²⁷ Aristotle, *Physics*, II, 6, 197b, p. 105.

cause elsewhere and is not readily perceived. Whoever or whatever is capable to “change something else without being changed,” would be God - “the first thing of all.”²²⁸

The unnatural cause of change of the natural (man) produces the automatic (man) that, by definition, “has no source of change in itself.”²²⁹ Thus, if for Hobbes all things were *automata*, it indicates that, in his view, “nature” was an empty name, a cipher for something else. In Aristotle’s view, man’s mind “might be responsible” for the automatic. The automatic is then “posterior to both mind [man] and nature.”²³⁰ The automatic as the posterior is therefore, in a sense, the end of man, as well as nature.

Such a concept of the automatic as the end of man and nature is also in accordance with Aristotle’s assertion, according to which “the last three [causes] often coincide.” These are “the form, the thing which effects the change, and what the thing is for.”²³¹ The effective reduction of the causes to two - the matter and its external mover - is also present in Hobbes’ reduction of all causes to matter and motion.²³² The *automata* cannot lead a meaningful conversation, they cannot even dispute.²³³ Only the Leviathan, the “dominating despot,” is the one who *discerns*.²³⁴

Under such a scheme, the “matter” is forced to produce out of itself the artificial, what it is not.²³⁵ Such “matter” (man) becomes its own end - “nothing.” The “life” and

²²⁸ Aristotle, *Physics*, II, 7, 198b, p. 106.

²²⁹ Aristotle, *Physics*, II, 7, 198b, p. 106.

²³⁰ Aristotle, *Physics*, II, 6, 198a, p. 105.

²³¹ Aristotle, *Physics*, II, 7, 198a, p. 105.

²³² In another discussion of the causes (of what “is not”), Aristotle says: “It follows that the matter that is capable of being otherwise than it is [hence ‘not to be’] for the most part, is cause of the coincidental.” [Aristotle, *Metaphysics*, VI, 2, 1027a, in *A New Aristotle Reader*, p. 282] And the coincidental is “close to what is not.” “Hence Plato was in a way not wrong to classify sophists as dealing with what is not.” [Aristotle, *Metaphysics*, VI, 2, 1026b, p. 281] Aristotle himself is Plato’s shadow.

²³³ Cf., for example, Hobbes, *Leviathan*, xx, 17, p. 135.

²³⁴ Hobbes, *Leviathan*, xx, 16, p. 133.

²³⁵ On Hobbes’ concept of “matter” and creation “from nothing,” that is, from the “matter,” see Hobbes, *On the Nicene Creed*, I, 3-8, 12, 14, 26; pp. 499-503.

“soul” of this artificial is external to it. This alien or external “life-soul” is the form of the automatic matter. Aristotle himself says, that this second and here topmost cause is “more generally number.”²³⁶ It is a *cipher* that produces, contains, and conceals dualism of the “dead” matter (“nothing”) and its ruling, external power and meaning (“nothing”). The circle of cipher again closes in on itself.

1.6.4. The Leviathan: the commonwealth of God’s death and its technology and their meaning in the context of the Platonic divided line

Hobbes’ “Introduction” to the *Leviathan*, as Tom Darby pointed out, is a subtly concealed formulation of new, modern *Genesis*²³⁷ whose full meaning and its ‘nihilistic’ implications have not yet been fully appreciated. Hobbes says: “Nature (the art whereby God hath made and governs the world) is by the *art* of man, as in many other things, so in this also imitated, that it can make an artificial animal.”²³⁸ Moreover, this genesis and its art (*techne*) “goes yet further, imitating that rational and most excellent work of nature, *man*.”²³⁹ Hobbes here declares nothing less than that modernity is a new Genesis whose essence is to change and recreate man himself. The means of this Genesis is a fiat translated into contracts and laws: “Lastly, the *pacts* and *covenants* by which the parts of this body politic were at first made, set together, and united, resemble, that *fiat*, or the *let us make man*, pronounced by God in the creation.”²⁴⁰

²³⁶ Aristotle, *Physics*, II, 3, 194b, p. 98.

²³⁷ Tom Darby’s personal communication, February 21, 1999.

²³⁸ Hobbes, *Leviathan*, “Introduction,” 1, p. 3.

²³⁹ *Ibid.*, 1, p. 3.

²⁴⁰ *Ibid.*, 2, pp. 3–4.

The new Genesis, which means negating and remaking human nature, is consummated in the state, “that great LEVIATHAN called a COMMONWEALTH, or STATE (in Latin CIVITAS), which is but an artificial man, *though of greater stature and strength than the natural* [my emphasis] ...”²⁴¹ In other words, the *telos* (ultimate end) of the new creation is the modern state, a new form of absolute power, which is better and stronger than God’s own creation and which produces a new man in its own image and likeness. This means that the Leviathan and its technology are above God himself. Since God is by definition the highest form of being, the Leviathan negates not only God’s Genesis but God himself. When God has above himself a new power of still “greater stature and strength,” *God is dead*. The news of ‘God’s death’ was told to us by Nietzsche *post factum* in *The Gay Science* (1882) where Nietzsche revealed God’s death as the principal credo of nihilism.²⁴² Nietzsche however also believed that he revealed the secret about God’s death too early: “This tremendous even is still on its way, still wandering; it has not yet reached the ears of men [to smash them].”²⁴³ The Leviathan as the *telos* of the new creation therefore stands for God’s death (the terrible). This new *telos* “dissolveth what are the rights and just power or authority”²⁴⁴ of a former human commonwealth and creates a new common wealth and poverty of a radically different kind.

²⁴¹ Hobbes, *Leviathan*, “Introduction,” 1, p. 3.

²⁴² See Friedrich Nietzsche, *The Gay Science*, aphorism 108, p. 167; and aphorism 125, pp. 181-82; also Nietzsche, *Thus Spoke Zarathustra*, Prologue 2-3, pp. 124-25.

²⁴³ Friedrich Nietzsche, *The Gay Science*, aphorism 125, p. 182; Nietzsche, *Thus Spoke Zarathustra*, Prologue 5, p. 128: “I am not the mouth for these ears [of the Last Men]. Must one smash their ears before they learn to listen with their eyes?”

²⁴⁴ Hobbes, *Leviathan*, “Introduction,” 2, p. 4.

If all can be changed and remade, there is no ontological and epistemological difference between facts and opinions - they are all artifacts and thus “ontologically” the same. Such equivalence means that any consequential attempt on the part of nihilism to establish its epistemology ends in solipsism, tautology, or nonsense.²⁴⁵

Facts as opinions are forms of *screens* - screens to our imagination of what is and what is not. Admittedly for a man of common sense, it is not always easy to pass through the obvious to what is extraordinary and unthinkable. Opinions and facts represent closed circuits of an artificial machine that is “of greater stature and strength than the natural” created by “that *fia*“ of Yahweh.²⁴⁶ Hobbes’ “doctrine of the artificial body” enthroned “the most powerful selfish passion,” “the fear and danger of violent death” (murder) both as the most terrible and as the civilizing principle and force.²⁴⁷ As Berns remarked, this was a “conscious lowering of the standards of political life” to “the most powerful motive.”²⁴⁸ As a process, lowering is reduction, and reduction is abstraction.

Hobbes’ definition of the art (*techne*) of man makes the new genesis possible. Man’s *techne* is the “imitating” of God’s own *techne* “in many other things” and particularly in “that it can make an artificial animal,” that is, new man.²⁴⁹ As already said, this Hobbesian *techne* goes yet further and tries to build-imitate God himself as the

²⁴⁵ On the most systematic and instructive elaboration of such epistemology see Ludwig Wittgenstein, *Tractatus Logico-Philosophicus*, *The Wittgenstein Reader*, edited by Anthony Kenny (Oxford & Cambridge, USA: Blackwell, 1994), esp. pp. 17, 25, 31 (4.461, 5.62, 5.64, 6.251, 6.522, 6.54). For the identification of Wittgenstein with nihilism see a brilliant analysis by Stanley Rosen in his *Nihilism: A Philosophical Essay* (New Haven and London: Yale University Press, 1978), pp. 1-27.

²⁴⁶ Hobbes, *Leviathan*, “Introduction,” 1, pp. 3-4.

²⁴⁷ *Ibid.*, xiii, 9, p. 76; cf. xi, 4, p. 58; xiii, 13, p. 78; A Review and Conclusion, 17, p. 497; Laurence Berns, “Thomas Hobbes,” *History of Political Philosophy*, edited by Leo Strauss and Joseph Cropsey (Chicago and London: The University of Chicago Press, 1987), pp. 401, 397.

²⁴⁸ Laurence Berns, “Thomas Hobbes,” p. 401.

²⁴⁹ Hobbes, *Leviathan*, “Introduction,” 1, p. 3. “Art goes yet further, imitating that rational and most excellent work of nature, *man*.” [*Ibid.*]

Leviathan whom Hobbes defines to be both the *Mortal God* and new artificial man.²⁵⁰

From this, two important things follow:

(i) Hobbes' notion of *techne* is revolutionarily modern because its object is an artificial (new) world, new government, new man, even a new God. In other words, such technology tries to both imitate and recreate God himself.

(ii) Man's technology that is to create and sustain a new world order, a new Leviathan, is essentially *mimesis* (imitation). This is perhaps singularly the most important statement whereby Hobbes' Leviathan is introduced and identified. It also needs to be stressed that this examination is drawing us into the buried 'old dispute' between Platonic philosophy, on one side, and the tyrannical *techne* and its sycophants, poetry and sophistry, on the other.²⁵¹ Yet this neither can be or should be avoided, for this "argument determined us,"²⁵² and still does despite the frequently cryptic (encrypted) nature of this war.

In Plato's *Republic*, the principal work of Greek philosophy which is for Hobbes "harmless" and "unprofitable," *mimesis* is determined to be the lowest, extreme bottom-end of the 'cave,' the hermetic cage, which represents the realm of man's existence hermetically locked between images and material objects and/or between blind trust and unconscious imitations. The cave is the 'underworld' of the Socratic divided line outlined at the end of Book VI of the *Republic*.²⁵³

²⁵⁰ Hobbes, *Leviathan*, "Introduction," 1, p. 3; xvii, 13, p. 109.

²⁵¹ Plato, *The Republic*, translated by Allan Bloom (Basic Books, 1991), 607b.

²⁵² Plato, *Republic*, 607b.

²⁵³ Plato, *Republic*, 509d-510b, 511d-e, 595a-607c.

Plato's divided line:²⁵⁴

Form of Reality:	Form of Gathered/Ruling "Telos" or "Truth":	Form of Gathering, Mediating Method:	Form of Life/Activity:
-----	the idea of the good/justice itself [Eternal Presence]	-----	-----
Intelligible Being <i>The Ethical Good</i> <i>Through Time</i>	Intelligence (<i>nous</i>) Thought (<i>dianoia</i>)	Dialectic (<i>dialegen</i>) Calculation (<i>logismos</i>)	Knowledge (<i>episteme</i>) Arts (<i>techne</i>)
Great Divide ⇨ -----			
Visible, Sensual Becoming (Existence) <i>In Time</i> (Cave, Underworld, Prison, Hades)	Trust (<i>pistis</i>) [Faith] Imagination (<i>eikasia</i>)	Objects, Things, Artifacts Images, Shadows Appearances, Phantoms Representations	Opinion (<i>doxa</i>) Imitation (<i>mimesis</i>) [Unconscious]

And in a simplified (didactic) form:

Mind The Spiritual	CLEAR VISION (IDEA) OF THE GOOD (TRUE LIFE) <i>LOGOS</i> (recovery, recollection, gathering, assembling) <i>TECHNE</i> (as defined by Socrates)
Divide ⇨ -----	
Body The Physical	BLIND, UNTHINKING TRUST <i>MIMESIS</i> (dissembling, dismembering) [<i>TECHNE</i> as defined by Hobbes] DEATH

²⁵⁴ Plato, *Republic*, 509c-511e, 534a, 595c-603c, 605a-605d. For a somewhat different view of the divided line cf. Plato, *The Republic*, translated by Richard W. Sterling and William C. Scott, (London and New York: W.W. Norton & Company, 1995), pp. 204-208. For the sake of simplicity, I abstracted from the relative lengths of the line's segments. According to Socrates, the spaces occupied by the four kinds of powers or potentials differ and grow larger as one moves upwards.

Hobbes' scheme:

Philosophical absurdities, vanities, nothings			
Hermeneutically Sealed End (Former Great Divide) ⇔			
LEVIATHAN (Plato's cave)	Trust Faith	External Objects (Matter moved)	Hobbes' Opinion (the Mover)
	Imagination	External Images	<i>mimesis</i> (Hobbes' <i>techne</i>)

Below the Great Divide is the underground realm where the irrational and opinion rule and keep this lower part hermetically and hermeneutically within their limits. To late moderns, this prison-like circumvention of man came to be known under its misnomer "Platonic cave" (Book VII of the *Republic*). It is a misnomer because Plato described it in order to show a way out by means of philosophy and by cultivating virtues. To decipher and understand Hobbes, modernity, capitalism, and ourselves we need to revisit the entire divided line. Here, in particular, we need to go back to the philosophical definition of imitation.

Imitation (*mimesis*) is reduction - cutting off parts from the whole.²⁵⁵ Imitation is therefore abstraction. And abstraction, as already said above, corresponds to encryption. If Hobbes' method of founding the new world is that of encryption, his method is then prescribed by its very purpose to be the *techne of mimesis*. Or, conversely, if Hobbes grounds **everything** in the technology of imitation, it then means that he grounds everything in encryption.

²⁵⁵ Plato, *Republic*, 392e.

Imitation is man's comedy and tragedy.²⁵⁶ Accordingly, an imitator is the craftsman of a phantom²⁵⁷ (can we say a 'phenomenologist'?) and the maker of tragedy.²⁵⁸ In this regard, the Socratic question which way of life is worth living or Hamlet's 'to be or not to be' also implies the question whether *mimesis*, man's tragedy and comedy should be "admitted into the city or not."²⁵⁹ Imitation is "a kind of play and not serious" but with tragic consequences.²⁶⁰ We should also "reflect whether our guardians ought to be imitators or not."²⁶¹ Hobbes does not ask or examine this question. For him, imitation is the essence of the new universe and its categorical imperative.

At the end of the introductory Book II of the *Republic*, Socrates defines *imitation* in the following way:

Now what I was just talking about would most correctly be called a lie - the ignorance in the soul of the man who has been lied to. For the lie in speeches is a kind of imitation [*mimesis*] of the affection in the soul, a phantom of it that comes into being after it, and not quite an unadulterated lie.²⁶²

Here again two things have to be noted. (i) Imitation is a lie. It is an archetypal *double*, false *twin*, the imitator of the imitated. This double does not exist only outwardly. By necessity this doubling or dissembling has also to be inside where it is actually

²⁵⁶ Plato, *Republic*, 394b-c.

²⁵⁷ Plato, *Republic*, 599d; also 600e, 605b-c.

²⁵⁸ Plato, *Republic*, 597e. Here also belongs Nietzsche's first work *The Birth of Tragedy* that was triumphantly announcing a birth (dawn) of the new era. Nietzsche made later a careful understatement: "To be fair to *The Birth of Tragedy* (1872), one has to forget a few things." F. Nietzsche, *Ecce Homo*, in F. Nietzsche, *On the Genealogy of Morals and Ecce Homo* (New York: Vintage Books, 1989), p. 271.

²⁵⁹ Plato, *Republic*, 394d.

²⁶⁰ Plato, *Republic*, 602b.

²⁶¹ Plato, *Republic*, 394e.

²⁶² Plato, *Republic*, 382b-c.

rooted.²⁶³ Curiously enough, Leviathan in Hebrew means *twin*, twining - doubling.²⁶⁴ And even more curiously, *twin* is also believed to be the meaning of the name of the Sanskrit *Yama*, which is however also rendered as “curb” or “bridle.” Yama was the king of the dead, sovereign over hell and the south, the first man and the first man to die.²⁶⁵ But for the time being we cannot further pursue this intriguing theme here. (ii) “Being a phantom of the soul that comes into being *after* it” means, to use our modern terms, that mimesis is a phenomenology of death, the dead ghost, and its imitation. Imitation therefore belongs to a false recreation of certain deadness of man and his soul. By implication, Hobbes’ Leviathan is a recreated phantom of death. And the Leviathan’s technology appears to coincide with the phenomenology of death - the dead soul. In and through such imitation, as Socrates indicates, the living soul (man) turns into a dead specter, while still alive.

Mimesis can be “fabricated quickly in many ways and most quickly, of course, if you are willing to take a mirror and carry it around everywhere; quickly you will make the sun and the things in the heaven; quickly, the earth; and quickly, yourself and other animals and implements and everything else that was ...”²⁶⁶ The technology of *mimesis* recreates the creation. It makes things and men “so that they look like they *are*; however, they surely *are* not in truth.”²⁶⁷ In the Platonic dialogue, the *Sophist*, such mirroring is defined as *sophism*, “an art of creating semblances,” and “a practice of deception” whose

²⁶³ Plato, *Republic*, 604b.

²⁶⁴ Joseph T. Shipley, *Dictionary of Words Origins* (New York: Barnes & Noble, 1995), p. 213. According to other source, *leviathan*, “a word from Hebrew, [means] literally ‘that which gathers itself together in folds,’ and given in the Bible to a mythical sea serpent (Job 41:1; Isa. 27:1; Ps. 104:26). The name is also applied to the whale and the crocodile, and by extension it has to come to mean something vast and formidable.” William Rose Benet, *The Reader's Encyclopedia*, 2nd ed. (New York: Thomas Y. Crowell Company, 1965), p. 581.

²⁶⁵ *Hindu Myths: a sourcebook translated from the Sanskrit* (New York: Penguin Books, 1975), p. 358.

²⁶⁶ Plato, *Republic*, 596d-e.

²⁶⁷ Plato, *Republic*, 596e.

effect is false thinking.²⁶⁸ The notion of the mirror of inversion also corresponds to the famous dictum *Demon est Deus inversus* (the Devil is God inverted). The point is that God is not our projection, as Feuerbach and others before and after him argued, but that the Devil is a displaced and inverted projection-externalization of our own evil, upon which we have then granted its “autonomy” together with our inability to face it. Thinking that true God as such a projection of ours makes things only worse. In this way, *mimesis* is also closely tied to the question of our evil and our lack of self-knowledge or what Jung called “individuation.” The paradigm of mirroring brings forth yet two more consequential dimensions.

The *mirroring* is associated with the archetype of Narcissus (i) but it is also intimately related to Dionysus (ii). The archetypes of Narcissus as well as Dionysus belong to the symbolism of nihilism for good reasons.²⁶⁹ Both these archetypes encapsulate a certain type of man’s cognition and morality together with their fallacies. Their understanding therefore also helps clarify both nihilism and technology. Thus it is no coincidence that the essential elements of these archetypes also appear as models in Hobbes’ *Leviathan*.

²⁶⁸ *Sophist*, 239d-240d. [If not expressly indicated otherwise, all Plato’s dialogue quoted here, except for *The Republic*, are from Plato, *The Collected Dialogues, including Letters*, edited by Edith Hamilton and Huntington Cairns (Princeton: Princeton University Press, 1961)] The *Sophist*, “maker of images,” is compared to a Hydra. Hydra and Leviathan are both the brood of hostile sea monsters. Cf. *Thaetetus*, 193c-d: “Or my mistake might be illustrated by the sort of thing that happens in a mirror when the visual current transposes right to left. In that case mistaking or false judgment does result.”

²⁶⁹ See, for example, Friedrich Nietzsche, *The Birth of Tragedy*, trans. Walter Kaufmann (New York: Vintage Books, 1967); Martin Heidegger, “Only a God Can Save Us,” Heidegger’s interview for *Der Spiegel*, translated by Maria P. Alter and John D. Caputo, in Richard Wolin, ed., *The Heidegger Controversy: A Critical Reader*. Cambridge, Mass. and London: The MIT Press, 1993: 91-116; Michael Hardt and Antonio Negri, *Labor of Dionysus: A Critique of the State Form* (Minneapolis and London: University of Minnesota Press, 1994); Eric Alliez, *Capital Times: Tales from the Conquest of Time*, trans. Georges Van Den Abbeele, (Minneapolis and London: University of Minnesota Press, 1996), pp. 52-58, 65-67; for its critiques see Daniell Bell, *The Cultural Contradictions of Capitalism: The Twentieth Anniversary Edition* (Basic Books, 1996); Christopher Lasch, *The Culture of Narcissism: American Life in An Age of Diminishing Expectations* (New York and London: W.W. Norton & Company, 1991).

Narcissus unselfconsciously loves his body in its *mimetic* image-reflection.

Narcissus' own externalized image is a reflection, that is, Narcissus sole "reflection" or "thought" is the alienated and externalized image of the physical body. This Narcissistic reflection as a form of thought is unselfconscious and thus no real thinking at all. This is admittedly comic. However, this comedy of self-deception and self-ignorance is only an overture to a tragedy, Narcissus' death. After the comic image follows the corpse. The comic and tragic is the realm of Dionysian experience and empire. Narcissus falls into his own externalized image in the waters where he dies, and Dionysus falls dead, having his body dismembered ('cut short'), while being attracted and distracted by his image in a mirror. Plotinus (AD 205-270), the last great Platonic thinker, commented:

The souls of men, Seeing their reflections in the mirror of Dionysus as it were, have entered into that realm [our Platonic cave] in a leap downward from the Supreme: yet even they are not cut off from their origin, from the divine Intellect; it is not that they have come bringing the Intellectual Principle down in their fall; it is that though they have descended even to earth, yet their higher part holds for ever above the heavens.²⁷⁰

Plotinus also connects such Narcissistic-Dionysian *mimesis qua* genesis with the paradigm of the Platonic cave:

When he perceives those shapes of grace that show in body, let him not pursue: he must know them for copies, vestiges, shadows, and hasten away towards That they tell of. For if anyone follow what is like a beautiful shape playing over water - is there not a myth telling in symbol of such a dupe, how he sank into the depths of the current and was swept away to nothingness? So too, one that is held by material beauty and will not break free shall be precipitated, not in body but in

²⁷⁰ Plotinus, *The Enneads*, trans. Stephen MacKenna (New York: Penguin Books, 1991) IV. 3.12, p. 265. The translator also explains in a note on the same page that "a reference [is made here] to the Orphic entrapment and tearing of pieces of Dionysus."

Soul, to the dark depths loathed of the Intellective Being, where blind even in the Lower-World [Hades], he shall have commerce only with shadows, there as here.²⁷¹

The Platonic cave, Hades, and the world of *mimesis* are essentially the same. Their “there” is “as here.” It is the world of *bodies* that are but phenomena, shadows of the truth. It is a world “swept into *nothingness*.” Needless to say, modern nothingness is nihilism. It also tells us what men blind to the true good are doing there: they commerce - “commerce only with shadows.” This commerce with shadows also encompasses commerce with money (money as a shadow, a *cipher* of the real).

Narcissus is the one who *is drawn* into *mimesis*. As an archetype, Narcissus would appear to be our Last Man or so-called passive, unconscious nihilist. The ‘Narcissistic’ archetype however expresses a primordial idea of the fatal predicament shared by the whole mankind. In his summary of the Narcissistic theme deeply seated in many cultures, James Frazer commented:

As some peoples believe a man’s soul to be his shadow, so other (or the same) peoples believe it to be in his reflection in water or a mirror. ... The reflection-soul, being external to man, is exposed to much the same dangers as the shadow-soul. ... The Basutos say that crocodiles [viz. Leviathan; see notes 53 and 57] have the power of thus killing a man by dragging his reflection under water. ... We can now understand why it was a maxim both in ancient India and Greece not to look at one’s reflection in water, and why the Greeks regarded it as an omen of death if a man dreamed of seeing himself so reflected. They feared that the water-spirits would drag the person’s reflection or soul under water, leaving him soulless to perish. This was probably the origin of the classical story of the beautiful Narcissus, who languished and died through seeing his reflection in the water.²⁷²

²⁷¹ Plotinus, *The Enneads*, I.6.8, pp. 53-54. In the translator’s note reference is made to Plato, *Phaedrus* 247b5-6, as well as to the myth of Narcissus but not to the Platonic cave. Plotinus himself also immediately refers Circe and Calypso to this archetype as well. [Ibid., p. 54]

²⁷² James George Frazer, *The Golden Bough: A Study in Magic and Religion*, Volume 1, abridged edition (New York: Macmillan Publishing Company, 1922), pp. 222-23.

Souls-shadows are men who are kept in Hades. Reflected appearances (*mimesis*) - epitomized by a water monster (i.e., Leviathan) - *alienate, externalize, and steal* man's thoughts; this equals to man's death. Dionysus *owns* the mirror. He is the active one who *draws* Narcissus into *mimesis* - the underworld of phantoms. Of course it is not always possible to tell where the Dionysian ends and where the Narcissistic begins. Dionysus, the mirror-boundary of the world of shadows and images, appears as the *telos* of such a world; it is a whole (*telos*) that is constantly dismembered (and disremembered). Narcissus is the one who *loses* his head and becomes consumed by Dionysus' growing body of images (and ciphers). Dionysus and Narcissus belong in this respect to each other and perhaps are even one and the same who is split in two - two false twins. A cipher. Its formula can be expressed as: Dionysus-Narcissus-Dionysus-Narcissus. Marx's cycles of capital M-C-M-C might have something to share with this commerce between ego-centered and ego-fragmented archetypes which will also be elucidated later in the work. Narcissus dies because he desires his *body through the image* mirrored in a pool. This desire of the image-cum-body equals death.²⁷³ Eric Alliez identifies this desire with the (modern) space of representation. The essence of this modern "structural narcissism" is "the movement toward autonomy" or self-rule of such *mimetic* representations-cum-deaths. The movement toward *mimetic* autonomy is the will to power which a recognized trade mark of nihilism.²⁷⁴ Again, everything coheres and falls in the same place.

²⁷³ Eric Alliez, *Capital Times: Tales from the Conquest of Time*, trans. Georges Van Den Abbeele (Minneapolis and London: University of Minnesota Press, 1996), p. 55. It needs to be noted that Alliez himself tries to bend Plotinus into the "capital mistake" of modernity an as-if-forerunner of nihilism and thus falsifies him, evidence of which are his loosely "modified," that is, distorted, translations of Plotinus' text.

²⁷⁴ See *ibid.*, p. 53.

Imitation is deceptive. Imitation is not the imitated original. Imitation tends to be bound to externalities, to what is apparent, and what is apparent is often what lies on the surface. The apparent is thus also often but a form of abstraction from what is concealed and not obvious. Imitation thus tends to be *abstraction* from the inner, tending to privilege the outer. Moreover, imitation is also an *abstraction* from all that cannot be *imitated*. The externals, that is, images and bodies, cover both intentions and consequences. In other words, the external covers reason (*logos*). The deceived can be compared to “children and foolish human beings”²⁷⁵ who would then correspond to Hobbes’ “artificial men” when considered from the standpoint of Socratic dialectics. The deceived were *made* like children and fools “because they were unable to put knowledge and/or lack of knowledge and imitation to the test.”²⁷⁶ It is somewhat ironic that our sciences and technology depend upon and are results of constant *testing*, and yet our world is Hobbesian. For this conclusion, we have only one explanation: something crucial has not been really examined. It is nihilism and its ciphers, including, so to speak, “testing” Hobbes’ founding work on nihilism.

Imitating is not knowing.²⁷⁷ Similarly, opinion is neither understanding nor knowledge. Consequently, the *techne* (art) of *mimesis* (or *poiesis*) is a sham *techne*. It is therefore necessary to distinguish and discriminate between *techne propre* and the *techne* of *mimesis*.²⁷⁸ The technology of *mimesis* is rather a sort of shadow painting or puppeteering.²⁷⁹ As such, it “awakens [the worst, irrational, need-creating] part of the soul

²⁷⁵ Plato, *Republic*, 598c..

²⁷⁶ Plato, *Republic*, 598d.

²⁷⁷ Plato, *Republic*, 600c.

²⁷⁸ Plato, *Republic*, 601d.

²⁷⁹ Plato, *Republic*, 602d.

and nourishes it, and by making it strong, destroys the calculating part, just as in a city when someone, by making wicked men mighty, turns the city over to them and corrupts the superior ones.”²²⁰ In a sense, the *techne* of *mimesis*, although charming and even convenient, is “irrational, idle, and a friend of cowardice;” it is also *tyrannical*, for it “can’t get enough of [suffering].”²²¹ A *mimic* man sees another’s suffering only abstractly as another image, picture, number. Since images and abstractions cannot satiate, a *mimic* man is thereby *insatiable* as far as images *and* sufferings are concerned. The play of external appearances and images is attractive. As a result, conscience “relaxes its guard” over the morbid side of the soul.²²² Such *mimic* insatiability thus creates both boredom (feeling of emptiness and vanity) and the will to (Dionysian) overflowing excess and frivolity.²²³ Such *mimesis* also lies at the core of technology.

In contrast, the true essence of *techne* is the mathematical - measuring, counting, weighing - that is, an art of learning by means of logical examination. Logic forms the ruling essence of *techne* (and not phenomenological mimicry). This power of the mathematical (logical) is also what should be considered as truly “charming.”²²⁴ Because of this quality, Socrates shows *techne* above the divided line and the cage of *mimesis* because *techne* stands in between the tyrannical and the ethical. The Platonic philosophy

²²⁰ Plato, *Republic*, 605b.

²²¹ Plato, *The Republic*, 604d; see also 602a; 607c.

²²² Plato, *The Republic*, 604d, 606a-b.

²²³ Such is also the foundation and midwife of the Hegelian world: “The frivolity and boredom which unsettle the established [old] order ... these are heralds of approaching change. The gradual crumbling that left unaltered the face of the whole is cut short by a sunburst which, in one flash, illuminates the features of the new world. But this new world is no more a complete actuality than is a newborn child.” [Hegel, *The Phenomenology of Spirit*, “Preface” 11-12, pp. 6-7] “The true is thus the Bacchanalian revel in which no member is not drunk.” [Ibid., “Preface” 47, p. 27] And of course with the image of overflowing Hegel’s phenomenology also ends, without which it would be “lifeless and alone.” [See *ibid.*, paragraph 808, p. 493]

²²⁴ Plato, *Republic*, 602d.

tries to move man upward to the latter; *mimeses* tries to suppress and compress existence in-between opinion and the mirrors of mimics. To this effect, *mimesis* tries to redefine and destroy the calculating part of the mind which is tied to the purposive essence of *techne* and thus to close and seal again escape from the cave.²⁸⁵ In this way, *mimesis* is both the *bound* and the *medium* of the world of man's phenomenological death.²⁸⁶

Plato's divided line:

	the idea of the good/justice itself [Eternal Presence]		
Intelligible	Intelligence (<i>nous</i>)	Dialectic (<i>dialegen</i>)	Knowledge (<i>episteme</i>)
Being			
The Ethical	Thought (<i>dianoia</i>)	Calculation (<i>logismos</i>)	Arts (<i>techne</i>)
Good			
Great Divide ⇔			
	Trust (<i>pistis</i>) [Faith]	Objects, Things, Artifacts	Opinion (<i>doxa</i>)
Phenomenological			
Becoming;			
Cave;	Imagination (<i>eikasia</i>)	Images, Shadows	Imitation
Death		Appearances, Phantoms	(<i>mimesis</i>)
		Representations	[Unconscious]

The greatest accusation raised by the Platonic philosophy against imitation is "that it succeeds in maiming even the decent men, except for a certain few."²⁸⁷ "[B]ecause only a few men will reflect that the vicarious enjoyment of other people's sufferings has an effect

²⁸⁵ Plato, *Republic*, 605b.

²⁸⁶ See Plato, *Republic*, 607d.

²⁸⁷ Plato, *Republic*, 605c. Robin Waterfield translates: "However, we haven't yet made the most serious allegation against representational [*mimic*] poetry [making]. It has a terrifying capacity for deforming even good people. Only a very few escape." Yes, that is terrifying. " [Plato, *Republic*, trans. Robin Waterfield (Oxford and New York: Oxford University Press, 1994), 605c]

upon one's own." ²⁸⁸ Maiming *mimesis* is the terrible. ²⁸⁹ This terrible also forms the essence of tyranny and its tyrannical man. Nihilism is the terrible.

This tragic terrible also has its *mimic* (apparently comic) or *softer* side. It is wealth (viz. Pluto - both Wealth and the blind God of Death) or moneymaking whereby one exchanges the life of one's soul for moneyed cipher and images (Caesar's image), like Eriphyle who "accepted the necklace for her husband's soul." ²⁹⁰ But this too is the terrible. ²⁹¹ Only more subtly encrypted. As Socrates' divided line shows, moneymaking is seen as *mimesis* and thus also both the medium and boundary of the cave. Money apparently the most real of the phenomenological mimics (gimmicks) projects everything else *beyond* it as void and nil. Money, perhaps the chief form of *cipher*, to use Socrates' words, "puts the desiring and money-loving part on the throne, and makes it the great king" within man's mind and soul. ²⁹² The "comic" side of the terrible is "where money will come from less," that is, how much more can be made from nothing. The answer is from the *cipher* ("nothing") and by means of the *cipher* ("nothing"). Letting Plato voice his accusations against Hobbes' *art* and, by extension, against its liberal and nihilistic offsprings, reveals, at least tentatively, not only the locality of our modern world - the Platonic cave - but also its intrinsic relationship with moneymaking, tyranny, and the terrible.

²⁸⁸ Plato, *The Republic*, trans. Richard W. Sterling and William C. Scott (New York & London: W. W. Norton & Company, 1985), 606b. Here I chose Sterling's and Scott's translation. Cf. Alan Bloom's version: "... only a certain few men are capable of calculating [thinking] that the enjoyment of other people's sufferings has a necessary effect on one's own. For the pitying part [conscience], fed strong on these examples, is not easily held down in one's own suffering."

²⁸⁹ Plato, *Republic*, 605c.

²⁹⁰ Plato, *Republic*, 590a.

²⁹¹ Plato, *Republic*, 590a.

²⁹² Plato, *Republic*, 553c.

1.6.5. "Tyranny is a just a name" (just a cipher)

The radical teleological enterprise undertaken by Hobbes can be reduced to three intertwined moralistic commandments pertaining to tyranny: (i) "that men shall judge of what is lawful and unlawful, not by the law itself, but by their own consciences (that is to say, by their own private judgments)" is false; (ii) "to kill such as [people] call tyrants" is unlawful.²⁹³ The importance of such normativism cannot be underestimated. If Hobbes is the founder of modern liberalism, then it has to be acknowledged that he started with a radical justification of tyranny by explaining it away as a nonsensical question or as a wrong name and thus a name that means nothing. To this effect, Hobbes emphasized: (iii) "And because the name of tyranny signifieth nothing more nor less than the name of sovereignty (be it in one men or many men), saving that they that use the former word are understood to be angry with them they call tyrants, I think the toleration of a professed hatred of tyranny is a toleration of hatred to commonwealth in general, and another evil seed, not differing much from the former."²⁹⁴ This pronouncement amounts to an admission that tyranny and the Hobbesian commonwealth are inseparably intertwined.

Hobbes' new world:

Nothing Philosophical and ethical useless and harmless absurdities (Nothing is beyond the Leviathan)		
Hermetic Boundary =>-----		
LEVIATHAN: Trust ALL	Tyranny is <i>nothing</i> (but a name) Imaginative impressions	Opinion Technology as imitation

²⁹³ Hobbes, *Leviathan*, xxx, 14, p. 225.

²⁹⁴ Ibid., "A Review and Conclusion," 9, p. 492.

Under these terms, the question of tyranny loses its character as question only to reemerge at the “end of history” (in its thesis) as the founding idea of the posthistorical quest.²⁹⁵ Fukuyama, the author of the bestseller *The End of History and the Last Man* (see further Chapter V), subtly points to this nihilistic quest when he says that the search for the ‘original cognition’ “can at least begin by revisiting the debate [on tyranny] between Strauss and Kojève.”²⁹⁶ In the meantime, “democratic ink is to be washed away by preaching, writing, and disputing.”²⁹⁷

Under tyranny and under nihilism, politics in the sense of public space and common concern is not possible. Tyranny tries to put an end not only to politics but also to the philosopher as well. The question of tyranny directly depends on the progress of our moving “beyond good and evil.” According to Hobbes, the problem of tyranny seems to be solved because the distinction between good and evil is reportedly a nonsensical question or even a non-issue.

²⁹⁵ Francis Fukuyama, *The End of History and the Last Man*, (New York: The Free Press, 1992). Five years after the event, in 1994, Fukuyama complained that he was misunderstood and misinterpreted. See Francis Fukuyama, “Reflections on *The End of History*, Five Years Later,” in Timothy Burns, ed., *After History: Francis Fukuyama and His Critics* (Lanham, Maryland, and London: Littlefield Publishers, 1994), p. 112;

²⁹⁶ Fukuyama, “Reflections on *The End of History*, Five Years Later,” p. 256; Leo Strauss, *On Tyranny*, revised and expanded edition including the Strauss-Kojève correspondence, edited by V. Gourevitch and Michael S. Roth (New York and Toronto: The Free Press, 1991). Victor Gourevitch knew as much: “[The] classical debate [between Strauss and Kojève], ostensibly about tyranny but in fact about the irreconcilable differences between the teachings of Plato and Hegel regarding the relationship between philosophy and politics, serves as the immediate background for [Fukuyama’s] reflections. Even the title of his book echoes the debate ...” Victor Gourevitch, “The End of History,” in Timothy Burns, ed., *After History*, p. 112.

²⁹⁷ Hobbes, *Leviathan*, xlvii (OL), 29, p. 488.

1.6.6. Universal homogeneity

The Leviathan's Universe (the Universal and Homogeneous State; the Global Empire; Man's New Artificial Universe):

		Nothing, Nil, Void	
Hobbes' (Leviathan's) finite horizon			
LEVIATHAN	ALL:	ALL THE SAME OPINION ALL THE SAME MATTER	Universal <i>mimesis</i>

The artificial self-sameness of all men, that is, all opinions *qua* possessions of a new sovereign (Leviathan), requires what is implicitly present yet concealed in all the above said premises: namely that there is also One Selfsame Artisan, One Universal and Homogeneous Producer, One and The Same Technological (Re)processing of All Men. In brief, One Universal and Homogeneous State. However, we know his/its name. It is given to us in Hobbes' self-named revelation. It is a universal Leviathan.

When opinions are selfsame, then they are also moved around as such by a "self-moving selfsameness." This is exactly how Hegel described our world - the world of Hegel's *Geist*: "For mediation is nothing beyond self-moving selfsameness, or is *reflection* into self, the moment of the 'I' which is for itself pure negativity or, when reduced to its pure abstraction, *simple becoming*."²⁹⁸ "Pure negativity," "selfsameness," "reduced to its pure abstraction," "nothing beyond," nothing but "simple becoming" ... all these are but piled synonyms for the modern Leviathan that reveal itself as our own Platonic cave.

²⁹⁸ Hegel, *The Phenomenology of Spirit*, "Preface" 21, p. 11.

When all is 'I,' the 'I' is strangely, perhaps even terribly alone. In place of open conscience, there then appears a meaningless, if not banal, conversing between a doublet of the ego. Nietzsche reached to the bottom of such nihilistic "wisdom":

I am the last human being. No one converses with me beside myself and my voice reaches me as the voice of one dying. ... [my heart] cannot bear the icy showers of loneliest solitude. It compels me to speak as though I were Two." And as if still he had some conscience.²⁹⁹

After Hegel, this Universal and Homogeneous State has become to be known as the Hegelian world. It is the absolute enclosure where philosophy and ethics are dead, and politics is over. The formula of this hermetic closing in on man is technically organized as an equation where Time = Man = Error and the End of History = the End of Time = Death of Man. This formulation of universal homogeneity may be compared with what Hobbes implied in his famous axiom on the relation between man, time, and war:

For WAR consisteth not in battle only, or the act of fighting, but in a tract of time wherein the will to contend by battle is sufficiently known. And therefore, the notion of *time* is to be considered in the nature of war ... so the nature of war consisteth not in actual fighting, but in the known disposition thereto during all the time there is no assurance to the contrary. All other time is PEACE. Whatsoever is therefore consequent to a time of war ... the same is consequent to the time wherein men live without other security than what their own strength and their own invention shall furnish them withal. In such condition there is ... no account of time ...³⁰⁰

²⁹⁹ Cited in Friedrich Nietzsche, *Philosophy in the Tragic Age of the Greeks*, p. 18.

³⁰⁰ Hobbes, *Leviathan*, xiii, 8-9, p. 76.

Hobbes' dislike of "men living with what their own strength and their own invention furnish them" and his keen desire to put an end are echoed in Jean Jacques Rousseau and Karl Marx. In Marx's words:

Rousseau's description of the abstraction of the political is a good one: 'Whoever dares to undertake the founding of a people's institutions must feel himself capable of *changing*, so to speak, *human nature* ... He must take *man's own powers away from him* and substitute for them alien ones which he can only use with the assistance of others.' *All emancipation is reduction of the human world ...*³⁰¹

Hobbes' normative statement of man's denaturing or alienation impresses upon us the following notions: (i) the *known* will to fight and resist is man's natural condition, that is, his inborn courage.³⁰² In contrast to this nature of man, the technological formula for a new pacified man is a measured, controlled time *qua* machine, essentially inanimate time, time of quantity. This new "account of time" - a new account of man - corresponds to a clock-type mechanization-cum-remaking-cum-negating of time. The artificial man is man's ethical and political death. Man becomes a piece of technology. Such technology is peace for the Leviathan. The new genetic or technological formula can be expressed as follows: man = clock, machine, automaton = "the disposition to contend," i.e., resist and fight, is no longer *known* = peace = *mimic* technology == Leviathan = the modern state = power.

Such radical tautological solipsism of nihilism posits itself as an absolute fact. It cannot be an expression of truth because truth itself is willed and determined by nihilism as meaningless, that is, "checked within the confine of the subject."³⁰³ This means that the

³⁰¹ Emphases are Marx's own. Karl Marx, "On the Jewish Question," *Early Writings*, p. 234.

³⁰² Hobbes: "And among the passions, *courage* (by which I mean the contempt of wounds and violent death [hence courage as a radical negation of Hobbes' founding principle] inclineth men to private revenges, and sometimes to endeavor the unsettling of he public peace." [Hobbes, *Leviathan*, A Review and Conclusion, 2, p. 489]

³⁰³ Tom Darby, *The Feast*, p. 149.

truth is seen as grounded, in the sense of being dissolved, in man's nothingness.³⁰⁴ Under the rule of such death or nothingness, self-consciousness is illusory.³⁰⁵ It is a world where the nihilistic Ego encloses everything, sees itself as everything and meets only itself.³⁰⁶ Nihilism in its simple and pure form "speaks to itself": "Nothing is true, all is permitted."³⁰⁷

1.6.7. The Hobbesian encryption, the cipher and the nothing

Hobbes undertook his work of a new founding to create a new "blank tablet" of man cleansed from "pagan" philosophy, politics, and ethics: "So that democratic ink is to be washed away by preaching, writing, and disputing."³⁰⁸ Hobbes' towering edifice of the Leviathan as the absolute power of the sovereign is built upon encoding - upon cipher, "the nothing," and its magic. Encoding as absolute power is identified as a problem of (mis)interpretation and (mis)representation that ought to be solved once for ever - for the benefit of the despotic Leviathan, "the absolute representative of all the subjects."³⁰⁹ To this effect, Hobbes tries to secure himself by declaring that "authentic" interpretation is not that of moral philosophers.³¹⁰ To survive, the Leviathan would have to be made impenetrable to interpretation and analysis, or dissolution by philosophers. Only its maker (Hobbes) would be the sovereign keeper of the decoding key.

³⁰⁴ Tom Darby, *The Feast*, p. 150.

³⁰⁵ Cf. *ibid.*, p. 216.

³⁰⁶ *Ibid.*, pp. 209, 211. In Nietzsche's words, "in the end, one experiences only oneself." Friedrich Nietzsche, *The Portable Nietzsche*, p. 264.

³⁰⁷ Nietzsche, *The Portable Nietzsche*, p. 386.

³⁰⁸ Hobbes, *Leviathan*, xlvii (OL), 29, pp. 488, cf. xlvii, 11, p. 486. Hobbes also said: "If I had written in uncorrupted hearts, on a blank tablet, I could have briefer." [*Ibid.*, xlvii, 29, p. 487]

³⁰⁹ See, for example, *ibid.*, xxvi, 21-26, pp. 180-83; xxii, 5, p. 146.

³¹⁰ *Ibid.*, xxvi, 22, p. 180.

Under such a scheme, representation should not be what it represents. In other words, to be represented means to be something else - or not to be. Hobbes points out elsewhere that to take literally what "signifies or represents" as being the represented thing itself is an abuse.³¹¹ However, this "abuse" of taking the codes literally is exactly what Hobbes wanted to have his Leviathan reimpose: "For the literal sense is that which the legislator intended should by the letter of the law be signified."³¹² The literal reading of the ciphers covers any potential duplicity or abuse and creates an apparently coherent unity: "But if by the letter be meant the literal sense, then the letter and the sentence (or intention) of the law is all one."³¹³ However what the literal sense of the sign (cipher) is itself in need of interpretation.³¹⁴ Moreover, this "literal" sense can change whenever the sovereign interpreter decides it: "the Sentence [intention] of a Judge [interpreter] does not bind him or another Judge to give like Sentence in like Cases ever after."³¹⁵ Thus, the "literal sense" binds the subjects, but does not prejudice in any way the sovereign himself from not being "literal."

In this vein, any representation of the people other than in the person of the Leviathan, who is somebody else than people, is marked as "dangerous." While the Leviathan sovereign represents the people absolutely, the people should not represent themselves absolutely.³¹⁶ For, as Hobbes saw it, people would be represented twice - by the sovereign, as well as by themselves - therefore the latter has to be sacrificed for the former. In other words, people cannot be sovereign. The Leviathan is not a democracy

³¹¹ Hobbes, *Leviathan*, xlv, 11, p. 417.

³¹² *Ibid.*, xxvi, 26, p. 183.

³¹³ *Ibid.*, xxvi, 26, p. 183.

³¹⁴ *Ibid.*, xxvi, 21, p. 180.

³¹⁵ *Ibid.*, xxvi, 24, p. 181.

³¹⁶ See *ibid.*, xix, 3, p. 119.

either. For democracy in itself (not as a cipher for something else) is by definition “government by the people, exercised either directly or through elected representatives,” “majority rule,” and “the principles of social equality and respect for the individual within a community.”³¹⁷ The Leviathan is the absolute or final (mis)representation and (mis)interpretation of man. The task of the Leviathan is to “regulate,” “design,” and “guide” the train of men’s imaginations (representations) and, through this, their thoughts. This idea is based upon a premise that imagination rules over thinking. Control needs to begin with image.³¹⁸ Through image or sign, remembering can be dismembered, removed, and then falsified or reconstructed.

Importantly, as Hobbes saw it, it is man’s remembering and judging of the past deeds of the tyrant that would spell out the death of his God - the Leviathan.³¹⁹ Such remembering is a “seed” that needs to be eradicated as “nothing”: “Therefore, I put down for one of the most effectual seeds of the death of any state that the conquerors require ... also an approbation of all their actions past.”³²⁰ Evil itself is radically redefined, that is, inverted. According to Hobbes, evil is a hatred of evil in the form of tyranny. He argues that “the toleration of a professed hatred of tyranny is a toleration of hatred to commonwealth in general, and another evil seed, not differing much from the former.”³²¹ The ideal situation for the Leviathan is when man does not remember, that is, when man is no longer “~~h~~unting out the causes of some effect, present or past, or of the effects of some

³¹⁷ These are standard definitions of democracy 1, 4, and 5 as given in *The American Heritage Dictionary of the English Language*, 3rd edition, p. 497.

³¹⁸ See Hobbes, *Leviathan*, iii, especially the title of the chapter and titles of the sections, pp. 12-15.

³¹⁹ Hobbes seems to rightly imply that judging is already a form of commanding. Cf. *ibid.*, xlii, 124, p. 393.

³²⁰ *Ibid.*, “A Review and Conclusion,” 8, p. 492.

³²¹ *Ibid.*, “A Review and Conclusion,” 9, p. 492.

present or past cause,” not “seeking what he has lost.”³²² Man would not *recall* his own mind, but the Leviathan would do the recalling. Being recalled by the Leviathan, man is dismembered from himself. Man becomes a Dionysian victim swallowed by the apocalyptic beast as part of its gigantic artificial or machinelike body.

Man’s own “mind” is alienated or externalized, that is, transplanted and captured in the external images and signs. Having one’s mind impressed or “stamped” by external images means to lose the ability to discern. These images are, in turn, nothing but the Leviathan’s “mind” projected and externalized onto man as screen. In other words, for the Leviathan code (power) to be secured and effective, “the cognizance of *good* and *evil*” has to be forbidden to the subjects of the Leviathan so that “the commands of them that have the right to command are not by their subjects to be censured, nor disputed.”³²³ Knowing good and evil is presented as the exclusive monopoly of the Leviathan; the subjects ought to know only what they are told to know.³²⁴

Hobbes hints that the solution lies in suspending remembering by another “method of seeking” or “remembering”- by “the faculty of invention.” The Leviathan is “artificial.” Instead of remembering as finding out what is *behind*, Hobbesian remembering becomes merely a beholding of what is *new* or *just now in front of us*. It becomes merely a matter of reading off the signs according to the instructions of the sovereign despot. For Hobbes, such artificial remembering is “the discourse of mind , when it is governed by design, [that

³²² On Hobbes’ analysis of remembrance see Hobbes, *Leviathan*, iii, 5, p. 13.

³²³ *Ibid.*, xx, 17, pp. 134-35.

³²⁴ See *ibid.*, xx, 17, p. 134; xx, 16, pp. 132-33. “This is absolute obedience to Moses.” [*Ibid.*, xx, 16, p. 132] Cf. *ibid.*, xlvii (OL), 23, p. 476: “When our youth were taught these authors in the universities, for the sake of Greek and Latin philosophy and eloquence, they absorbed at the same time their poisonous doctrine, and decided about good and evil, just and unjust, laws and religion, each according to his own discretion. That was the beginning of our troubles.”

is] nothing but *seeking*, or the faculty of invention ...”³²⁵ Remembering becomes a matter of inventing. Inventing itself becomes a chief method through which the mind is governed and guided. Such remembrance or putting “members” (men) of the Leviathan back together consists “in the imposing of *names* [ciphers] and the *connexion* of them.”³²⁶ Man’s mind and soul becomes only a matter of the imposition and impression of ciphers. This encoding or encryption of man - covering and burying man over under the hermetic crypt or seal of ciphers - is, according to Hobbes, the only thing that men have (to have) in common: “there being nothing in the world universal but names; for the things named are every one of them individual and singular.”³²⁷ The method itself becomes the “truth” and is determined “by the choice of the actions that are most profitable to known.” Such method as preordered “truth” - what is “most profitable to be known” - also stands for what Hobbes calls “the goodness.”³²⁸

Such governing or, we can say, cybernetics of the mind (the Greek *kubernetes*, governor, from *kuberman*, to govern) is based upon “signs” and their invention and manipulation. Signs are “miracles.”³²⁹ Without manifest or self-evident signs (“nothings”), the Leviathan, its will and law is nothing.³³⁰ Furthermore, according to Hobbes, “[a] sign is the event antecedent of the consequent, and contrarily, the consequent of the antecedent.”³³¹ Sign, therefore, always stands for something other than itself. Creating a

³²⁵ Hobbes, *Leviathan*, iii, 5, p. 13.

³²⁶ *Ibid.*, iv, 5, p. 17.

³²⁷ *Ibid.*, iv, 6, p. 17.

³²⁸ *Ibid.*, viii, 5, p. 39.

³²⁹ *Ibid.*, xl, 10, p. 322; cf. *ibid.*, xxxvii, 9, p. 297.

³³⁰ *Ibid.*, xxvi, 16, p. 178.

³³¹ *Ibid.*, iii, 8, p. 14.

gap in time (between the antecedent and the consequent), it also covers a gap between a signal and its meaning.

One might then assume, as Hobbes did, that the more signs (ciphers) one has or the more one is experienced in encoding, the lesser is the probability that he will be deceived and fall headlong into the ciphers' gap. As Hobbes said: "The best prophet naturally is the best guesser; and the best guesser, he that is most versed and studied in the matters he guessed at, for he hath most *signs* to guess by."³³² Prudence then corresponds to the amount of one's experience with signs and their decoding.³³³ To have rich experience with signs and ciphers means first of all *to will them*. For ciphers are but signs of the will. Since Hobbes defines at the same time absolute sovereignty of the Leviathan as unlimited power, this means that the will materialized in ciphers ought to be unlimited - as far as others' powers and judgment are concerned. The willed signs and their sovereign power, i.e., deception of ciphers, should be unlimited. They can be limited only by themselves, that is, by the Leviathan's own will. This unlimited power of ciphers or signs is "the soul" of the Leviathan. It is what "moves" the whole organism of power and keeps it together.³³⁴ It is what gives tyranny its "life." Hence, the whole power of the Leviathan is a matter of effectively imposing signs, names, ciphers, and their (dis)connections on things and men's fancy - their "reason."³³⁵

In accordance with such a concept, deliberation is effectively equated with the will and the will with "putting an end to the *liberty* [man] had of doing or omitting, according

³³² Hobbes, *Leviathan*, iii, 7, p. 14.

³³³ Ibid., iii, 8; see also iii, 7-10, p. 14.

³³⁴ Ibid., xxi, 21, p. 144; xxii, 5, 146; xxix, 23, p. 219.

³³⁵ Hobbes, *On the Nicene Creed, Appendix to Leviathan*, I. 56, p. 511.

to [his own] appetite or aversion.”³³⁶ Hobbes’ will is therefore the end of both liberty, deliberation, and conscience.³³⁷ Truly speaking, Hobbes put thereby both liberty and deliberation “out of balance” - he took them away from the scales of justice, out of mind. For “deliberation” “is from Latin *de*, down, and *liberare*, to balance, weigh in one’s mind.”³³⁸ This mistake by Hobbes is significant in several respects. It manifestly betrays the nature of the Leviathan project, as well as Hobbes preconceived bias. What he read into “deliberation” was the projection of his own “idea.” At the same time, such “weightless deliberation” corresponds to the weightlessness of cipher. It weighs nothing. It does not show up on the scales of justice for it is “putting the end to the liberty” to “weigh in one’s own mind.” Injustice becomes light and easy; to use Kundera’s famous phrase, injustice thereby achieves “an unbearable lightness of existence” - an unbearable ease of crime and evil. Lightness rendered as easiness is also synonymous with facility, as well as effortlessness. It implies no resistance.

Signs are also the very soul of Hobbesian contract or covenant. It is by means of the signs that man’s power is passed over, “translated,” “transferred,” “abandoned,” and “alienated” for the sake of the Leviathan, while this *de facto* absolute alienation is presented as a “covenant” or “contract,” that invokes an idea of mutual exchange and trust.³³⁹ Man alienates himself into “the nothing” of a sign. He becomes a sign. To make such alienation effective, it needs to be unquestioned or “trusted.”

³³⁶ Cf. Hobbes, *Leviathan*, vi, 50, 52, 53.

³³⁷ “Another doctrine repugnant to civil society [despotism of the Leviathan] is that *whatsoever a man does against his conscience is sin* [Hobbes’ own emphasis]; and it dependeth on the presumption of making himself judge of good and evil. For a man’s conscience and his judgment is the same thing; and as the judgment, so also the conscience may be erroneous [but also right - my comment].” *Ibid.*, xxix, 17, p. 212; see also *ibid.*, xxix, 16, p. 212; cf. vii, 4, p. 36.

³³⁸ Joseph T. Shipley, *Dictionary of Word Origins*, p. 213.

³³⁹ Hobbes, *Leviathan*, xiv, 8-16, pp. 82-83; in xiv, 8; xxi, 11-15, Hobbes seems to imply that such alienation of man’s rights and power is not absolute, but the apparent exemptions are practically

Such “trust” stands on sign - on its token. Trust therefore becomes a token trust around which all is revolving. A man alienated from himself as a sign exists only as means or power of somebody else. Man as sign is somebody’s else power and means and nothing else.³⁴⁰ All is then nothing but the will to power or means “that ceaseth only in death.”³⁴¹

To this will to power also belongs the notion of man’s price. According to Hobbes, man’s worth or value is his price - his sign. Man’s price is not subject to man’s own judgment; it is “a thing dependent on the need and judgment of another.”³⁴² Here, we have not only the basics of the politics of sign or cipher, but also what can be rightly viewed as fundamental elements of modern money.

In realizing such politics of means or signs, Hobbes relies on an not-so-completely false assumption that “others ... would be glad to be at ease within modest bonds.”³⁴³ We can say that ciphers and signs make our life in many respects easier, for we cannot deliberate on everything. Many things need to be taken for granted, dealt with as if *automatically*. Our condition is also such that we have also to rely on shortcuts in the form of clues and signs. Ciphers and signs are therefore also our great facilitators. Ciphers and signs make thus seemingly more *facile* man’s obedience that otherwise would have to be achieved by more open threats of death. In Hobbes words: “Desire of ease and sensual delight disposeth men to obey a common power [of the Leviathan] ... Fear of death and wounds disposeth to the same, and for the same reason.”³⁴⁴ Thus cipher has two sides and

suspended elsewhere in the text of the *Leviathan*, e.g., xxi, 16-17, p. 142-43; xiv, 27, p. 86 (“covenants extorted by fear are valid”), p. 86; xv, 41, p. 100. For example, Hobbes’ bestowing upon citizens a right not to make a confession under torture means in practice very little if anything (see *ibid.*, xxi, 13, p. 142). Elsewhere, Hobbes also speaks of *absolute* sovereignty for limited sovereignty is not sovereign.

³⁴⁰ Hobbes, *Leviathan*, x, 1-16, 19-21, 23, 25, 27, 29, 33, 36-40, 42-44, 46-50, 52, 53.

³⁴¹ *Ibid.*, xi, 2, 58. “The end of worship amongst men is power.” [*Ibid.*, xxci, 13, p. 239]

³⁴² *Ibid.*, x, 1, 16, pp. 50-51.

³⁴³ *Ibid.*, xiii, 4, p. 75.

³⁴⁴ *Ibid.*, xi, 4, p. 58; cf. xiii, 14, p. 78; xlvii (OL), 29, p. 487.

faces: convenience or “commodious life,” on one hand, and death and fear thereof, on the other. One helps transmit the other.

Hobbes sees natural reason as an oxymoron. Reason is a product of signs through their invention and impression upon man. As such, it is a product of arbitrary will at one end and received folly at the other. Man’s reason is made and reassembled by signs, it also makes and invents signs. In this way, reason is developed “by industry, first in apt imposing of names [signs], and secondly by getting a good and orderly method in proceeding from the elements, which are names, to assertions made by connexion of one of them to another ...”³⁴⁵ In this artificial light, religious and philosophical ideas are for Hobbes only “names” that are “absurdities” and “signify nothing.”³⁴⁶ If this is so, then man “does not seem to be distinguished substantially from the brutes by the fact that they dispute and brutes do not.”³⁴⁷

Ciphers reanimalize man - by taking away his own reason. Hobbes tries to depose these “nothings” of man’s natural reason and impose his system of “nothings” in their place. For ciphers or signs, when endowed with a material form or believed to have one, are idols; since ancient times, such idols have been held to be “nothing.”³⁴⁸ To explain means to decipher, and to decrypt a cipher (idol) means to destroy it.

1.6.8. Who is Leviathan?

Revolution is radical inversion and encryption (burial) of the old. It involves a change and inversion of what is highest, lowest and what mediates - the media. Every

³⁴⁵ Hobbes, *Leviathan*, v, 17, p. 25.

³⁴⁶ Ibid., v, 15, p. 25. This is, of course, almost exactly what Calvin had already claimed.

³⁴⁷ Hobbes, *On the Nice Creed, Appendix to Leviathan*, I, 56, p. 511.

³⁴⁸ Ibid., I, 3-6, p. 499.

consequential revolution is also a change and inversion of God, man and public 'conscience,' ideas of good and evil, or their substitutes and fill-ins that mediate between man and the Supreme. To this effect, revolution tries to remake God in its own image and likeness.³⁴⁹ The "metaphysics of revolution" is where the truth of the revolution is brought forth and whereby the revolution passes *beyond* the old regime. "Who is to be the new God?" is a question that touches, strikes, and kindles the innermost essence of modernity and its revolution. Understanding the *cipher* of the apparent death of God and the identification of the new deity significantly facilitates the clarification of the revolution and its genesis. The new God stands for the Supreme Cipher of the revolution. *Cipher is a discontinuity* of the context and the meaning. So is "the death of God." To overcome this discontinuity means to break the Cipher (here *cipher* is primarily understood as cryptic code).

The secret (cipher) of "the death of God" received an important development in Leo Strauss' last writings. Using Nietzsche as his point of reference and departure, Strauss indicated that the planetary rule of the overman will be guided "invisibly by the philosophers" - the "religious atheists" or atheist "priests" of the future.³⁵⁰ It would be a tyranny of philosopher-kings minus Platonism and the idea of good. In Strauss' view, the new nobility of rulers may coincide with "a return of the gods."³⁵¹ "An enemy of God" would be transformed into "a friend of God." This inversion would rectify the previously

³⁴⁹ Freud's account seems to support the validity of that observation. For Freud, the beginning of collective consciousness and history is "the primordial murder of the father [God]." [Sigmund Freud, *A General Selection from the Works of Sigmund Freud*, edited by John Rickman, (New York: Liveright Publishing Corporation, 1957), p. 203]

³⁵⁰ Leo Strauss, *Studies in Platonic Political Philosophy* (Chicago & London: The University of Chicago Press, 1986), pp. 224, 180.

³⁵¹ Cf. *ibid.*, p. 33.

“neglected art and conquest” and thus “is not to be understood as a miracle.”³⁵² In the meantime, “the realm of freedom, destined to perish, necessarily contains within itself the seeds of its annihilation and will therefore, while lasts, abound in ‘contradictions’ as much as any earlier age.”³⁵³ The end of freedom would coincide with “the annihilation of the human race.”³⁵⁴ At the same time, as if merely rephrasing Nietzsche, Strauss says: “The adoration of Nothing proves to be indispensable transition from every kind of world-denial to the most unbounded Yes ...”³⁵⁵ For Strauss, the Nothing stands as a *cipher* for stupidity of the multitude: “The fact [is] that the vindication of God is only the inversion of the sacrificing of God to stupidity, to the Nothing ...”³⁵⁶ Strauss identifies this Nothing (the *cipher* for stupidity of the many) with nihilism: “the stupidity or the Nothing to which God is being sacrificed ... is the will to power.”³⁵⁷ Moreover, the “Nothing” is the new God himself, for as Strauss says, only “after a long preparation,” it was possible to “divinize the Nothing.”³⁵⁸ The new God is the divinized Cipher.

The master plan of modernity as a radical and absolute revolution is nihilism. Hobbes’ choice of the Leviathan as a leading metaphor and cipher for his project shows in itself its unusual and radical character. In a paragraph entitled “The Generation of a Commonwealth [Leviathan],” Hobbes defines the essence of the Leviathan as follows: “The only way to erect such a common power ... is to confer all [people’s] power and strength upon one man, or upon the assembly of men ... This is the generation of that

³⁵² Cf. Leo Strauss, *Studies in Political Philosophy*, pp. 204, 207.

³⁵³ *Ibid.*, p. 180.

³⁵⁴ *Ibid.*, p. 180.

³⁵⁵ *Ibid.*, p. 180.

³⁵⁶ Cf. *ibid.*, p. 181. Strauss also says that only “after a long preparation,” it was possible to “divinize the Nothing.” [*Ibid.*, p. 181]

³⁵⁷ *Ibid.*, p. 181.

³⁵⁸ *Ibid.*, p. 181.

great LEVIATHAN, or rather (to speak more reverently) of that *Mortal God* ...”³⁵⁹ In this connection, one has to add that the subjects of the Leviathan should be taught again that kings are *Gods*.³⁶⁰

Hobbes admits that the Leviathans “cannot be in their beginnings justified in conscience.” The Leviathan is actually murdered whenever “the conquerors require also an approbation of all their actions past.”³⁶¹ In other words, Hobbes diagnoses the cause of the death of the Leviathan as men’s own conscience *and* courage - when “men decided about good and evil, just and unjust, laws and religion, each according to his own discretion; that was the beginning of our troubles.”³⁶²

Metaphorically expressed, the previous “murder of God” took place when man realized that Leviathan came to stand for evil and either killed him or split him into two - the ego-fragment and conscience; consciousness and Jung’s “collective unconscious;” “the city of the poor” an “the city of the rich;” the “City of Man” and the “City of God;” Arendt’s impoverished “me and I;” the West and the East, etc.³⁶³ Hobbes’ Leviathan is the Biblical “crooked serpent” but resurrected and elevated as the rational and actual political state - Nietzsche’s “coldest beast.” Leviathan is also other name (cipher) for Samuel, the prince of evil.³⁶⁴ This beast now transformed, yet keeping its old name, is Hobbes’ *Mortal God*.³⁶⁵

³⁵⁹ Hobbes, *Leviathan*, xvii, 13, p. 109; see also xxviii, 27, p. 210.

³⁶⁰ *Ibid.*, xxx, 7, p. 222.

³⁶¹ *Ibid.*, “A Review and Conclusion,” 8, p. 492.

³⁶² *Ibid.*, xlvi (OL), 23, p. 476.

³⁶³ Plato, *The Republic*, 551d. Many would however be rather of the opinion that the these cities belong to the ego and conscience in a reversed order. On Arendt’s conscience as mere “me and I” see Arendt, Hannah. “Thinking and Moral Considerations: A Lecture.” *Social Research*, No. 3, 1971: 417-446.

³⁶⁴ Cf. Elie Wiesel, *The Trial of God* (New York: Schocken Books, 1995); cf. Elie Wiesel, *Night*, with a new preface by Robert McAfee Brown (New York: Bantam Books, 1982), pp. ix, 65, 73. *Leviathan*, the Biblical ‘monstrous sea creature,’ is also said to be akin to Canaanite *im*, Lotan, the Hydra. [*American*

Leviathan is man's going down to *ethical* death. This terrible returns because the sources and essence of the terrible were either forgotten or not learned adequately.

Because of this lack of philosophical and ethical education, it is "left for us to go through tyranny and the tyrant."³⁶⁶

1.6.9. The Platonic Divide and technology

To will the end, one has to will the corresponding methods, means, and arms. It is the technology of *mimesis* which does the job. Herein also lies the peculiar essence of the modern age: the "death" of God is technology *qua mimesis*.

It is this new *mimetic* technology, i.e., money, that has become the new nature of the Leviathan, its body, subsistence, source of power and life - its *arms*. The Leviathan is (the *mimic*) technology. Such is also the bureaucratic, "rational" essence, frame, and cage of the modern state. Such is also the enframing essence of modern money as capital. The technology of *mimesis* is the perfect body of the Leviathan so long striven for. Technology

as the Leviathan's body is also the grave of the spirit. It is the grave where, to use

Heritage Dictionary of the English Language (Boston, New York and London: Houghton Mifflin Company, 1992), p. 1035] *Leviathan* is "the name of some aquatic animal (real or imaginary) of enormous size, frequently mentioned in Hebrew poetry." [*Oxford English Dictionary*, Volume 1 A-O (London: Oxford University Press, 1971), p. 1610]

³⁶³ See Clare Gibson, *Signs and Symbols* (New York: Barnes and Nobles, 1996), p. 132. The Leviathan is also said to "shed 'crocodile tears' to encourage its softhearted victims to approach it." *Ibid.*, p. 106. According to the *Talmud*, "the fins of Leviathan radiate such brilliant light as to obscure the rays of the sun." In medieval Christianity immediately preceding Hobbes' age of reformation and modernity, Leviathan was identified with hell. See Arthur Cotterell, *A Dictionary of World Mythology* (Oxford and Melbourne: Oxford University Press, 1997), p. 34. Edwin Curley noted: "In xvii, 13, Hobbes himself suggested that there is something irreverent about the title [*Leviathan*] (perhaps because there is a tradition of associating Leviathan with the devil ...)." [See Hobbes, *Leviathan*, p. 3, note 1]

³⁶⁶ See Plato, *Republic*, 557c, 561e, 562a. See also Plato, *Republic*, 554b, and note 14, p. 468, on an emerging connection between "a blind leader" of the Dionysian chorus, the God of Death and Wealth, and blinded Oedipus (led by Antigone). Cf. Nietzsche's Zarathustra: "... to the realm of the clouds: upon these we place our motley bastards and call them gods and overmen." [*The Portable Nietzsche*, p. 240] Cf. also Kafka's Grand-Inquisitor-like notion of the radical "equality" or "democracy" of evil as the equality and ostensible democracy of the weak. Franz Kafka, *Dearest Father: Stories and Other Writings* (New York: Schocken Books, 1954), pp. 43-44.

Nietzsche's words, "the soul will be dead even before the body."³⁶⁷ It is the grave of the tormenting and hard labor of the spirit of (self-)conscience that has been seducing, goading, and subliming us upward to the idea-home of the good, the beautiful and justice. The Leviathan's technology of the terrible works on the principle of the *imperium* that "blood is spirit."³⁶⁸

According to the Book of Job, only magic can revive the sleeping or dead Leviathan.³⁶⁹ On such magic Hegel said:

Every single person is a blind link in the chain of absolute necessity ... Every single person can extend his dominion over a greater length of this chain only if he ... learns from this cognition to utter the *magic word* which conjures up its shape. This cognition which can both embrace in itself the whole energy of the suffering and the antithesis which had ruled the world in all the forms of its development for a couple of thousand years, and can raise itself above it all ...³⁷⁰

On the basis of his analysis of the Hegelian system, Tom Darby argues that such *magic* is technology. Such magic works because it does not require self-consciousness, only a technical knowledge or recognition of the language of abstract signs.³⁷¹ The modern Leviathan is a globalizing domination whose life energy and content is technology.

³⁶⁷ *The Portable Nietzsche*, p. 132.

³⁶⁸ *Ibid.*, p. 152.

³⁶⁹ Gibson, *Signs and Symbols*, p. 132. Cf. Job 41:1-4; also Job 3:8: "Cursed be it by those whose magic binds even the monster of the deep, who are ready to tame Leviathan himself with spells." On the link between Yahweh-Saturn-Leviathan see, for example, Job 31: 15: "Did not the same God create us in his belly?" Job 40:19, 41:8: "He is the chief of God's works, made to be a tyrant over his peers. ... If ever you lift your hand against him, think of the struggle that awaits you, and let be." Also Job 41:33-34. Basically, Yahweh identifies himself with Leviathan. See esp. 40:6-42:6.

³⁷⁰ Cited in Darby, *The Feast*, pp. 216-217. See also the following discussion of the magic power and the end of history *ibid.*, pp. 217-22, esp. on its relation of magic to technology on p. 218. In Darby's view, the Word, the Magic Word is Hegel's *Phenomenology of Spirit*. This magic formula of reawakening is the efficient cause that is 'to bring forward into appearance' - the terrible. [*Ibid.*, p. 220, note 42] This magic is bound up with forgetfulness. [See *ibid.*, pp. 221-22] The new world of despotism is begotten when many, all too many, forget.

³⁷¹ *Ibid.*, p. 220.

Technology exists in its separate, yet interconnected moments mainly as the state, labor, money, capital, the media, ideology, and arms.

1.7. Ethics as Method

The question of methodology is an encrypted-cum-buried question of the ethical by means of which:

man may know the effects, bad and good, of beauty mixed with poverty or wealth and accompanied by this or that habit [ethos] of the soul. ... From all this he will be able to draw a conclusion and choose - in looking off toward the nature of the soul - between the worse and the better life, calling worse the one that leads it toward becoming more unjust, and better the one that leads it to becoming juster. He will let everything else go. For we have seen that this is the most important choice for him in life and death. He must go to Hades adamantly ... so that he won't be daunted by wealth and such evils there, and rush into tyrannies and other such deeds by which he would work many irreparable evils.³⁷²

Choice of the method is also the choice of life and corresponding *ethos*. To this effect, one has to distinguish between mere morality (even nihilism has its morality) and ethics. According to Carl Jung, morality is based "merely on an act of obedience." To this effect, Jung continued, "the mere observance of a codified 'Thou shalt not' is not in any sense an ethical decision, but a convenient loophole that has nothing to do with ethics."³⁷³

Ethics resists attempts to turn the whole of man into a fragment which then finds as a new

³⁷² Plato, *Republic*, 618c-619a.

³⁷³ C.G. Jung, *Flying Saucers*, translated by R.F.C. Hull (New York: MJF Books, 1996), p. 52. Carl Jung also added: "We are surprised at the decay of ethics in our century, and we contrast the standstill in this field with the progress of science and technology." [Ibid., p. 52] The fact is that the questions of ethics and technology are closely intertwined and codetermined.

totality 'beyond good and evil.' Ethics "demands the whole man and not just a differentiated function."³⁷⁴

According to Wittgenstein, it is "clear that ethics cannot be expressed," because in our world there are "simply facts, facts, and facts but no Ethics."³⁷⁵ Wittgenstein's way of proceeding has to do less with logic than with a positing, fragmenting, and negating facts and is thus also indicative of the mode in which technology negates ethics through "data." Wittgenstein first proceeds to separate ethics from facts, that is already arbitrary. When the fact of separation is assumed or "expressed," Wittgenstein presents this opinion as a fact that is then followed by a fact-opinion that declares ethics nonsense. All facts are "just like other facts."³⁷⁶ The conclusion is here, of course, "nonsensically" or unethically given from the very beginning of such fact-making: "[The] running against the walls of our cage is perfectly, absolutely hopeless."³⁷⁷

In this connection, Wittgenstein said: "I can only describe my feeling by the metaphor, that, if a man could write a book on Ethics which really was a book on Ethics, this book would, with an explosion, destroy all the other books in the world."³⁷⁸ In my opinion, the best candidate for such a book is Plato's *Republic*. Wittgenstein either could not or did not want to see it, even though his notion of the hermetic "cage" comes very close to the image of the Platonic cave. However, Nietzsche clearly realized the significance of the Platonic teaching when he declared that philosophy is Platonism, and

³⁷⁴ Jung, *Flying Saucers*, p. 52.

³⁷⁵ *The Wittgenstein Reader*, edited by Anthony Kenny (Oxford, UK, and Cambridge, USA: Blackwell, 1994), p. 291. see also p. 29] At best, all ethical expressions are, as Wittgenstein sees it, misuses of language." [Ibid., p. 293]

³⁷⁶ Ibid., pp. 294-5.

³⁷⁷ Ibid., p. 296. As an absolute statement, Wittgenstein should have accepted this opinion also as "nonsensical," provided that he took seriously his own premises.

³⁷⁸ Ibid., p. 291.

that Christianity is Platonism for the masses.³⁷⁹ The critique of modernity is thus also a question of how we stand in relation to Plato and his teacher, Socrates. In this regard, as Francisco J. Gonzales pointedly put it, “to judge from the issues that are currently debated, there is little exaggeration in saying that the study of Plato is still in its infancy.”³⁸⁰

My aim is the examination of the terrible mostly in its political sense, that is, as tyranny, in order to draw out its hermetic obscurity into the realm of the visible where it can be subject to a more direct view and criticism. Despite Fukuyama’s celebration of the end of human history that hailed the demise of the Soviet empire both as the victory of Hegel and final triumph of (democratic) liberalism,³⁸¹ it becomes more and more evident that tyranny and its modern totalitarian form are only too likely to stay with us.³⁸² Tom

Darby commenting on Fukuyama’s final world order concluded that it reminds one of “the

³⁷⁹ Martin Heidegger, “The End of Philosophy and the Task of Thinking,” in Martin Heidegger, *Basic Writings*, edited by David Farrell Krell (HarperSanFrancisco, 1993), pp. 432-33. The title of the article already suggests that, like Nietzsche, Heidegger saw his task as bringing about the end, “the step back out of philosophy.” [See *ibid.*, p. 427] See also Martin Heidegger, *Nietzsche*, Volume One, translated by D.F. Krell (HarperSanFrancisco, 1991), pp. 29, 151-161, 200-210. Friedrich Nietzsche, *The Gay Science*, aphorism 344, p. 283; Friedrich Nietzsche, *The Will to Power*, aphorisms. 214, 436, 572, 644; pp. 125, 240, 308, 343.

³⁸⁰ Francisco J. Gonzales, ed., *The Third Way: New Directions in Platonic Studies* (London: Rowman & Littlefield Publishers, 1995), p. vii. I also fully agree with Gonzales that “actually learning from, means being transformed by, the dialogues.” [Ibid, p. x] All are Gonzales’ emphases. It is also indicative that some of those who attempted assimilate Plato’s *Republic* were unable or unwilling to advance beyond its first half, the “city of sows,” its communism, and education of children - its first, crude, and “lesser” initiation. As Timothy Burns noted, “by Fukuyama’s account ... one would think that the *Republic* ends at the conclusion of Book Four.” See Timothy Burns, “Modernity’s Irrationalism,” in Timothy Burns, ed. *After History?: Francis Fukuyama and His Critics*, p. 170, note 72. On the interpretations of Plato by Leo Strauss, Fukuyama’s mentor, that leaves much out and shrouds the rest, see Leo Strauss, “Plato’s *Republic*,” *The City and Man* (Chicago and London: The University of Chicago Press, 1978), pp. 50-138. On Strauss’ designation of Socrates as a “problem” see his “The Problem of Socrates: Five Lectures,” *The Rebirth of Classical Political Rationalism* (Chicago and London, The University of Chicago Press, 1986), pp. 103-183. Cf. Leo Strauss, “On the *Euthyphron*,” *The Rebirth of Classical Political Rationalism*, pp. 187-206; and “On the *Euthydemus*,” *Platonic Political Philosophy*, pp. 67-88.

³⁸¹ Francis Fukuyama, *The End of History and the Last Man*; see also Timothy Burns, ed. *After History? Francis Fukuyama and His Critics*.

³⁸² Roger Boesche, *The Theories of Tyranny from Plato to Arendt* (University Park, Pennsylvania: The Pennsylvania State University Press, 1996), p. 422.

other best regime 'in speech' *reluctantly* described by Socrates in Book V of Plato's *Republic*; [w]here this best regime realized it would in *reality*, turn out to be the *worst*."³⁸³

In his discussion of the totalitarian character of the (present use of) technology which posits democracy as inefficient, W. Thompson concluded: "History is thus inescapably a tragedy in which man may choose between forms of tyranny but never can escape the tyranny of form."³⁸⁴ Nor are we in a position where we can allow ourselves the license to forget, as Boesche noted, that "at any given moment in history, surely tyrannies have greatly outnumbered states we could call just or free."³⁸⁵

Among the leading philosophers of our time there seems to a little dispute about the tyrannical proclivity or nature of the global order³⁸⁶ whose technological logic posits democratic institutions (education, health system, job creation) as too costly and inefficient as well as, to use Nietzsche's expression, "very *boring* quarantine arrangements to combat that ancient pestilence, lust for tyranny."³⁸⁷ Olgiati and Podgorecki argued that

³⁸³ Tom Darby "ironic" comment is presented in the final endnote to his article "Technology, Christianity, and the UHS" in Timothy Burns, ed. *After History? Francis Fukuyama and His Critics*, p. 215. Darby's emphases.

³⁸⁴ William Irwin Thompson, *At the Edge of History* (New York: Harper & Row, Publishers, 1971), p. 84.

³⁸⁵ Roger Boesche, *The Theories of Tyranny*, p. 1.

³⁸⁶ Barry Cooper, "Nihilism and Technology" in Tom Darby, Bela Egyed, and Ben Jones, eds., *Nietzsche and the Rhetoric of Nihilism* (Ottawa: Carleton University Press, Ottawa, 1989), p. 180. Leo Strauss and Alexandre Kojève in their famous polemic about tyranny were mainly arguing the question of the personal happiness of the tyrant and the nature of the relation between the tyrant and the philosopher, while not questioning the determinative relevance of tyranny for our "end of history." [See Leo Strauss, *On Tyranny*, 1991]] In this context, Barry Cooper defined modern technology as a "tyranny wearing a disguise," while stressing that totalitarianism is "an ever-present danger." Barry Cooper, *Action into Nature* (London: University of Notre Dame Press, 1991), pp. 153-154.

For other sources on the problem of modern tyranny and totalitarianism see, for example, T. Adorno, E. Frenkel-Brunswick, D. Levinson, and N. Sanford, *The Authoritarian Personality* (New York: Harper & Row, 1950); Z. Brzezinski, *The Grand Failure* (New York: Charles Scribner's Sons, 1989); C. Friedrich, and Z. Brzezinski, *Totalitarian Dictatorship and Autocracy* (Cambridge: Harvard University Press, 1965); C. Friedrich, ed., *Totalitarianism* (Cambridge: Harvard University Press, 1954); H. Marcuse, *One-dimensional Man* (Boston: Beacon Press, 1964); W. Reich, *The Mass Psychology of Fascism* (New York: Noonday, 1991); F. Neumann, *Behemoth: The Structure and Practice of National Socialism 1933-1944* (London: Oxford University Press, 1944).

³⁸⁷ See Friedrich Nietzsche, *Human, All Too Human* (New York: Cambridge University Press, 1995), p.

“techniques of oppressive political government and practices of socio-institutional degradation are still embedded, more or less latently, within current social processes.”³⁸⁸

According to J. Schmidt, “the roots of totalitarianism are embedded in the fundamentals of our Western culture and civilization.”³⁸⁹ At the same time, it is a strange paradox that *no systematic study or theory of tyranny is at our disposal*.³⁹⁰ However, the most important source on tyranny are Plato’s classic dialogues, especially the *Republic*, which is by far *the* best account we have.

1.8. Reviewing the groundwork of globalization

Until we dare to question nihilism and to cross the Great Divide that separates us from our own common conscience and *logos*, we are destined to live our “deaths” and their fears, caught in the Hegelian nothingness of “*tarrying* with the negative” and evil.³⁹¹ Regrettably, such globalization of negative tarrying is presented to us by the late modern nihilists as the “end of history.”³⁹² The “global village” is a global “city” of imperial

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³⁸⁸ Vittorio Olgiati and Adam Podgorecki, eds., *Totalitarian and Post-Totalitarian Law* (Dartmouth: Dartmouth Publishing Company, 1996), p. vii.

³⁸⁹ Joachim K.H.W. Schmidt, “Philosophical Roots of Totalitarianism in Twentieth-Century Germany,” Adam Podgorecki and Vittorio Olgiati, eds., *Totalitarian and Post-Totalitarian Law* (Dartmouth: Dartmouth Publishing Company, 1996), p. 169] Schmidt however thought that he rediscovered this tyrannical root in Parmenides. I think the root is both much closer home and also more distant than Schmidt thought.

³⁹⁰ Roger Boesche, *The Theories of Tyranny*, op. cit., p. 18; also Vittorio Olgiati and Adam Podgorecki, *Totalitarian and Post-Totalitarian Law*, op. cit., p. viii.

³⁹¹ “This tarrying with the negative in the face is the magical power that converts it into being. This power is identical with what we earlier called the Subject ... and thus its authentic substance” [Hegel, *Phenomenology of Spirit*, “Preface,” paragraph 32, p. 19] “In modern times, however, the individual finds the abstract form [cipher] ready-made. ... Through this movement the pure thoughts become *Notions*, and are only now what they are in truth, self-movements, circles [that is, autonomous ciphers] ... This movement of pure essences [ciphers] constitutes the nature of scientific method in general. Regarded as the connectedness of their content it is the necessary expansion of that content [that is, death as the encrypted code of these ciphers] into an organic whole.” [Ibid., “Preface,” paragraph 33 and 34, pp. 19-20]

³⁹² See Alexandre Kojève, *Introduction to the Reading of Hegel* (Ithaca & London: Cornell University

nihilism whose cipher has been enormously magnified by its own apparent success, pervasiveness, and size. This however also makes it both more compelling and easier to read and decrypt.

"The nothing" is a *cipher*. The *cipher*, "the nothing," is what governs and is turning the wheel of modern capitalism and its global project. In other words, technology that sustains this order is the technology of the *cipher*. The ideal of this technologico-political rationalization is a hermetically closed public space in the likeness of a virtual "nothingness." To this effect, the corporatist bureaucracies try to claim a monopoly on their expertise and technology of ciphers by means of which they divide, grid, and lock social time and space.³⁹³ Nihilism is a closure of being founded on ciphers. The cipher is its magic. The cipher that is the *cardinal* point and power. *Cardinal* is from the Latin *cardo*, *cardin* - hinge, and the Greek *kardan*, to swing.³⁹⁴ The cipher is the "void" *core* of the system that conceals itself, while *closing* in on man's mind.

Napoleon, whom the Hegelian Science sanctified as God, developed his whole method of efficient warfare on the basis of the idea of "hinge": "Fire must be concentrated on a single point and as soon as the breach is made the equilibrium is broken and the rest is nothing."³⁹⁵ McLuhan added to this saying an important key that unlocks its cipher:

Press, 1993); Alexandre Kojève, "The Idea of Death in the Philosophy of Hegel." (Complete text of the last two lectures of the academic year 1933-34), translated by Joseph J. Carpino, *Interpretation*. Winter 1973: 114-156; Francis Fukuyama, *The End of History and the Last Man* (New York: The Free Press, 1992); cf. Tom Darby, *The Feast: Meditations on Politics and Time* (Toronto: the University Toronto Press, 1992); Tom Darby, "The Three Waves of Technology." *Literary Review of Canada*, November, 1995: 3-7; Tom Darby, ed. *Sojourns in the New World: Reflections on Technology*. Ottawa: Carleton University, 1986; Tom Darby, Eged, Bela and Ben Jones, eds. *Nietzsche and the Rhetoric of Nihilism* (Ottawa: Carleton University Press, Ottawa, 1989); Barry Cooper, *Action into Nature* (London: University of Notre Dame Press, 1991); Timothy Burns, ed. *After History? Francis Fukuyama and His Critics* (London: Littlefield Adams Quality Paperbacks, 1994).

³⁹³ Cf. Timothy V. Kaufman-Osborn, "On the Rationalization of State Violence: Lockean Liberalism and the Noose," the 1998 APSA Annual Meeting, Boston, September 3-6, 1998.

³⁹⁴ Joseph T. Shipley, *Dictionary of Word Origins*, p. 69.

³⁹⁵ Quoted in Marshall McLuhan and Quentin Fiore, *War and Peace in the Global Village* (San

“However, a study of the actual campaign [Piedmont, 1794], which occasioned Napoleon’s observation, suggests that he might well have used the word ‘hinge’ or ‘joint’ in place of the word ‘point’; thus a small matter like the careless choice of a single word can lead to immense arguments and misrepresentations.”³⁹⁶ The cipher is therefore the “heart” upon which we need to “concentrate our fire.” Without the cover of ciphers, “the rest [of the Leviathan] is *nothing*.” Thus it is also where the Leviathan can be “breached” and pierced through.

It is somewhat ironic that the titanic architecture of globalization rests upon such a little thing, almost a *nothing* of the cipher. However, the readily observable fact is that the cipher tends to grow quickly oversized in the dimensions of man’s mind, overshadowing other larger and more important contexts. The cipher is the cardinal problem of human consciousness. As far as man is concerned, it is mind “separated at the joints” (by ciphers-gaps).³⁹⁷ Therefore, for the sake of our recovery, we need to question the misrepresenting ciphers. Instead of taking them for granted and trusting them as our new gods, we need to ask for and recover their “reasons” (*logos*). Such recovery is a recovery of our self-knowledge. And this is possible only on the ground of philosophy and ethics. For man’s cause (*aitia*) and hence responsibility (*aitia*) is mind. Philosophy as a Socratic *agon* (life) is thinking that cuts at the joints (ciphers) that keep the mind (man) closed - bound to its nihilistic death.

1.9. Conclusion

Francisco: HardWired, 1997), p. 108.

³⁹⁶ Quoted in Marshall McLuhan and Quentin Fiore, *War and Peace in the Global Village*, p. 110.

³⁹⁷ *Phaedo*, 98c.

One of the driving and defining forces of modernity is nihilism ('everything is permitted;' 'nothing matters;' 'all is meaningless') that is also present in the essence of capitalism, capital and technology. The question concerning nihilism raises the question about its root - the "nothing." As I tried to demonstrate here, "the nothing" is a *cipher* - a cryptic something with a catch. "The nothing" and its "catch" was also at the core of the 'old dispute' between philosophy and the *mimetic* ideologies of tyranny, i.e., modern nihilism.

Two Platonic dialogues elucidate this essence of "the nothing" in particular: the *Sophist* and the *Apology of Socrates*. A careful reading of the *Apology* reveals that behind "the nothing" lies the Dionysian god of death and its political culture to which modern nihilism has consciously bound itself as its "rebirth" (Nietzsche). The Dionysian is itself 'cave-bound.' Its essence is the hermetic hermeneutics of Plato's cave - Hades.

These findings also enabled us to revisit and reconsider the founding works of modern politics (Machiavelli and Hobbes) as the tyrannical politics of the *cipher* and its apparent autonomy. Moreover, there appears to be an intrinsic connection between nihilism and terror (the terrible). Both nihilism and terror negate the meaningfulness of humanity and its ethical content. Nihilism is the terrible sense of meaninglessness.³⁹⁸ Nihilism can also be defined as the use and abuse of the human condition against man himself.

Terror as in terrorism or in the terrible drives out self-consciousness and ethical conscience. This loss of the ability to think in an ethical way is related to the 'political economy' or 'common wealth' that immerses modern minds in abstractions, cryptic codes, images, numbers, and signs. All of which can be subsumed under the term *ciphers*.

³⁹⁸ Cf. Walter Kaufmann, "Translator's Introduction," in Friedrich Nietzsche, *The Gay Science*, trans. Walter Kaufmann (New York: Vintage Books, 1974), p. 17.

Political economy - politics and economics - employ *ciphers*, that is, arbitrary abstractions and cryptic signs that leave out the human concern about the common good (justice) and thus negate genuine politics,³⁹⁹ while concealing their antithetical nihilism. Such *ciphers* have made possible the deconstruction and obliteration of man's ethical self-knowledge or conscience. Confused by *ciphers*, ethical distinctions between good and evil are negated, and the ground is being cleared and prepared for human moral and political indifference and vengeance by man's will for absolute power which is the chief desire (*eros*) of nihilism.

Our global 'common wealth' under the title or the cipher of globalization relies on the political economy of money capital which in turn is described by and acts through a set of ciphers or virtual realities that may or may not truly exist. This globalization corresponds to the regime of the Platonic cave whose image was described by Socrates in Book VII of Plato's *Republic*. The Platonic cave, whose political form is a dystopia described by Socrates in Book V of the *Republic*, is now our global theater.⁴⁰⁰ However, the Platonic cave is a world inhabited by mere bodies that cannot 'move their heads.' They cannot think for themselves, and they cannot tell good from evil because their 'souls' or 'minds' do not reside in the bodies but hover alienated as external projections cast onto

³⁹⁹ Viz. the classic definition of politics by Aristotle that forms the first line of his *Politics*: "... every polis is an association, and every association is formed with a view to some good purpose. ... Clearly then, as all associations aim at some good, that association is the most sovereign among them all and embraces all others will aim highest, i.e., at the most sovereign of all goods. This is the associations which we call the polis, the association which is 'political.'" [125a21 Aristotle also stresses that politics should aim at justice - justice of free men otherwise it is not politics: "It is clear then that those constitutions which at the common good are right, as being in accord with absolute justice; while those which aim only at the good of the rulers are wrong. They are all deviations from the right constitutions. They are like the rule of master over slave, whereas the state is an association of free men." [Politics, 1279a16]

⁴⁰⁰ Dystopia is "an imaginary place or state in which the condition of life is extremely bad, as from deprivation, oppression, or terror;" it is also "a work describing such a place or state." *American Heritage Dictionary*, p. 575.

screens. In this hermetic and hermeneutic world, “the living,” as Nietzsche says, “is merely a type of what is dead, and a very rare type.”⁴⁰¹

Nietzsche also recognized the relation between such a cave, nihilism, and ‘God’s death’: “After Buddha was dead, his shadow was still shown for centuries in a cave - a tremendous, gruesome [terrible] shadow. God is dead; but given the way of men, there may still be caves for thousands of years in which his shadow will be shown.”⁴⁰²

Nietzsche’s Last (Fallen) Men, “whose souls are dead even before their bodies,”⁴⁰³ reside in a hermetic and hermeneutic enclosure that is the Platonic cave. These Last Men fail to understand war and its terror. Moreover, they also fail to understand that war is waged inside their minds and against their minds - by means of *ciphers* that enforce what they conceal.

The Platonic cave occupies the lower part of the so-called Socratic divided line whose structure is described in Book VI of the *Republic*. The diagram of the divided line provides a framework where the ‘great divide’ is the gate or threshold of the cave. What stands above the ‘great divide’ is man’s *logos* - man’s shared dialogue with others and their thinking (*logos*) together which is embedded in the idea of the good. *Logos* is the (increasing) absence of (self)ignorance and the ability to cultivate and to share in purposeful human practice (*techne*) the knowledge of what is right and good and what is evil and harmful. *Logos* is also the ability to share conscience and its view of terror and the terrible.

⁴⁰¹Friedrich Nietzsche, *The Gay Science*, aphorism 109, p. 168.

⁴⁰² Ibid., aphorism 108, p. 167.

⁴⁰³ Friedrich Nietzsche, *Thus Spoke Zarathustra*, “Prologue,” Part I 6, in *The Portable Nietzsche*, edited by Walter Kaufmann (New York: Penguin Books, 1982), p. 132.

The essence of *techne* and the essence of technology are not the same, although they often overshadow each other. The essence of truly human practice belongs to *logos*. The words *techne* and *logos* together form the word 'technology' that thus appears as being or rather containing both. However technology is about 'efficiency' 'beyond good and evil.'⁴⁰⁴ Technology thus has with *techne* and *logos* rooted in the idea of good only their names that become mere *ciphers* that cover the nihilistic essence. Technology is thus a *systematic* way for putting nihilism into practice, for "rationalizing" nihilism and *changing* and nihilating practice and human nature itself accordingly. In this way, technology with its nihilism buries the genuine, political meaning of *techne* as well as *logos*. To this we shall return in Chapter 4.

Revisiting the Socratic and Platonic ethics provides a framework and a way toward to transcend nihilism and terror or the terrible. It is a way to break through the hermetic enclosure of the cave and to participate in our common human *polemos* (war; struggle) about the meaning of good and evil. Our way or path goes back and through nihilism as defined by Nietzsche and into the artificial 'terrible beast' of modernity - its *commonwealth* - in Hobbes' *Leviathan*.

Having traveled through new labels and code words will inflate and add to our planetary Babel. This too is part of the word game and its *cipher*. Many see a cipher as a number. One of the most pervasive and common *ciphers* is money and its translation into capital that creates and commands the political and social forces on our planet. Money is, in many respects, the most important and efficient form of ciphers. On its surface, money

⁴⁰⁴ Tom Darby, "Technology, Christianity, and the UHS," in Timothy Burns, ed. *After History?: Francis Fukuyama and His Critics* (London: Littlefield Adams Quality Paperbacks, 1994), p. 209; Tom Darby, "Reflections on Technology: An Excursus as Introduction," in Tom Darby, ed., *Sojourns in the New World: Reflections on Technology* (Ottawa: Carleton University, 1986), pp. 4, 7, 15, 16.

can represent anything, but what is essential about money is what it hides. In short, money encrypts nihilism. However money also hides man's labor, substitutes the work of man's hands and mind for a *cipher*, and thereby removes ethical considerations. The banker who lends money to the manufacturer who employs the worker who build missiles or tractors and the technicians who create guidance systems or computer programs are paid in money (*ciphers*). These people spend "their money" on housing, food, clothing, entertainment without often thinking about the effect of their labor and the purposes to which their labor is applied or about the labor of those who produced what is purchased. The *cipher* of money encrypted in these transactions makes it possible to ignore questions about good and evil and thus, according to the nihilistic dictum, 'makes everything possible and everything permitted.' Ciphers thus can be used as means to raise barriers to political awareness and self-knowledge, especially with regard to tyranny and injustice. In this way, nihilism is a system of ciphers and encryptions that can be a way to achieve total, social, political, moral, economic, and psychological tyranny. Nihilism itself is a cipher for perfect tyranny - a Platonic cave.

Alcibiades in Plato's *Symposium* lamented on the address of Socrates, the philosopher-warrior: "You always do this to me - all of sudden you'll turn up out of nowhere where I least expect you!"⁴⁰⁵

⁴⁰⁵ Plato, *Symposium*, 213C.

2. POLITICAL ECONOMY: ITS TYRANNY AND CIPHERS

"The giants among them, of the true *earthborn* breed ... would hold out to the end, that whatsoever they cannot squeeze between their hands is just *nothing* at all."¹

Plato on the *sophists*

"Let your will say: the *Urbemensch* shall be the meaning of the earth. ... I beseech you, my brothers, *remain faithful to the earth*, and do not believe those who speak to you of otherworldly hopes! ... The more he aspires to the height and light, the more strongly do his roots strive *earthward*, downward, into the deep - into evil. ... For he wants to the most important beast on earth, the state."²

Friedrich Nietzsche's gospel for the new age

"Capitalism in its original eighteenth- and nineteenth-century design was a cruel system, which would not have survived the social tension and the revolutionary attitudes it inspired had there not been a softening, ameliorating response from the state."³

John Kenneth Galbraith

In this chapter, I will examine the evolution of political economy from its first proto-formulations in Aristotle, through its modern conceptualization by Hobbes, Rousseau, Smith, Hegel, Marx, Nietzsche, Schumpeter, and then Foucault. My interpretation is based on the idea that capitalist political economy is essentially the political economy of nihilism operationalized by means of cybernetic and monetary *ciphers*. To this effect, I concentrate here on the analyses of formulations that can help us clarify the ways in which such political economy is conceived and operationalized by means of those *ciphers*.

The threads that we will follow here are the concept of political economy as such and its encoding for modern consciousness through *ciphers*. This also means that the

¹ Plato. *Sophist*, 247c. My emphases. The "earthborn" breed also points to the Cadmean founding myth. On the Cadmean myth, "the Phoenician thing" or the "noble lie," see Plato, *Republic*, 414c; also section 3.1. of Chapter 3 here.

² Friedrich Nietzsche, *Thus Spoke Zarathustra*, in *The Portable Nietzsche* (New York: Penguin Books, 1959), pp. 125, 154, 244. Nietzsche's emphases.

³ John Kenneth Galbraith, *The Good Society: The Humane Agenda* (Boston & New York: Houghton Mifflin Company, 1996), p. 113.

focus is placed on these two particular aspects. However, this does not preclude in any way other possible interpretations. The great degree of consistency, congruence, and ubiquity of the idea of the *cipher*, though itself appearing in different forms and sometimes disguises (that is, as a cipher itself), in the concepts of major representatives of modern thought is nevertheless noteworthy.

In this regard, Schumpeter's thought presents a coherent and systematic formulation of what can be called the political economy of globalization which is based on the will to power. Schumpeter rigorously develops what I refer to as "the capitalist *mode* of consciousness" into the concept of *Sozialimperialismus* which, in a sense, can be considered to be the ultimate object into which the concept of capitalist political economy can develop.

The form of such a regime is the panopticon whose architecture was introduced by Jeremy Bentham as an organizing technique for society. The panopticon can be seen essentially as a cybernetic global Platonic cave filled with monetary and other *ciphers* and their screens. The purpose of the panopticon is to combine the advantages of both a prison and a factory and thus to provide both for effective discipline and for efficient labor. In the panoptical scheme, modern nihilistic imagination has found its adequate ambiance.

2.1. The Leviathan and political economy

In chapter 1, I argued that the politics and economics (political economy) of globalization or global capitalism corresponds to the regime of the Platonic cave, a hermetic and hermeneutic enclosure, described by Socrates in Book VII of Plato's

Republic. It was also argued that the radical foundations or principles of such a regime are systematically postulated in Hobbes' *Leviathan*.

The *Leviathan* is a *modern* political project that represents man's new *artificial* *genesis* whose aim appears to be man's translation into the tyrannical utopia of the Platonic cave. The mechanical organism of the *Leviathan* - our modern Platonic cave - is conceived as a world cleansed of people's use of their own conscience in "judging what is lawful and unlawful."⁴ In other words, conscience and conscience-informed reasoning is disconnected and driven away from the political economy or the commonwealth of the *Leviathan* and its constitution.

In the *Leviathan*'s commonwealth, liberated from conscience and its ethical imperatives, Hobbes is also free to declare tyrannicide a crime,⁵ yet at the same time, he elevates *terror* as the very fundamental principle of *Leviathan*'s "justice":

Therefore, before the names of just and unjust can have place, there must be some coercive power to compel men to the performance of their covenants, by the terror of some punishment greater than the benefit they expect by the breach of their covenant ...⁶

For the laws of nature (as justice, equity, modesty, mercy, and (in sum) doing to others as we would be done to) of themselves, without the terror of some power to cause them are contrary to our natural passions ... And covenants without the sword [terror] are but words ...⁷

⁴ Hobbes, *Leviathan*, xxx, 14, p. 225.

⁵ *Ibid.*, xxx, 14, p. 225. The negation of conscience even as a possibility was the inevitable next step in the evolution of Hobbes' commonwealth of the *Leviathan* in the form of political economy defined as man's self-alienation and self-privation. As Marx put it: "Political economy or morality? ... The political economy of morality is the wealth of a good conscience, of virtue, etc. But how can I be virtuous if I do not exist? And how can I have a good conscience if I am not conscious of any thing? It is inherent in the very nature of estrangement ..." Karl Marx, *Economic and Philosophical Manuscripts*, in Marx, Karl. *Early Writings*, tran. Rodney Livingstone and Gregor Benton (New York: Vintage Books, 1975), p. 362.

⁶ Hobbes, *Leviathan*, xv, 3, p. 89.

⁷ *Ibid.*, xvii, 2, p. 106.

Hobbes does not recoil from the terrible consequence of this axiom. For he makes even a stronger claim that “where there is no coercive power erected ... there is no commonwealth, there is no propriety.”⁸

Open coercion or even terror is, however, not sustainable by itself alone for a lengthy period of time. In order to last, *hard* terror (power) and its tyranny must be concealed and sublimated by *softer*, less perceptible and perhaps even more attractive “terror.” The most common as well as effective form of the “soft power” is money and the market.⁹ Accordingly, the political economy (politics and economics) of the Leviathan and modernity has been centered around the sovereignty of capital and its profits or “claims on money.”¹⁰ Money in the touchable forms of coins, paper, and checks are being replaced by electronic transfers done via the zero and one (“0” and “1”) of computers linked in the World Wide Web. Thus money is becoming less and less “material.” Money reveals itself more and more as being hardly more than a cybernetic discourse whose audience as well as content is mankind’s global imagination. Money - the Leviathan’s soft power - is thus assimilated into a more pure and more perfect (which also means emptier) form of *ciphers* - like other news, information, ads, statistics, opinion polls, facts. In this way, money is forced to give out its long guarded secret: that its essence is none - provided of course

⁸ Hobbes, *Leviathan*, xv, 3, p. 89.

⁹ On the paradigm of “soft power” defined as “the ability to achieve goals through attraction rather than coercion” see Robert Keohane and Joseph S. Nye, “Power and Interdependence in the Information Age,” *Foreign Affairs*, Volume 77, No. 5, September/October 1998: 86.

¹⁰ The idea that “profit” is nothing but a “claim on money” was introduced by the drafters of the Multilateral Agreement on Investment” which is to be “the constitution of a single global economy.” See Stephen J. Kobrin, “The MAI and the Clash of Globalizations,” *Foreign Policy*, Fall 1998, No. 112: 101, 105.

that we understand “none” as not just nothing but as the nothingness of artificially constructed and arbitrary *ciphers* - the codes of concealment.

What I consider as being a regime of *ciphers*, Dominique Colas calls “representation” and “signs.” Yet the affinity of the concept is hard to miss: “A representative presents an absence. ... It is thus representation, in all its diverse forms, that is legitimated: representation translates force into signs and found the possibility of constructing a specifically [new] world.”¹¹ However *cipher*, i.e., money, is not only the all-encompassing horizon of the hermeneutic globe of capital; *cipher*, i.e., money, is also the method or mode that provides for seemingly limitless expansion. Such expansion is carried out by means of market exchange which is essentially an endless, constantly revolving and renewed exchange of reality for fiction.¹² Through such exchange of what is for what it is not (the method of *ciphers*), the Leviathan acquires its capital power and empire.

Important forms of money capital are stocks and shares. Increasingly, power is identified with the experts or cue-givers who can most effectively *catch imagination*¹³ -

¹¹ Dominique Colas, *Civil Society and Fanaticism: Conjoined Histories*, translated by Amy Jacobs (Stanford: Stanford University Press, 1997), p. 355. I took the liberty to substitute Colas’ adjective “human” for “new.” Why I chose to do so would become clear below.

¹² The statement was inspired by Aristotle’s analysis of “the mode (method) of acquisition” based on market exchange in Aristotle, *The Politics*, 1257b10. The idea of exchanging reality for fiction can also be compared with Feuerbach’s remark that Hegel’s system “begins with a thought without reality [and] necessarily ends with a reality without thought.” [Quoted in Karl Marx, *Early Writings*, introduced by Lucio Colletti and translated by Rodney Livingstone and Gregor Benton (New York: Vintage Books, 1975), p. 24]

¹³ In Halle’s words, “imagination escapes from reality altogether, thereby freeing itself to create whatever Kingdom of Heaven on Earth it wishes.” [Louis Halle, “Does War have a Future?” in Louis Halle, *The Elements of World Order*, edited by Kenneth W. Thompson (Lanham and New York: University of Press America, 1996), p. 302. On the imperative of “catching imagination” cf. Hayward Alker, “Fairy Tales, Tragedies and World Histories: Towards Interpretative Story Grammars of Possibilist World Models,” *Behaviormetrika* 21 (1987): 4. Erik Ringmar referring to Alexander Wendt also speaks of history in terms of a story whose essence is “catching, and holding, the attention of the audience” by means of constant change and newness. Erik Ringmar, “Alexander Wendt: a social scientist struggling with history,” in Iver B. Neumann and Ole Wæver, eds., *The Future of International Relations: Masters in the Making*

persuasively interpret, decode, and manipulate the stock *ciphers* and thus translate and “read” the *ciphers* back into reality in the form of orders and commands now carried electronically through the World Wide Web.¹⁴

The objective of this chapter is to provide a more explicit and detailed elaboration of these theses. This means to examine what is political economy and, in particular, how political economy relates to nihilism, the hermeneutics of *ciphers*, and the Platonic cave. This task also raises an underlying question how the nihilism of political economy or the political economy (commonwealth) of nihilism is enmeshed in modern political thought. I will try to demonstrate these dialectics of nihilism and political economy mainly on the example of the ideas of Aristotle, Rousseau, Smith, Hegel, Marx, and Nietzsche.

2.2. What is political economy?

As Hettne said, political economy is “a rather elusive concept. While some would say that it represents the very core of social science, other may fear that the holism it implies spells the end of what we mean by the modern social sciences.”¹⁵ In a sense, both views are correct: political economy contains the core of the system, yet it also spells or wants to spell an end to genuine philosophical and ethical thinking.

The Greeks already differentiated between the *polis* (the city) and the *oikos* (household), that is, between politics and economy.¹⁶ Conflating the private and the public

(London and New York: Routledge, 1997), p. 284.

¹⁴ Cf. Robert Koohane and Joseph S. Nye, “Power and Interdependence in the Information Age,” pp. 89-90, 92.

¹⁵ Bjorn Hettne, “Introduction: The International Political Economy of Transformation,” in Bjorn Hettne, ed., *International Political Economy: Understanding Global Disorder* (London & New Jersey: Zed Books, 1995), p. 2.

¹⁶ On the feminist account of the dichotomy between the private and the public and its evolution see Jean Bethke Elshtain, *Public Man, Private Woman: Women in Social and Political Thought* (Princeton: Princeton University Press, 1993).

means that the private is politicized and the commonwealth (politics; city) is subject to private appropriation. In her book, *The Human Condition* (1959), Hannah Arendt argued that “the public and private spheres of life are gone, the public because it has become a function of the private and the private because it has become the only common concern left.”¹⁷ Similarly, Jean Bethke Elshtain concluded: “if politics is everything and everywhere, then no genuine political action and purpose is possible, as we can never distinguish the political from anything else.”¹⁸ A similar statement can be made if we substitute the economics of capitalism for its politics: “if private appropriation is everything and everywhere, then no genuine economics and economy is possible, as we can never distinguish the private appropriation from any other purpose.”¹⁹

We can therefore say that political economy is social discipline (where “discipline” is understood in its broad sense) that reflects and maintains promiscuous connections between the political association (*polis*) and the household (*oikos*) with its private appropriation of alien labor. In political economy, the logic of capital is recycled on the ideological plane. To this effect, political economy blurs the private/public dichotomy. Political economy as a discipline of capital recognizes ‘no genuine political action and purpose.’ It recognizes and knows only the imagined efficiency of private appropriation - the nihilation of all other purposes besides the pursuit (will to) power and wealth.²⁰

¹⁷ Hannah Arendt, *The Human Condition* (Chicago: The University of Chicago Press, 1959), p. 69.

¹⁸ Jean Bethke Elshtain, *Public Man, Private Woman*, p. 104.

¹⁹ On the notion that the ‘struggle for efficiency’ is now the decisive form of the struggle for power and thus also the basic driving force of change see, for example, Robert Gilpin, *U.S. Power and the Multinational Corporations: The Political Economy of Foreign Direct Investment* (New York: Basic Books, 1975), p. 40. Also Tom Darby, “Technology, Christianity, and the Universal and Homogeneous State,” in Burns, Timothy, ed. *After History?: Francis Fukuyama and His Critics* (London: Littlefield Adams Quality Paperbacks, 1994), pp. 209-10.

²⁰ See Robert Gilpin’s currently “standard” definition of political economy in Robert Gilpin, *U.S. Power and the Multinational Corporations*, p. 40.

Gilpin's definition of political economy as the pursuit of power and wealth differs from the standard definition of nihilism as the will to power only by its addition of wealth. However, wealth too is a kind of power. Therefore, adding wealth to power does not really change the nihilistic essence of political economy. In the pursuit of wealth, the pursuit of power is only obscured and sublimated. Inversely put, power conceals and sublimates itself as wealth. Political economy is in function of such concealment. "*Political economy*," Marx emphasized, "*conceals the estrangement in the nature of labor by ignoring the direct relationship between the worker (labor) and production.*"²¹

Concealing, estranging, and ignoring are all forms of social action that are, in principle, forms and functions of abstraction. Equally we can, therefore, say that political economy abstracts (conceals) from the abstraction (estrangement) of labor by abstracting (ignoring) the direct or concrete relationship between the worker and production. In one word, political economy creates "abstractions" and thus reduces the "productive process" to formulas.²² What is concealed under these abstract formulas of political economy is its own nihilism or what Marx calls "the denial of man carried through to its logical conclusion": "So although political economy, whose principles labor, appears to recognize man, it is in fact nothing more than the denial of man carried through to its logical conclusion: ... alienation through selling."²³ What intervenes between and splits the worker, his reality, and his consciousness and thus "produces privation for the worker"²⁴ is the language of the monetary and other *ciphers* that act as filters and screens. This

²¹ Karl Marx, *Economic and Philosophical Manuscripts*, p. 325. All the emphases are Marx's.

²² See also Alfred North Whitehead, *Science and the Modern World* (New York: Simon & Schuster, 1997), especially Chapter 2 and 3.

²³ Karl Marx, *Economic and Philosophical Manuscripts*, p. 342.

²⁴ *Ibid.*, p. 325. All the emphases are Marx's.

politico-economic technology covers and buries power under wealth, wealth under power, and exploitation under financial exchange of equivalents.

The capital practice of political economy variously referred to as alienation, appropriation, estrangement, externalization, exploitation, investment, management, speculation, privation, etc., is more or less a concealed Hobbesian “war of all against all” - a private war against all, against any genuine political commonality. Such war lies at the very root of political economy. Accordingly, the Hobbesian “*bellum omnium contra omnes*” is political economy and its civil society as far as their essence is concerned and *not* the fictitious “state of nature.” As Marx noted, this truth of the Hobbesian Leviathan was recognized and unveiled by Hegel.²⁵

When politics and economics invade each other in the form of political economy, this also means that politics and economics can find themselves at war with each other. In Marx’s words (1844): “Throughout political economy we find that the hostile opposition of interests, struggle and war are acknowledged as the basis of social organization.”²⁶

Marx was also one of the first to explain political economy in terms of a global commonwealth and world order: “Political economy develops a *cosmopolitan*, universal energy at breaks through every limitation and bond and sets itself up as the *only* policy, the *only* universality, the *only* limitation and the *only* bond.”²⁷ Or as Gilpin put it in 1987:

For the market, the elimination of all political and other obstacles to the operation of the price mechanism is imperative. The tension between these two fundamentally different ways of ordering human relationships has profoundly

²⁵ Karl Marx, *Critique of Hegel’s Doctrine of the State*, p. 101.

²⁶ Karl Marx, *Economic and Philosophical Manuscripts*, p. 311.

²⁷ *Ibid.*, p. 342. Marx’s emphases.

shaped the course of modern history and constitutes the crucial problem in the study of political economy.²⁸

As political economy consummates and completes itself by becoming man's sole universe, Marx also predicted that political economy "is forced to cast off its *hypocrisy* and step forth in *all its cynicism*."²⁹ And perhaps we already are there.

2.3. The buried (ground of) political economy

Until the seventeenth century, politics as *politike techne*, as etymologists established, had meant "management of community/commonwealth." Since the seventeenth century, politics acquired its modern association with the struggle for power and its exclusiveness.³⁰ The etymology of the word *oekonomia* points to a sense of the original commonality which has been lost. However, it now appears that the lost essence of *oekonomia* is now reclaimed on the part of ecology. *Oekonomia* is derived from *oikos* which meant not merely (private) "house" (as is already the case in Aristotle) but primarily "home." This is well evidenced by another, closely related meaning of *oikos* that denoted (human) "environment" and was congruent with the idea of home.³¹ The older Indo-European root *veik* signified dwelling place in general, settlement, community and is present in the Latin *vicus* (English and French village) and *villa*, as well as in the Greek *paroikia* (ecclesiastical rectory) and *diekesis* which became to denote "area of

²⁸ Robert Gilpin and Jean M. Gilpin, *The Political Economy of International Relations* (Princeton: Princeton University Press, 1987), p. 11; see also p. 63.

²⁹ Karl Marx, *Economic and Philosophical Manuscripts*, p. 342. Interestingly enough, this Marx's crucial claim is followed by Marx's not-so-flattering discussion of "communism." [See *ibid.*, pp. 345-358]

³⁰ Josef Holub and Stanislav Lyr, *Stručný etymologický slovník jazyka českého se zvláštním zretelem k slovu kulturním a cizím*, p. 354.

³¹ *Ibid.*, pp. 138-139.

ecclesiastical administration" (bishopric). The same root is also present in the Czech *ves* (village, originally community) and *všecho* (all, whole; originally standing for "the whole community" or "all the people in the community").³² The original meaning of economy does not point to the economy of things - man's homelessness - but to what it meant to be human and to a *human* order and universe. It is noteworthy that "human" itself is derived the original root *zem-* (*ghem-*) that is contained in the Slavic word for "earth" (*zem*), Latin *humus* and Greek *chthon*.³³ In other words, no home, no human. To be human means to be *homebound*. Thus viewing "economy" as being mainly about material production or production for profit is a gross reduction that slights man himself. This shows that that the foundation or essence of both the political and the economic arts is commonality or community. It also becomes evident that the separation between politics and economy should be seen as an indicator of a loosened human bond (ground) or loss of a sense of what we as humans have in common.³⁴

However, we need to ask what, if any, is the distinct nature of what we, humans, have in *common* as far as we are *human*? This question is an old one asked by philosophers in their *polemos* (dispute; struggle) with the apologists for tyranny. This question about human commonality is explored in Plato's dialogue *Gorgias* where

³² Josef Holub and Stanislav Lyer, *Stručný etymologický slovník jazyka*, pp. 61, 471. It is also telling that at a time when man set up to enclose his "home" within the parameters of his private household against the rest in the community, the Latin *idiotia* (ignorant person) evolved from the Greek *idiotes* which meant both "particular" (or "private") and "uneducated." Similarly, the word "private" is derived from the Latin *priver* which means to "deprive" or "set aside." The adjective *privus* originally denoted a person who was "deprived of everything and everyone." [Ibid., pp. 194, 364]

³³ Ibid., p. 477.

³⁴ Market economy and capitalist production for gain are based on "the divorcedness of a separate economic motive from the social relations in which these limitations inhered." Karl Polanyi, *The Great Transformation* (Boston: Beacon Press, 1944), p. 54.

Socrates explains that such human commonality stands opposite to what we today call man's alienation (that is, political economy):

Well, Callicles, if human beings didn't share common experiences, some sharing one, others sharing another, but one of us had some unique experience not shared by others, it wouldn't be easy for him to communicate what he experienced to the other. I say this because I realize that you and I are both now actually sharing a common experience: each of us is a lover of *two* objects ...[my emphasis]³⁵

Later in the dialogue Socrates carefully unveils a certain "flattering" irony contained in this statement and also indicates the true meaning of human or political commonality. What connects the two statements is not only the idea of commonality but also the notion of the negation of such commonality by splitting and fragmenting it into "two parts" that form a basic divide of hypocrisy as well as of war:

Callicles: This issue you're asking about isn't just a *simple one* ...

Socrates: That's good enough. For if this matter really has *two parts* to it, then one part of it would be flattery, I suppose, and shameful public harangue, while the other - that of getting the souls of the citizens to be as good as possible and of striving valiantly to say what is best, whether the audience will find it more pleasant or more unpleasant - is something admirable [my emphases].³⁶

Elsewhere Socrates implies that what makes man's approach to justice and truth possible is conscience (*de facto* knowing together, knowing the whole). Conscience is grasping the *whole* truth of man's journey of going through the terrible with courage and breaking through the Divided Line - the hermetic circle of the Platonic cave. To use Socrates' words, conscience is "that which brings to light ... and passes them in review

³⁵ Plato, *Gorgias*, translated by Doland J. Zeyl (Indianapolis and Cambridge: Hackett Publishing Company, 1987), 481c-d.

³⁶ Plato, *Gorgias*, 503a.

within itself.” This “power of reviewing from within is one,” but at the man’s *existential* plane is “broken up into two” - into its truth and its shadow.³⁷ Socrates describes the Platonic cave as an underground prison (Hades) of *shadows* split and separated from the transcendent truth which is due to man. The notion of doubling, particularly in a sense of splitting the one into the other, its phenomenological shadow - “the nothing” - reemerges as the essential movement of Hegel’s *Geist* (viz. my discussion of the Hegelian “doubling” below).

Man’s conscience transcends the fragmentation of truth into the truth and its shadow (or what I call *cipher*) by urging man towards the ethical idea of the good. Such a tentative reconstruction of the Platonic position therefore suggests that what we as far as we are human have in common is conscience - the ethical idea of the good. And as humans, existing here and now, our own conscience falls short of attaining to the perfect “power of reviewing within ourselves” absolutely all being because only God can. However, we are able to strive to approximate this ideal. In other words, conscience has to be examined, used, and cultivated *philosophically*. Moreover, as far as human commonality is in essence also *political* commonality, where the political is understood in its genuine philosophical sense noted above, conscience as such commonality should also be regarded as the essence of the political. It is therefore possible to suggest that genuine human commonality is action formed “with regard to what’s best” and to its *logos*.³⁸ Humanness and its commonality are realized only as “the common good.”³⁹ In contrast to this politics of humanity and its “economy,” the techniques that gratify power and wealth

³⁷ See Plato, *Cratylus*, 410d.

³⁸ Plato, *Gorgias*, 502e.

³⁹ Plato, *Gorgias*, 502e.

and their tyranny “slight the common good for the sake of [the] private good ... without any thought at all whether this will make them be better or worse.”⁴⁰ Thus political economy in its modern sense recognizes and knows what is measurable and quantifiable; it knows the “shadows” and their *ciphers*.

Modernity and capitalism turned the practice that slights the *common good* into political economy, and such techniques became our technology. To this effect, political economy follows and realizes its inherent imperative of constructing and deconstructing itself in order to create dichotomies and duels of false friends and false enemies in place of the genuine political struggle (*polemos*) formed ‘with a view to some good purpose.’ This need on the part of capitalism and its political economy to fragment and negate human commonality is well reflected in Dominique Colas’ commentary on political economy and its construct of civil society:

The dualism of church/state is of course not the only opposition relevant to an understanding of the status of civil society in the West. Starting from the eighteenth century with the English political economists, theories of a new dualism were developed, that between civil society and the state. The development of political economy accompanied the great material transformation ... [yet] exporting the dualist *political* model historically tied to it has proved more difficult.⁴¹

The common *good* is replaced by the image of the *goods* realized in the market, and the goods themselves are substituted by the price and its *ciphers* (“nothings”).

The idea of human commonality as the idea of *good* is still formally preserved in the work of Plato’s disciple and the teacher of Alexander the Great - Aristotle. In

⁴⁰ Plato, *Gorgias*, 502e.

⁴¹ Dominique Colas, *Civil Society and Fanaticism*, p. xxiii.

particular, this view forms Aristotle's classical definition of *he koinonia politike* ('association that takes a form of a *polis*'). Thus Aristotle says at very beginning of his treatise, *The Politics*:

Observation tells us that every state is an association, and that every association is formed with a view to some good purpose. I say 'good,' because in *all* their actions *all men* do in fact aim at what they think good. Clearly then, as all associations aim at some good, that association which is the most sovereign among them all and embraces *all* others will aim highest, i.e. at the most sovereign of all goods. This is the association which we call the state [*polis*], the association which is 'political.'⁴²

As a student in Plato's Academy, Aristotle also points out that "justice is the arrangement of the political association [*politikes koinonias taxis*] [where] a sense of justice decides what is just [*diakaiosune dikaion*]."⁴³ However it is Plato's dialogue or *polemic* about justice, the *Politeia* translated as *The Republic* (literally "common thing"), that is the primary source of the initiation into such teaching. This indicates that the philosophical view from the very beginning identified the idea of human (political) commonality with the virtue of justice - which modern political economy is leaving out - abstracting from - in its pursuit of happiness *qua* power and wealth.

Political economy is a modern way of negating both politics and justice. Because if justice is political,⁴⁴ leaving out the concern about justice debases and negates the purpose of politics, while negating politics is to negate a fundamental prerequisite of justice - its political essence. Without our commitment to justice, politics is emptied of its meaning and justification. The logic of capitalism with its will to power and wealth and its desire to

⁴² Aristotle, *The Politics* (New York: Penguin Books, 1981), 1252a1.

⁴³ Aristotle, *Politics*, 1253a29.

⁴⁴ Cf. and contrast Dominique Colas, *Civil Society and Fanaticism*, p. 348.

recognize itself alone is antithetical to the political ideas of freedom and justice. To this effect, political economy impresses our imagination with the idea that politics is uneconomical and hence inefficient. However politics without justice (the ethical) deprives man his own humanness, and he ceases to be a man.

2.4. Aristotle's Politics: a precursor of modern political economy

It is noteworthy that the market-based reduction and negation of "economy" was already foretold by Aristotle who made, as Polanyi put it, "probably the most prophetic pointer ever made in the realm of social sciences" and "accurately forecast [the outlines of the utterly different civilization] before its advent out of the bare rudiments of a market economy available to him."⁴⁵ In this connection, Polanyi stressed that "the practice of catering for the needs of one's [private, exclusive] household becomes a feature of economic life only on a more advanced level of agriculture ... [i]ts pattern is the *closed* group [my emphasis]."⁴⁶ The Aristotelian *oekonomia* as production for one's own private use separates economy from the political and public association - from the realm of freedom. This Aristotelian notion of economy reflects the tendency of private economy to insulate itself as an autonomous universe against political freedoms. In other words, the ideal model of private economy - the economy of deprivation - is a hermetic and hermeneutic *enclosure* (viz. the Platonic cave).

Aristotle thus already described an economy set apart from the political as a private enclosure ruled by the head of the household whose "privacy" subsumed all the other persons in "his household." In this regard, Aristotle also emphasized that "the way

⁴⁵ Karl Polanyi, *The Great Transformation*, pp. 53-54.

⁴⁶ *Ibid.*, p. 53.

to make money is to get, if you can, a monopoly for yourself.”⁴⁷ The system of common reciprocity and symmetry is broken and nihilated.⁴⁸

In place of the teleological commonality of the good, that is, political freedom, Aristotle described a new commonality: “a common interest uniting master and slave.”⁴⁹ Later Aristotle even implies that whenever the enforced character of the slave-master relationship is concealed, it can even appear as a sort of “friendship.” The ‘hard power’ of coercion becomes disguised as a ‘soft power’ of a supposed quasi-political or “politico-economic” bond:

the slave is in a sense a part of his master, a living but separate part of his body. For this reason there is an interest in common and a feeling of friendship [sic] between master and slave ... but not when the relationship arises out of the use of force ...⁵⁰

In fact, Aristotle elsewhere suggests that treating politics as economics (household-management) and confusing public politics with private economics (viz. our political economy) is an effective technique for concealing a tyranny:

Such a mode of administration will help [the tyrant] to look like a household-manager and not a tyrant. And he does not have to fear shortage of money, being sovereign over the state. ... Again, when he collects taxes or demands public services, it should appear that he is doing these things to further

⁴⁷ Aristotle, *The Politics*, 1259a3.

⁴⁸ Karl Polanyi pointed out: “Broadly, the proposition holds that all economic systems known to us up to the end of feudalism in Western Europe were organized either on the principles of reciprocity or redistribution, or householding, or some combination of the three. These principles were institutionalized with the help of a social organization [that is, trusteeship] which, *inter alia*, made use of the patterns of symmetry, centricity, and autarchy.” [Karl Polanyi, *The Great Transformation*, p. 55]

⁴⁹ Aristotle, *Politics*, 1252a24.

⁵⁰ Aristotle, *The Politics*, 1255b4.

his management ... and generally he should look like a guardian and steward not of his own resources but of the public's.⁵¹

The general purpose [*telos*] is clear: a tyrant should not *appear* like a tyrant, but like a king and a manager of a household, not a person who is out for his own gain but as a trustee of the affairs of others, aiming not at a life of excess ...[my emphasis]⁵²

The tyrant's *telos* is therefore a *trusted appearance* to and for the enslaved population's false *imagination*. Again, it needs to be noted that blind, false *trust*, *appearances*, and *imagination* are fundamental to the hermeneutics of the Platonic cave (the others are material objects, opinion, and imitation). Aristotle defines the tyrant as a ruler "who is not required to give an account [*logos*] of himself."⁵³ Aristotle also recommends that the tyrant's lack of *logos* - an (ethical) account of himself - be replaced by a budget - "an account of his revenue and expenditure [which was already] a practice adopted by some tyrants in the past."⁵⁴

Aristotle also foresaw a possibility of the most extreme form of tyranny or monopoly. Such a regime would come about precisely when all the distinctions and boundaries between a private economy (private household-management) and politics (statesmanship) would be erased, that is, when private capital would be the political state, and the state would become a private business and property:

This fifth kind comes under the same heading as household-management, for just as household-management is, as it were, the kingship of the household, so this

⁵¹ Aristotle, *The Politics*, 1314a40.

⁵² Aristotle, *The Politics*, 1315a40.

⁵³ Aristotle, *The Politics*, 1295a17.

⁵⁴ Aristotle, *The Politics*, 1314a40.

kingship is the household-management of a state, or a *foreign* nation or nations [my emphasis].⁵⁵

In this connection, Boesche pointed out that “tyrannies reverse the proper functions of the household and the polis” in such a way that politics is abolished, and the primacy of private economics is imposed in the void of political freedom.⁵⁶ Abolishing politics means also a negation of *logos* - the political or public commonality of ethical language and reason “formed with a view to some *good* purpose.”⁵⁷ Under tyranny, the idea of the good as a shared, political *telos* is substituted by pleasure.⁵⁸ To this effect, “the tyrant grasps at wealth”⁵⁹ - not unlike capitalism and its political economy.

The close linkage between private economy and tyranny has been from ancient times acknowledged and reflected in the use of the names “despotism” and “domination” as synonyms for tyrannical rule. As Boesche pointed out, “in the ancient Greek lexicon, a *despotes* was, strictly speaking, a master who ruled over the members of the household (*oikia*) and controlled the private affairs of that household. In Latin, the word *dominus* had a similar connotation, and in some instances the words *paterfamilias* and *dominus* were equivalent.”⁶⁰ This suggests that the ancients were keenly aware of an inherent relation between private appropriation and a tyrannical rule. It can only be recommended that we recover the same acute sense of the intrinsic relatedness between the two. A critique of political economy can assist us in this endeavor.

⁵⁵ Aristotle, *The Politics*, 1285b20; cf. 1288a15.

⁵⁶ R. Boesche, *Theories of Tyranny*, op. cit., p. 63.

⁵⁷ See Aristotle's definition of the political association in Aristotle, *The Politics*, 1252a1.

⁵⁸ Aristotle, *The Politics*, 1310b40.

⁵⁹ Aristotle, *The Politics*, 1310b40.

⁶⁰ R. Boesche, *Theories of Tyranny*, p. 94.

2.5. Modern political economy: Rousseau (1712-1778) and Smith (1723-1790)

During the initial accumulation of capital, the childhood phase of capitalism (from the early seventeenth century till the second half of the eighteenth century), “political economy” as a term was not commonly used. The creation of “political economy” coincided with the coming into being of capitalism and modernity. Political economy was first introduced as ‘the science of wealth acquisition common to the State as well as the Family’ by a French writer, Montchretien de Watteville, in 1615.⁶¹ When capitalism became the dominant economic system of power in the eighteenth century, political economy was recognized as the discipline or chief code word (*cipher*) of a new social and then world order.

In 1755, Jean-Jacques Rousseau’s *Discourse on Political Economy* was published in the fifth volume of Diderot’s *Encyclopedia*. It appeared as a separate essay three years later. This essay is considered as a prelude to Rousseau’s founding doctrine of the ‘general will’ developed later in his *Social Contract* (1762). For Montchretien de Watteville, political economy was a *science of the state and family*. Rousseau noted that economy “originally signified merely the wise and legitimate government of the household for the common good of the entire family.”⁶² Rousseau reduced the notion of political economy to “the government of the large family which is the state,” thus making economy political.⁶³ Political economy was for Rousseau the same as public economy and was to be

⁶¹ See Ankie Hoogvelt, *Globalization and the Postcolonial World: The New Political Economy of Development* (Baltimore: The Johns Hopkins University Press, 1997), p. 3. Hoogvelt refers here to Dudley Seers, ed., *Dependency Theory, A Critical Assessment* (London: Francis Pinter, 1979).

⁶² Jean-Jacques Rousseau, *Discourse on Political Economy*, in Jean-Jacques Rousseau, *Basic Political Writing*, translated and edited by Donald A. Cress (Indianapolis and Cambridge: Hackett Publishing Company, 1988), p. 111.

⁶³ Jean-Jacques Rousseau, *Discourse on Political Economy*, p. 111.

distinguished from private economy.⁶⁴ Rousseau equated political economy with *government* and government with the legislation for the whole body of the nation. He defined society as a machinelike animal which was to be guided and enlivened by his cipher of the 'general will.'⁶⁵ Rousseau elevated political economy as the new political art and supreme science of so-called *civil society*.⁶⁶

Rousseau's political economy is a project that consciously constructs civil society as a contradiction - as a community of man's alienation. Rousseau's classic definition of modern alienation in his *Social Contract* based on the model of market deal is as brief as plain: "To alienate is to give or sell."⁶⁷ Rousseau's social contract as a founding belief of the general will is reducible to "the total alienation" that means that "every individual gives himself absolutely." That alienation is to be unconditional and perfect. Authenticity is exclusively tied with the "common *ego*, its life and its will" so that "each one of us puts into the community his person and all his powers under the supreme direction of the general will."⁶⁸

This new economy of alienation was for Rousseau *moral* as well as political because it was a new *economy of the will* entrusted with setting "the rule of what is just

⁶⁴ Jean-Jacques Rousseau, *Discourse on Political Economy*, p. 113.

⁶⁵ "In establishing the general will as the first principle of public *economy* and as the fundamental rule, I did not believe it is necessary to examine seriously ... whether in public affairs one should keep in mind the good of the state or that of the leaders. ... It would therefore be appropriate to divide public *economy* once again into popular and tyrannical." [Ibid., p. 116] Ostensibly, the solution to Rousseau's dichotomy between tyrannical and popular political economy could be the political economy of *popular* tyranny. In fact, all the tyrants are demagogues who strive for popularity. The totalitarian tyrannies of the twentieth century also tried to establish themselves as very popular. Moreover, Rousseau's general will was designed as a *popular* idea.

⁶⁶ Rousseau was originally thinking of giving his main work known as *On the Social Contract* the title *On the Civil Society*. [Dominique Colas, *Civil Society and Fanaticism: Conjoined Histories*, translated by Amy Jacobs (Stanford: Stanford University Press, 1997), p. 24.

⁶⁷ J.J. Rousseau, *The Social Contract* (New York: Penguin Books, 1968), Book 1/4, p. 54

⁶⁸ Ibid., Book 1/6, pp. 60-61.

and what is unjust.”⁶⁹ Such political and moral economy of the general will (government) was conceived as divine-like. For Rousseau, it appeared “irrefutable” that “the most general will is also always the most just, and that the voice of the populace is, in effect, the voice of God.”⁷⁰ For Rousseau, democracy was thus equated with “the voice of the populace” and then with “the voice of God” only to be appropriated again by the elusive *cipher* of his abstract ‘general will.’ In the succession of these equations, democracy was turned into an abstraction and so was justice.

According to Rousseau, the general will as a new conscience was to have a form of public reason. As Rousseau stated, the general will was “the heavenly way that dictates to each citizen the precepts of public reason, and teaches him to act in accordance with the maxims of his own judgment and not to be at odds with himself. It is also with this voice alone that leaders would speak when command.”⁷¹ The voice of the leaders was to be public reason or conscience, and conscience was to be the leader’s command. In other words, the command of the leaders was to be accepted by the citizens as *their own* judgment and conscience. Through the mediation of Rousseau’s ‘general will,’ the consciousness of a political economy was transformed into an *popular* political economy - an internalized and unconscious tyranny. This is what Rousseau hides behind the *cipher* of his ‘general will.’

The general will as the supreme principle of political economy was endowed with absolute authority that would not merely describe externalities but would also prescribe the internal consciousness of man. Rousseau, speaking of the general will, emphasized:

⁶⁹ Jean-Jacques Rousseau, *Discourse on Political Economy*, p. 114.

⁷⁰ *Ibid.*, p. 115.

⁷¹ *Ibid.*, p. 117.

“The most absolute authority is that which penetrates to the inner part of a man and is exerted no less on his will than on his actions. It is certain that in the long run people are what the government makes them.”⁷² For Rousseau, this belief and insight was a compelling reason to suggest that political economy was not limited to questions of wealth, money, commodities or taxes but instead was understood as the general, that is, comprehensive and total art of ruling. To this effect, he complained that “modern governments, which are under the impression they have done all there is to do when they have raised money, never imagine it to be either necessary or possible to go that far.”⁷³ Rousseau also indicated that tyrants had a broader and hence also better understanding of economy than the mercantilist governments of early capitalism and thus were able to go much further. In Rousseau’s words: “Even the tyrants did not forget this important part of administration.”⁷⁴ How far such economy can go is not, in Rousseau’s view, given by human nature but by the (in)ability and power of the leaders to change it.

Under the mediation of political economy presented as the godlike general will, Rousseau both unified and suspended politics, the civil state, government and conscience. At the same time, he made it clear that economy is not only about material wealth but has also to be a collective or civil conscience. Economy and its principles of worthiness and values rest upon our shared, even if unconscious, notions of what is just and legitimate.

Economy is not concerned *only* with the external or material but also makes or remakes

⁷² Jean-Jacques Rousseau, *Discourse on Political Economy*, p. 119.

⁷³ *Ibid.*, p. 119. It is noteworthy that Rousseau was making this critique of the apparent lack of total control at a time when France was under royal absolutism. Cf. also Rousseau’s “shady art whose baseness constitutes its entire mystery” *ibid.*, p. 120. Cf. also *ibid.* pp. 122-23.

⁷⁴ Jean-Jacques Rousseau, *Discourse on Political Economy*, p. 119. This points not only back to Xenophon’s *Oeconomicus* but also well forward to the contemporary Strauss-Kojève debate on tyranny, apparently inspired by another Xenophon’s work *Hiero or Tyrannicus*. See Leo Strauss, *On Tyranny*, revised and expanded edition that includes the Strauss-Kojève correspondence (New York and Toronto: The Free Press, 1991).

man from the inside (“the tyrants did not forget this important part of administration”⁷⁵). In other words, economy defines morality, and the question of economy is also the question of (civil) conscience. As such, it can be ethical or unethical. In the latter case, as Rousseau was well aware, we would be dealing with the political economy of tyranny.

However, the best known interpretation of political economy and the one that has had a profound effect upon all subsequent theorizing of modern social practices and their legitimation through new public reason (morality) was accomplished by Adam Smith. In *An Inquiry into the Nature and Causes of the Wealth of Nations* (1776), Smith defined political economy as “a branch of the science of a statesman or legislator.” Like his contemporary Rousseau, Smith related political economy directly to legislation and statesmanship. However, in contrast to Rousseau, for whom political economy denoted government in its totality, political economy represented for Smith only one branch of political science. It was to serve two distinct, yet interconnected objectives: 1) “to provide a plentiful revenue or subsistence for the people;” and 2) to supply the state with sufficient revenues.⁷⁶

Several interesting shifts have occurred. Smith recognized private economy as an essential element of political economy. At the same time, he made a persuasive case for a politically uncontrolled economy and hence for the separation of politics from economics. In this way, he succeeded in exempting private egoism and private economy from public reason and scrutiny by covering them in a redeeming veil of ignorance through his famous *cipher* of the “invisible hand.” Smith recognized the capitalist self-interest and its dangers.

⁷⁵ Jean-Jacques Rousseau, *Discourse on Political Economy*, p. 119.

⁷⁶ Quoted in Ankie Hoogvelt, *Globalization and the Postcolonial World: The New Political Economy of Development* (Baltimore: The Johns Hopkins University Press, 1997), p. 4.

By assuring that evils cancel each other by an mysterious, 'invisible hand' of the market, the public good would come despite and against private intentions to the contrary. Of course, such an explanation taxed credulity, yet it proved to be by and large a more attractive and more conservative substitute for Rousseau's all too explicitly totalizing cipher of 'general will.'

If Rousseau was a radical visionary, Adam Smith was rather pragmatic, concerned with what was already at hand. Thus Rousseau and Smith divided and treated the apparent and the concealed in different ways, yet kept the essence preserved. Rousseau postulated that private morality conformed to the justice of the general will, allowing for no contradiction or opposition. Adam Smith faced a double task of accounting for real social evils and at the same time transforming them abstractly into social justice and public good. If Rousseau implies: 'because the good is generally willed, the concrete practice cannot be seen as bad,' Smith's message admits: 'yes, now this looks bad, but generally it is really good.'

According to Rousseau, the cipher of the 'general will' is always good and just; therefore, one has only to conform to its code and not to seek some other inner meaning. Smith also bestowed goodness upon the abstract society in general; however, he admitted the contradictions between the concrete evils and their good abstractions. These contradictions are however "resolved" by the abstract *cipher* of Smith's invisible hand,' which means that these contradictions are transformed into abstractions and "resolved" only abstractly. In Rousseau, the reconciling abstraction moved from the metaphor of universal "hand" to not the less visible "will." In both cases, contradictions are both

mediated and concealed by means of an imaginative *cipher* - by 'invisible hand' in Smith and by "the General Will" in Rousseau.

Through the 'invisible hand,' Adam Smith introduced a universal mediator, an all powerful equalizer that is invisible, hence inaccessible and autonomous. Adam Smith here indicates the very secret of capitalism - what mediates actually steers and controls the rest. Mediation is all. Because it has power to separate as well as unify inputs and outputs, mediation dominates and dictates what can or cannot be done. This is also the essence of the so-called 'private ownership of *means* of production.' Because mediation is the center of power, it tends to be autonomous or 'private.' The effective way to maintain the monopoly or private autonomy of such mediation and power is to posit it as invisible, hence inaccessible and inscrutable.

2.6. The Hegelian absolute estate

The theoretical universe of Hegel (1770-1831) is a theoretical self-reflection of modernity and thus its Spirit is also by definition a reflection of the Market on the Market since Hegel's Spirit conceives itself as universal. Here I will focus solely on those ideas of Hegel that could be used to clarify, test, and develop my concept of *cipher* and the technology of the Platonic cave. To this effect, I will use to a great extent Marx's interpretation of Hegel because it is especially useful here, for it makes possible for us to connect more clearly Hegel's thought with Marx's critique of political economy.

Marx defends the centrality of Hegel's system by explicitly affirming the essential relation of Hegel's *Phenomenology* and *Logic* "to the modern critical movement"⁷⁷

⁷⁷ Karl Marx, *Economic and Philosophical Manuscripts*, p. 379.

because Hegel “grasps the estrangement of man.”⁷⁸ However, as Marx was able to see, Hegel’s *Phenomenology* is “concealed and mystifying criticism” within which, nevertheless, “*all* the elements of criticism are concealed.”⁷⁹

In this connection, of paramount significance is Marx’s realization that Hegel’s *Phenomenology* and *Logic* are “the standpoint of modern political economy” because Hegel’s system “grasps the nature of labor.”⁸⁰ To grasp the nature of labor means to “conceive the self-creation of man” as “the result of his *own labor*.”⁸¹ What does labor as man’s self-creation mean? Labor is the concept that grasps man by keeping him “within *alienation* or as an *alienated man*.”⁸² Alienation, appropriation, uprooting, and grasping of man is the self-willed essence and truth of the Hegelian system. In other words, Marx recognizes Hegel’s thought as the self-consciousness of the political economy of capitalism.⁸³

It is notable that Marx also uses a politico-economic metaphor of “currency” to define the Hegelian logic and its mind:

Logic is the *currency* of the [Hegelian] mind, the speculative *thought-value* of man and of nature, their essence which has become completely indifferent to all real determinateness and hence unreal, *alienated* thought, and therefore thought which abstracts from nature and from real man.⁸⁴

⁷⁸ Karl Marx, *Economic and Philosophical Manuscripts*, p. 385.

⁷⁹ Ibid., p. 385.

⁸⁰ See *ibid.*, p. 386.

⁸¹ Ibid., pp. 385-86. Marx’s emphases.

⁸² See *ibid.*, p. 386. Marx’s emphases.

⁸³ See *ibid.*, p. 386.

⁸⁴ Ibid., p. 383. Marx’s emphases.

For Marx, Hegel's Logic as currency revaluates man and his essence so that man's "essence **has become completely indifferent to all real determinateness and hence unreal.**"

This idea has a deliberate political consequence: "The *matters of universal concern* are now complete without having the real concern of the people. The real affair if the people have sprung into being without the interference of the people."⁸⁵

In a note about Hegel's abstract concepts, Marx concludes: "... it is already clear that if man is not human, then the expression of his essential nature cannot be human, and therefore that thought itself could not be conceived as an expression of man's being, of man as a human ..."⁸⁶ Elsewhere Marx identifies the idea of dehumanized man as part of a capitalist project with despotism: "Despotism's only thought is disdain for mankind, dehumanized man; and it is a thought superior to many others in that it is also a fact."⁸⁷ Nature too "is *nothing*, a *nothing proving itself to be nothing*, it is *devoid of sense*, or only has the sense of an externality [concept, *cipher* - my comment] to be superseded."⁸⁸

In the Hegelian system, which also contains, as Marx tells us, the standpoint of political economy, the reality of man's essence is thus exchanged for its unreality - for nothing. As Marx explains: "For [the Hegelian] *consciousness itself* the nullity of the object therefore has a positive significance because it *knows* this nullity, the objective being, as its *self-alienation*; because it knows this nullity only as a result of its own self-alienation ..."⁸⁹ Later Marx also argues that "the whole [Hegel's] *Logic* is proof of the fact that abstract thought is nothing for itself, that the absolute idea [of Hegel] is nothing

⁸⁵ Karl Marx, *Critique of Hegel's Doctrine of the State*, p. 125.

⁸⁶ Karl Marx, *Economic and Philosophical Manuscripts*, p. 398.

⁸⁷ Karl Marx, *Letters from the Franco-German Yearbooks*, in Karl Marx, *Early Writings*, p. 202.

⁸⁸ Karl Marx, *Economic and Philosophical Manuscripts*, p. 399. Marx's own emphases.

⁸⁹ *Ibid.*, pp. 391-92.

for itself ...”⁹⁰ What remains is the nothingness of an alienated, abstract, indifferent man. Marx here uncovers the secret of Hegelian “self-consciousness” - the conscious uprooting of man through the positing of man as an abstraction or concept.⁹¹

Hegel’s system in general and Hegel’s ‘concept’ in particular share with *cipher* its cryptic character and dialectic structure where an external form covers a rather different inner content or meaning. Doubling, i.e., duplicity, is also the fundamental structure of every *cipher* for every *cipher* has at least a basic double meaning: one is the false, superficial (phenomenological) one, the other is the real one which the *cipher* hides or leaves out. In Marx’s words: “Hegel thus separates *content* from *form*, *implicit* and *explicit* existence, and admits the latter only *formally* and *externally*.”⁹² In the same way, substance is also abstracted and separated from subject,⁹³ “[h]ence everything acquires a double meaning.”⁹⁴ Hegel’s abstract dualism that separates the form from its meaning⁹⁵ has also the character of *ciphers*’ arbitrary abstraction that reigns supreme: “The Idea of the *sovereign power*, of the crown [Hegel’s God-man], as expounded by Hegel is nothing but the *Idea of caprice*, of the *decision of the will*.”⁹⁶

In the *Critique of Hegel’s Doctrine of the State*, Marx identifies Hegel’s concept as an abstract “figment of the *imagination*.”⁹⁷ The crucial link between Hegel’s concept

⁹⁰ Karl Marx, *Economic and Philosophical Manuscripts*, p. 397.

⁹¹ *Ibid.*, pp. 382-83, 385-86.

⁹² Karl Marx, *Critique of Hegel’s Doctrine of the State*, p. 125.

⁹³ *Ibid.*, p. 126. Karl Marx also pointed out: “And to cap it all, [Hegel] rebukes ordinary consciousness ... [because] it refuses to dissolve reality into logic by means of *arbitrary* abstraction ...” [*Ibid.*, p. 128] In the Introduction, I identified the *cipher* with the notion of “arbitrary abstraction.”

⁹⁴ *Ibid.*, p. 108.

⁹⁵ See *ibid.*, pp. 62-63.

⁹⁶ *Ibid.*, p. 81, see also p. 76.

⁹⁷ *Ibid.*, p. 192.

and *cipher* is that both are *abstractions* that are *estranged* from what is left out. And we already know that what is left out: namely the essence of man.

Elsewhere Marx explains Hegel's concept in a way that reveals its character as being practically congruent with the *cipher*. "[T]he issue," Marx says, "turns on fact that a [Hegel's] *concept* (existence, etc.) is viewed *abstractly*, that it is not treated as something autonomous but as an *abstraction* from something else ..."⁹⁸ The *cipher* is by definition "an abstraction from something else." Marx's analysis of the Hegelian method as it pertains to Hegel's *concept* also corresponds to the method used in constructing *ciphers qua cryptic codes*:

Real man and real nature become mere predicates, symbols of this hidden, unreal man and this unreal nature. Subject and predicate therefore stand in a relation of absolute inversion to one another; a *mystical subject-object* ... The inexhaustible, vital, sensuous, concrete activity of self-objectification is therefore reduced to its mere abstraction, *absolute negativity*, an abstraction which is then given permanent form as such and conceived as independent activity, as activity itself. Since this so-called negativity is nothing more than the *abstract, empty* form of that real living act, its content can only be a *formal* content, created by abstraction from all content. Consequently, there are general, abstract *forms of abstraction* which fit every content and are therefore indifferent to content; forms of thought and logical categories torn away from *real* mind and *real* nature."⁹⁹

What is "abstraction from all content" if not a perfect *cipher*? Moreover, since "abstract thought is the essence" in the commonwealth of the Hegelian *Geist*, and since "*object as well as subject* is the [abstract] *concept*,"¹⁰⁰ nothing is allowed to remain but the concepts, abstractions, that is, *ciphers*. *Ciphers* become all, they become absolute.

⁹⁸ Karl Marx, *Critique of Hegel's Doctrine of the State*, p. 156.

⁹⁹ Karl Marx, *Economic and Philosophical Manuscripts*, pp. 396-97.

¹⁰⁰ *Ibid.*, p. 400.

In accordance with such a character of his concept, Hegel defines his subject as “the doubling which sets up opposition.”¹⁰¹ Hegel’s subject can exist only under the cover of such self-othering (appearing as something else). With regard to such doubling, it is very difficult to tell such doubling from a lie, notwithstanding Hegel’s claim that “[o]nly this self-restoring sameness, or this reflection in otherness [doubling] within itself - not an *original* or *immediate* unity as such - is the True.”¹⁰² Self-restored sameness, here identified as “the True,” amounts to homogeneity that nevertheless contains a “doubling.”

In this regard, however, the following can be said. For a subject who consciously lies, the lie appears functional and necessary. Karl Marx explains the lie of the Hegelian concept with the example of Hegel’s Estates presented outwardly as “a guarantee of public freedom”:

The [Hegel’s] *Estates* are the lie, *legally sanctioned* in constitutional states ... The lie will be revealed in the *content*. ... The metaphysical state power was the most suitable repository for the metaphysical universal state-illusion.¹⁰³

An effective lie makes the truth itself as if irrelevant or indifferent. Furthermore, the lie as purely phenomenological is indifferent to any substance. However, the subject who created the apparent other as his own appearance can use this lie to achieve something real in the world. In this process, the lie appropriates for itself a piece of reality. Hegel argues that “only in the *end* it is what it truly is,”¹⁰⁴ that is, when the mission and its labor of Hegel’s *Geist* is accomplished as the Absolute: “Of the Absolute it must be said

¹⁰¹ Hegel, *Phenomenology of Spirit*, “Preface,” paragraph 18, p. 10.

¹⁰² *Ibid.*, “Preface,” paragraph 18, p. 10.

¹⁰³ Karl Marx, *Critique of Hegel’s Doctrine of the State*, p. 129, see also p. 125.

¹⁰⁴ Hegel, *Phenomenology of Spirit*, “Preface,” paragraph 20, p. 11.

that is essentially a *result*, that only in the *end* is it what it truly is.”¹⁰⁵ The final “truth” reserved for the end, as Hegel himself indicates, would be a result of “one and the same formula” recycled over and over a sufficient number of times: “But a closer inspection shows that this expansion ... [came] rather through the shapeless repetition of one and the same formula, only externally applied to diverse materials, thereby obtaining merely a boring show of diversity.”¹⁰⁶

Hegel’s concept, that has properties of a *cipher*, as I have argued, has, however, a very distinct purpose that encapsulates the project of modernity and particularly its thrust to take man and his society and suspend (*aufheben*) them ‘beyond good and evil.’ For Hegel, “the truth” is “the lifeless universal” or a lifeless “whole” which he conceived as the final result of world history as well as his own system.¹⁰⁷ Besides the qualities of *lifelessness*, *emptiness*, *nullity*, and *wickedness*,¹⁰⁸ the Hegelian “truth” - the end-result of modernity - has the power of a sorcery that converts its imagination into reality:

[The life of Spirit] wins its truth only when, in utter dismemberment, it finds itself. ... Spirit is this power only by looking the negative in its face, and tarrying with it. This tarrying with the negative in the face is the magical power that converts it into being.¹⁰⁹

Briefly put, the magic is *death*. However this magic - death - consists of a Narcissist-like stare which tarries with an image that is one’s own reflection - one’s own

¹⁰⁵ Hegel, *The Phenomenology of Spirit*, Preface 20, p. 11.

¹⁰⁶ Ibid., “Preface,” paragraph 15, p. 8.

¹⁰⁷ “The True is the whole. But the whole is nothing other than the essence consummating itself through its development.” Of the Absolute it must be said that is essentially a *result*, that only in the *end* is what it truly is.” Ibid., “Preface,” paragraph 20, p. 11.

¹⁰⁸ Ibid., “Preface,” paragraph 7, p. 4.

¹⁰⁹ Ibid., “Preface,” paragraph 32, p. 19.

other. This terrible image is magically converted into being - by causing death of the staring *Geist*. Thus Hegel's *Geist* is killed like Narcissus - by his own image that converts *imitatively* the *Geist* into its own image.

Moreover, for Hegel becoming self-conscious means "becoming *evil*."¹¹⁰ Hegel defines evil as the withdrawal into self - grasping all in oneself. He argues that evil is not only the self *for itself* but also as such *in itself*. "But this side [becoming evil] is already *in itself* evil. ... For the consciousness that thinks in pictures the world has *actually* become, and is, evil."¹¹¹ Hegel's later ostensible distinguishing between good and evil by different prepositions is already here suspended by Hegel as an overcome error, as a matter of indifference - as a triumphant synthesis of the thesis and its antithesis administered by the bourgeois spirit. In this way, Hegel produces the final phenomenological (hermeneutic) magic of appearance where the meaningfulness of good and evil ought to disappear:

If Evil is the same as Goodness, then Evil is just not Evil, nor Goodness Good ... Since both are equally right, they are both equally wrong ... Neither the one nor the other has truth ... but this [good and evil], as difference in itself, is distinguished from itself and is therefore selfsameness."¹¹²

Hegel's objective is therefore to describe moral homogenization, assimilation of good with evil and vice versa. Without evil, good disappears too.

Having annulled (nihilated) good, the Hegelian synthesis also has to banish truth from his system. Otherwise the logical consistency of the Hegelian system would be seriously impaired. To keep the system insulated from such a vital danger, Hegel therefore

¹¹⁰ Hegel, *Phenomenology of Spirit*, paragraph 783, p. 474. The emphasis is Hegel's.

¹¹¹ Ibid., paragraph 782, pp. 473-74; see also paragraph 783, p. 474.

¹¹² Ibid., paragraph 780, pp. 472-73.

demands that “the terms ‘true’ or ‘false’ must no longer be used where such otherness has been annulled.”¹¹³ The false or evil as well as true and good are thus reduced to mere “universals” that do not really exist. They are merely *ciphers-nothings* to the nothingness of which ethics is inevitably dragged down - *below* the good. At this plane, ethics as a search for the good that grows from within one’s humanity is supplanted by correctness externally prescribed by positive “*law and command*.”¹¹⁴ Accordingly, Hegel defines and thus negates the ethical mind as the state mind, state-consciousness:

“The state is the reality of the ethical Idea. It is ethical mind *qua* the substantial will *manifest* and revealed to itself ... The state exists immediately in *custom* ... while self-consciousness in virtue of its sentiment towards the state finds in the state, as its essence and the end and product of its activity, its *substantive freedom*.”¹¹⁵

Here we see that Hegel conflates ethics with morality, that is, ethical wisdom with opinion, and ethical questioning with customs that are not questioned. The state is God. In this regard, Marx however further explains: “It is significant that Hegel should have such great respect for the state-mind - the ethical mind, state-consciousness - but when it actually and empirically appears before his very eyes he should regard it with such undiluted contempt. And this is the key to the entire riddle of his mysticism.”¹¹⁶ Even more importantly, as Marx also unveils, Hegel’s idea of what is ethical is not only a catechism of modern bureaucracy and its laborers-soldiers (‘the state is our God-Employer, and it is

¹¹³ Hegel, *Phenomenology of Spirit*, Preface 39, p. 23.

¹¹⁴ *Ibid.*, 508, p. 308.

¹¹⁵ Quoted in Karl Marx, *Critique of Hegel’s Doctrine of the State*, p. 171.

¹¹⁶ *Ibid.*, p. 124.

always right'): "The reality of the ethical idea becomes manifest here as the *religion of private property*."¹¹⁷

When ethics is expropriated as morality towards the state, the City of Man and the City of God are then one and the same:

The State is the Divine Idea as it exists on Earth. ... The objective and the subjective will are then reconciled, and present one identical homogeneous whole. For the morality (*Sittlichkeit*) of the State is not that ethical (*moralische*) reflective kind ...¹¹⁸

However the sameness of the City of God and the City of Man based on the assumed sameness of ethics and morality means, as Marx concludes, that "the state whose ethical life is based on these presuppositions can only be the society (the social life) of these illusions."¹¹⁹ Nevertheless, in this, as Marx also stresses, Hegel "has done not more than describe the morality of the modern state and modern civil law ... [proving that] the divorce of the contemporary state from morality is moral, that morality is remote from the state and the state is immoral."¹²⁰

In Hegel's view, the Absolute came about through the Great Bourgeois French Revolution whose *Terror* made Freedom, the driving force of history, "Absolute." In other words, in the "here and now" of such terror to which Hegel's *Geist* had his eye forcibly turned, the ascendance of the spirit of modernity and its economy of universal homogeneity is revealed to the masses through terror as the fear of death which is

¹¹⁷ Karl Marx, *Critique of Hegel's Doctrine of the State*, p. 171.

¹¹⁸ Hegel, *The Philosophy of History*, p. 39.

¹¹⁹ Karl Marx, *Critique of Hegel's Doctrine of the State*, p. 177.

¹²⁰ *Ibid.*, p. 177.

presented as their absolute master.¹²¹ In terror, the victorious bourgeois frees itself from its own material determinations and immediate concerns about wealth and profit to its absolute truth:

All these determinations [honor, wealth, meanings, faith, utility, etc.] have vanished in the loss suffered by the self in absolute freedom; its negation is the death that is without meaning, the sheer terror of the negative that contains nothing positive, nothing that fills it with a content.¹²²

“The negative that contains nothing positive, nothing that fills it with a content” is *de facto* a nihilistic *cipher*.¹²³

Nietzsche himself had no illusions about the deadly serious implications and consequences of the Hegelian science. To this effect, Nietzsche’s corpus is essentially an artful “afterthought” on Hegel.¹²⁴ Thus Nietzsche’s afterthought elaborated on Hegel, it also discovered Hegel underneath his own cryptic esoterism:

We Germans are Hegelians even if there never had been any Hegel, insofar as we (unlike all Latins) instinctively contribute a deeper meaning and greater value to becoming and development than to what ‘is’; we hardly believe in the justification of the concept of ‘being’ ...¹²⁵

The nihilation of good, truth, and being are “necessary for the overman’s best” - it is necessary for “the greatest evil.” Here also lies the deepest, innermost secret of the new world order:

¹²¹ Hegel, *Phenomenology of Spirit*, paragraph 592, p. 361.

¹²² *Ibid.*, paragraph 592, p. 362.

¹²³ I owe this observation to Linda S. Smith whom I interviewed in March 1999.

¹²⁴ See Tom Darby, *The Feast*, p. xviii.

¹²⁵ F. Nietzsche, *The Gay Science*, translated by W. Kaufmann (New York: Vintage Books, 1974), aphorism 357, p. 306. See also F. Nietzsche, *The Will to Power*, aphorisms I, p. 7; aphorisms 849, p. 448.

'Man must become better and more evil' - thus I teach. The greatest evil is necessary for the overman's best. ... But this is not said for long ears. Not every word belongs in every mouth. These are delicate distant matters: they should not be reached for sheep's hoofs.¹²⁶

The "absolute freedom" reigns as the bourgeois revolutionary, that is, arbitrary, executions and deaths that tyrannize the audience - as the truth of Hegel's *Geist*. Hegel's "absolute freedom" is essentially the absolute freedom of sheer terror that *feels* no longer evil as an argument, objection, or obstacle. Such "freedom" is a terrible freedom, a meaningless death. Here the meaningless and terror come together and reproduce each other.

The final 'true' synthesis is for Hegel death imagined as "the empty point of the absolutely free self" with "no inner significance or filling. Thus when such death is revealed and realized, the Hegelian concept (*cipher*) has nothing more to hide and thus shows its internal nothingness:

The sole work and deed of universal freedom is therefore *death*, a death too which has no inner significance or filling, for what is negated is the empty point of the absolutely free self. It is thus the coldest and meanest of all deaths, with no more significance than cutting off a head of cabbage or swallowing a mouthful of water.¹²⁷

¹²⁶ F. Nietzsche, *Thus Spoke Zarathustra*, in *Portable Nietzsche*, p. 400.

¹²⁷ Hegel, *Phenomenology of Spirit*, "Absolute Freedom and Terror," paragraph 590, p. 360. It can be objected that the section deals only with the French Revolution. However since Hegel's Notion is Freedom, what makes it "absolute" also has to make the Hegelian Spirit into "absolute" - into the absolute result and its absolute "truth."

Alexander Kojève, therefore, said quite correctly that the Hegelian mechanism “is in the final analysis *a philosophy of death*.”¹²⁸ Death as the cold, calculated work of absolute freedom removes the antithesis between the universal and individual will - between good and evil.¹²⁹ According to Hegel, such a regime is “the grandest and the last culture,” seeing itself self-consciously in Hegel, it “immediately vanishes and passes away into empty nothingness”: into nihilism.¹³⁰ Underneath all the “wisdom of the government” and its universal will lies an idea of man represented and replaced by an image of a beheaded cabbage. In the same way, the terror of the regime is sublated, translated, buried, and normalized as “nothing.”¹³¹ Absolute freedom is a total loss, alienation, negation, pure abstraction of man from himself. Such a regime fills man with its nihilism - with its “nothing.”

In this “nothing,” that is, in the inner nothingness of the concept-*cipher*, the Hegelian system becomes “reconciled” by suspending itself and its terrible truth in its own untruth - in its political economy whose commonwealth is now organized under the name of “civil society.” In the ostensible civility of such unselfconscious political economy, “conviction is satisfied when a familiar resting-place is reached.”¹³²

Directly related to these questions is Hegel’s discussion of methodology, especially the mathematical method that Hegel examines the “Preface” to his *Phenomenology of Spirit*. This part of Hegel’s “Preface” might seem to be, if not a diversion, then at least a

¹²⁸ Alexandre Kojève, *The Idea of Death in the Philosophy of Hegel*. (Complete text of the last two lectures of the academic year 1933-34), translated by Joseph J. Caprino, p. 124.

¹²⁹ Hegel, *Phenomenology of Spirit*, paragraph 595, p. 363.

¹³⁰ *Ibid.*, paragraph 594, p. 362.

¹³¹ *Ibid.*, paragraph 592, p. 362. Cf. Arendt’s idea that under totalitarianism any martyrdom and sacrifices are futile because death is robbed of its meaning: “[Man’s] death merely set a seal on the fact that he had never really existed.” Hannah Arendt, *The Origins of Totalitarianism* (New York: Harcourt, Brace and Company, 1951), pp. 422-424.

¹³² See Hegel, *Phenomenology of Spirit*, “Preface,” paragraph 48, p. 29.

less interesting section in what Hegel himself however conceived to be the quintessential introduction to his *System of Science*. However, this section is one of the best formulations we have on the essence and principles of the *new, modern* method - the “mathematical method” - as opposed to the old method of philosophy. In this connection, it is necessary to realize that this new or modern method is technology.¹³³ In this way, Hegel’s analysis of the new, mathematical method also has a direct bearing on the thesis of this work. For one thing, it is virtually impossible to analyze the concept of the *cipher* and not to show its relation to technology - Hegel’s “mathematical method” (viz. also Chapter 5). Moreover, Hegel’s conception of the mathematical method also helps clarify the underlying relationship between Hegel’s own concept and our technology.

Announcing that philosophical method as “belonging to a bygone culture,” Hegel goes on to discuss the “mathematical method” or what today we might, more precisely, call as *cybernetics*. According to Hegel, such the “mathematical” method “remains external to its materials” and is also alien to the idea of the truth. This method, seemingly distinct from Hegel’s own logic, “has for its principle the relationship of magnitude, a relationship alien to the Notion, and for its material dead space and the equally lifeless numerical unit.”¹³⁴ Here again we stumble over the notion of the *cipher* because “numerical unit” or number is one of *cipher*’s basic meanings and forms. According to Hegel, “mathematics” represents “the outer (and unessential) existence” separated from the inner “essence.”¹³⁵ Hegel’s ‘mathematical method’ coincides with the outer

¹³³ Tom Darby, “Technology, Christianity, and the Universal and Homogeneous State,” in Timothy Burns, ed. *After History?: Francis Fukuyama and His Critics*. London: Littlefield Adams Quality Paperbacks, 1994), pp. 197-215.

¹³⁴ Hegel, *Phenomenology of Spirit*, “Preface,” paragraph 48, p. 28.

¹³⁵ Ibid., “Preface,” paragraph 42, 45, pp. 24, 25.

“one-sidedness” or falsity of the *cipher*. “[Mathematics] abstracts from the fact that it is the Notion which divides space into its dimensions and determines the connections between and within them.”¹³⁶

The “abstract lifeless unity” - the Hegelian “mathematical” *telos* - is defined (encrypted) as equality, unessential magnitude, “paralyzed form,” “dead space,” “an empty lifeless element,” “dead propositions,” “an indifferent, external, lifeless content,” and “lifeless numerical unit” (i.e., price).¹³⁷ This systemic aim, the lifeless universal (i.e., price), “reduces what is self-moving [living] to mere material, so as to possess in it an indifferent, external, lifeless content.”¹³⁸ It is worth noting that here again we encounter the ethos of *indifference*. In addition, another two things need to be stressed: (1) Hegel opposes “the mathematical method” to the allegedly bygone philosophical method, and (2) he equates “numerical units” with “dead space” and “lifeless units.” Hegel speaks of his own critique of the mathematical method as “noteworthy” and “instructive” for it “strips mathematics of its fine feathers.”¹³⁹ Judged in the light of its esoterism, Hegel’s critique of mathematics deals with mathematics only outwardly - as a cover by means of which Hegel appears to be elucidating (1) his own esoteric or dialectical method in particular and (2) the method of the Spirit of *encryption*, the Spirit of money capital, in general. For in paragraph 3 of the Preface Hegel stated that the “aim by itself is a lifeless universal ... the bare result is the corpse which has left the guiding tendency [‘life’] behind it ... it is where the thing stops, or it is what the thing is not.”¹⁴⁰ Hegel’s stripping of the mathematical is therefore

¹³⁶ Hegel, *The Phenomenology of Spirit*, Preface 45, p. 26.

¹³⁷ Ibid., “Preface,” paragraphs 45-48, pp. 25-28.

¹³⁸ Ibid., “Preface,” paragraph 46, p. 27.

¹³⁹ Ibid., “Preface,” paragraph 46, p. 27.

¹⁴⁰ Ibid., “Preface,” paragraph 3, pp. 2-3

analogous to the overall aim seen in terms of a “bare result” and “corpse.” Here it is important to note that Hegel identifies the teleological consummation of his system with “death.” In other words, Hegel’s own logic and his logic of lifeless numerical ciphers coincide in the idea of death.

Hegel’s claim that mathematics deals only with magnitude and space is obviously one-sided or superficial. However if Hegel’s “mathematics” is taken as a possible description of the essence of modern labor and hence of political economy, and this is also precisely what Marx asserted, then Hegel’s statements would be both penetrating and correct. Men as numerical units, commodities, price, etc. are superficially or “self-evidently” equal - equal as *ciphers*. However, the outward, one-sided equality of the numerical units or *ciphers* reproduces and conceals, as Hegel knew, an essential inequality: “For what is lifeless, since it does not move of itself, does not get as far as the distinctions of essence, as far as the essential opposition or inequality, and therefore does not make the transition of one opposite into its opposite, does not attain to qualitative, immanent motion of *self-movement*.”¹⁴¹ Its designed product is man, to use Hegel’s words, “in a paralyzed form, viz. as the *numerical unit*.” Such “tarrying” with the terrible “reduces what is self-moving [man] to mere material, so as to possess in it an indifferent, external, lifeless content.”¹⁴²

In the *Philosophy of Right*, Hegel links the state, money, and his “mathematical method” with its notion of “equality” based on quantification:

¹⁴¹ Hegel, *The Phenomenology of Spirit*, “Preface,” paragraph 45, p. 26.

¹⁴² Ibid., “Preface,” paragraph 46, p. 27. Hegel’s emphases. Hegel speaks here of “applied mathematics” which he immediately contrasts with “philosophy.”

In fact, however, money is not one particular type of wealth among others, but the universal form of all types so far as they are expressed in an external embodiment ... Only by being translated into terms of this extreme culmination of externality can services exacted by the state be fixed *quantitatively* and so justly and *equitably* ... By means of money, however, the *justice of equality* can be achieved much more *efficiently* [last emphasis is mine].¹⁴³

As for the services to be exacted, it is only if these are reduced to terms of *money*, the really existent and universal *value* of both things and services, that they can be fixed justly and at the same time in such a way that any *particular* tasks and services which an individual may perform come to be mediated through his own arbitrary will.¹⁴⁴

When the two paragraphs are compared with each other, it becomes evident that money for Hegel's *Geist* performs and embodies the efficiency of its "own arbitrary will" that is covered under the name of "the justice of [external, apparent] equality" among numbers (*ciphers*).

The essence of Hegelianism is its method. As Hegel put it, "[such] mediation is nothing beyond self-moving selfsameness, or is reflection into itself."¹⁴⁵ However, for such a doubling concept-*cipher* to become fully effective, the *cipher* itself has to be unbreakable. Such closure should be perfect, absolute, final - a "circle that remains self-closed like absolute power."¹⁴⁶ In order to be so, such a controlled circuit of power/ciphers can be "actual only as system."¹⁴⁷

To sum up, the *telos* of the method and the method itself is death. This method is conceived as the power of negation. The method is recognized as the absolute power.¹⁴⁸

¹⁴³ Quoted in Karl Marx, *Critique of Hegel's Doctrine of the State*, p. 122.

¹⁴⁴ Quoted *ibid.*, p. 121.

¹⁴⁵ Hegel, *Phenomenology of Spirit*, "Preface," paragraph 21, p. 11.

¹⁴⁶ *Ibid.*, "Preface," paragraph 32, p. 18.

¹⁴⁷ *Ibid.*, "Preface," paragraph 24, p. 14.

¹⁴⁸ Heidegger said it more openly: "With nihilism ... it becomes necessary to posit a new essence for man." Why? "To embark on the absolute domination of the globe." [Martin Heidegger, *Nietzsche*, Volume

Hegelian death has a form of “burying.”¹⁴⁹ Burying represents death, but it also involves covering the dead over. This absolute burying is essentially *encryption* conceived as burying men in the crypt of the *ciphers* as *ciphers*, i.e., as abstractions, numerical units, and nullities. From time to time the system of the Hegelian *Geist*, however, has to unleash a free reign of its *terror* and thus to unveil its concealed terrible truth because by the “labor” of such terror the universal subjects are reminded of “their master, i.e., death.”¹⁵⁰

On the practical level of everyday existence, the medium or method has the form of money capital and technology. If the traditional method of conversation and conversion were reason in speech, it is now technology in general and money-operation in particular based precisely on the premise that the power of “=” is absolute and universal. For with this premise also stands and falls the technological command of efficiency that imposes upon man the rule of ratios or ciphers, i.e., numbers, into which the human and the non-human are indiscriminately converted as (if being) equal. The ideal or absolute efficiency is a ratio between ‘means’ and ‘ends’ made up of zeroes or nothings: (1) the most efficient *mode* (ratio) is to produce most out of the least (with the least means) which is nothing or zero; and (2) dividing by zero produces an infinitude (the end).¹⁵¹ As Tom Darby says: “If the relative difference of means and ends (or cause and effect) were ever reduced to zero, or to complete efficiency, then technology would become a totality (i.e., a total or complete system).”¹⁵²

IV, tran. David Farrell Krell (HarperSanFrancisco, 1991), p. 9.

¹⁴⁹ Viz. Hegel, *Phenomenology of Spirit*, Preface 71, p. 45.

¹⁵⁰ Quoted in Alexandre Kojève, “The Idea of Death in the Philosophy of Hegel,” p. 144.

¹⁵¹ Here I am drawing on Tom Darby’s concept of efficiency. Tom Darby, “Technology, Christianity, and the Universal and Homogeneous State,” in Timothy, Burns, ed., *After History?: Francis Fukuyama and His Critics* (London: Littlefield Adams Quality Paperbacks, 1994), pp. 206-208.

¹⁵² Tom Darby, “On Who Has the Right to Rule the Planet: Life in the Age of the World Picture,” Part III, *Kritika & Kontext* (Bratislava), 7-8, July 1999: 27. Darby continues: “[A]nd here, of course, come to mind the visions of the Universal and Homogeneous State, the World State, the End State, and, as we shall see,

2.7. Marx's labor: self-conscious realization and emancipation of political economy

After Hegel, our inquiry has to pass through Marx's own politico-economic inversions. In Marx's view, a self-conscious political economist was rather a contradiction of terms: "That in their appearance things are often presented in an inverted way is something fairly familiar in every science, apart from political economy."¹⁵³

For Marx, political economy was an uncritical "worship of appearances" (*ciphers*) that makes political economists into unselfconscious phenomenologists of the capitalist system:

Classical political economy's unconsciousness of its analysis and its uncritical acceptance of the categories 'value of labor,' 'natural price of labor,' etc. as the ultimate and adequate ... led it into inextricable confusions and contradictions ... while it offered a secure base of operations to the vulgar economists who, in their shallowness, make it a principle to worship appearances only.¹⁵⁴

It is also important to note that, for Marx, to "criticize" is to "realize" (*verwirklichen*), "consummate," "complete," and to realize is to "elevate," "suspend," "abolish" (*aufheben*) and vice versa. For Marx, to "realize" is thus to finish the negation of what is being realized.¹⁵⁵ Marx, moreover, indicated that the correctly decoded "criticism"

Heidegger's *Neuzeit*."

¹⁵³ Karl Marx, *Capital: A Critique of Political Economy*, Volume I (New York: Penguin Books, 1990), p. 677.

¹⁵⁴ Ibid., p. 679; see also *ibid.*, p. 682. Cf. Bertrand de Jouvenel, *On Power: The Natural History of Its Growth*, translated by J.F. Huntington (Indianapolis: Liberty Fund, 1993), p. 410.

¹⁵⁵ Karl Marx, *Critique of Hegel's Philosophy of Right*, in Karl Marx, *Early Writings* (New York: Vintage Books, 1975), p. 250; see also *ibid.*, p. 257. "The realization of labor is its objectification [turning it into a cipher, abstract concept, or concept abstracted from its meaning *qua* man]. In the sphere of political economy this realization of labor [man] appears as a *loss of reality* for the worker, objectification as *loss of and bondage to the object*, and appropriation as *estrangement, as alienation*." [Karl Marx, *Economic and Philosophical Manuscripts*, in Karl Marx, *Early Writings*, p. 324] "But because each is alien to the other and stands in an indifferent, external and fortuitous relationship to it, this alien

does not mean “struggling with its object [e.g., capitalism].”¹⁵⁶ Marx’s “criticism” “explains” the criticized object with its contradictions as a “necessity.” “Necessity” coincides with the genesis of the object of his criticism.¹⁵⁷ In this way, “criticism” and “necessity” become in Marx’s writings deliberate ciphers whose inner meanings differ from their common usage. Marx thus “explains” the *cipher* of capitalism by ciphers of his own.

Marx saw himself not as a “critic,” as that term is normally understood, but as an anti-Socratic midwife. As he put it: “For our part it is our task to drag the old world into the full light of the day and to give positive shape to the new one. The more time history allows ... the more perfect will be the fruit which the present now bears within its womb.”¹⁵⁸ Marx’s goal was not create something new but to complete an old labor of the Genesis: “It will then become plain that our task is not to draw a sharp mental line between past and future but to *complete* the thought of the past. Lastly, it will become plain that mankind will not begin any *new* work ...”¹⁵⁹ Marx’s dialectical “criticism” thus makes the criticized “necessary”, and the necessity created by such “criticism” helps complete “the thought of the past” *qua* project. Necessity constructed by a hermeneutic interpretation becomes the genesis of the new world.

How was this to be achieved? By ‘vulgarization’ of Hegel, that is, by turning the Hegelian esoterism into an exoteric doctrine and its propagation to the people.¹⁶⁰ Having character appears as something *real*.” [Ibid., p. 335]

¹⁵⁶ Karl Marx, *Critique of Hegel's Doctrine of the State*, p. 158.

¹⁵⁷ Ibid., p. 158.

¹⁵⁸ Karl Marx, *Letters from the Franco-German Yearbooks*, in Karl Marx, *Early Writings*, p. 206. Marx also seems here to imply that the birth of the ‘new world’ amounts to a business of “constructing the future” and “organizing it for all time.” [Ibid., p. 207]

¹⁵⁹ Ibid., p. 209.

¹⁶⁰ But cf.: “At the top it always manifests itself in a refined, concealed and ambiguous way - as an appearance. At the bottom it manifests itself in a crude, straightforward and over way - as a reality.” [Karl

indicated that Hegel's thought was a realization and completion of the "theoretical conscience" of modern (capitalist) politics,¹⁶¹ Marx stated:

But theory also becomes a material force once it has gripped the masses. Theory is capable of gripping the masses when it demonstrates *ad hominem*, and it demonstrates *ad hominem* as soon as it becomes radical. To be radical is to grasp things by the root. But for man the root is man himself.¹⁶²

Here grasping man is equated with grasping the masses. The masses are to be grasped by theory, i.e. by Hegel's system of dialectical abstractions. Self-consciousness is implied and presupposed by whoever controls the inner sense of the concept - the power which holds and possesses. Instead of actively grasping (self-consciously) the concept, the masses are to be held and grasped by the concept. One who is "in the grasp" of a concept, can be partially conscious of the "grasp" (concept), but he lacks the total view of the whole concept itself.

In *The Communist Manifesto*, Marx was speaking of "the bourgeois ideologists, who have raised themselves to the level of comprehending theoretically the historical movement as a whole."¹⁶³ At the same time, it was the Communist who, according to Marx, "represented the interests of the movement as a whole."¹⁶⁴ Marx's Communist ought to have "over the great mass of the proletariat the advantage of clearly understanding the line of the march, the conditions, and the ultimate general results of the

Marx, *Economic and Philosophical Manuscripts*, p. 363] Thus, "the real estrangement of human life ... can only be attained once communism is established." [Ibid., p. 365]

¹⁶¹ Karl Marx, *Critique of Hegel's Philosophy of Right*, p. 250.

¹⁶² Ibid., p. 251.

¹⁶³ Karl Marx, *The Communist Manifesto*, in Karl Marx, *The Revolutions of 1948, Political Writings*, Volume I (New York: Penguin Books, 1973), p. 77.

¹⁶⁴ Ibid., p. 79.

proletarian movement.”¹⁶⁵ For Marx, it was therefore an imperative, as Peroutka put it, that “the revolutionary consciousness be instilled in the proletariat only from the outside.”¹⁶⁶ Josef Skvorecky defined ideology as “a method of scientifically exploiting false consciousness.”¹⁶⁷ Marx himself characterized “the emancipation of the proletariat” in these terms: “Deliberate deception by some, self-deception by others, who give out the world transformed in accordance with their own needs as the best world for all, as the realization of all revolutionary claims and the removal of all revolutionary conflicts.”¹⁶⁸ It is therefore very difficult to believe that the masses who are held and controlled by abstract *ciphers* can at the same time be fully self-conscious of this “grasp.” To be fully self-conscious means to know the whole truth about oneself.

Marx’s discursive architecture or ‘materialism’ is an inverted ‘idealism’ of Hegel.¹⁶⁹ As Marx explained: “The point is that revolutions need a *passive* element, a *material* basis.”¹⁷⁰ Marx’s materialization of Hegel’s system meant inverting Hegelianism and offering so inverted Hegelianism to the masses as materialism - as a force of revolution. In this way, Marx’s “criticism” of Hegel’s system become indeed its realization,¹⁷¹ although in

¹⁶⁵ Karl Marx, *The Communist Manifesto*, p. 80.

¹⁶⁶ Ferdinand Peroutka, *Demokraticky manifest* (New York: Universum Press. Co., 1959), p. 34.

¹⁶⁷ Josef Skvorecky, *The Engineer of Human Souls* (New York: Alfred A. Knopf, 1984), p. 72.

¹⁶⁸ Karl Marx, *Surveys from Exile*, Political Writings, Volume II (New York: Penguin Books, 1992), p. 122.

¹⁶⁹ Only in this “esoteric” way, one can understand some of Marx’s apparently surprising statements such as: “But practice is only the exception, while theory is the rule.” Karl Marx, *Early Writings* (London: C.A. Watts & Co. Ltd., 1963), p. 27. Or that “philosophy can only be realized by the abolition of the proletariat, and the proletariat can only be abolished by the realization of philosophy.” [Ibid., p. 59] Marx is certainly ironic when he says: “The laboring classes have conquered nature; they have now to conquer man.” [Karl Marx, *Surveys from Exile*, p. 278]

¹⁷⁰ Karl Marx, *Critique of Hegel’s Philosophy of Right*, p. 252.

¹⁷¹ Karl Marx, *Economic and Philosophical Manuscripts*, p. 281. On Marx’s concept of criticism as realization-transcendence-suspension see Karl Marx, *Critique of Hegel’s Philosophy of Right*, Introduction, p. 250.

an inverted way, especially as the new socialist consciousness of the masses, that Marx helped create, was concerned.

In this way, the *cipher* (for example, the cipher of “materialism”) gives birth to a new man and a new reality when it gets hold of consciousness, making it “*incapable of comprehending*.”¹⁷² When this *technique* is repeated a sufficient number of times, the *cipher* appears in a form of social necessity. Behind the fabricated social ‘necessity’ lies the necessity to will not only the *cipher* but the tyranny of the *cipher*. In Marx’s words:

My answer is: Give up your abstraction and you will then give up your question. But if you want to hold on to your abstraction, then do so consistently, and if you assume the nonexistence of man and nature [their nothingness *qua* your indifference to them], then assume also your own nonexistence, for you are also nature and man. Do not think and do not ask me questions, for as soon as you think and ask questions, your *abstraction* from the existence of nature and man has no meaning.¹⁷³

Elsewhere Marx also says:

The principle of politics is the *will*. The more one-sided, i.e. the more perfect, *political* understanding is, the more completely it puts its faith in the *omnipotence* of the will; the blinder it is towards the *natural* and spiritual *limitations* of the will
...¹⁷⁴

Justice, humanity, and the good in themselves are such “limitations” of the will - the will to power. In this regard, Frederick Engels argued that “these more or less moral

¹⁷² Karl Marx, *Economic and Philosophical Manuscripts*, p. 356. Marx’s emphasis.

¹⁷³ Ibid., p. 357. Marx, of course, was not here entirely serious. Otherwise, he would not have been able to demand from us even as much.

¹⁷⁴ Karl Marx, *Critical Notes on ‘The King of Prussia and Social Reform’*, in Karl Marx, *Early Writings*, p. 413. Cf. Karl Deutsch’s concept of the will: “Will, then, is the ability to inhibit, partially or wholly, and further learning. ... the ability to freeze the setting of the goal.” [Karl Wolfgang Deutsch, *Nationalism and Social Communication* (Cambridge & Massachusetts: The M.I.T. Press, 1966), p. 177] The will to power is “the blind will” (*der blanke Wille*). [Ibid., pp. 181-182]

categories ... admittedly sound very fine, but *prove absolutely nothing* in historical and political matters."¹⁷⁵ In this moral nothingness, Hegel, Marx, and Nietzsche have to recognize each other as kindred spirits.

2.8. Nietzsche's formula for political economy

Among other important things that Nietzsche has in common with Hegel and Marx is the calling of the gravedigger who, in Marx's words, wants "to declare in the name of the people themselves: *All that exists deserves to perish*."¹⁷⁶ Nietzsche's commandment is almost identical copy: "You are half-open gates at which the gravediggers wait. And this is *your* reality: 'Everything deserves to perish.'"¹⁷⁷

Nietzsche shows himself not only a great thinker and prophetic voice of nihilism but also, in a sense, a political economist of nihilism. Not only did Nietzsche formulate the concept of modern "values," but he also was able to grasp the concealed nature of political economy: "The *profundity of the tragic artist* lies in this ... that he affirms the *large-scale economy* which justifies the *terrifying*, the *evil*, the *questionable* - and more than merely justifies them."¹⁷⁸

¹⁷⁵ Karl Marx, *The Revolutions of 1848*, Political Writings, Volume 1 (New York: Penguin Books, 1993), p. 229. The emphasis is Engels' own.

¹⁷⁶ Karl Marx, *Surveys from Exile*, p. 152. "The present generation is like the Jews, whom Moses led through the wilderness. They not only have a new world to conquer; they must perish in order to make room for the men who are equal to a new world." [Ibid., p. 112] In Djilas' words: "In Russia, Marx's utopia finally stood revealed in its concealed, essential aspect. Instead of force as the midwife of a new society - to use Engels' term - we had the abolition of society itself by force." [Milovan Djilas, *Fall of the New Class: A History of Communism's Self-destruction* (New York: Alfred A. Knopf, 1998), p. 304]

¹⁷⁷ *The Portable Nietzsche*, p. 232.

¹⁷⁸ Nietzsche, *The Will to Power*, aphorism 852, p. 451. Nietzsche's emphases.

In the next aphorism, Nietzsche also demonstrates the principal technique the new world's political economy, which doubles the truth by fragmenting it into its phenomenological shadows (*ciphers*) - into "the antithesis of a real and apparent world":

The antithesis of a real and apparent world is lacking here: there is only *one* world, and this is false, cruel, contradictory, seductive, without meaning - A world thus constituted is the real world. *We have need of lies* in order to conquer this reality, this 'truth,' that is, in order to *live* - That lies are necessary in order to live is itself part of the terrifying and questionable character of existence.¹⁷⁹

Later, at the end of this part of *The Will to Power*, entitled *Principles of a New Evaluation*, Nietzsche reveals the defining *will to power as the will to "objectified deception" - to encipher*: "The will to appearance, to illusion, to deception, to becoming and change (to objectified deception) here counts as more profound, primeval, 'metaphysical' than the will to truth, to reality ..."¹⁸⁰ The objective of the will to power as tyrannization can be reduced to "making less men stupid."¹⁸¹ Through general stupidity induced by the nihilistic 'general will,' as Nietzsche put it, "inexorably, hesitantly, terrible as fate, the great task and question is approaching: how shall the earth as a whole be governed?"¹⁸² The aphorism belongs to the section "The Masters of the Earth." In the same section, Nietzsche further says:

From now on there will be more favorable preconditions for more comprehensive forms of dominion, whose like has never yet existed. And even this is not the most important thing; the possibility has been established for the production of

¹⁷⁹ Nietzsche, *The Will to Power*, aphorism 853/I, p. 451.

¹⁸⁰ Ibid., aphorism 853/III, p. 453.

¹⁸¹ Ibid., aphorism 875, p. 468. Nietzsche thought that this is "the quality of great men." In other words, tyranny is willfully contained in stupidity of the people.

¹⁸² Ibid., aphorism 957, p. 501.

international racial unions whose task will be to rear a master race, the future 'masters of the earth ... in which the will of philosophical men of power and artist-tyrants will be made to endure for millennia .. [who will] employ democratic Europe as their most pliant and supple instrument for getting hold of the destinies of the earth ... ¹⁸³

During the process of approaching 'more comprehensive forms of dominion, whose like has never yet existed,' the magic or technology of such genesis is, as Nietzsche said, "to press everything terrible into *service*, one by one, step by step, experimentally ... but until it is *strong enough* for this, it must oppose, moderate, veil, even curse all this."¹⁸⁴

Accordingly, Nietzsche defines the will to power - the essence of nihilism - as the *will to the terrible*.¹⁸⁵ Thus as far as the political economy of capitalism is nihilistic, as I have argued, the will to the terrible or tyranny is there too. Consequently, the political economy of the nihilistic world of capitalism is composed and constructed through a ceaseless reprocessing of its genetic formula: the universal commonwealth of capital power = the terrible (i.e., the inner, real, private) and its concealing *cipher* (i.e., the outer, apparent, public, deceptive). Conversely, the *cipher* is power whose terrible inner is not seen, but is covered, abstracted, forgotten.

Nietzsche himself defines the new world order and its political economy as nihilism, that is, as the will to power: "*This world is the will to power - and nothing besides! And you yourselves are also this will to power - and nothing besides* [Nietzsche's own emphasis]!"¹⁸⁶ This is exactly the point: the essence of nihilism is terror (the terrible)

¹⁸³ Nietzsche, *The Will to Power*, aphorism 960, p. 504.

¹⁸⁴ *Ibid.*, aphorism 1025, p. 530.

¹⁸⁵ *Ibid.*, aphorisms 868, 1005, 1015, 1017, 1020, 1027, 1028, 1029, 1050; pp. 464-65, 521, 524, 525-26, 528, 531-32, 539-40. Here Nietzsche tells us that the "Dionysian" is a cipher for the terrible (aphorism 1005).

¹⁸⁶ *Ibid.*, aphorism 1067, p. 550.

that is hermetically and hermeneutically closed by “nothing besides” - by the *cipher*. This “nothing besides” is a man who appears as his own double, his own “besides.” “The will to power and *nothing besides*” is therefore merely another rendering of the same formula of the universal commonwealth of capital power that consists of the dualism of the terrible & the *cipher*. For the will to power is (the will to) the terrible, and the “*nothing besides*” is actually a *cipher*, i.e., the “nothing” posited so for consciousness in place of and/or around the terrible. The nothingness of the *ciphers* works as a cover that conceals, mediates, and extends the terrible will to power. Nietzsche moreover tells us that the same formula also defines-cum-constructs a nihilistic man. We can also say that political economy - the global commonwealth of nihilism - is the nihilistic man writ large. A nihilistic man parented by the terrible and its *cipher/nothing* is caught in a self-creating and self-destroying circle wherein he relentlessly misses, alienates and displaces himself.¹⁸⁷ Man becomes the perpetually displaced nothing - the “besides” and outside of himself.

Political economy based on *the ciphers* inevitably shares with them all their characteristics. that can be subsumed under the heading of *concealment* whose essence is *(self-)forgetting* that, as Michael Shapiro discovered, is the fundamental strategy that stabilizes the order and extension of the modern world common wealth.¹⁸⁸

According to Der Derian and Shapiro, forgetting is produced by authoritative concepts, texts, or scripts. From there, it is only a little step towards the idea of *ciphers* by

¹⁸⁷ “One is no longer at home anywhere.” Nietzsche, *The Will to Power*, aphorism 419, p. 225.

¹⁸⁸ Michael Shapiro, “Textualizing Global Politics,” in James Der Derian and Michael Shapiro, eds., *International/Intertextual Relations: Postmodern Readings of World Politics* (Lexington, MA: Lexington Books, 1989), p. 15. Der Derian seeks an escape from the hermeneutics of forgetting again in hermeneutics that would however this time “deconstruct or denaturalize” the privileged forms of forgetfulness. [James Der Derian, “The Boundaries of Knowledge and Practice in International relations,” *ibid.*, p. 4] See also Jef Huysmans, “James Der Derian: reflexive contributions,” in Iver B. Neumann and Ole Wæver, *The Future of International Relations*, pp. 339-41, 351.

relating the idea of forgetting or concealment to its corresponding form of the concept and script. When the concept and the script are seen as forgetting-concealment, they turn into the revealed or decoded *cipher* (concept) and *encryption*. Under the sway of forgetting, the script turns into a *crypt* of the mind.

2.9. Return to the Platonic Cave and its forgetfulness

The Platonic cave is also where Hegel's, Marx's, and Nietzsche's spirits-waves converge. As Tom Darby noted, "while in actuality globalization is new, the experiences endangered by it are old. These experiences are the theme of [Plato's] *Republic*."¹⁸⁹ In particular, these experiences and their total commonwealth are the theme of the "detour" enforced upon unwilling Socrates by his interlocutors who did not want to let Socrates get away free and pursue his critique of "four forms of badness" pertaining to "both governments of cities and the organization of soul in private man."¹⁹⁰ Socrates' companions felt that he would thus be "robbing them of a whole section" of the argument.¹⁹¹ As a result, Socrates' four companions are dragging each other and Socrates down into the cave and its commonwealth or poverty. The detour into the cave forms the central part of the *Republic*. This descent starts at the beginning of Book V - the 'hinge book' in that it marks the line not only between the two halves of the *Republic* but also a crossing over the Platonic 'divided line' from the upper realm into the underworld of the Platonic cave. This going under ends at the beginning of Book VIII with Socrates saying:

¹⁸⁹ Tom Darby, "On Who Has the Right to Rule the Planet: Life in the Age of the World Picture," Part III, *Kritika & Kontext* (Bratislava), 7-8, July 1999, note 15, p. 34.

¹⁹⁰ Plato, *Republic*, 449a.

¹⁹¹ Plato, *Republic*, 449b-c.

"But come, since we have completed this, let's recall where we took the detour that brought us here so that we can go back to the same way."¹⁹²

According to Socrates, the Platonic is "the prison home."¹⁹³ It is Plato's version of the Hell. Consequently, this prison home is an odd and odious abode. The cave where prison as an idea is in its own element is not a human home. Prison is a space of homelessness and alienation where its technology reigns supreme. The cave is a commonwealth of shadows, images, specters, ignorance, opinions, and blind trust. The prisoners stare at images - *ciphers* - that are projected from behind by the masters (*aides*). According to Socrates, these images are seen on the wall of the cave. In fact, the images become one with the wall as the inner boundary of the prison, and they also ultimately form the inner boundary of the prisoners' minds. The images are the wall, and the wall is transplanted into and becomes the prisoner's consciousness. That is, as much as the prisoners believe the lies, the lies are for them the real world. This is also why Socrates identifies the cave as a space between *pistis* (opinionated trust, faith) and *eikasia* (mimic imagination). Socrates described the cave as the underworld of death or man's Hades where man is alienated from the idea of the good and its *logos*. The true *logos* or the *logos* of truth opens through the Platonic view of *techne qua human action* carried out with a view to *something good*. What remains of *techne* and *logos* in our modern commonwealth of nihilism is *technology* that promises both *techne* and *logos*, but in combining them, nihilates both. In the co-penetration of *techne* and *logos*, the relation of the two is taken as self-referential, thus positing a relatively autonomous system. (see further Chapter 4).¹⁹⁴

¹⁹² Plato, *Republic*, 543c.

¹⁹³ Plato, *Republic*, 517b.

¹⁹⁴ On *techne* as making, *logos* as perception, and the autonomous or self-referential efficiency see Tom Darby, "On Who Has the Right to Rule the Planet: Life in the Age of the World Picture," Part III, p. 26.

The cave has been rendered by the modern imagination in the following ways: as a 'global, soul-less despotism' (Kant), 'dead space' and the State (Hegel), man's 'mortuary' and production forces (Marx), 'God's tomb' and Zarathustra's marketplace of the Last Man (Nietzsche), 'Crystal Palace' (Dostoevsky), 'iron cage' (Max Weber), the Chinese Wall, the Tower of Babel, the Castle, burrow (Franz Kafka), realization of Hegel's doctrine of death in 'the Universal and Homogeneous State' (Alexandre Kojève), 'world society' (John Vincent), Leviathan on a global scale (Nicholas Onuf), 'a single mechanism of museum constructed in the image of the semisphere' (Yuriy Lotman), 'total market' (Henri Lapage), 'imagologies' (Mark Taylor and Esa Saarinen), global economy as staged theater (B. Joseph Pine, James Gilmore, and B. Joseph Pine II), 'entertainment economy of mega-media forces' (Michael Wolf), political economy, social engineering, cyberspace, virtual reality, the Magic World of Disney, the New World Order that appears in Latin (*Novus Ordo Seclorum*) on the Great Seal of the United States and is reproduced on every U.S. dollar bill, and globalization.

The last words of Hegel's *Phenomenology* point precisely to such a descent back into the world of the dead where Hegel's *Geist* is revealed as "he" (man) who ascends or rather descends to the throne of the God of the dead. Without this throne, the Hegelian dead man would remain "lifeless and alone."¹⁹⁵ And, as Hegel says, "to hold fast what is dead requires the greatest strength."¹⁹⁶ Moreover, this Hegelian world of the dead is not somewhere beyond, for any 'beyond' is rejected. The Hegelian *Geist* claims in its designs this world of here and now as its property.

¹⁹⁵ Hegel, *The Phenomenology of Spirit*, paragraph 808, p. 493

¹⁹⁶ *Ibid.*, "Preface," paragraph 32, p. 19.

In his *Economic and Philosophical Manuscripts* (1844) Karl Marx identified even more explicitly the new commonwealth and political economy in particular with the Platonic cave and its project where 'life' stands against the laborers as "alien power":

Man reverts once more to living in a cave, but the cave is now polluted by the mephitic and pestilential breath of civilization. ... He actually has to *pay* for this mortuary. ... Universal *unnatural* neglect, putrefied nature becomes an *element of life* for him. None of his senses exists any longer, either in their human form or in their *inhuman* form ...¹⁹⁷

We said above that man is regressing to the *cave* dwelling, etc., but in an estranged, repugnant form. ... Estrangement appears not only in the fact that the means of *my* life belong to *another*, but also in the fact that all things are *other* than themselves, that my activity is *other* than itself, and that finally - and this goes for the capitalists too - an *inhuman* power rules over everything.¹⁹⁸

As Marx indicates, our revolutionary age is essentially a regress, i.e., led by a return of an illuminated and initiated man fully armed with the Hegelian concept to ascend to a sovereign position of "inhuman power" in the Platonic cave. After grasping and suspending himself in "absolute knowledge," the Hegelian escapee from the cave is returning back to hell, assuming the dead God's throne.¹⁹⁹ In *The Communist Manifesto*, Marx hails the returnee as a specter of communism. In this hermetic and hermeneutic enclosure, every thing, as Marx stresses, is *other* than itself.

The answer to Marx's riddle where "all things are *other* than themselves" is the *cipher*. By definition, *cipher* always appears to be something other than what it really is.

¹⁹⁷ Karl Marx, *Economic and Philosophical Manuscripts*, pp. 359-60. Marx's emphases.

¹⁹⁸ *Ibid.*, p. 366. Marx's emphases.

¹⁹⁹ Nietzsche's "Dionysus is, as is known, also the god of darkness." [F. Nietzsche, *On the Genealogy of Morals, Ecce Homo*, p. 312] Descent is a form of decadence, all this characterizes the Dionysian. The nihilistic will to power is therefore also "a will to an end, and ideal of decadence." [*Ibid.*, p. 312]

What the *cipher* (encryption) really has buried, concealed, negated in the *cipher* itself or, if you want, in the *crypt* of the *cipher*. The Platonic cave itself is one large *cipher-cum-crypt*. Under capitalism and its political economy of encryption-cum-burying, man is transformed into a *numbered*, quantifiable and commodifiable laborer that can be arbitrarily nihilated by more or less 'hidden hands of the market' - by *ciphers* behind which stand concrete, individual wills.

The commodification-cum-encryption-cum-burying of the laborer has a form that is external to him and above him. Because the form is external, it is also more readily controllable and manipulable. This 'othering' or 'doubling' form appears as number, quantity, commodity, news, label, command, image, *cipher*. The laborer, the prisoner of the cave, is what he is given to him to see. In other words, the laborer is conceived as a project - as a projection of the alien life and power of capital. There is no human commonality between the laborer and capital - only the bond of negation, only the concept of the laborer's nothingness - the conception of the laborer as a *cipher*. The laborer is thus given by capital not life but only an appearance, sign, or picture of life for which he must work and pay. The laborer becomes his salary and what he earns defines him to himself and to other laborers. Losing the touch with one's own essence- humanity - one also loses the essential commonality with others which is again humanity itself. Without humanity, the inhuman is indistinguishable. So is evil without good. The commonality of humanity and the good are nihilated into the political economy of "universal *unnatural* neglect." Into this utopia or "mortuary" the Hegelian *Geists* (*Ciphers*) pull man away from himself and carry their dismembered and non-recollecting dead to be buried there. For, as Hegel or his *Geist* says, "the effect of such a work on the public is more noiseless than the action

of these dead men when they bury their dead ... so that the feet of those who will carry you out are already at the door.”²⁰⁰ Marx led by the “specter of communism” rejoins: “In order to arrive at its content the revolution ... must let the dead bury their dead.

Previously the phrase [the outer] transcended its content; here the content [the inner] transcends the phrase.”²⁰¹ In Nietzsche, the morbid cult reaches its excess:

They would like to be dead, and we should welcome their wish. Let us beware of waking the dead and disturbing these living coffins. ... Are you not very ripe for preaching of death? ... Everywhere the voice of those who preach death is heard; and the earth is full of those to whom one must preach death.²⁰²

The cave is also an experiential realm of the Hegelian indifference. The “indifference” means, as Marx decoded it, “declaring the *existence* of the human being ... to be indifferent and even harmful.”²⁰³ Marx further adds:

The worker produces capital and capital produces him ... But because each is alien to the other and stands in an indifferent, external and fortuitous relationship to it, this alien character inevitably appears as something real. ... The existence of capital is *his* existence, his *life*, for it determines the content of his life in a manner indifferent to him. ... The swindler, the cheat, the beggar, the unemployed, the starving, the destitute and the criminal working man are *figures* which exist not *for it*, but only for other eyes - for the eyes of doctors, judges, gravediggers, beadles, etc. Nebulous figures which do not belong within the province of political economy.²⁰⁴

²⁰⁰ Hegel, *The Phenomenology of Spirit*, Preface 71, pp. 44-45.

²⁰¹ Karl Marx, *The Eighteenth Brumaire of Louis Bonaparte*, in Karl Marx, *Surveys from Exile*, Political Writings, Volume 2 (New York: Penguin Books, 1992), p. 149.

²⁰² F. Nietzsche, *Thus Spoke Zarathustra*, I, “On the Preachers of Death,” pp. 157-58; see also, for example, *ibid.*, “On Free Death,” pp. 183-86

²⁰³ Karl Marx, *Economic and Philosophical Manuscripts*, p. 336.

²⁰⁴ *Ibid.*, p. 335.

Only the gravediggers, doctors and judges, see men as figures. Because political economy ignores and neglects man as man, it does not see man in terms of his human qualities but as a thing “tumbling from [its] fulfilled nothingness into absolute nothingness, into his social and hence real nonexistence”²⁰⁵

Thus man tumbles down into the seemingly best regime of the Platonic cave described by Socrates in Book V of Plato’s *Republic*. If this regime were realized, it would, as Tom Darby pointed out, “in reality, turn out to be the worst.”²⁰⁶ The fact is that the project of the worst tyranny of Book V of the *Republic* is a politico-economic transliteration of the layout of the Platonic cave given later in Book VII. In this regard, Book V is an exposition or/and exposure of *political economy* and its concealed tyranny. In other words, the question about the principles of globalization and about its corresponding regime has here its antecedent answers. As Tom Darby put it:

In Plato’s dystopian Book V, Plato, playing on Aristophanes’ *The Assembly of Women*, outrageously eradicates the differences between the public and private realms ... These conditions are his famous ‘waves.’ His first wave is about *universalization*, his second about *homogenization*, and the third is the end of politics and philosophy with the reign (‘*state*’) of the philosopher-king.²⁰⁷

2.10. Schumpeter: The political economy of globalization

From the 1980s till now, when “globalization” also began asserting itself as a new experience and an idea, there has been a revival of interest in the thought and work of

²⁰⁵ Karl Marx, *Economic and Philosophical Manuscripts*, p. 336.

²⁰⁶ Tom Darby, “Technology, Christianity, and the UHS,” in Timothy Burns, ed., *After History?*, p. 215 note 21.

²⁰⁷ Tom Darby, “On Who Has the Right to Rule the Planet: Life in the Age of the World Picture,” Part III, note 15, p. 34.

Joseph A. Schumpeter. His ideas appear to loom behind and lead many of Francis Fukuyama's arguments. In particular, Fukuyama stresses Schumpeter's proposition that modern society is markedly un-warlike.²⁰⁸ Fukuyama links this lack of aggressiveness with the 'contemptible' Last Man - essentially, a 'passive' or unselfconscious nihilist - who was created by Nietzsche's Zarathustra 'at the market place' and whom Fukuyama identifies with a common man of our present. Later in the book, Fukuyama introduces the second part of the nihilistic dyad in the post-historical 'master-slave' dialectic in a way that brings together again Schumpeter with Nietzsche. This connection is pointed out rather subtly. Fukuyama writes: "The classical capitalist entrepreneur described by Joseph Schumpeter is therefore not Nietzsche's last man."²⁰⁹

Thomas Friedman, an international columnist of *The New York Times* and a self-avowed *globalist*, pointed out:

If the defining economists of the Cold War system were Karl Marx and John Maynard Keynes, who each in his own way wanted to tame capitalism, the defining economists of the globalization system are Joseph Schumpeter and former Intel CEO Andy Grove, who prefer to unleash capitalism. ... And Grove took Schumpeter's insight that "only paranoid survive" for the title of his book on life in Silicon Valley, and made it in many ways the business model of globalization capitalism.²¹⁰

Both Fukuyama and Friedman while acknowledging Schumpeter's authority, avoid a crucial question of how to reconcile their use of Schumpeter with other central arguments formulated by Schumpeter, including his view that capitalism cannot survive and is bound to be succeeded by socialism. These apparent contradictions between

²⁰⁸ Francis Fukuyama, *The End of History and the Last Man* (New York: The Free Press, 1992), p. 260.

²⁰⁹ Ibid., p. 316.

²¹⁰ Thomas Friedman, *The Lexus and the Olive Tree* (New York: Farrar, Strauss, Giroux, 1999), p. 9.

Schumpeter, an ardent advocate of capitalism, and Schumpeter, an apostle of a new socialist age, call for clarification. In this regard I share Schumpeter's concern:

We walk into our future as we walked into the war, blindfolded. Now this is precisely where I wanted to serve the reader. I did want to make him think.²¹¹

To this effect, I will construct my argument around the following three theses or 'waves': (1) Schumpeter's apparent grasp of the essence of capitalism as nihilism, that also contains a concept of its technology; (2) Schumpeter's doctrine of "socialism" as a reaction against the reassertion of labor and democracy, for which capitalism is working; and (3) Schumpeter's teaching on imperialism as a synthesis of socialism and nihilism, in which the nihilistic will to power expands itself.

Schumpeter's "capitalism" as well as "socialism" and "imperialism" are *ciphers* whose uncommon meanings can be decoded. And, as Schumpeter stressed, "[n]othing is so treacherous as the obvious."²¹² Schumpeter referred here specifically to the relation between socialism and democracy, but he was applying this dictum to other issues as well, especially to the concepts of "capitalism" and "imperialism." For example, among commonly held misconceptions about capitalism, "[t]he first thing to go," he argued, "is the traditional conception of the *modus operandi* of competition."²¹³ This and other similar observations made by Schumpeter have serious implications. In this particular case, since competition is normally considered as a manifestation and guarantee of liberty or at least of 'economic freedom,' jettisoning the idea of competition from the concept of capitalism

²¹¹ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, third edition (New York: Harper & Brothers, 1950), "Preface to the Second Edition" (1947), p. xi.

²¹² *Ibid.*, p. 235.

²¹³ *Ibid.*, p. 84.

as unessential strikes at the notion that capitalism is rooted in liberty or freedom. This provides an interesting corollary to the Hegelian notion that the idea of “freedom” is essentially a result of slaves’ “unhappy consciousness” that leads to ideological thinking. Schumpeter’s statement can therefore be understood as suggesting that “slave consciousness” with its concept of “freedom” does not really belong to the essence of capitalism after all.

Other parallel between Schumpeter and Hegel concerns Schumpeter’s positioning of the “modern method of thought” vis-a-vis philosophy and Sophism. Another reveals commonality between Schumpeter and Hegel as far as their relation toward Romanticism is concerned. To say that Hegel held a very positive view of Sophism could be an understatement. For Hegel, Sophism, “presenting a subjective appearance as being the subjective activity if thought, now sets in (since the absolute is posited as subject) ... [as] the principle of modern times.”²¹⁴ To this effect, Hegel wanted to clear the image of Sophism from the bad reputation it had acquired mainly from its philosophical criticism by Plato’s Socrates. “We have to put this evil significance [of Sophism] on one side,” Hegel told his audience, “and to forget it.”²¹⁵ In Sophism, the only “fixed point” or “truth” “is my desire, my pride, glory, and honor, particular subjectivity, which I make my end.”²¹⁶ Consequently, the ground of modernity, which is *de facto* sophistic, is a particular subject or man for whom, as far as he possess the knowledge, “truth” identified with desire is “the principle of modern times.” Knowing that all is rooted in such subjectivity, the Sophists

²¹⁴ G.W.F. Hegel, *Lectures on the History of Philosophy: Greek Philosophy to Plato*, Volume 1, tran. E.S. Haldane (Lincoln and London: University of Nebraska Press, 1995), p. 350.

²¹⁵ *Ibid.*, p. 354.

²¹⁶ *Ibid.*, p. 371, see also p. 374.

also “knew, as educated men, that everything could be proved.”²¹⁷ In other words, *everything is possible and everything can be justified*. “A man does not require to make great progress in education to have good reasons ready for the worst action; all that has happened in the world since the time of Adam has been justified by some good reason.”²¹⁸ However, the Sophists did not want to merely interpret the world but to change man. In this regard, as Hegel emphasizes, the Sophists’ “business is to give men culture.”²¹⁹ Later, on this account, Hegel quotes from Plato Dionysodorus: “Whoever gives culture to one who does not possess knowledge, desires that he should no longer remain the same as he is.”²²⁰ This suggests to us that Sophism can be understood as an “art” of making man into something different, that is, into what he is not. Such an objective would in practice require a constant ‘destructive creation’ or reinvention so that man can “no longer remain the same.” To achieve this, man would have to be kept becoming always something *new*, caught in a vicious circle of negation. Man would have to be constantly made new reinvented. To this effect, in Hegel’s view, “men of our day are urged to all that is good for the very reasons that are reasons to the Sophists. Thus it is said, ‘do not cheat, else you lose your credit, hence your wealth’ ...”²²¹ At the same time, Sophism as a “science” “requires screens and veils” that would protect the Sophists from “the uneducated.”²²² The main reason for this however lies in the very method or *technique* of Sophism that consists of the idea that “uneducated men... may perhaps be mainly determined by something

²¹⁷ G.W.F. Hegel, *Lectures on the History of Philosophy: Greek Philosophy to Plato*, p. 369.

²¹⁸ *Ibid.*, p. 369.

²¹⁹ *Ibid.*, p. 360.

²²⁰ *Ibid.*, p. 370.

²²¹ *Ibid.*, p. 367.

²²² *Ibid.*, p. 360.

besides what they know”²²³ All these are some important reasons that qualify Sophism as a *technique* that inspires the *mode* of modern consciousness and its transformation (‘creative destruction’). Schumpeter’s own theses support such a conclusion, as I will soon show. Consequently, Hegel’s own ‘System of Science’ as the embodiment of the modern spirit, also represents the movement from philosophy to modern sophism - or ‘science’:

To help bring philosophy closer to the form of Science, to the goal where it can lay aside the title ‘love of knowing [*philo-*] and *actual* knowing [*-sophy*] - that is what I have set myself to do. ... To show that now is the time for philosophy to be raised [*aufgehoben*: also ‘negated,’ ‘suspended’] to the status of a Science would therefore be the only true justification for any effort that has this aim ...²²⁴

Schumpeter, without referring to Hegel, says this about economics and the modern method in general:

I hold that the garb of philosophy is removable also in the case of economics: economic analysis has not been shaped at any time by the philosophical opinions that economists happened to have ... The Sophists seem to have been the first to analyze this universe very much as we do now: they are, in fact, the forefathers of our own methods of thought, our logical positivism included.²²⁵

Few words also need to be said on the question of Romanticism because they shed further light both on the modern method and its opponents. For Schumpeter, the “base” of capitalism is not ‘a mode of production’ or economics but ‘sociology’ which essentially corresponds to an engineered or *produced* ‘ethos’ or way of life of society plus methods

²²³ G.W.F. Hegel, *Lectures on the History of Philosophy: Greek Philosophy to Plato*, p. 369.

²²⁴ G.W.F. Hegel, *The Phenomenology of Spirit*, “Preface,” paragraph 9, pp. 5-6.

²²⁵ Joseph A. Schumpeter, *History of Economic Analysis* (New York: Oxford University Press, 1954), pp. 31, 54. To prove his point, Schumpeter explicitly refers to Locke, Hume, “and above all Marx.” [Ibid., p. 32]

of its legitimation. Romanticism was a cultural revolt against such 'sociology' or new culture being imposed on society. On the sociology of capitalism and its struggle for recognition, Schumpeter says:

I will risk describing it - in the usual way - as fundamentally rationalist, hedonist and individualist: the happiness, defined in hedonic terms, of individuals ... This proposition is the bridge between the otherwise very different theories of Bentham and Rousseau's *contract social* [Schumpeter's emphasis] - names that may serve us for beacons in what for the rest must be left in darkness here. Adverse criticism of this construction arose immediately ... Whatever we may think about the merits or demerits of the movement usually dubbed Romanticism, it certainly conveyed a deeper understanding of pre-capitalist society and of historical evolution in general and thus revealed some of the fundamental errors of utilitarianism and of the political theory for which utilitarianism served as base.²²⁶

Another "beacon" that can illuminate the "darkness" of the struggle is Hegel, not least because, as Charles Taylor stresses, his thought is fundamentally antithetical to "the Romantic spirit [which] is *conscious* of being in opposition to modern society."²²⁷ In this regard, "Hegel is important today," Taylor stresses, in order to "puncture the Romantic counter-illusions."²²⁸ Taylor also indicates why could Hegel assist in the task of combating a resurgent Romanticism: Hegel's System is an "impossible synthesis" that "can be seen as a realization of the fundamental ambition of the Romantic generation."²²⁹

The real question is, however, *how* such an "impossible synthesis" can be achieved. The short answer is: by assimilation, especially as far as Romantic consciousness is concerned, but the method can be applied to any other consciousness opposed to

²²⁶ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 248. Cf.: "The capitalist process rationalizes behavior and ideas and by so doing chases from our minds, along with metaphysical belief, mystic and romantic ideas of all sorts. Thus it reshapes not only our methods of attaining our ends but also these ultimate ends themselves." [Ibid., p. 127]

²²⁷ Charles Taylor, *Hegel and Modern Society* (Cambridge: Cambridge University Press, 1979), p. 138; see also pp. 77, 137-38. My emphasis.

²²⁸ Ibid., p. 72;

²²⁹ Ibid., p. 72;

modernity and to the capitalist *mode* of consciousness and its 'production.' The method works mainly again on the principle of *ciphers*. The modern as well as Hegelian method retains the names associated with religious, philosophical, and ethical patterns of thinking but emptied of their traditional or commonly held meanings. Instead, the names are invested with 'new' meanings or used in 'new combinations', without revealing the subversion itself, so that the outer shell is preserved, while the real sense and aim is concealed, yet unknowingly followed by the trusting followers. This necessitates - not unlike the 'capitalist mode of production - to keep constantly *reinventing* language and thus as if depriving others of their own 'language.' This idea is well present in Hegel's words aimed at the Romantic notions: "The 'beautiful', the 'holy', the 'eternal', 'religion', and 'love' are but bait required to arouse the desire to bite ... these are supposed to be what sustains and continually extends the *wealth* of substance."²³⁰ This Hegelian method of assimilation can be said to be *de facto* at work in business, and especially in advertising where it has a form of commercialization and commodification, whose assimilative nature Taylor himself did not fail to point out.²³¹

This discussion shows an undercurrent of continuity in modern thought as well as a fundamental consensus on the 'modern method' or *mode* by means of which the political economy of capitalism can be organized and controlled. These insights into Schumpeter's "Hegelian" method of thought also provide, in my view, a necessary introduction into Schumpeter's theory of capital which is *de facto* a theory of capital's *method*.

²³⁰ G.W.F. Hegel, *The Phenomenology of Spirit*, Preface, paragraph 7, p. 5. My emphases. On Hegel's critique and caricature of Romantic attitudes and its pro-Platonic bias see *ibid.*, paragraphs 5, 6, 7, 8, 9, 10.

²³¹ Charles Taylor, *Hegel and Modern Society*, p. 71. Marxism and Fascism, on their part, also used and abused the Romantic "images of fulfillment" as "baits" to "keep the wheels" of their factories and armies "turning." Taylor also places in this way Romanticism into the corpe(e) of Marxism and Fascism. [See *ibid.*, p. 71]

Schumpeter defines capital in terms of its negative dialectics between concrete and abstract whereby *abstract* capital subjects and controls the *concrete* inputs or “factors of production,” i.e., men, goods, ideas, by *dictating* their *diversion* into something *new*: “*Capital is nothing but the lever by which the entrepreneur subjects to his control the concrete goods which he needs, nothing but a means of diverting the factors of production to new uses, of dictating a new direction to production.*”²³² Capital thus includes three important principles; (1) subjecting the concrete or the real by its abstraction to its abstraction, i.e., money, social symbols; (2) such abstraction is the function of diversion; and (3) abstraction, diversion, and their newness mediate and cover the fact that capital is essentially a form of dictate.

Capital’s “characteristic function” is to be “an independent agent.”²³³ Capital’s independence, which is independence of capital’s dictate, is realized in “development.” Capital without “development” is therefore no capital.²³⁴ What this means is that capital *develops* “the relations of the individual to concrete people and to concrete things” into *new* forms and combinations - more abstract, i.e., “more transient.” Somewhat paradoxically, but logically, development as such does not appear as arbitrary dictate of capital but as “rationalization” and even “democratization.”²³⁵ In other words, capital’s dictate is *cloaked* in the *ciphers* of “rationalization” and “democratization.”

²³² Joseph A. Schumpeter, *The Theory of Economic Development: An Inquiry into Profits, capital, Credit, Interest, and the Business Cycle*, trans. Redvers Opie (Cambridge, Mass.: Harvard University Press, 1961), p. 116. Schumpeter’s emphases. See also Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, third edition (New York: Harper & Brothers, 1950), p. ix.

²³³ Joseph A. Schumpeter, *The Theory of Economic Development*, p. 121.

²³⁴ *Ibid.*, pp. 121-22, 154.

²³⁵ *Ibid.*, p. 155.

In this way, capital establishes itself and confirms itself only through such development of *ever new* abstractions that are *rationalized*, which is to say that these abstractions are not perceived as coming from outside but rather from “within” “the economic life” and “by its own initiative.”²³⁶ The essential pivot is the notion of newness (it is plausible to suggest that “news” as a distinctly modern phenomenon is also part of this concept/*technique*). What does “new” mean here? “Newness” can be seen in itself as a *cipher* for what is unfamiliar, unknown, untested, not-yet-fully-experienced, or not understood. In this way, newness signifies and serves for a gap in cognition; it is all which we see but do not know yet what it is or what we should think about it.

“Rationalization” develops capital into a *social* and yet independent *command* seated - rationalized - as it were inside labor’s consciousness that is constantly created by capital “new” to itself and hence constantly alienated from itself into ever new abstractions. According to Schumpeter, “reality convincingly substantiates this derivation [from innovation] of the accumulation of wealth from profit.”²³⁷ Yet, in its essence, innovation is, as Schumpeter stresses, “nothing but recombining existing factors.”²³⁸

In Schumpeter’s best known work *Capitalism, Socialism, and Democracy* (1942), the idea of innovation and its rationalization was developed into the concept of “creative destruction” which is “the fundamental impulse that sets and keeps the capitalist engine in motion.”²³⁹ Schumpeter defines creative destruction as a process “that incessantly

²³⁶ Joseph A. Schumpeter, *The Theory of Economic Development*, p. 63. “Development is in our sense then defined by the carrying of new combinations.” [Ibid. p. 66]

²³⁷ Ibid., p. 154. See also Joseph A. Schumpeter, *Business Cycles: A Theoretical, Historical, and Statistical Analysis of the Capitalist Process*, Volume I (New York and London: McGraw Book Company, 1939), pp. 102-5.

²³⁸ Joseph A. Schumpeter, *The Theory of Economic Development*, pp. 132-36.

²³⁹ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 83. “This process of Creative Destruction is the essential fact about capitalism. It is what capitalism consists in and what every capitalist concern has got to live in.” [Ibid., p. 33]

revolutionizes the economic structure *from within*, incessantly destroying the old one, incessantly creating a new one.”²⁴⁰ Among the things which this new insight into the essence of capitalism destroys was to be the “textbook picture” of capitalist competition because such ‘figurative representation’ was disfiguring capitalist reality.²⁴¹ Creative destruction - the imperative of absolute *becoming* - compares to the common idea of competition like a “bombardment” to “forcing a door.”²⁴² In fact, Schumpeter argued that “that the bulk of what we call economic progress is incompatible with [competition].”²⁴³ In this way, creative destruction provides an effective justification for ‘trustified’ capitalism where monopolies are recognized as key centers of the most efficient creative destruction. However, in addition to liberal competition, such capitalism of “ideal efficiency” is also incompatible with democracy.²⁴⁴

The idea that it is not just abstraction *per se* but that ever *new*, permanently innovated abstraction can be a very effective tool of power and control “supplies the key to all the phenomena of capital and credit.”²⁴⁵ However, this method is not merely economic, it belongs to political economy as a whole, in fact it applies to capitalism as well: “Capitalism is, on the contrary, in so obvious a process of transformation into something else, that it is not the fact, but only the interpretation of this fact, about which it is possible to disagree.”²⁴⁶ This “something else” will be examined when we examine Schumpeter’s theory of imperialism and socialism.

²⁴⁰ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 83. Schumpeter’s emphasis.

²⁴¹ *Ibid.*, p. 84; see also p. 85,.

²⁴² *Ibid.*, p. 84.

²⁴³ *Ibid.*, p. 105.

²⁴⁴ *Ibid.*, p. 301.

²⁴⁵ J.A. Schumpeter, *Essays: On Economic Topics of J.A. Schumpeter*, ed. by Richard V. Clemence (Port Washington, N.Y.: Kennikat Press, 1951), p. 67.

²⁴⁶ *Ibid.*, p. 71. Also: “[Capitalism] by breaking up protective strata and institutions ... also decomposes

Importantly, the workings of such a system must “reinvent” people and their “wills” as well. In this connection, Schumpeter also offers some insights into “sociology of capitalism” and its “grand principle of action in the private as well as in the political sphere.”²⁴⁷ According to Schumpeter, the underlying motive of this new *mode* of consciousness is, as already noted, the desire of the hedonistic individual. The appropriate means or method for the satisfaction of such desire is to present it and at the same time conceal it perhaps not necessarily as “rational” but rather as “rationalized,” for example, by introducing the abstractions of “the state of nature,” “the nature of the state,” “social contract,” “ethical autonomy,” and “what looked like a rational foundation for belief in the Will of the People (*volonte generale*).”²⁴⁸ The difference lies not so much in open logical or rational arguments and justifications as in the unconscious sublimation and assimilation of the will of the people. Schumpeter emphasized:

The only point that matters here is that, Human Nature in Politics being what it is, they are able to fashion and, within very wide limits, even to create the will of the people. What we are confronted with in the analysis of political processes is largely not a genuine but a manufactured will. And often this artifact is all that in reality corresponds to the *volonte generale* of the classical doctrine. So far as this is so, the will of the people is the product and not the motive power of the political process.²⁴⁹

the motor forces of capitalism from within. Nothing else shows so well that the capitalist order not only rests on props made of extra-capitalist material but also derives its energy from extra-capitalist patterns of behavior which at the same time it is bound to destroy. ... there is inherent in the capitalist system a tendency toward self-destruction ... The capitalist process not only destroys its own institutional framework but also creates the conditions for another. *Destruction may not be the right world after all. Perhaps I should have spoken of transformation.* ... In both these respects Marx's vision was right [my italics].” Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, 162. I will show the last two sentences are neither merely rhetorical nor accidental.

²⁴⁷ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 249.

²⁴⁸ *Ibid.*, p. 249ff.

²⁴⁹ *Ibid.*, p. 263.

To this effect, Schumpeter points out that the political and economic methods of capitalist ‘creative destruction’ are essentially the same: “The ways in which issues and the popular will on any issue are being manufactured is exactly analogous to the ways of commercial advertising.”²⁵⁰ The common notion - *technology* - is the “attempt to contact the subconscious” by “creating favorable and unfavorable associations which are the more effective the less rational they are.”²⁵¹ In particular, such *technology* creates “evasions and reticences and the same trick of producing opinion by reiterated assertion that is successful precisely to the extent to which it avoids rational argument and the danger of awakening the critical faculties of the people.”²⁵² In other words, this common technology or *mode* of consciousness works on the principle of *ciphers*. It is the *mode* of *artificial* cognitive ignorance and gaps.

This also suggests that technology and capital as *technique* are forms of the same ‘substance’ or rather medium that creates and manipulates people’s will by creating and destroying, fashioning and refashioning new imaginations and opinions. By tapping into the subconscious, capital and technology command and control societal experience so that people lose view of their own purposes. In brief, capital and technology, i.e., other modern media, are media of subconscious, conditioned reflexes, reactions, and practices. To this effect, technology produces and envelops its audiences with abstract ready-made-for-them forms (*ciphers*).²⁵³ The more combinations of existing factors, i.e.,” appear as ‘brand new,’ that is, as having manifestly little to do, if anything, with past experiences, the less

²⁵⁰ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 263.

²⁵¹ *Ibid.*, p. 263.

²⁵² *Ibid.*, p. 263.

²⁵³ “[T]he object represented becomes the property of pure self-consciousness ... In modern times, however, the individual finds the abstract form ready-made.” G.W.F. Hegel, *The Phenomenology of Spirit*, Preface, paragraph 33, p. 19.

they to tend to be critically examined and judged, for there is no adequate experience to rely on. Thus advertising based on artificial, instantaneous associations of the like and the unlike becomes a main form of “politics.” And the more the values of newness are routinized, bureaucratized, and “rationalized,” the more past experiences and recollection are devalued or lost, and the more the *mode* of (sub)consciousness is reinforced. In this way, paradoxically but effectively, the imperative of newness goes together with repetition, for while particular forms of newness change, the formula remains the same. The only apparent commonality is reduced to ‘what is in the *news*.’ Newness is essentially a form of snapshot that tears, that is, abstracts, one piece from the rest (thus we have pieces of news): “The images on a screen are not sequential; time is dissolved, turned upon itself, defeated.”²⁵⁴ In one word, newness produces uncomprehended *ciphers* and *vice versa*. *Ciphers* and newness depend on each other like twins.

It needs to be said that this is actually nothing but nihilism operationalized at the popular level, institutionalization of ‘the experience of nothingness.’ The experience of nothingness, when it becomes the main *mode* of existence, produces a civilization, that is, our Western civilization, where, as Novak put it, “no man *has* a self or an identity ... [and that] he must constantly be *inventing* selves.”²⁵⁵

How is such ‘creative destruction’ related to value? This question is crucial because value is, as Schumpeter indicates, the virtual God of the new cosmos, its “prime mover,” and a measure that measures itself.

²⁵⁴ Michel Novak, *The Experience of Nothingness* (New York, Evanston, and London: Harper & Row, 1970), 4.

²⁵⁵ *Ibid.*, p. 1.

The fundamental explanatory principle of any system of economics is always a theory of value. Economic theory concerns facts that are expressed in terms of value, and value is not only the prime mover of the economic cosmos, but also the form in which its phenomena are made comparable and measurable.²⁵⁶

Value is thus also the Modern “Word” which, when trusted and rationalized and thus presumably understood, makes “facts” speak to men.

Value is created by needs and their demand. However, the point is that under capitalism “we have to do with imagined rather than felt needs.”²⁵⁷ Imagination becomes a key economic factor so that imagined objects turn to be “the most important objects ... of our economic behavior and valuations.”²⁵⁸ Accordingly, value has more to do with imagination than with opinion, that is, value is more remote from knowledge inasmuch as imagination is further away from knowledge than opinion (viz. my diagram of the Platonic divided line). Value is therefore closer to ignorance than to understanding. The effectiveness of valuation therefore depends inversely on “a people’s intelligence and moral strength.”²⁵⁹ From this Schumpeter deduced an axiom that translates people’s intelligence and morality into the level of interest which can stand as a measure of financial capital, for, according to this theory of value, all these ‘variables’ are interdependent:

The higher a people’s intelligence and moral strength are, the lower will be the rate of interest. This is why the rate of interest mirrors the cultural level of a nation.²⁶⁰

²⁵⁶ Joseph A. Schumpeter, *The Great Economists: From Marx to Keynes* (New York: Oxford University Press, 1951), p. 151.

²⁵⁷ *Ibid.*, p. 176.

²⁵⁸ *Ibid.*, p. 151.

²⁵⁹ *Ibid.*, p. 182.

²⁶⁰ *Ibid.*, p. 182.

Emphasizing the significance of interest rates is not accidental, because the decisive form of valuation, behind which stands a command over society, is private credit/debt creation which is, according to Schumpeter, the very essence of capitalism. In this sense, it is possible and perhaps also necessary to say, as Schumpeter does, that “capitalism is as old as the phenomenon of credit creation.”²⁶¹ In the *Business Cycles*, Schumpeter however makes it clear that, more properly speaking, the essence of capitalism is chiefly “borrowed money” or *debt* creation, that dictates diversion of men and the whole society to “new uses,” rather than the creation of credit:

[C]apitalism is that form of private property economy in which innovations are carried out by means of borrowed money, which in general, though not by logical necessity, implies credit creation. A society, the economic life of which is characterized by private property and controlled by private initiative, is according to this definition not necessarily capitalist, even if there are, for instance, privately owned factories, salaried workers, and free exchange of goods and services, either in kind or through the medium of money. The entrepreneurial function itself is not confined to capitalist society ...²⁶²

While credit and debt are used for the same phenomenon, not every credit, when defined in its original sense as a form of trust, has to be a debt. In the notion of debt, the stress is rather on bondage and command than on mutual trust. Credit-debt is *de facto* an order/command issued by a private capital which is “analogous to the issue of government fiat.”²⁶³ By creating credits-debts, private capital also destroys old balances in society and creates new ones. Consequently, capital “can be created by banks because balances can ...

²⁶¹ Joseph A. Schumpeter, “Can Capitalism Survive?,” in Joseph A. Schumpeter, *The Economics and Sociology of Capitalism* (Princeton: Princeton University Press, 1991), p. 313; also Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 130, here Schumpeter also advances the idea that bank credit “manufactures money.”

²⁶² Joseph A. Schumpeter, *Business Cycles: A Theoretical, Historical, and Statistical Analysis of the Capitalist Process*, Volume 1 (New York and London: McGraw Book Company, 1939), p. 233; cf. pp. 111-12

²⁶³ *Ibid.*, p. 112.

[capital's] market is simply the money market, and there is no other capital market."²⁶⁴

Thus, it appears that the more society comes under debt with private creditors, the more "capitalist" it really is. One of the implications and also merits of this 'monetary' theory of capital is that it effectively destroys the reifying theories of value that are abstracted from the notion of power and command.

Values that appear as man's own self-consciousness are ideology. However, "ideologies are not simply lies;" they have to be wished and believed. As Schumpeter stressed, without the "sincerity" of active belief or trusted wish, ideology and its value would be nothing:

Just as the medieval knight saw himself as he wished to see himself and just as the modern bureaucrat does the same and just as both failed and fail to see whatever may be adduced against their seeing themselves ... so every other social group develops a protective ideology which is nothing if not sincere.²⁶⁵

In principle, values can be divided into numerical and non-numerical. Ideology as commonly understood consists of statements built around the latter. Schumpeter, however, showed that as far as the basic function of numerical units is concerned, they should be viewed as contributing and reproducing the same *mode-revolution* of modern consciousness:

[Capitalism] exalts the monetary unit ... quantified for the economic sector, this type of logic or attitude or method then starts upon its conqueror's career

²⁶⁴ Joseph A. Schumpeter, *Business Cycles*, Volume 1, p. 129. "The money market is always, as it were, the headquarters [why focus on money and capital] of the capitalist system, from which orders go out to its individual divisions, and that which is debated and decided there is always in essence the settlement of plans for further development." [Joseph A. Schumpeter, *The Theory of Economic Development: An Inquiry into Profits, capital, Credit, Interest, and the Business Cycle*, trans. Redvers Opie (Cambridge, Mass.: Harvard University Press, 1961), p. 126]

²⁶⁵ J.A. Schumpeter, "Science and Ideology," in J.A. Schumpeter, *Essays: On Economic Topics of J.A. Schumpeter*, ed. by Richard V. Clemence (Port Washington, N.Y.: Kennikat Press, 1951), p. 271.

subjugating - rationalizing - man's tools and philosophies, his medical practice, his picture of the cosmos, his outlook on life, everything in fact including his concepts of beauty and justice and his spiritual ambitions. In this respect it is highly significant that modern mathematico-experimental science developed ... only along with the social process referred to as the Rise of Capitalism ...²⁶⁶

Much of this finds again its parallel in Hegel's dialectics. According to Hegel, the "*familiar*" has a character of "*figurative representation*" into which "existence has merely passed" to become "uncomprehended immediacy," "passive indifference," but also "acquired property."²⁶⁷ Hegel further stresses:

Quite generally, the familiar, just because it is familiar, is not cognitively understood. The commonest way in which we deceive either ourselves or others about understanding is by assuming something as familiar, and accepting it on that account; with all its pros and cons, such knowing never gets anywhere, and it knows not why. Subject and object, God, Nature, Understanding, sensibility, and so on, are uncritically taken for granted as familiar, established as valid ...²⁶⁸

It is apparent that the "uncomprehended immediacy" and "figurative representation" "uncritically examined" reveals again the characteristics of the *cipher*. Moreover, as Hegel's statement tells us that when such a figure is "taken for granted as familiar," it is "established as valid." That is, when taken for granted as familiar, an uncomprehended *cipher* becomes "*value*." Once a new social *cipher-value* is finished and passed on to the uncomprehending and trusting subjects, "(genuine) knowing, on the other hand, is directed against the representation thus formed, against this (mere) familiarity."²⁶⁹

²⁶⁶ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, pp. 123-24. Nathan Rosenberg characterized this Schumpeter's argument as "analytically brilliant, breathtaking, and historically, substantially correct." Nathan Rosenberg, "Joseph Schumpeter: Radical Economist," in Yuichi Shionoya and Mark Perlman, eds., *Schumpeter in the History of Ideas* (Ann Arbor: The University of Michigan Press, 1994), p. 49.

²⁶⁷ G.W.F. Hegel, *The Phenomenology of Spirit*, "Preface," paragraph 30, pp. 17-18.

²⁶⁸ Ibid., "Preface," paragraph 30, pp. 17-18.

²⁶⁹ Ibid., "Preface," paragraph 30, p. 18.

The subject keeps moving from one *cipher-value* to another *cipher-value*, incessantly creating and destroying them in the process, while acquiring more property as a result.

Schumpeter nevertheless, argued that despite its economic effectiveness, capitalism is not the end but merely an “intermezzo” that is not “likely to be prolonged.”²⁷⁰ The main reason apparently being, that despite its social *techniques* of discipline and control, modernity or rather human *praxis* nevertheless “produces anti-capitalist policies, i.e., policies that, regardless of individual intentions, prevent it from functioning according to its logic, the implications of which increasingly meet moral disapproval.”²⁷¹ The element of moral disapproval and criticism is crucial here because it means a lack of forthcoming, automatic, reliable and unquestioned obedience. Here I would like to only note that what is happening is not so much capitalism’s own making but rather a result of the inevitable reassertion of man’s *techne* as opposed to the capital and its technology set up with a view of providing maximum ‘utility’ in “slighting the common good for the sake of their own private good.”²⁷² *Techne* is here understood in its classic sense as a teleological praxis for the end of some common good, without which every society would sooner or latter destroy itself. Such praxis is also expressed in Karl Polanyi’s concept of “the countervailing tendency” by which society resorts out necessity to mostly-spontaneous self-defense against the onslaught of capitalist utopia and its ‘creative destruction.’ Which is also to say that, fortunately and necessarily, technology has failed to cover and control

²⁷⁰ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p.130; see also J.A. Schumpeter, “The Instability of Capitalism,” in J.A. Schumpeter, *Essays: On Economic Topics of J.A. Schumpeter*, pp. 71-72; Joseph A. Schumpeter, “Capitalism in the Postwar Period,” in J.A. Schumpeter, *Essays: On Economic Topics*, pp. 176-77.

²⁷¹ J.A. Schumpeter, *Essays: On Economic Topics of J.A. Schumpeter*, pp. 71-72; Joseph A. Schumpeter, “Capitalism in the Postwar Period,” in J.A. Schumpeter, *Essays: On Economic Topics*, pp. 176, 178; Joseph A. Schumpeter, *Business Cycles*, Volume 2, p. 1038.

²⁷² Plato, *Gorgias*, 502e.

the *total* sphere of human experience. In fact, if it did, as Polanyi argued, capitalism would destroy itself together with society. Some of this is indirectly admitted by Schumpeter.

However he ascribes this counter-tendency not to the needs of human praxis or to *techne* but to capitalism itself and its technology:

[C]ompetitive capitalism, by its inherent logic, kept on raising the demand for labor and thus the economic level and social power of the workers, until this class too was able to assert itself in a political sense. The working class and its mode of life provided the type from which the intellectual developed. ... They were democratized, because the picture of time-honored power and privilege gave way to one of continual change ... Trained to economic rationalism, these people left no sphere of life unrationalized, questioning everything about themselves, the social structure, the state, the ruling class."²⁷³

The point is that "rationalization" is antithetical to questioning, that is, to question does not mean to rationalize but rather to reason. This is also what makes a crucial difference between *techne* and technology. *Techne* requires reason and the power to keep under any circumstances in view the common good. *Technology* is the *mode* of rationalization which Schumpeter himself defined, as noted above, as producing people's "General Will" through the subconscious by "creating favorable and unfavorable associations which are the more effective the less rational they are."²⁷⁴ A fuller account of *techne* and technology is given in chapter 4.

Seeing all social phenomena through the lenses of such technology only, Schumpeter is forced to identify technological "rationalization" with its reverse, unplanned

²⁷³ Joseph A. Schumpeter, "The Sociology of Imperialisms," in Joseph A. Schumpeter, *The Economics and Sociology of Capitalism* (Princeton: Princeton University Press, 1991), p. 190; see also Joseph A. Schumpeter, "Can Capitalism Survive?," in Joseph A. Schumpeter, *The Economics and Sociology of Capitalism*, pp. 307-8.

²⁷⁴ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 263.

outcome - not with the unquestioned autonomy of capital's dictate but with "democratization" which capital's technology is meant to negate. This leads to an apparent paradox: from the point of view of capital itself, capitalism as we know it *so far* turns to be ineffective and inefficient. The *mode* of rationalization is not necessarily working against itself but it has to cope with the imperatives of *techne*: expanded needs of economy require rather more education than less for more people as well as more social interaction. Such development is neither solely nor readily conducive to and controllable by a greater alienation of the subconscious. The complexity of praxis requires more concentration, more critical skills, more independent thinking, better knowledge - briefly more consciousness that is antithetical to automatic, subconsciously rationalized attitudes and preferences. In one word, while technology works on the basis of imagination, trust, and imitation (viz., also the Platonic divided line), *techne* requires to think and to learn from one's own experience.²⁷⁵

For Schumpeter, the problem of "democratization" is therefore reduced to the problem of "labor," namely, to "the rise of the labor interest to a position of political power and sometimes of responsibility ... that created a political world and political

²⁷⁵ Criticizing democracy as antithetical to capitalism, Schumpeter resorts to an argument that identifies "rationalization" with thought, which is actually at variance with (subconscious) rationalization, thus effectively creating for the reader a false association which, if taken for granted, effectively assimilates thought and reasoning again in rationalization: "The more we rationalize, the more we apply the habits of thought ... to ourselves, to our beliefs, to the social surroundings. We apply rationalism even to our religion. ... Capitalism so transforms our requirements, our cultural scheme and values, as to make those economic adjustments which economic machineries demand unbearable, as to draw away the beliefs, the social psychological basis under the institution of property and so on for good or for ill." [Joseph A. Schumpeter, "Can Capitalism Survive?," in *The Economics and Sociology of Capitalism*, p. 305] Schumpeter also explicitly attacked expansion of education and workers' leisure, i.e., time to think and to study, as antithetical to capital's technology of control and discipline. [Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, pp. 152; also pp. 145, 151; Joseph A. Schumpeter, "An Economic Interpretation of Our Time: The Lowell Lectures," *The Economics and Sociology of Capitalism*, pp. 342, 360]

attitudes fundamentally incompatible with [capitalism].”²⁷⁶ To this effect, Schumpeter has no doubt that capitalism cannot survive.²⁷⁷ At the same time, Schumpeter expressed his belief and hope that “[t]here is no equilibrating apparatus to guarantee that this atmosphere or these policies should develop in such a way as to prevail in the fullness of time, i.e., when the capitalist process will have really spent its force or be spending it.”²⁷⁸ In Schumpeter’s view, however, “[d]rastic assertion of equalitarian ideals of course might spoil everything.”²⁷⁹

This also introduces us to Schumpeter’s notion of “the fullness of time” that appears to coincide with the foreseen end of capitalism as we know it and a transition to socialism as we do not know it yet.²⁸⁰ The fullness of time will be marked by a revolution, in fact, “the Marxian revolution,” that would come “in order to write the conclusion under a complete set of premises.”²⁸¹ Needless to say, the “Marxian” adjective should not be again understood here in its common meaning, for, as Schumpeter stresses, it “differs entirely, in nature and in function, from the revolutions both of the bourgeois radical and of the socialist conspirator.”²⁸² The “fullness of time” means above all that:

[R]esistance will be weak and that cooperation will be forthcoming from the greater part of *all* classes ... Not only will complete or approximate absence of organized resistance on the one hand and of violent excitement on the other reduce the opportunity for a revolutionary drive, but also there will be a group of experienced and responsible men ready to put their hands to the helm, both able

²⁷⁶ Joseph A. Schumpeter, *Business Cycles*, Volume 2, p. 697.

²⁷⁷ Joseph A. Schumpeter, “Can Capitalism Survive?,” in *The Economics and Sociology of Capitalism* (Princeton: Princeton University Press, 1991), pp. 298-315; Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 61.

²⁷⁸ Joseph A. Schumpeter, *Business Cycles: A Theoretical*, Volume 2, p. 1038.

²⁷⁹ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 222.

²⁸⁰ *Ibid.*, p. 219.

²⁸¹ *Ibid.*, p. 58; see also pp. 58 note 11, 61.

²⁸² *Ibid.*, p. 58.

and willing to keep up discipline and to use rational methods that will minimize the shock. They will be assisted by well-trained public and business bureaucracies which are in the habit of accepting orders from the legal authority whatever it is who are not very partial to capitalist interests anyway.²⁸³

Weak resistance does not necessarily means no or little violence. Elsewhere, Schumpeter indicates that the transformation can occur precisely in the form of a shock so that “before humanity chokes (or basks) in the dungeon (or paradise) of socialism it may well burn up in the horrors (or glories) of imperialist wars.”²⁸⁴ However, “the real problem is labor.”²⁸⁵

Why then socialism? Is not socialism a new type of government that should ensure labor’s empowerment and emancipation? Schumpeter’s answer has almost nothing to do with these commonly held views. The decisive advantage that socialism has over capitalism, in Schumpeter’s view, would be its willingness and thus ability to establish a modern tyranny:

Only a government of non-bourgeois nature and non-bourgeois creed - under modern circumstances only a socialist or fascist one - is strong enough to discipline [intellectuals from the ranks of labor]. In order to do that it would have to change typically bourgeois institutions and drastically reduce the individual freedom of *all* strata of the nation. And such a government is not likely - it would not even be able - to stop short of private enterprise. From this follows both the unwillingness and the inability of the bourgeois order to control its intellectual sector effectively.²⁸⁶

²⁸³ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 221.

²⁸⁴ *Ibid.*, p. 163.

²⁸⁵ *Ibid.*, p. 379.

²⁸⁶ *Ibid.*, pp. 150-51.

In a sense, such socialism “might, with almost equal justice, be called,” as Schumpeter noted, “a *guided* capitalism.”²⁸⁷ In any case, the name itself does not matter so much as the fundamental idea that the principal purpose of Schumpeter’s socialism and “the most difficult” task in which capitalism has apparently failed is to rediscipline labor under an authoritarian rule.²⁸⁸ Consequently, “[u]nless socialization is to spell economic breakdown, a socializing government cannot possibly tolerate present trade-union practice. ... A government that means to socialize to any great extent, will have to socialize trade unions.”²⁸⁹ This task also defines the uncommon nature of Schumpeter’s socialism to come:

After all, effective management of the socialist economy means dictatorship not *of* but *over* the proletariat in the factory. ... As a matter of practical necessity, socialist democracy may eventually turn out to be more of a sham than capitalist democracy ever was. In any case, that democracy will not mean increased personal freedom. And, once more, it will mean no closer approximation to the ideals enshrined in the classical doctrine.²⁹⁰

With freedom gone, politics and the political state go too to be replaced by a police state.²⁹¹ According to Schumpeter’s “Socialist Blueprint” (Chapter XVI in his *Capitalism, Socialism, and Democracy*), socialist society will be ruled and organized by the “central board” that will ensure that no conflicts, “consequently no such wastes would

²⁸⁷ J.A. Schumpeter, “Capitalism,” in J.A. Schumpeter, *Essays: On Economic Topics*, p. 204.

²⁸⁸ “By fighting the protecting stratum, by accepting equality in the political sphere, by teaching the laborers that they were just as valuable citizens as anyone else, the bourgeoisie forfeited that advantage. ... Gone are most of the means of maintaining discipline, and, even more, the power to use them.” [Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 214] “[S]ocialism might be the only means of restoring social discipline.” [Ibid., p. 215] “The Bolshevik Revolution of 1917 completed the disorganization of the small but highly concentrated industrial proletariat of Russia.” Ibid., p. 216.

²⁸⁹ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 379.

²⁹⁰ Ibid., p. 302.

²⁹¹ “[The state] will form part of the ashes from which the socialist phoenix is to rise.” Ibid., p. 169.

exist.”²⁹² Such a regime would be perfect peace of a prison colony. To maintain such peace, the socialist Leviathan would have to change man’s nature obviously by means of unresisted terror - its ‘absolute freedom’ - and by selecting about one quarter of the population as “the great enemy of humanity” or as “the subnormal”:

the socialist order will remove, to say the least, some of the pressure of the survival motive which largely motivates self-discipline in capitalist society. Second, closely allied to the necessity of incessant training of the normal is the necessity of dealing with the subnormal performer. This term does not refer to isolated pathological cases but to a broad fringe of perhaps 25 per cent of the population. ... The great problem and the great enemy of humanity, the subnormal, will be as much with us as he is now. He can hardly be dealt with by *unaided* group discipline alone ...²⁹³

Schumpeter’s “blueprint of socialism” acknowledges as its “true pacemakers” “not the intellectuals or agitators who preached it but the Vanderbilts, Carnegies and Rockefellers.” In this regard, Schumpeter stresses that such a “result” is indeed quite different from “a more popular (Marx would have said, vulgar) description” of socialism.²⁹⁴ According to Schumpeter, there is nevertheless “good reason for interpreting socialism as a product of the bourgeois mentality.”²⁹⁵ Moreover, Schumpeter explicitly avows that socialism would rather approximate *fascism*:

In particular there is little reason to believe that this socialism will mean the advent of the civilization of which orthodox socialists dream. It is much more likely to

²⁹² Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, pp. 177, 198.

²⁹³ *Ibid.*, p. 213. “First, the socialist management will have at its disposal many more tools of authoritarian discipline than any capitalist management can ever have again. ... Second, the socialist management will find it easier to use whatever tools of authoritarian discipline it may have.” *Ibid.*, p. 215.

²⁹⁴ *Ibid.*, p. 134.

²⁹⁵ *Ibid.*, p. 312. Schumpeter adds: “[T]here cannot be any doubt that Marx and Engels themselves typical bourgeois intellectuals. Exiles of bourgeois extraction and tradition - this formula accounts for a lot both in Marx’s thought and in the politics and political tactics he recommended.” *Ibid.*, p. 312; see also p. 317.

present fascist features. That would be a strange answer to Marx's prayer. But history sometimes indulges in jokes of questionable taste.²⁹⁶

In this way, socialism too appears to have been turned into a new *cipher* that might be concealing rather different programs and wishes. What remains to be discussed here is how Schumpeter's concepts of capital and socialism are sublated in Schumpeter's theory of imperialism.

Schumpeter's essay on imperialism, "The Sociology of Imperialism" (1919) was considered in pre-Hitler Germany as one of the most important works on the subject.²⁹⁷ According to Schumpeter, imperialism "confronts us, independent of all concrete purpose or occasion, as an enduring disposition, seizing upon one opportunity as eagerly as the next."²⁹⁸ To be "independent of all *concrete* purposes" presupposes the will and power to abstract from all concrete purposes, which can also mean to overcome, to nihilate, to ignore whatever is concrete, that is, real, particular, individual. Let us note that in this regard capitalism and imperialism have one important thing or purpose in common - abstraction and nihilation of all concrete purposes. We also already know from the previous discussion, that abstraction is also essentially a form of the *cipher*, and that it belongs to the very essence of the capitalist *mode* of consciousness or its political economy in its broadest sense. In other words, both capitalism and imperialism share in this regard the very thing that defines them both - the principle of absolute abstraction. This connection was also stressed by Fukuyama who pointed out that imperialism makes

²⁹⁶ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 375.

²⁹⁷ Paul M. Sweezy, "Editor's Introduction," in Joseph Schumpeter, *Imperialism and Social Class*, trans. Heinz Norden (New York: Augustus M. Kelley, 1951), p. vii.

²⁹⁸ Joseph A. Schumpeter, "The Sociology of Imperialisms," *The economics and Sociology of Capitalism*, p. 143.

possible “the prospect of unlimited material acquisition”²⁹⁹ Moreover, to abstract from *all* concrete purposes means that imperialism has no concrete goal, hence *nothing* in particular but potentially *all* that is concrete or real. Such a totalizing view of imperialism also markedly coincides with the meaning ascribed to the word by a dictionary: *imperialism* - the will to the world domination.³⁰⁰ However, Schumpeter’s definition reveals what lies normally hidden behind the common meaning, namely, its notion of a total negation and overpowering of all concrete reality from which no concrete peoples could be excluded. In particular, imperialism requires, as Fukuyama pointed out, “to create social peace by changing human nature itself.”³⁰¹ By definition, consequential and self-conscious imperialism has therefore to be consequential *nihilism* towards anything real and concrete. This proposition is also in accordance with the third element in Schumpeter’s definition of imperialism, that is, with the nothingness of all concrete purposes. This in itself is in a sense the purpose: nihilating all other purposes, respectively, turning all concrete purposes into “nothing.”

Thus imperialism establishes itself as its own end that recognizes no others beside itself. In Schumpeter’s words, imperialism is “seeking expansion for the sake of

²⁹⁹ Francis Fukuyama, *The End of History and the Last Man* (New York: The Free Press, 1992), pp. 186. Since Fukuyama’s own argument is, as I will show in Chapter 5, to a great extent Schumpeterian, the meaning of Fukuyama’s apparent “endism” needs to be related to Schumpeter’s own view on the account of capitalism as finality: “Capitalism is its own undoing but in a sense different from that implied by Marx. Society is bound to grow beyond capitalism, but this will be because the achievements of capitalism are likely to make it superfluous, not because its internal contradictions are likely to make its continuance impossible. ... I do wish, however, to preclude any interpretation that I regard capitalism as the *final* phase of social evolution, as something that exists of natural necessity, that cannot be adequately explained.” [Joseph A. Schumpeter, “The Sociology of Imperialisms,” p. 218 note 30] One of capitalism’s “achievements” that Schumpeter abhorred, as shown above, was labor’s new political power.

³⁰⁰ Josef Holub, and Stanislav Lyer, *Stručný etymologický slovník jazyka českého se zvláštním zretelem k slovu kulturním a cizím* (Prague: SNPS, 1978), p. 196.

³⁰¹ Francis Fukuyama, *The End of History and the Last Man*, pp. 185-86.

expanding, dominion for the sake of ruling.”³⁰² And to struggle for the sake of struggle is, as Fukuyama again tells us, to struggle against justice, peace, prosperity, and against democracy.³⁰³ Several decades later, in a footnote in the *Capitalism, Socialism, and Democracy*, Schumpeter summarized the notion of imperialism in two sentences: “The point is that this policy knows no inherent limit. Motivating phrases are irrelevant.”³⁰⁴ “Knowing no inherent limit” has again its analog in the nihilistic axiom “All is possible, and all is permitted.”

According to Schumpeter, under capitalism, “imperialism is carefully hidden from public view” particularly because “[t]ype of industrial worker created by capitalism is always vigorously anti-imperialist.”³⁰⁵ Consequently, “the necessity for [his] phraseology is a symptom of the popular attitude.”³⁰⁶ This paragraph on “the need to disguise” imperialism is followed by a claim that “capitalism is by nature anti-imperialist.”³⁰⁷ However, later Schumpeter shows that ‘free trade’ does not mean simply or only free trade but presupposes a sort of “freedom” which would amount to political control over others’ countries: “For in [the case of free trade] the citizens and goods of every nation can move in foreign countries as freely as though those countries were politically their own - free trade implying far more than mere freedom from tariffs.”³⁰⁸

³⁰² Joseph A. Schumpeter, “The Sociology of Imperialisms,” *The economics and Sociology of Capitalism*, p. 143.

³⁰³ Francis Fukuyama, *The End of History and the Last Man*, p. 330.

³⁰⁴ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 404 note 36.

³⁰⁵ Joseph A. Schumpeter, “The Sociology of Imperialisms,” pp. 192-93.

³⁰⁶ *Ibid.*, p. 193.

³⁰⁷ *Ibid.*, p. 194.

³⁰⁸ *Ibid.*, p. 196.

Schumpeter further indicates monopolistic capital, whose central organ are banks, actually leads or tends to lead to imperialism.³⁰⁹ However Schumpeter then argues that imperialistic monopolism and capitalism, as far as the latter is defined as *competitive* capitalism and in terms of capitalist *production* as opposed to trade and finance, are not the same: "Export monopolism does *not* grow from the inherent laws of capitalist development ... [because it] can never be explained by the automatism of the competitive system."³¹⁰ This argument is, however, again preceded by a subtle suggestion: "The existence of such a danger [of resistance] calls for diversionary tactics."³¹¹ What follows is Schumpeter's well-known thesis of "imperial atavism," according to which imperialism stems from the surviving traditions and elements of "the financial interests of monarchy."³¹² In the second volume of the *Business Cycles*, which was published on the eve of World War II (1939), Schumpeter advanced a different view: "[A]ny open mind must admit the possibility that a movement of such breadth and depth may have been more than an atavism or the last card of a decaying class."³¹³ In my view, the reference to fascism, which was just about to start a world conflagration, can hardly be doubted. In a

³⁰⁹ Joseph A. Schumpeter, "The Sociology of Imperialisms," p. 199. "Thus we have here, within a social group that carries great political weight, a strong, undeniable, economic interest in such things as protective tariffs, cartels, monopoly prices, forced exports (dumping), an aggressive economic policy, an aggressive foreign policy generally, and war, including wars of expansion with a typically imperialist character." [Ibid., p. 202; cf. p. 205] Also cf. Schumpeter's view that "larger units of control" would enable wholesale rationalization that would make capitalism obsolete: "It should not have been difficult to see that capitalist progress, embodying itself in ever larger units of control, would eventually produce a state of things in which private enterprise and the whole scheme of business action were becoming obsolete and amenable to wholesale bureaucratization." [Joseph A. Schumpeter, "An Economic Interpretation of Our Time: The Lowell Lectures," *The Economics and Sociology of Capitalism*, p. 342]

³¹⁰ Joseph A. Schumpeter, "The Sociology of Imperialisms," p. 206.

³¹¹ Ibid., p. 203.

³¹² Ibid., pp. 207-213.

³¹³ Joseph A. Schumpeter, *Business Cycles*, Volume 2, p. 696. After World War II, during the series of the Lowell Lectures delivered in November of 1945, Schumpeter again disowned his previous explanation of imperialism as atavism under capitalism, while relegating freedom to an interest of intellectuals. Joseph A. Schumpeter, "An Economic Interpretation of Our Time," p. 345.

note on the same page, Schumpeter's further explanation ties together trustified or monopolistic capitalism with both imperialism and fascism. At the same time, Schumpeter suggests that all these systems could be subsumed under the notion of "Social Imperialism" (*Sozialimperialismus*):

The Marxist theory of imperialism (Bauer, Hilferding) ... made the attempt to construe prewar imperialism as an outgrowth of trustified capitalism. This explanation, which conserves unity of principle, has, of course, great attractions for every mind that has an analytical bent, and could be generalized to include postwar fascism.³¹⁴

To this effect, Schumpeter further indicates that the tendency toward social imperialism "developed during the postwar period and in developing revealed itself more fully in the Corporative or Totalitarian or Fascist State and also became ideologically articulate."³¹⁵ At the same time, there also had been a certain "departure from the road that leads from capitalism to orthodox socialism" on the part of "the Have-not nations."³¹⁶

³¹⁴ Joseph A. Schumpeter, *Business Cycles*, Volume 2, p. 696 note 1. As Sweezy noted, the term *Sozialimperialismus* appears in Renner's book, *Marxismus, Krieg und Internationale* (1917), only once. This suggests that "Schumpeter saw a 'glimpse' of truth in the bare concept of 'social imperialism' rather than in the content which Renner ascribed to it." See the Introduction by Sweezy in Joseph Schumpeter, *Imperialism and Social Class*, trans. Heinz Norden (New York: Augustus M. Kelley, 1951), pp. xvi-xvii. I agree with Sweezy's conclusion. But I would only add that, given Schumpeter's concept of socialism, "socialist imperialism," which might appear to have some parallels in "National Socialism," ought to be kept in view besides or rather together with the term "social imperialism."

³¹⁵ Joseph A. Schumpeter, *Business Cycles*, Volume 2, p. 697. In the same year of 1939, Schumpeter wrote in his diary that if Hitler wins there will be "a much more stable state of things - structure of Europe better balanced and strains removed and more hope for peace for a long time past." [Quoted by Richard Swedberg in Joseph A. Schumpeter, *The Economics and Sociology of Capitalism*, p. 86 note 90] Swedberg says: "On the other hand, however, it is just as clear that in the choice between fascism and communism, he would choose the former any day." Joseph A. Schumpeter, *The Economics and Sociology of Capitalism*, p. 28.

³¹⁶ Joseph A. Schumpeter, *Business Cycles*, Volume 2, p. 697. Cf.: "But it is clear that the task of controlling and policing the world would be much facilitated, on the one hand, by the re-creation of small and inefficient states in Europe and, on the other hand, by installing governments of the laborite or Social Democratic types. Especially in Germany and Italy, the debris of the Social Democratic parties would constitute the only political material from which to construct governments which could possibly accept this world order for longer than a period of prostration and cooperate with the agents of the world protectorate without mental reservations." Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 374.

Schumpeter nevertheless concludes that “given sufficient power and insight in a central authority, innovation may of course be planned for in such a way as to minimize disturbance.”³¹⁷

2.11. Political economy of the global Platonic (Plutonic) cave: the panopticon³¹⁸

The end of the Cold War opened a postcommunist phase of globalization, ended the bipolarization of the planet and thus made capitalism virtually global, apparently without any serious challenge or alternative.³¹⁹ We therefore need to look at political economy not as an autonomous entity of a sovereign state or national market but a whole *new universe*. Such a comprehensive view raises a question: How a Platonic cave can be conceived as a whole globe?

Jeremy Bentham (1748-1832) first envisaged for capitalism a *panopticon* - a closed, hermetic sphere or space of captive perspectives - as the ideal solution to the problem of control and power for capitalism.³²⁰ For a long time, Bentham’s panopticon was seen merely as a curiosity. The panopticon was reintroduced into political science as an important concept by Michel Foucault (1926-1984) in his *Surveillance et Punir: Naissance de la prison* (1975). Foucault explained the panopticon as a dominating model of modern politico-economic control that is not restricted to particular factories or prisons but has virtually universal applications. The panopticon is a metaphorical vision of the

³¹⁷ Joseph A. Schumpeter, *Business Cycles*, Volume 2, p. 697.

³¹⁸ I would personally prefer calling the Platonic cave “Plutonic” for Pluto was both the blind god of wealth and the god of death. This notion was actually inspired by my students who inadvertently but meaningfully rechristened the cave in their exams.

³¹⁹ The most radical formulation of this thesis is to be found in Francis Fukuyama, “The End of History?,” originally published in *The National Interest* (Summer 1989), reprinted in *The New Shape of World Politics: Contending Paradigms in International Relations* (New York: Foreign Affairs, 1998), pp. 1-25.

³²⁰ See Jeremy Bentham, *The Panopticon Writings* (New York and London: Verso, 1995).

commonwealth of global capitalism and its nihilistic nature. My purpose is in this regard twofold: to demonstrate (1) the essential link between the Platonic cave and the panopticon and (2) the interrelatedness between the panopticon and the nihilistic *cipher*.

The panopticon is essentially the technology of manipulated appearances behind which those who rule are to be able to monitor absolutely everything. Michel Foucault called the panopticon “the great review of the living and the dead.”³²¹ *Panopticon* literally means “All-seeing.” Such a title was traditionally attributed to God. Jeremy Bentham, “the chief subversive thinker of an age,”³²² conceived his All-seeing Eye-God explicitly both as a prison and as a factory or process of labor that nothing and nobody would escape.³²³ The panopticon is an eye of a modern tyrant whose gaze becomes both a map and landscape of modernity. Ideally everything that appears would be a *picture* conceived by this tyrannical eye.³²⁴

Bentham’s panopticon is essentially a hermetically sealed Platonic cave expanded into a complete, circular architecture whose light imprisons those who are illuminated and gives power to those who are concealed behind its luminous screens. Alternatively, it is

³²¹ Cf. Michel Foucault, *Discipline and Punish: The Birth of the Prison*, tran. Alan Sheridan (New York: Vintage Books, 1995), p. 196.

³²² This is how John Stuart Mill called Bentham. Quoted in Roberto Calasso, *The Ruin of Kasch*, translated by W. Weaver and S. Sartarelli (Cambridge, Mass.: The Belknap Press of Harvard University Press, 1994), p. 221.

³²³ “The perfect disciplinary apparatus would make it possible for a single gaze to see everything constantly. A central point would be both the source of light illuminating everything, and a locus of convergence for everything that must be known: a perfect eye that nothing would escape and a center towards which all gazes would be turned.” [Michel Foucault, *Discipline and Punish*, p. 173].

³²⁴ Cf. Martin Heidegger, “The Age of the World Picture,” in Martin Heidegger, *The Question Concerning Technology and Other Essays*, pp. 115-54. Heidegger defines “picture” as “a copy of something” that “is a whole” or “as a system.” Accordingly, to Heidegger, his metaphor means that “the world [itself is] conceived and grasped as picture ... set up by man.” [Ibid., pp. 129-30] Heidegger then goes to say that “we are in picture.” [Ibid., p. 129] Heidegger later also speaks in this connection about a “gigantic,” “invisible shadow that is cast around all things everywhere when man has been transformed into *subiectum* and the world into picture.” [Ibid., p. 135] For the Greeks, Hades was a world of men turned into shadows.

also possible to say that Bentham's panopticon is a whole organism that consists of numerous Platonic caves as its *cells*.

This is how Socrates describes the cave in Book VII of the *Republic* that stands for a metaphor of the human condition or man's unphilosophical existence:

"See human beings as though they were in an underground cave-like dwelling with its entrance, a long one, open to the light across the whole width of the cave. They are in it from childhood ... seeing only in front of them, unable because of the bond to turn their heads all the way around [that is, to have a complete view - my comment]. Their light is from a fire [i.e., the source of illumination] burning above and behind them. Between the fire and the prisoners there is a road above, along which [you should] see a wall, built like the partitions puppet-handlers set in front of the human beings over which they show the puppets. ... Then also see along this wall ... all sorts of artifacts, which project above the wall ... [The strange prisoners] are like us," I said. "For in the first place, do you suppose such men would have seen anything of themselves and one another than the shadows cast by the fire on the side of the cave facing them?" ... "Then most certainly," I said, "such men would hold that the truth is nothing other than the shadows of artificial things."³²⁵

The Platonic cave has a source of light or perfect view from above and behind that illuminates the *inside* of its hermetic space that divides, isolates, and thus alienates the prisoners from each other and also from themselves by making them look at one narrow perspective of a fragmented view. What the prisoners see are the artifacts or technology of projections and their "shadows," i.e., "facts," that assume the appearance of truth. *Light* and its shadows are turned into *bonds* that not only imprison but also change the mind by translating it into someone else's externalized, alien imagination. In this scheme, artificial illumination and partitioning of the closed illuminated space is central. The power of the

³²⁵ Plato, *Republic*, 514a-515a, 515c.

cave depends on what can be termed as a technology of producing, forming, controlling, and storing *fragmented* light presented as truth.

Like the Platonic cave, Bentham's panopticon is a hermetic and hermeneutic system arranged in such a way that, the *unseen (aides)* guardians can always see any prisoner at any time. However for the prisoners who are perfectly or totally visible from the center, the other prisoners and the guardians are the *unseen (aides)* who can exist for them only through images and imagination. The prisoners are also prevented from knowing by whom, why, and when they are watched and if they are watched at all. The prisoners have therefore by design no access to a real world and life. The prisoners are almost perfectly ignorant. What lies in concealment (*Lethe*) wields a total control. For the prisoners to see means to know nothing and obey; for the guardians to see means to know everything.

The "fabulous panopticon"³²⁶ is circular, sometimes star-shaped enclosure based on the manipulation of consciousness which is in turn based on the manipulation of light.³²⁷ Structurally, the panopticon is based on the principle of *dualism* reflected in a concealed core as opposed to its outward, perfectly illuminated periphery. The panoptical dualism of the inner and the outer (which is essentially also that of the *cipher*) is also reflected in the dualisms upon which rests the Platonic cave: imagination and blind trust; *miming* and opinion; *shadow/image* and material object. "With no escape or reprieve from the Panoptical eye," Bentham stressed, "the prisoner would accept the authority of the norm with its rational system of pleasures and pains."³²⁸

³²⁶ Karl Polanyi, *The Great Transformation*, p. 140.

³²⁷ Cf. Michel Foucault, *Discipline and Punish*, p. 201.

³²⁸ Quoted in Heather Menzies, *Whose New Brave World*, p. 125.

The *inner*, secret core is the center of surveillance and illumination and also the seat of absolute control and power. The periphery is populated by the prisoners-laborers. The core and the periphery are placed in a relation to each other in a way that nihilates any reciprocity and genuine communication.³²⁹ In this way, the system provides the maximum effectiveness of command and obedience or, as Polanyi put it, for “keeping the greatest number of jailbirds under the most effective supervision at the smallest cost.”³³⁰

Authoritative monologue is the new ideal “commonality.”

The panopticon is therefore a mechanism to change and to denaturalize man himself and thus to make it possible to calculate him and to know him by means of calculation.³³¹ The motto of this science, formulated by W.T. Kelvin, is: ‘If you can’t measure it, you can’t manage it.’ When the definition of man is reduced to only what can be counted, all dimensions of human life except numerical differences and sameness are eradicated.

Foucault’s account of men as the panopticon’s “captive shadows” is an almost verbatim transliteration of Socrates’ account of a worldly Hades from Book VII of the *Republic*. Foucault himself calls the prisoners “captive shadows”:

By the effect of backlighting, one can observe ... the small captive shadows in the cells of the periphery. They are like so many cages, so many small theaters, in which each actor is alone, perfectly individualized and constantly visible. The

³²⁹ Foucault in a note also draws attention to the fact that “in his first version of the *Panopticon*, Bentham also imagined an acoustic surveillance ... In the *Postscript* he abandoned the idea, perhaps because he could not introduce into it the principle of disymmetry and prevent the prisoners from hearing the inspector as well as the inspector hearing them.” [Michel Foucault, *Discipline and Punish*, p. 317 note 3]

³³⁰ Karl Polanyi, *The Great Transformation*, p. 140.

³³¹ Cf. Michel Foucault, *Discipline and Punish*, p. 172. In Calasso’s words: “With Bentham, the anti-Romantic child, a genuine new man was born: he who knows nothing, calculates everything, and in the end resolves everything.” Roberto Calasso, *The Ruin of Kasch*, translated by W. Weaver and S. Sartarelli (Cambridge, Mass.: The Belknap Press of Harvard University Press, 1994), p. 221.

panoptic mechanism arranges spatial unities that make it possible to see constantly and to recognize immediately. ... Each individual, in his place, is securely confined to a cell from which he is seen from the front by the supervisor; but the side walls prevent him from coming into contact with his companions. He is seen but he does not see; he is the object of information ... the divisions of the ring, those separated cells, imply a lateral invisibility. And this invisibility is a guarantee of order.³³²

Consequently, the quasi-*public*, visible realm of the panopticon is a world of inferiority. The exclusive *privacy* of the concealed center has a monopoly over all the privileges of power and knowledge. Thus both the public and the private co-penetrate each other but not in the same way. The private center becomes the absolute subject for which the prisoners or the periphery are but the extensions of its self-willed luminosity. The public is a 'dead space' of objects lacking a will and consciousness of their own.

The panopticon also represents, as Foucault pointed out, "the abstract formula of a very real technology, the idea of technology."³³³ We can even say that the panopticon is a technology that is translated into space as a complete picture of the world. To this effect, the panopticon dissociates seeing from being,³³⁴ *techné* (purposeful praxis) from *logos* (common, shared speech, reason, conscience), evil from good, and the cave from its transcendence. As an organizational strategy and design, the panopticon represents a 'dead space' of political economy. For the eyes of inmates are the eyes of the system that blink and open strictly in the selected directions in a way that dissipates attention, narrows human experience, and ensures the safety of concealment and privacy for the power-holders. The inmates are thus deprived of their own source of enlightenment and life.

³³² Michel Foucault, *Discipline and Punish*, p. 200.

³³³ *Ibid.*, p. 225; see also pp. 207, 215. See also James Der Derian, *Antidiplomacy: Spies, Speed, Terror, and War* (Oxford: Blackwell, 1992), p. 31.

³³⁴ Michel Foucault, *Discipline and Punish*, p. 201-2.

However, in Foucault's view, Bentham's panopticon is not merely *a* technology. The panopticon embodies the ideal type of technology, that is, the *absolute* idea of technology. The panopticon, a complete Platonic cave, is the principal technology of nihilism - the pure, perfect *architecture* of its power (*archi* - the first, leading, dominating, ruling, principal; the immediate meaning of *tekto* is hewing, but it is important to note that it shares the same root with *techne*).³³⁵ Foucault's notion of the panopticon as "an architectural and optical system" also indicates its absolute abstraction from any resistance. Foucault further stresses this point by using the adjectives "ideal" and "pure":

But the Panopticon must not be understood as a dream building: it is the diagram of a mechanism of power reduced to its ideal form; its functioning, abstracted from any obstacle, resistance or friction, must be represented as a pure architectural and optical system: it is in fact a figure of political technology that may and must be detached from any specific use.³³⁶

The panopticon is therefore to be viewed, as Foucault realized, as the absolute image of political technology detached, that is, emancipated from any other purpose beyond itself. As already noted, the core idea of the panopticon and its more original and critical formulation is the Platonic cave. Consequently, the panopticon as a model "must be understood as a generalizable model of functioning: a way of defining power relations in terms of the everyday life of men."³³⁷ The panopticon was thus "destined to spread throughout the social body"³³⁸ as a universal political project, as a modern consummation of the Platonic cave in its global commonwealth. And Bentham himself already "dreamt of

³³⁵ Josef Holub and Lyrer, Stanislav. *Stručný etymologický slovník jazyka českého se zvláštním zretelem k slovu kulturním a cizím* (Prague: SNPS, 1978), p. 80.

³³⁶ Michel Foucault, *Discipline and Punish*, p. 205; see also p. 172.

³³⁷ *Ibid.*, p. 205.

³³⁸ *Ibid.*, p. 207.

transforming into a network of mechanisms that would be everywhere and always alert, running through society without interruption in space or in time.”³³⁹

Moreover, as Polanyi already demonstrated, the panopticon’s logic is essentially that of the market itself: to quantify, commodify, commercialize, and secure people’s obedience as profitable labor without any impediments.³⁴⁰ Under capitalism, the form of such control has been money or monetary numbers (*ciphers*) whose function is expropriation. In other words, the essence of the technology of *ciphers*, these shadowy copies of the people and things themselves, is appropriation.³⁴¹ The end of the twentieth century has been proclaimed as the “Information Age.” Increasingly information, news, and facts are transmitted and take the *form* of impulses, bits and pieces of *fragmented data* universally encoded as the series of zeroes and ones.

The panopticon has the essential properties of the *cipher*. In fact, the panopticon as a function and architecture is designed as “a jumble of duplicates”³⁴² - as a chaotic whole of autonomous *ciphers*.³⁴³

2.12. Conclusion

In this chapter, I have analyzed political economy as it relates to my thesis, especially its arguments built around the idea of nihilism, the *cipher*, and the Platonic cave.

³³⁹ Michel Foucault, *Discipline and Punish*, p. 209. The panoptic scheme was “a design of subtle coercion for a society to come.” [Ibid., p. 209]

³⁴⁰ Karl Polanyi, *The Great Transformation*, pp. 121, 140.

³⁴¹ Aristotle was already able to say that “coin is what the techniques of acquiring goods and of trading are concerned with.” [Aristotle, *The Politics*, 1257b10] In other words, money as a number is what the technology of appropriation is concerned with. The coin appears in a material form. However what is essential in this respect is not the material itself but the *form* that has the distinct quality of the *cipher*, i.e., abstraction, quantification, fictitious relationship, etc.

³⁴² Roberto Calasso, *The Ruin of Kasch*, p. 221.

³⁴³ Cf. Michel Foucault, *Discipline and Punish*, pp. 189, 200-2, 214, 221.

The examination, I hope, provides insights that helps us to better understand the complexity of these phenomena as well as their further implications.

Political economy is a hermeneutic encoding of arbitrary unethical power presented under the cover of abstract *ciphers*, i.e. money, indexes, stocks, rates, news, etc. To integrate the *ciphers* - the *shadows* of the global panopticon - back into our self-consciousness requires that we uncover and understand the nature of our own nihilism, our own evil, if you wish.³⁴⁴ This, however, cannot be done within political economy as such, for in order to do so a philosophical and ethical transcendence of political economy is needed. However, before we can attempt such a task that would lead us out of the unenlightened condition described by Socrates in the metaphor of the cave, we have to apprehend the essence and principal technique of nihilism. In other words, if the essence of political economy is nihilism, it is also necessary to consider the elusive root of nihilism itself, the nature and meaning of the *nihil* - the “nothing.”

The *cipher* - “the nothing” - elevated into value - is a modern God, the primer mover of a new secular universe, that constantly destroys and recreates itself like a Proteus in new forms. Perhaps the best model for the “body” of this God is, a ‘bubble’ which is coincidentally also a word now often applied to financial crises in the world. The *god-cipher* is a bubble of imagination made up of many financial, cultural, and political *ciphers* that are sustained, as the economists tell us, by our “confidence.” And managed

³⁴⁴ On the idea of “shadow,” its projection and integration, that has inspired me here, see, for example, C.G. Jung, *On Evil*, selected by Murray Stein (Princeton: Princeton University Press, 1995), pp. 10, 13, 17-20, 23, 34-36, 40, 50, 73, 77, 89, 95-97, 134 191-92 197-98; C.G. Jung, *Answer to Job* (Princeton: Princeton University Press, 1991), pp. 27, 81-82, 95, 98, 100, 106; C.G. Jung, *Essays on Contemporary Issues: The Psychology of Nazism* (Princeton: Princeton University Press, 1989), pp. viii, ix, xii-xiii, 6-9, 59, 63, 71-73.

imagination and confidence are the magic forces that sustain global debt collection and real economies collapse. Meanwhile, millions become jobless, and the bubble grows.

With regard to the political economy of capitalism, the previous discussion has showed the centrality of the method of the *cipher* whose political economy fits into the epistemological and ethical of the Platonic cave and the Platonic divided line. It has also been demonstrated that such a political economy is nihilistic. The nihilistic will to power set at the core of such political economy points to modern tyranny - totalitarianism. In order to understand better the technology of this potential or incipient terror, it is also necessary to understand how money, respectively, money capital, that mysterious medium of modernity.

3. MONEY CAPITAL AND WAR

"Therefore, money as such is the most terrible destroyer of form. No matter what the reason is ..."

Georg Simmel¹

"One reason why money is a mystery to so many is the role of myth or fiction or convention. ... That fiction is not a fragile thing. ... But neither is the fiction indestructible ..."²

Milton Friedman

"Money was indeed a miraculous agent of exchange, but it was also a confidence trick serving the privileged."³

Fernand Braudel

In this chapter I will examine the question of money and capital as they relate to nihilism, the concept of the *cipher*, and the Platonic cave. The discussion considers capital as one of the fundamental cultural ideas that lies at the foundation of Western civilization. In this connection, of particular interest is the Cadmean ethos that not only encapsulates an imperial 'world view' of Phoenician (proto-)capital but is also a founding myth about the discovery of Europe and hence of distinct Western consciousness. Analyzing the Cadmean myth as a reflection and formula of particular action offers revealing insights into some hitherto insufficiently recognized cultural as well as political segments of Western imagination. These, in turn, show capital not merely as an economic category but rather as a multifaceted, complex message, a cultural phenomenon, and as a projection.

¹ Georg Simmel, *The Philosophy of Money*, trans. Tom Bottomore and David Frisby, second enlarged edition (New York and London: Routledge, 1990), p. 272.

² Milton Friedman, *Money Mischief: Episodes in Monetary History* (San Diego, New York, and London, 1992), pp. 8-9, 10.

³ Fernand Braudel, *The Wheels of Commerce: Civilization & Capitalism, 15th-18th Century*, Volume II, trans. Sian Reynolds (Berkeley and Los Angeles: University of California Press, 1992), p. 426.

Such an approach makes it possible to consider capital as a specific politico-economic method that existed well before the advent of modern capitalism. However, only the Western project of modernity succeeded in freeing capital from its former restraints and in imposing capital as the dominant method of ordering man's experience. This historically 'longer' view of capital also makes it possible to see and understand better some essential principles and connections that are lost when the question of capital is reduced merely to its modern triumph.

In this regard, Aristotle's classic analysis of 'the unnatural method of acquisition' expounded in the first book of his *Politics* defines production for gain and its form of moneymaking vis-a-vis man's nature, politics, and the state. Aristotle's identification of monopoly as the most efficient political and economic form of a 'money-spinning device' also provides effective tools for analyzing the conceptual nature of the transformation of money into capital and for understanding the underlying (anti-)political bias of capital and its implications for the future.

What emerges from this analysis is the notion of capital as a more or less veiled 'war' against human nature, especially against man's ability to think and to know the difference between good and evil. I argue that the question of money capital ought to be viewed as a question of method that appears as universal homogenization, reduction, and encryption. Money is not only the 'sinews of war' but also a kind of materialized unconsciousness.

The politics of moneymaking also lies at the core of liberalism and modernity as described by Hobbes in the *Leviathan*. Passing through Hegel's system of thought, Hobbes' *Leviathan* becomes both the *Geist* and 'science' and is elevated as 'absolute.' In

this regard, the Hegelian method also correctly reflects and describes the essential method of capital. Another perspective that helps elucidate the method and my related thesis on capital as *crypteia* is Carl von Clausewitz' theory of war that is very useful as a analytical tool for studying capital as a form of strategy.

Such an approach makes it possible to test from different sides the connection between capital, war, and nihilism and thereby also the consistency and validity of my thesis. Money capital is both a medium and message that needs to be deciphered. This also applies to Marx's message about capital encapsulated in his "Preface to the second edition of the *Capital*." The importance of this "Preface" is analogous to Hegel's famous "Preface" to the *Phenomenology of Spirit* that is an introduction not only to the *Phenomenology*, but to the whole system of the modern science of 'absolute' (capital) power.

3.1. Capital's founding story

The story of capital is the story of the Western imperial imagination and its project that underwrites globalization and its postcommunist consummation. The Western projects of conquest and empire and the political 'alphabet' of capital are also a certain type of culture which helps in turn reinforce and reproduce the political project and its practice. In this regard, Marx himself pointed out that capitalism is also a cultural phenomenon and that as capital and as an idea it did not begin at a moment when it was named and when it became a subject of discussion:

Just as in general when examining any historical or social science, so also in the case of the development of economic categories it is always necessary to remember that the subject, in this context the contemporary bourgeois society, is presupposed both in reality and in the mind, and that therefore categories express forms of existence and conditions of existence ... thus the category, *even from the scientific standpoint*, by no means begins at the moment when it is discussed as such.⁴

With regard to capitalism, two classic studies on the cultural origins of capitalism distinguish themselves in particular. One is Max Weber's work *Protestant Ethics and the Spirit of Capitalism* (1904-05).⁵ The other account is, in a sense, an indirect polemic with Weber written by his friend Werner Sombart under the title *The Jews and Modern Capitalism* (1911).⁶

In this connection, attention needs to be drawn to the myth of Cadmus, the Phoenician merchant-conqueror, who in search of Europa conquered local tribes, introduced a new form of communication, the "alphabet," and found a new culture and civilization. The Cadmus story intertwined with the rape of Europa is *de facto* the founding narrative of the distinct politico-cultural entity of what came to be known as the "West" and "Europe." The figure of Cadmus can be viewed not only as a creation of particular thought and a product of certain principles of its time, it is also an important Western archetype that participated and participates in the formation of the cultural and political ethos of the West. In the section "The Method of Political Economy" of his *Critique of Political Economy*, which deals with the question of the categories, Marx

⁴ Karl Marx, *A Contribution to the Critique of Political Economy*, edited by Maurice Dobb (New York: International Publishers, 1989), p. 212. Marx's emphases.

⁵ Max Weber, *Protestant Ethics and the Spirit of Capitalism* (New York: Charles Scribner's Sons, 1930).

⁶ Werner Sombart, *The Jews and Modern Capitalism* (New Brunswick, USA, and London: Transaction Books, 1997).

stresses that the Phoenicians not only introduced capital among peoples, they also developed it in its pure form:

It is precisely the predominance of agricultural peoples in the ancient world which caused the merchant nations - Phoenicians, Carthaginians - to develop in such purity (abstract precision). For capital in the shape of merchant or money capital appears in that abstract form where capital has not yet become the dominant factor in society.⁷

A few pages later, in the conclusion of the *Critique*, Marx ends his criticism of the political economy of capitalism by returning to the question of mythology and its relation to capital. In particular, he explains:

All mythology subdues, controls and fashions the forces of nature in the imagination and through imagination; it disappears therefore when real control over these forces is established. ... natural and social phenomena are already assimilated in an unintentionally artistic manner by the imagination of the people.⁸

Now when capital has become dominant and has established real control over our world, it might be useful to start in our attempt to understand capital by returning to that imagination in which capital originated and which, as Marx tells us, moreover succeeded in creating capital as an idea in such “purity” and “abstract precision.”

For the purpose of this study, I have therefore chosen Cadmus both as a metaphor and illustration that reveals “capital” (Cadmus was a representative of Phoenician merchant capital) also as an idea of particular *action*. And importantly, the Cadmean archetype points at some interesting and revealing connections between capital, imperial

⁷ Karl Marx, *A Contribution to the Critique of Political Economy*, p. 213.

⁸ *Ibid.*, p. 216.

conquest, and the *lingua* of money *ciphers*. The examination of the Cadmean political message hidden under the outward layers of mythical *poiesis* (making) also admittedly serves as a shortcut. As such, the myth (originally *mythos* stood for the mind and thought)⁹ provides access in a condensed form to a type of political logic that is elsewhere dispersed and transmuted. The founding story of Cadmus encapsulates and concisely compresses a long historical process through several metaphors into one single biography of the Phoenician man-god. It illuminates the inner connections between moneymaking, empire, war, and the beginnings of the West itself. Moreover, if it is right that we have reached the end of history and thus also the end of the evolution of the West itself (that too can be a myth), this would be one more reason, and perhaps also the more urgent, to revisit this West's founding story. McLuhan (Roberto Calasso is another) understood that behind the figure of Cadmus hides the political technology of a whole epoch in the history of the West that is now coming to its end.

According to the official mythology and its usual rendering, Cadmus was a Phoenician salesman, trader, hero, adventurer who "saved" Zeus by assuming a false identity. During his "quest for Europa" (or rather his conquest of Europa), he is alleged to introduce into Greece the phonetic letters. The myth does not say how he did it but explains that, after killing Ares' serpent-dragon, he sowed the dead dragon's teeth from which sprang up armed brothers who then killed each other:

'Brazen Ares shall not save his reptile guardian ... But when he is killed, take the creature's horrible teeth, sow the ground all with the snaky corn, reap the viperous

⁹ Josef Holub and Stanislav Lyr, *Stručný etymologický slovník jazyka českého se zvláštním zretelem k slovu kulturním a cizím* (Prague: SNPS, 1978), p. 303.

harvest of warrior giants, join the battalions of the Earthborn in one common destruction, and leave only five living: let the crop of the Sown [*Spartaot*] sprout up to glorious fruitage for Thebes that shall be.’¹⁰

Now he gathered the fruit of death inside a helmet of bronze, the grim harvest of the creature’s jaws. Then he drew upon the land the humped plow of Pallas from her holy place in those parts, and plowed a battle-breeding burrow in the bright earth, and sowed long lines of the poison-casting teeth. These grew out the self-delivered crop of giants ...¹¹

In the aftermath, Cadmus became Ares’ slave for a “year” (about eight of our years). After this civil strife between brothers, which he had sown, and after being freed from Ares (War), he married Harmonia (Peace) and founded in the conquered territory the city Thebes with its citadel Cadmeia. At the end of his life, Cadmus and Harmonia were turned into snakes. As snakes, Cadmus and Harmonia were driven out by Dionysus (his *alter ego*) on a further conquest of the western boundaries, the Illyrian lands, “to spread civilization and culture,” that is, empire. Cadmus-snake became there a divinized king (a god) of the Illyrians. Esoterically, this could only mean that at the end of his “life” he was identified with Hades (*Had* - “snake”). That is, Cadmus was the God of Death, King of the Underworld or the Land of the Dying Sun (Europa). Meanwhile in the parallel story, the Phoenician Europa became queen of Crete and the mother of Minos, judge in the Underworld, the Kingdom of Death.¹² Minos was at the same time the founder and lawgiver of the Cretan regime and “harassed” democratically minded Athenians.¹³ In

¹⁰ Nonnos, *Dionysiaca*, Volume I, trans. W.H.D. Rouse (Cambridge, MA: Harvard University Press, 1984), Book IV, 399-405, p. 163.

¹¹ Nonnos, *Dionysiaca*, Volume I, Book IV, 421-427, p. 165. “Cadmus” himself is the serpent of War: “By [Ares’] wrath Cadmos was destined to change his limbs for a curling shape, and to have a strange aspect of dragon’s countenance at the ends of the Illyrian country.” [Ibid., Book IV, 417-420, p. 165]

¹² Cf. Roberto Calasso, *The Marriage of Cadmus and Harmonia*, translated by Tim Parks (New York: Vintage International, 1994), pp. 389-91. Mark P.O. Morford and Robert J. Lenardon, *Classical Mythology*, fifth edition (White Plains: Longman, 1995), pp. 316-321.

¹³ Plato, *Laws*, in Plato, *The Collected Dialogues, including Letters*, edited by Edith Hamilton and

addition, the constitution of Spartan *timocracy*, i.e., its *crypteia*, was very “closely related” to Minos’ Cretan constitution “designed for war.”¹⁴

A careful reading of the myth reveals the following: Cadmus came to Greece as a conqueror. He killed the dragon of War. Caught in a recurring cycle of War, Cadmus buried War (the dragon of War) only to sow War. He became a slave of War. He then brought war (and his culture) to the Illyrians. As a man of War, his female counterpart was Harmonia (“Peace”), that inversely confirms that Cadmus was War. At the same time, he was also a merchant and “counterfeit Herdsman” who reputedly saved the Supreme God.¹⁵

Cadmus is said to have introduced into the Greek soil the phonetic alphabet. However, when the exoteric cover is taken away, it becomes apparent that what he also introduced the *seeds (ciphers)* of (civil) War from whose “death” (encryption) War was born again. Such “burying” of war is actually a cultivation of war. Encryption-enciphering is *culture of war*. The story also describes its phases: (1) war is fought; (2) war is concealed (buried, encrypted, sown); (3) in the crypt of concealment, war is made ripe and strong again for the harvest of men; (4) War marries (makes) Peace; and then again comes phase (1). The cycle of war devours itself. Such is also esoteric secret of the sign of “seed.” The resurrected state of war is conceived primarily as *civil war*. The seeds of war, empire, moneymaking, and Dionysus introduced by Cadmus were also the seeds of civil and class war. All these metamorphoses and transmutations are inherently related, they are part of the same “alphabet” of the will to power. Moreover, all these “seeds” are actually interchangeable.¹⁶ For empire rests on the sinews of war and moneymaking that forcibly

Huntington Cairns (Princeton: Princeton University Press, 1961), 706a sq.

¹⁴ Plato, *Laws*, 683a; cf. 693e; *Laws*, 625d sq., 705d.

¹⁵ Nonnos, *Dionysiaca*, Volume I, Book I, 377, 387-90, p. 31.

¹⁶ “With the Phoenicians, a trading people *par excellence*, money was the transmuted shape of everything.

keep together what is fundamentally unequal, particular, and different. Moreover, when empire is finished, war inevitably becomes its *internal* affair which then tends to turn into the empire's internal *state*. Briefly put, empire means war: first fought externally, then internally. Moneymaking itself is a form of more or less concealed civil war and class struggle. To sum up, the Cadmean invention, that subscribed empire-building, was the *cipher* - the *encryption of war*. Yet to keep empire, war has to be encrypted (concealed, buried) in the Cadmean or Phoenician fashion. We need to realize that in so far as the West rests on the "Cadmean" foundations, these are identical with a project of empire and a state of war as its "state of nature." The decryption of the esoteric part of the story also contains the truth of such an empire as an empirical realm of Death and its tyranny. The authors of the Cadmean *Dionysiaca* had evidently no illusions about the *final* meaning of such a project transliterated into the Dionysian religion.

According to McLuhan, the Cadmean "alphabet" "meant power and authority and control of military structures at a distance."¹⁷ However, what McLuhan seems to overlook is something essential without which the rendering of the story would remain one-sided. It is the Phoenician power based upon trade and moneymaking represented in the figure of Cadmus. It was the civilizing "alphabet" of foreign, long-distance trade *qua* conquest that the Phoenicians imposed on the local communities together with its covering and taxing religious cult, destroying and burying the original communities and their cultures in the

I was, therefore, quite in order that the virgins who at the feast of the goddess of love gave themselves to strangers should offer to the goddess the piece of money they received in payment." [Karl Marx, *Capital*, Volume I, p. 229 ft.] In a sense, the Phoenician "goddess of love" was herself a "virgin" offered to strangers through the mediation of the virgins. For she shared their reward, that is, money. And money was effectively the only pleasure which the goddess received from such intercourse. This ritual, undoubtedly mirroring a certain business practice, seems to follow a formula "love" of strangers = money.

¹⁷ Marshall McLuhan, *Understanding the Media: The Extensions of Man* (Cambridge, Mass., and London: The MIT Press, 1997), p. 82; see also p. 71.

process. “The alphabet” was the know-how of controlling military structures of trade at a distance, that is, of maintaining both distant trade and wars of colonization and conquest. Therefore the “alphabet” was an invention of the idea or project of empire built upon *war as trade (moneymaking)* and *trade of moneymaking as war*. It was the idea of empire that revolutionized the existing modes of communication and remade them in its likeness by tearing them from their original ground, boundaries, and communitarian functions.

Empire-building is building “structures at a distance.”

Empire-building is impossible without building communications and developing potential (power), while inverting (negating) original human-centered purpose and character. For empire requires above all two things: universalism and homogenization. How much space, or rather what kind of “space,” respectively “gaps” in homogenization (viz. Machiavelli’s *mode of dentation* discussed in Chapter 1), a given empire can afford to leave for the particular remains an open question though. What Cadmus introduced through his conquest was its concomitant Dionysian religion that exoterically provided an impressive “sensuous practice” and legitimacy for the conquest. In its esoteric core, the Dionysian cult contains the secret political “alphabet” of empire-building. The Cadmean-Dionysian “alphabet” consists of exoteric ciphers on the outside and the method of encryption inside.

It is the very nature of merchants and moneymakers that they do not create but merely ‘trade.’ They appropriate and employ what is already available. They appropriate and make profit by *discovering new* potentials (powers), enforcing *new* forms of use and mobilization, and assigning *new* artificial meanings to men’s relations. The *modus operandi* of commerce and moneymaking is not invention but *innovation*. It seems that

war and moneymaking are best poised to be the primary candidates for such *systemic* innovation, and the more so when geared toward the extreme fulfillment of war and moneymaking as a whole, complete *system* in the Harmonia (“peace”) of empire. The Phoenicians in the person of the merchant-invader, Cadmus, met these qualifications on all these accounts. Even if they had not been the original innovators, which is possible, they had to use the alphabets of ciphers, or secret codes, intensively and on a regular basis. In this way, the Phoenicians are also the best candidates for having introduced a *systematic* use of the discourse of enciphering into the rural communities of ancient Greece and thus into the West itself.

In many cultures, dragons represented teachers of wisdom and speech. Killing a native dragon of this kind indicates that Cadmus was at war against the old (local) wisdom and speech and wished their death. To “kill” wisdom and speech means either to *encrypt* them - to bury, conceal, cover by forgetting, falsify - or to kill those who know and speak. It was also Cadmus’ cunning to see and present the letters as nothing but *dead* teeth. Teeth can be used also as a weapon. McLuhan understood well not only the message of the myth but also its significance in the genesis of the Western political culture. Thus he emphasized:

That the power of letters as agents of aggressive order ... should be expressed as extensions of the dragon’s teeth is natural and fitting. ... Letters are not only like teeth visually, but their power to put teeth into the business of empire-building is manifest in our Western history.¹⁸

¹⁸ Marshall McLuhan, *Understanding the Media*, p. 83.

However live teeth can be only one's own weapon. Teeth that are dead and pulled out (*alienated*) differ in a very important way - they can be used as weapons by any alien who grasps them. The other part of Cadmus' innovation lies in getting hold of speech and in affecting reason through speech. The technology of a new language allowed the mercantile empire to exercise control and rule over foreign peoples and cultures at a distance. This new technology was a free-floating speech of account and money. Using men and their speech and knowledge keeps them separated and fragment from each other in ever changing combinations which can be turned into tools and *seeds of war*.

Burying "the dragon's teeth" is therefore a defining moment. The Cadmean burial of the teeth of a local dragon thus means that local wisdom and speech are buried. It is interesting to note that Cadmus' triumph is complete only when the local culture is buried, that is, when the new (world)view prevails.¹⁹ However this was not enough. *Soft* encryption of the mind had to be recognized and validated in a *hard* form of war that was its own natural and necessary offspring. From the buried sprang a bloody civil strife that brought an almost complete annihilation and Cadmus' *dominium*. However, even then Cadmus was still a "slave" of War. Only when the circle had run its course does Cadmus find his "peace" - Harmonia who accompanies him into a new war of conquest of the "western boundary" where the world ends.

The Cadmus founding story conveys to us in a pithy form an ideology of a merchant nation whose very character and needs were determined by the nature of war as

¹⁹ Such understanding is also McLuhan's. He sees both sounds and letters as meaningfully dead, hence freely manipulable. For he argued that only in the phonetic alphabet "semantically meaningless letters are used to correspond to semantically meaningless sounds." Marshall McLuhan, *Understanding the Media*, p. 83.

moneymaking and empire-building. Empire presupposes and requires homogeneity, certain flatness, standardization, and hence blindness, if not deception. So does moneymaking.

What is the destiny of the West's own truth" and the essence of its action? The nature of empire and moneymaking is to extend one unified, uniformed, homogenized, and standardized "alphabet;" however, ideally and if possible, only as "dead teeth of the dead dragon," that is, as dead letters separated from the life of mind and understanding. As McLuhan said: "Only the [Cadmean] phonetic alphabet makes such a sharp division in [man's] experience."²⁰ McLuhan also clearly understood that such a discourse belongs to "the business of empire-building" which has been the business of the West.²¹ Thus what can be granted to Cadmus may be not so much the invention of the alphabet and literacy *per se*, but an imposition of a new unified and standardized code, language of an empire, perhaps in a form of one currency and unified numerical system.

3.2. Capital: whence it came, where it went

As Karl Polanyi pointed out, capitalism, or what he called "market economy," "implies a self-regulating system of markets; in slightly more technical terms, it is an economy directed by market prices and nothing but market prices."²² In other words, the ideal and as such never-fully- realizable type of capitalism is a system where numerical prices or *ciphers* exercise an absolute command over men (labor), and the absolute dictate

²⁰ Marshall McLuhan, *Understanding the Media*, p. 84. Also cf.: "The breaking up [read: enciphering, killing] of every kind of experience into uniform units in order to produce faster action and change of form (applied knowledge) has been the secret of Western power over man and nature alike [and of Western imperialism]." [Ibid., p. 85] In this connection, McLuhan also stresses "separateness of the individual, [homogeneous] continuity of space and of time, and uniformity of codes," as well as "uniformity." [Ibid., p. 84; cf. pp. 86-88]

²¹ Marshall McLuhan, *Understanding the Media*, p. 83.

²² Karl Polanyi, *The Great Transformation* (Boston: Beacon Press, 1957), p. 43.

of *ciphers* regulates itself alone. Admittedly, capitalism has never and hardly ever would be able to impose such a system in its abstract purity for the utopian character of its absolute abstraction from anything but itself is too obvious to be missed. However, this does not mean that capitalism tends to approximate and imitate such an ideal as much as possible and often at a great cost to society and in a great peril to itself as well. However, before mankind was ready and in a position to experiment and testing such an idea of a colossal social engineering in practice, several factors had to be in place:

- (1) emancipation of money from the former political, economic, moral, cultural, and religious restraints as an authoritative currency for power and its transformation into capital;
- (2) transformation and alienation of political power, and especially of the state, and securing the active support of the state, i.e., legislation, state money and public debt, central banks, administrative homogenization and unification, bureaucratization, police, army, trade monopolies, colonial imperialism;
- (3) cultural transformation and alienation;
- (4) development of technology that can be defined here as a controlled, systematic transformation and alienation of both human and non-human nature into commodities, i.e., labor. When defined in the broadest terms, technology could be taken to encompass capital, the modern state and even culture, especially if one sees ideology as a total sphere of modern consciousness.²³

Capitalism did not start spontaneously or naturally. In this regard, Karl Polanyi in his classic study of capitalism stressed:

²³ An example of such thinking is Francis Fukuyama, "The End of History?," in *The New Shape of World Politics: Contending Paradigms in International Relations* (New York: Foreign Affairs, 1999), pp. 1-25.

It was not realized that the gearing of markets into a self-regulating system of tremendous power was not the result of any inherent tendency of markets towards excrescence, but rather the effect of highly artificial stimulants administered to the body social in order to meet a situation which was created by the no less artificial phenomenon of the machine.²⁴

Actually, it is rather more correct to say that the project of capitalism was launched from above as “a revolution of the rich against the poor”:

Enclosures have appropriately been called a revolution of the rich against the poor. The lords and nobles were upsetting the social order, breaking down ancient laws and custom, sometimes by means of violence, often by pressure and intimidation. They were literally robbing the poor of their share in the common, tearing down the houses which, by the hitherto unbreakable force of custom, the poor had long regarded as theirs and their heirs'. The fabric of society was being disrupted; desolate villages and the ruins of human dwellings testified to the fierceness with which the revolution raged ... the black spots threatened to melt into a uniform catastrophe.²⁵

The power and support of the state was indispensable for the new order to be ushered in and imposed on society. It was also the state that cleared and protected the systematic violations of its own formal law and order by burgeoning capital. Without the state, capital would not be able to turn itself into a power and command over society.

The question that is of particular interest here is how money is transformed into capital. An account of how this process developed historically was already given in a

²⁴ Karl Polanyi, *The Great Transformation*, p. 57. Braudel also draws attention to the fact that the introduction of the new order had to be strictly reinforced against resistance from below: “[I]n a country like France ... people took some time to get used to paper money (and indeed shunned it like the plague after Law’s experiment) and ... bank notes from the *Banque de France* long circulated only with difficulty in later years ...” Fernand Braudel, *The Wheels of Commerce: Civilization & Capitalism, 15th-18th Century*, Volume II, trans. Sian Reynolds (Berkeley and Los Angeles: University of California Press, 1992), pp. 113, 547.

²⁵ Karl Polanyi, *The Great Transformation*, p. 35.

number of already classic studies,²⁶ and I myself do not profess to a historian. However, what I am here concerned with is the conceptual problem of the change of money into capital - "the more or less veiled civil war"²⁷ - by other means than by force.

In principle, the development of money into capital represents a double process. On one hand, money is becoming more *universally inclusive* in a sense both of its formal sphere of application and of the content of its uses. At the same time, money as such is also becoming more *abstract* and is also more *abstracted* from anything else. As Marx put it:

The more abstract money is, the less natural its relationship to other commodities ... the closer to the essence of money is the *personal* existence of money as money ... For this reason, *paper money* and the numerous *paper representatives of money* (such as bills of exchange, authorizations, I.O.U.s, etc.) are the *more perfect* forms of *money as money* and a necessary stage in the progress of the money system.²⁸

²⁶ See especially Fernand Braudel, *The Structures of Everyday Life: Civilization & Capitalism, 15th-18th Century*, Volume I, trans. Sian Reynolds (Berkeley and Los Angeles: University of California Press, 1992); Fernand Braudel, *The Wheels of Commerce: Civilization & Capitalism, 15th-18th Century*, Volume II, trans. Sian Reynolds (Berkeley and Los Angeles: University of California Press, 1992); Fernand Braudel, *The Perspective of the World: Civilization & Capitalism, 15th-18th Century*, Volume III, trans. Sian Reynolds (Berkeley and Los Angeles: University of California Press, 1992); John Kenneth Galbraith, *Money: Whence It Came, Where It Went* (Boston: Houghton Mifflin Company, 1975); Karl Polanyi, *The Great Transformation*, pp. 56-162; Maurice Dobb, *Studies in the Development of Capitalism* (New York: International Publishers, 1984); E.J. Hobsbawm, *Industry and Empire* (New York: Penguin Books, 1990); Immanuel Wallerstein, *The Capitalist World Economy* (Cambridge: Cambridge University Press, 1979), Part 1, pp. 1-164; also Karl Marx, *Capital: A Critique of Political Economy*, Volume I (New York: Penguin Books, 1990), pp. 439-639.

²⁷ Karl Marx, *The Communist Manifesto*, p. 78.

²⁸ Karl Marx, "Excerpts from James Mill's Elements of Political Economy," in Karl Marx, *Early Writings*, p. 262. Marx's emphases. Similarly, Schumpeter stressed that "the value of money can be completely separated theoretically from the value of its material" although "the latter is the historical source of the former." [Joseph A. Schumpeter, *The Theory of Economic Development: An Inquiry into Profits, capital, Credit, Interest, and the Business Cycle*, trans. Redvers Opie (Cambridge, Mass.: Harvard University Press, 1961), p. 49] In other words, what is essential is the form itself - the *cipher* that can be freely assigned to any face value or material and then freely decoded again. But ultimately the money *cipher* is "a substitute for power." [H. Gansmann, "Money - a symbolically generalized medium of communication? On the concept of money in recent sociology," *Economy and Society*, 17 (1988): 312] Yet, at the same time, money as a *cipher* by itself is nothing. Viz. Simmel: "[M]oney ... is nothing by itself ..." Georg Simmel, *The Philosophy of Money*, trans. Tom Bottomore and David Frisby, second enlarged edition (New York and London: Routledge, 1990), p. 393.

Thus, as a result, while money becomes more varied and complex, it also at the same time, especially as capital, reveals more and more its bare and pure essence.²⁹

Though only modernity was able to translate the concept into a new culture and society and to organize capital into a dominating system that now covers the whole globe, it is also correct to say, as Fernand Braudel argued, that “capitalism has been *potentially* visible since the dawn of history, and that it has developed and perpetuated itself down the ages.”³⁰

In this regard, Aristotle’s original formulation of the essence of production for gain as *unnatural exchange* or *artificial denaturing*³¹ was, as Karl Polanyi stressed, “probably the most prophetic pointer ever made in the realm of political sciences; [and] it is certainly still the best analysis of the subject we possess.”³² As Polanyi pointed out, Aristotle, in his concept of moneymaking and the related principle of gain, was able to “forecast accurately the outlines of the utterly different civilization two thousand years before its advent out of the bare rudiments of a market economy available to him.”³³

It is important to note that Aristotle, moreover, aimed and succeeded to strike “at the crucial point, namely the divorcedness of a separate economic motive from the social

²⁹ Viz. Milton Friedman: “The abstract concept of money is clear: money is whatever is generally accepted in exchange for goods and services ... For centuries, when gold and silver were the major mediums of exchange, economists and others regarded only coins as money. Later they added bank notes redeemable on demand for gold or silver specie. Still later, a little over a century ago, they accepted bank deposits payable on demand and transferable by check. Currently, in the United States, a number of monetary aggregates are regularly compiled, each of which may be regarded as the empirical counterpart of money. These range from currency, the narrowest total, to the total specified liquid assets, the aggregate designated ‘L’ by the Federal Reserve.” [Milton Friedman, *Money Mischief*, p. 16]

³⁰ Fernand Braudel, *The Perspective of the World: Civilization & Capitalism, 15th-18th Century*, Volume III, trans. Sian Reynolds (Berkeley and Los Angeles: University of California Press, 1992), p. 620.

³¹ Artificial denaturing is nothing else but our technology - to use the modern *terminus*.

³² Karl Polanyi, *The Great Transformation*, pp. 53-54.

³³ *Ibid.*, p. 54.

relations in which these limitations inhered.”³⁴ What does this mean? The decisive criterion that distinguishes other forms and functions of money from money capital is the way how they stand vis-a-vis man’s *telos* - man’s view of a common good or justice. Such *telos* is the essential idea and key premise that determines politics as *techné* (art) as defined by classic political philosophy.³⁵ Without such *telos*, it is therefore impossible to speak meaningfully about politics in its true sense as a common, public action carried out with a view to something good. Moreover, man’s *telos* - the purpose of his existence - also defines what man is by his nature. As Aristotle put it:

This association is the end of those others, and nature is itself an end; for whatever is the end-product of the coming into existence of any object that is what we call its nature ... It follows that the *polis* belongs to the class of objects which exist by nature, and that man is by nature a political animal. Any one who by his nature and not simply by ill-luck has not *polis* is either too bad or too good, either subhuman or superhuman ...³⁶

In moneymaking of production for gain - the principle of capital - gain becomes its own end and thus self-referential and hence virtually boundless, that is, ‘beyond good and evil.’ Capital being its own end, therefore, abstracts and separates man from this *telos* and thus also alienates and separates man not only from politics but also from his human nature. In this respect, depoliticization and denaturing of man *de facto* are inseparable aspects and the essence of the same ‘nihilism’ and alienation. Briefly, capital stands for denatured man. In this regard, it can also be said that identifying “the end of history” with “reanimalization of man” is in strict conformity with the concept of Aristotle’s

³⁴ Karl Polanyi, *The Great Transformation*, p. 54.

³⁵ Viz. Aristotle’s famous definition of the political community in Aristotle, *Politics*, 1252a1.

³⁶ Aristotle, *Politics*, 1252b27-1253a1.

moneymaking.³⁷ Aristotle himself explains and, importantly, also relates to this effect *telos* and human nature to *logos* (see further Chapter 4):

Nature, as we say, does nothing without some purpose; and she has endowed man alone among the animals with the power of *logos*. ... for [other animals'] nature does indeed enable them not only to feel pleasure and pain but to communicate these feelings to each other. *Logos*, on the other hand, serves to indicate what is useful and what is harmful, and so also what is just and what is unjust. For the real difference between man and other animals is that humans alone have perception of good and evil, just and unjust, etc. It is the sharing of a common view in *these* matters [Aristotle's emphasis] that makes a household and a *polis*.³⁸

Moreover, depoliticized, denatured, and renanimalized man, hence "subhuman," is *de facto* a slave: "any human being that by nature belongs not to himself but to another is by nature a slave; and a human being belongs to another whenever, in spite of being a *man*, he is a piece of property, i.e., a tool having a separate existence ..."³⁹ As we see it appears that in such a conception the question of man's nature boils down to the question of man's appropriation. According to Aristotle, the slave nevertheless can and does possess some sort of knowledge - "a slave's knowledge." An example of this kind of consciousness is a knowledge of cookery.⁴⁰ The mentioning of cooking in this connection is not coincidental, because this very type of practice and knowledge is identified by Socrates in the *Gorgias* with an *empeiria* or "knack" as distinguished from *techne*: the latter is reflective and purposeful, the former is not (see further Chapter 4). This means that, for the slave, the highest cause he is allowed to have and to know is not a common

³⁷ On the elaboration of this Kojévian interpretation of Hegel see Tom Darby, *The Feast: Meditations on Politics and Time* (Toronto: the University Toronto Press, 1982), pp. 99-102, 172, 181, 210; Alexandre Kojève, *Introduction to the Reading of Hegel* (Ithaca & London: Cornell University Press, 1993), p. 159.

³⁸ Aristotle, *Politics*, 1253a7.

³⁹ Aristotle, *Politics*, 1254a9.

⁴⁰ Aristotle, *Politics*, 1255b20.

good (*telos* - Aristotle's final, fourth cause) but only *efficiency* - Aristotle's third cause.

And needless to say, our technology is defined and presented to us as being subject to nothing else but to the imperative of its autonomous and self-regulated *efficiency*.

Consequently, man subjected to efficiency (and thus to technology as we call it today) is a depoliticized, denatured, and renanimalized man. In other words, denatured man is "efficient" man. He reproduces what we call today technology and technological knowledge that in turn reproduce man's own denaturing or alienation.⁴¹ There is no purpose, only means becoming their own ends and ends becoming their own means. Ends and means are therefore formally identical and hence unlimited; their distinctions are lost. Human ends no longer guide the means, and everything thus becomes possible and permitted. This principle is also what defines for us, moderns, our nihilism, and what helps us recognize it. This is also what the nihilist imperative-goal 'beyond good and evil' means: tarrying existence without or *below* man's *telos*, in other words, in the Platonic cave. The same type of projection is also at work behind the concept of 'free market.'

Aristotle, moreover, also draws attention to the fact that when man is reduced to such efficiency and *empeiria*, the master does not need to supervise and control him personally. The master can simply pay another slave (manager) to oversee other class of slaves:

⁴¹ Georg Simmel in his study of money defines technology in a way that amounts to the description of the Platonic cave: "That is, what nature offers us by means of technology is now a mastery over the self-reliance and the spiritual center of life through endless habits, endless distractions and endless superficial needs. Thus, the domination of the means has taken possession not only of specific ends but of the very center of ends, of the point at which all purposes converge and from which they originate as final purposes. Man has thereby become estranged from himself, an inseparable barrier of media, technical inventions, abilities and enjoyments has been erected between him and his most distinctive and essential being." Georg Simmel, *The Philosophy of Money*, pp. 483-84.

But the use of slaves is not a form of knowledge that has any great importance or dignity, since it consists in knowing how to direct slaves to do the tasks which they ought to know how to do. Hence those masters whose means are sufficient to exempt them from the bother employ an overseer to take this duty ...⁴²

As long as the purpose, the idea of good, or rather its lack is not questioned, such a system can work almost automatically with everybody does only his or her “job” which one is paid for or assigned to *and nothing else*.

The limited uses of money subordinated to a common view of the good is also what distinguishes non-capitalist uses of money from the use of money as capital. In one word, capital is money the use of which is limited only by itself and by nothing else. In cooperative economies (within tribal economies, guilds, farms, modern households, clubs, communes, or among neighbors and friends), money and its use is a convention that does not have a status of a special covenant above and apart from other conventions, agreements, and mundane practices. It is kept in check and is not allowed to become the supreme value and standard in the place of gods, life, honor, etc.. It is not allowed to become a fetish valued for its own sake or a pure, empty *cipher* abstracted from anything real and concrete, yet ruling over everything. Aristotle did not know and could not know our word “capital,” but he had a clear understanding of the concept:

But there is another kind of property-getting to which the term *chrematistike* (acquisition of goods) is generally and justly applied; and it is due to this that there is thought to be no limit to wealth of property. ... Similarly, there is no limit to the end which this acquisition has in view, because the end is the wealth in that form

...⁴³

⁴² Aristotle, *Politics*, 1255b30.

⁴³ Aristotle, *Politics*, 1256b40, 1257b25.

In this way, money becomes the effective *formal cause* for the master - his *technikos* (Aristotle's own term) "consisting in knowing *how* to put his slaves to use."⁴⁴ When the purpose is lost, the formal cause or idea becomes money as capital - slave's new imaginative, artificial "head" that supplies the slaves with reasons for his activity, thus substituting money for the lost human purpose. Man is denatured or transformed into a slave or an *efficient cause*. Thus money appears as a universal cause - as the first, material cause - labor bought for money; as the second, formal cause - the medium of money; as well as the third cause - labor costs and profit, all expressed as money. This also corresponds to Marx's general formula for capital M-C-M that also has only three essential, mutually exchangeable steps. The fourth element of a distinct purpose does not fit into the formula.

Furthermore, Aristotle also identified the essence of such moneymaking for its own sake in usury (private credit creation) where the concept of capital appears in its purest form:

[In] the practice of charging interest ... the gain arises out of currency itself, not as a product of that for which currency was provided. Currency was intended to be a means of exchange, whereas interest represents an increase in the currency itself. Hence its name, for each animal produces its like, and interest is currency born from currency. And so of all types of business this is the most contrary to nature.⁴⁵

In addition, Aristotle was also able to discover that the most fitting and thus most 'efficient' regime that corresponds to such moneymaking is not a free competition but its

⁴⁴ Aristotle, *Politics*, 1255b30, 1257a41. Interestingly enough, *technikos* was also translated as "systematic." See 1257a41.

⁴⁵ Aristotle, *Politics*, 1258a38. Cf. Marx: "As a value, the commodity is an equivalent; as an equivalent, all its natural properties are extinguished. ... As value, it is *money*." [Karl Marx, *Grundrisse*, p. 141] "Money implies the separation between the value of things and their substance." [Ibid., p. 149]

very opposite: monopoly. In this connection, Aristotle also hinted that an efficient form of such monopoly for the purpose of moneymaking for gain - a virtual "money-spinning device" - would be the state itself:

[T]he principle can be applied generally: the way to make money is to get, if you can, a monopoly for yourself. Hence we find states also employing this method when they are short of money: they secure themselves a monopoly. ... All this knowledge is useful for statesmen too; for many states are in greater need of business and income it brings than a household is. Hence we find that some of those who direct the affairs of a state actually make this their sole concerns.⁴⁶

If we were to search for a model for such monopoly, we would find it again in a despotically ruled private household economy. As Aristotle himself put it, "rule in a household is monarchical, since every house has one ruler."⁴⁷ Monopoly established at the level of the state would therefore be despotism. In this regard, it is perhaps no coincidence that the rise of capitalism also took place under the aegis of European absolutism in the form of foreign trade monopolies and other exclusive privileges granted by the absolutist monarchs.⁴⁸ This also means that capitalism, in as much as it is a system working for profit and nothing else, is rather antithetical to democracy that emerged as a countervailing tendency against a more pure, that is, monopolistic or, according to Lenin, imperial capitalism. John Galbraith said:

⁴⁶ Aristotle, *Politics*, 1259a3.

⁴⁷ Aristotle, *Politics*, 1255b16. According to Aristotle, only the *despotes* - the master and the head of the household - can think: "Thus the deliberative faculty in the soul is not present at all in a slave; in a female it is present but ineffective, in a child present but underdeveloped." [1259b32]

⁴⁸ Thus it was actually feudal absolutism that created a homogenous space of national markets and imposed on society a unified system of money and capital: "In the period of the rising absolute monarchy with its transformation of all taxes into money taxes, money indeed appears as the moloch to whom real wealth is sacrificed. ... From having been a servant of commerce, says Boisguillebert, money becomes its despot. Karl Marx, *Grundrisse*, p. 199.

Most dangerous of all would be democracy. The Bank of England was the instrument of a ruling class. Among the powers the Bank derived from that ruling class was that of inflicting hardship. ... Few or none foresaw that farmers and workers would one day have the power that would make governments unwilling to impose these hardships even in so righteous a cause as defense of the currency.⁴⁹

Georg Simmel also commented on the close affinity between money capital and despotism. In particular, Simmel pointed out the mutual interdependence between “the growing depersonalization of money and its closer relationship to a centralized and more extensive community” that requires that the “value of money [be] based on a guarantee represented by the central political power.”⁵⁰ This also means that in as much as the rise of capital depended on the invention of the modern state, similarly, it can be conversely said that “[t]he modern centralized state, therefore, came into being partly as a result of the prodigious growth of the money economy ...”⁵¹ One of the reasons is that capital needs as a prerequisite of its very existence and expansion “the reification of the social whole”⁵² that has to be secured and reinforced in the end by the force of arms and by the police. From this Simmel derives the following idea: “The separation of coinage from the central power goes hand in hand with the debasement of the currency; the essential function of money declines the less strongly it is guaranteed by the largest sociological group or its central organ.”⁵³ On the basis of such insights, Simmel then builds his theory of despotism which would use money as its principal mode of technological control:

⁴⁹ John Kenneth Galbraith, *Money: Whence It Came, Where It Went*, p. 43.

⁵⁰ Georg Simmel, *The Philosophy of Money*, p. 184.

⁵¹ *Ibid.*, p. 185.

⁵² *Ibid.*, p. 187.

⁵³ *Ibid.*, p. 186.

The despotic constitution that aims at the unconditional compulsion of subordinates should probably, for reasons of expediency, request only money payments from them right from the outset. ... It is therefore internally and externally useful to reduce claims that may meet any kind of resistance solely to money. Perhaps this is one of the more basic reasons why, in general, the despotic regime is often associated with the promotion of money economy ... Of all demands, the demand for money is the demand whose fulfillment is the least dependent on the good will of the obliged person. ... The freedom that is granted in purely private affairs in no way prohibits the disenfranchisement in the political sphere which it has so often achieved.⁵⁴

In the section on “the development of money as an institution,” Simmel then arrives at an encompassing formula of money that also can be taken as a pronouncement on our globalization:

Not only is the systematic form of life - as I emphasized above - the *technique* of centralizing tendencies, whether of a despotic or a socialist kind, but also it gains an independent charm. ... it is just as worthy of note that money provides an extremely efficient technique for despotism, as a means for incorporating the most remote places into its rule which, in a barter economy, always tend to separate and become autonomous.⁵⁵

Among numerous forms and functions that money can assume such as means of exchange, credit money, money of payment, commodity money, private money, state money, virtual money, etc., one form stands out for it touches the essence of money as a powerful and feared social command that not only counts, sells or buys, but organizes and rules societies. It is the power of debt and credit that Aristotle already saw “of all types of

⁵⁴ Georg Simmel, *The Philosophy of Money*, pp. 398-99.

⁵⁵ *Ibid.*, pp. 493, 495. According to Braudel, “capitalism” is ‘imperialism’ or monopoly capitalism and thus should not be confused with the normal, cooperative “economy” or even with the “market economy.” Rather capitalism exist “alongside, or rather above this layer [of ordinary economy] ...[as] the zone of the anti-market, where the great predators roam and the law of the jungle operates. This - today as in the past, before and after the industrial revolution - is the real home of capitalism.” Fernand Braudel, *The Wheels of Commerce*, pp. 229-30; see also Fernand Braudel, *The Perspective of the World: Civilization & Capitalism, 15th-18th Century*, Volume III, trans. Sian Reynolds (Berkeley and Los Angeles: University of California Press, 1992), pp. 628-30.

business” as “the most contrary to nature.”⁵⁶ As such, the power to create debts and credits is also most consequential. It is interesting to note that the early capitalist imagination also found an ideal form of its self-projection into the mythical beginnings of society and the government as in an illusory ‘social contract.’ Behind the veil of this modern founding myth, there is looming a much less celebratory covenant of inequality and bondage between the creditor and the debtor. In the transformation of money into an irresistible command of capital over society, i.e., a moral rehabilitation of usury, three interrelated developments in particular played a decisive role: (1) the creation of national debts; (2) the founding of national central banks in order to create and market the national debt; and (3) the development of uncontrolled international debt markets.⁵⁷

The power of capital lies in its power to dictate the organization and distribution of debt and credit:

If ten or twelve Businessmen of Amsterdam of the first rank meet for a banking operation, they can in a moment send circulating throughout Europe two hundred million florins in paper money ... There is no Sovereign who could do as much ... This credit is a power which the ten or twelve businessmen will be able to exert over the states in Europe, in complete independence of any authority.⁵⁸

In credit-debt creation, capital effectively becomes social *Time* that is created, extinguished, ordered, ruled, and overseen from within capital itself in the form of regular payments, interest rates, credibility, balance sheets, reports, police investigation. As Marx stressed, credit’s or debt’s “element is no longer a commodity, metal or paper, but the

⁵⁶ Aristotle, *Politics*, 1258a38.

⁵⁷ Cf. Andrew Leyshon and Nigel Thrift, *Money/Space*, pp. 18-19.

⁵⁸ Accarias Scrimonne quoted in Fernand Braudel, *The Perspective of the World*, p. 245.

moral existence, the *social* existence, the very heart of man.”⁵⁹ Credit-debt represents the essence of the political power of capital in its most manifest form where man himself becomes money or, more precisely yet, money becomes man’s life captured by another private person who does not have to give himself an account.⁶⁰

The idea of debt is also the essence of Schumpeter’s definition of capitalism:

[C]apitalism is that form of private property economy in which innovations are carried out by means of borrowed money ... A society, the economic life of which is characterized by private property and controlled by private initiative, is according to this definition not necessarily capitalist, even if there are, for instance, privately owned factories, salaried workers, and free exchange of goods and services, either in kind or through the medium of money.⁶¹

The peculiarity of the institution of privately made credit does not lie only in the fact that it a powerful source of money creation⁶² but also in the possibility of the banks to multiply many times the volume of the deposits entrusted to them by their customers through the issue of credits. Recently, similar or rather incomparably more extensive multipliers have been developed through new financial instruments such as derivatives. In this regard, capital reaches its climax in a system of global debt collection imposed on nations by their own governments.

Consequently, what distinguishes money from capital and what also transforms money into capital is the power of command not at one given place and one given time but

⁵⁹ Karl Marx, “Excerpts from James Mill’s *Elements of Political Economy*,” p. 263.

⁶⁰ *Ibid.*, p. 264.

⁶¹ Joseph A. Schumpeter, *Business Cycles: A Theoretical, Historical, and Statistical Analysis of the Capitalist Process*, Volume I (New York and London: McGraw Book Company, 1939), p. 223. See also Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, third edition (New York: Harper & Brothers, 1950), p. 167.

⁶² See, for example, J.M. Keynes, *A Treatise on Money: The Pure Theory of Money*, Volume I (London: Macmillan, 1930), p. 5.

exercised systematically and not just over goods but above all over men and the whole society.⁶³ This form of social power and control has been especially embodied in the institution of national debt whereby the state itself becomes a disciplined and subordinated part of the debt enforcement and its management by investors.

If money is essentially a *cipher*, capital is a *cipher* that is invested with an effective power to command men or it is also possible say that capital is a power that commands men by means of monetary *ciphers*.⁶⁴ Interestingly enough, Marx himself used at least once the term “cipher” to define capital through the key concept of value:

[V]alue must therefore has an existence that is distinguishable from it, and in actual exchange this separability must become a *real separation* ... both can exist together only if the commodity achieves a *double existence*, not only a natural but also a purely economic existence, in which latter it is a mere symbol, a *cipher* for a relation of production, a mere symbol of its value. ... Such a symbol presupposes general recognition; it can only be a social symbol; it expresses, indeed, nothing more than a social relation.⁶⁵

The *cipher* of capital nevertheless contains a very specific political project and meaning : a social relationship of inequality that “*requires slave labor or wage labor (forced labor in both cases)*.”⁶⁶

⁶³ Capital is “*command over alien labor*.” Karl Marx, *Grundrisse*, p. 330; see also p. 293. “Capital developed within the production process until it acquired command over labor, i.e., over self-activating labor-power, in other words the worker himself.” [Karl Marx, *Capital*, p. 424] “Capital, therefore, is not only the command over labor, as Adam Smith thought. It is essentially the command over unpaid labor.” [Karl Marx, *Capital*, p. 672]

⁶⁴ “Money as capital is an aspect of money which goes beyond its simple character as money.” [Karl Marx, *Grundrisse*, p. 250] “Capital is by definition money, but not merely money in the simple form ... but in the form of all substances ...” [Ibid., p. 271]

⁶⁵ Karl Marx, *Grundrisse*, pp. 141-42.

⁶⁶ Karl Marx, *Grundrisse*, p. 321. All Marx’s emphases.

3.3. Money capital and the question of method

What is money?⁶⁷ What is capital? How are money and capital related? To answer these questions requires first to address the question of method. "For the method," as Hegel said, "is nothing but the structure set forth in its pure essentiality."⁶⁸

Marx, for his part, commented:

It is of this absolute method that Hegel speaks in these terms: 'Method is absolute force, unique, supreme, infinite, which no object can resist; it is the tendency of reason to find itself, to recognize itself, in everything.' (*Logic*, vol. III) Everything being reduced to a logical category, and every moment, every act of production, to method, it naturally follows that all masses of products and of production, of objects and of movement, are reduced to an applied metaphysics.⁶⁹

And later:

⁶⁷ Among the classic and essential political discourses on money are Aristotle, *Politics*, I viii-xi; J. Bentham, *Economic Writings* (London: Allen and Unwin, 1952); Karl Marx, "On the Jewish Question," in *Early Writings* (New York: Vintage Books, 1975), pp. 211-41; Karl Marx, "Excerpts from James Mill's *Elements of Political Economy*" in *Early Writings*, pp. 259-78; Karl Marx, section "Money" in *Economic and Philosophical Manuscripts*, in *Early Writings*, pp. 375-79; Karl Marx, *A Contribution to the Critique of Political Economy*, ed. by Maurice Dobb (New York: International Publishers, 1989); Karl Marx, *The Poverty of Philosophy*, trans. H. Quelch (Amherst: Prometheus Books, 1995); Karl Marx, *Grundrisse*, trans. Martin Nicolaus (New York: Penguin Books, 1993); Karl Marx, *Capital*, Vol. 1, trans. Ben Fowkes (New York: Penguin Books, 1990); Georg Simmel, *The Philosophy of Money*, second enlarged edition, trans. David Frisby (London and New York: Routledge, 1990); Werner Sombart, *The Jews and Modern Capitalism*, trans. M. Epstein (New Brunswick, U.S.A. and London: Transaction Books, 1997); J.M. Keynes, *A Treatise on Money* (London: Macmillan, 1930); Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time* (Boston: Beacon Press, 1957).

For contemporary attempts to come to terms with the essence of money see Susan Strange, *Casino Capitalism* (Manchester and New York: Manchester University Press, 1997); Anthony Giddens, *The Consequences of Modernity* (Stanford: Stanford University Press, 1990). These two titles are attempts bring back some of fragments from Simmel's "philosophy." Strange also introduces the paradigm of gambling. As an introduction to other contemporary readings see Andrew Leyshon and Nigel Thrift, *Money/Space: Geographies of Monetary Transformation* (London and New York: Routledge, 1997). Their bibliography provides a good list of what has been written on the subject. See also the analysis of money by Roberto Calasso, *The Ruin of Kasch*, trans. William Weaver and Stephen Sartarelli (Cambridge, Mass.: The Belknap Press of Harvard University Press, 1994), pp. 219-86.

⁶⁸ G.W.F. Hegel, *Phenomenology of Spirit*, translated by A.V. Miller (Oxford, New York and Toronto: Oxford University Press, 1977), Preface 48, p. 28.

⁶⁹ Karl Marx, *The Poverty of Philosophy*, trans. H. Quelch (New York: Prometheus Books, 1995), p. 116.

What, then, is this absolute method? The abstraction of movement. ... To pose, oppose, and compose itself, to be formulated as thesis, antithesis and synthesis, or, better still, to affirm itself, to deny itself and to deny its negation. ... But once it has placed itself in thesis, this thesis, this thought, opposed to itself, doubles itself into two contradictory thoughts, the positive and the negative, the yes and no. The struggle of these two antagonistic elements, comprised in the antithesis, constitutes the dialectic movement. The yes becoming no, the no becoming yes, the yes becoming at once yes and no, the no becoming at once no and yes ... The fusion of these two contradictory thoughts constitutes a new thought which is the synthesis of the two. This new thought unfolds itself again in two contradictory thoughts

...⁷⁰

The logic of the “absolute method” first produces a “truth, “ “fact,” or “problem” that is then inverted from the same source as a lie or cipher. Everything becomes ensnared and engaged in the antagonistic battle between two “truths.” This method is a product of power that has denied what it has affirmed and then denied the denial (new affirmation) and so on. Thus communism came into being by denying capitalism, then communism denied itself and became both postcommunism and capitalism. Such a method is ciphering that further doubles or encrypts itself. Basically, this “absolute method” makes for an effective perpetual dying and lying, where much can be lost or distorted including man’s ability to remember.

3.4. Class struggle as a method of valorization

With regard to capital, Marx’s summarized his revolutionary program as follows: “We are the last to deny that *capital* contains contradictions. Our purpose, rather, is to develop them fully.”⁷¹ If capital contains contradictions, capital itself ought to be a contradiction. And to develop fully the contradictions of capital, does not necessarily

⁷⁰ Karl Marx, *The Poverty of Philosophy*, p. 117.

⁷¹ Karl Marx, *Grundrisse*, p. 351.

mean to undo capital, but rather to *develop fully capital itself*. Hence, Marx's self-avowed purpose does not exclude but rather presupposes the will to be misunderstood - as a necessary condition for fully developing contradictions themselves. For to develop contradictions also means to make contradictions - consciously.

If Marx' *Capital* posits the rule of surplus value, the *Communist Manifesto* holds the sovereignty of war for its self-evident truth:

The history of all hitherto existing society is the history of class struggles. Freeman and slave, patrician and plebeian, lord and serf, guildmaster and journeyman, in a word, oppressor and oppressed, stood in constant opposition to one another, carried on an uninterrupted, now hidden, now open fight. a fight that each time ended, either in a revolutionary reconstitution of society at large, or in the common ruin of the contending classes.⁷²

Several pages later, Marx nevertheless argues that "the price of a commodity, and therefore also of labor [man], is equal to its cost of production."⁷³ How are costs of labor (man) related to the class struggles that define society and its history? Unless we admit that Marx contradicts himself, the necessary conclusion is that the costs of the class struggles appear or are enciphered as the costs of production. The science of accounting is accordingly nothing but a calculation of the price of dead labor, rationalized *post factum* or *post festum*. For the outcome of each and every conflict in the form of statistics can be known only in terms of a fixed past of dead labor, that is a result of a defeat, victory, or truce. As long as the fight continues, prices and costs are still in the making. As a political economist, Marx tried to support the concept of capital with the seemingly objective

⁷² Karl Marx, *The Revolutions of 1848*, Political Writings, Volume I (New York: Penguin Books, 1993), pp. 67-68.

⁷³ *Ibid.*, p. 74.

economic laws of value and surplus value, exploitation, and pricing labor according to “social demand” at the level of the basest biological reproduction dubbed as “necessary.”⁷⁴ As a revolutionary, he knew that supply, demand, prices, wages, trade, etc., are subject to force and power.

When power *qua* method is sufficiently strong, “demand” is nothing but command, and contracts are nothing but man’s contraction into dead labor that obeys absolutely. Man’s ability to resist is reduced absolutely, and he becomes a slave whose forced labor is at best encrypted as a cipher. Slavery belongs to war as much as to economy.

A “beautiful side” of Marx, that dialectically contradicts a “bad side” of Marx, deserves to be quoted in this respect:

Slavery is an economic category as any other. ... Let us leave the bad side and speak of the beautiful side of slavery. ... Direct slavery is the pivot of bourgeois industry as well as machinery, credit ... It is slavery which has given their value to colonies, it is the colonies which have created the commerce of the world which is the essential condition of the great industry. ... Without slavery, North America, the most progressive country, would have been transformed into a patriarchal country. Efface North America from the map of world and you would have the anarchy, the complete decadence, of modern commerce and civilization. Cause slavery to disappear, and you will have effaced America from the map of nations. ... Modern nations have known how to disguise slavery in their own lands alone, they have imposed it without disguise on the New World.⁷⁵

⁷⁴ According to Marx: “The value of labor-power can be resolved into the value of a definite quantity of means of subsistence. ... The ultimate or minimum [sic] limit of the value of labor -power is formed by the value of the commodities which have to be supplied every day to the bearer of labor-power, the man, so that he can renew his life-process. That is to say, the limit is formed by the value of the physically indispensable means of subsistence. ... It is an extraordinarily cheap kind of sentimentality which declares that this method of determining the value of labor-power [man], a method prescribed by the very nature of the case, is brutal ...” Karl Marx, *Capital*, Volume I, pp. 276-77.

⁷⁵ Karl Marx, *The Poverty of Philosophy*, pp. 121-22. One of the best and also most comprehensive studies of slavery from ancient times to the present day is Seymour Dresner and Stanley L. Engerman, eds., *A Historical Guide to World Slavery* (London: Oxford University Press, 1998). Jean-Jacques Rousseau, that can be seen in some respect as one of Marx’s rightful predecessors, said: “Force made the first slaves; and their cowardice perpetuates their slavery.” [Jean-Jacques Rousseau, *The Social Contract* (New York: Penguin Books, 1968), p. 52] Rousseau concludes that “the only problem is how to become the strongest.” [Ibid., p. 53]

Elsewhere Marx also speaks of “the struggle between buyers and sellers, from which salable value [price] arises.”⁷⁶ Later, Marx stresses that it is “always the evil side which finishes by overcoming the good side. It is the bad side that produces the movement which makes history, by constituting the struggle.”⁷⁷ The importance of this statement, that applies to both capitalism and Marxism, cannot be underestimated. The bad and evil are identified as the engine of history, as well as progress.

Modern economy tends to emulate the model of war by violating incessantly what is fixed - the boundaries and restraints, especially existing codes, rules, laws, and notions that can embody what is good and evil. This in-built tendency to circumvent and violate boundaries and restrictions appears in the thriving mafocracies in the postcommunist countries not despite but because of their IMF-blessed “liberalization.” Such is also the situation of the world as characterized by Huntington: “Much evidence exists in the 1990s for the relevance of the ‘sheer chaos’ paradigm of world affairs: a global breakdown of law and order, failed states and increasing anarchy in many parts of the world, a global crime wave, transitional mafias and drug cartels, increasing drug addiction in many societies, a general weakening of the family, a decline in trust and social solidarity in many countries, ethnic, religious, and civilizational violence and rule by the gun prevalent in much of the world.”⁷⁸ At the same time, such a system has to posit and presuppose what it violates - the modicum of law and normalcy. Exchange based on profit means that sooner

⁷⁶ Karl Marx, *The Poverty of Philosophy*, p. 45.

⁷⁷ *Ibid.*, p. 132.

⁷⁸ Samuel Huntington, *The Clash of Civilizations and the Remaking of World Order* (New York: Simon & Schuster, 1996), p. 321.

or later an excess on one side is exchanged for (the) *nothing* in return. A systematic loss by one side means “that the juridical notions of the bourgeoisie on *robbery* apply as well to its *honest* profits.”⁷⁹

The all-too-often forgotten truth that, while during the peacetime both the growth and balance of power usually change only incrementally, the decisive and radically new patterns of development, technology, trade, prices, and credit are set up by wars and their accompanying crises. The patterns established by war then become the basis of the “normal” functioning of the market, while new hot wars are being prepared and staged. It is a truism that the cheap prices of gasoline enjoyed in the West and the question of war in the Middle East are closely related. Similarly, nothing comparable is able to match the bargaining power of a gun or credible military threat. Accordingly, economic statistics and theories of values can only count the resulting numbers, but cannot truly explain them. The West still continues to reap material benefits from its nineteenth-century and earlier colonial victories without which neither the welfare of Western democracies nor their efficiency cannot be adequately accounted for.

3.5. *Crypteia*: a method of money capital

Wars, including class wars, have been the engine of economy throughout the history of mankind. It is hardly a coincidence that the doctrine of the primacy of war was cultivated both as a trade and trade of war by the tribe of merchants called the Phoenicians. Their colonizing or civilizing influence was extensive in the closely related constitutions of Crete and Sparta that were framed and organized with a view to war as

⁷⁹ Karl Marx, *The Poverty of Philosophy*, pp. 195-96.

their *telos*. This political view was founded on “Hobbesian” premises that all mankind is “engaged in a continuous lifelong warfare against all cities whatsoever,” therefore “the normal attitude of a city to all other cities is one of undeclared [*cryptic*] warfare.” And peace “is no more than a name.” Such was also their “universal scheme.”⁸⁰

The method of moneymaking thus not only approximates war, it has a character of a cryptic war, i.e., war of *ciphers*. In other words, moneymaking epitomizes *crypteia*.⁸¹

The term *crypteia* comes from ancient Sparta. *Crypteia* was a Spartan method of control over the enslaved majority of their helots and, as such, a form of the Spartan class warfare. During the *crypteia*, slaves, especially those of distinct strength, courage or *thymos* (spiritedness), were secretly murdered. At the same time, *crypteia* was an obligatory part of the training of the Spartans. In this way, *crypteia* also played a significant role in the socialization process of the ruling elite.

⁸⁰ Plato. *Laws*, 625e-626b.

⁸¹ The most comprehensive description of *crypteia* is given by Plutarch. In Sparta, “[p]eriodically the overseers of the young men would dispatch into the countryside the ones who appeared to be particularly intelligent ... By day they would disperse to obscure spots in order to hide and rest. At night they made their way to roads and murdered any helot whom they caught. ... Aristotle makes the further notable point that immediately upon taking up office the ephors would declare war on the helots, so that they could be killed without pollution.” Plutarch, *Lycurgus* in Plutarch, *On Sparta* (New York: Penguin Books, 1988), pp. 40-41.

In 772 in Westphalia, Charlemagne established “Holy Vehms,” essentially secret societies and tribunals against the enslaved Slavic population. Succeeding emperors were also their initiates. Curiously enough, the members of the Vehms referred to themselves as the *Wissende* - the Wise or the Enlightened. The initiates were bound by a “terrible oath” to “warn no one of danger threatening them by [the Vehm’s] decrees, to denounce anyone, whether father, mother, brother, sister, friend, or relation, if such a one had been condemned by the Tribunal. After this [the initiate] was given the password and grip by which the confederates recognized each other.” In Nesta Webster’s words, “[d]uring the twelfth century the Vehmgerichts, by their continual executions, had created a veritable ‘Red Terror,’ so that the East of Germany was known as the Red Land.” Nesta Webster, *Secret Societies and Subversive Movements* (Palmdale: Omni Publications, first published in 1924), p. 117. That this tradition resists dying is evidenced in the appeals for a total war against the Slavic people “by all possible means,” that is, by “the most decisive acts of ruthless terrorism.” To this effect, the red color is also revoked and decrypted as a sign of a completed conquest, as “the color of the defeated, the *color of blood* ... the *red republic*.” The authors of these statements are Karl Marx and Friedrich Engels. See Karl Marx, *The Revolutions of 1848*, pp. 163, 244-245, 129; the emphases are original.

Crypteia stands for both an encrypted crime and war carried in “cold blood” and “absolutely coldly” by the state or other dominant power against its alien or enslaved population. Since *crypteia* is a war that is both secret and private, and since war by definition requires a public sanction, the difference between *crypteia* and crime all but vanishes. Thus *crypteia* is not only secret war, it is also secret crime. In *crypteia*, war and crime become one.

In Plato's *Laws*, Plato's Athenian forces his interlocutors to decrypt a constant all-out war as the essence of their sophistic politics. “Humanity,” as the Cretan Clinias enunciated, “is in a condition of war of every man against every man, and private war of each man with himself.”⁸² The coincidence between this axiom and Hobbes' “war of every man against every man,” that Hobbes himself deciphers as meaning that “nothing is unjust,” is striking.⁸³ It is noteworthy that Hobbes cut the whole Clinias' statement short, conspicuously avoiding the second part referring to “private war of each man with himself.” Hobbes probably correctly inferred that this was Plato's cunning addition designed to subvert the ideological purity of the concept and its war. Hobbes, setting up to “cut short” Socratic philosophy, was also forced to cut out part of the Socratic argument - conscience and its philosophical examination. In other words, Hobbes removed and concealed what he wanted to remove from man - his conscience or “the private war of each man with himself.” The difference between the full Clinias' account and its Hobbesian variant is that of a violent cut and reduction. It is also here where Hobbes' logic stops short. It is this unsaid part of Hobbes' story that reveals through its gap that the founding

⁸² Plato, *Laws*, 626d; see also 627e.

⁸³ Hobbes, *Leviathan*, xiii, 13, p. 78.

idea of war put into the cradle of modern liberalism is based upon an abstraction from man, on man's self-amputation.⁸⁴

By concealing its internal contradictions and removing conscience, the 'Hobbesean' logic creates for itself an appearance of logical unity. The nothingness of abstract conscience also serves the needs of liberalism and modern moneymaking. *Crypteia* both ancient and modern, i.e., moneymaking, therefore can be analyzed as war against public conscience or public reason. As Plato showed in the *Republic*, the primacy of desire corresponds to the rule of moneymaking which is established when spiritedness (*thymos*) is inverted and separated from the philosophical wisdom and the truth of the terrible. Moneymaking and desire thus bind themselves with war and become interchangeable with war against human nature embodied in man's ethical courage (*thymos*).⁸⁵

Socrates in Book VIII of the *Republic* indicates that a change in regimes is precipitated when the original principles of a given regime are forgotten. They are often forgotten (encrypted) because the effort to make money allows self-knowledge to be increasingly covered over until moneymaking begets tyranny. In this way, moneymaking assumes a form of a cryptic war against any regime by inducing fragmentation and circumvention (encryption) of public reason and memory (conscience). Moneymaking promotes personal and political *ignorance*.

Moneymaking as (cryptic) war is also the underlying cause of the revolutions, changes, and decays of the regimes. This mechanism is described in Book VIII of Plato's

⁸⁴ It is interesting to note that "self-amputation" *qua* extension is also how Marshall McLuhan defined modern technology.

⁸⁵ Plato, *Republic*, 435e-436b, 439e-440a, 441a, 442b.

Republic. In the Kronian “golden age” of timocracy, moneymaking is concealed, while the love of war is its exoteric scripture. However the love of money is impossible to hide forever (as the communist nomenklatura have also learned recently), and once the secret of money comes out, the regime descends into its more explicit form of oligarchy. Since oligarchy is a partial decryption of the previous hermetically secured moneymaking, oligarchy is also a partial negation and destruction of the timocratic *crypteia*. What had been hidden is now visible, and thus becomes a source of problems for the regime because increased visibility opens more space for questioning and contestation. When public space (*res publica*) becomes sufficiently large and strong, oligarchy begins to assume more democratic traits (viz. the modern term “liberal democracy”). Democracy as the next stage of such decrypting is a regime of freedom where genuine philosophy has its first and also last chance to reappear. War covers up for moneymaking, and moneymaking is a cover-up for war; each one is the *cipher* for the other. The more moneymaking becomes revealed and understood as the ruling desire, the more its truth as war becomes transparent - until all is inverted again in tyranny. Tyranny, being a war of the tyrant against everyone else is also a regime where the *crypteia* reaches its final, consummate decryption, its “truth.” However given the fact that an open war against all is rather a fast track toward a suicide, tyranny very soon discovers the imperative of self-preservation as its first “law of nature” and with it the ideal of the golden age of a perfectly secured tyranny. In order to survive, tyranny has to dissemble and encrypt itself again. The circle of moneymaking becomes complete, the circle of money *qua* cipher bites its own tail.⁸⁶

⁸⁶ Viz. Book VIII of the *Republic*.

3.6. Hobbes: founding modernity as the work of cryptic war

Modernity itself started as a process of revisiting notions of war in the writings of Machiavelli. However, it is Hobbes who is particularly important again in this connection. Almost two thousand years after Plato's *Laws* were written, Hobbes took pains to unveil such a war as the first principle of new politics, at the same time encrypting it as a would-be apolitical "state of nature" seemingly left outside the body of the Leviathan, that is, in the state of nature and international intercourse, from which international trade and finance cannot be excluded. War is also the magical grounding upon which Hobbes was conjuring up, reviving, making necessary and legitimizing his "Phoenician" Leviathan.

Hobbes' choice of war as a grounding of modern liberalism was "naturally" prescribed by the inherent essence and demands of the very system and regime that he had in view. Ignorance as opposed to knowledge is also the key to Hobbes' famous statement on the state of war that also contains a veiled proposal for its "solution" that is then laid down into the founding principle of the modern *Leviathan*:

Hereby it is manifest that during the time men live without a common power to keep them all in awe, they are in that condition which is called war, and such a war is of every man against every man. For WAR consisteth not in battle only, or the act of fighting, but in a tract of time wherein the will to contend by battle is sufficiently known. ... so the nature of war consisteth not in actual fighting, but in the known disposition thereto during all the time there is no assurance to the contrary. All other time is PEACE.⁸⁷

Here the time of war is contrasted to the time of peace. Were the time of war identified with "history," the time of peace as its opposite would be "the end of history" and "no-history." We need to ask: what actually makes the difference between the

⁸⁷ Hobbes, *Leviathan*, xiii, 8, p. 76.

Hobbesian war and peace? It is *ignorance*: “For WAR consisteth not in battle only, or the act of *fighting*, but in a tract of time wherein the will to contend by battle is *sufficiently known* ... so the nature of war consisteth not in actual fighting, *but in the known* disposition thereto [emphasis added].” That is, according to Hobbes, war is not violence, fighting, or battling per se. Reality in itself means little to Hobbes; it is the knowledge of it that “creates” it. For war to be *for* someone, it has to be known, recognized and understood as such. No knowledge of war, no war - according to this scheme. Moreover, the question of war as the knowledge of it is further reduced to the knowledge or ignorance of *the will* to fight. Therefore, the Leviathan “peace” is a tract of time where the will to fight (the will to power, that is, nihilism) is either *ignored* or *unknown*, and so *encrypted*. War is not abolished by its cessation in reality. War is abolished (encrypted) only in the mind³⁸ - by having the knowledge of war abolished (encrypted) by abolishing (encrypting) the knowledge of the will to fight. At the same time, the will to fight is conveniently left unspecified (encrypted) as how to it applies to one’s own or others’ will. War is abolished by the ignorance of war. Similarly, the hitherto time (history) is abolished by ignorance of it. This means that the hinge upon which hangs the Leviathan architecture of modern liberalism (moneymaking) is a *crypteia* - the unknown, ignored, disguised, and encrypted as a “war of every man against every man” carried out ideally outside men’s conscious grasp and sight. “Assurance” against war is therefore insured ignorance. Men are controlled by what they know and governed by what they do not know.

³⁸ Cf. Hegel’s dictum that “man’s existence is in his head.” G.W.F. Hegel, *The Philosophy of History*, translated by J. Sibree (New York: Dover Publications, 1956), p. 447. One cipher (supposed synonym) for “head” is capital.

In accordance with such war, the cipher of *liberty* that lies in the root of liberalism is then deciphered by Hobbes as “the absence of external impediments” which is “the absence of opposition.”⁸⁹ Since according to Hobbes’ previous statement on peace and war, the “external impediment” to liberal peace (end of history) is the knowledge of the will to war, and the essence of liberal “liberty” is the alienation (*externalization*) or encryption-absence of such knowledge.

Hobbes’ crucial passage also indicates how such ignorance (encryption) is induced and insured. The hinge of the *crypteia* hangs itself on another hinge (cipher). What is hinted about at the very beginning: “Hereby it is *manifest* that during the time men live *without* a common power to *keep* them all *in awe*, they are in that condition which is called war ... [Hobbes’ emphasis]” What insures the peace of ignorance is, as indicated here, some “manifest awe” that would “keep” men hermetically in the crypt of ignorance (Platonic cave) and away from the knowledge of war willed by a certain class as well as from their own self-knowledge. What is this “manifest awe” then? It is the Leviathan - “the artificial man, though of greater stature and strength than the natural.”⁹⁰ The Leviathan is made of ciphers *qua artificial* names (covenants) and “the terror of some power” (force).⁹¹ It is primarily through the artificial names and signs (ciphers) that the liberal “peace” (Leviathan) is made.⁹² The artificial names are seen by Hobbes as means of voluntary (self)alienation. Force stands behind the “covenants” and voluntary

⁸⁹ Hobbes, *Leviathan*, xiv, 2, p. 79; xxi, 1, p. 136.

⁹⁰ *Ibid.*, “Introduction” 1, p. 3.

⁹¹ *Ibid.*, xvii, 2, p. 106; xv, 3, p. 89; xiv, 31, pp. 87-88.

⁹² Cf., for example, *ibid.*, xvii, 15, pp. 109-10. Here Hobbes also makes clear that both under the *soft* (artificial signs) and *hard* (force) forms of alienation, men are made the sovereign’s “children.” In chapter xvi, 10, p. 103, Hobbes speaks of “children” together with “fools and madmen” dubbed as “*irrational*” beings who exist as such “during the [time of] folly.” On the irrational see further my discussion of its Fukuyama’s apology at “the end of history.”

self-alienation in the capacity that resembles the role of the so-called creditor of the last resort' that steps in when other means, more subtle and concealed forms of alienation, fail. In other words, voluntary alienation of "covenants" hides the bare truth upon which it rests. Apparent consent hides the terrible truth of alienation.⁹³

Elsewhere Hobbes also identifies such voluntary self-alienation with the concept of (liberal) *representation*.⁹⁴ Such voluntary alienation or voluntary (self)ignorance is decryption of the war (*crypteia*) against "the natural man" - man as such - and his substitution-encryption-burial by "the artificial man" - man's fiction (cipher, i.e., price). As Hobbes put it in one of the more explicit remarks on his concept of representation-alienation: "There are but few things that are incapable of being represented by fiction."⁹⁵ Hobbes himself shows that such voluntary (self)alienation and ignorance is a matter of *encryption* and its decryption (correct interpretation):

And therefore if a man by words or other signs [ciphers] seems to despoil himself of the end for which the signs were intended, he is not to be understood as if he meant it, or that it was his will, but that he was ignorant of how such words and actions are to be interpreted.⁹⁶

Therefore, what sustains the life and power of the Leviathan, beside an open use of force and terror, are *artificial names* (ciphers) that are the means of man's self-alienation and self-ignorance by means of which the real man is exchanged for his fiction, or to use Hobbes' terms, for an "artificial," "feigned," "counterfeited" man.⁹⁷ Consequently, man is

⁹³ Hobbes, *Leviathan*, xiv, 8, p. 82.

⁹⁴ See *ibid.*, xvi ("Of Persons, Authors, and Things Personated"), pp. 101-105, xvii, 13, p. 109; xix, 3, p. 119; xxii, 5, pp. 146-47.

⁹⁵ *Ibid.*, xvi, 9, p. 102.

⁹⁶ *Ibid.*, xiv, 8, p. 82.

⁹⁷ See *ibid.*, xvi, 2-3, p. 101.

subdued by being kept “in awe” of his own fiction. This fiction - artificial sign - is a modern form of *idol* whose “authority proceeds from the state” and that is otherwise *nothing* (empty cipher) in itself. As Hobbes explains it in his theory of representation:

An idol, or mere figment of the brain, may be personated ... But idols cannot be authors; for an idol is nothing. The authority proceeded from the state; and therefore, before introduction of civil government the gods of the heathen could not be personated. The true God may be personated.⁹⁸

The most pervasive and powerful covenant made up of artificial ciphers is money. For in the section on names, Hobbes makes it clear that he himself understands the cipher of “names” primarily in terms of money. And it is moneymaking that is for Hobbes co-equivalent with reason:

Subject to names is whatsoever can enter into or be considered in an account, and be added one to another to make a sum, or subtracted one from another and leave a remainder. The Latins called accounts of money *rationes*, and accounting *ratiocinatio*; and that which we in bills or books of account call *items*, they call *nomina*; that is, *names*; and thence it seems to proceed that they extended the word *ratio* to the faculty of reckoning in all other things.⁹⁹

The first sentence is nothing but a description of the process of encrypting (making a cipher). Modernity as a cult of reason has actually been an occult of cipher-making whose “material” reflection is a moneymaking business.

⁹⁸ Hobbes, *Leviathan*, xvi, 11, p. 103. Also “When [words and actions] are considered as his own, then he is called a *natural person*; and when they are considered as representing the world and actions of another, then is he a *feigned or artificial person*. ... as *persona* in Latin signifies the *disguise* or *outward appearance* of a man, counterfeited on the stage, and sometimes more particularly that part of it which disguiseth the face (as a mask or vizard); and from the stage hath been translated to any representer of speech and actions, as well in tribunals as theaters.” [Ibid., xvi, 2-3, p. 101]

⁹⁹ Ibid., iv, 14, p. 20.

3.7. Hegel's finalizing of the method of modernity as the Absolute Spirit

After Hobbes, Hegel is another systematic thinker of liberalism who edified the new “logic” into the method completely realized in its universal system of “the Absolute Spirit.” In this regard, Barry Cooper, among others, argued that “most satisfactory and comprehensive account of the self-understanding of modernity” (and hence also of capitalism) is contained in the Hegelian method and its interpretation by Alexandre Kojève.¹⁰⁰ It was Kojève who told us that Hegel’s method is that of war and death. For Hegel, “the Absolute itself, that is, for the people, preserves the moral health of the people in its indifference in the face of specific determinations and in the face of becoming accustomed to and of the fixation of these latter.”¹⁰¹ This means that if the system is there for the sake of people abstractly or formally, it is a system of indifference, as far as the individual, concrete and real men and women are concerned.

The Hegelian method of absolute power and *crypteia* also show some essential affinities. Hegel’s “[d]ialectic unsettles all particular judgments and opinions, transmuting the evil into Good and Good into evil, left at last nothing remaining but the mere action of subjectivity itself ...”¹⁰² This supreme rule of *exchange* that obliterates all distinctions and boundaries is an essential part of what Hegel claims to be “the justification of God in History.”¹⁰³

In place of the Hobbesian “state of nature,” Hegel used as a covering story the history of the slave’s “unhappy consciousness.” The nature of Hegel’s dialectic of

¹⁰⁰ Barry Cooper, *Action into Nature* (London: University of Notre Dame Press, 1991), p. xv.

¹⁰¹ Alexandre Kojève, “The Idea of Death in the Philosophy of Hegel,” Complete text of the last two lectures of the academic year 1933-34, translated by Joseph J. Caprino, *Interpretation*, Winter 1973, p. 143.

¹⁰² Hegel, *The Philosophy of History*, p. 438.

¹⁰³ *Ibid.*, p. 457. The question has to be: Which God? Whose God? Whose history?

encryption-inversion is made manifest when he equates the “most fearful tyranny” of the bourgeois revolutionary terror with the “terribly consistent Liberty” or “Absolute Freedom.”¹⁰⁴ In accordance with the dialectic of equivalence and encryption, conscience is “emancipated” by being put “at rest.”¹⁰⁵ According to Hegel, such death must not be perceived and received as a result of “a deliberate struggle” but as if “in-the-void - *impersonally*.” In other words, to be under the sway of such absolute power requires that its subjects be detached from their awareness of it and their corresponding emotions: “death must be received and given coldly.”¹⁰⁶

War as the underlying, enciphered and implicit nature of the system has, however, to be reconfirmed, decrypted and made explicit from time to time so that the labor-capital superstructure is preserved without imploding. Its discipline is not eroded by the customary bargaining process and other moral “attachments” and “fixations,” e.g., in one’s conscience or courage. The regime’s maintenance requires that the “truth” of the regime be revealed occasionally before being encrypted again in the mechanism of ciphers, abstractions, and signs. As Hegel put it:

[T]he government must shake up the system from time to time by wars, to injure and disturb thereby the order and the right of autonomy that are granted them, and through the labor imposed [by war] to let the individuals know their master, [i.e.] death, individuals who, by plunging themselves in these systems, get detached from the whole ... Through this dissolution of the form of the fixed-and-stable-subsistence, the Spirit [= State] removes-the-danger of the fall into natural empirical-existence.¹⁰⁷

¹⁰⁴ Hegel, *The Philosophy of History*, pp. 450-51; Hegel, *Phenomenology of Spirit*, BB. III (“Absolute Freedom and Terror” - in the section “Culture”), pp. 355-363.

¹⁰⁵ Cf. Hegel, *The Philosophy of History*, pp. 444, 453.

¹⁰⁶ Alexandre Kojève, “The Idea of Death in the Philosophy of Hegel,” p. 143.

¹⁰⁷ *Ibid.*, p. 144. Francis Fukuyama says: “Death [is] a force like no other, capable of drawing men outside of themselves ... A liberal democracy that could fight a short and decisive war every generation would be far healthier and more satisfied than one that experienced nothing but continuous peace.” Francis Fukuyama, *The End of History and the Last Man* (New York: The Free Press, 1992), p. 329.

One of Hegel's most important achievements is his reconceptualization of alienation; behind its various forms, for example, by selling men as labor,¹⁰⁸ Hegel discerned a mechanism of war together with the essential concomitant unconsciousness and ignorance thereof and thus raised his spirit to "self-consciousness" and "absolute wisdom" as defined by his own system. Accordingly, the Hegelian Absolute depends on one thing that can be expressed as its moral imperative: "not to permit [people] to take root and to become fixed in this process-of-isolation [alienation]."¹⁰⁹ The absolute method that depends on people's uprootedness is the method of uprooting, hence alienation and homelessness. Properly speaking, all these terms denote depolitization or end of politics because those who are aliens and uprooted are by definition outside of the realm of politics that is as a public space where citizens, in contrast with the aliens, can publicly act, make public decisions and declare common principles of justice.

The absolute method of capital, described by Hegel as the method of his own spirit/ghost, is also the only viable way for maintaining capital as a form of disguised, sublated, and cryptic war. Thus we can say that it was liberal or bourgeois endism that found its self-consciousness in Hegel. The essence of this Hegelian self-recognition of the modern spirit was bluntly summed up by Kojève who pointed out that "death is therefore doubly the ultimate basis and the first mover of History," and that "the historical process [modernity] implies necessarily an actualization of death."¹¹⁰ It is perhaps the explicit

¹⁰⁸ Jean-Jacques Rousseau already postulated that to alienate is to sell: "A man who becomes the slave of another does not give himself, he sells himself in return for at least a subsistence." [Jean-Jacques Rousseau, *The Social Contract*, p. 54]

¹⁰⁹ Alexandre Kojève, "The Idea of Death in the Philosophy of Hegel," p. 144.

¹¹⁰ *Ibid.*, p. 142.

radicalism of this statement that has made others shy away from thinking through its meaning and consequences. This also shows that sometimes the best way to hide the secret is to place it in front of everybody for example, in the form of money and numbers.

3.8. The essence of war and capital moneymaking

The importance of war for moneymaking makes it evident that a serious study of money has to include the examination of war. In this regard, Carl von Clausewitz (1780-1831), the Prussian general and modern war strategist, reveals much of what also applies to money and capital in his analysis of modern warfare. Clausewitz understood and revealed the close interdependence between the principles of war and commerce.

Thinking of war and his experience with its Napoleonic kind, Clausewitz discovered that war is in its essence *commerce*: “War is ... a continuation of political commerce, a carrying out of the same by other means ...”¹¹¹ Here the otherness of the means is contrasted with the sameness of the object (war-commerce). “Other means” that realize “the same” by making it different in order to negate the other back again as the same is the principle of encryption. Clausewitz also argues that war is “chameleon-like in character because it changes its color in some degree in each particular case.”¹¹² War as

¹¹¹ Carl von Clausewitz, *On War* (New York: Penguin Books, 1982), p. 119. It is noteworthy that it was precisely the identification of war as trade that also most impressed Friedrich Engels who wrote Marx in September 1857: “Among other things I am now reading Clausewitz’ *On War*. A very strange way of philosophizing but very good on his subject. To the question whether war should be called an art or science, the answer given is that war is most like trade. Fighting is to war what cash payment is to trade, for however rarely it may be necessary for it actually to occur, everything is directed towards it [struggle], and eventually it must take place all the same and must be decisive.” [Cited in Sigmund Neumann and Mark von Hagen, “Engels and Marx on Revolution, War, and the Army in Society,” in Peter Paret, ed., *Makers of Modern Strategy: from Machiavelli to the Nuclear Age* (Princeton: Princeton University Press, 1986), pp. 265-66] Neumann and von Hagen also correctly stress that, far from being mere political economists, “Marx and Engels can rightly be classed among the ancestors of modern total war.” [Ibid., p. 263]

¹¹² Carl von Clausewitz, *On War*, p. 121. Socrates used the metaphor of a multicolored beast expressly with reference to money and ‘internal war’ of man: “And aren’t flattery and illiberality blamed when a

encryption (and the human condition of self-ignorance) is “merely another kind of writing and language for political thoughts” that “has certainly a grammar of its own, but its logic is not peculiar to itself.”¹¹³ War, i.e., money capital, is encryption. It is a script of crypt.

Clausewitz was aware of the inherent and systematic contradiction. For the very logic of encryption demands that the logical be violated and buried over as the illogical. Its logic will be its own self-denial. In Clausewitz’ words: “War must always set itself free from the strict law of logical necessity.”¹¹⁴ Clausewitz aptly called such willed illogism or ill logic “a special artificial form.”¹¹⁵ One of the most universal and common forms of such artificial, barren offspring of the logic of war is money, especially money capital. The irrational (i.e., money) is a form of “indirect [encrypted] blows” that give “command over the enemy’s will,” while paralyzing his ability to think.” According to Clausewitz, such indirect or encrypted attack by means of the irrational is actually a “great shortening of the road.”¹¹⁶ It cuts - like money - the rational argument and thinking short. Encryption *qua* war is burying the rational in the irrational, man’s self-separation, deception, a form of death. It is war against the mind.¹¹⁷ Similarly, the Chinese master of war strategy, Sun Tzu, stressed that it is indispensable to launch war against the mind of the enemy. “The victorious situation,” Sun Tzu stressed, is a “product of creative imagination.”¹¹⁸

man subjects this same part, the spirited, to the mob-like beast; and, letting it be insulted for the sake of money and the beast’s insatiability, habituates it from youth on to be an ape instead of a lion?” [Plato, *Republic*, 590b; see also 588c-591c]

¹¹³ Carl von Clausewitz, *On War*, p. 402.

¹¹⁴ *Ibid.*, p. 125.

¹¹⁵ *Ibid.*, p. 305.

¹¹⁶ *Ibid.*, p. 305.

¹¹⁷ “The activity in War is never directed solely against matter; it is always at the same time directed against the intelligent force which gives life to this matter, and to separate the two from each other is impossible.” [Carl von Clausewitz, *On War*, p. 185] Clausewitz correctly implies here that intelligence is life and that matter separated from intelligence is death. This notion also betrays something important about the strategy of Marx’s materialism.

¹¹⁸ Sun Tzu, *The Art of War* (Oxford: Oxford University Press, 1963), p. 41.

Therefore, “All warfare is based on deception.”¹¹⁹ Its “life” is based upon the creation of false appearances to mystify and delude the enemy.¹²⁰ In order to preserve such *crypteia* or stealthy conquest of man *qua* mind, the very fact of the conquest has to be encrypted as long as possible.¹²¹ Induced indifference or reduced “animation of the masses” (e.g., as a reduction of human relations to mere money nexus) also serves this purpose.¹²²

Clausewitz stresses that “the political view is the object, War is the means.”¹²³ The *telos* is what justifies war and makes it meaningful. It is a political *view* or idea. However, the political *idea*, war’s *telos*, is encrypted and often also nihilated by war. It is thus possible to say that war is the veil of ignorance that either conceals or buries (encrypts) man’s “mental eye,” “coup d’oeil, inner light,” “which leads to the truth” and enables its timely, “rapid discovery.”¹²⁴

War, i.e., commerce, is an act of violence intended to compel the opponent not to fulfill his own will but the alien one. This requires that the opponent become alienated from his own will, while accepting the alien will as his own. Thus war, i.e., commerce, is an inversion of what is proper and right and what is not. Consequently, the ultimate object of both war and commerce is submission whereby “one side dictates the law [its will] to the other.”¹²⁵ The ultimate object is to replace war as a “duel on an extensive scale”¹²⁶ by

¹¹⁹ Sun Tzu, *The Art of War*, p. 66.

¹²⁰ Sun Tzu, *The Art of War*, p. 7.

¹²¹ Carl von Clausewitz, *On War*, p. 329.

¹²² *Ibid.*, p. 110.

¹²³ *Ibid.*, p. 119.

¹²⁴ *Ibid.*, pp. 141–42. Sun Tzu concurs: “The supreme excellence in war is to attack the enemy’s plans [his comprehensive political view].” [Sun Tzu, *The Art of War*, p. 79]

¹²⁵ Carl von Clausewitz, *On War*, p. 103.

¹²⁶ *Ibid.*, p. 101.

an one-sided *monologue* or monopoly, that is by orders of a dictatorship, whence the inherent propensity of war and money capital toward the tyrannical.

Yet “in order to attain this object fully, the enemy must be disarmed” or “amputated,” to use McLuhan’s technological metaphor. In other words, the enemy is to be deprived of the *means*, only a part of which is the means of production. Such amputation or “disarmament becomes therefore the immediate object” of war as well as money capital.¹²⁷ This immediate object of means appears as the final one in a common (amputated) perception that has already lost the view of the total objective. Such was also the case of a commonly understood Marxism and its definition of the proletariat as hired labor deprived of the means of production.

Means are certainly important but they, especially as technology and money, decrypt or bury the ultimate object of war, which Clausewitz refers to as “the political view.” Without this “view” the opponent (citizen) is rendered “politically helpless or military impotent,” and his “will is overthrown.”¹²⁸ The motives and incentives of such a thoroughly enslaved citizen to stand up have been reduced to (the) *nothing*, affecting accordingly his whole existence as a man-nothing. As Clausewitz stressed: “The smaller the sacrifice we demand from our opponent, the smaller, it may be expected, will be the means of resistance which he will employ; but the smaller his preparation, the smaller will ours require to be.”¹²⁹ With a view to the “Hegelian” absolute method of the imperative nothingness, this can be rendered as follows: “Were tyranny able to demand an apparent ‘nothing’ (cipher) from its subjects, their resistance, it may be expected, will also amount

¹²⁷ Carl von Clausewitz, *On War*, p. 101.

¹²⁸ *Ibid.*, p. 104.

¹²⁹ *Ibid.*, p. 109.

to nothing; if the readiness of the subjects to defend themselves is reduced to nothing, tyranny will have an absolute power and will be in a position to take absolutely everything.”

Tyrannical power has no need to face citizens-nothings for instead of the whole man there is *nothing* to be faced - but sets of empty ciphers and figures (nothings) at most.¹³⁰ Cowardice has no face. In this situation, even if the citizen (opponent) has the means or could obtain them in the future, the means are useless because the citizen’s soul and spirit have been disarmed or amputated, making his own intelligence, courage, and will worthless.

This also leads to the conclusion that means (arms) are neither the essence of technology nor the essence of money and capital. In truth, they cannot be reduced to their obvious instrumental side. At the same time, this insight makes visible and thus opens for us a question of what this “political view” is. For it is this teleological “view” where rests the encrypted essence of war and, by deduction, also the essence of commerce, money capital and technology.

Clausewitz himself gives a good indication of what this most important thing is. It is killing the enemy’s or citizen’s *courage* (*andrea*, *virtue*; *thymos*; spirit). Moreover, as Clausewitz also pointed out, in relation to the death of courage, killing men themselves is merely instrumental or secondary.¹³¹ Courage is “preserving through everything” one’s self-consciousness of “what - and what sort of thing [gathering; recollection; recovering] -

¹³⁰ Cf. Carl von Clausewitz, *On War*, p. 119.

¹³¹ Ibid., p. 343. Clausewitz also pointed out that “courage may proceed from positive motives, such as personal pride, patriotism, enthusiasm of any kind.” [Ibid., p. 139] Positive motives, personal pride, patriotism, and enthusiasm are therefore also the sources from which courage (man) can be renewed. However it also means that Positive motives, personal pride, patriotism, and enthusiasm are also the primary targets for nihilism. In fact, courage is enthusiasm, as contrasted with apathy and indifference. Courage is *thymotic*. This is part of the old Socratic wisdom.

is terrible” and “not casting it out in pains and pleasures and desires and fears.”¹³² Courage is a power of preserving one’s whole nature or character and not letting it be fragmented, dissolved, and alienated.¹³³

What is then the terrible? Socrates says:

Surely the most terrible and shameful thing of all is for shepherds to rear dogs as auxiliaries for the flocks in such a way that due to licentiousness, hunger or some other bad habit, they themselves undertake to do harm to the sheep and instead of dogs become like wolves.¹³⁴

In my opinion, the terrible is the terrible truth of man’s own evil and its forgotten and ungrasped lessons. The terrible and courage stand between the *crypteia* of moneymaking or *nothing-making* and *the tyrannical* on one side, and a good life on the other side. The terrible and courage are, therefore, the divide itself, the in-between (*metexy*), the boundary. As the in-between, the terrible and courage are also the ‘objects’ or the ‘political views’ of war. Without knowing and remembering the terrible, man cannot pass through it. For without keeping the terrible firmly in “view,” it is the terrible that keeps man in its own grasp and blinds him to the good (philosophical conscience; logos; wholeness) that transcends the terrible. Behind the *ciphers* of money capital lies the question of the terrible which is itself the question of man’s virtue and courage. If for nihilism the progression toward its accomplishment is marked as a universal abstraction or narrowing into “nothing,” the lowest common denominator, the reverse amounts to a broadening of the mind and its recollection.

¹³² Plato, *Republic*, 429c. The surrender of one’s view of the terrible can be caused by pleasures and desires as well as by fears. See also *Republic*, 442c.

¹³³ Plato, *Republic*, 430a-b.

¹³⁴ Plato, *Republic*, 416a.

3.9. Capital: '*Demon est Deus inversus*'

Money capital is a method of denaturalizing man or creating man's homelessness. Capital is not only a sovereignty of moneymaking, it is also a method of social organization and engineering. In addition, it is also a message that needs to be deciphered. Marxism, that is, Marx's whole teaching and not only his theory of capital is a dialectical copy of the method of capital itself. Differently put, both capital and Marxism are labors of encryption. If one has to assign any priority of creation in this connection, then it is Marxism which was conceived in the image and likeness of capital. Conversely, to revisit the question of the method-cum-message means to embark on the labor of decryption.

Inversion is a key to capital. It is also a key to Marx's own "inversion" of Hegel. It is not a coincidence that Marx himself speaks in the same breath both of Hegel and inversion in his "Postface to the Second Edition" of the *Capital*.¹³⁵ It is even possible that, in this way, Marx plays very subtly with an idea of giving out a clue not only to capital and Hegel but also to his own theory of capital and himself. The more so if we can assume that Marx also wrote for the "avant-garde" distinct by definition from the rest of the mass movement and masses of common readers. In Marx's words:

Of course the method of presentation must differ in the form from that of inquiry. The latter ... [has] to track down [the] inner connections. Only after this work has been done can the real movement be appropriately presented. If this is done successfully, if the real life of the subject-matter is now reflected back in the ideas, then it may appear as if we have before us an *a priori* construction.

My dialectical method is, in its foundations, not only different from the Hegelian, but exactly opposite to it. For Hegel, the process of thinking, which he even transforms into an independent subject, under the name of 'the Idea', is the

¹³⁵ Karl Marx, *Capital*, Volume I, translated by Ben Fowkes (New York: Penguin Books, 1976), p. 103.

creator of the real world, and the real world is only the external appearance [presentation] of the idea. With me the reverse is true: the ideal is nothing but the material world reflected in the mind of man, and translated into forms of thought.¹³⁶

This passage is remarkable. Marx says that the method is a dialectic method, that is, one method doubled into two where each of them is an inversion of the other. He himself starts by mentioning first the method of presentation, for the passage itself is not an inquiry but presentation. Yet in the following sentences Marx shows that a logically correct order is the reversed one. Here Marx intimates nothing less than the dialectic method of Hegel and his own too is the esoteric method - the method of encryption-cum-inversion. It must however be remembered that such dialectic is used not only as the method of writing. Hegel as well as Marx recognized (elevated) it as the absolute and universally valid method applicable to *any subject* whatsoever as its very essence. This leads us to inescapable conclusion that such negative dialectic of encryption *is* also the concealed method and essence not only of Marx's *Capital* but also, and more importantly, of the CAPITAL of capitalism and nihilism in general. This reveals to us, in turn, both capitalism and nihilism as hegemonic projects of incessant universal burying (encryption) that constantly keeps burying (encrypting) itself too, where each "*inhuming*" (i.e., inhumanization) and submerging is the necessary condition for the other one. Marx's and Nietzsche's shared self-identification with gravediggers is therefore not accidental. The business of "gravedigging" touches the very essence of their nihilistic project.

Marx's clue-given passage allows us to proceed still further. If "the method of inquiry" concerns "the inner connections" and "the method of presentation" is an inverted

¹³⁶ Karl Marx, *Capital*, p. 102.

(negative) form of the inquiry, then it follows that “presentation” gives the inverted image of “the inner connections.” The inverted form of “the inner connections” would be their “outer disconnections.”¹³⁷ Consequently, “the sinews of business are cut” defines the dialectic method of presentation. A formula for the dialectic method of inquiry then would read: “business (moneymaking) is war that whose business is to cut connections.” The presented is presented not as what it is but as its inverse opposite. It is thus more correct to speak in this context not of presentation but of representation whose “truth” is that it undoes what it represents. Inasmuch as we live in the Hegelian world, such dialectic dissembling would also be the essence and method of the institution of modern *representation*.¹³⁸ Money is the supreme form of this misrepresentation.

What is the inner character of such misrepresentation? Marx is in this regard logically consistent. As he indicated in the quoted passage, “the inner” stands for “the life of the subject-matter” and “real movement” as opposed to its “reflection in the ideas,” “appearance,” “an *a priori* construction” (Kantianism), and “presentation.” The ideological presentation under such dialectic is thus *inversion and negation of “the real life.”*¹³⁹ Consequently:

¹³⁷ This “dialectics” of esoteric decryption that transcends the false opposition between the dialectics of materialism (Marx) and idealism (Hegel) is also confirmed in Marx’s letter to Lassale. Note also the use of the very same words such as “present” as opposed to “the real inner structure”: “Even with philosophers who gave their work a systematic form, e.g., Spinoza, the real inner structure of his system, is after all, wholly different from the form in which he consciously presented it.” Quoted in Karl Marx, *Grundrisse*, p. 60.

¹³⁸ Marx commenting on Hegel’s dialectic of the modern (bourgeois) state says: “There is a twofold contradiction: (1) A *formal* contradiction. The deputies of civil society ... have a formal authorization but as soon as this becomes *real* they cease to be *authorized*. They should be *deputies* but they are *not*. (2) A *material* contradiction. In respect to actual interest ... we find the converse.” [Karl Marx, *Critique of Hegel’s Doctrine of the State*, in Karl Marx, *Early Writings*, pp. 193-94] This clarification of representation is also a concise clarification of the dialectic method itself. Also notable is Marx’s decrypted description of modern (dialectic) representation as being a system that allows people “to decide once in three or six years which member of the ruling class [is] to misrepresent the people in parliament.” Cited from “The Civil War in France” in Karl Marx, *Early Writings*, p. 43.

¹³⁹ Cf. Hegel’s own clues: “In this connection [of the inner truth of the subject-matter] the public must

- (1) Such representation as presentation is a figure of death.
- (2) The method of dialectic representation is therefore a death of the represented whose presentation-negation has a form of a *ideological*, illusory, misleading, falsified reflection.
- (3) Cipher and encryption as the absolute method, absolute power, and absolute *telos* stand for death.

Furthermore, "If this [inversion-negation-encryption of the real and inner; death] is done successfully," the real inner of the subject is reflected back, that is, backwards (inversely) in the ideas. The "success" of such presentation, measured according to Marx's criterion, is achieved when the presented inversion "appears as if an *a priori* construction." Of course "*a priori* construction" itself is a contradiction of terms. For every construction has some *a priori* - for example, some idea, project, ground, builder etc. What is constructed is not really given *a priori*, it has an *a priori* maker and some *a priori* history. The self-defined success of dissembling is thus achieved when the constructed *a priori* appears as if without its own "*a priori*" - without its concealed inner premise-project. The success lies in the "*as if*" - as if the ideological representation were some objectively or materially given *a priori* and not a construct which had been constructed, inverted and decrypted. Such dissembling presentation "must be inverted [negated; decrypted], in order to discover the rational kernel within the mystical shell."¹⁴⁰ Marx was here referring explicitly to Hegel; however, the concealed *a priori* inner cannot

often be distinguished from those who pose to as its representatives and spokesmen. In many respects the attitude of the public is quite different from, even contrary to, that of these spokesmen. Whereas the public is inclined *good-naturedly* [my emphasis] ... The effect of such a work on the public is more noiseless than the action of these dead men when they bury their dead. ... [now] the feet of those who will carry you out are already at the door. ... the more gradual effect ... corrects the attention ..." Hegel, *The Phenomenology of Spirit*, "Preface," paragraph 71, pp. 44-45.

¹⁴⁰ Karl Marx, *Capital*, Volume I, p. 103.

be reduced simply to Hegel. It contains much more - the kernel of nihilism, its capitalistic double, and evidently the real inner life of Marx too.

When Marx says that his “method is, in its foundations, not only different from the Hegelian, but exactly opposite to it,” all depends on which method Marx has in mind and which methods he is comparing. For in the previous paragraph, which set up the point of reference, Marx is not speaking of one single dialectic method. He has it split in two - the method of presentation and the method of inquiry. The question then seems to be which of these methods Marx assigns to himself and which of them to Hegel. However, this question is a false one. For as Marx makes clear, the method of inquiry and the method of presentation are two inseparable sides of the same dialectic encryption. The very word dialectics indicates that they are at least two divided yet intertwined methods existing at the same time as a unity. Take one side out and dialectic vanishes either as absolute wisdom or absolute deception. Therefore, the “exact” difference between Hegel’s supposedly idealistic or mystifying dialectic and Marx’s materialistic method might be a more apparent one and less real, concerning less the “inner connections” and more their formal presentation-encryptions.

Inasmuch as Marx’s statement is that of presentation, as it clearly is, and not that of inquiry, then its real meaning is the inverted one of what it seems to say as its *a priori*. Marx’s own careful wording lends support to such decryption. Marx’s “method is, *in its foundations*, not only different from the Hegelian, but exactly opposite to it.” Obviously, here only one specific method is meant - that of inquiry that pertains to the foundations, to the inner. With which method of Hegel does Marx compare his own method of inquiry? With Hegel’s method of presentation, that is, only with one side of the whole of dialectic

encryption. As already indicated, dialectic presentation is merely an outward body whose real “life” is the encrypted inner. It is cipher that Marx himself speaks of as a “shell.” Such a shell-cipher is however not really empty. It is a shell of a concealed grenade that we are now tossing back:

The mystification which the dialectics suffers in Hegel’s hands by no means prevents him from being the first to present its general forms of motion in a comprehensive and conscious manner. With him it is standing on its head. It must be inverted, in order to discover the rational kernel within the mystical shell.¹⁴¹

We learn: (1) Hegel’s *presentation* of the dialectics *is* mystification. (2) Such presentation-mystification “by no means prevented” Hegel from *presenting* the dialectics “in a comprehensive and conscious manner.” Therefore Hegel’s conscious mystification is also part of the comprehensive application of the dialectics. Now it also becomes clear the dialectic (cryptic) relation of “exactly opposition” does not only exist between Marx and Hegel. The same contradiction also inheres *in* Hegel and Marx. And the reason is one and the same. This contradiction is actually what defines very essence of encryption and its dialectic duplicating.

Thus Marx set off only one side of his dialectics, the “method of inquiry,” against only one side of Hegel, the “method of presentation.” This is made clear by Marx’s deliberate use as indicators of the words “present” and “head” as opposed to “the foundations” mentioned in relation to Marx’s “method.” Marx was thus “dialectically” comparing his inner “foundations” with Hegel’s ideological “head.” He found them as *exact* opposites. And this is precisely (“exactly”) how “the method of inquiry” and “the

¹⁴¹ Karl Marx, *Capital*, p. 103.

method of presentation” stand to each other within the whole of dialectic dissembling; they are **each other’s “exact,”** that is, enciphered, mutual inversions. Such is also the meaning of “exactness” whose use is also not accidental. For “exactness,” i.e., “exact opposition,” of the two always *exacts* either a direct or inverted equivalence - an exact mirroring between one and another. Exact opposition is a relation that is made both of opposition and sameness (exactness). It is both double and one - like any cipher.

Marx therefore did not establish an “exact opposition” to Hegel. He did the opposite. He denied what he seemed to deny. In fact, Marx confirmed his allegiance to the Hegelian dialectic of encryption *by practicing it*. That is, by the way of the dialectic play of the opposite of the opposite, he acknowledged an *inner connection* of identity under the mystifying shell of the cipher of “exact opposition.” It remains nevertheless correct that Hegel’s method of exposition is vouched in apparent idealism of his Spirit, while the medium of Marx’s doctrine is materialism.

Much of this is again obliquely conveyed and elaborated in the last remaining paragraphs of the “Postface to the Second Edition of the *Capital*.” Here Marx presents a confession: “I therefore openly [sic] avowed myself the pupil of that mighty thinker [Hegel], and even, here and there in the chapter on the theory of value, coquetted with the mode of expression peculiar to him.”¹⁴² Here it must be remembered (1) that the immediately preceding context (viz. the above said) has led us to the conclusion that Marx made reference specifically to Hegel’s method of mystifying presentation. (2) The core of Marx’s theory of capital and capitalism and hence the core of the *Capital* itself is Marx’s theory of labor value. Marx’s admission then amounts to a careful insinuation that his

¹⁴² Karl Marx, *Capital*, pp. 102-3.

theory of labor value exposed in the *Capital* needs to be understood “here and there” as an imitation of Hegel’s method of presentation, that is, as a mystification (encryption) of the other “real inner.” If all this is correct, then the *Capital* itself “stands on its head” - as an inverted, rationalized presentation of capitalism and capital, an ideological “*a priori* construct” that conceals the arbitrary nature of capital under its supposed scientific and materialistic objectivity. This conclusion is corroborated by Marx’s earlier *inquiries* that reaches conclusions that are “exactly opposite” to the later constructs and objectivizing equations of the *Capital*:

If e.g., it is an *invariable* law that in the last analysis - or rather in the sporadic (accidental) coincidence of supply and demand = the cost of production determines price (value), then it is no less an *invariable law* that these relations do not obtain, i.e., that value and the cost of production do not stand in any necessary relation. ... This is the *real* movement, then, and the above-mentioned law is no more than an abstract, contingent and one-sided moment in it. ... laws in economics are determined by their opposite, lawlessness. ... and we learned people arbitrarily seize on a few moments and establish them as laws.¹⁴³

Mutual dissimulation, hypocrisy and cant reach a climax ... This whole *ideal* existence of money means then that the *counterfeiting* of man must be carried out on man himself rather than on any other material, i.e. he must make counterfeit coin of himself, obtain credit by lies and underhand means, etc. ... the form of credit [rests in] the mystery implicit in the lie of moral recognition, no less than the hypocrisy ...¹⁴⁴

But our mutual recognition of the mutual power of our possessions is a struggle ... If my physical strength is great enough, I will plunder you directly. If the real of physical force has been neutralized then we each attempt to delude the other and the shrewdest get the better of the bargain. ...¹⁴⁵

¹⁴³ Karl Marx, “Excerpts from James Mill’s *Elements of Political Economy*, in Karl Marx, *Early Writings*, p. 260. Marx’s emphases.

¹⁴⁴ *Ibid.*, p. 260. Marx’s emphases.

¹⁴⁵ *Ibid.*, pp. 275-78. Marx’s emphases.

Inasmuch as Marx's *Capital* is a dialectic presentation of capitalism and capital, it represents a laborious "coquetting with the mode of [dialectic] expression." However since capital is an inversion of all values, Marx's *Capital* teaches what capital is by practicing inversion. At the same time, it impresses upon both the uncritical followers and uncritical opponents a theoretical (ideological) presentation of the "exact opposite" - an *a priori* construct of the would-be objective value of labor and the rational theory of value.¹⁴⁶ A feigned determinism of capital. And this is done consciously. A key to this encryption-inversion is given by Marx in one of his earlier notebooks: "So as to impose the inherent laws of capital upon [production] as external necessity, competition [presentation of capital] turns them all over. *Inverts them.*"¹⁴⁷ In this way, the *Capital* emulates - like Adam his Creator - capital itself. Thus both - capital and the *Capital* - can be defined as "the inverted head" - the inverted "reflection of the real inner into the head" so that it "may appear before us as if an *a priori* construction."

3.10. The message: Hegel is an inverted god, so is (the) *Capital*

In the "Postface" to the *Capital*, Marx's asserts that Hegel's dialectics, i.e. its forms of motion, is "standing on its head."¹⁴⁸ For Marx, as already indicated, was very

¹⁴⁶ Marx himself uses in this last section of the "Postface" twice the word "to impress." [See Karl Marx, *Capital*, Volume I, p. 103] No decryption is possible without leaving elsewhere some scattered clues. Cf., for example: "The exact development of the concept of modern economics, just as capital itself, whose abstract, reflected image is its concept, is the foundation of bourgeois society." [Karl Marx, *Grundrisse*, p. 33] In an inverted, false form, "the foundation" is "the reflected image" (cipher) of what capital really is. In other words, capital founds modern society on the magic imagology of the Platonic cave. As Nicolaus correctly explains the Hegelian concept of "concept" and appearance, "it 'has the form of the one-sided, immediate unity,' of opposites beneath its surface. ... It is only the surface, and displays the 'one-sided immediate unity' of the process beneath [or behind] ... The ideas which people may form about this presence may be pure delusion and fantasy, because they do not get past its one-sided unity ... Nevertheless, as surface, this presence is also a *limit* (boundary, barrier ...)" [Ibid., p. 30]

¹⁴⁷ Karl Marx, *Grundrisse*, translated by Martin Nicolaus (New York: Penguin Books, 1973), p. 761.

¹⁴⁸ Ibid., pp. 26-27.

subtly self-conscious of the use of words, their etymology and shifted meanings and much more than he is usually given credit for. Marx's particular background may account for part of it. A certain playfulness combined with the most astute attention is however an imperative in any serious cryptography. In this respect, "standing on its head" refers to a whole set of meanings and cannot be reduced to any single of them. (1) It denotes inversion as the basic rule of the dialectics of decryption; for inversion *is* the simplest, thus basic decryption. The other meanings depend on the various connotations of "head" that has at least two rudimentary meanings: man's head and "head" as capital. Since both these two "heads" are under the hegemonic rule of capital intertwined and confused, disentangling the various connotations also means to define capital itself and its corresponding man. In other words, what Marx ascribes as condition to Hegel is also a defining condition of capital and man's destiny under its "head." Thus other possible readings, that are moreover in conformity with our previous findings, may be formulated: (2) "Hegel's dialectics is standing on capital that is its head." This says nothing less than that a logic/mind of a modern man is that of capital. More specifically, this can also amount to a surprisingly humble admission that (3) Hegel's dialectic is standing as a God-Head on, that is, above Marx's *Capital* ("its Mortal Head").

If Hegel solved the problem *ideally* - in his head that can move others only *ideally*, in their heads, then Marx as a practical revolutionary need to do it practically, that is, to finish the *physical* or *material* part of the job. Marx's materialism became "the feet" for Hegel's head. Such also in my view is the meaning of Marx's "critique" of the idealist position toward *practice*, as formulated in Marx's "Theses on Feuerbach," especially in theses II and VIII:

The question whether objective truth can be attributed to human thinking is not a question of theory but is a *practical* question. Man must prove the truth, i.e. the reality and power, the this-sidedness [one-sidedness] of his thinking in practice. The dispute over the reality or non-reality of thinking that is isolated from practice is a purely *scholastic* question.¹⁴⁹ (II)

All social life is essentially *practical*. All mysteries which lead theory to mysticism [encryption] find their rational solution in human practice and in the comprehension of this practice.¹⁵⁰ (VIII)

To understand the above properly, especially with regard to Marx's identification of "all social life" with "practice," it is also necessary to add Marx's key to it: "This [materialist] practice must, therefore, divide [sic] society into two parts, one of which is superior to society [hence to practice]."¹⁵¹ In other words, "the superior part" stands above society and above practice and thus differs from both. The "superior part" is, as Marx implies, a realm where the "the educator," the revolutionary maker of the new people, "educates himself."¹⁵² The "superior part" then appears to be conceived not unlike a realm of Aristotelian leisure where Marx's "educator," the ruler, contemplates "the destruction of the earthly family," destroying it in theory.¹⁵³

At the same time, Marx equates "practice" with "sensuousness."¹⁵⁴ Marx's scheme then can be summarized in the following formula: social life = practical destruction of the family = "sensuous" destruction of the family. The "sensuous" is therefore contemplated

¹⁴⁹ Karl Marx and Frederick Engels, "Theses on Feuerbach" in Karl Marx, *The German Ideology*, Part One with selections from Part Two and Three and supplementary texts, edited by C.J. Arthur (New York: International Publishers, 1996), p. 121.

¹⁵⁰ Karl Marx, "Theses on Feuerbach," p. 122.

¹⁵¹ Ibid., Thesis III, p. 121.

¹⁵² Ibid., Thesis III, p. 121.

¹⁵³ Ibid., Thesis IV, p. 122.

¹⁵⁴ Ibid., Thesis I, V and IX, pp. 121, 122, 123.

by Marx in its relation to death. Obviously, for Marx, men as *social* being do not contemplate, they are to use their senses in the way other animals do. To this effect, the “nothings” - the *ciphers* of capital - have to be operationalized, that is, they need to become, to use Marx’s terms, a *practical* and *sensuous* nothing - in the form of money and statistics. Marx was himself aware that money exchange, that is, exchange between dumb ciphers, is in its essence an encrypted form of command over alien labor *without exchange, without equivalent*, “but with the semblance of exchange.”¹⁵⁵ Accordingly, under capitalism/nihilism, the “common” substance- what men have in common - is nothing but number (“nothing”).

Men who are merely sensuous but not thinking would be inevitably inferior to their “superior educator” who has also theory from which the former are hermetically and hermeneutically sealed off. In the light of such motivation, it then also becomes clearer why Marx attacks Feuerbach’s as-if-universal demand for contemplation. For Marx wants to reduce contemplation on the part of man in general to nothing but to “practical sensuousness,” thus reducing the human essence to a mere “dumb generality which [as if] naturally unites many individuals.”¹⁵⁶ This also reveals to us the reason for Marx’s criticism of Feuerbach’s materialism. Having destroyed the transcendent realm, Feuerbach stopped at the “civil society,” still preserving something of the human.¹⁵⁷ Marx’s goal is much more

¹⁵⁵ Karl Marx, *Grundrisse*, p. 551; also pp. 553-54; 562, 570, 572-4, 594, 596-97.

¹⁵⁶ Karl Marx, “Theses on Feuerbach,” Thesis VI 2, p. 122.

¹⁵⁷ Ibid., Thesis X, p. 123. Marx’s criticism of Feuerbach for failing to “grasp” (expropriate) in his criticism of Hegel the essence, should be contrasted with an early Marx’s criticism of Hegel, according to which, Hegel did grasp “the essence”: “Hegel adopts the standpoint of modern political economy. He sees labor as the essence ... of man.” [Karl Marx, *Economic and Philosophical Manuscripts*, p. 386] “Labor is man’s coming to be for himself within alienation or as an alienated man.” The “essence” is then alienation and its practical this-sidedness as labor (man) for money. [Ibid., p. 386] This “essence” “does not correspond to human nature.” “But the self is only abstractly conceived [enciphered-encrypted], produced by abstraction.” “The self abstracted and fixed [as cipher] for itself is man as abstract egoist, egoism raised to pure abstraction [cipher] in thought.” Such “essence” *qua* alienation-estrangement is

radical. It goes beyond Feuerbach's "discovering [destroying] the secret of the holy family."¹⁵⁸ It is a declared destruction of man's family. Marx holds against Feuerbach that his "the standpoint" - where Feuerbach appeared to have stopped - was civil society. Marx's "standpoint" has no such a limitation. It is that of "human society or social humanity" reduced to the "sensuous practice"¹⁵⁹ - to the material "feet" cut off from the "educator's" "superior" head. Marx's standpoint is thus that of pure absolute power. Its limit is nothing but the totality, where *power* is power to cut off (encipher-encrypt) "the head" from its "feet" - the inner superior life of the revolutionary dictator from the rest of animal, herd men reduced to the inferior practical, non-contemplated sensuousness. Yet while dialectically (cryptically) cutting the sinews between the head (tyranny) and the feet (buried mankind), both the head and the feet are simultaneously held together - dialectically (cryptically) - through ciphers, encryption, "burial." The nexus connecting these two parts is power, money, lies, etc., shortly, ignorance of those below. "The truth" is then contemplated by Marx as being nothing but power of the sensuous reality, "the this-sidedness of his thinking in practice."¹⁶⁰ It is the power to present the duplicity in its superficial one-sided form.

All the excavated connotations and implications also tell us something important about the magically abstract formula of capital M-C-M that narrows the wholeness of being and man's life to "this-one-sidedness" of the tyrant's contemplation (circumvention; encryption). Thus under the "sensuous" singularity of an one-sided cipher, number, price

"therefore *nothing but estrangement of self-consciousness*." "The science which comprehends this [unselfconsciousness] is therefore called *phenomenology*." [Ibid., p. 387] To comprehend phenomenological unselfconsciousness is to see "the essence" (man) as "the nullity" and take this for "self-consciousness." [Ibid., p. 388] Here we have also encapsulated much of what is argued above.

¹⁵⁸ Karl Marx, "Theses on Feuerbach," Thesis IV, p. 122.

¹⁵⁹ Ibid., Thesis I, VIII, IX, and X, pp. 121-23.

¹⁶⁰ Ibid., Thesis II, p. 121.

in “M” we have actually a disfigured, concealed, and buried *Matrix* of being and human life. That is, “M” as money is a negation of the whole interwoven context or matrix of all connections, effects and consequences that are ejected, ignored, and cut off - except as money. The truly multidimensional Matrix of being is reduced to single equations of quantity that is then “recollected” under “C” (capital) as one single cipher, number, amount. This shows to us that M (money) and C (capital) are themselves reductionist falsifications and disfigurations - ciphers - for what is left behind: the whole *Matrix* (Gathering Together of the Full Text; Decryption; Revelation) of Being = the *Cipher* (Unity-Circle) of Being. Of course the human condition as such is that of an encryption of the Matrix of Being and thus of a lesser or greater ignorance that can assume various forms.

3.11. The “nothing”: (the) *Capital’s* groundwork

If the *Capital* is mainly an ideological *head* of capitalism and its phenomenological presentation, then a question arises: Where are the foundations of Marx’s own dialectic? The bits and pieces of this groundwork appeared in Marx’s so-called early works such as *On the Jewish Question*, “Excerpts from James Mill’s *Elements of Political Economy*,” and *Economic and Philosophical Manuscripts*. More systematically, the foundations are laid down in a series of seven notebooks “rough-drafted by Marx, chiefly for purposes of *self-clarification*, during the winter of 1857-8. The manuscript became lost in circumstances still unknown and was first effectively published, in the German original, in 1953.” As Nicolaus also rightly noted, this work “challenges and puts to the test every

serious interpretation of Marx yet conceived.”¹⁶¹ The core of the manuscript composed of the two chapters “On Money” and “On Capital” is hence the inquiry into the very core of the capitalist system. I refer to Marx’s *Grundrisse*. The very title, *Grundrisse*, points to what we have been looking for - namely *the foundations*. This reading is also reconfirmed in the subtitle - *Foundations of the Critique [read: decryption] of Political Economy (Rough Draft)*. The *Grundrisse* is indeed a rough work of “the foundations,” “the life,” “the real movement,” and “inner connections” not yet smoothed up and inverted by a dialectic, “exactly opposite” presentation into an “*a priori* construct.” As a work of “foundations” it thus corresponds to Hegel’s *Logic*.

As such, the *Grundrisse* stands not only in a “dialectic opposition” to the *phenomenology of capital* - Marx’s *Capital* - but also against Hegel’s *Phenomenology of Spirit*. If the *Phenomenology* and the *Capital* can be compared to a universal church whose vast and intricate structures have the purpose to keep the masses of common believers in awe, the *Logic* and the *Grundrisse* are the strict, stern, and close-minded Mythraic crypts underneath (“the base”) where the “real life” and secrets of the official church were cultivated for the chosen. This is why the “unity of the structure and the method is *visible* in the *Grundrisse* on the *surface*; and this is its ultimately most important distinguishing characteristic.”¹⁶²

Marx himself, however, did not provide the *Grundrisse* with its revealing title. It was reconstructed by the Moscow editors in 1939 from various references in Marx’s

¹⁶¹ Martin Nicolaus, “Foreword,” in Karl Marx, *Grundrisse*, p. 7. A limited edition was published in Moscow in two volumes in 1939 and 1941. It was said that only three or four copies of the 1939-41 edition ever reached the West.

¹⁶² Karl Marx, *Grundrisse*, p. 42. Of course, “the unity of method and structure,” as Nicolaus quickly adds, “... is no more direct and immediate in the *Grundrisse* than anywhere else ...” [Ibid., p. 42]

correspondence. The choice of the title is therefore not only far from being arbitrary, but it also tells something about the depth of understanding on the part of the Moscow editors. The word “foundations” is the key. And it was to “foundations” that Marx clearly referred to in the aforementioned “Postface” to the *Capital*: “Of course the method of presentation [phenomenology] must differ in form from that of inquiry. ... My dialectical method is, in its foundations, not only different from the Hegelian [phenomenology], but exactly opposite to it.”¹⁶³

Martin Nicolaus, who translated Marx’s *Grundrisse* into English, seems to have grasped this very well, having apparently greatly profited from the clues of the Moscow editors. For he not only himself refers to the given part of the “Postface” to the *Capital* but also corroborates and develops this argument. He stresses:

In this respect, the *Grundrisse* is unique. No other published text from this period of Marx’s life allows so direct an *inquiry* [my italics] into his most important achievement and legacy, namely his *method of working* [inquiry]. The manuscript ‘comes like a veritable revelation’; it ‘introduces us, so to speak, into Marx’s economic laboratory [crypt; womb] and lays bare all the [phenomenological] refinements, all the complex by-paths of his methodology (Rosdolsky).’¹⁶⁴

Here Nicolaus had paved the way before us. Tracking down the evidence means recovering the traces of Nicolaus’ own investigation. Noteworthy in this respect is Nicolaus’ quotation from Marx’s letter to Engels dated January 16, 1858, when Marx was in the process of writing the fourth book of the *Grundrisse*: “I have overthrown [inverted] the entire doctrine of profit as previously [commonly] conceived. In the *method of working* [inquiry] it was of great service to me that by mere accident [sic] ... I leafed

¹⁶³ Karl Marx, *Grundrisse*, p. 102.

¹⁶⁴ *Ibid.*, p. 25.

through Hegel's *Logic* again."¹⁶⁵ In the same letter Marx also says that "if the time ever comes again for such work," he might give out in plain language "what is *rational* in the method Hegel discovered but at the same time mystified."¹⁶⁶

It is believed that Lenin did not know of the *Grundrisse*. Yet, Lenin shows himself to belong to the initiates, for, in his *Philosophical Notebooks*, he says: "It is impossible completely to understand Marx's *Capital* ... without having thoroughly studied the *whole* of Hegel's *Logic*."¹⁶⁷ In a footnote, Nicolaus quotes Lenin again, giving out the inner secret of Hegel's logic-method-decryption-enciphering and his revolutionary tribesmen. It is Lenin's commentary of Hegel's *Begreifen* (to grasp), deciphered by Hegel himself as *appropriation* (i.e., expropriation):

We cannot imagine, express, measure, depict movement, without interrupting continuity, without simplifying, coarsening, straining that which is living. The representation of movement by means of thought always makes coarse, kills - and not only by means of thought, but also by sense-perceptions, and not only of movement, but *every* concept. And in that lies the *essence* of dialectics. And precisely *this essence* [encryption-enciphering as death and death as enciphering-encryption] is expressed in the formula: the unity, identity of opposites [in cipher, as cipher].¹⁶⁸

¹⁶⁵ Karl Marx, *Grundrisse*, pp. 26-27.

¹⁶⁶ Ibid., p. 43. Nicolaus adds: "'That time' never came." [Ibid., p. 43] Saying plainly what the mystifying shell is would also mean to destroy its "rational" core.

¹⁶⁷ Ibid., p. 26.

¹⁶⁸ Ibid., pp. 28-29 ft. Nicolaus also adds that "the commercial distortion of dialectics as casuistry and double talk placed a severe limit on what would be achieved." [Ibid., p. 28] "The commercial distortion of dialectics" is the dialectics of moneymaking in particular and the dialectics of tyranny in general. And what is distorted is the philosophical dialectics, the Socratic dialectics. The "severe limit on what could be achieved" is also "the end of history." In another footnote, Nicolaus again quotes other revealing statement by Lenin in this respect: "If Marx did not leave behind him a '*Logic*' (with a capital letter), he did leave the *logic* of *Capital*, and this ought to be utilized to the full in the question [of dialectics]." [Ibid., p. 60 ft.] Nicolaus seems to imply that the *Grundrisse* is after all such a "*Logic*." It is also clear that "the *logic* of *Capital*" is not the *Capital* itself. It is also apparent that Lenin himself has access to such *logic/Logic* in whatever form it became available to him.

The *Grundrisse* itself is basically nothing but Hegel's *Logic* whose Prussian, purified and dried-out skeleton of the inner subject-matter *qua Being* is fleshed out and enlivened in Marx's *Grundrisse* by its real "life" as the dialectic of capital moneymaking. This is reflected in: (1) the extensive use of Hegelian terminology; (2) the intensive and self-conscious reflection of Hegel's method in the whole work; (3) the basic structure of the argument; (4) Marx's transcriptions of many passages directly from Hegel's *Logic* letter by letter, yet without ("dialectically") acknowledging the source.¹⁶⁹ If Hegel's *Logic* can be defined chiefly as a mechanism of making non-being out of being justified as a pure *logic*, then Marx's *Grundrisse* reveals why such unequal exchange of non-being for being is done - in order to create the imagology of capital that taxes men in the form of profit. Hegel's *Phenomenology*, *Philosophy of History*, and *Philosophy of Right* then represent justifications of such logic in man's consciousness, history, and legislation. Similarly, Marx's *Capital* and even the *Communist Manifesto* justify as "inevitable" and "scientific" the logic of capital. Marx's undoubtedly greatest achievement is therefore his "concealing unconcealment" of the fact that Hegel's dialectic *logic* is the dialectic logic of money capital.

This also means that the Hegelian "Universal and Homogenous State" (UHS) by whom everyone is finally "recognized" and thus made "completely satisfied," is not so much any particular modern state but the Universal and Homogeneous (Global) Capital (UHC) that "recognizes," that is, *numbers* and numbs, everyone on earth as a cipher-nothing.¹⁷⁰ In this connection, the arrogance of the alleged "complete satisfaction"

¹⁶⁹ Nicolaus did a very good in tracing these down. See Karl Marx, *Grundrisse*, pp. 32-44, 59-61, 102, 137, 174, 197, 244, 255, 260, 293, 301, 310, 312, 334, 360, 401, 448, 450, 536, 734.

¹⁷⁰ As to the possibility of the Soviet Union winning the Cold War, I refer the reader to the end of section 1.3. of Chapter 1, pp. 29-36, and Schumpeter's analysis of Soviet communism discussed in section 5.2. of

guarantee ought to be viewed as being hardly anything more than an advertising stunt. If this is true, than a good part of us, whose job is to think, are working for the Sales Department of the UHC.

The UHC is also the innermost *telos* of Marx's *critique* (decryption) of political economy. Marx explains the Universal (and Homogeneous) Capital in a footnote to the *Grundrisse*: "A *universal capital*, one without alien capitals confronting it, with which it exchanges - and from the present standpoint, nothing confronts it but wage laborers or itself - is therefore a [universal] non-thing."¹⁷¹ The innermost formula of the outermost is simple. It consists of two self-mirroring twins: universal capital = universal, systemic nothing that nothing confronts. Such "*nothing*" is also the secret life of capital understood not in terms of single commodities or transactions but as a whole comprehensive system. If the formula is given in a footnote, the whole text of the *Grundrisse*, the *Logic of moneyed Nothing*, is devoted to its unfolding.

The basic meanings of such universal *nothing*, as given in the *Grundrisse*, can be summarized as follows. The essence of capital is actually *exchange for "nothing."* For surplus value, the premise for profit, is essentially what costs capital nothing. And what costs capital nothing is labor which, as "surplus value," is tacitly (cryptically; often unconsciously) taken to be "free." In this way, it can be said that capital makes profit from "nothing," that is, from labor that vanishes in the cipher of surplus value as if "nothing." Labor *qua* surplus value is labor unrecognized as common labor; it is recognized only in the form of private profit appearing, as if magically, out of nothing. This magic of enciphering others' labor as nothing "then leads to a mass of confusion; either by having

Chapter 5, pp. 18-20.

¹⁷¹ Karl Marx, *Grundrisse*, p. 421 ft.

profit not realized in, but rather arising from, exchange (which can always be the case only relatively, if one of the parties to the exchange does not obtain his equivalent), or by ascribing to capital some magic power which makes something out of nothing."¹⁷² Thus profit on the part of capital is realized "without payment to *labor at all*. The gross and net profit is = to the material which is worked up for the capitalist *free of charge*."¹⁷³

Under capital, such unconscious ("noiseless") exchange for nothing is elevated into (encrypted) total automatism of exchange of unequals. A systematic exchange of merely apparent (numeric) equivalents for the imperative of regime maintenance is not equivalence but often illusory *excess*. Ideologically, the system of unequal exchange rests upon several hegemonically homogenizing terms such as value, surplus value, exchange, labor, capital. The euphemism of "value" represents a technique that is, however, the very foundation of capital.¹⁷⁴ It is a mode of phenomenological presenting of surplus value as something positive, while covering its negativity, superfluity, excess, deprivation.¹⁷⁵ Such abstract "values" are but covers for their hidden inversion and manipulation. In addition, it is the unselfconscious buying-into and consumption that appears to be a state of normal consciousness. Ideally, only such unconscious "consciousness" mediated and controlled through values and other *catch* words becomes the sole limit and problem for expansion of power and capital.¹⁷⁶ "Surplus value" is a cryptic euphemism for "value in excess of the equivalent."¹⁷⁷ "Surplus value" makes nothing (unrecognized labor) out of something

¹⁷² Karl Marx, *Grundrisse*, pp. 760-61; also pp. 324-25, 333, 340, 345, 356-7, 398-99, 415, 457-58, 460, 504 ft., 509, 516-17, 551, 553-54, 562, 570, 572-4; 594, 596.

¹⁷³ *Ibid.*, pp. 824.

¹⁷⁴ *Ibid.*, p. 421 ft.

¹⁷⁵ Cf. *ibid.*, pp. 399, 432.

¹⁷⁶ *Ibid.*, p. 416.

¹⁷⁷ *Ibid.*, p. 324.

(used labor) and something (profit) out of nothing (negated, unrecognized labor). The “nothing” made out of labor being the basis for excess is labor “recognized” as being free of charge and free of accountability. “Exchange” is enciphering itself and hence the quintessential *inner* of capital itself. Being a cipher itself, “exchange” covers over what is no exchange but by “appropriation of alien labor without exchange, but with the semblance of exchange.”¹⁷⁸ “Labor” is a key euphemism for “divesting oneself of one’s own power” as a member of the community with political rights.¹⁷⁹ “Labor” is thus a cipher for self-negation, self-denial, self-alienation, self-nihilation - inhumanization.¹⁸⁰ “Capital” is then in command over alien labor without exchange, without equivalent, but with the semblance of exchange.¹⁸¹ This unconscious, socialized automatism of euphemistic ciphers is presented on the surface to ordinary consciousness as its opposite - as exchange of formally equal numbers. Such unequal exchange, its total automatism, unresisting unconsciousness and false consciousness of its phenomenological “exact opposite” are vital conditions of capital as well as the life of capital itself. For capital to be, everything needs to be subordinated to the regime of such exchange.¹⁸²

Exchange for nothing, however, means that some others are effectively working for nothing.¹⁸³ Since surplus value is what costs capital nothing, capital strives to extend surplus value by extending the scope of such “nothing” - what is for it “free of charge.”¹⁸⁴ This, of course, does not mean that the real costs are not there. But such costs are either

¹⁷⁸ Karl Marx, *Grundrisse*, pp. 457, 509.

¹⁷⁹ See *ibid.*, pp. 322-23.

¹⁸⁰ *Ibid.*, p. 455.

¹⁸¹ Cf. *ibid.*, p. 551.

¹⁸² *Ibid.*, p. 742; cf. pp. 448-49.

¹⁸³ *Ibid.*, pp. 768, 770.

¹⁸⁴ See *ibid.*, pp. 416-17, 421-23, 426.

unrecognized as costs or/and they are displaced on labor, other groups, other nations, society, future generations, or on the environment and nature.

The basis of such economy of “the nothing” is essentially a privilege to tax for nothing. Encrypted taxation is the hidden secret of capitalist profit-making in general and private banking in particular - of course without representation of those who are taxed. Moreover, since profit-making also defines the very essence of money capital and money as capital, the necessary conclusion is that the innermost essence of money itself, as unfolded in capital, is not exchange but *tax*, *levy*.

In ancient times, as the Bible clearly testifies, money had been introduced essentially as a substitute for (bloody) ransom and the similarly bloody (not necessarily reciprocal) *lex talionis* (“an eye for an eye,” and etc.) (see, for example, Exodus 21-24). In fact, *to pay* actually also means *to pacify*. For both these verbs are etymologically the same yet with a crucial difference: the notion of pacification is older than that of paying. For *to pay* was derived through the French *payer* from the Latin *pacare*, to appease. Again it was the context of war that begot *payment* and evidently payment on the part of the defeated. This ties payment not only to war in general but to its original meaning as *retribution* in particular. And retribution is a but a relatively civilized substitution for plunder. Needless to say, most often it is the devil who is to be pacified or paid in order to be “pacified,” as the sailors’ saying “there’s the devil to pay” still indicates, thus perhaps echoing to us some lost “Phoenician” tradition.¹⁸⁵ The etymologically related Slavic *cena*, Greek *poine*, and Latin *poena* all originally meant *punishment*. The same root together with preserved original meaning is the English *penalty*. Later *penalty* came to be measured *in money*. It

¹⁸⁵ Joseph T. Shipley, *Dictionary of Word Origins*, p. 263.

actually became money itself. It also came to stand for *price* (money tag) as in the Slavic *cena*. Related to these words is also other Slavic word *kazen* - discipline; *kaznit* - to punish; to discipline; to educate. Money is therefore a sublated (encrypted, soft) penalty. This shows the origin of capital or money capital as concept as a sublated (encrypted) capital punishment. Moreover there is also the Slavic verb *ceniti* whose elder form was *ceriti* - to show up teeth, when aggressive or smiling, by *opening* the mouth *in a circle*. The root *cen/cer* might be not only logically but also etymologically related to *cipher*.¹⁸⁶

The secret of money - taxation - is also in accordance with its function as a legal tender by means of which taxes are excised and paid. To say that money had been begotten 'out of the barrel of a gun' might be an anachronism. The primordial notion of money as tax however brings us back to the forgotten truth that it is an armed power that begets money and imposes on the population their recognition as its legitimate offsprings that ought to be respected. Tax was a ransom for being allowed to live. This is also part of the unsaid story of Hegel's duel between the master and the slave. Those unexecuted were taxed. And money was thereby introduced. Consequently, tax was originally nothing else than a regularized form of robbery, capture, seizure, taking away (viz. the Latin *praehendere*, to take, to grasp, to seize, to hold, and its French equivalent *prendre*, whence *prize of war* and also such words as *prison* and *reprisal*).¹⁸⁷ Tax (before the advent of democracy) is exchange for nothing (but slave's lives) by definition. It is a sign of an arbitrary will not yet concealed and rationalized by political economy and statistical indices. Alternatively what had been seized had to be paid off (reward) a ransom to the robber. It is indeed deeply indicative that "exchange for nothing" is Marx's idea of capital.

¹⁸⁶ Josef Holub and Stanislav Lyr, *Stručný etymologický slovník jazyka českého*, p. 106.

¹⁸⁷ Joseph T. Shipley, *Dictionary of Word Origins*, pp. 234–45.

The intrinsic or primordial essence of money itself is therefore seizure and has very little to do directly with production *per se*. Tax as money is therefore only tax obscured and encrypted by money. On this basis, the fundamental question of politics “who gets what, when, and how” ought to be reinstated as “who is taxed, when, how, and why.”

This also means that although capitalism seems to turn everything into money, this is only partially true. For its power depends as much on monetization, especially with regard to labor, as on the privilege to be charged nothing, i.e., to use “surplus” labor for free, in return. In fact, money is a phenomenological cover employed as much out of convenience as out of necessity in order to extract in principle labor one-sidedly free of charge. For mutually “free” labor was *in principle* the basis of the pre-capitalist economies where it was “freely” and commonly used and shared by the *members* of the given community, whose membership was in turn defined by their right to do so. Capitalism turns the members of such communities into aliens and the communities themselves into the “communities” of aliens or strangers. In Marx’s words: “Exchange begins not between the individuals within a community, but rather at a point where the communities end - at their boundary ...”¹⁸⁸ Under capital, the disfigured and buried remnant of the pre-capitalist mode of reciprocal shares is under capital “negated,” that is, it is both conserved as “free” for capital and *nihilated* as “reciprocal” for labor.

The extendibility and sustainability of such free labor (“nothing”), that is, of how far the dictate to tax and take can stretch, is both the *telos* of capital and its barrier. For “the nothing” is a reverse side of how little of “necessary labor” capital can afford to

¹⁸⁸ Karl Marx, *Grundrisse*, p. 882; see also p. 873. Although it is implied primarily in the historical sense, exchange (for nothing) is also the constant deconstruction of community in the political and moral sense. Marx also implies that exchange as an *ending* of the communities was also “the point of departure of all cultured peoples.” [Ibid. p. 882]

impose on man and society. This means that capital is also a dialectical barrier to labor as well as to production itself. Profit not only disciplines men to work hard, erecting modern equivalents of Egyptian pyramids, it is also the limitation because the ideal goal is the profit *per se* and not production itself. The ideal toward which the “feet” of capital are incessantly striving is an infinitely large surplus labor, hence infinitely large pool of labor for free.¹⁸⁹ The theoretically obvious implications of this were also explicated as a “sensuous” practice in colonies in the nineteenth century and, in an even more developed form, as fascism and totalitarianism in the West in the twentieth century.

It is the excessive, for capital one-sidedly free, surplus exchanged for nothing that produces crises. Crisis is a violent regulatory mechanism that sorts out and balances by default the overstretched distorted ratio between “the nothing” and the necessary that has been bent excessively in favor of capital and its surplus. In this way, crisis reveals something about the pretense on the part of capital and its encrypting cybernetics. Ciphers, i.e., prices and statistical numbers, are revealed as meaning nothing, and a fierce societal battle is waged over what the assumed surplus ought to mean. What is at stake and what is questioned during a crisis is what is normally automatic, hence unquestioned and unexamined: the conversion of ciphers into reality. For, in their essence, these ciphers (prices etc.) are nothing but a dictate, commands and claims of capital *against* man and society. At one extreme stands the destruction (death) of society, at the other the destruction (death) of capital.

Crisis is a dialectical negation of the *soft* encryption of the capital economy that represents moneymaking in its more *hardened* and thus also more direct, more open, and

¹⁸⁹ See Karl Marx, *Grundrisse*, pp. 416, 421-3, 448-49, 538, 742, 766.

more brutal form. As a general hardening, it also makes profits and losses harder - weightier, heavier, stronger, more taxing, more oppressive - and also makes profits and losses harder to bear.¹⁹⁰ Crisis is a forceful reminder of the underlying hard side of the software in which the truth of moneymaking is sublated, thus confirming the dialectical (cryptic) unity of the soft and hard sides and their intertwined interdependence. However, as Fordism and Keynesianism have proved, a soft excessiveness of surplus can be mitigated (softly trimmed) by soft mechanisms of regulations that either elevate or tighten, when viable, the excess of the taxation of society by capital. This softening is nothing but an attempt to keep the excess of surplus within soft (moderate) limits, thus to make the excess of the taxation of society by capital as a whole rather softer than harder both for labor and individual capitals. Such softening of capitalism is also a softening or taming of its hard side, hence its relative negation. However, it is also a relative negation of capitalism itself that makes it systematically from the point of view of capital very problematic. As the events of the last decades has demonstrated, for the class interest of capital as a whole it is hard to be appeased with such softening, self-negation, for too long. This boils down to the question of whether the Leviathan can tame (soften) itself not only phenomenologically, on the surface, but also inwardly. Can capitalism tame itself? Can tyranny? The underlying issue is if such a tamed and assimilated Leviathan can be allowed to be a Leviathan at all. Fukuyama's 'liberal' answer is a softly disguised "No":

How long *megalothymia* will be satisfied with metamorphical wars and symbolic victories is an open question. ... [Hegel] understood that the need to feel pride in one's humanness would not necessarily be satisfied by the 'peace and prosperity' of the end of history. ... Death was a force like no other, capable of drawing men

¹⁹⁰ See Karl Marx, *Grundrisse*, pp. 445-47.

outside of themselves ... A liberal democracy that could fight a short and decisive war every generation would be far healthier and more satisfied than one that experienced nothing but continuous peace. ... Experience suggests that if men cannot struggle on behalf of a just cause because that just cause was victorious in an earlier generation, then they will struggle *against* the just cause. They will struggle for the sake of struggle. They will struggle, in other words, out of a certain boredom ... then they will struggle *against* that peace and prosperity, and against democracy. ... Modern thought raises no barriers to a future nihilistic war against liberal democracy on the part of those brought up in its bosom. ... Nietzsche believed the era of European nihilism, which he was helping to inaugurate, would lead to 'immense wars' of the spirit, objectless wars whose only purpose was to affirm itself.¹⁹¹

At the deepest level, this question is an ethical *and* religious question that has to be asked but cannot be answered for others.¹⁹² Until this deep question of rootedness and eradication of the modern politics of moneymaking and its *ciphers* becomes really "open," "the nothing" regimented by capital would continue turning the being of man into its own image and likeness - into man's not being, man as nothing.¹⁹³ Because capital is in its innermost essence exchange (enciphering-encryption) of labor for nothing, capital strives to create as much of such "nothing" (free labor) as possible.¹⁹⁴ Through the repetitive socialization with such exchange (encryption, alienation, separation) for nothing, "the nothing" had been changed from an illusion into "a necessary illusion" and had become "the general will."¹⁹⁵ Once "the nothing" became elevated (encrypted) as the general will, it also became possible to identify it as "freedom" and "liberty" (or liberalism). The more of "the nothing" capital has created, the more "freedom" it has developed. The more

¹⁹¹ Francis Fukuyama, *The End of History and the Last Man* (New York: The Free Press, 1992), pp. 329-30, 332-33. Fukuyama's emphases.

¹⁹² This does not mean of course that taming the Leviathan, the tyrant, is absolutely impossible. A best indication that under certain conditions it might be possible is the epiphany of Jesus Christ.

¹⁹³ See Karl Marx, *Grundrisse*, pp. 432, 436, 454.

¹⁹⁴ See *ibid.*, p. 399.

¹⁹⁵ See *ibid.*, pp. 509, 514.

surplus labor capital has created, the more *redundant* men it has produced. And “the more developed capital already is, the more *terribly* [harder] must it develop the productive force in order to realize itself in only smaller proportion”¹⁹⁶ - the more it has to abandon its soft, subtle war for a hot war and violence in order to revitalize itself by reinvigorating the side of the surplus and excess.

“The nothing” (cipher) is not only the essence of capital. It also a manifest of a man self-created in the image of capital and in its likeness - as a deliberate self-falsification, becoming nothing else but one’s own mask - one’s own *cipher*. Marx seems to have been greatly fascinated with the figure of Louis Bonaparte (Napoleon III), and he wrote two extensive analyses on his politics. In one of these works, in *The Class Struggles in France: 1848 and 1850*, Marx summed up in one sentence the character of this assumed hero as consisting of *nothing plus cipher*: “Precisely because he was nothing he was able to signify everything, except what he in fact was.”¹⁹⁷ In the *Critique of Hegel’s Philosophy of Right*, Marx used almost an identical expression, but this time he was speaking of his own ideal revolutionary genius: “*I am nothing and I should be everything.*”¹⁹⁸ The same theme was again expressed in the section “Money” in the *Economic and Philosophical Manuscripts*, where Marx used as a credo of man of money capital; “Therefore what I *am* and what I *can do* is by no means determined by my individuality.”¹⁹⁹ And again a very similar expression was used in the *Capital* - in reference

¹⁹⁶ See Karl Marx, *Grundrisse*, p. 340. The emphasis on the terrible is mine.

¹⁹⁷ Karl Marx, *The Class Struggles in France: 1848 and 1850* in Karl Marx, *Surveys from Exile*, p. 73.

¹⁹⁸ Karl Marx, *Critique of Hegel’s Philosophy of Right. Introduction*, in Karl Marx, *Early Writings*, p. 254. Marx’s emphases.

¹⁹⁹ Karl Marx, *Economic and Philosophical Manuscripts* in Karl Marx, *Early Writings*, p. 377. Marx’s emphases. Marx further explains that the “*I am*” is by no means determined by the individuality of the “*I am*” for it “is destroyed by money.” [Ibid., p. 377] It is destroyed by cipher and cipher allows it to “signify everything but what he really is.”

to money itself. "Since money [cipher] does not reveal what has been transformed into it, everything, commodity or not, is convertible [encipherable] into money."²⁰⁰

3.12. Capital alienation and encryption

Alienation and encryption (enciphering) are two of many names for the same thing that also presents itself as capital. Thus to define (decode) capital also means to define (decode) alienation and encryption. The inner unity of the names-ciphers "alienation," "encryption," and "capital" is expressed in Marx's definition of capital as "double positing, relating to self as to an alien [cipher]."²⁰¹ For Marx defines capital first as encryption - "double positing." Its other face is "relating to self as to an alien" - alienation.

Encryption and hypocrisy form one and the same concept. Capitalism had enthroned encryption as its sovereign method of control that has been moreover refined, perfected and made total and global. Encryption is political cybernetics. Briefly put, it means: total effect is all; in this respect, what is communicated and expressed *here and now* is nothing. Accordingly, the essence neither of money nor of capital can be established on the basis of particular prices, single transactions or other abstracted singularities. It is the whole system and the way it tends to work that matters. As Martin Nicolaus said: "'Money' comes to signify not merely some scrap of paper or metal, but rather an entire system of social relationships based on certain rules and laws, and involving a certain type of politics, culture, even personality."²⁰² After all the previous

²⁰⁰ Karl Marx, *Capital*, Volume I, p. 229.

²⁰¹ Karl Marx, *Grundrisse*, p. 449.

²⁰² Martin Nicolaus, "Foreword," in Karl Marx, *Grundrisse*, p. 14.

discussion we can now say that such “a certain type of politics and culture” is nihilism with a corresponding nihilistic personality.

3.13. Conclusion

Cipher, i.e., money, weaves the web of the Platonic cave and its tyranny. The autonomy of such ciphers is the autonomy of unselfconsciousness that stands for man’s and society’s loss of self-knowledge. Stock markets recognize only numbers and know *nothing* of the good and evil. The New York Stock Exchange, the City, and other bourses are temples of our new secular religion, our new Gardens of Eden which together make a worldly empire beyond good and evil.²⁰³

As the method and system of planetary moneymaking and globalization, ‘free’ markets are ciphers cut away from the buried human mind and conscience. This induced forgetting and ignorance is the very essence of the absolute method. Its material, though not absolute embodiment (*telos*) is money capital:

We followed the process by which this false semblance became firmly established, a process which was completed when the universal equivalent form became identified with the natural form of a particular commodity [man, labor], and thus crystallized into the money-form. ... The movement through which this process has been mediated vanishes in its own result, leaving no trace behind. ... Hence the magic of money. Men are henceforth related to each other in their social process of production in a purely atomistic way. Their own relations of production therefore assume a material shape which is independent of their control and their conscious individual action.²⁰⁴

²⁰³In his letter to Marie Helena, Hegel expressed his post-historical experience from Paris: In what other city in the world would I have visited a slaughterhouse? ... Before going there, we saw the Stock Exchange, also founded by Napoleon. What a temple!” [Roberto Calasso, *The Ruin of Kasch*, translated by W. Weaver and S. Sartarelli (Cambridge, Mass.: The Belknap Press of Harvard University Press, 1994), p. 27] Calasso also reminds us that the esoteric task of the “French Great Bourgeois Revolution” was, “to efface original sin.” [Ibid., p. 85]

²⁰⁴Karl Marx, *Capital*, Volume I, p. 187.

Money as cipher is a vanishing of the truth into the resulting abstract sign and number. It is precisely cipher as money that is the dialectic of absolute method that induces and produces such vanishing, fragmentation of the context and speech, and “materialism” independent of people’s control. In place of correlations, we falsely posit equations based upon the enciphering of things. Through a very prolonged process of gradual and forceful socialization with money or image culture, it has been established as granted that the higher the quantity of money, the more one has power to command and dispose of other people’s time and lives - by means of the images-commands. Money is modern (un)consciousness. We obey images (*mimesis*) and in images we trust. Picture is modern “god,” the Mediator in Chief. Today this god has been effectively reduced to its bare essence, its corpse which is nothing but a mere digit or cipher.

Money appears both as an absolute mediation²⁰⁵ and as an absolute message of globalization. Thinking about the essence of technology and money, McLuhan discovered that the medium (method) is the message. However it appears that this dictum is valid only (1) when the *explicit* content is essentially irrelevant, when it is *nothing*.²⁰⁶ This in turn is only realized (2) when the essential enframing (medium), is normally left outside our attention as (the) *nothing*, is made subject to investigation and deciphering that unfolds the

²⁰⁵ See Karl Marx, *On the Jewish Question*, in Karl Marx, *Early Writings*, p. 239; Karl Marx, *Excerpts from James Mill's Elements of Political Economy*, in Karl Marx, *Early Writings*, pp. 260-61.

²⁰⁶ As McLuhan himself said: “I have insisted that any new structure for codifying experience and moving information ... has the power of imposing its structural character and assumptions [its structural unconsciousness and ignorance] upon all levels of our private and social lives - even without the benefits of concepts or of conscious acceptance ... That is what I've always meant by ‘the medium is the message.’” [Cited in Paul Benedetti and Nancy DeHart, eds., *Forward Through the Rearview Mirror: Reflections On and By Marshall McLuhan* (Cambridge, Mass., and London: The MIT Press, 1997), p. 106] However McLuhan himself paid only a scanty attention to the hitherto supreme medium-message of our time - to money capital. See also *ibid.*, chapter “Medium is the Message,” pp. 102-142.

core out of its onion-like layered *nothingness*.²⁰⁷ This first condition is met in the hermetic circumstances of *encryption* (burial), the second under decryption (resurrection) that breaches the magic circles of ciphers.

“The medium is the message,” applied to the dictum “money is the (cut) sinews of war,” that is, to capital, means: (1) capital covers, disfigures and falsifies the message of war; (2) capital cuts off the message of war; (3) capital is the medium of war; (4) war is the message of capital; (5) capital numbs war; (6) the modern Leviathan is both a spiritualistic medium and war machine held together by the ciphered messages of money; (7) the circularity of money and war is held together by the sinews (that are cut); (8) the circular irrationality of money and war is the catch of man; (9) the (circular) *logos* of money and war is *logos* cut.

“The medium is the message” pertains to inversion that moves the outside (of the horizon) into the inside and the inside into the outside. As such, it is only reversing the previous inversion perpetrated by the media, i.e., capital.

Money is not only a power of ignorance or indifference, it is also a cryptic ignorance that under the veil of apparent rationality conceals the very fact of ignorance. Money is also a carrier of encrypted hostility and aggression against given boundaries in general and the boundary of man’s conscious (self)examination and thus (self)knowledge in particular.

Capital is the consummation of the inherent essence of money. Capital is both a
sum of all the dead or mortified labor consumed by capital, and power of the dead labor

²⁰⁷ It was Hannah Arendt who unveiled the structure of modern totalitarianism as “onion-like.” See Hannah Arendt, *The Origins of Totalitarianism* (New York: Harcourt, Brace and Company, 1951), p. 407. As Shipley noted many do not know that in *onion* there is *union* - according to the etymology. Thus it is correct that “In onion there is strength.” For “as far as you may peel [onion-cipher], you never reach the core [inner circle of the cipher-onion].” Joseph T. Shipley, *Dictionary of Word Origins*, p. 250.

that weighs heavily over the living labor as its recurring practice and method. As Marx put it in the “Preface to the First Edition” of *Capital*, “[w]e suffer not only from the living [evils], but also from the dead [evils]. *Le mort saisit le vif* [the dead man clutches onto the living].”²⁰⁸ Capital recycles and consumes its cave prisoners whose “social character can only be recognized *post festum*”²⁰⁹ - after the feast, after being consumed by capital. Capital as war recognizes man and his labor only as a dead enemy, quantity, body count. Such universal and homogeneous recognition is a matter of indifference for both capital and dead labor.

Complete death would however abolish both war and capital. To reproduce themselves, both war and capital are forced to spare some labor (men) in order to reap men as nothings and ciphers later. Similarly, death (capital) as radical denial has radically deny itself in order to affirm itself in the future. From here also stems the nature of moneymaking as *crypteia* - war of *ciphers* and hidden by *ciphers* - against human nature, that is, against man’s *thymos*, courage, and love of justice.

In Plato’s *Republic*, examination of moneymaking led Socrates to propose a law that would “ban indiscriminate usage of one’s assets”²¹⁰ and thus “prevent a man from squandering his substance.”²¹¹ For “the greatest of all evils” to be permitted is:

[a]llowing a man to sell all that belongs to him and another to acquire it. The seller will go on living in the city but will no longer be part of it. ... He will be listed simply as a pauper.²¹²

²⁰⁸ Karl Marx, *Capital*, Volume I, p. 91.

²⁰⁹ Ibid., p. 74.

²¹⁰ Plato, *Republic*, translated by Robin Waterfield (New York: Oxford University Press, 1994), 555a.

²¹¹ Plato, *The Republic*, translated by Richard W. Sterling and W. C. Scott (New York & London: W.W. Norton & Company, 1985), 555a.

²¹² Plato, *The Republic*, translated by Richard W. Sterling and W. C. Scott, 552a.

Socrates further indicates that a citizen who is merely a consumer is actually such a pauper. Being nothing but a consumer, such a person effectively ceases to be a citizen:

In the days when our pauper still had wealth and was spending his money, was he of any greater use to the city in the kinds of things we were just discussing? Or did he belong to the ruling class in name only but in fact was neither a ruler nor a servant of the city? He was merely a consumer. That's what he was. He seemed otherwise, but he was really nothing ...²¹³

In order to "eliminate the abuses of usury"²¹⁴ and "to force the members of the community to cultivate goodness,"²¹⁵ the second best law is "a rule to the effect that most categories of voluntary contract should be entered upon at the lender's own risk."²¹⁶

Capital is powerful because it has been misunderstood. What capital as encryption counterfeits, subverts and buried has however been as an idea with us all the time: it is a genuine "social contract," that is, common "things" - common deliberations and communications that would reestablish and maintain a system of mutual obligations and reciprocity.

²¹³ Plato, *The Republic*, translated by Richard W. Sterling and W. C. Scott, 552b.

²¹⁴ Plato, *The Republic*, translated by Richard W. Sterling and W. C. Scott, 556a.

²¹⁵ Plato, *Republic*, translated by Robin Waterfield, 556a.

²¹⁶ Plato, *Republic*, translated by Robin Waterfield, 556b.

4. TECHNOLOGY AND *TECHNE* AND *LOGOS*

"I see the task of thought ... to achieve an adequate relationship to the essence of technology. National Socialism, to be sure, moved in this direction. But those people were far too limited in their thinking to acquire an explicit relationship to what is really happening today and has been underway for three centuries."¹

Martin Heidegger

"Good people distinguish above and below and settle the ambitions of the people."²

Book of Change, 10

"Good people distinguish things in terms of categories and groups."³

Book of Change, 13

This chapter is a continuation of the previous discussions that touched upon the concept technology.⁴ Here, the question of technology and its possible transcendence becomes the central theme. The objective of the analysis is a clarification of the essence of technology, especially with regard to nihilism, the *cipher*, and the Platonic divided line. The key question of this chapter is how technology is related to *techne* and *logos*. This requires not only a critique of the nihilistic conception of technology, which is best exemplified by its Heideggerian account, but also an examination of the underlying meaning of *techne* and *logos*, obscured and negated in the concept of technology. The "hinge" or the bridge between all these concepts is an understanding of the mathematical that has also a direct bearing on our approach to the question of the cipher. In this regard, the Platonic divided line again serves as the cognitive and ethical scale to measure and thus

¹ Martin Heidegger, "Only a God Can Save Us," Heidegger's interview for *Der Spiegel*, translated by Maria P. Alter and John D. Caputo, in Richard Wolin, ed., *The Heidegger Controversy: A Critical Reader* (Cambridge, Mass. and London: The MIT Press, 1993), p. 111.

² Quoted in *The Essential Confucius: The Heart of Confucius' Teachings in Authentic I Ching Order: A Compendium to Ethical Wisdom*, translated and presented by Thomas Cleary (New York: Harper Collins, 1998), p. 32.

³ Quoted *ibid.*, p. 40.

⁴ Viz. especially the sections on Aristotle's analysis of the "unnatural art of acquisition" in Chapter 3, Hobbes' *mimetic art* in Chapter 1, and on Schumpeter's discussion of the technological method in Chapter 2.

to illuminate the radically distinct status of technology, on one hand, and *techne* and *logos*, on the other hand. The Platonic divided line provides a common analytical frame that makes it possible to tie all these concepts together and to reveal how they are related to each other. My method of proceeding here is ordering and analyzing the relevant accounts in a reverse chronological order, that is, going from post-Heideggerian interpretations, through Heidegger's and Marx's conceptualization back to the original philosophical accounts of *techne* and *logos*. Although this approach represents a descent in terms of time, it is *de facto* a logical ascent that follows the steps of the Platonic divided line back toward Socratic and Platonic dialectic, that is, toward its recovery and recollection. From the modern point of view, such an ascent may be seen in the opposite way - moving from 'the most advanced' to what was first. As Socrates put it: "There is the meaning of the word *techne* (art) ... the original names have been long ago buried and disguised by people ... twisting and bedizening them in all sorts of ways, and time too may have had a share in the change."⁵ I myself believe that, to have an adequate understanding of technology, it is necessary to move beyond the horizon of technology itself and thus beyond the horizon of modernity.

I conclude that *techne* as a purposeful human action accomplishes its essence, that is, becomes meaningful when it is understood and realized as a discipline that helps man cope ethically with the terrible and with the evil that results from the terrible itself. For the essence of *techne* is war and struggle. This means that *techne* is essentially the art of war that decides the question and choice of life and death, good and evil. And at least three

⁵ Plato, *Cratylus*, 414b-c.

things consequently violate and transcend nihilism and technology, i.e. money capital: *techne*, courage, and conscience that thinks (*logos*).

4.1. Technology: the last idol and worship of the West?

What is technology? According to Jacques Ellul, technology is today the most important “fact” of existence because it is the real creator of our modern world.⁶

According to Tom Darby, technology is what occupies the place of “the Great End, God, [that has] died at our own hand.”⁷ Technology is thus “our civilization’s most primal value” and the West’s only “one remaining end.”⁸ More concretely, technology as the only thing unquestioned is a form of power that justifies itself by itself, that is, by the making and manipulating of man’s experience and its perception:

The manipulation of the experience of time and space at once makes ideology and modern politics possible. ... What is new is that the revolutionary *knows* what he is doing. His tools for consciousness-shaping range from the blunt cudgel of terror to the most refined and subtle propaganda. ... it is a form of power ... the justification of power is, at the same time, a reinforcement of power ... Modern politics is the technique for controlling human beings.⁹

In Darby’s view, it then follows that technology with its end of ‘efficiency’ is “the means that best justify the object at a particular moment.”¹⁰ In this sense, technology is identified with a virtual ‘*magic*’ that “works,”¹¹ because technology does not require

⁶ Jacques Ellul, *The Technological Society* (New York: Alfred A. Knopf, 1967), pp. 3, 5.

⁷ Tom Darby, “Reflections on Technology: An Excursus as Introduction,” in Tom Darby, ed., *Sojourns in the New World: Reflections on Technology* (Ottawa: Carleton University, 1986), p. 12.

⁸ Tom Darby, “Reflections on Technology: An Excursus as Introduction,” pp. 18, 12.

⁹ Tom Darby, “Preface,” in Tom Darby, ed., *Sojourns in the New World: Reflections on Technology*, pp. vi-vii.

¹⁰ Tom Darby, “Reflections on Technology: An Excursus as Introduction,” p. 7.

¹¹ Jacques Ellul, *The Technological Society*, pp. 24-25.

self-consciousness, only a technical knowledge or recognition of the language of abstract signs.¹² Technology, this “fact,” is therefore “the only thing we do not question.”¹³ Both the notion of ‘magic’ and a lack of questioning are, moreover, also linked with the Leviathan. According to the Book of Job, only magic can revive the sleeping or dead Leviathan.¹⁴ On such magic Hegel said:

Every single person is a blind link in the chain of absolute necessity ... Every single person can extend his dominion over a greater length of this chain only if he ... learns from this cognition to utter the *magic word* which conjures up its shape. This cognition which can both embrace in itself the whole energy of the suffering and the antithesis which had ruled the world in all the forms of its development for a couple of thousand years, and can raise itself above it all ...¹⁵

Technology, the Hobbesian *mimesis*, is, therefore the magic that revives the old Biblical beast in the form of the universal ‘state.’ Herein also lies the peculiar essence of the modern age: the “death” of God is technology *qua mimesis*. It is this *mimetic* technology, i.e., money, that has become the new nature of the Leviathan, its body, subsistence, source of power and life - its *arms*. Hobbes’ Leviathan predicts this *mimic* technology and projects as an image the bureaucratic, “rational” essence, frame, and cage

¹² Tom Darby, *The Feast*, p. 220.

¹³ Tom Darby, “On Who Has the Right to Rule the Planet: Power and Wisdom: Politics As Destiny,” Part II, *Kritika & Kontext*, 3-4 (1998), p. 115; cf. Tom Darby, “Reflections on Technology: An Excursus as Introduction,” pp. 16, 18.

¹⁴ Gibson, *Signs and Symbols*, p. 132. Cf. Job 41:1-4; also Job 3:8: “Cursed be it by those whose magic binds even the monster of the deep, who are ready to tame Leviathan himself with spells.” On the link between Yahweh-Saturn-Leviathan see, for example, Job 31: 15: “Did not the same God create us in his belly?” Job 40:19, 41:8: “He is the chief of God’s works, made to be a tyrant over his peers. ... If ever you lift your hand against him, think of the struggle that awaits you, and let be.” Also Job 41:33-34. Basically, Yahweh identifies himself with Leviathan. See esp. 40:6-42:6.

¹⁵ Cited in Darby, *The Feast*, pp. 216-217. See also the following discussion of the magic power and the end of history *ibid.*, pp. 217-22, esp. on its relation of magic to technology on p. 218. In Darby’s view, the Word, the Magic Word is Hegel’s *Phenomenology of Spirit*. This magic formula of reawakening is the efficient cause that is ‘to bring forward into appearance’ - the terrible. [*Ibid.*, p. 220, note 42] This magic is bound up with forgetfulness. [See *ibid.*, pp. 221-22] The new world of despotism is begotten when many, all too many, forget.

of the modern state. Such is also the enframing essence of modern money as capital. Technology as the Leviathan's body is also the grave of the spirit. It is the grave where, to use Nietzsche's words, "the soul will be dead even before the body."¹⁶ It is the grave of the tormenting and hard labor of the spirit of (self-)conscience that has been seducing, goading, and subliming us upward to the idea-home of the good, the beautiful and justice. The Leviathan's technology of the terrible works on the principle of the *imperium* that "blood is spirit."¹⁷

So much said, it is necessary to follow closely the thread, i.e., elements, premises, and views, by means of which these factual statements are interwoven in order to find out their meaning. First and foremost, the ability to ask questions requires an adequate awareness, knowledge, and experience. Moreover, to question something also means the ability to orient oneself towards what is to be questioned. This can mean basically two things: to establish one's own standpoint and/or the locus or aim of the question itself. In other words, it is necessary to be able to recognize *distinctions* and their meanings. Difficulty arises because of the elusive and uncanny idea or the essence of technology itself that appears to give a free reign to man's arbitrary will. As Tom Darby put it: "Today because of our technology, the center is wherever man deigns to stand, and thus the boundaries of our world are constituted only by whatever we *will to do* and *can do*. And, we will do *whatever we can*."¹⁸ The difficulty is further compounded because to question technology also means to question the possibility of humanity and/or inhumanity in general and man's will in particular. Moreover, to ask a question about technology raises the

¹⁶ *The Portable Nietzsche*, p. 132.

¹⁷ *Ibid.*, p. 152.

¹⁸ Tom Darby, "On Who Has the Right to Rule the Planet: Life in the Age of the World Picture," Part III, *Kritika & Kontext* (Bratislava), 7-8, July 1999: 32. Darby's emphases.

question about man's own self-knowledge, and this is, admittedly, one of the hardest tasks of all, especially given the fact that we, moderns, are in many respects "conditioned" or even "defined" by technology.¹⁹

What distinguishes technology from previous techniques is its tendency toward its practical systematization that transforms all into the objects of will that are to this effect treated as "calculable stuff." Darby says:

When, in the early modern period, we first brought together or related or generalized an ensemble of techniques, *technology* appeared. With technology the 'logic' of use is transformed into the 'logic' of efficiency. ... The essence of technology lies in its progressive revelation to man that both the nonhuman and human world consists of quantifiable, calculable, manipulatable *stuff*, the primary value of which can only be understood or appreciated in relation to an increase in human power.²⁰

Darby's definition of technology is similar yet different from Ellul's.²¹ He says that "technology is a compound of western perceptions and practices" that "point to the radically revised relations to God, Nature, and Man" and that provide for man's satisfaction as citizen of 'the Universal and Homogeneous state' - of the regime of globalization at 'the (present) end of history.'²² Consequently, as Darby says, "[w]ithout

¹⁹ Tom Darby, "Tom Darby, 'On Who Has the Right to Rule the Planet: Life in the Age of the World Picture,' Part III, p. 34.

²⁰ Tom Darby, "Technology, Christianity, and the UHS," in Timothy Burns, ed. *After History?: Francis Fukuyama and His Critics* (London: Littlefield Adams Quality Paperbacks, 1994), p. 209; see also Tom Darby, "Tom Darby, 'On Who Has the Right to Rule the Planet: Life in the Age of the World Picture,' Part III, pp. 27-28. Darby's emphases. According to this account, the ancients did not have the right perceptions to go along with the practices, e.g., techniques.

²¹ According to Ellul, technology is "the totality of methods rationally arrived at and having absolute efficiency (for a given stage of development) in every field of human activity." Jacques Ellul, *The Technological Society* (New York: Alfred A. Knopf, 1967), p. xxv.

²² Tom Darby, "Tom Darby, 'On Who Has the Right to Rule the Planet,' Part III, p. 27; and Darby's personal communication. Cf. "The planet in principle has been infused with western *techne-logos*, harnessing the earth herself in principle, yet unleashing man from the light of the world." Tom Darby, "Nihilism, Politics and Technology," in Tom Darby, ed. *Sojourns in the New World: Reflections on*

technology (or modern science, which is but its other name) Kojève's vision of the Universal and Homogeneous State would be but a fantasy."²³ This echoes Heidegger's notion that "a world movement which either leads up to or has already led up to the absolute technological state."²⁴ In the process of leading to such a world state, "technology tears men loose from earth and uproots them ... [and the] uprooting of man has already taken place."²⁵

However, the posited man's satisfaction as a key premise of 'the end of history' comes with a 'catch': without the good and God, we cannot "measure either the truthfulness of what we say or the virtue or wickedness of what we do, then both philosophy and politics is over."²⁶ To this effect, the good and God had been first posited as standards "*external*" to man only to be progressively projected and left out as 'nothings' beyond the technological empire. Otherwise, in this final state without the good and God, and philosophy and politics, "[a]ll choices are equal."²⁷ From this it also follows that technology is not only a matter of organizing the life of modern society, it is also a question of certain type of consciousness. Technology is thus a result of certain imagination and its projection and representation.

This radical reduction is present in the concept of technology itself. Technology is a compound that fuses two Greek words *techne* (art, skill) and *logos* (reason, account, argument) in a way that (re)defines or revises them respectively as making and knowing

Technology (Ottawa: Carleton University, 1986), p. 126.

²³ Tom Darby, "On Who Has the Right to Rule the Planet: The End of History: Kojève's Serious Joke," p. 17.

²⁴ Martin Heidegger, "Only a God Can Save Us," p. 106.

²⁵ *Ibid.*, pp. 105-6.

²⁶ Tom Darby, "On Who Has the Right to Rule the Planet: Power and Wisdom: Politics As Destiny," Part II, *Kritika & Kontext* (Bratislava), 3-4, 1998: 111.

²⁷ *Ibid.*, p. 111.

and these again are rendered as “practice” and “perception.”²⁸ Thus, as far as technology is concerned, man’s practice is identified with making, and knowing is accordingly reduced to perception. Making and perception, however, are then again identified with and elevated to power and wisdom or truth itself.²⁹ This means that, according to this circular, ‘technological’ logic and its ‘efficiency,’ power and wisdom are fabrications and perceptions.³⁰ Moreover, to wisdom as the ultimate form of knowledge would also have to correspond the ultimate or absolute power. This is also indeed what Darby says: “[T]echnology rules and has the right to rule [the planet].”³¹ Politics is displaced by technology.³²

Technology is not only a compound of *techne* and *logos*, it is their hermeneutic fusion. For the ancients and everybody else until the modern period, *techne* and *logos* were related, yet distinct. In the conception of technology, that distinguishes modernity from the ‘old world,’ *techne* and *logos* become virtually ‘the same;’³³ thus, their original relation is made irrelevant and perceived as such. *Techne* and *logos* are sublated into a sameness or “a homeostasis of wholes and parts” and “of desire and need.”³⁴ Differently

²⁸ “Technology is a compound of the two Greek words *techne* and *logos*. *Techne* pertains to making and *logos* to knowing, to practices and perceptions. Tom Darby, “On Who Has the Right to Rule the Planet: Life in the Age of the World Picture,” Part III, p. 34.

²⁹ Tom Darby, “Preface,” in *Sojourns in the New World: Reflections on Technology*, p. vi; Tom Darby, “Reflections on Technology: An Excursus as Introduction,” pp. 9-10, 15; Tom Darby, “Nihilism, Politics and Technology,” in Tom Darby, ed. *Sojourns in the New World: Reflections on Technology* (Ottawa: Carleton University, 1986), pp. 111-117, 127; Tom Darby, “On Who Has the Right to Rule the Planet,” Part II, p. 111.

³⁰ “[E]verything that exists becomes increasingly caught in technology’s circular self-referring process, losing thereby its objectivity and dissolving into raw material to be shaped by human will.” Tom Darby, “Reflections on Technology: An Excursus as Introduction,” p. 8; see also p. 10.

³¹ Tom Darby, “On Who Has the Right to Rule the Planet,” Part III, p. 34.

³² Tom Darby, “On Who Has the Right to Rule the Planet,” Part II, p. 115.

³³ Tom Darby’s personal communication.

³⁴ Tom Darby, “Nihilism, Politics and Technology,” p. 124.

put, “*logos* becomes flesh,” that is, a body-man made and perceived so.³⁵ At the same time, “the final world” or “society” is perceived to be the (final) *logos* as well, for “there is no difference between World and Self.”³⁶ Since such a perception of technology is made from within technology itself, it has to apply to this vision too that “because of technology, we are able to *do/make* what we *see* - to re-present a universe as we will to see it.”³⁷

The eradication of the difference between power and wisdom, between action and thought, and between politics and philosophy, was already exposed by Socrates in Book V of Plato’s *Republic*. Through a ‘noble lie’ about the ‘philosopher-king,’ revealed shortly after as being actually a “lover of opinion” (sophist) as opposed to a “lover of wisdom” (philosopher),³⁸ the consummation of the tyrannical dystopia comes about as the fatal ‘third wave’ of man’s forgetfulness and ridicule.³⁹ In Book VII of the *Republic*, this regime is unveiled as the famous cave. According to Plato, this world is indeed ruled and dominated by the lowest, ‘desiring part of the soul’ or the lowest human denominator. The desiring part of the soul is also the seat of the moneymaking ethos. In this regard, Hobbes, the founder of modern liberalism, proves to be a reader not only of himself but also of Plato. In his dedicatory letter, he expressly identifies himself - as such a philosopher-king:

“I am a man that love my own opinions.”⁴⁰

³⁵ Darby says: “It is Hegel who reveals that Napoleon is the *logos* become flesh.” Tom Darby, “Nihilism, Politics and Technology,” p. 125.

³⁶ Tom Darby, “Nihilism, Politics and Technology,” pp. 125, 127.

³⁷ Tom Darby, “Tom Darby, “On Who Has the Right to Rule the Planet: Life in the Age of the World Picture,” Part III, p. 31.

³⁸ Plato, *Republic*, 480a.

³⁹ See Plato, *Republic*, 473c-d; 621a; cf. Tom Darby, “On Who Has the Right to Rule the Planet: Life in the Age of the World Picture,” Part III, *Kritika & Kontext* (Bratislava), 7-8, July 1999, note 15, p. 34.

⁴⁰ Hobbes, *Leviathan*, “Letter Dedicatory,” p. 2. Actually, Darby implies this as well: [Hobbes] says man is superior to God, which is the same as saying there is no god but Man ... In his attack on the heart of philosophy ... he compounds Aristotle’s first and third causes (material and agency) and the second and

The implication of the loss of the distinction between this new *techne* and the new *logos* is that “philosophy had to come to its end.”⁴¹ Since “philosophy” as such, however, cannot die or is ‘only a prejudice,’ this death or loss can only belong to the living men themselves. The ‘end of philosophy’ is another reason why a ‘philosopher-king’ has to be seen in this regard as an oxymoron. Moreover, because philosophy as search for wisdom also implies a search for justice, the termination of philosophy would open the world stage for self-conscious and unconscious tyrants.⁴² This takes us again back not only to the real nature of the ‘third wave’ of Book V of Plato’s *Republic*, the Platonic cave of Book VII, and their ‘map’ in the form of the Platonic divided line given in Book VI, but also forward to the essence of technology’s “temporal and spatial offspring - [to] the end of history and globalization.”⁴³

Another inevitable and moreover paradoxical conclusion is that, technology, although being a compound of the words *techne* and *logos*, is *without logos* inasmuch as *logos* cannot be equated with a physical man or man *qua* body. Furthermore, as far as *techne*’s purpose is tied to the *logos*, technology appears to contain *techne* in such a way that the meaningfulness of *techne*, that lies in its purpose, is lost as well. In the place of *logos* is a virtual nothing, that is, a pure cipher that covers up and serves nihilism. Darby himself says:

forth causes (idea and purpose), thereby bringing together a new practice and a new perception [or technology]. What follows, e.g., the text itself, is a *proof* of his ‘ground plan.’” Tom Darby, “On Who Has the Right to Rule the Planet: Life in the Age of the World Picture,” Part III, p. 34, note 11.

⁴¹ Tom Darby, “Nihilism, Politics and Technology,” p. 125.

⁴² Justice is displaced as “the central concern.” Jacques Ellul, *The Technological Society*, p. 18.

⁴³ Tom Darby, “On Who Has the Right to Rule the Planet: Life in the Age of the World Picture,” Part III, p. 34.

The last moment of the last world was the modern period. It was a time in which a continuity of interrelated development could be seen along with its underlying *logos*. For post-moderns there is no underlying *logos*, only discontinuity - difference. ... there is nothing upon which a postmodern even can pretend to rely. There is no inherent interrelation among things and events, so that man orders the resulting chaos of the ever-novel only through the will to will. This is the meaning of nihilism, *our* nihilism, and this is the connection between our nihilism and our technology.⁴⁴

In this way, technology becomes a cipher for nihilism and 'the will to will' which is the will to power and nothing besides. A man that is the 'fittest' kind with regard to nihilism (negated *logos*) and technology (negated *techne*) is a 'Maker who makes Himself' or a "creature with neither conscience nor a longing for transcendence."⁴⁵ This means that such a creature "exchanges conscience for the rational calculation of self-interest and the longing for transcendence for his immanent safety."⁴⁶ Hence, technology contains *logos* (reason) deprived of conscience and *techne* (art) removed from of the love of the good - the higher form of Eros. As I will show later in this chapter, both these deprivations pertain to the essence of *techne* and *logos*, that is, *if and as long* we remember, retain, and insist on their distinct and meaningful characters. Without conscience and a non-egotistical Eros, justice itself is deprived of its life and meaning. Elsewhere, closely reading Hegel, Darby makes even a consequential, but also inescapable inference that a "descent into death, or into the total destruction of the soul, is a prerequisite to [such] Science."⁴⁷

To sum up, the essence and *telos* (purpose or end) of technology can be defined as a systematic projection of erasing and reconstructing boundaries of knowledge and action with a view to the depolitization of man that implies a systematic negation and a closure of

⁴⁴ Tom Darby, "Reflections on Technology: An Excursus as Introduction," pp. 3-4. Darby's emphasis.

⁴⁵ Tom Darby, "On Who Has the Right to Rule the Planet," Part III, p. 27.

⁴⁶ Ibid., pp. 27-28.

⁴⁷ Tom Darby, "Nihilism, Politics and Technology," p. 121.

man's human, ethical, and political concerns under the sway and by means of 'efficiency' and its *ciphers*.⁴⁸ Thus, while all choices are seemingly equal to technology, the choices are becoming just one: man changed into "a nonpolitical animal" and as such "ceasing to be human."⁴⁹ In this regard, Ellul's description is also a warning:

As the political form best suited to the massive and unprincipled use of technique, dictatorship gains in power. ... Progress then consists in progressive dehumanization - a busy, pointless, and, in the end, suicidal submission to technique.⁵⁰

4.2. Technology and Heidegger's nihilism *uber den Humanismus*

Martin Heidegger's esoteric account of technology offers important insights and a serious challenge because it is also perhaps the most authoritative statements on the subject made by 'self-conscious' modern nihilism. In 1947, Heidegger published his "Letter on Humanism." His disciple, Hannah Arendt, praised the work as Heidegger's 'most splendid effort.'⁵¹ In German the title reads *Brief uber den Humanismus*. As the preposition *uber* in the title already indicates, the treatise is much less about overcoming nihilism as about overcoming humanism. Heidegger admits that, in a certain way, his thinking of Being is "against humanism".⁵²

⁴⁸ See Jacques Ellul, *The Technological Society*, pp. v, vii, 18; Tom Darby, "On Who Has the Right to Rule the Planet: The End of History: Kojève's Serious Joke," Part I, *Kritika & Kontext* (Bratislava), 2, 1998, p. 17; Tom Darby, "On Who Has the Right to Rule the Planet," Part II, p. 111; Tom Darby, "On Globalization: Life in the Age of the World Picture," Part III.

⁴⁹ Tom Darby, "On Who Has the Right to Rule the Planet," Part II, p. 115.

⁵⁰ "Capitalism did not create our world; the machine did." Jacques Ellul, *The Technological Society*, p. 5.

⁵¹ Heidegger, *Basic Writings*, p. 216.

⁵² Heidegger, *Basic Writings*, p. 233. It is interesting to note that in the "Letter" Heidegger also offers an "apology" for Marx too, arguing that "the Marxist view of history is superior to that of other historical accounts," and claims that others were unable to establish "a productive dialogue with Marxism." Heidegger, *Basic Writings*, p. 243.

Should we still keep the name 'humanism' for a 'humanism' that contradicts all previous humanism - although in no way advocates the inhuman? ... Or should thinking, by means of open [sic] resistance to 'humanism,' risk a shock ... Because we are speaking against 'humanism,' people fear a defense of the inhuman and a glorification of barbaric brutality. For what is more 'logical' than that for somebody who negates humanism nothing remains but the affirmation of inhumanity? ... Because we are speaking against 'logic,' people are horrified at philosophy that ostensibly dares to despise humanity's best qualities. ... Because in all the respects mentioned, we everywhere speak against all that humanity deems high and holy our philosophy teaches an irresponsible and destructive 'nihilism.' For what is more 'logical' than that whoever roundly denies what is truly in being puts himself on the side of nonbeing and thus professes the pure nothing as the meaning of reality?⁵³

Heidegger in his "Letter on Humanism" avoided and refused to admit that what "people believe" might be rooted in their own concrete experience with war, fascism, 'final solutions, death camps. He attacks such "logic" by turning the key terms into *ciphers* abstracted from common meanings of the words and concealing their new significations with which he *credits* them. Heidegger admits that his thinking "speaks against 'humanism'" and "against 'logic'" and form something new that "contradicts all previous humanism." By putting 'humanism' and 'logic' into brackets, Heidegger suggests that the meanings of these terms ought to be questioned. In doing this, Heidegger nowhere says what are then his own new definitions, i.e., that of his own '(in)humanism.' It is only possible to gather that Heidegger's perception contradicts or inverts the "previous" and still common meanings and their understanding. Concealing or encrypting his definitions makes 'humanism' and 'inhumanity' easily manipulatable abstractions or, if you want, convenient *ciphers* by means of which a direct confrontation with concrete events of Nazism and their concrete lessons are derailed. This deliberate ambiguity makes a genuine discussion very difficult, if not impossible. Yet, at the same time, Heidegger critiques

⁵³ Heidegger, *Basic Writings*, pp. 248-49.

'people' for failing to understand (decipher) the meaning of the abstractions which he deliberately constructed. In this regard, Paul Edwards' evaluation of Heidegger's theses on death is instructive. Edwards concludes:

When Heidegger's constant conflation of present and future and his confusion of death with concern about death are exposed, it becomes apparent that this doctrine amounts to no more than that ... human beings know they are going to die and that this knowledge influences them in various ways. This is true, but it is a platitude ... Heidegger's statement that death is a possibility and not an actuality turns out to mean no more than that, after a human being has died, he is an 'utter nullity,' i.e. that death involves the *total* absence of experiences and behavior. This is nothing other than the view of many philosophers and non-philosophers who believe that human beings do not survive death. Any appearance that Heidegger has here made a discovery is due to his outrageous misuse of the word 'possibility.'⁵⁴

Heidegger's "Letter on Humanism" is a *manifesto* and, as such, conveys Heidegger's program. The main emphasis is thus on what "must be fostered."⁵⁵ The "Letter" opens with Heidegger's call for a resolute action which would finish the unfinished project and decrypt its essence in its completion:

We are still far from pondering the essence of action decisively enough. ... But the essence of action is accomplishment. To accomplish means to unfold something into the fullness of its essence, to lead it forth into this fullness - *producere*.⁵⁶

To this effect, Heidegger perceives himself as "who thinks and creates with words" and who "maintains [Being] in language through [his] speech."⁵⁷ In other words, he

⁵⁴ Paul Edwards, *Heidegger on Death: A Critical Evaluation*, Monist Monograph, No. 1 (La Salle: the Hegler Institute, 1979), p. 60.

⁵⁵ Heidegger, *Basic Writings*, p. 255.

⁵⁶ Heidegger, *Basic Writings*, p. 217.

⁵⁷ Heidegger, *Basic Writings*, p. 217.

practices technology. For Heidegger, this means not to attend to “the rules of logic,” as he indicates at the end of the “Letter”:

The fittingness of the saying of Being, as of the destiny of truth, is the first law of thinking - not the rules of logic ... To attend to the fittingness of thoughtful saying does not only imply, however, that we contemplate at every turn *what* is to be said of Being and *how* it is to be said. It is equally essential to ponder *whether* what is to be thought is to be said - to what extent, at what moment of the history of Being, in what sort of dialogue with this history, and on the basis of what claim, it ought to be said.”⁵⁸

Heidegger’s “first law,” which is “not the rule of logic,” prescribes what is “truth” to his followers and guardians of “Being.” Comparing the operational definition of “truth” espoused by Vaclav Havel, a disciple of Heidegger’s student, Jan Patocka, shows an unmistakable kinship in terms of the message as well as the formulation: “Truth is not only what one thinks, but also in what circumstances, to whom, why and how one states it.”⁵⁹ “Truth” is thus reduced to a discourse, or, if you want, to nothing but a compound of perceptions and their practices, for example, in the form of words that are uttered. This new concept of ‘truth’ is made and perceived from within the nihilistic horizon of technology which, according to Heidegger, brings forth “truth” by producing it and thus *makes* it happen.⁶⁰

In Heidegger’s view, technology is distinguished from old forms of production as “challenging” or “demand.” This new mode unlocks, extracts, and stores energy and

⁵⁸ Heidegger, *Basic Writings*, pp. 264–65. Heidegger’s emphases.

⁵⁹ Quoted in Robert B. Pynsent, *Questions of Identity: Czech and Slovak Ideas of Nationality and Personality* (New York: Central European University Press, 1994), p. 21.

⁶⁰ Heidegger, “The Question Concerning Technology,” in Heidegger, Martin. *The Question Concerning Technology and Other Essays* (New York: Harper & Row, Publishers, 1977), p. 12.

power. Its principle is “the maximum yield at the minimum expense.”⁶¹ Hence Heidegger’s definition of technology is broad enough to incorporate capital together with its principle of profit.

Heidegger’s new term that pertains to technology is the *Bestand* rendered as ‘standing-reserve’ which modern technology brings forth, commands, produces, and reveals. The term *Bestand* is in ordinary German a word that also means “cash on hand,” “stock,” “commodity,” and “existence.”⁶² This direct link of Heidegger’s *Bestand* to money was unfortunately obliterated by translating *Bestand* into English as a neologism “standing-reserve.” It is also regrettable that Heidegger did not say if his *Bestand* (standing-reserve) differs in any way from Marx’s “reserve army” of labor - displaced and redundant men.⁶³ Heidegger however points out that “standing-reserve” means that “whatever stands by in the sense of standing-reserve no longer stands over against us as object.” Standing-reserve is “completely unautonomous.”⁶⁴ Consequently, standing-reserve is essentially an non-objecting object. The “truth” of technology thus lies in an objectless world of nonresistance.

In practice, this boils down to “setting public opinion to swallowing” whatever is produced “so that a set configuration of opinion becomes available on demand.”⁶⁵ This idea makes technology into an issue of opinion and inherently conditional upon opinion. Consequently, Heidegger’s thoughts about the regime of standing-reserve seem to have conspicuously much in common with commonly known techniques used especially in

⁶¹ Heidegger, “The Question Concerning Technology,” pp. 14-15.

⁶² See Tom Rockmore, *On Heidegger's Nazism and Philosophy* (Berkeley: University of California Press, 1997), pp. 358-59 n72.

⁶³ See Karl Marx, *Capital*, Volume 1, pp. 781-94.

⁶⁴ See Heidegger, “The Question Concerning Technology,” p. 17; see also p. 19.

⁶⁵ See *ibid.*, p. 18.

advertising - the activity of creating artificial needs the purpose of which is not necessarily real satisfaction for the buyer but the satisfaction of the seller whose goal is an increase in sales.⁶⁶ It is possible to say that Heidegger was merely describing the world as he saw it, despite his self-defined mission of creating a readiness for the arrival of a new Dionysian Savior as “the sole possibility.”⁶⁷ However, since in the world ruled by technology, perception is indistinguishable from making (viz. Darby’s account above), the distinction between describing and prescribing itself is then, by definition, a matter of ambiguity, if not of outright indifference. In fact, under the premises of the posited sameness of *techne* and *logos*, that define technology, description (perception) and prescription (making) ought to be the same. Excepting Heidegger (or anybody else for that matter) from the homeostasis of description-prescription or perception-making would thus seriously undermine the validity or reliability of the *nihilistic* claims about technology.

Heidegger’s standing-reserve is complemented with the cipher “Enframing” (*Gestell*). Heidegger’s “Enframing” is identified as the essence of technology and is conceived as a subject or an ego that orders and commands “standing-reserve” as its own “self-revealing” extension.⁶⁸ The word *stellen* in the *Gestell* also means producing and presenting.⁶⁹ The Enframing can be thus understood as a *mode* of self-produced extension of the subject who creates an order and commands.

⁶⁶ This nihilistic technique belongs to the market economy as much as to the business of modern politics. During drafting NSC-68, one of the program documents of the Cold War containment, Robert Lovett was put on record as saying: “[I]f we can sell every useless article known to man in large quantities, we should be able sell our very fine story in larger quantities.” [Quoted in John Lewis Gaddis, *Strategies of Containment: A Critical Appraisal of Postwar American National Security Policy* (Oxford and New York: Oxford University Press, 1982), pp. 107-8]

⁶⁷ Martin Heidegger, “Only a God Can Save Us,” pp. 107, 109; see also p. 108.

⁶⁸ Heidegger, “The Question Concerning Technology,” pp. 19, 23, 25, 27, 29, 30. Heidegger’s own formulation is deliberately more ambiguous: “which gathers man thither to order the self-revealing as standing-reserve.”

⁶⁹ *Ibid.*, p. 21.

Heidegger, moreover, himself stresses - or deciphers that "*Gestell* is also the name for a skeleton."⁷⁰ This admission is important because it directly points back to Hegel and, furthermore, to the concept of 'knack' (see also the discussion of Plato's *Gorgias* below),⁷¹ as well as to the notion of a 'scheme' and a 'phenomenon' or a 'shadow. The association is consequential because it pertains to the question of *techne* and its distinction from technology, which, in turn, shed further light on technology itself. The metaphorical concept of the 'skeleton' appears in the "Preface" to Hegel's *Phenomenology* in paragraph 51 (A.V. Miller's numbering) that deals with the 'knack of this kind of wisdom' (in Miller's translation)⁷² or 'the trick of wisdom' (in Kaufmann's translation).⁷³ This paragraph is preceded by Hegel's account of the 'phenomenon' that is a key part of the title of the whole work and thus reveals something about the essence of Hegel's project itself.⁷⁴ Moreover, from the 'knack' or 'the trick of wisdom,' Hegel immediately proceeds to his famous notion of 'the cunning of reason.'

A phenomenon is a "mere shadow" or "phantom" (*Schemen*), which is, according to Hegel, a degraded, "lifeless schema" (*Schema*).⁷⁵ "Lifeless" or "dead" is here related to "uncomprehended."⁷⁶ Such a phenomenological cognition is circular (note that technology too is circular). If one is caught in its circularity, "one never learns what the thing itself is,

⁷⁰ Heidegger, "The Question Concerning Technology," p. 20.

⁷¹ 'A 'knack' may be defined as man's practice that is irrational and non-reflective and thus lacks a purpose as distinguished from *techne* that stands for a skillful, hence purposeful art.

⁷² Hegel, *Phenomenology of Spirit*, "Preface," paragraph 51, p. 30.

⁷³ Walter Kaufmann, ed., *Hegel: Texts and Commentary: Hegel's Preface to His System and "Who Thinks Abstractly,"* (Notre Dame: University of Notre Dame Press, 1977), p. 78.

⁷⁴ In Kaufmann's translation, these two passages are part of a single section 14. *Against schematizing formalism.* Ibid., pp. 74-87.

⁷⁵ Hegel, *Phenomenology of Spirit*, "Preface," paragraph 50, p. 29; Walter Kaufmann, ed., *Hegel: Texts and Commentary*, pp. 74-75.

⁷⁶ Hegel, *Phenomenology of Spirit*, "Preface," paragraph 50, p. 29.

nor what the one or the other is.”⁷⁷ What Hegel later identifies as ‘the knack’ or ‘the trick,’ he also refers to as a “thoughtless” and “uncritical” practice of “everyday life” which stands for “the knowledge of the senses,” that is, mainly for a perception of outward, material appearances.⁷⁸ At the root of such a ‘knack’ or ‘trick’ stands an “external, empty application of the formula” that is constantly repeated and recycled.⁷⁹ Thus Hegel stresses: “The knack of this kind of wisdom is quickly learned as it is easy to practice; once familiar, the repetition of it becomes as insufferable as the repetition of a conjuring trick already seen through.”⁸⁰ The notion of “conjuring” evokes not only Hegel’s ‘scheme’ and phenomenon (*Schemen*), but also the *Geist* or spirit itself. That this section refers to technology can be inferred from Hegel’s reference to electricity, nitrogen, mechanical painting, and an “empirical physician.”⁸¹ The knack of technological formalism is “a power which brings together things that appear to lie far apart” and which inflicts “violence” on “the passive things of sense.”⁸²

Hegel’s account of the ‘knack’ with its schemes of shadows shares with Heidegger’s notion of the Enframing not only the metaphoric idea of the “skeleton” but also the notion of “reporting” and “storing”:

What results from this method of labeling all that is in heaven and earth with the few determinations of the general schema, and pigeonholing everything in this way, is nothing less than a ‘report clear as noonday,’ on the universe as an organism, viz. a synoptic table like a skeleton with scraps of paper stuck all over it, or like the rows of closed and labeled boxes in a grocer’s stall. it is as easy to read off as

⁷⁷ Hegel, *Phenomenology of Spirit*, “Preface,” paragraph 50, p. 29.

⁷⁸ Walter Kaufmann, ed., *Hegel: Texts and Commentary*, p. 76.

⁷⁹ Hegel, *Phenomenology of Spirit*, “Preface,” paragraph 51, p. 30.

⁸⁰ Ibid., “Preface,” paragraph 51, p. 30.

⁸¹ Ibid., “Preface,” paragraph 51, p. 30.

⁸² Ibid., “Preface,” paragraph 51, p. 30.

either of these; and just as all the flesh and blood has been stripped from this skeleton, and the no longer living 'essence' [*Sache*] has been packed away in the boxes, so in the report the living essence of the matter [*Wesen der Sache*] has been stripped away or boxed up dead.⁸³

Hegel further identifies the 'knack' or 'skeleton' with a "lifeless knowledge and its conceit" around which the flayed skin of "the excellent" is metaphorically wrapped and, more importantly, "which alone makes it possible for [the] universality [of power over the hearts and the minds] to be used in a superficial way."⁸⁴ Heidegger's Enframing is thus esoterically tied to Hegel as well as to the 'knack.' In essence, the 'knack,' the magic trick of 'wisdom' that conjures schemes and phantoms, is a "method of labeling all that is in heaven and earth," hence, a method of an "absolute identity" that blindly produces and is a "product of the lifeless Understanding and external cognition."⁸⁵ The 'knack' or 'skeleton' is crowned with Hegel's 'cunning of reason,' the concealed seat of power:

Thus it is the cunning which, while seeming to abstain from activity, looks on and watches how determinateness, with its concrete life, just where it fancies it is pursuing its own self-preservation and particular interest, is in fact doing the very opposite, is an activity that results in its own dissolution ...⁸⁶

⁸³ Hegel, *Phenomenology of Spirit*, "Preface," paragraph 51, p. 31.

⁸⁴ Ibid., "Preface," paragraph 52, p. 31.

⁸⁵ Ibid., "Preface," paragraph 51, pp. 30-31.

⁸⁶ Ibid., "Preface," paragraph 54, p. 33. In the *Encyclopedia* (1817), Hegel says about 'the cunning of reason' the following: "It is not the universal idea that incurs opposition and fight and danger: it keeps itself safe from attack and unharmed in the background, while sending the particular ... into the fight to wear itself out. One can call it the cunning of reason ... while that through which it translates itself into existence loses and suffers harm. ... The individuals are sacrificed and surrendered." Quoted in Walter Kaufmann, ed., *Hegel: Texts and Commentary*, p. 83, note 28. In this section on "scheming," the "determinateness" ("this kind of simple determinateness") appears as one of the series of the expressions used by Hegel to describe the 'knack.' See the beginning of paragraph 51, Hegel, *Phenomenology of Spirit*, p. 30.

Accordingly, Heidegger's Enframing makes, unfolds, and reveals man as a "skeleton" or what Hegel also described as "a lifeless universal" and "a bare corpse" at the beginning of his "Preface" as the aim of his own Science.⁸⁷ Consequently, there is a good reason to prefer the word "skeleton" to the more colorless "Enframing" in order to convey the richer associations that the former term has over the latter and to keep *Gestell* closer to its origins and its underlying meaning.

Heidegger also adds that this skeleton network "sets upon man."⁸⁸ The *Gestell* is therefore thought as an *external* skeleton or *externalization* of man's skeleton.⁸⁹ And external skeleton can only be an alien one. This skeleton-making is "what holds sway in the essence of modern technology and which is itself nothing technological."⁹⁰ The reason to stress the notion of the 'skeleton' is also given by the fact that its variant together with an explicit reference to death is also a key term in the sentence where Heidegger most explicitly presented his understanding of technology. This sentence, originally part of Heidegger's lecture entitled "Enframing" (1949), was removed from the text published under the title "The Question Concerning Technology" (1954): "Agriculture is now a mechanized food industry, in essence the same as the manufacturing of corpses in gas chambers and extermination camps, the same as the blockade and starvation of nations, the same as the production of hydrogen bombs."⁹¹ For Heidegger, the difference between

⁸⁷ See Hegel, *Phenomenology of Spirit*, "Preface," paragraph 1. 3, pp. 1-3.

⁸⁸ Heidegger, "The Question Concerning Technology," p. 20.

⁸⁹ Beistegui's decipherment of Heidegger's *Gestell* is therefore a correct one: "the happening [i.e., making] of truth as untruth or the domination of the counter-essence of truth." [Miguel de Beistegui, *Heidegger & the Political*, p. 120]

⁹⁰ Heidegger, "The Question Concerning Technology," p. 20.

⁹¹ Quoted in Tom Rockmore, *On Heidegger's Nazism and Philosophy*, p. 241. Rockmore is therefore right when he said that "Heidegger's theory of technology [is to be considered] as a revised, reworked, better formulation of the unsuccessful Nazi effort, as Heidegger understands it ..." [Ibid., p. 240] Nevertheless, in Heidegger's opinion, he was duly practicing "the piety of thought." Heidegger, "The Question Concerning Technology," p. 35.

food production and “the manufacturing of corpses in gas chambers and extermination camps” is thus one of essential indifference, both expressing the same essence of technology. In the still unpublished lecture on technology (1949), Heidegger also conjures up a similar vision of a “lifeless” phenomenon or a scheme of death:

Hundreds of thousands die en masse. Do they die? They succumb. They are done in. Do they die? They become mere quanta, items in an inventory in the business of manufacturing corpses. Do they die? They are liquidated inconspicuously in extermination camps. ... But to die is to endure death in its essence. To be able to die means to be capable of this endurance. We are capable of this only if the essence of death makes our own essence possible.⁹²

The essence of technology itself is, however, not technological.⁹³ In Heidegger’s view, the essence of technology as the abode of a “mystery”:

What is dangerous is not technology. There is no demonry in technology, but rather there is the mystery of its essence. ... The rule of Enframing threatens man with the possibility that it could be denied him to enter into a more original revealing and hence to experience the call of a more primal truth.⁹⁴

“In the End of Philosophy and the Task of Thinking” (first published in 1966 in France), Heidegger makes his idea of a “more original revealing of a more primal truth” and “the mystery of its essence” somewhat more explicit:

The end of philosophy proves to be the triumph of the manipulable arrangement of a scientific-technological world and of the social order proper to this world. The

⁹² Quoted in Tom Rockmore, *On Heidegger's Nazism and Philosophy*, p. 242.

⁹³ Martin Heidegger, “The Question Concerning Technology,” pp. 4, 23, 35.

⁹⁴ *Ibid.*, p. 28.

end of philosophy means the beginning of the world civilization based upon Western European thinking.⁹⁵

If philosophy has ended, then truth can be changed at any time by technology which in turn changes our social order. This is what it means to be modern and especially postmodern. As Erik Ringmar put it: "To be modern is to revolt against ... established ways; it is not to search for 'the truth,' but instead constantly to suggest new ways in which the world may be interpreted. '[M]odernity is a sort of creative self-destruction.'"⁹⁶ We can thus formulate a thesis that the modern Western project is nihilistic because and insofar as it denies truth and man any ontological meaning. That Heidegger's perception and account are nihilistic is, of course, nothing new. Newness, however, is not a criterion or requirement of truth, and sometimes even 'banal,' that is, older truths are worth repeating so that they are not lost. Novelty is merely an imperative of technology and, in itself, says nothing about what is important.

For Heidegger, what lies in the essence of technology is precisely the secret of "the social order proper to this world" which is one of "the manipulable arrangement."⁹⁷ Or as Heidegger put it in his interview with *Der Spiegel*: "A decisive question for me today is: how can a political system accommodate itself to the technological age, and which political system would this be?"⁹⁸ In this regard, Heidegger defined the mission of his "other thinking," as opposed to philosophy, as "preparing a sort of readiness, through

⁹⁵ Martin Heidegger, "The End of Philosophy and the Task of Thinking," p. 435.

⁹⁶ Erik Ringmar, "Alexander Wendt: a social scientist struggling with history," in Iver B. Neumann and Ole Wæver, eds., *The Future of International Relations: Masters in the Making* (London and New York: Routledge, 1997), p. 269. "Creative destruction" is, of course, a term by means of which Schumpeter defined capitalism.

⁹⁷ Martin Heidegger, "The End of Philosophy and the Task of Thinking," p. 435.

⁹⁸ Martin Heidegger, "Only a God Can Save Us," p. 104.

thinking and poetizing, for the appearance of the god or the absence of the god in the time of foundering [*Untergang*]" as "the sole possibility left for us."⁹⁹

With regard to the nature of the new global regime and its relation to democracy, Heidegger was however more specific. He said: "I am not convinced that it is democracy."¹⁰⁰ For Heidegger, democracy was only a "half truth" because it is not "a genuine confrontation with the technological world."¹⁰¹ Heidegger nevertheless firmly believed that the new form would correspond to "the mystery of the superior global power of the unthought essence of technology."¹⁰² It will be "the absolute technological state."¹⁰³ The meaning of this regime may be gathered from another Heidegger's perception that "evil appears all the more in the clearing of Being."¹⁰⁴ Technology is thus a systematic way for putting nihilism into practice, for "rationalizing" nihilism and changing practice and human nature accordingly.

4.3. Capital and Technology: false friends or false enemies?

It might seem that technology begins where capital as money ends. However, as the previous analysis shows technology is a kind of a hermeneutic universe that consumes and becomes virtually everything. So much is already applied in Marx's formula of capital circulation M-C-M where "M" stands for a universal convertibility of all that stands against capital as its object into money, and "C" denotes all that becomes commodified,

⁹⁹ Martin Heidegger, "Only a God Can Save Us," pp. 107, 109; see also p. 108.

¹⁰⁰ Ibid., p. 104.

¹⁰¹ Ibid., pp. 104-5.

¹⁰² Ibid., p. 110.

¹⁰³ Ibid., p. 106.

¹⁰⁴ Heidegger, *Basic Writings*, p. 260. In Schmitt's view, "the fact [is] that Hegel and Nietzsche too belong to the side of evil." Carl Schmitt, *The Concept of the Political*, trans. George Schwab (Chicago and London: University of Chicago Press, 1996), p. 60.

hence part of production and exchange that are subject to the control and command of capital.¹⁰⁵ The absence of external impediments to the command of capital over a general mobilization of human and natural resources is what the slogan of “free convertibility” means:

“[Capital] with the development of the mode of production peculiar to itself, it eliminates all the legal and extra-economic impediments to its freedom ... Above all it overturns all the legal or traditional barriers that would prevent it from buying this or that kind of labor-power as it sees fit, or from appropriating this or that kind of labor.”¹⁰⁶

To be converted into money means to become *freely* exchangeable, *free* for sale, that is, to be chained to the freedom of capital and its dictate.¹⁰⁷ Similarly, to be commodified means to stand ready and free for a “productive” transformation, that is, for a transformation into monetary units (*ciphers*). It can, therefore, be noted that the discourse of capital, this new Western “*logos*,” is essentially driven by the same spirit of transformation and control as the new Western “*techne*” or technology.

In their essence, both monetary convertibility and commodification are *modes* and *de facto ciphers* (concealments) for submission under the command of capital and its monetary *ciphers*. Labor obeys these *ciphers* to become one of the ciphers in turn. This also means that both commodification and monetary encoding have in common the *mode of encoding or enciphering* and as such they share the same essence: they are social *ciphers* that transform, alienate and negate human and non-human nature into abstract

¹⁰⁵ Karl Marx, *Capital*, Volume 1, pp. 247-280.

¹⁰⁶ *Ibid.*, p. 1013.

¹⁰⁷ *Ibid.*, pp. 1010-11, 1026-29.

ciphers that in the process become “rationalized” and “objectified” by technology, i.e., the institutions of the market and the state.

Not only is the corpus of capital made up of numerous social *ciphers*, capital itself is a social *cipher* writ in large letters. To this effect, Marx quotes “one of the most important modern English economists,” T. Hodgskin: “Capital is a sort of *cabalistic world* like church or state, or any other of those general terms which are invented by those who fleece the rest of mankind to conceal the hand that sheers them.”¹⁰⁸ Money “is transformed into capital, becomes capital, and from the point of view of its function, *already is* capital.”¹⁰⁹ The same can be said about technology vis-a-vis capital:

Thereby capital ... by revolutionizing production revolutionizes demands and needs themselves, expanding markets, provoking new needs, creating new products and new spheres into which production of exchange values for more value, production for profit, makes its appearance. This leads to a constant expansion of technology ... These discoveries too become a business subsumed under capital.¹¹⁰

However, as Marx stressed, “the real subsumption of labor” under the command of capital, as opposed to its previous merely “formal” supremacy, was possible only “on the foundation” of technology and its development that “transformed the nature of the labor process and its actual conditions.”¹¹¹ In other words, technology allowed money capital to escape the narrow boundaries of its former dominions restricted to credit, wholesale trade and money exchange and to invade, overrun, and overturn all spheres of social life. In a footnote, Marx also gives a definition of technology that deserves our attention:

¹⁰⁸ Karl Marx, *Capital*, Volume 1, pp. 999-1000 note 8. Marx’s emphasis.

¹⁰⁹ *Ibid.*, p. 248. My emphases.

¹¹⁰ Ernest Mandel, “Introduction,” Karl Marx, *Capital*, Volume 1, p. 945.

¹¹¹ Karl Marx, *Capital*, Volume 1, pp. 1034-35. Ma

Technology reveals the active relation of man to nature, the direct process of the production of his life, and thereby it also lays bare the process of the production of the social relations of his life, and of the mental conceptions that flow from those relations.¹¹²

It is noteworthy that technology is identified as the *active revelation* that is created and called forth by man himself. Moreover, this new method of knowing and making reduces social relations as well as their “mental conceptions that flow from these relations” to the “direct process” of production. Technology reveals what it has already changed and negated and not the original form. Thus, technology *recognizes* only what it makes and transforms. In this, technology also lays bare the source of its essential commonality with capital, namely, the transformative unveiling of ‘nature’ as “the direct process of the production of life” and the presentation of this production as a totality of social cognition and self-consciousness. As Marx suggests, social relations as well as mental conceptions are all part and products of technological development. In addition, Marx stresses that “capital is in itself indifferent to the *particular* nature of every sphere of production ... as value valorizing itself, [it] views with indifference the particular physical guise in which labor appears in the labor process, whether as a steam-engine, dung heap or silk ...”¹¹³ So, while it might be correct to say that where money capital begins, technology ends, the fact that with the increasing revelation of the essence of money and technology, their formal and superficial differences tied to concrete materials are cast away.

Both ‘money’ and ‘technology’ mediate the same exchanges. Money has become part of our software, part of cybernetics itself. In our electronic age, creation, valuation,

¹¹² Karl Marx, *Capital*, Volume 1, p. 493 note 4; see also p. 617.

¹¹³ *Ibid.*, pp. 1012-13.

transfer, storage, and use of money now directly depends on technology and its networks without which much of the present monetary wealth would simply go out of existence. As such, money becomes congruent with technology, part of its digital and encoding systems. Yet, at the same time, money as such reflects in a capsule the underlying essence of technology - the power to command, to transform, and to nihilate human and non-human nature by means of abstractions, that is, of *ciphers*.

With technological progress intensified, real money appears to be subsumed by technology, and thus it is hard, if not impossible, to distinguish between the logic of money capital and the logic of technology. The difference becomes rather arbitrary. Miguel de Beistegui, in his interpretation of Heidegger, extends the revealed sameness of the modern method of control and concomitant loss of apparent difference to the totalitarian and fascist mode of control and command:

In other words, it makes no difference whether science be seen from the perspective of Capital and of its logic of accumulation, whether it be considered from the standpoint of the systematic and technical organization of the earth through five-year planning, or indeed from the viewpoint of the preservation and the perpetuation of the master race. In every case, the whole of being must be posited as standing reserve (Heidegger's *Bestand*), as that which can be endlessly manipulated, transformed, processed or disposed ... Not only the earth, but man himself ... has become subjected to this process of machination: a commodity like any other commodity, and instrument of global planning, disposable waste (industrial, biological, political).¹¹⁴

If we accept the plausibility of Miguel de Beistegui's statement, the following can be suggested. Capital, technology, and modern forms of dictatorship initially appeared or were posited as somehow related but nevertheless as distinct from each other. However,

¹¹⁴ Miguel de Beistegui, *Heidegger & the Political: Dystopias* (London and New York: Routledge, 1998), p. 77; cf. pp. 68, 71.

the more capitalism is freed from its former barriers, the more there is a pronounced tendency not only toward a *formal* co-penetration, congruence, and assimilation between capital, technology, and authoritarian rule but also a tendency toward revealing the project to “posit the whole of man himself” “as that which can be endlessly manipulated, transformed, processed or disposed.”

4.4. The mathematical and the cipher as the boundary of the Platonic cave

As I have argued, the *cipher* is what lies in the essence of the modern *mode* of total control. As such, that is, as the ‘elementary particle’ of technology, the *cipher* (i.e., ‘the nothing’ and ‘zero’) also marks the boundaries of our global Platonic cave. However, as a boundary, the *cipher* is also what stands in-between the cave and the transcendent abode of philosophy and ethics. The *cipher* can be thus looked upon as if from the both sides of the Platonic ‘great divide’ (*metexy*), and we ought to expect that these views would radically differ from each other. One would be the nihilistic notion of the *cipher* from which the hermeneutics of the Platonic cave is built, the other would be its philosophical account. Yet, the *cipher* as boundary is also what these two different realms of experience have in a certain sense *in common*. Consequently, what mediates the understanding of the *cipher* is also the bridge as well as the line of separation between the modern cult of technology and the original account of *techne* and *logos*, in particular, and between nihilism and philosophy, in general. This mediator is the mathematical. For inasmuch as the bare essence of the cipher is a number, the cipher directly pertains to the underlying question of the mathematical. It is through the mathematical that the cipher can

make sense at all in the first place. By implication, the *meaning* of technology itself depends on the understanding of the mathematical.

For the purpose of our discussion it is, therefore, necessary to consider how technology is related to mathematics. At the same time, the mathematical can serve us an effective bridge between the moderns and the ancients. In the diagram of the Socratic divided line, the mathematical is related to calculation (*logismos*) which stands next to *techne* above the 'great divide' and the Platonic cave. In the diagram of the Platonic divided line, the mathematical (*logismos*) is also where the notion of *logos* appears for the first time and that as the very root of the term. The mathematical, moreover, also comes in-between and holds together human practice (*techne*) and thought. Both the mathematical and *techne* are thus part of the other side of the 'great divide' that provides for the differentiation between nihilism and philosophy, between the Platonic cave and its 'beyond.' Such is also the meaning of the inscription *Ageometretos medeis eisito!* - "Let

no one who has not grasped the mathematical enter here!” - that Plato put over the entrance to his Academy.¹¹⁵

	the idea of the good/justice itself [Eternal Presence]		
Intelligible Being; Ethical Life	Intelligence (<i>nous</i>)	Dialectic (<i>dialegen</i>)	Knowledge (<i>episteme</i>)
	Thought (<i>dianoia</i>)	Calculation (<i>logismos</i>)	Arts (<i>technē</i>)
Great Divide between ethical life and death ⇔			
Platonic Cave; Tyrannical World; Sensual	Trust (<i>pistis</i>) [Faith]	Objects, Artifacts	Opinion (<i>doxa</i>)
Becoming; Ethical Death	Imagination (<i>eikasia</i>)	Images, Shadows Appearances Phantoms Representations	Imitation (<i>mimesis</i>) [Unconscious]

In a formal sense, Heidegger's explanation of Plato's warning cannot be disputed:

“The mathematical, in the original sense of learning what one already knows, is the fundamental presupposition of ‘academic’ work. This saying over the Academy thus contains nothing more than a hard condition and a clear circumscription of work.”¹¹⁶

However, philosophy and nihilism each differently “circumscribe” the mathematical and its underlying *logos*.

The inscription on the Academy's gate is itself an entry and, in a sense, much more important than the physical one. As the diagram of the Platonic divided line shows, the mathematical marks a gate that either closes or opens man's ascending ethical path toward the *logos*. A key difference between the philosophical and the nihilistic attitudes toward

¹¹⁵ Martin Heidegger, “Modern Science, Metaphysics, and Mathematics,” p. 278.

¹¹⁶ Martin Heidegger, “Modern Science, Metaphysics, and Mathematics,” p. 278.

the mathematical is the question of its logic. For philosophy, mathematics is a phenomenon of the *logos* - a universal ordering principle.

For nihilism, the mathematical is “without any necessary connection” and reducible to the notion of magnitude.¹¹⁷ Hegel’s concept of the mathematical is placed in the central part of his “Preface” to the *Phenomenology*.¹¹⁸ Hegel’s concept of the mathematical reduced to the numerical also correctly reflects the logic of money capital and technology with its reduction of all to a quantifiable and hence manipulatable stuff. Thus, in formulating his notion of the mathematical, Hegel *de facto* presents a doctrine of capital-cum-technology:

The principle of *magnitude*, of difference not determined by the Notion, and the principle of *equality*, of abstract lifeless unity, cannot cope with that sheer unrest of life and its absolute distinction. It is therefore only in a paralyzed form, viz. as the *numerical unit*, that this negativity becomes the second material of mathematical cognition, which, as an external activity, reduces what is self-moving to mere material, so as to possess in it an indifferent, external, lifeless content.¹¹⁹

The “lifeless content” or “the lifeless universal” designed as the aim of Hegel’s Science is well recognizable, for example, in the modern imperative of universal commodification. To this effect, Hegel posits the principle of magnitude as the exclusive content of mathematical cognition (see further section 2.6. of Chapter 2).¹²⁰ In this regard, Dostoevsky correctly identified a “tabulation of all human actions mathematically, like tables of logarithms” as the mechanism of the construction and operation of a planetary

¹¹⁷ Hegel, *Phenomenology of Spirit*, “Preface,” paragraph 45, 46, p. 25-26, 27.

¹¹⁸ See especially *ibid.*, “Preface,” paragraph 46, p. 27.

¹¹⁹ *Ibid.*, “Preface,” paragraph 46, p. 27.

¹²⁰ “For it is only magnitude, the unessential distinction, that mathematics deals with.” *Ibid.*, “Preface,” paragraph “Preface,” paragraph 45, p. 26.

‘Crystal Palace,’ that is, our Platonic cave. While seemingly “providing all possible answers with mathematical precision [of ciphers],” this new regime “will no longer have to answer for [its] own actions.”¹²¹

As Heidegger perceives it, the “mathematical project”¹²² aims at locking everything into a hermetic enclosure where “nature” is reduced to the *uniformity* of space and time:

This basic plan at the same time provides the measure for laying out the realm which in the future will encompass all things of that sort. Now nature is no longer an inner capacity of a body, determining its form of motion and its place. Nature is now the realm of the uniform space-time context of motion, which is outlined in the axiomatic project and in which alone bodies can be bodies ...¹²³

This axiomatic statement indicates the following: Through a “mathematical” uniformity, “nature” is negated as an inner power of things that had determined their distinctions. In this new denatured and uniform universe of the modern “mathematical project,” bodies *alone* - without their *inner nature* - “can be bodies.” Such a new technological universe would thus be one of mere, empty bodies. And a body bereft of its inner nature that “determines its form of motion,” a body which *alone* is a body, is essentially a corpse. This underlying perception is, moreover, in conformity with, and hence further confirmed by the aim of Hegel’s System of Science stipulated as being “a lifeless universal” or “a bare corpse.”¹²⁴ This underlying vision is also present in Heidegger’s argument about

¹²¹ Quoted in Michael Katz, “‘But This Building - What on Earth Is It?’ The Impact of the Crystal Palace (London 1851) on the Russian Imagination,” a manuscript that was read in a public lecture at Middlebury College, October 9, 1998, pp. 14-15. Dostoevsky also added: “Then the crystal palace will be built.”

¹²² Martin Heidegger, “Modern Science, Metaphysics, and Mathematics,” p. 292.

¹²³ Ibid., p. 292.

¹²⁴ See Hegel, *Phenomenology of Spirit*, “Preface,” paragraph 1, 3, pp. 1-3.

extermination camps seen as being in “the business of manufacturing corpses,” that was “inconspicuously” carried out.¹²⁵ The same is further demonstrated in Heidegger’s identification of the essence of agriculture as a “mechanized industry” that is “the same as the manufacturing of corpses in gas chambers and extermination camps.”¹²⁶

The “uniform space-time in which alone bodies can be bodies” has a subjective ground. According to Heidegger, “absolutely certain” subjectivism is the universal standard of the Western project and “could no longer be doubted.”¹²⁷ The absolute standard is the Cartesian, egocentric “I am.” The undoubted and hence unexamined existence of the Ego is *a priori* “the standard of *all* thought” or *fundamentum absolutum*.¹²⁸ Such a “mathematical project” leaves a little, if anything, for an open process of self-learning and self-correcting. What is to be learned is already known and “predetermined by the outline of the project.”¹²⁹ The subject already “posited which things are taken as, what and how they are to be evaluated beforehand.”¹³⁰ The subject also “decided in advance what truth we shall seek out in the things.”¹³¹ This also takes us back - along the circular path of the modern ‘I = I’ and its logic - to the notion of Heidegger’s Enframing, the ‘skeleton,’ and hence back to Hegel’s concept of a ‘knack’ and its underlying ‘cunning of reason.’

¹²⁵ Quoted in Tom Rockmore, *On Heidegger's Nazism and Philosophy*, p. 242.

¹²⁶ Quoted *ibid.*, p. 241. The notorious practice of “body count” introduced by a former CEO of the Ford Motor Company, Robert McNamara, during the Vietnam war as a measure of efficiency and a criterion of victory would also have to be listed here.

¹²⁷ Martin Heidegger, “Modern Science, Metaphysics, and Mathematics,” pp. 299, 296, 301.

¹²⁸ *Ibid.*, p. 299; cf. p. 296.

¹²⁹ *Ibid.*, p. 292.

¹³⁰ *Ibid.*, p. 291.

¹³¹ *Ibid.*, p. 300; cf. p. 301.

This project of man's new genesis is a negation of the ethical or thinking conscience, and its reduction into the absolutely "liberated" and solipsistic "Me and I."¹³² This absolute, hence unquestioned and unexamined existence cuts short the Socratic argument and quest into the realm of ethical *logos* above the 'great divide' - the boundary of the Platonic cave. Canceling the questions "Who am I?," "What does it mean to be?," and "Which life or being is worth living?" abrogates the quest for the meaningfulness of human nature and human life. For as long as "I am" cannot be doubted and thus questioned, the Socratic question "which life is worth living?" is blocked and with it also a quest for self-knowledge.¹³³

Heidegger, however, correctly says, that "the mathematical is the fundamental of the knowledge of things."¹³⁴ This idea is also one of those things that both sides of the 'old dispute' can have in common. Mathematics is fundamental because it enables us to speak about difference, about like and unlike, while preserving a verifiable universal coherence and harmony. In its essence, mathematics is a *techne* of discernment. The understanding of the mathematical is, therefore, not about numbers or mere numbering. The mathematical begins where number ceases to be seen as a mere abstract, isolated and arbitrarily manipulatable units and are recognized instead as a *logical* relation (not just mere equivalence, association, or attribution) that is open to examination and verification. The mathematical method also means a recognition of the fact that all distinctions cannot be imposed by man's will, that there is a reason, and that our decisions and choices have

¹³² See Martin Heidegger, "Modern Science, Metaphysics, and Mathematics," pp. 302, 297.

¹³³ Cf. Deutsch's axioms of the technology of nihilism: "Without consciousness, men act like men asleep; with it, they act like men awake." Karl Wolfgang Deutsch, *Nationalism and Social Communication* (Cambridge & Massachusetts: The M.I.T. Press, 1966), p. 165.

¹³⁴ Martin Heidegger, "Modern Science, Metaphysics, and Mathematics," in Martin Heidegger, *Basic Writings*, p. 278; on its "fuller" restatement see *ibid.*, p. 291 ff.

necessary and inevitable implications that cannot be nihilated or changed at will. This is also why Plato placed the mathematical at the entrance that leads to a philosophical life. This also is the underlying meaning of the “judgment” pronounced to the Sophist Callicles by Socrates in the *Gorgias*: “You’ve failed to notice that proportionate equality has great power among both gods and men ... That’s because you neglect geometry [the mathematical].”¹³⁵

Being a form of *logical* discernment, mathematics is antithetical to nihilism whose principle is the arbitrary will to will. To this effect, nihilism also has to will the slighting and negation of discernment and logical distinctions. Thus, mathematics itself appears first as *techne* (purposive activity as an art), *pragmata* (“things actually tried out”),¹³⁶ and as calculation (*logismos*) that corrects sensual, i.e., visual, illusions. These are thus also the first “things” (gatherings, recollections) that make possible thinking. As Socrates says:

[Such] things are apt to summon thought, while others are not ... apt to summon [thought are] those that strike the sense at the same time as their opposites, while all those that do not, are not apt to arouse intellection.”¹³⁷

Mathematics opens a path that leads beyond the merely empirical, i.e., beyond ‘the *knack*’ (see further below the discussion of Plato’s *Gorgias*). Mathematics not only allows us to test and examine our experience, it also helps us explore and reveal what lies beyond the

¹³⁵ *Gorgias*, 507e-508a.

¹³⁶ Joseph Shipley, *Dictionary of Word Origins*, p. 140. Empiricism is the tyrannical knack of a quack - activity whose “method” is an incessantly recycling cycle of “trial-and-error-trial-error” like M-C-M-C. Empiricism is also the method of capital, essentially the same as its notorious boost-bust cycle. Such empiricism is often connected with imperium and imperialism. Shipley argues that this is etymologically false, however logically it makes sense. [See *ibid.*, p. 140]

¹³⁷ Plato, *Republic*, 524d; see also 524b sq. Also: “I mean that experiences only provoke thought when they are perceived as being contradictory, as manifesting two opposite characteristics with equal clarity, quite independent from their distance from the viewer.” Plato, *The Republic*, 523b-c; cf. 523d.

limits of our experience and our immediate senses. All this qualifies mathematics to be placed above the realm of imagination and belief. In this way, mathematics, far from being solely allied to the magnitude and matter, has a power to transcend the bodily and the apparent. In this mathematics its unmistakable affinity with philosophy. As Socrates put it:

[O]nly the study of the unseen reality can draw the soul upward. To anyone who tries to learn about sense objects ... I would say he can never really learn because such things cannot be known. I would add that his soul is looking down and not up ...¹³⁸

Mathematics therefore begins with examination that follows logical rules.

According to Plato, mathematics is a necessary premise for the possibility of giving an “account” (*logos*) about things and for having a rational conversation, without which “a creature’s soul could surely never attain full virtue.”¹³⁹ If mathematics as *techne* were destroyed, the whole realm of *techne* would be “utterly evacuated.”¹⁴⁰

Logismos, as the very word itself indicates, points to the *logos* as its indispensable yet necessary ground. Mathematics works with the universal ordering *idea* of *logos* as its tacit yet essential *hypothesis*. It is thus possible to say that the mathematical (*logismos*) serves as a pivotal connection between man’s experience and *techne* on one hand and the *logos* on the other. Briefly put, the mathematical is a relatively accessible medium of the *logos* (though clearly not the *logos* itself), that can be described, analyzed, taught, learned,

¹³⁸ Plato, *The Republic*, trans. R.W. Sterling and W.C. Scott, 529b. Heidegger claims like others before him that the Platonic *idea* is external to man: “All metaphysics, including its opponent, positivism, speaks the language of Plato. The basic word of its thinking, that is, of its presentation of the Being of beings, is *eidos, idea*: the outward appearance in [sic] which beings as such show themselves.” [Martin Heidegger, “The End of Philosophy and The Task of Thinking,” in Heidegger, *Basic Writings*, p. 444]

¹³⁹ Plato, *Epinomis*, 977c-978b. Plato, *The Collected Dialogues, including Letters*, edited by Edith Hamilton and Huntington Cairns. Princeton: Princeton University Press, 1961.

¹⁴⁰ Plato, *Epinomis*, 977c-978b.

and communicated. In the mathematical, it is as if the *logos* descends to our human level and appears for us intelligible for the first time. Our attitude toward the mathematical therefore necessarily also reflects and reveals our self-determination as humans vis-a-vis the *logos* that informs the mathematical (*logismos*). Through the mathematical, the *logos* shows its presence as the universal standard that transcends our arbitrary will. The mathematical unveils the paradoxical, the false, the erroneous. The tyrannical and the moneymaking stand and fall with the false and the erroneous and their concealment (encryption). In other words, the mathematical is the beginning of a hunt and pursuit of the false and the erroneous. As Socrates stressed, calculation (*logismos*) “leads toward truth” and “rises [us] up out of becoming” toward being.¹⁴¹ The unveiled paradox shows the deficiency of unexamined, blind opinion (*doxa*) and its hardened dogmatism. Paradox points toward a necessary transcendence of opinion, thus drawing us beyond the realm of mere, unreflected, one-sided, and fallacious opinions and beyond their dogmatism and their blind trust.¹⁴² Paradox becomes the first premise for the ascent toward truth as well as the guide on the way toward it.¹⁴³ Socrates stresses:

[N]ow that the study of calculation [*logismos*] has been mentioned, I recognize how subtle it is and how in many ways it is useful to us for what we want, if a man practices it for the sake of coming to know and not *for trade* ... It leads the soul upwards and compels it to discuss numbers themselves. *It won't at all permit anyone to propose for discussion numbers that are attached to visible or tangible bodies* [my emphases].¹⁴⁴

¹⁴¹ Plato, *Republic*, 525b, 524e.

¹⁴² Plato, *Republic*, 524e. The very word “dogma” is derived from the same root as *doxa* - opinion. Hence, very rule of opinion may be seen as a form of dogmatism.

¹⁴³ Plato, *Republic*, 525a.

¹⁴⁴ Plato, *Republic*, 525d; see also 525c, 526e, 527b, 530c-538c. “To discuss” originally meant literally to “break” with reference to the blow. Joseph Shipley, *Dictionary of Word Origins*, p. 119.

The mathematical belongs to the realm of *paideia* (education).¹⁴⁵ Mathematics is essentially *mathematike technē* - a purposeful art freely open to learning. *Mathematikos* means to be disposed to learning. This original and later buried sense of mathematics is also what technology is increasingly bringing forth and revealing again - despite and against its nihilistic determination. Thus as much as mathematics is learning and learning is always essentially an internal process, the essence of the mathematical is not an external form. In this way, the mathematical as a beginning of discernment and critical learning prepares a ground for philosophy and ethics.

4.5. *Technē* and the terrible

In the Platonic divided line, *technē* (as well as *logos*) are beyond the reach of the Platonic cave. In fact, *technē*, *logismos* (mathematics), and thought form the inner boundary of the transcendent realm illuminated by the idea of the Good. As Socrates stressed, *technē* is “at the top of the bent” from where it is possible for the first time to consider the distinction between the virtue (*arete*) and the vice (*kakia*).¹⁴⁶ This position of *technē*, as opposed to the technology of the cave, raises a question of the essence of *technē* and its connection or disjunction with nihilism and its tyranny of the terrible. In particular, it is necessary to recover and show what nihilism and its technology have abstracted from the essence of *technē*. As Shipley put it, “[s]eeking to discern the meaning of a word from those around it is to judge by the *context*.”¹⁴⁷ The meaning of *technē* (the

¹⁴⁵ Cf. Heidegger’s critique of education and philosophy: “When thinking comes to an end by slipping out of its [cryptic] element it replaces this loss by procuring a validity for itself as *technē* [sic], as an instrument of education and therefore as a classroom matter and later a cultural concern. By and by philosophy becomes a technique for explaining from highest [not lowest] causes. One no longer thinks; one occupies oneself with ‘philosophy.’” [Heidegger, “Letter on Humanism,” p. 221]

¹⁴⁶ Plato, *Cratylus*, 415a.

¹⁴⁷ Joseph Shipley, *Dictionary of Word Origins*, p. 355. *Pretext* (the Latin *prae*, before) - literally what is

root of which is coincidentally present in the very word *context*) thus means to establish what modernity has left out. Here, we need to return to Plato's *Gorgias*.

The *Gorgias* is probably the most hostile and harshest dialogue that Plato ever wrote. The *Gorgias* may be considered as being a necessary and logical counterpart of the *Apology of Socrates* and the *Republic*. The *Apology* and the *Republic* represent Socrates' defense where Socrates is forced to give an account (*logos*) of himself and his art. The *Gorgias* is a accusation where two bellicose sides present an account (*logos*) about each other. The *Gorgias* is thus, on one hand, an accusation and a condemnation of philosophy and Socrates by their enemies. On the other hand, philosophy through Socrates introduces an accusation and a condemnation of the artifices that serve and benefit nothing but power and its tyranny. These artifices are exposed as a 'knack' (*empeiria* in the original) that also stands for (a sort of) *experience* (*empeiria*).¹⁴⁸

The 'knack' (*empeiria*) is an important concept. In particular, Socrates uses this word to deny that the technique exercised by rhetoric meets the criteria of a *techne*.¹⁴⁹ In his dispute with Callicles in the *Gorgias*, Socrates criticizes rhetoricians for practicing a

before text - "was at first just a curtain; then, something put before to conceal the truth - like the smoke screen, borrowed from modern war in figurative sense." Ibid., p. 355.

¹⁴⁸ Socrates: "To tell you the truth, Polus, I don't think it's a *techne* at all." Polus: "Well then, what do you think oratory is. ... What do you mean?" Socrates: "I mean a knack." [*Gorgias*, 462b-c] In the note, Donald Zeyl explains: "Gr. *empeiria*, tr. 'experience' at 448c." *Gorgias*, p. 22, note 11. *Empeiria* can be also be rendered as ruling or imperial empiricism ('imperialism'). To this effect, cf. Tom Darby's conclusion of his analysis of nihilism and technology: "Paradoxes aside, today when one dwells in the realm of 'facts,' the realm beyond which one does not question [hence in the Platonic cave - my comment], and is submerged in the raw data of experience, then we say he is empirical. The word empirical comes from the Greek *emperia* ... *Empiria* is derived from the verb *Empeirazo* which means to try but to do so without knowledge or principles. ... While there is no etymological connection between them, the words empirical and empire are related logically. Empire is derived from the Latin verb, *impero*, to command. Thus, while the empirical is that realm where nature has been forced to yield her reasons and principles upon which command can be derived, to be empirical is to rule not just nature but human nature ... The words empirical and empire became common as the first technological revolution in Britain began to evolve, setting us on our way toward our increasingly unquestioned world transformation." Tom Darby, "Reflections on Technology" An Excursus as Introduction," pp. 19-20.

¹⁴⁹ See Donald Zeyl's note in *Gorgias*, p. 22 note 11.

form of *knack* and a sensual flattery, like cooking. The rhetoricians do not practice real *techné*. They are engaged in practices that produce pleasures without any regard for what is good.¹⁵⁰ Thus, while they claim to have the *power* to do whatever they please in the city, they are unable to give a just account (*logos*) about themselves.¹⁵¹

A 'knack' (*empeiria*) is, however, more than normally meets the eye. As the dialogue reveals, *empeiria* stands for experience and perception that serves and legitimizes tyranny and is produced by the rhetorician on the part of the flattered, persuaded and swayed audience. In this context, *empeiria* can be said to stand for a sort of "imperial empiricism," that is, essentially unreflective experience and corresponding consciousness produced, induced, and controlled through the power of rhetoric. In Polus' words:

Many among men are the crafts devised by *experience*, Chaerephon, the results of experience. Yet, it is *experience* [my italics] that causes our age to march along the way of [our] *techné*, whereas inexperience causes it to march along the way of chance.¹⁵²

The practitioners of *empeiria* "slight the common good for the sake of their own private good."¹⁵³ By being antithetical to discrimination and to consideration for what is good,¹⁵⁴ a 'knack' clears an opening for tyranny and shields it. The negation of discrimination, self-reflection, and political judgment is a key. The point is that he who practices a knack cannot give a logical account of his action. He does not, therefore, know the 'power of his act.'

¹⁵⁰ *Gorgias*, 500b-d.

¹⁵¹ *Gorgias*, 466c-e.

¹⁵² *Gorgias*, 448c..

¹⁵³ *Gorgias*, 502e.

¹⁵⁴ *Gorgias*, 501a, 501d.

In our modern world, the place and function of ancient Sophism and rhetoric were systematically taken over by *technology*, i.e., ideologies, methodologies, the media, and the market. *Empeiria*, when turned into collective experience, then corresponds to a truncated common memory. From within such a reduced and impoverished memory (the Platonic cave), *empeiria* itself can neither be examined nor questioned, for it lacks the ability to draw fundamental distinctions. A 'knack' creates appetites and opinions and then commands them without giving out the account of "the nature of the object it serves and the cause of the things it does."¹⁵⁵ Though "rationalized" since it is what "customarily happens," a 'knack' is irrational or *illogical*.¹⁵⁶ Furthermore, the knack aims at producing maximum pleasure from the greatest number "without giving thought to anything else."¹⁵⁷ Here pleasure has no other standard but itself, which means that pleasure defines itself. And self-defined pleasure can be whatever it might happen to be.

The title, *Gorgias*, directly points to the terrible. For the Greek *gorgos* means terrible.¹⁵⁸ From the same word is also derived the name for the snake-haired *Gorgons*, "the infernal beings summoned in rites of magic."¹⁵⁹ For the Greeks, the Gorgons symbolized the experience of terror and its possible, but practical overcoming when Perseus slew Medusa (the only mortal Gorgon) by seeing her *reflection* on his *shield*. Perhaps the most pertinent root meaning of *techne* preserved in the morpheme (s)teg-/serg- has a signification of shielding (covering) oneself from the terrible, the evil, the ugly by unsheathing (uncovering) one's courage, spirit, arms, anger, teeth, etc.¹⁶⁰ This

¹⁵⁵ *Gorgias*, 501a.

¹⁵⁶ *Gorgias*, 501a.

¹⁵⁷ *Gorgias*, 501e.

¹⁵⁸ Joseph T. Shipley, *Dictionary of Words Origins*, p. 112.

¹⁵⁹ *Ibid.*, p. 112.

¹⁶⁰ Josef Holub and Stanislav Lyr, *Strucny etymologicky slovník jazyka českého*, pp. 60, 106, 419, 436.

is also why symbols of the terrible can be often seen on the outwardly displayed sides of the shields. The severed head of Medusa adorned as a protective sign the *shield* of Athena who was the guardian of Socrates' city and its *techne*. Thus disclosing the image or reflection of terrible serves as a defense against the terrible. We can say that *techne* (as man's "shield") is a defense or pro-*tection* against nihilism that modernity has transmuted into technology. The essential meaning of *techne* therefore lies in the *paradox* of a covering that is at the same time an uncovering.¹⁶¹ This, in a sense, confirms the correctness of Heidegger's notion of technology as 'unconcealing concealment.' Such a coincidence arrived at by following a different road nevertheless indicates that the *common* idea that lies behind *techne* is not arbitrary.

It appears that *techne* itself touches and expresses the particular logic of human existence and action in the world. In this way, it also becomes understandable why *both* the terrible and *techne* found their most pertinent *common* epitome in the shield with Medusa, The Terrible, for the shield conceals its bearer by unveiling and displaying the extreme notion and image. In this, the shield is accomplishing the essential task of *techne* that is also shared by architecture - to create an opening that gives us a protection and cover.

Consequently, *techne* is not merely a craft, skill, technique, proficiency, expertness, mastery, command. *Techne* is related to *text* (which is woven), as well as to the archetypal

This meaning is preserved in the Slavic *strici* - to cover, conceal, protect, defend, avoid; *stít* - shield; *zastíta* - defense, protection; *stítít se* - literally defend oneself against the ugly, the terrible, detest, abhor, shrink from; *ceniti*, *ceriti* - to disclose (teeth); *strecha* - roof; *stirit* - literally to show, disclose one's teeth, that is, one's courage and readiness to fight.

¹⁶¹ Etymologically related to *techne* is also the English *tact*, the word "first meant the sense of touch, feeling, then discrimination, power to feel differences." The English *tactile* and *tangible* are, moreover, connected to the words *integrity* and *intact* (what is whole is untouched, intact). Joseph Shipley, *Dictionary of Word Origins*, p. 109-10, 350, 351.

action of unsheathing-cutting. The verb that is at the root of *techne* has two dialectical forms and meanings: (1) as *teucho* - to weave (*texere* in Latin; *tkati* in Slavic; *tkan* - fiber [character], tissue; *tkanina* - fabric);¹⁶² and (2) as *tekto* - to cut, hew, hack, chisel (*tesati* in Slavic; another form of the verb in Slavic is *tasiti* - originally to cut with a sword; later only to draw, unsheathe, disclose the sword; viz. disclosing as a form of cut).¹⁶³ This also reveals to us the essential dualism (outward ambiguity) of *techne* itself and also reconfirms its character as the critical in-between. What do cutting weaving - the hard and the soft - have in common? It is *touch*. It is *contact*, the *tactile*. The essence of the tactile fact is perhaps most manifestly preserved in the Slavic languages. The verbs of cutting and those of weaving related to *techne* point toward a common root *t-k(s)*.¹⁶⁴ The interesting thing is Plato himself clearly alludes in the search for the highest art (*techne*), that of statesmanship or politics, to both these meanings of *techne*, cutting off and weaving, as well as to the underlying, consequential idea of man's protection:

¹⁶² Josef Holub and Stanislav Lyer, *Strucny etymologicky slovník jazyka ceskeho*, p. 80, 443, 445. Cf. *pentateuch*: the Greek *teuchos* - casement, container, cover, crypt for texts. [Ibid., p. 339] Man (viz. the symbolism of the number five) is a crypt where a sacred script (texture) is concealed. Text is wording, meaning gathered together from cutoff signs (ciphers), from *texere* - to weave, *textum* - "the tissue of web of which a thing is woven." Related is the Latin *tela* - woven (outward) material (cf. the Slavic *telo* - physical, outward body; the Greek *telos* - end). So is *subtle* - literally "ideas the interweaving [or cuts; ciphers] of which of which could not be discerned." Joseph Shipley, *Dictionary of Word Origins*, pp. 343, 355, 359.

¹⁶³ Josef Holub and Stanislav Lyer, *Strucny etymologicky slovník jazyka ceskeho*, pp. 80, 440, 441, 443. The Greek *tekton* - carpenter, builder (note that Jesus was also a "carpenter"); the Slavic *tesla* - carpenter's broad axe. *Tesat* (to cut, to axe) is probably cognate with another Slavic verb *titi* (to cut; especially to cut into the live). The root of *titi* is also in the Greek *temno* - to cut, to saw, whose form resembles again the Slavic *temno* - darkness. [See *ibid.*, pp. 444-45]

¹⁶⁴ Josef Holub and Stanislav Lyer, *Strucny etymologicky slovník jazyka ceskeho*, pp. 443, 445, 455. The Slavic *tak-* is primarily touch. The essence of *touch* is othering, doubling - *tykati* (conversing between me and you). Other cognate words further unfold and elucidate the sense of *touch*: *styk* (connection); *zatknouti* (to arrest); *vetknouti* (to fix, stick, thrust into); *utkati* (both to weave and to struggle, wrestle); *pulka* (struggle, duel, dispute); *potykati se* (to wrestle, to struggle); *tyciti* (to tower, raise, insert). *Techne* like war both brings together and separates the antagonists.

We *cut off* the whole art of armormaking, which is an extensive and extremely various section of the art of producing defenses. Finally we separated off, right at the beginning of our definition, the magician's art and that of making spells to ward off evil. The remainder ... we might fairly suppose, the art we had been seeking - the art concerned with producing works of ... protection designed to ward off violences ... called by the name 'weaving.' ¹⁶⁵

Techne par excellence is *architecture*, the art that creates *homes*. *Archi* means first, highest, leading, original. It is derived from the Greek *archao* - I am first, I rule, I command. ¹⁶⁶ In a sense, then architecture is the first *techne* - *techne* which rules over man's dwelling, that sets up the *polemos* (quest for) homecoming (the ethical *ethos*). The question concerning technology therefore contains and conceals a deeper one, the real one: the quest for or again what it is to be human (manly, virtuous). Architecture, this overarching *techne*, is thus not only the Cadmean ("academic") gate through which man either closes or opens for himself the way to man's humanness or man's home, the transcendent home (Slavic *vit* - home), *vita* (life), *eidos* (idea), *wisdom* (*veda* in Slavic), victory (*vitezstvi* in Czech; *vitestvo* - nobility). ¹⁶⁷ Architecture commands this gate, this threshold between the base and the noble. ¹⁶⁸ Architecture also shows and conceals the texture of *techne* itself and in it also shows and conceals the *context*, the overarching

¹⁶⁵ Plato, *Statesman*, 280d-e, 281c. Cf. Plato's *Epinomis*: "When all is done, what is left on our hands proves to be defense, defense of a host of clients by a host of means. Its most highly considered and most comprehensive form, the science of war, as we call it, the art of the general, stands highest in repute for its usefulness ..." *Epinomis*, 975a.

¹⁶⁶ Josef Holub and Stanislav Lyrer, *Strucny etymologicky slovník jazyka ceskeho*, p. 80.

¹⁶⁷ As said above, nihilism *externalizes-alienates-projects-ejects* all these ideas into mere outward "ideas." Shortly put, it tries to keep them *essentially out* - outside the hermeneutic cave.

¹⁶⁸ On the notion that such a "gate" is the "fundamental defect" in the project (to envelop mankind in the new hermetic Tower of Babel) see Franz Kafka, "The Burrow" in Franz Kafka, *The Complete Stories* (New York: Schocken Books, 1971), p. 322; in conjunction with Kafka's other stories on the "Tower of Babel" and the "Great Wall of China."

interwoven texture of being. The ancients identified “the royal weaving,”¹⁶⁹ the first or highest art, with a political art:

There is an art which controls all these arts. It is concerned with the laws and with all that belongs to the life of the community. It weaves all into its unified fabric with perfect skill. It is universal art and so we call it by a name of universal scope. ... There is one absorbing preoccupation for the kingly weaver as he makes the web of the state. He must never permit the gentle characters to be separated from the brave ones; to avoid this he must make the fabric close and firm ... For this unity is won where the kingly art draws the life of both types into a true fellowship by mutual concord [justice] and by ties of friendship.¹⁷⁰

The “true practice of statesmanship” should be set apart from “party leaders, leaders of bogus governments and [who are] themselves bogus as their systems.”¹⁷¹ These “supreme imitators and tricksters, they are of all Sophists the arch-Sophists.”¹⁷² These leaders of the Sophists are, moreover, also linked to “centaurs or some band of satyrs,” that is, to the worshippers and followers of the Dionysian cult.¹⁷³ In this way, again, to use Plato’s words, “the wheel has come full circle.”¹⁷⁴ In other words, the connection between ancient sophism and its modern *revenant* (nihilism), on the one hand, and the Dionysian archetype, on the other hand, comes again up into sight.

According to Plato, the *true* or ultimate *political techne* is philosophy, wherein man can find the meaning of who he is by setting himself on the path of examination in search of self-knowledge. As Socrates says in the *Gorgias*:

¹⁶⁹ Plato, *Statesman*, 309b.

¹⁷⁰ Plato, *Statesman*, 305c, 310e, 311c.

¹⁷¹ Plato, *Statesman*, 303c-d.

¹⁷² Plato, *Statesman*, 303c.

¹⁷³ Plato, *Statesman*, 303c.

¹⁷⁴ Plato, *Statesman*, 303c.

I believe that I'm one of a few Athenians - so as not to say I'm the only one, but the only one among our contemporaries - to take up the true political *techné* and practice the true politics. This is because the speeches I make on each occasion do not aim at gratification but at what's best. They don't aim at what's most pleasant.¹⁷⁵

Philosophy drags man upward - toward the idea of the good. In the regard, the right *techné* is the turning point in man's ethical conversion. As Socrates says in the *Republic*: "Even when the soul's eye is sunk in the muddy pit of barbarism, the dialectic will gently release it and draw upward, calling upon the studies we recently examined to support its work of conversion."¹⁷⁶ This statement also gives a clue to Socrates' ironic statement in the *Cratylus* that *techné* "expresses the possession of mind":¹⁷⁷ *techné* marks the first release of man's mind from the prison of the cave; man becomes mindful of his own business, which is a cultivation and attainment of virtue.

Consequently, the *Gorgias* too can be seen as a shield that reflects back to us the image of the terrible and invites us into its combat (*polemos*). Moreover, the terrible abstraction or the 'cutting-off' of man from learning and its *logos* is presented as a dispute, combat, war (*polemos*) about the meaning of *techné*. What distinguishes and separates, in this regard, the philosophical and ethical life from the terrible and tyrannical existence is precisely the understanding of *techné* and the mathematical as being rooted in *logos*.¹⁷⁸ This line of separation, moreover, corresponds to the 'great divide' which is a form of knowledge and also a boundary as well as an opening that enables to distinguish between two fundamental, antagonistic ways of life, between philosophy and rhetoric,

¹⁷⁵ *Gorgias*, 521d.

¹⁷⁶ Plato, *The Republic*, 533c-d. The "pit" is also the Sanskrit god of death - Yama.

¹⁷⁷ Plato, *Cratylus*, 414c.

¹⁷⁸ *Gorgias*, 524b.

between an ethical life of virtue on one hand and hedonism and the *empeiria* and *imperium* of the Platonic cave on the other.¹⁷⁹

It is therefore no coincidence either that the dialogue in the *Gorgias* also opens with a clear allusion to war:

Callicles: This, they say, is how you're supposed to do your part in a war or a battle, Socrates.

Socrates: Oh? Did we "arrive when the feast was over," as the saying goes? Are we late?¹⁸⁰

Since Socrates was held up in the *marketplace*, he missed the opening - Gorgias' first "admirable, varied" display of his power to "do whatever he sees fit in his city."¹⁸¹ Philosophy comes on the scene of the battle, war, combat, polemics (*polemos*) as an apparent newcomer. Socrates' intention is to find out what Gorgias' artifice and its power is about: "I would like to find out from the man what his *techne* can accomplish, and what it is that he both makes claims about and teaches."¹⁸² Socrates begins the duel through his mediator, Chaerephon, by asking Gorgias to give an account (*logos*) of himself. Socrates thus directs his inquiry at the essence of Gorgias' artifice, while actually aiming at the very heart of what terrible is. The opening lines of the dispute (*polemos*) also give a sense of confusion that accompanies all battles.

¹⁷⁹ See *Gorgias*, 481c-d.

¹⁸⁰ *Gorgias*, 447a. Donald Zeyl relates Socrates' saying to its analogous English phrase "first at a feast, last at a fray." [Ibid., p. 1 note 1]

¹⁸¹ *Gorgias*, 466c-e.

¹⁸² *Gorgias*, 447c.

Callicles: ... Just now Gorgias [that is, the terrible] invited those inside [into the cave] to ask him any question they liked [fancied], and he said that he'd answer them all.

Chaerephon [Charon]: Ask him what?

Socrates: What he is.

Chaerephon: What do you mean?¹⁸³

For Socrates, the question of "who one is" is the question of identifying man by what he thinks he is doing and by what he does.¹⁸⁴ In the whole context of the *Gorgias*, the question of man's art or doing (*technē*) is revealed as the question of how man and his art stand in relation to the terrible on the one hand and the *logos* and the idea of good on the other. This also means that *technē* as an art of dialectical covering and uncovering does not have only a negative meaning of protecting man against the terrible, but also to reveal and accomplish something good which is its true purpose. Such a non-truncated definition of *technē* is given by Donald J. Zeyl in his translation of Plato's *Gorgias*, which is *de facto* a summary of its philosophical notion presented by Socrates:¹⁸⁵ (1) *Technē* is a rational enterprise, the procedure of which can be explained as contributing to an end;¹⁸⁶ and (2) a practitioner of a *technē* aims to produce some common good.¹⁸⁷

Donald Zeyl, summarizing Socrates' philosophical position, concluded: "The principles of order and organization that determine the goodness of one's soul are the very

¹⁸³ *Gorgias*, 447c-d.

¹⁸⁴ The line continues: "Well, if [Gorgias] were a maker of shoes ..." [Gorgias, 448d] Socrates also says: "But would [Gorgias] be willing to have a discussion [that is, dialogue instead of Gorgias' favored speech in the form of monologue] with us? I'd like to find out from the man what his *technē* can accomplish, and what it is that he both makes claims about and teaches." [Gorgias, 447c]

¹⁸⁵ Plato, *Gorgias*, translated by Donald J. Zeyl (Indianapolis/Cambridge: Hackett Publishing Company, 1987), ft. 4, p. 2.

¹⁸⁶ *Gorgias*, 465a.

¹⁸⁷ *Gorgias*, 500b.

principles that underlie the world-order, and are thus cosmic in scope.”¹⁸⁸ Socrates himself says:

Yes, Callicles, wise men claim that partnership and friendship, orderliness, self-control, and justice hold together heaven and earth, and gods and men, and that is why they call this universe a *world order*, my friend, and not an undisciplined world-disorder. I believe that you don't pay attention to these facts ... You failed to notice that proportionate equality has great power among both gods and men, and you suppose that you ought to practice getting greater share.¹⁸⁹

The ordering principle is *logos* (see the discussion of *logos* below). This is also further confirmed by the structure of the dialogue itself: it starts as an inquiry into *techne* and ends with Socrates presenting his own “account” - the *logos*.¹⁹⁰ This indicates that the heeding of the *logos* is an essential condition for *techne* itself. Otherwise, when abstracted, *techne* degenerates into a ‘knack,’ and man falls into the Platonic cave and into technology - the digestive system of the modern Leviathan.

We can therefore summarize that human practices (*techne*) and technology are not the same, although they often overshadow each other. Technology, although compounding the words *techne* and *logos* in its very name, leaves in the place of these ideas only their pale abstractions or empty *ciphers*. In this way, technology with its nihilism buries the genuine, political meaning of *techne*, as well as that of *logos*. What distinguishes *techne* and the *mimetic* techniques of the Platonic cave is their different relationship and determination vis-a-vis to the *logos* and the idea of good.

¹⁸⁸ Donald J. Zeyl, “Introduction,” *Gorgias*, p. xv.

¹⁸⁹ *Gorgias*, 508a.

¹⁹⁰ *Gorgias*, 523a-527e.

4. *Logos*: the lost 'Tao' of the West?

The fundamental discovery of *logos* for Western philosophy apparently belongs to Heraclitus (around 500 B.C.). Heraclitus' Fragment 1, which, according to Aristotle (384-322 B.C.), stood at the beginning of Heraclitus' book, says in this regard:

This *logos* holds always sway but humans prove unable to understand it, both before hearing it and when they have first heard it. For though all things come to be [or, happen] in accordance with this *logos*, humans are like the inexperienced when they experience such words and deeds as I set out, distinguishing each in accordance with its nature and saying how it is. But other people fail to notice what they do when awake, just as they forget what they do while asleep.¹⁹¹

The *logos* is more than simply human reason, knowledge, or speech. The *logos* is the universal ordering and differentiating principle: "all things come to be in accordance with *logos*." To understand the *logos* and to act accordingly means, as Heraclitus says, to "distinguish each [saying and deed] in accordance with its nature and to say how it is." In this way, the *logos* is also what defines the essence of each thing, its "nature," and differentiates it from others. Consequently, to understand *logos* means to give every thing its own due, in other words, to practice justice. This also means to give our soul its due as well; in fact, we can say that the *logos* is the nature - the growth into being - of one's soul.¹⁹² In Heraclitus' words:

¹⁹¹ Richard D. McKirahan, Jr., *Philosophy Before Socrates* (Indianapolis and Cambridge: Hackett, 1994), p. 116.

¹⁹² *Ibid.*, pp. 141-42. Cf. Plato, *Republic*, 331c-331e.

Fragment 115: The soul has a self-increasing *logos*.¹⁹³

Fragment 45: You would not discover the limits of the soul although you traveled every road: it has so deep a *logos*.¹⁹⁴

To this effect, the *logos* is the inherent ability to discern and make distinctions without which we humans would be unable to speak, to think, or to know anything.¹⁹⁵ At the same time, the *logos*, though inexhaustible, is open to a careful scrutiny. Since *logos* informs our own character and being, the *logos* is also the imperative of self-knowledge that addresses us from within our own being. 'To know thyself' is therefore an essentially philosophical and ethical imperative, and imperative of self-consciousness. In this regard, the *logos* may also be defined as the common ground of ethics in which individual characters (*ethos*) of men have their due share. In other words, the *logos* is the essential commonality of men and the fundamental premise of mutual understanding and righteousness. This is explicitly expressed in Heraclitus' Fragment 116: "It belongs to all people to know themselves and to think rightly."¹⁹⁶

While we can and have to make choices and exercise our will, what is due to us because of these choices in terms of who we are, what our character is, is not arbitrary. What is due to us and what defines us either as virtuous or corrupt is dispensed according to the *logos*. It is thus also because of the *logic* that it is possible to discern and speak about justice and injustice. As Heraclitus stresses, justice and injustice are not just mere 'names,' they are rooted in man's concrete experience and concrete insights into what is beneficial and what harms: "They (people in general) would not have known the name of

¹⁹³ Richard D. McKirahan, Jr., *Philosophy Before Socrates*, p. 127.

¹⁹⁴ *Ibid.*, p. 127.

¹⁹⁵ See also Heraclitus' fragment 108. *Ibid.*, p. 117.

¹⁹⁶ *Ibid.*, p. 119.

justice if these things (unjust things) did not exist.”¹⁹⁷ Thus, while the *logos* appears to us through our speech and thought, it transcends our subjectivity. For, as Heraclitus says, the *logos* holds its sway over all things regardless of our knowing or experiencing it.

The *logos* is an essential anchor of ethics as well as politics.¹⁹⁸ This idea has a serious implication for our own actions. For to act in accordance with the *logos* means to realize and understand that “our ultimate goal is thinking, self-knowledge, and thinking rightly.”¹⁹⁹ In brief, the *logos* is the “common” “reason” of the universe according to which all things come to be and pass and are given their due.²⁰⁰ This is also what Heraclitus’ Fragment 2 indicates: “For this reason it is necessary to follow what is common. Although the *logos* is common, most people live as if they had their own private understanding.”²⁰¹ Such privatized and suppressed self-knowledge is also what defines the *mode* of modern consciousness, its technology, and political economy as arbitrary and willful “understanding.” Modern man substitutes the *logos* with the “logistics” of technological imitation, the ‘logic of efficiency.’ Thus modern man is like Heraclitus’ “person who forgets which way the road leads.”²⁰²

In this regard, the philosophy of Socrates and Plato shows an affinity, if not a fundamental agreement, with Heraclitus’ thought. According to Socrates in the *Theaetetus*, to understand and to act in accordance with the *logos* means to become one’s friend, to practice justice, because in this way a man is able to put into order and harmonize the

¹⁹⁷ Richard D. McKirahan, Jr., *Philosophy Before Socrates*, p. 123.

¹⁹⁸ *Ibid.*, p. 131.

¹⁹⁹ See McKirahan’s commentary *ibid.*, p. 131.

²⁰⁰ *Ibid.*, p. 132. See also Heraclitus’ Fragments 8, 10, 30, 41, 50, 53, 80, 89, and 114. The Fragments 8, 53, and 80 also reveal a close connection between the *logos* and justice.

²⁰¹ *Ibid.*, p. 116. See also Fragment 72 and Fragment 113.

²⁰² Heraclitus’ Fragment 71. *Ibid.*, p. 117.

hitherto 'unconscious' with his self-conscious reasoning. The pivotal link is thus man's self-knowledge:

But when we come to things composed of these elements, then, just as these things are complex, so the names are combined to make a *logos* ... So when a man gets hold of the true notion of something without an account, his mind does think truly of it, but he does not know it, for if one cannot give and receive a *logos* of a thing, one has no knowledge of that thing. But when he has also got hold of an *logos*, all this become possible to him and he is fully equipped with knowledge.²⁰³

Socrates further shows that the meaning of the *logos* had already been corrupted and misunderstood due to a lack of discernment, that is, due to a lack of philosophical education and an improper self-knowledge. The disconnection of men from their inner *logos* is covered over and supplanted by superficial imitations of the *logos*. This can be compared to "casting an image of one's notion on the stream that flows through the lips, like a reflection in a mirror or in water."²⁰⁴ Such an imitation (*mimesis*) inverts the view of oneself as well as of the world. Now we must note that such a *mode* of existence is also attributed to the Kojèvean post-historical reanimalized men.

Socrates stressed the *logos* as the ground and hence a possibility for man's discernment and hence knowledge and self-consciousness. This is so because the *logos* is at the same time what, in our own essence, we as human beings have *in common*:

[If] you get hold of the difference distinguishing any given thing from all others, then, so some people say, you will have a '*logos*' of it, whereas, so long as you fix

²⁰³ *Theaetetus*, 202c. This is apparently the reason why the dialogue *Gorgias* on *techné* and its proto-technological negation in the form of rhetoric that serves the will to power opens with Socrates' insistence that the rhetoricians give an account of themselves. And this is exactly what the rhetoricians avoid.

²⁰⁴ *Theaetetus*, 206d.

upon something common to other things, your *logos* will embrace all things that share it. ... And if, besides a right notion about a thing, whatever it may be, you also grasp its difference from all other things, you will have arrived at knowledge of what, till then, you had only a notion of. ... A '*logos*' means putting your differentness into words.²⁰⁵

In our technological world, much of this is lost. This disconnection of man from his *logos* is also a source of modern alienation and man's nihilism because such a separation creates a gap, a lack, which is a fertile ground for the experience of nothingness and the meaninglessness which is a counterpart of man's arbitrary will to power. The way of *logos* leads to the (increasing) absence of (self)ignorance and the ability to cultivate and to share through a purposeful human practice (*techne*) the knowledge of what is right and good and what is evil and harmful. Briefly put, the essence of truly human practice belongs to *logos*.

4.7. Conclusion

In contrast to *techne* that is a form of purposeful discernment, technology is a mode of assimilation and homogenization - the *modus operandi* of the Platonic cave. Technology and *techne* form two sides of war over human nature and both, though each differently and with a different purpose, set limits to man's practical possibilities and to his will to power.

The technological method is a progressive nihilation: human and non-human nature is transformed into abstract *ciphers* to prepare a ground for a further progressively developed encoding of the enciphered human and non-human nature as nothing. Global technology with its logic of 'zeroes' and 'ones,' that turn off and on nothings as some

²⁰⁵ *Theaetetus*, 208d-208e.

things and vice versa, confuses us about who we are and what is true about us. The *empeiria* of technology does not cover or command the totality of human experience. Every war including the long revolution of the West under the aegis of modernity presumes by definition at least two sides. *Techne* as a purposeful *human* practice is on the other hand a form of man's active self-defense. Thinking and ethical action are still possible, or, to put it in a different way, nothing logically excludes them as a possibility that is given to man. *Techne* as understood in the context of the Platonic divided line stands at the beginning of self-conscious recollection and examination. *Techne* is a challenge of a purpose that, striking man's common sense, summons thought in search of the aroused sense of the self.²⁰⁶ Such is also the philosophical calling, perhaps even a battle cry that is present in Heraclitus' saying that refers to a *human* action: "A man in the night kindles [touches] a light for himself, when his sight is extinguished; living he touches the dead when asleep, when awake he touches the sleeper."²⁰⁷ Similarly, Socrates reminds us:

My dear Glaucon, we are engaged in a great struggle, a struggle greater than it seems. The issue is whether we shall become good or bad. And neither money, office, honor, nor poetry itself must be allowed to persuade us to neglect justice or any other virtue.²⁰⁸

Socrates said 'the life which is not examined is not worth living.' To examine our life and thus to make it worth of living requires that we break through the ciphers of our Platonic cave. Pointing to the lost meanings of *techne* and *logos* can be a beginning of the journey towards their common recovery. As Socrates pointed out, man (*anthropos*) is not

²⁰⁶ Cf. Plato, *Republic*, 524d.

²⁰⁷ Heraclitus' fragment 26, Richard McKirahan, *Philosophy Before Socrates*, p. 119.

²⁰⁸ Plato, *The Republic*, 608b.

a noun, but a sentence. In fact, man (*anthropos*) is a recovered long sentence - man's quest for self-knowledge, man's truth. Philosophy helps man recover his *life sentence*. Such is also the conclusion of the *Gorgias*, the Platonic dialogue on the terrible and the human *techné* of virtue that helps man unveil what he truly *is*, and what is due to him:

Nothing *terrible* will happen to you if you are really an admirable and good man, one who practices excellence [*arete* - virtue]. And then, after we've practiced it together, then at last, if we think we should, we'll turn to politics ... So let's use the account [*logos*] that has now been disclosed to us as our guide, one that indicates to us that this way of life is the best, to practice justice and the rest of excellence both in life and death.²⁰⁹

²⁰⁹ Plato, *Gorgias*, 527d-e.

5. THE POSTCOMMUNIST ERA OF GLOBALIZATION AND LABOR AS

CIPHER

“Deliberate deception by some, self-deception by others, who give out the world transformed in accordance with their own needs as the best world for all, as the realization of all revolutionary claims and the removal of all revolutionary conflicts.”¹

Karl Marx

“It remains to be explained how a nation of millions could be taken by surprise by [a few] swindlers and delivered without resistance into captivity.”²

Karl Marx

“I’m glad I won’t be here to see the final outcome ...”³

F.A. Hayek

In this final chapter, I will connect the politics of nihilism to the politics of communism and its postcommunist transformations. Analyses from the previous chapters are related to empirical data and are focused on the political methods and strategies which discipline and control labor in the postcommunist era. I follow here some of the inner political and ideological metamorphoses of communism that later led to what is generally called today ‘postcommunism.’ As a key to the understanding of this dialectic dynamic I take the concept of labor. I then examine both communist and postcommunist uses and abuses of “labor” as a political *cipher* (code).

To this effect, I will use my concept of the *cipher* as the connection between Heidegger’s metaphor of the “unconcealing” of the hitherto “concealed” and the technology of capitalism and its “truth.” It appears that capitalism in its postcommunist

¹ Karl Marx, *The Class Struggles in France: 1848 to 1850*, in Karl Marx, *Surveys from Exile*, Political Writings, Volume 2 (New York: Penguin Books, 1992), p. 122.

² *Ibid.*, p. 152.

³ F.A. Hayek, *A Tiger by the Tail: The Keynesian Legacy of Inflation* (London: The Institute of Economic Affairs, 1972), p. 112.

stage of development unveils what had previously been less evident or more concealed from our view.

The phenomenon of postcommunism raises questions about its relation to globalization as the hegemonic capitalist order and its prospects. I turn again to Fukuyama's thesis on "the end of history" that contains concealed a systematic elaboration of a radical doctrine of the political economy of postcommunism and globalization. One of the issues which I address is how this political economy deals with the question of war and justice and how it stands in relation to the criminalization of postcommunist society and its corresponding political forms.

5.1. Communism and Labor as *Political Ciphers*

In 1992, Vaclav Havel said: "The end of Communism is, first and foremost, a message to the human race. It is a message that we have not yet fully deciphered and comprehended."⁴ In order to "decipher" both communism and postcommunism and to grasp their dialectical relationship, it is necessary to penetrate beyond ideological and commonplace stereotypes, layers, and labels - the outward *ciphers* of both communism and postcommunism because neither can be understood without the other. Here we are faced with the problem of making sense out of a situation which seems chaotic and in many respects nonsensical and yet produces systematic and essentially uniform results. The question is how to account for the interrelatedness among such disparate phenomena as the continuity of the former communist elites, mafocracy, political indifference, and globalization. Some of the current problems have their roots in the previous communist

⁴ Cited in W. Bruce Lincoln, *Between Heaven and Hell: The Story of a Thousand Years of Artistic Life in Russia* (New York: Viking, 1998), p. 450.

system. Understanding those roots may illuminate the present and its challenges. Our present experiences also reveal something of the communist past.

One of the roads pointing to the not-yet-fully-comprehended message of communism leads through German thinking on nihilism and technology back to Marx. Martin Heidegger and his disciples and students seem to share a certain understanding of communism that differs from the usual meaning ascribed to the movement. Hannah Arendt had obviously the very same “truth” in view, when she stated at the height of the Cold War that “convinced Communists are ridiculous and menacing to the regime in Russia.”⁵ In the case of Czechoslovakia, Heidegger’s teachings on nihilism and the essence of materialism and communism were passed on to the communist dissidents, who ascended to power after 1989, by another of Heidegger’s students, Jan Patocka, an acknowledged intellectual *guru* of Vaclav Havel and Charter ‘77. The importance of Patocka’s understanding was described by Ladislav Hejdanek, a Czech dissident. In Hejdanek’s words, Jan Patocka “extraordinarily contributed to the discovery of the real Marx.” As a result, the revolutionaries of 1989 “found the needed interpretation to take off for new, suddenly remarkable, philosophical world achievements in that new, deeper continuity built upon Marx, the philosopher.”⁶

⁵ Hannah Arendt, *The Origins of Totalitarianism*, p.428.

⁶ *Krestane a Charta '77, Vyber dokumentu a textu* (Munich: Opus Bonum, 1980), p. 229. On a well formulated program of a would-be post-post-communist communism of labor see Petr Uhl and collective, *Program spolecenske samospravy* (Köln: Index, 1982), pp. 131-33. Petr Uhl, one of the principal leaders of the Velvet Revolution of 1989, became later the director of the Czech Press Agency. Among other things, Uhl envisaged creation of “economic grids that should regardless of moral stimuli ensure that one works for the society.” [Ibid., p. 131] As a result, labor would become the supreme need. [Ibid. p. 132] Laborers would be moreover punished for working too much: “after passing a limit, the workers would not receive a higher reward; this will prevent an insensible intensification of work or extending of the working time by eager individuals.” Similarly, surpassing the plan would be punished as well. [Ibid., pp. 132-133]

The existence of this esoteric concept of communism embedded in a larger nihilistic project of modernity is conveyed in Martin Heidegger's *Letter to Humanism* (1947):

Because Marx by experiencing estrangement attains an essential dimension of history, the Marxist view of history is superior to that of other historical accounts. ... it is certainly also necessary to free oneself from naive notions about materialism, as well as from the cheap refutations that are supposed to counter it. The essence of materialism does not consist in the assertion that everything is simply matter but rather in a metaphysical determination according to which every being appears as the material of labor. The modern metaphysical essence of labor is anticipated in Hegel's *Phenomenology of Spirit* as the self-establishing process of unconditioned production, which is the objectification of the actual through man experienced as subjectivity. The essence of materialism is concealed in the essence of technology ... Whoever takes 'communism' only as a 'party' or a 'Weltanschauung' is thinking too shallowly ...⁷

Heidegger makes the following important points. The essence of materialism is a "determination according to which *every* being *appears* as the material of labor." Labor is therefore not "simply matter" but rather a "determined appearance." Such phenomenological, unconditioned determination however has to be "objectified" in order to *appear* as materialized labor - it has to be abstracted from its *subjective* origin. Briefly put, a meaning of the *cipher* of "materialism" is "labor."

However, to *determine* every human being as nothing but "labor" also means to will it so. In other words, labor also presupposes an alien, controlling and commanding will. And a self-establishing, commanding will is nothing but the will to power, the highest "metaphysical principle" of nihilism.⁸ Accordingly, the essence of Marxist materialism

⁷ Martin Heidegger, *Letter to Humanism*, in Martin Heidegger, *Basic Writings*, edited by David Farrell Krell (Harper San Francisco, 1993), pp. 243-44.

⁸ This is most explicitly conveyed in Martin Heidegger, *Nietzsche: The Will to Power as Art*, Volume 1, tran. David Farrell Krell (San Francisco: HarperSanFrancisco, 1993).

cannot be only labor but also or rather the unconditioned will to universal “labor.” In fact, Schumpeter pointed to this Marxist undercurrent as it appears in *The Communist Manifesto*. Schumpeter did not fail to emphasize the essential part of the “communist” program with his italics:

The Communist Manifesto quite illogically lists a number of immediate objects of socialist policy, simply laying the socialist barge alongside the liberal liner. Free education, universal suffrage, suppression of child labor, a progressive income tax, nationalization of land, banking, and transportation, expansion of state enterprise, reclamation of waste lands, *compulsory industrial service for all*, the spreading out of industrial centers over the country ... For the striking thing about this program is the absence of any plank that we should recognize as typically or exclusively socialist if we met it in another entourage.⁹

Marxist doctrine has two basic definitions of communism that correspond to its dialectics of the exoteric and esoteric doctrines. The one, which also seems to be the most popular and most cited in the West, is contained in a whimsical note made by Marx in *The German Ideology*, that under communism one may “hunt in the morning, fish in the afternoon, rear cattle in the evening, and criticize after dinner, just as [one has] a mind, without ever becoming hunter, fisherman, shepherd, or critic.”¹⁰ Taking such a notion at face value, “the end of this [communist] revolution appears to be a future in which all serious purposes have been done away with ... [and] one may wonder whether anything important will remain to be done.”¹¹ A blissful private life of a hunter (who merely is hunting for sport) shows what it stands for; it has no other function but to entertain idle

⁹ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, third edition (New York: Harper & Brothers, 1950), p. 317.

¹⁰ Karl Marx, *The German Ideology*, in *The Marx-Engels Reader*, ed. Robert C. Tucker (New York: Norton, 1978), p. 160.

¹¹ See Thomas G. West’s “Introduction” in Plato and Aristophanes, *Four Texts on Socrates* (Ithaca and London: Cornell University Press, 1984), p. 11.

minds. Self-respect and seriousness of enterprise demand that we put this picture where it belongs - on the margins. In fact, Marx himself gives a clue to how such an idyllic imagery should be read in the opening lines of the *Grundrisse*:

The individual and isolated hunter and fisherman, with whom Smith and Ricardo begin, belongs to the unimaginative conceits of the eighteenth-century Robinsonades, which in no way express merely a reaction against over-sophistication and a return to a misunderstood life. As little as Rousseau's *contract social*, which brings naturally independent, autonomous subjects into relation and connection by contract, rests on such naturalism. This is the semblance ... It is, rather, the anticipation of 'civil society' ... [i]n this society ... the individual appears detached from the natural bonds etc., which in earlier historical periods make him the accessory of a definite and limited human conglomerate. ... Nothing is more dry and boring than the fantasies of a *locus communis*.¹²

However, there is also another definition of communism that was taught as the official one in the communist East. Esoterism is sometimes best concealed when it is put directly in front of us since the obvious is easily taken for a mere empty phrase (cipher) and does not provoke thinking. According to this definition, communism is a final system in history where labor is the highest need of man's life and its own reward. Communist labor is labor "carried out without reward, [only] out of need to labor for the benefit of society."¹³

Elsewhere Marx defined labor as a modern appetite "in which money, filth and blood commingle."¹⁴ This shows that, for Marx, labor was a morbid category that approximated death. As already noted, such a notion of labor is nihilistic. As Marx put it, with a distinct emphasis on the negation, "my labor is *not* life."¹⁵ Labor is instead the

¹² Karl Marx, *Grundrisse* (New York: Penguin Books, 1973), pp. 83, 85.

¹³ Ilustrovaný encyklopedický slovník (j-pri), Volume II (Prague: Academia, 1981), pp. 173-74.

¹⁴ Karl Marx, *Surveys from Exile*, p. 39.

¹⁵ Karl Marx, *Excerpts from James Mill's Elements of Political Economy*, in Karl Marx, *Early Writings*

“quite indubitable expression of my *self-loss* and my *impotence*.”¹⁶ Marx, concluding a section on money in his *Economic and Philosophical Manuscripts* with almost identical words: “If you love unrequitedly ... if through the *vital expression* of yourself as a loving person you fail to become a *loved person*, then your love is impotent, it is a misfortune.”¹⁷

Alexandre Kojève drew particular attention to the Hegelian concept of labor as an end which “results from the real contact with death in the struggle.”¹⁸ To this effect, Kojève stressed Hegel’s view that the government must, in addition to intermittent wars, “impose labor on the individuals to let the individuals know their master, [i.e.] death;” “[t]hrough this dissolution of the form of the fixed-and-stable-subsistence, the Spirit removes the danger of the fall into natural empirical-existence.”¹⁹ Kojève’s emphases that connect labor, war, death, and mastery indicate that, in labor, the master-slave dialectics is well and alive. Labor is not merely self-determined by production, it is rather *imposed* by the state. The identification of the “master” with death seems to indicate that the imposition of labor on man has such a mastery over man as death has. According to with the concept, such labor stands for “the dissolution” of man’s “natural empirical-existence.” Man is suspended in labor so as not to “fall” back into his own human nature. “The danger” to be negated is thus human nature itself.

(New York: Vintage Books, 1975), p. 278.

¹⁶ Karl Marx, *Excerpts from James Mill’s Elements of Political Economy, Early Writings*, p. 278.

¹⁷ Karl Marx, “Money,” *Economic and Philosophical Manuscripts*, p. 379. Cf.: “In a conversation about the hostility of French citizens to the Germans occupying Paris, [Mary McCarthy] said she felt sorry for Hitler, who was so absurd as to want the love of his victims. ... Arendt was incensed. ‘How can you say such a thing in front of me - a victim of Hitler, a person who has been in a concentration camp!’” [*Between Friends: The Correspondence of Hannah Arendt and Mary McCarthy, 1949-1975*, edited by Carol Brightman (New York: Harcourt Brace & Company), p. x] Needless to say, Hannah Arendt had never been in a concentration camp.

¹⁸ Alexandre Kojève, “The Idea of Death in the Philosophy of Hegel.” (Complete text of the last two lectures of the academic year 1933-34), translated by Joseph J. Carpino, *Interpretation* (Winter 1973): 134.

¹⁹ *Ibid.*, p. 144.

Labor abstracted and alienated from man belongs to technology and to nihilism. In *The Human Condition*, Hannah Arendt gave an account of such labor that also defines modernity. According to Arendt, labor is the negation of meaningful human work and the irrational form of pure metabolism. Under these conditions, contemplation has become “an entirely meaningless experience;”²⁰ thus “it is in fact easier to act under conditions of tyranny than it is to think.”²¹ Privileged thinking must ensure that “perfect loneliness” is defended, and that nothing is done.²² In the process, man “is on the point of developing into that animal species from which, since Darwin, he imagines he has come.”²³

To understand better the political economy of postcommunism, commonwealth and poverty of ‘labor,’ it is necessary to pursue the question “What is ‘labor?’”²⁴ F.A. Hayek explained the secret behind the ‘labor’ theories of value used both by liberalism and Marxism: “The labor theory of value was the product of a search after some illusory substance of value rather than an analysis of the behavior of the economic subject.”²⁵ In other words, labor is one concept, value is another, and there is no necessary connection between the two. Both labor and values can be manipulated and combined with each other

²⁰ See Hannah Arendt, *The Human Condition*, (Chicago: The University of Chicago Press, 1959), p. 322.

²¹ Arendt’s earlier analysis of the origins of totalitarianism ended with a call for a first planetary planning. See *The Origins of Totalitarianism*, pp. 436-38; cf. Barry Cooper, *Action into Nature* (London: University of Notre Dame Press, 1991), p. 233; cf. Fukuyama’s “post-historical” axiom: “The work ethic would be eroded by ‘self-realization,’ or the desire not just to have work but ‘meaningful work.’” [Francis Fukuyama, *The End of History and the Last Man* (New York: The Free Press, 1992), p. 230]

²² See Hannah Arendt, *The Human Condition*, p. 325.

²³ See *ibid.*, p. 322.

²⁴ The term “labor” used throughout this analysis stands for the modern concept of labor which should not be confused with the general philosophical idea of labor and with its proper ontological meaning. The modern concept of labor is a radically reductionist form of labor. Moreover, modern labor is rather the very opposite of the humanizing ontology of labor.

²⁵ F.A. Hayek, *Individualism and Economic Order* (Chicago: The University of Chicago Press, 1948), p. 136.

in different ways. As manipulable concepts, they indeed remain “some illusory substance,” that is, *ciphers*.

Karl Polanyi pointed out that labor is a *cipher*: “Labor is only another name for a human activity which goes with life itself ...”²⁶ This also means that language with its uses and abuses is an important part of the economy and its efficiency, for it also names and expresses, hence mediates, the process through which man becomes his own abstraction. To this effect, language is also a locality of political struggles. An ability to manipulate, create, or destroy language freely is antithetical to normal human communication and, as such, a venue for escaping control and judgment.²⁷ Money as language is especially a suitable, almost ideal material for such abuses and manipulations. For money approximates much more closely a pure abstraction than any human language ever could. Money, of course, is the perfect *cipher*. This is also why money is such an effective carrier and medium for panic and confusion and a lack of understanding.

The *cipher*, with which modern man is identified and assimilated, and the means by which he is controlled and manipulated, does not necessarily have to be his “market price.” Any closed, autonomous, and self-referring system of signs and illegible ciphers would suffice. The ciphers only have to be trusted by a sufficiently large number of people.

Empirically, communism had supplied us with an abundance of evidence of an utter disregard for human costs and lives. Capitalism subjected its regime of labor to the autonomous mechanism of the market. However, after the terrifying experience of the

²⁶ Karl Polanyi, *The Great Transformation* (Boston: Beacon Press, 1944), p. 72.

²⁷ See Eric Voegelin, “On Hegel - A Study in Sorcery,” *Studium General*, 24 (1971): 358. According to Voegelin, these “difficulties [ever-changing meanings of the words and concepts] ... make it impossible to understand the purpose of the *grimoire* without a code at hand that will permit decipherment page after page.” [Ibid., cit., p. 364; cf. also, *ibid.* p. 363, 365]

Great Depression of the 1930s, the market was prudently put into a Keynesian straight jacket. Unlike the communist states where labor had officially won, capitalism had to struggle with the resisting force of labor. Capitalism's competition and standoff with communism was another compelling reason to take care of its image, hence its uneasy marriage with democracy and its unnatural cohabitation with Keynesianism and a welfare state. The Keynesian marriage of convenience between capital and labor was well on its way to being over by the late 1980s. Interestingly enough, the time of this divorce in the West coincided with the progressive divorce of the communist elites from communism under the aegis of *perestroika*. The specter of communism lost its seriousness when it became increasingly clear that the communist elite would rather be rich, conspicuous consumers than hypocritical, poor revolutionaries.²⁹

Communism subjected labor to nothing but promises whose validity could not be satisfactorily measured and established by any standards of the present. In this sense, communism operated with a more abstract and therefore more "emancipated" and unconditioned concept of labor than capitalism.

Techné - man's rational activity aiming at achieving some good²⁹ as distinguished from technology, modes of efficiency 'beyond good and evil' (viz. Chapter 4), was increasingly out of joint with the communist regime of labor and its technology. The Soviet regime was losing its moral appeal and with it its command over people's minds

²⁹ "As a rule, the children of the high-echelon families were becoming more pragmatic and more disillusioned with the regime. They could travel freely abroad and buy consumer goods that were unknown in the threadbare state stores in Bulgaria." [Stephen E. Nilkolov, "Bulgaria: A Quasi-Elite," in John Higley, Jan Pakulski and Włodzimierz Wesolowski, eds., *Postcommunist Elites and Democracy in Eastern Europe* (London: Macmillan Press, 1998), p. 218] This observation could be applied to any other communist country.

²⁹ Viz. Donald Zeyl's definition of *techné* in Plato, *Gorgias* (Indianapolis and Cambridge: Hackett, 1987), p. 2 note 4.

and hearts. But it had an efficient police system. Inevitably, a loss of legitimacy also eroded and undermined the efficiency of the regime's control over their experience because every abstraction is ultimately connected to something real and concrete.

To be 'efficient' at the level of ideology or police control was not enough. Eventually, communism also had to compete in *concrete* and *real* terms. The efficiency of the regime's political technology was thus rendering the regime itself ineffective. The failure to understand the nature of human activity (*techne*) and the limitations of political technology was making communism unstable and ultimately 'inefficient' even in its own terms. As a result, communism was becoming disenchanted from itself both on the top and at the level of the people, though obviously for different reasons. Capitalism has on its side two decisive allies: democracy and better "technology," that is, democracy in the West was giving a greater freedom to human activity (*techne* - viz. its definition in Chapter 4). Metaphorically speaking, it is possible to say that "[t]he microchip was capitalism's secret weapon, its spontaneous response to soaring energy prices, labor militancy and collapsing profitability."³⁰

5.2. Communist evolutionary dialectics of encoding and decoding

How did communism "work"? The short answer is that communism worked as a system of discipline transmitted by means of social codes or *ciphers* the surface values of which were increasingly disassociated from common experience. The basis of the political economy of communism was its mode of surplus extraction from labor and its corresponding regime of labor, discipline and security. The official code of such

³⁰ Robert Skidelsky, *The World After Communism: A Polemic For Our Times* (London: Macmillan, 1995), p. 127.

surplus-extraction was subsumed under the heading of the dictatorship of the proletariat and then under the notion of socialist planning and 'socialist competition' also referred to, especially in the West, as the 'command economy.' Socialist revolutions justified themselves by the need/mission to "alter the country's role in the world division of labor."³¹ In this connection, Immanuel Wallerstein pointed at a "fundamental contradiction" of "the capitalist-world system" in which he also included the regimes of 'real socialism':

[I]n the short run the maximization of profit requires maximizing the withdrawal of surplus from immediate consumption of the majority, in the long-run the continued production of surplus requires a mass demand which can only be created by redistributing the surplus withdrawn.³²

With occasional exceptions, the communist regimes were always careful not to allow people to demand anything that would exceed the limits of 'morality' or socialist discipline handed down by the elite. Although being obscured by official revolutionary newspeak, this surplus-extraction is directly related to the specific interests of the ruling "socialist" class that represented an *etatist* (bureaucratized) petty bourgeoisie whose tools of power were not only "socialist" planning and bargaining but also the mechanisms of hidden redistribution. It can be described as "pseudo-socialist Taylorism" that has never reached the enlightenment of the Fordist method, i.e. developing domestic economy/demand/market through better distribution of surplus and payments to the labor,

³¹ Immanuel Wallerstein, "The Rise and Future Demise of the World Capitalist System: Concepts for Comparative Analysis," in Richard Little and Michael Smith, eds., *Perspectives on World Politics* (London: Routledge, 1991), p. 315.

³² Immanuel Wallerstein, "The Rise and Future Demise of the World Capitalist System," p. 316.

thus creating a higher quality of labor reproduction and productivity. This communist method of labor exploitation purposely neglects the comprehensive process of social and economic reproduction, i.e. the need to invest back in labor. This leads to cumulative societal disinvestment. Higher surplus/profit is extracted almost exclusively by suppressing the labor costs. Increasingly higher productivity is required with the same or lower amounts of inputs. This is done in different ways: lowering the wages while ensuring a common level of basic physical subsistence, depressing remuneration for professionals and skilled workers toward (sometimes even beyond) the level of unskilled workers, imposing long working hours and weak, forced mobilization, unpaid “voluntary” work, underpaid or unpaid female work, forcing the workers to use their leisure to make up for their insufficient incomes from the “official” economy, deliberately limiting labor’s reproduction needs, services and demands and thus its “costs” (by prescribing and conserving them at depressed levels), through shortages of consumer goods, rationing, overpricing consumer goods with a large portion of them marked as “luxurious or unessential” (the state is a monopolist seller and thus extracts additional extra surplus) and by restrained mobility of labor, both internal and external, that precludes access to information, comparison and knowledge of new reproduction/consumption needs. In this regard, the ideological concept of dividing labor and jobs into productive and unproductive (the latter often professional and skilled labor) was intensively used. The created surplus is then appropriated by the ruling class through a complex, covert system of multiple redistributions.

The political economy of socialism thus turned in practice into a historically unique experiment of using the ideology of the working class and its beliefs as a mechanism of economic exploitation and political submission of labor. In Schumpeter's words:

The Bolshevik Revolution of 1917 completed the disorganization of the small but highly concentrated industrial proletariat of Russia. ... The point is that at least one socialist regime has actually been able to foster group discipline and to impose authoritarian discipline. It is the principle that matters ... Whether such a socialism is compatible with what we usually mean by democracy is another question.³³

After all, effective management of the socialist economy means dictatorship not *of* but *over* the proletariat in the factory. ... As a matter of practical necessity, socialist democracy may eventually turn out to be more of a sham than capitalist democracy ever was.³⁴

Instead of technological modernization, being by its definition capital-intensive or "too dear", the regime created artificial shortages of labor as result of the primitive mode of labor exploitation and very low labor costs. That resolution of unemployment was then turned into the ostensible legitimizing "virtue" of the regime. Such a system leads inevitably to a fallacy of development because this surplus extraction which consumes and redistributes the assets of the previous development (past labor), is simultaneously undermining the future development. The systemic rejection of maintenance and depreciation (amortization) costs was notoriously pervasive. In particular, a strong economy cannot be built without a strong internal market that, in its turn, cannot be built without strong turnovers and demand - against which the ruling etatist petty bourgeoisie had its inherent class/egoistic bias. Under the hegemony of etatist petty bourgeois

³³ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, third edition (New York: Harper & Brothers, 1950), pp. 216-18.

³⁴ *Ibid.*, p. 302.

socialism, labor while being unable to formulate its class interests fought back rather spontaneously by cutting its efforts, reducing the quality of work, absenteeism, and partially by emigration. Except for the Solidarnosc movement in Poland, such resistance was itself demoralizing and thus contributed to the general *malaise* or *anomie*, to use Durkheim's term, of the whole society.

In particular, as shown by one the last studies by the World Bank, the Soviet and dependent economies of communist satellites were exhausted (to a certain degree due to the arms race) since the 1960s and continued to drag on only by extraordinarily high exploitation ratios of their populations, by uncovering many societal and human costs, and by consuming their own essence. The "growth" stated by official statistics was overturned by its extreme costs.³⁵

Communism nevertheless succeeded in spreading and accelerating the revolution of the masses by turning agrarian societies into industrial laborers and bureaucrats, but it failed to unite the whole of mankind as proletarian laborers.³⁶ Instead, communism yielded to the demands of the arms race during the Cold War and the demands of consumerism at home. However, because of the self-imposed internal barriers of secrecy, mistrust, and sheer neglect, the communist regime saw that its vital political interest was in preventing and barring possible technological spill-overs between the military complex and the civilian sectors of the economy. Ironically, this strategic political choice driven by perceived security considerations effectively weakened the overall economic base, its productivity, and ultimately the sustainability and security of the regime itself. In addition, cheap satellite TV, personal computers, recording and photocopying machines were making

³⁵ *Polygon*, No. 5/94, p. 27.

³⁶ See Hannah Arendt, *The Origins of Totalitarianism*, p. 350.

obsolete the enforced isolation-cum-ignorance of the communist societies and the ideological controls, including the ideological apparatus of the party. Abstractions could no longer stifle realities as well as new abstractions and *ciphers* coming from beyond the curtain. At the same time, a new and more efficient technology is an essential premise for success in any major war. Thus the need for technology and its unceasing, revolutionizing innovation was working against and dissolving the foundations of communism with its reductionist concept of labor.

Communism with its centralization, massification, commandeering, and regimentation was a child of the industrial age. Being unable to come to terms with the information age, communism had only three possibilities left: (1) to stagnate and ossify (for example, the USSR under Brezhnev and Castro's Cuba); (2) to regress (for example, the Central Asian postcommunist republics of the former USSR); (3) or to try to emancipate itself from itself and thus negate itself (viz. postcommunism). However, China may at least potentially represent a fourth, yet undetermined option. For it is still too early and thus imprudent to make any definitive conclusions about the Chinese reform. From the point of view of further development, the outcomes of the last two options will be decisive.

In fact, another option or issue needs to be mentioned here that might bear some relevance both to this question as well as my general argument. For another apparent alternative can be a national communism in one form or another. This form of regime may be actually represented by China (perhaps due to its strategic choice), by North Korea (due to the Korean War) and more recently by Cuba (out of necessity). Another apparent candidate could have been Tito's Yugoslavia. Admittedly, the Chinese question is very

complex and much is still very uncertain in this respect. Conceptually, national communism is moreover a contradiction in terms since the communists and their proletarians do not have or should not have a country but are to be cosmopolitan by definition. Nevertheless, as the recent Chinese example might indicate (North Korea is evidence to the contrary), national communism could be perhaps more flexible and sensible from the point of view of the domestic society than its more utopian and hence less pragmatic totalitarian ideal of the world dictatorship. However, it is also clear that from the point of view of communist orthodoxy, national communism can be only seen either as a forced temporary compromise or a contemptible aberration, if not a betrayal of the interests of the socialist “world revolution.” Since it is very difficult, if not almost impossible, to tell which of these diagnoses is valid in any particular case, it is also difficult to judge the deeper reasons behind the former intra-communist conflicts. This difficulty is even the greater the more the question of such diagnosis is a subject to, or an outcome of, possible ongoing internal strife among various factions. However, this question of globalist communism versus its national “democratization” could and can have important repercussions on the dynamic of globalization. I was myself led to these considerations by Schumpeter’s analysis of Stalin’s policies. According to Schumpeter, Lenin’s socialism in Russia fundamentally differed from Stalin’s precisely in the above said sense. Lenin was a genuine socialist internationalist, while Stalin kidnapped the movement and changed it into its aberrant form that was subordinated to the Russian national interests (viz., Stalin’s slogan of “socialism in one country”) instead of subjecting Russia as before to the needs of international socialism:

[Lenin] insisted on a strictly centralist organization of the Communist International - whose bureau took power to prescribe every move of the individual parties - but he did so in his role of communist leader and not in his role of Russian despot. That made all the difference. The headquarters of the International were in Moscow, the actual leader was Russian, but policy was directed in a thoroughly internationalist spirit, without any particular reference to Russian national interests and on principles with which the communists of all countries substantially agreed.³⁷

According to Schumpeter, a turning point or moment of Stalin's deviation came into effect with the expulsion of Trotsky (1927):

For our purpose this means that every decision was thenceforth the decision of a Russian statesman acting on behalf of national Russian interests as seen from the standpoint of a streamlined despotism. And this in turn, if correct, defines what [Stalin's] attitude to the 'Comintern' (The Communist International) and to foreign communist parties must have been. They became tools of Russian policy, taking rank within the huge arsenal of such tools and being realistically evaluated relative to others according to circumstances. Up to the present war [World War II] which may revive it, the world revolution was a frozen asset.³⁸

Seeing Russia under Stalin as moving towards the pursuit of its own *Russian imperial* interests and away from the interests of *socialist imperialism*, Schumpeter concluded: "The trouble with Russia is not that she is socialist but that she is Russia."³⁹ From the point of view of the higher interest of "socialism," as Schumpeter understood it, the problem of Russia was not only its relative backwardness but, in a sense, *Russia* itself, that is, Stalin's Russia appeared to be rather an obstacle than a power on the side of what Schumpeter understood to be "socialism":

³⁷ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, pp. 359-60.

³⁸ *Ibid.*, p. 361. Yet Schumpeter also says: "In fact, like a good tactician, [Stalin] suppressed opposition and substantially carried out the opposition's program." [*Ibid.*, p. 362]

³⁹ *Ibid.*, p. 404.

It is even conceivable that further advance of the Russian power may eventually prove an impediment to developments in the direction of what most people think of and feel about when they utter the word Socialism. [hence postcommunism - into note] ... To confuse the Russian with the socialist issue - unless it is a trick perpetrated in the service of Russia - is therefore to misconceive the social situation of the world. The Russian issue bears upon the socialist issue in two ways only. First, by virtue of the logic of their situation, the presence of Communist groups and of pro-Communist wings in non-Communist groups will tend to radicalize labor politics."⁴⁰

Nevertheless, Schumpeter seemed to believe that Russia, even as an objective "impediment," "will have changed *nothing* in the future character of revolutionary socialism."⁴¹ If Schumpeter were right, then we would have to seriously reconsider not only the causes of the conflict between Stalin and Tito and Stalin and Mao but also the way we look at the evolution of Soviet communism after Stalin's death, including Gorbachev's *perestroika*. In a sense, it is plausible to argue that postcommunism is also essentially an attempt to *undo* Stalin's legacy and the effects which Stalin's policy had on Europe and its economic and political integrationist tendencies. Thus, if Schumpeter was right, then Gorbachev's *perestroika* should be seen as a final and most spectacular phase in a long process of a more subtle, but no less significant long-term change ("perestroika"). The consequential result is political, ideological, and institutional dismantling of Stalin's Russian imperium⁴² ("Russia first") and putting the idea of

⁴⁰ Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 405.

⁴¹ *Ibid.*, p. 363.

⁴² The usual meaning of *imperium* is an "empire, territory under command and control of the emperor." [Josef Holub and Stanislav Lye, *Strucny etymologicky slovník jazyka ceskeho se zvlátním zretelem k slovům kulturním a cizím* (Prague: SNPS, 1978, p. 196] However, within current political literature there is a strand that appears to be expanding and radicalizing the meaning of *imperium* to control and command a totality of human experience, that is, to change, negate, "torture and vex" human nature itself. Fukuyama defines imperialism, a modern variant of *imperium*, as "the domination by force of one society by another." [Francis Fukuyama, *The End of History and the Last Man*, The Free Press, New York, 1992), p. 259] Tom Darby seems to suggest that "empire" refers to "dwelling in the realm of 'facts,' the realm beyond which one does not question, and is submerged in the raw data of experience." At the same time, "the empirical is that realm where nature has been forced to yield her reasons and principles upon which

planetary unification that is, globalization, back on track. It is interesting to note that Gorbachev's slogan of "united Europe" or "European Home" was used to justify the end of Soviet (or should we say Russian?) communism, while Clinton's "undivided Europe" was both a justification and cause good enough to launch war *de facto* against Yugoslavia and *officially* against Slobodan Milosevic, plausibly the last "nationalist communist" in Europe. When one observes the developments in Russia after 1991, it is possible to conclude that the Russian regime has been almost systematically inept, to say the least, at taking care of Russian own interests and needs. Then there came the dissolution of the Soviet Union in December 1992 by a fiat carried out single-handedly by a couple of persons. From the point of view of the political and economic power of Russia, postcommunist transformation carried out under the banner of stabilization is a disaster (see further below). There is of course a slight difference. The slogan of communist "globalization" "Proletarians of all countries, unite!" was replaced by Fukuyama's universal unification of all Last Men in a global Platonic cave - the Kojèvean Universal and Homogeneous State.

The negation of communism was therefore not caused merely by the will of the elite to start enjoying a commodious life and emulating Western standards of consumption. On a deeper level, the need to consume is systemic: technology has to be used, consumed, and recycled to be further developed.

The communist elite, the "new ruling class," to use Djilas's expression, became increasingly an unwilling hostage to their own past, structures, and rhetoric. Djilas

command can be derived, to be empirical is to rule not just nature but human nature, the arena where the Other, as either nature of human nature, is controlled and commanded." Tom Darby, "Reflections on Technology: An Excursus as Introduction," in Tom Darby, ed., *Sojourns in the New World: Reflections on Technology* (Ottawa: Carleton University, 1986), p. 20. See further my discussion of Schumpeter in Chapter 2.

observed that in the hands of the communist elite, reform and change were used as an antidote especially in the moments when their abuses of power and hypocrisy became too obvious. In other words, change was and still is a method used by the elite for “running away from the truth.” As Djilas put it:

In defending its supremacy, the ruling class needed to switch into a reform mode whenever it became too obvious that it was treating the formal property of the nation as its own. ... Looked at historically, the new class was always being forced to consolidate itself in power and property while running away from the truth. ... Its historical origins rendered it incapable of legalizing its property.⁴³

The greater the factual expropriation of the nation's wealth, the more the elite was alienated from its own public rhetoric, and the greater dose of change had to be administered. Moreover, when even the members of the communist parties no longer believed in the official rhetoric, the ideology exhausted its utility and became for the ruling class a useless burden.

In the conditions of this overall economic twilight, the Soviet Union also began losing its former material benefits and profits extracted from its hegemony over Eastern Europe. The exploitation of these satellite-countries increasingly turned into their subsidizing due to their politico-economic internal instability and boosted world prices of oil.⁴⁴

The oil crisis led to a significant indebtedness of Eastern European states with the West and, besides *détente*, represented a fundamental breach in the “iron” walls of the

⁴³ Milovan Djilas, *Fall of the New Class : A History of Communism's Self-Destruction* (New York: Alfred A. Knopf, 1998) , p. 201.

⁴⁴ Valerie Brunce, “The Empire Strikes Back: The Evolution of the Eastern Bloc from a Soviet Asset to a Soviet Liability,” *International Organization*, Vol. 39, No. 1, 1985: 1-46.

socialist camp. Misha Glenny provides a summary of how debt bound socialist societies to Western consumerism:

One of the most powerful aspects of Western influence was the indebtedness of East European governments to the West. ... Above all, the Poles, the Hungarians, the Romanians, the Bulgarians and the Yugoslavs accepted the offer of large Western credits. Most of the monies were squandered during that decade by the remarkably shortsighted communist leaderships that used the money both to buy political acquiescence by increasing the supply of consumer goods and to commemorate their historical role by investing in pompous industrial projects of little economic value but with grandiose propaganda potential.⁴⁵

Bad economics and planning created a paradoxical situation where the hegemonic empire ceased to produce material payoffs to the hegemon, and turned into a hegemon's economic burden. At the same time, as Brunce stressed:

The debt crisis had created what were from the perspective of global politics strange bedfellows, but from the perspective of global economics the alliance was not so much strange as it was familiar. It was ... a form of comprador collusion.⁴⁶

⁴⁵ Misha Glenny, *The Rebirth of History: Eastern Europe in the Age of Democracy* (New York: Penguin Books, 1990), p. 193. After the liberation of Eastern Europe from communism, the West did not see a good reason to liberate these countries from the debts as well: "One of the fastest methods of injecting some stability in the region would have been to reduce the debt burden and substantially to improve trading facilities. However, since President George Bush's path-breaking visit to Poland and Hungary in July 1989, when he disappointed both governments by not offering any debt relief or substantial capital assistance, the West has made it clear that the debts will have to be repaid in their entirety. Indeed, far from loosening economic restrictions on trade with Eastern Europe, the West is imposing strict and damaging conditions on the new democracies in order to influence their socioeconomic development. ... The bulk of East European debt has been funded not by private banks but by governments." [Ibid., p. 194] Out of Poland's \$41 billion debt, only \$9 billion were owed to private institutions.

⁴⁶ Valerie Brunce, "The Empire Strikes Back," p. 44. Chossudovsky, "comprador" elites of Eastern Europe now comprise the former nomenklatura, the new commercial elites and the mafia. [Michel Chossudovsky, *The Globalization of Poverty: Impacts of IMF and World Banks Reforms* (New Jersey and London: Zed Books, 1997), p. 231]

This “comprador collusion” also set a stage for the evolution of what can be now justifiably termed as a comprador capitalist class - the result of the metamorphoses of the former communist nomenklatura and their successors.

One may also wonder if it was not a mere coincidence that the communist regimes exactly copied in its practice, both as to the letter and spirit, Aristotle’s recommendations on preserving tyranny. Some of these common features are as follows: neutralizing people of eminent and independent spirits, precluding anything that can lead to people’s independence and confidence, totalitarian control over behaviors and speeches, forcing people into servile actions, establishing large networks of spying on people, instilling pervasive fear and suspicions, dividing families and friends, keeping people perpetually at work (no free time) and in poverty (no material freedom and no power) etc.⁴⁷ Despite the fact that these methods were defined almost 2,400 years ago, they were fully valid for the communist regimes and could be taken as an excellent analysis of communism.

In this regard, communism also tried to play the role of a “good” household keeper. To this effect, the communist leadership presented at the parties’ congresses accounts of good house-management that embraced issues that ranged from arms race, problems of the Third World, to milk production, fire brigades and associations of beekeepers. In other words, the elites tried to create an impression that they were able to cover, monitor, and take care of a totality of people’s experience, practice, and lives. The problem was that the party congresses’ published materials were book size and written in a bureaucratic language that mortified meaning. Hardly anyone took the pain to read them except those who had to, who were often the bureaucrats themselves.

⁴⁷ Aristotle, *Politics*, Book V xi, 1313a18-1315b10.

So-called “new contributions” to the ideology represented self-praising phrases and slogans of the day, reproduced by apparatchiks and bureaucrats according to the specifications ‘from above.’ From the political directives through the ideological apparatuses the arbitrarily coined slogans that are *ciphers* passed to “academic” institutions for new decoding, justification, elaboration and substantiation as new “Marxist-Leninist contributions and innovations.” With regard to these ideological practices, Alfred G. Meyer wrote: “ideology in the USSR was primarily a public relations operation, a routinized exercise in legitimation ... to give their term of office some catchy label.”⁴⁸ “Only a residue of formalism and dogmatism remained,” Milovan Djilas noted, “for the purpose of cementing power, justifying tyranny, and violating human conscience.”⁴⁹

An interesting as well as important facet of the evolution of the communist countries was the mortification, reification and ossification of the official communist ideology as well as the apparatuses of self-justification and legitimation, as far as its substantive claims were concerned. The shallowness of abstract slogans (*ciphers*) became increasingly apparent as reality and people’s concrete experiences were forcefully reasserting and emancipating themselves from the cognitive nihilism of the ideological discipline and its monopoly. Communism was becoming hollow from within as it was developing a deficit of trust and faith.

The hidden disengagement of the regime from its original ideology was documented by Judith S. Kullberg through a survey conducted in 1991. She found “the

⁴⁸ Meyer, Alfred G.. “The End of Communism?” *Slavic Review*, Vol. 53, No. 2, 1994: 542.

⁴⁹ Milovan Djilas, *The New Class* (London, 1957), p. 9.

virtual absence of adherence to Marxism-Leninism among the then Soviet elite.”⁵⁰ David Lane also found out that “sections of the Soviet intelligentsia within the political elite - clustered in the Supreme Soviet and the party elite - were at variance with the values of the Soviet system and alienated from it.”⁵¹

This disassociation of the elites from their social *ciphers* sustaining their own power was compounded by the fact the elite's bent on consumerism was also increasingly harder to hide from, and justify to, other comrades and citizens. Consequently, when the conditions were finally ripe for transition into capitalism, the elites had hardly any impetus to explain or to announce *post factum* the end and irrelevance of the official ideology and its *ciphers*. The fact is that old *ciphers* are devalued whenever new ones are introduced - in conformity with the Nietzschean dictum of ‘the revaluation of all values’ and their incessant creation and destruction.

These factors created the necessary conditions for a change of the system. Yet, those were not sufficient. The needed change was related to the cause of the agent, the communist elites. The elites worked through their maturation process by ascending from socialist petit bourgeois bureaucracy into virtual capitalist owners who then began assuming the characteristics of “a parasiting social mafia.”⁵² Through this process, the appetites and needs of these elites changed accordingly - from the desire to control and

⁵⁰ Judith S. Kullberg, “Ideological Roots of Political Conflict,” *Europe-Asia Studies*, vol. 46, No. 6, 1994: 947.

⁵¹ David Lane, “Elite Cohesion and Division: Transition in Gorbachev's Russia,” in John Higley, Jan Pakulski and Włodzimierz Wesolowski, eds., *Postcommunist Elites and Democracy in Eastern Europe* (London: Macmillan Press, 1998), p. 90.

⁵² Vladimir Suchan, *Evolution of the Yugoslav System in the Internal and External Politics in the Period 1948-1985*, M.A. thesis (Moscow: Moscow State Institute of International Relations, 1985); Vladimir Suchan, “Nekolik vet k politicke ekonomii Ceskoslovenska minulych 20 let,” *Tvorba*, No. 2, 10 January 1990, p. 21.

redistribute everything in the society into the appetite to invest their growing, yet immobile assets and turn them into profits. Similarly, the state (nominally common) assets, controlled by the elites allegedly on behalf of their populations, became an impediment to the elites' self-interest. The power, as well as rising wealth of the elites were increasingly threatened by the plummeting efficiency and productivity of communist societies. The system thus began losing its comparative advantages for the elites. The instability of the system turned into an explicit threat for the elites. In this way, the framework of the system became too narrow both for further economic development and for the new interests of the elites.

In an apparent retreat into capitalism, the communist elites were able to liberate themselves from the inhibiting exoteric ideology and its increasingly formal residue of legal, social and political institutions. In some cases, the survival of these institutions, i.e., trade unions, socialist welfare, free health care and education, was judged as a potential danger or counterproductive complication. By apparently democratizing, that is, liberalizing communism, the elite managed to free themselves from their own residual "social contract" consisting of the Promised Land of Communism, a utopia, which like all utopias does not exist, and which, therefore the people were never to reach.

The transformation of communist societies is historically unique, due to the fact that the Soviet-type communism had apparently interrupted and delayed classic capitalist development, while actually contributing, up to a certain point, to the intensification of modernization and globalization. Another important peculiarity of this historical process is the transformation of the former "enemies" of capital into its allies and agents. It can be argued that such a paradox is nothing but a logical maturation of the former ruling class,

once revolutionary “petit bourgeoisie” turning into bureaucrats and then transforming into virtual capitalist owners - all this within one capitalist world system. In this regard, market capitalism had to make a strategic decision - to recognize these postcommunist elites at least as pseudo-liberal and legitimize them as such. As Stephen Gill and David Law said:

[A] vision of self-reproducing structural power, both economic and ideological ... builds up shared values, ideas and material interests both the dominant and dominated structures ... A hegemonic structure of thought and action emerges, one which militates against the raising, or even conception of alternative types of political, economic and social arrangements.⁵⁴

It might thus appear that the fate of communism was subject to the uncanny workings of the “law” of capital whose power had patiently worked its way through the communist system and the minds of its rulers to finally surface and disclose in open its power. In this regard, one may recall C. B. Macpherson’s summary of how John Locke introduced money/capital in the society: “The agreement to the use of money ... did not create any new moral right: all it did was to remove the technical obstacle that had made it not worthwhile ... to appropriate unequal amounts of property.”⁵⁵

As Stephen Handelman pointed out:

Since the 1970s, the illegal profits of the bureaucracy had been plowed into jewelry, gold, cars, and luxury goods, or smuggled abroad. A bureaucrat, gangster, or black-market producer could not use his money for anything else. Anyone who tried to deposit huge sums of ‘unearned’ cash in a savings bank risked having his affairs investigated by the KGB or being charged as a speculator. There was nowhere to invest the cash legally - until the government permitted the

⁵⁴ Stephen Gill and David Law, *The Global Political Economy* (Baltimore: The Hopkins University Press, 1993), p. 78.

⁵⁵ C. B. Macpherson, “Editor’s Introduction,” in John Locke, *Second Treatise of Government*, (Indianapolis: Hackett Publishing Company, 1980), p. xviii.

establishment of semiprivate commercial business, member-operated cooperatives, and joint ventures for the first time since the 1920s.⁵⁶

The essential thing is that before postcommunist “liberalization” the communist elites could mainly only consume, and that often in an embarrassing secrecy, and could not readily and freely transform their political power and treasured wealth into money capital, that is, social command over labor. In other words, under the restraints of the communist law, institutions, and ideology, the elites could not freely change and convert their powers into capital, that is, into private or politically unaccountable and arbitrary command over others. For it is such a freedom to command others, i.e., by means of monetary *ciphers*, that is the essential bottom line of “capital” and its mystery.

One of the “technical” obstacles to be removed was the notion of ‘emancipated labor’ and its ideological and social forms. The fact is that, while the elites did promise to lead labor out of the hermetic and hermeneutic prison of capitalism (what I have called our Platonic cave), these promises, trust, faith, and imagination helped keep labor in bonds and were instrumental in creating an apolitical, passive, submissive labor deprived of its own political consciousness. In many respects, postcommunism is still reaping results of this “preparatory” work carried out by the communist regime.⁵⁷ In this sense, it is then possible to agree with Jiri Musil that “[t]he 1989 revolutions were thus not traditional class conflict revolutions, nor were they social rebellions.”⁵⁸ Given, moreover, the fact that some of the

⁵⁶ Stephen Handelman, *Comrade Criminal: Russia's New Mafia* (New Haven and London: Yale University Press, 1995), p. 68.

⁵⁷ In Holmes' view, it is not Friedman but rather Marx who has been applied in postcommunist praxis. Stephen Holmes, “Cultural Legacies or State Collapse?: Probing the Postcommunist Dilemma,” in Michael Mandelbaum, ed. *Postcommunism: Four Perspectives* (New York: Council on Foreign Relations, 1996), p. 46.

⁵⁸ Jiri Musil, “The Transition to Democracy,” in John O’Laughlin and Herman van der Wusten, eds., *The New Political Geography of Eastern Europe* (London and New York: Belhaven Press, 1993), p. 12.

innermost circles of the communist elites had a privileged access to strategic information, and that they managed to stay to a great extent in charge of transformation itself and to become its principal beneficiaries, it is possible to make a next logical step and to extend Musil's thesis still further. In this connection, Stephen Nilkolov pointed out:

[W]hen the Hungarian political scientist Elemer Hankiss first argued in 1989 that throughout Central and Eastern Europe the old nomenklatura would transform itself into a new 'grand bourgeoisie', his scenario was viewed as paradoxical and repugnant. But today it is widely accepted that some elites in the region have emerged primarily through the reproduction of the old nomenklatura, rather than through elite replacement.⁵⁹

The stealthy evolution and metamorphoses of the communist elites that stretched over decades is well summarized by Aslambek Aslakhanov, a former head of what was then the Supreme Soviet Parliamentary Committee on Law and Order: "The nomenklatura knew years ago that the system would come tumbling down. They prepared themselves for that, and they have obviously been successful."⁶⁰

The elite metamorphosis is also one of the main reasons why the change of regime "resulted from relatively comprehensive elite pacts and understanding negotiated in the course of transitions."⁶¹ These pacts, it is thought, had a form of "deliberate, negotiated settlements and carefully managed accommodations between competing groups ... leaving less politically exposed and less discredited 'holdover' elites in place."⁶² As a result of such

⁵⁹ Stephen E. Nilkolov, "Bulgaria: A Quasi-Elite," in John Higley, Jan Pakulski and Włodzimierz Wesolowski, eds., *Postcommunist Elites and Democracy in Eastern Europe* (London: Macmillan Press, 1998), p. 217.

⁶⁰ Stephen Handelman, *Comrade Criminal*, p. 113.

⁶¹ John Higley, Jan Pakulski and Włodzimierz Wesolowski, "Introduction: Elite Change and Democratic Regimes in Eastern Europe," in John Higley, Jan Pakulski and Włodzimierz Wesolowski, eds., *Postcommunist Elites and Democracy in Eastern Europe* (London: Macmillan Press, 1998), p. 5.

⁶² John Higley, Jan Pakulski and Włodzimierz Wesolowski, "Introduction: Elite Change and Democratic Regimes in Eastern Europe," p. 13.

“consensual” politics, “small and disaffected left- and right-wing elite groups gained no significant support.”⁶³ Transition was thus marked by an often confusing and baffling spectacles of change and continuity.⁶⁴

The distinguishing feature of the demise of communist regime (*revolution*) as well as postcommunist transformation (*reform*) was the fact that both were initiated and organized mainly *from above*. As Jacek Wasilewski put it:

There is little doubt that East European transitions were elite-led changes ... the elites were the chief architects of the dismantling of communism. Serving as primary agents of change at the time of transition, East European elites enjoyed an unprecedented autonomy. This allowed them to adopt a ‘pacted transition’ pattern of radical change ... Soon after this remarkably successful breakthrough, the elites were to play the role of stabilizers of a new regime.⁶⁵

The elitist bias of this monopoly over transition and its concomitant reliance on top-down decrees directly effected an exclusion of other, perhaps more democratic,

⁶³ John Higley, Jan Pakulski and Włodzimierz Wesolowski, “Introduction: Elite Change and Democratic Regimes in Eastern Europe,” p. 8.

⁶⁴ Cf. John Higley, Jan Pakulski and Włodzimierz Wesolowski, “Introduction: Elite Change and Democratic Regimes in Eastern Europe,” p. 20. According to Kazimierz Poznanski transformation in Central and Eastern Europe was neither revolutionary in character and should not be “portrayed as the triumph of an abused society.” The whole point of the change was to enable the communist elites to expropriate the whole stock of capital for themselves. [Kazimierz Poznanski, “An Interpretation of Communist Decay: The Role of Evolutionary Mechanisms,” *Communist and Post-Communist Studies* 26, no. 1 (March 1993): 3, 7; Kazimierz Z. Poznanski, “Property Rights Perspective on Evolution of Communist-Type Economies,” in *Constructing Capitalism: The Reemergence of civil Society and Liberal Economy in the Post-Communist World*, ed. Kazimierz Poznanski (Boulder, Colo.: Westview, 1992), pp. 76-77, 80, and *ibid.*, K. Poznanski “Epilogue” Markets and States in the Transformation of Post-communist Europe,” 199, 202; also Robert Hayden, review article, *Slavic Review* 55, no. 2 (Summer 1996): 444; cf. Sabrina P. Ramet, *Whose Democracy?: Nationalism, Religion, and the Doctrine of Collective Rights in Post-1989 Eastern Europe* (Lanham, Boulder, New York, and Oxford: Rowman & Littlefield Publishers, 1997), pp. 168-69]

⁶⁵ Jacek Wasilewski, “Elite Circulation and Consolidation of Democracy in Poland,” in John Higley, Jan Pakulski and Włodzimierz Wesolowski, eds., *Postcommunist Elites and Democracy in Eastern Europe*, p. 163. See also David Lane, “Elite Cohesion and Division: Transition in Gorbachev’s Russia,” in John Higley, Jan Pakulski and Włodzimierz Wesolowski, eds., *Postcommunist Elites and Democracy in Eastern Europe*, p. 89.

alternatives, and significantly predetermined not only the nature of change but also the ostensibly spontaneous selection of winners and losers (see further below).⁶⁶

Thus, paradoxically, moral cynicism, or if you want, 'brilliant calculation' of the communist elites turned out to act as a quasi-revolutionary force in whose grips the former revolutionary ideals, to use Marx's expression, "melted into the air," and the elites themselves fell - into capitalism. Such cynicism, respectively nihilism, turned in the mind of Francis Fukuyama into an argument to substantiate the thesis of "the end of history" - "the end point of mankind's ideological evolution."⁶⁷ In particular, Fukuyama argues that ideological development had ended because "bourgeois consumerism has a real meaning," and also because "all societies ... end their ideological pretensions of representing different and higher forms of human society."⁶⁸ In contrast, liberalism together with its own pretensions "could not be improved upon,"⁶⁹ even though, as Fukuyama admits, "the emptiness at the core of liberalism is most certainly a defect in the ideology."⁷⁰ The emptiness or nothingness at the core of liberalism might also be a reason of adaptability on the part of liberalism. Possibly, this emptiness at the core is also a reason why liberalism outlived the pretensions of other ideologies if the central nothingness can be taken as sharing in an ideal type - anti-essential "essence" - of ideological thinking as such. With the postcommunist stage of capitalism in, new forms of empty ideological pretensions

(ciphers) and their development are underway. In order to discuss some of the strategies

⁶⁶ In John Feffer's words: "The new governments of Eastern Europe are imposing a top-down economic reform, squeezing inflation out of the currency, workers out of the factories, and wages out of the population." John Feffer, *Shock Waves: Eastern Europe after the Revolutions* (Montreal and New York: Black Rose Books, 1992), p. 130.

⁶⁷ Francis Fukuyama, "The End of History?" in *The New Shape of World Politics: Contending paradigms in International Relations*, revised edition (New York: Foreign Affairs, 1999), p. 2.

⁶⁸ *Ibid.*, pp. 14, 18.

⁶⁹ *Ibid.*, p. 4.

⁷⁰ *Ibid.*, p. 19.

and implied motivations built in the postcommunist political economy of globalization, we will return to Fukuyama's arguments at the end of this chapter.

5. 3. Postcommunism: a brave new world of nihilism

The postcommunist world is in the labor of childbirth. This labor threatens to be an abortion. For a vast majority of the people in the postcommunist countries have found themselves in a critical social and economic situation. As Padma Desai rightly noted, the principal objective of the postcommunist transformation and transition is the "moving into the world trading and financial system."⁷¹ This means opening up the previous enclosure of the communist bloc for globalization and erasing its obstacles. Accordingly, postcommunism can be understood as a deliberate social engineering whose main negative task consists of reducing social and political control over the commanding power of "the market."⁷²

This nature of the current transition also helps to explain that its ten years have been a permanent political, economic, and moral crises. It is noteworthy that the Greek word *krisis* is connected to the notion of discernment, ability to distinguish, consider, contemplate, classify, select, separate, determine, identify, to make a choice and decision. In particular, *krisis* refers to the ability to discern and discriminate against crime. Thus in a situation when moral and ethical distinctions, discrimination and sanction against crime, and justice are slighted or are missing. Freedom is granted to crime. Unimpeded crime then breeds and is translated into a crisis that dissolves society in the direction of the

⁷¹ Padma Desai, ed., *Going Global: Transition from Plan to Market in the World Economy* (Cambridge, Mass., and London: The MIT Press, 1997), p. 3.

⁷² Stephen D. McDowell, *Globalization, Liberalization and Policy Change: A Political Economy of India's Communications Sectors* (London: Macmillan Press, 1997), p. 16.

Hobbesian 'state of nature' which is 'solitary, poor, nasty, brutish, and, when unchecked, might not be really 'short' but quite protracted, as the situation in Russia suggests.

Postcommunism is a brave new world of nihilism - a mean world of means where much is permitted because there is no *political* society that can *effectively* raise its objections and be a countervailing force. This nihilism is manifest through phenomena such as: 1) ultraliberal doctrines of capital declaratively abstracted in theory and in practice from the concerns about justice; 2) concomitant social attitudes and immorality 'beyond good and evil' that deny and nihilate moral and ethical boundaries and distinctions ('devaluation of all values'); 3) proliferation of political, moral, and cultural alienation in society; 4) blurred or erased boundaries between politics and crime that includes: criminalization of capital and capitalization of crime, and criminalization of politics and penetration of crime into politics.

The ideology and strategies of postcommunist transformation have been inspired and moulded by the ideas of Milton Friedman and Friedrich Hayek. In John Feffer's words:

The sea change of 1989 could not have come at a more opportune moment. The neoconservatives offered an economic theory that championed liberty and dismissed injustice. The economic elite in Eastern Europe - which cut its teeth on underground editions of Hayek and Friedman and later received training at such capitalist training grounds as the International Management Center in Budapest and the Industrial Society in Krakow - needed the *laissez-faire* message to attribute the economic injustice born of austerity to iron economic laws that could be transgressed only at great peril.⁷³

⁷³ John Feffer, *Shock Waves: Eastern Europe after the Revolutions* (Montreal and New York: Black Rose Books, 1992), p. 128. Feffer further adds: "There were warning messages coming from the West. John Kenneth Galbraith, the great liberal-minded US economist, did not mince words: 'Those who speak, as so many do so glibly, of a return to the free market of Adam Smith are wrong to the point of a mental vacuity of clinical proportions. It is something we in the West do not have, would not tolerate, could not survive. Ours is a mellow, government-protected life; for Eastern Europeans, pure and rigorous capitalism would

Hayek's and Friedman's liberalism represents an attempt to undo what Karl Polanyi identified in *The Great Transformation* as a society's spontaneous *self-defense* against the destructive forces ("Satanic mills") of the market. This *countervailing tendency* started to reassert itself in the late nineteenth-century and came about as a result of the increased democratization through action and struggle of working people despite repression and resistance from the capitalist elites.⁷⁴ Democratization was a very gradual and protracted process. In the U.S., women gained their right to vote in 1920. In other capitalist countries such as the Great Britain and Canada, women could vote only after World War II. In the United States, racial segregation was legally abolished only in the 1960s. Industrialization, urbanization, and technology were also contributing factors in this relatively late introduction of what we today commonly understand as democracy into capitalism. Conflating capitalism with democracy is a result of anachronistic fallacy. For we tend to forget that, as Fareed Zakaria reminded us, that:

*Until the 20 century, most countries in Western Europe were not democracies but rather liberal autocracies. The franchise was tightly restricted, and elected legislatures had little power. In 1830 Great Britain, in some ways most democratic European nation, allowed barely 2 percent of its population to vote for one house of Parliament that figure rose to 7 percent after 1867 and reached around 40 percent in the 1880s. Only in the 1940s did most Western countries become full-fledged democracies, with universal adult suffrages.*⁷⁵

be no more welcome than it would be for us.' ... Croatian philosopher Zarko Puhovski asked rhetorically: 'You have to be stupid to believe this. I lived in some Western countries so I know that this doesn't work.'" [Ibid., p. 128]

⁷⁴ See Dietrich Rueschemeyer, Evelyn H. Stephens and John D. Stephens, *Capitalist Development and Democracy* (Cambridge, Polity, 1992).

⁷⁵ Fareed Zakaria, "Democracies That Take Liberties," *The New York Times*, November 2, 1997, p. 15. Zakaria himself uses this evidence not for democracy but for liberalism and *against* "democratization."

Consequently, “democracy” is of relatively recent date; as such it has lasted only for about 50 years. From a historical perspective, such “full-fledged democracy” represents a precariously short period of time limited mainly to the West. Friedman and Hayek are authoritative representatives of reaction against this democratic wave, and this is why their ideas were formulated as a self-conscious return to ideologically more pure liberalism that antedated the advent of democracy in the twentieth-century. Thus, it can appear, that having accepted strategies inspired by Friedman and Hayek, “the [post]communist leadership is making desperate efforts to surreptitiously replace its bankrupt bolshevik ideology with a sort of nineteenth-century conservative liberalism”⁷⁶ I can testify in this regard from my own experience.

Friedman and Hayek both offered ideological justifications and strategies that enabled the postcommunist elites to launch an effective counterattack against labor, using the state, while speaking of democracy, rights and freedoms, and individualism. The elites simultaneously appropriated the assets of the state itself, while simultaneously giving the state to the “opposition.” The essence of such liberalism is an explicit rejection of “the idea that a legitimating concept of justice is relevant to the operations of a market system. A roughly similar line is taken by Milton Friedman.”⁷⁷ Hayek denied “the applicability to the market of conceptions of justice, based on merit or desert.”⁷⁸ Friedman on his part, for example, argued:

⁷⁶ Elemér Hankiss, “In Search of a Paradigm,” in Stephen R. Graubard, ed., *Eastern Europe ... Central Europe ... Europe* (Boulder, San Francisco, and Oxford: Westview Press, 1991), p. 191.

⁷⁷ Peter L. Berger, *The Capitalist Revolution: Fifty Propositions about Prosperity, Equality, and Liberty* (New York: Basic Books, 1986), p. 205; F.A. Hayek, *Law, Legislation and Liberty* (London, 1982); Friedman, *Capitalism and Freedom* (Chicago, 1962).

⁷⁸ Russeal Keat, “The Moral Boundaries of the Market,” 7; in Colin Crouch and David Marquand, eds., *Ethics and Markets* (Oxford & Cambridge, Mass.: Blackwell Publishers, 1993), p. 7; Friedrich Hayek, *The Constitution of Liberty* (London: Routledge and Keagan Paul, 1960).

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Few trends could so thoroughly undermine the very foundations of our free society as the acceptance by corporate officials of a social responsibility other than to make as much money for their shareholders as possible. This is a fundamentally subversive doctrine. If businessmen do have a social responsibility other than making maximum profits for stockholders, how are they to know what it is? .. Can they decide how a great burden they are justified in placing on themselves or their stockholders to serve that social interest?⁷⁹

In the lecture delivered at The Royal Society of Arts, 31 October, 1973, Hayek declared:

I have belatedly come to agree with Joseph Schumpeter who 30 years ago argued that there was an irreconcilable conflict between democracy and capitalism ... Indeed, in a market economy ... the whole conception of social or distributive justice is empty and meaningless ... I am certain, however, that nothing has done so much to destroy the juridical safeguards of individual freedom as the striving after this mirage of social justice. ... this ideal which almost everybody seems to believe to have a definite meaning ... proves more completely devoid of such meaning the more one thinks about it.⁸⁰

This statement of faith that underlies much of the thinking on the part of the liberal conception of globalization shows quite clearly its nihilistic essence: “the whole conception of social and distributive is empty and meaningless,” “the mirage of social justice” is “completely devoid of meaning,” yet the “emptiness” and “meaninglessness” of justice (mind: under capitalism) is “destroying” capitalism’s “freedom.” If freedom is set against and abstracted from justice can we still call it “freedom”? Is it not more meaningful to think about freedom also as being and presupposing freedom from injustice?

⁷⁹ Milton Friedman, *Capitalism and Freedom* (Chicago and London: The University Chicago Press, 1962), pp. 133-34.

⁸⁰ F.A. Hayek, *Economic Freedom and Representative Government* (London: The Institute of Economic Affairs, 1973) pp. 9, 13.

Jeff Weintraub gives a useful summary of the central arguments of this postcommunist “orthodoxy”:

In so far as democracy is genuine rather than purely nominal, individuals and groups have the potential power to call collective outcomes in question, and will therefore have to be convinced (more or less) of the *fairness* of collective outcomes through a process of discussion and negotiation. As Friedrich Hayek brings out with particular clarity and forthrightness, these processes and concerns are incompatible in principle with the central logic of the market system.⁸¹

Let us note the following. “Calling collective outcomes in question” and the need to be “convinced” of fairness “through a process of discussion and negotiation,” which characterizes genuine democracy, is said to be “incompatible in principle with the central logic of the market system.” Hayek and the postcommunist leaders opted for the first choice - for the freedom of “market” and against the “fairness of collective outcomes.” Here we can see *de facto* a new and more radical variant on Adam Smith’s magical “hidden hand”: individuals might be evil and often are, but this does not matter since the market takes care of the outcomes and, in any case, those hidden processes do not need to be questioned. In a note, Weintraub adds:

For Hayek, liberty is tied to the ‘spontaneous order’ of the market, which is incompatible in principle with attempts at conscious control over collective outcomes. The health of the market thus requires rather drastic restrictions on the scope of democratic decision-making. In the second volume of the latter work (*The Mirage of Social Justice*), Hayek argues that it is not only illegitimate but, strictly speaking, meaningless to question the ‘fairness’ or ‘unfairness’ of market outcomes, as long as everyone has played by the rules.⁸²

⁸¹ Jeff Weintraub, “Democracy and the Market: A Marriage of Convenience,” in Margaret Latus Nugent, ed., *From Leninism to Freedom: The Challenges of Democratization* (Boulder, San Francisco, and Oxford: Westview Press, 1992), p. 55.

⁸² Jeff Weintraub, “Democracy and the Market: A Marriage of Convenience,” p. 65 note 11.

The “spontaneous order” or freedom of the “market,” that is those who have capital, is *the* dominant “rule” by which *all* should play, that also includes all those who have ‘nothing but their labor.’ In Hayek’s “order,” the principles of the Platonic cave and panopticon are again *de facto* at work. The spontaneous freedom of capital is a *cipher* for censure against people’s “conscious control” over the outcomes - over what is “freely” inflicted upon them. Consequently, in such “market” order, people are *not* free to be conscious or even spontaneous as they would themselves like to be. The ideal principle and rule of capital is therefore, in so far as people *are* labor, unconscious labor, respectively unconscious people. Implicitly, consciousness and conscious control were not censured on the part of the market, that is, on the part of individuals with capital. Simply put, people are “free” not to act. Collectively, people are only “free” to accept whatever the market chooses to do to/with them. When combined with the previous argument, it follows that under this scheme of things, genuine democracy is sanctioned as “illegitimate” and “meaningless.” And what about the connection between democracy and liberal “freedom”? The freedom of market (capital) - its “health” - “requires rather drastic restrictions on the scope of democratic decision-making.” In other words, free market/capital presupposes and means “drastic” unfreedom. The question which Hayek chooses not to ask is: *Who* would decide and ensure *collective* “drastic restrictions on democratic decision-making” when “individuals and groups” are prevented or prohibited to “to call collective outcomes in question” and make judgments “through a process of discussion and negotiation”?

Hayek's argument, however, raises a question: How could we distinguish what occurs when the "spontaneous order" puts "drastic restrictions on the scope of democratic decision-making," and when a questioning of the 'fairness' or 'unfairness' of market outcomes is declared *a priori* "illegitimate" and "meaningless"? This means that the burden of "unfairness" and "illegitimacy" is at least implicitly shifted away from a perceived crime on its potential questioning, while whatever is done or happens under the "rule" of the "spontaneous order" of the market is automatically cleared.

The fact, however, is that the postcommunist elite inspired by Hayek made use of liberal monetarism to justify and to cover up a massive expropriation of the assets of the population as well as significant proportions of their incomes. In 1980, Friedman wrote: "As it has become politically less attractive to vote higher taxes to pay for higher spending, legislators have resorted to financing spending through inflation, a hidden tax that can be imposed without having been voted."⁸³ And this is exactly what happened. The peculiar feature of postcommunist reform was that it employed *both* monetarism and inflation.⁸⁴ In this connection, Skidelsky noted that "monetarism was technically and politically flawed. The Keynesians and Marxists were right ..."⁸⁵ However this was not the point. What was crucial was that monetarism suited a deliberately "flawed" policy. According to Friedman's 'money rule' inflation is 'always and everywhere a monetary

⁸³ Robert Skidelsky, *The World After Communism: A Polemic For Our Times* (London: Macmillan, 1995), p. 123.

⁸⁴ "The price rationalizing measures necessarily had an effect on inflationary pressures in the economy." For the price hike of "merely" 47 per cent achieved within the first two months of January - February 1991, Czechoslovakia was praised as "the most successful among the countries in transition ... although inflation accelerated in 1993 and has not been fully suppressed." Such a success was in fact deemed to be "extreme." [Roman Frydman, Andrzej Rapaczynski, and Joel Turkewitz, "Transition to a Private property Regime in the Czech Republic and Hungary," in Wing Thye Woo, Stephen Parker, and Jeffrey D. Sachs, eds., *Economies in Transition: Comparing Asia and Eastern Europe*, p. 60.

⁸⁵ Robert Skidelsky, *The World After Communism*, p. 120.

phenomenon.' The government is blamed for not controlling properly "the money supply."⁸⁶ The solution to the excess of money supply is therefore presented in cutting down money creation by the government and slashing budget as well as disposable incomes of the people.

In reality, this diagnosis and prescription, that might be correct in particular cases, is heavily loaded with a particular bias in the favor of financial, especially global, capital. Underlying causes of inflation, that can vary from case to case, are simplified and reduced into one or two: "fiscal imbalances and low confidence in macroeconomic management" where fiscal imbalances are actually considered to be "the *main* sources of rapid money growth."⁸⁷ In practice, fiscal imbalances can also be an effect rather than a cause of rapid money growth. Much here also depends on the structure of money "growth" or on its redistribution - that is, where and for whom money really "grows."⁸⁸ From this generalized premise is drawn a general political conclusion that "[t]he most important step in macroeconomic stabilization is fiscal consolidation, that is, the elimination of the underlying fiscal and quasi-fiscal deficits, that are the cause of the high inflation."⁸⁹

Concretely, this is then translated into "sharp cuts in subsidies, and a sharp cut in public

⁸⁶ Robert Skidelsky, *The World After Communism*, p. 119.

⁸⁷ Jeffrey Sachs, "An Overview of Stabilization Issues Facing Economies in Transition," in Wing Thye Woo, Stephen Parker, and Jeffrey D. Sachs, eds., *Economies in Transition: Comparing Asia and Eastern Europe* (Cambridge, Mass., and London: The MIT Press, 1997), pp. 243-44; Stephen Parker, Gavin Tritt, and wing Thye Woo, "Some Lessons Learned from the Comparison of Transitions in Asia and Eastern Europe," in Wing Thye Woo, Stephen Parker, and Jeffrey D. Sachs, eds., *Economies in Transition: Comparing Asia and Eastern Europe*, p. 10.

⁸⁸ Hayek himself stresses that the problem of inflation is not caused so much by too much money as, if not more importantly, by the imbalance of demand among different goods and services, that is, the structure of the prices. Thus the real rectification "can be brought only by appropriate changes in relative prices [and not by a rise in prices across the whole board as in Eastern Europe - my comment]. Moreover, Hayek also correctly said: "Freezing the relations among the wages of different kinds or labor must produce unemployment." Again this is exactly what happened. [See F.A. Hayek, "The Muddle of the Middle," in Svetozar Pejovich, ed., *Philosophical and Economic Foundations of Capitalism* (Lexington and Toronto: Lexington Books, 1983), p. 94]

⁸⁹ Jeffrey Sachs, "An Overview of Stabilization Issues Facing Economies in Transition," pp. 244-45.

investment spending.”⁹⁰ In addition to that fact that we can here confuse productive investment with an almost *a priori* unproductive consumption. Another reason for these deficits can be a rather low demand that cripples production. The generation of taxes and not excessive money supply - which is also exactly what can often be seen in the economies in transition where “sharp cuts” accompany and reinforce both inflation and deficits, hence higher public indebtedness now usually in hard currency and thus actually growing together with inflation. Furthermore, the monetary policy prescribes “the end of quasi-fiscal cheap credits”⁹¹ as if low interest rates (curbed usury) was an automatic sin. High interest rates can also fuel inflation. They contribute to an further rise of indebtedness and to bankruptcies.⁹² Better wages and their *negotiation* are another sin because, allegedly, “wage negotiations are often dominated by political rather than economic considerations.”⁹³

A key hidden defect of the monetary theory is that the government had lost a monopoly on money creation a long time ago. In fact, ‘money creation’ now increasingly “occurs within the inner web of the international banking system” that has the ability to deploy new forms of money and debt, to manipulate interest and exchange rates, and moving money without impediment around the globe from country to country virtually twenty-four hours a day.⁹⁴ An important new venue of effective money creation is, for

⁹⁰ Jeffrey Sachs, “An Overview of Stabilization Issues Facing Economies in Transition,” p. 245.

⁹¹ Ibid., p. 246.

⁹² Guillermo A. Calvo and Jacob A. Frenkel, “From Centrality Planned to Market Economy, The Road from CPE to PCPE,” *IMF Staff Papers*, vol. 38, no. 2 (June 1991): 268-99; Marie Lavigne, *The Economics of Transition: From Socialist Economy to Market Economy* (New York: St. Martin’s Press, 1995), p. 134.

⁹³ Jeffrey Sachs, “An Overview of Stabilization Issues Facing Economies in Transition,” p. 248.

⁹⁴ Michel Chossudovsky, *The Globalization of Poverty: Impacts of IMF and World Banks Reforms* (New Jersey and London: Zed Books, 1997), p. 24.

example, the growth credit card industry.⁹⁵ Due to a wide range of sources from which “claims to money” are generated, Schumpeter argued in 1939 that “[it is] also evident that the very concept of quantity of money becomes doubtful. *It is, in fact, impossible to speak of the quantity of ‘money’ in the sense in which we speak of the quantity of a commodity* [Schumpeter’s emphasis].”⁹⁶ In other words, monetarism capitalized - made an effective claim to others’ money - on the basis of a fiction. More precisely, the fiction is a *cipher*: “quantity of money.”

In practice, these monetary policies signified, as Chossudovsky explained, “that central banks are no longer able to regulate the creation of money in the broad interests of society (e.g. mobilizing production or generating employment).”⁹⁷ The rhetoric of monetarism conceals this under the veil of its apparent simplicity when it is offered to the public. The effect of this policy is a factual destruction of the state’s prerogatives to create money and its ability to generate revenues by means of the state itself. Both for the state and society this creates an artificial scarcity of funds. In this way, capitalism has forced many industries in Russia out of money into barter or out of existence. As a result, money creation is thus expropriated and controlled by foreign private creditors and the IMF. For the government, the only way left open becomes borrowing money in the form of short-term credits, which means a higher interest rate - a higher tax on domestic production, incomes, and development. Such monetarism - ‘freeze on money creation’ - “constitutes a powerful instrument capable of paralyzing entire economies.”⁹⁸

⁹⁵ Viviana A. Zelizer, *The Social Meaning of Money* (Princeton: Princeton University Press, 1997), p. 206.

⁹⁶ Joseph A. Schumpeter, *Business Cycles: A Theoretical, Historical, and Statistical Analysis of the Capitalist Process*, Volume 2 (New York and London: McGraw Book Company, 1939), p. 546.

⁹⁷ Michel Chossudovsky, *The Globalization of Poverty*, p. 24.

⁹⁸ *Ibid.*, p. 24. “In the Russian Federation, for instance, the IMF-sponsored credit restrictions by the

Consequently, such monetary policy is a tool for a vast redistribution of wealth in society in the direction of financial community and creditors. As Galbraith indicated, prominent winners of such policies are the financial community and “all who lend money.”⁹⁹ In this regard, policies of cheap money and ‘full employment’ pursued after World War II were causing an increasing uneasiness on the part of banks, and especially international finance capital. Full (or almost full) employment violated the spirit of capitalism; it was undermining the “first function of unemployment” - “the authority of masters over men.”¹⁰⁰

Monetary policies of suppressed wages and demand by *government fiat* were also justified by the myth of “monetary overhang” defined as an abundance/surplus of money and excessive demand on the part of the population. In this regard, Marie Lavigne correctly pointed out:

[I]nflationary pressure did not originate from the household sector. Monetary overhang in the household sector has everywhere been wiped out following the liberalization of prices ... There was no wage-price spiral in most of the transition countries. Increases in nominal wages did not match price increases, due to income policies which were meant to sustain the monetary policy.¹⁰¹

The real and only “overhang” existed on the part of the elites and now liberalized the mafia-run economy. The monetary overhang was in fact an euphemism (*cipher*) for the

Central Bank to state enterprises have been conducive since 1992 to the disintegration of entire sectors of the Russian economy.” [Ibid., p. 24]

⁹⁹ John Kenneth Galbraith, *The Good Society: The Human Agenda* (Boston & New York: Houghton Mifflin Company, 1996), p. 46.

¹⁰⁰ Peter J. Reynolds, *Political Economy: A Synthesis of Kaleckian and Post Keynesian Economics* (New York: St. Martin's Press, 1987), p. 227; N. Kaldor, “Keynesian economics after fifty years,” in Worswick, D., and Trevithick, J., eds., *Keynes and The Modern World* (Cambridge University Press, (1983), p. 4; *The Times*, 23 January, 1943.

¹⁰¹ Marie Lavigne, *The Economics of Transition: From Socialist Economy to Market Economy* (New York: St. Martin's Press, 1995), p. 133.

process of initial capital accumulation of the elites that created this overhang by misallocation and relocation of resources by the means of complex mechanism of hidden redistributions.¹⁰² The costs of “the elimination” of such overhang, i.e., money laundering, was however displaced on the population through high inflation and excessive devaluations. In other words, the population paid for such initial accumulation of capital and their own expropriation with drastically reduced real savings and wiped-out lifetime savings. From the IMF perspective, “purchasing power was too high.”¹⁰³ This would amount to a claim that under communism people were paid too well. Therefore, an additional line of argument was developed according to which, as one World Bank advisor put it, these incomes and savings “were not real, they were only a perception because [under the Soviet system] they were not allowed to buy anything.”¹⁰⁴ In other words, starting inflation was deliberately induced as a strategy that brought together interests of two unusual partners - Marxists and the IMF in order to expropriate workers.¹⁰⁵

In accordance with the IMF directives, the postcommunist governments also introduced higher taxes above the already high levels of former socialist taxation, especially VAT (value added tax) that within the economy acts like a rolling stone that creates snowballing effects. VAT acts like self-compounding interest that covers

¹⁰² At a lecture in Prague in September 1986, a professor of political economy working for the Party's Institute of Marxism-Leninism stated that 5% of the population had owned at that time around 80% of all the savings in the country.

¹⁰³ Michel Chossudovsky, *The Globalization of Poverty: Impacts of IMF and World Banks Reforms* (New Jersey and London: Zed Books, 1997), p. 226. According to the same IMF official, “the government opted for ‘a maximum bang’” in order to eliminate citizens' holdings “at the beginning of the reform program.” [Ibid., p. 226] “Privatization” of state assets was thus also accompanied by expropriation of private wealth of the people.

¹⁰⁴ Ibid., p. 226.

¹⁰⁵ “The first thing which must be done is to bring about inflation. ... I believe inflation to be inevitable [for transforming ‘capitalism’ into ‘socialism’] ... Inflation is in itself an excellent means of smoothing certain transitional difficulties and of effecting partial expropriation.” Joseph A. Schumpeter, *Capitalism, Socialism, and Democracy*, p. 226.

practically all transactions. Old taxes are taxed again with every new transaction since they remain part of the cumulative price; the more you interact the more you pay for the “sins” (taxes) of others. Higher taxes mean higher prices and thus *higher inflation* and the more so in case of VAT with its snowball effects. In addition, the rates of VAT (22-25 per cent for most items) were set up higher than in Western Europe.¹⁰⁶

Part of this monetary therapy also included obligatory dramatic *overdevaluations* of currency, that is, “putting the rate of exchange (expressed in units of domestic currency required to buy a unit of foreign currency) much below the purchasing power parity.”¹⁰⁷ This excessively increased costs for imports, that again was translated back into domestic inflation, and greatly cheapened domestic assets and goods not only for foreign tourists but also for foreign capital at a time when everything was up for grabs (though not exactly for every one). Expensive imports worsened fiscal deficits, that the reform was to cure, and encouraged inflow of consumer goods from abroad.¹⁰⁸ Thus the *cipher* of “fighting inflation” meant in reality creating inflation. Induced inflation was used in turn as a reason to default on necessary investments.

In the main, such monetary policies were also a reflection of the attitude of communist and later postcommunist elites toward labor. Thus Jacek Wasilewski concluded on the basis of his interviews concluded that “the elites held a distrustful view of the labor force: a large proportion thought that people have to be coerced to work effectively (unemployment necessary), and that they would misuse welfare if left alone.”¹⁰⁹

¹⁰⁶ See Marie Lavigne, *The Economics of Transition*, pp. 130, 184.

¹⁰⁷ See *ibid.*, p. 139. “In 1990, the average dollar wage in Hungary and Poland was well below the average dollar wage in Paraguay or Thailand.” [*Ibid.*, p. 139]

¹⁰⁸ See *ibid.*, pp. 134, 138-39, 141.

¹⁰⁹ Jacek Wasilewski, “Elite Circulation and Consolidation of Democracy in Poland,” in John Higley, Jan Pakulski and Włodzimierz Wesolowski, eds., *Postcommunist Elites and Democracy in Eastern Europe*

As Skidelsky pointed out, what is conspicuously missing in the strategies of postcommunist transformation is Keynes.¹¹⁰ This is in a sense a historical irony because Keynes' economics drove a very stable Western growth throughout most of the Cold War, directly contributed to the unprecedented welfare of large masses in the West and sustained the high costs of arms race at the same time. This ironical "discrediting" of Keynesian policies however reflected an important shift in the balance of power in Western societies that started gaining a momentum in from the early 1970s and whose correlation to the demise of communism in the East should not be underestimated.¹¹¹ Keynes' idea was as powerful as simple: treat people reasonably well, i.e., help ensure high levels of employment and demand, and the economy would also do well. And, of course, to ensure that, the state also needs to act accordingly - with a view of common good.

The dominant political and economic interests, however, opted for the opposite set of goals and *less* stability, while most people in Eastern Europe initially almost unanimously desired and also expected that some kind of socialist Keynesianism or democratic socialism would be created in their countries. At the beginning, "spontaneous" capitalism *was not* the popular choice. For the public, Sweden was the most often popular

(London: Macmillan Press, 1998), p. 174.

¹¹⁰ Robert Skidelsky, *The World After Communism*, p. 189.

¹¹¹ Peter J. Reynolds, *Political Economy: A Synthesis of Kaleckian and Post Keynesian Economics* (New York: St. Martin's Press, 1987), p. 229. Cf. Schumpeter's critique of the New Deal: "A bourgeois society that meekly accepts the vast transfer of wealth accomplished in the United States during the thirties ... thereby testifies to its readiness to surrender, though it may not be ready to surrender to every type of conqueror." J.A. Schumpeter, *Essays: On Economic Topics of J.A. Schumpeter*, ed. by Richard V. Clemence (Port Washington, N.Y.: Kennikat Press, 1951), p. 177.

model to be followed.¹¹² Misha Glenny offers an analysis of these betrayed hopes in section entitled "The Ideology that Dares not Speak Its Name."¹¹³

By and large, postcommunism has significantly contributed to the unification of the globe. However, at the same time, postcommunism has failed in its most important original promise: to restore morality, political accountability, and respect for the rule of law and justice. The interesting thing is that some liberals such as Charles Gati also realized this fundamental failure together with its concomitant 'legitimacy deficit' and implications:

Despite vast changes since 1989 in central and eastern Europe and not insignificant changes since 1991 in the former Soviet Union, the public mood in most postcommunist countries points to unsuccessful transitions to democracy. That it is seldom recognized to be so because it does not fit into widely held Western notions of politics and economics. ... what they reject is not merely a leader or a party - as disillusioned Western publics would - but the very system and values of Western-style democracy ... [this signifies] a *systemic challenge to the essential features of Western-style democracy* ... *What these polls indicate is discontent so acute and so pervasive as to invite comparison with public sentiments that prevailed prior to the fall of communism. As vast majorities consider the post-communist course to be a failure, they are bent on checking its direction and arresting its development* [all original emphases].¹¹⁴

Stephen Holmes holds a somewhat different view. While he suggests that, in some important aspects, postcommunism can be *objectively* a fraud, he however trusts that the situation can be still effectively manipulated in the subjective consciousness of the masses.

¹¹² See, for example, Jan Matyas Kovacs, "Reform Economics: The Classification Gap," in Stephen R. Graubard, ed., *Eastern Europe ... Central Europe ... Europe* (Boulder, San Francisco, and Oxford: Westview Press, 1991), p. 231; Misha Glenny, *The Rebirth of History: Eastern Europe in the Age of Democracy* (New York: Penguin Books, 1990), pp. 49, 199; Nikolai Popov, *The Russian People Speak: Democracy at the Crossroads* (Syracuse: Syracuse University Press, 1995), p. 135.

¹¹³ Misha Glenny, *The Rebirth of History*, p. 199.

¹¹⁴ Charles Gati, "If Not Democracy, What? Leaders, Laggards, and Losers in the Postcommunist World," in Michael Mandelbaum, ed. *Postcommunism: Four Perspectives* (New York: Council on Foreign Relations, 1996), pp. 169, 177, 191.

To this effect, Holmes quotes Richard Rose who argued “low expectations,” in particular, help “prevent frustration and the acts of aggression that may follow.” To this Holmes adds that in his view the Russians “have become proficient in learning how to get by in a society under stress.”¹¹⁵

The pervasiveness of postcommunist social and economic crises and demoralization is linked to a remarkable uniformity or conversely a lack of meaningful alternatives of reform. This seems to conform to the pronouncement of the “end-of-history” thesis that “all alternative governmental systems have collapsed.”¹¹⁶ It however appears that such an “end-of-history,” i.e., the apparent lack of politically significant alternatives in itself depends on a sustained political consensus and understanding between the top elites of the ex-communist bloc and the West. This consensual relationship can be defined as a regime of the hegemony of the Western core and the political, economic, and ideological dependence of the Eastern European countries.¹¹⁷ Here, hegemony can be defined, as Robert Cox did, as a structure of dominance encompassing ideology and institutionalized power.¹¹⁸ According to Jeffrey Sachs, the ‘core institutions’ of such globalization includes convertible currencies, freedom of trade and investment, and corporate control of large enterprises. “This basic infrastructure,” Sachs claims, “has been successfully exported all over the world.”¹¹⁹ This

¹¹⁵ Stephen Holmes, “Cultural Legacies or State Collapse?,” p. 45.

¹¹⁶ Robert Skidelsky, *The World After Communism*, p. 165. Skidelsky himself argues that Fukuyama’s argument is fallacious.

¹¹⁷ Kalypso Nicolaidis, “East European Trade in the Aftermath of 1989: Did International Institutions Matter?” in Robert O. Keohane, Joseph S. Nye, and Stanley Hoffmann, eds., *After the Cold War: International Institutions and State Strategies in Europe, 1989-1991* (Cambridge, Mass.: Harvard University Press, 1993), pp. 242-243.

¹¹⁸ Robert W. Cox, “Social Forces, States and World Orders: Beyond International Relations Theory,” in Robert O. Keohane, ed., *Neorealism and Its Critics* (New York: Columbia University Press, 1986), p. 251.

¹¹⁹ Robert Skidelsky, *The World After Communism*, p. 169.

hegemonic policy, dubbed with regard to East Europe as the 'Washington consensus,' was precluding other alternative solutions.¹²⁰

Holmes described the nature of such dominance with the example of the Czech Republic in rather unequivocal terms:

[Vaclav Klaus] is postcommunism's greatest Machiavellan, for as Machiavelli remarked, if you want to make a successful revolution, call it a restoration. Instead of allowing people to think they are being colonized by the West, which implies the worthlessness of everything the Czechs have been, Klaus spreads the message that the old businesslike Bohemia, full of hardworking Czechs, is back where it belongs, awoken from a long slumber, released from a Soviet detention camp. This is not a wholly accurate message of course."¹²¹

In a collection of French essays entitled *Terror and Consensus*, Maurice Godelier elaborating on Fukuyama's "end-of-history" thesis arrived at the same conclusion: the West is "finally conquering Eastern Europe, a task begun in the sixteenth century, well before the advent of communist regimes."¹²² According to Michel Chossudovsky, this outcome is not something that automatically happens but that is made so: "The reforms are not intent (as claimed in the West) in building market capitalism and Western style socio-democracy but in neutralizing a former enemy and forestalling the development of Russia as a major capitalist power."¹²³

The present dependence can be understood as a qualitative negation, i.e. a dialectic transformation of the former communist satellite. As a dialectic negation, the new position

¹²⁰ Marie Lavigne, *The Economics of Transition*, p. 154; John Williamson, ed., *The Political Economy of Policy Reform* (Washington, DC: Institute for International Economics, 1994).

¹²¹ Stephen Holmes, "Cultural Legacies or State Collapse?," pp. 64-65.

¹²² Maurice Godelier, "The Baruya Between Change and Decay," in Jean-Joseph Goux and Philip R. Wood, eds., *Terror and Consensus: Vicissitudes of French Thought* (Stanford: Stanford University Press, 1998), p. 193.

¹²³ Michel Chossudovsky, *The Globalization of Poverty*, p. 229.

of Eastern Europe in the hierarchy of the global politico-economic system is also to a certain degree a result of previous dependence.¹²⁴

The interests and imperatives of such hegemony were translated into a rather radical approach to societal reform offered under a metaphorical code-name of “big bang,” “shock therapy” and later “cold turkey.” Although the radicalism of these shock programs differed from country to country, all of them were agreed with the IMF, even though they were presented as a rule as the strategies of the national governments.¹²⁵ In any case, as Kalypso Nicolaidis observed, this “big bang approach seemed to command intellectual hegemony throughout central Europe.”¹²⁶ The main reasons for imposing “shock” capitalism were political rather than concerns about economic efficiency.¹²⁷

The political imperative to favor such radicalism stemmed from the objective to establish and secure the liberal hegemony as quickly as possible. In his IMF-sponsored

¹²⁴ For an analysis of Soviet hegemony and dependency of the Central and Eastern European countries see C. H. McMillan, “The Collapse of the Regional System in Eastern Europe,” in F. Hampson and C. Maule, eds., *After the Cold War, Canada Among Nations, 1990-1991* (Ottawa: Carleton University Press, 1991), pp. 176-81; Stephen Gill and David Law, *The Global Political Economy* (Baltimore: The Hopkins University Press, 1993), p. 77.; David Stark, “Path Dependence and Privatization Strategies in East Central Europe,” *East European Politics and Societies*, vol. 6, No. 1, 1992. Martin Schrenk, “The CMEA System of Trade and Payments: Initial Conditions for Institutional Change,” in Arye L. Hillman and Branko Milanovic, *The Transition from Socialism in Eastern Europe* (Washington, DC: The World Bank, 1992), pp. 217-241.

Moreover, the “postcommunist” reforms were in fact already started when the nominally communist elites were still in power. The communist government of Rakowski abolished limits on private enterprise in Poland in January 1989. The capitalist economy began to be legally formed under the communist government in Hungary in 1988. In 1988, reforms aiming at free market economy were initiated by “Mikulić’s staunchly communist government” in Yugoslavia. Constitutional amendments legalizing the capitalist development were adopted by the Communist-dominated legislature in Bulgaria in April 1990, and in the USSR in August 1990. [See Branko Milanovic, “Privatization Options and Procedures,” in Arye L. Hillman and Branko Milanovic, eds., *The Transition from Socialism in Eastern Europe* (Washington, DC: The World Bank, 1992), pp. 50-51, 41-82]

¹²⁵ Marie Lavigne, *The Economics of Transition*, p. 141.

¹²⁶ Kalypso Nicolaidis, “East European Trade in the Aftermath of 1989: Did International Institutions Matter?” in Robert O. Keohane, Joseph S. Nye, and Stanley Hoffmann, eds., *After the Cold War: International Institutions and State Strategies in Europe, 1989-1991* (Cambridge, Mass.: Harvard UP, 1993), p. 212.

¹²⁷ Marie Lavigne, *The Economics of Transition*, pp. 119-20; Michael Ellman, “Shock Therapy in Russia: Failure or Political Success?” *RFE/RL Research Report*, vol. 1, no. 34 (28 August): 48-61.

study, Hans Genberg explained: "Rapidly boiled down to a need to make the process irreversible."¹²⁸ Wolfram Schrettel agreed: "one should be at least aware that to strengthen gradualism may de facto mean to strengthen the opponents of a transition."¹²⁹ In a similar vein, OECD analysts argued that the "shock treatment" was "unavoidable due to the political atmosphere" in the countries in transition.¹³⁰ Of course, not always and not everything was entirely "voluntary." Stephen Haggard and Andrew Moravcsik explained the need to exercise additional coercion by the presumed "lack of understanding" on the part of the local ex-communist elites:

Given the lack of understanding regarding the transition process, multilateral institutions exercised influence as much through persuasion and the transmission of political expertise as through outright inducement or coercion ... pressures from the IMF ... [also] led the [Hungarian] government toward a more rapid reform path.¹³¹

In the view of Misha Glenny, however, this coercion was likely to produce more problems than gains because "[t]he use of strong-arm tactics to coerce East European states into the quick creation of market economies has involved a miscalculation that threatens the stability of the area."¹³²

¹²⁸ Hans Genberg, *On the Sequencing of Reforms in Eastern Europe* (Geneva: the IMF, 1991), p. 26.

¹²⁹ Wolfram Schrettel, "Structural Conditions for a Stable Monetary Regime and Efficient Allocation of Investment: Soviet Country Study," in *Transformation of Planned Economies: Property Rights Reform and Macroeconomic Stability* (Paris: OECD, 1991), p. 112.

¹³⁰ *Integrating Emerging Market Economies into the International Trading System*, (Paris: OECD, Center for Cooperation with the Economies in Transition, 1994), p. 17.

¹³¹ Stephen Haggard and Andrew Moravcsik, "The Political Economy of Assistance to Eastern Europe, 1989-1991," in Robert O. Keohane, Joseph S. Nye, and Stanley Hoffmann, eds., *After the Cold War: International Institutions and State Strategies in Europe, 1989-1991* (Cambridge, Mass.: Harvard University Press, 1993), pp. 273, 274, 278. See also Jeffrey Sachs, "Western Financial Assistance and Russia's Reforms," in S. Islam and M. Mandelbaum, eds., *Making Markets* (New York: Council on Foreign Relations Press, 1993), p. 169.

¹³² Misha Glenny, *The Rebirth of History*, p. 198.

Such a hegemony and its standards have been effectively enforced by the local postcommunist elites in coordination with the Western governments, the International Monetary Fund (IMF), the European Union, and the World Bank who are our guardians in the global Platonic cave that choose and manipulate our social *ciphers*. These governments and globalist institutions acted as an authoritative “machinery of surveillance.”¹³³ In addition to their functions of hegemony maintenance, strategy-making, and surveillance, these institutions and their regimes also serve, as Kalypso Nicolaidis emphasized, as “a means of socializing new elites” into the capitalist world system.¹³⁴ In this regard, it needs to be stressed the ex-communist elites in Eastern Europe had consciously embraced their co-optation into such a new hegemonic order and clearly made deliberate political decisions. These decisions amount to the renunciation of other alternatives and their own freedom of action. This hegemonic thinking and its postcommunist imperatives were perhaps best expressed by John Fleming, a chief economist of the European Bank for Reconstruction and Development, formerly working with the IMF. In Fleming’s view, “all countries are the same,” and there are only historical “facts”: “the uniformity of human nature” and “the universality of technology.”¹³⁵ The

¹³³ The term is Cox’s. See Robert W. Cox, “Social Forces, States and World Orders,” p. 231. For critical views on the subject, see, for example, Stephen Gill, “Neo-Liberal Political Economy”, in Richard Stubbs and Geoffrey R.D. Underhill, eds., *Political Economy and the Changing Global Order* (Toronto: The Canadian Publishers, 1994), pp. 75-88.; Stephen Gill and David Law, *The Global Political Economy* (Baltimore: The John Hopkins University Press, 1993), p. 89-95, 143-156, 185-186, 252-253, 355-356; Robert W. Cox, “Ideologies and the NIEO: Reflections on Some Recent Literature,” *International Organization* (1979), Vol. 33, pp. 257-302. For the liberal perspective, see, for example, Robert O. Keohane, Joseph S. Nye, and Stanley Hoffmann eds., *After the Cold War: International Institutions and State Strategies in Europe, 1989-1991*, (Cambridge, Mass: Harvard UP, 1993), Stephen Haggard and Robert Kaufman, *The Political Economy of Democratic Transitions* (Princeton: Princeton University Press, 1995).

¹³⁴ Kalypso Nicolaidis, “East European Trade in the Aftermath of 1989: Did International Institutions Matter?” in Robert O. Keohane, Joseph S. Nye, and Stanley Hoffmann, eds., *After the Cold War: International Institutions and State Strategies in Europe, 1989-1991* (Cambridge: Mass, Harvard UP, 1993), p. 241.

¹³⁵ Quoted in Stephen Gill, “Neo-Liberal Political Economy.” in Richard Stubbs and Geoffrey R.D.

ambivalence of the ex-communist elites about a more independent course was also conveyed by Leszek Balcerowicz, a former Polish Prime Minister and “father” of the Polish shock therapy (actually IMF-made): “Yet the fact that there are various ways does not mean that the ones which were not tried would necessarily have been better.”¹³⁶ Such elite-driven policies and pressures meant that capitalism was imposed from above¹³⁷ and thus from the very start they had a distinctly undemocratic bias.

There were, however, some voices in the West that were aware of some of the fallacies and traps laid in embracing such a hegemonic co-optation. Interestingly enough, some of these implicit critiques were coming from the institutions of the OECD. Thus, for example, Lawrence J. Brainard indicated in his paper in an OECD publication that “growth should be the yardstick against which alternative adjustment strategies are evaluated.”¹³⁸ “Growth is central to the political legitimacy of the reform efforts,” Brainard further argued, “a failure to boost growth, and with it personal income, would seriously undermine popular support for the new democratic regimes.”¹³⁹ In this regard, Vaclav Klaus, the “father” of Czechoslovak economic transformation, retorted that “the GDP growth is for the evaluation of the success of the reform almost irrelevant.”¹⁴⁰

Underhill, eds., *Political Economy and the Changing Global Order* (Toronto: The Canadian Publishers, 1994), p. 83.

¹³⁶ Leszek Balcerowicz, *Common Fallacies in the Debate on the Economic Transition in Central and Eastern Europe*, Working Paper No. 11 (London: The EBRD, October 1993), p. 6.

¹³⁷ Stephen Gill, “Neo-Liberal Political Economy,” in Richard Stubbs and Geoffrey R.D. Underhill, eds., *Political Economy and the Changing Global Order* (Toronto: The Canadian Publishers, 1994), p. 82.

¹³⁸ Lawrence J. Brainard, “Strategies for Economic Transformation in Central and Eastern Europe: Role of Financial Market Reform”, in *Transformation of Planned Economies: Property Rights Reform and Macroeconomic Stability*, (Paris: OECD, 1991), p. 95.

¹³⁹ Lawrence J. Brainard, “Strategies for Economic Transformation,” p. 95.

¹⁴⁰ *Lidove noviny*, June 29, 1994, p. 1. One can say that, in a sense, the performance of the Czech, confirmed Klaus’ opinion: the industrial production of the country in the period April 1992 to May 1994 oscillated between 55-70% of the monthly average of 1990. [*Hospodarske noviny*, June 30, 1994, p. 7] Vaclav Havel seems to support Klaus in this regard. For in May 1994 Vaclav Havel declared that the transition was over. *Lidove noviny*, May 23, 1994, p. 16.

At the same time, the voluntary subordination of the ex-communist elites to the imperatives of liberal hegemony has been insured and induced by the regime of essentially political conditionality that is attached as an integral part to the policies exercised by the global "machinery of surveillance."¹⁴¹ The principal role in designing and enforcing such conditionality was given to the IMF, even though "the charters of the World Bank and IMF prohibit explicit political conditionality."¹⁴² Such conditionality was also enshrined as a binding political leverage in the Association (Europe) Agreements signed between the European Union and the Central and Eastern European countries.¹⁴³ What distinguishes this external conditioning and prescribing of the internal development of Eastern European countries from the previous models of conditionalities applied by the West to the Third World was its ready acceptance by the ex-communist elites.¹⁴⁴ In this connection, Jeanne Kirk Laux correctly noted that "[o]nce political conditionality gained a high moral tone with endorsement of liberal norms by the postcommunist regimes, it can be more readily used to justify cutbacks in programs to the South."¹⁴⁵ As a result of this hegemonic subordination and a lack of genuine participatory democracy,¹⁴⁶ some observers arrived at

¹⁴¹ On the political nature of such conditionality see Stephen Haggard and Andrew Moravcsik, "The Political Economy of Assistance to Eastern Europe, 1989—1991," in Robert O. Keohane, Joseph S. Nye, and Stanley Hoffmann eds., *After the Cold War: International Institutions and State Strategies in Europe, 1989-1991*, p. 255; Marzia Mariotti, "EEC Policies towards Eastern European Countries," *Most-Most*, No. 3, 1993, pp. 151, 153.

¹⁴² Stephen Haggard and Andrew Moravcsik, "The Political Economy of Assistance to Eastern Europe," p. 270.

¹⁴³ Jeanne Kirk Laux, "From South to East? Financing the Transition in Central and Eastern Europe," in M. Molot and H. von Reikhs, *Canada Among Nations 1994: A Part of the Peace*, (Ottawa: Carleton University Press, 1994), p. 179; *The European Agreement Concluded between the Czech Republic and the EU on 4.10.1993*, COM(93) 386, see Preamble and Article 6 and 117.

¹⁴⁴ See, for example, Jeffrey Sachs, "Western Financial Assistance and Russia's Reforms," in S. Islam and M. Mandelbaum, Ed., *Making Markets* (New York: Council on Foreign Relations Press, 1993), pp. 168-169.

¹⁴⁵ Jeanne Kirk Laux, "From South to East? Financing the Transition in Central and Eastern Europe," p. 193.

¹⁴⁶ A genuine democracy is a regime where the citizens really benefit from being members of the given

a conclusion that “the relatively small number of people ... can actually change anything in eastern Europe.”¹⁴⁷

In general, the program of transformation boils down to the liberalization of the East European markets, that is, their opening for international capital. In practice, this included above all inflationary “liberalizations” of prices,¹⁴⁸ asymmetrical liberalization of imports from the industrialized countries,¹⁴⁹ deregulation and elimination of checks and controls of capital transfers and investments, and eliminating or reducing social supports and developmental programs of the local governments.¹⁵⁰ In this regard, the reforms were comprised of many arbitrary decisions. One of the most significant of them was a debanking of local currencies that was analogous to a concealed inflation. Thus, in 1990, the Czech government set up as a result of three consecutive devaluations of the Czech crown the exchange rate at Kcs 28 per \$1. This represented a total devaluation of 80%, while the purchasing power parity was around 10 Kcs per \$1. The justification for this move - that the undervalued currency would attract foreign investors - has not been substantiated. In 1993, capital begun flowing out of the country, causing a drastic fall of the Czech stocks. The undervalued exchange rate has also made “unrealistically cheap

political society or the ‘state.’ This would also means that the elites ought to be held accountable to the citizens for their actions and decisions. At the same time, the citizens should have the means and a possibility to influence political outcomes and decisions, and they should actively avail themselves of these rights.

¹⁴⁷ Stephen Haggard and Andrew Moravcsik, “The Political Economy of Assistance to Eastern Europe,” p. 258.

¹⁴⁸ The IMF held that a mere “switch to world prices would alone promote long-run efficiency gains.” At the same time, the IMF noted that this “switch imposes large additional costs on Eastern Europe countries’ balance of payments.” [*The IMF Annual Report 1990*, (Washington, DC: IMF, 1991), p. 25]

¹⁴⁹ On the question of the asymmetries readily embraced by the ex-communist elites see also Robert O. Keohane, Joseph S. Nye, and Stanley Hoffmann, eds., *After the Cold War: International Institutions and State Strategies in Europe, 1989-1991*; Friedrich Levčík, “The Place of Convertibility in the Transformation Process,”

¹⁵⁰ For a typical account of the said by the IMF see, for example, *The IMF Annual Report 1991* (Washington, DC: IMF, 1992), p. 25ff.

Czechoslovak assets and domestic capital for foreign investors” and has had “a great inflationary impulse as imported goods worked their way through the economy.”¹⁵¹ In practice, these policies spelled out an appropriation and redistribution of the previous “socialist” assets, significant social and economic disinvestment, debilitating capital flight, fall of productivity and production:

Many of these countries have had declines in economic performance which have matched or even exceeded rates seen in the West during the Great Depression, a depression in which democracy endured the test in most of Western Europe and North America, but was wiped out in Germany, Austria, and Italy by the rise of fascism.¹⁵²

Instead of alleviating developmental problems and reinvigorating a technological basis of society, the societies in transition burdened with the “draconian” costs of these strategic “shocks” have seen their “output plunging, physical capital being liquidated, infrastructure collapsing, and the pauperization of large sections of the populations.”¹⁵³ Financial deregulation directly contributed to and stimulated capital flight that is often a euphemism for money laundering - legalizing money obtained from illegal (and also untaxed) activities, i.e., theft. At the beginning of the IMF-sponsored reforms in Russia in 1993, capital flight was reportedly pouring out of Russia at over \$1 billion a month.¹⁵⁴ The rate of capital flight is still high. At the core of these adverse systemic effects lies what can

¹⁵¹ *Industry in Czech and Slovak Republics* (Paris: OECD, Center for Cooperation with the Economies in Transition, 1994), pp. 35-36.

¹⁵² Karen Dawisha, “Democratization and political participation : research concepts and methodologies,” in Karen Dawisha and Bruce Parrott, eds., *The Consolidation of Democracy in East-Central Europe* (Cambridge: Cambridge University Press, 1997), p. 54.

¹⁵³ Stephen Gill, “Neo-Liberal Political Economy,” p. 84.

¹⁵⁴ Michel Chossudovsky, *The Globalization of Poverty: Impacts of IMF and World Banks Reforms* (New Jersey and London: Zed Books, 1997), p. 230.

be termed as the political economy of internal demand suppressed by an external fiat. This policy has effectively resulted in suppressing demand¹⁵⁵ and purchasing power on the part of the population. The shrinking demand, in its turn, has locked down the growth. The default in growth has consequently depressed incomes further downward.¹⁵⁶ Policies of suppressed demand were combined with simultaneous pressures on more imports.¹⁵⁷ Domestic production was, therefore, under attack virtually from every conceivable side. Expansion of social restrictions pursued by the government has amounted to the disciplining and disempowerment of labor and the empowerment of capital.

The IMF tried to deny or at least avoid the issue of the apparent connection between the strategy of shock therapy and the outcomes, arguing that the question about “the fundamental shock throughout this region ... was not whether the Fund was imposing shock therapy, but rather how the Fund could under these difficulties provide financial assistance that would effectively deal with the aftermath of the shock that had already taken place.”¹⁵⁸ However, it was rather more correct to say, as OECD experts implicitly

¹⁵⁵ As Martin G. Gilman, a leading IMF economist, put it: “monetary and fiscal policies. . . would help restrain overall demand ... draconian restrictions are required.” [M.G. Gilman, “Heading for Currency Convertibility,” *Finance and Development*, quarterly publications of the IMF and World Bank, September 1990: 33-34] See also Marie Lavigne, *The Economics of Transition: From Socialist Economy to Market Economy* (New York: St. Martin’s Press, 1995), p. 119.

¹⁵⁶ Guy Standing and George Fisher pointed out: “[Without the real rise of wages] the undervaluation of labor will continue, productivity growth will be impaired and workers’ living standards will continue to decline precipitously, given the shrinking role of the State in the direct provision of goods and services.” [Guy Standing and George Fisher, “Policy Issues of the Emerging Labor Markets of Central and Eastern Europe,” *Structural Change in Central and Eastern Europe: Labor Market and Social Policy Implications* (Paris: OECD, 1993), p. 26. See also Josef Brenda, “Haunting Spirit of the CMEA: Dilemmas of Economic Integration,” *Transition*, the World Bank, Volume 3, No. 4, April 1992: 1-3.

¹⁵⁷ To this effect, for example, De Menil argued that “large increases in international trade are a central part of successful transition because they help appropriate capitalist efficiency and introduce competition into domestic markets, and ultimately provide access to the consumer goods associated with the standard of living of the advanced industrialized economies.” [Stephen Parker, Gavin Tritt, and Wing Thyee Woo, “Some Lessons Learned from the Comparison of Transitions in Asia and Eastern Europe,” in Wing Thyee Woo, Stephen Parker, and Jeffrey D. Sachs, eds., *Economies in Transition*, p. 11.

¹⁵⁸ *The IMF Annual Report 1991* (Washington, DC: IMF, 1992), p. 25; cf. *The IMF Annual Report 1993* (Washington, DC: IMF, 1994), p. 47.

acknowledged, that the shocks and the following “stabilization” were translated into a “lasting economic recession.”¹⁵⁹ Andras Inotai, a Hungarian economist, said:

[T]he transforming economies became a laboratory for the simplest or most simplified economic ideologies that ... fortunately had never been applied in any full-fledged market economy ... A major policy mistake was committed when the Central Eastern European countries jumped into an immediate liberalization of their imports ... when the EC introduced protectionist measures.¹⁶⁰

In a sense, the Western protectionism was part of the reform. For as Kalypso Nicolaidis stressed, “trade concessions (on the part of the postcommunist countries) were a prerequisite for foreign direct investments.”¹⁶¹ Such a strategy has led to an imposition of an effective regime of dependence, subordination, and relative systemic weakness of the East European countries and locked them in a status of semiperiphery. This evidence thus appears to substantiate Haggard’s and Moravcsik’s conditional conclusion that “liberalization” “resulted from - and will continue to result from - sharp asymmetries of power.”¹⁶²

In postcommunism, capital is coming back again closer to its habitat and element ‘beyond good and evil.’ Capital reasserts its nihilism. In Russia,

[a]s the hopes engendered by the dismantling of Communism turned sour, *demokratiya* practically disappeared from everyday Russian usage. Instead of democracy, the new word sprinkled through conversations was *bespredel* -

¹⁵⁹ *Integrating Emerging Market Economies into the International Trading System*, (Paris: OECD, Center for Cooperation with the Economies in Transition, 1994), p. 10.

¹⁶⁰ Andras Inotai, *Western Economic Support for Central and Eastern Europe: A Hungarian View*, Working Paper No. 25 (Budapest: Institute for World Economics, September 1993), pp. 3,6-7.

¹⁶¹ Kalypso Nicolaidis, “East European Trade in the Aftermath of 1989,” p. 209.

¹⁶² Stephen Haggard and Andrew Moravcsik, “The Political Economy of Assistance to Eastern Europe,” p. 272.

literally, 'without limits' - which captured Russians' sense of living in a frontier where all the comforting signposts are missing.¹⁶³

Indeed, the notion that all borders and distinctions have been or can be nihilated or violated and the ensuing emptiness of self-determination (*samoopredelenie*) is well present in the Russia word *bespredel*. This name spontaneously assigned to postcommunism in an informal people's plebiscite in fact almost *verbatim* encapsulates the principal nihilistic dictum "All is possible - all is permitted." There is no visible line where unopposed wrongs can stop.

The people's sense of alienation is relatively a good measure of the advance of the predicament of nihilism. In this regard, Nikolai Popov's study on alienation assembled some interesting evidence. In 1990, 81 per cent of the USSR citizens and 82 percent of the Americans agreed that "everything is so unstable now it seems anything might happen." For 74 per cent of the USSR citizens and 44 per cent of the Americans, "the problem now is that most people do not believe in anything at all;" 70 per cent of the USSR citizens and 50 per cent of the Americans believed that "in the present state of confusion and disorder, it is hard to understand in what to believe," and 65 per cent of the USSR citizens and 49 per cent of the Americans thought that "everything is changing so quickly now that it is hard to understand which laws to follow." At least 68 per cent of the Russians felt that they lacked "a true friendship for life."¹⁶⁴ The experience of the following years tended rather to worsen these widespread feelings of alienation. Most people seem to have lost a sense of the distinction between right and wrong and do not know what is the right thing to do. "However contradictory and hypocritical the Soviet civilization

¹⁶³ Stephen Handelman, *Comrade Criminal*, p. 3.

¹⁶⁴ Nikolai Popov, *The Russian People Speak*, pp. 118-19.

was,” said Popov in the conclusion of his research, “its abrupt breakdown has led to the creation of a moral vacuum on one-seventh of the world’s land mass - the equivalent of a black hole of permissiveness and violence.”¹⁶⁵

In this postcommunist, consummate phase of globalization, we witness something remarkable: a transformation of the rule of capital into the rule of mafocracies for whom ‘everything is possible’ and ‘everything is permitted.’ Increasingly powerful “mafocracy” has its roots in the old communist regime.¹⁶⁶ In some places, these elements have gained full and effective control of much of the economy and local affairs, and restraints and rules have been washed away. Once in control, the mafocracies exploit their enterprises, milking the maximum profit which they spend or send abroad rather than looking for productive domestic investment. They are certainly not inhibited about breaking domestic laws in the pursuit of profit. If under communism the ruling elite had striven to keep their class privileges, abuses of power and immorality hidden behind denials, secretiveness, and guarded walls of special resorts, postcommunism has liberated the elite from such constraints. What had been hidden under communism is now done rather openly and more freely. Such “liberalization” became a large-scale criminalization of the postcommunist societies where “wealth commonly *is* theft, and moneymakers often are con men.”¹⁶⁷ The crime rates have increased several times and so has the seriousness of committed crimes:

Between 1989 and 1995, the crime rate doubled in Poland, Hungary, and Slovakia, tripled in the Czech Republic, and skyrocketed in Serbia, but it has reportedly nowhere been as serious as in Bulgaria, where about half of all robbery victims are

¹⁶⁵ Nikolai Popov, *The Russian People Speak*, p. 133.

¹⁶⁶ See Stephen Handelman, *Comrade Criminal*.

¹⁶⁷ Stephen Holmes, “Cultural Legacies or State Collapse?: Probing the Postcommunist Dilemma,” in Michael Mandelbaum, ed. *Postcommunism: Four Perspectives*, p. 56.

foreigners. Poland, the Czech Republic, Slovakia, Hungary, Romania, Macedonia, Bulgaria, and Albania have all seen a dramatic upturn in drug smuggling and substance abuse. ... Some 74 percent of Poles and 87 percent of Bulgarians say they do not feel safe on the streets of their own towns.¹⁶⁸

Moreover, as Ramet stressed, “[t]he problem is that in its own perverted way, crime is quintessential expression of the principles of free enterprise and laissez-faire, the twin pillars of the free market economy.”¹⁶⁹ In addition, mafia is also becoming an influential political force that also invades state administration.¹⁷⁰

In August of 1998, *U.S. News and World Report* came out with a cover story from Russia about how “some honest Moscow cops” helped break up a ring comprised of some very dishonest Russian businessmen who had been looting tons of gold and gems from the Russian national treasury.¹⁷¹ What was so unusual about this news was not the fact that a looting and plundering of Russia had been going on but that somebody so close to the very top of the present elite and the Russian government had to be called to justice.¹⁷²

¹⁶⁸ Sabrina P. Ramet, *Whose Democracy?: Nationalism, Religion, and the Doctrine of Collective Rights in Post-1989 Eastern Europe* (Lanham, Boulder, New York, and Oxford: Rowman & Littlefield Publishers, 1997), p. 55.

¹⁶⁹ Sabrina P. Ramet, *Whose Democracy?*, p. 56.

¹⁷⁰ “[Organized crime] permeates the state apparatus and constitutes a powerful lobby broadly supportive of Yeltsin’s macro-economic reforms.” Michel Chossudovsky, *The Globalization of Poverty*, p. 229.

¹⁷¹ See the special report “The Looting of Mother Russia” by David E. Kaplan and Christian Caryl, *U.S. News*, August 3, 1998, pp. 26–40.

¹⁷² In the *U.S. News* article, the following data are given as elaborated by Vladimir Tikhomirov: it was calculated that in 1995, Russia was robbed of \$828 million in the crude oil sales, \$1.5 billion in the sales of petroleum products, \$1.2 billion in the natural gas sales, and \$900 billion in the sales of aluminum. [Ibid., p. 36] Perhaps, the reason why the diamond scheme failed could be less caused by the honesty of several Moscow cops than by the fact that its apparent intention was “to punch a giant hole in the De Beers diamond cartel” during negotiations for a new deal between Russia and the transnational diamond monopoly. Another connection leads to some of the games played around Yeltsin, especially with a view to the Russian presidential elections. Some \$400,000 of the funds obtained through the sale-out of Russian treasury, i.e. the melting of 5.5 tons of unique historical Czarist coins with the image of Peter the Great, francs from pre-revolutionary France and other old antiques into gold bricks, were due to Yeltsin’s fund officially to be used to finance the printing of Yeltsin’s (auto)biography. One of the persons involved, a former head of the State Treasury, Yevgeni Bychkov, later received a presidential amnesty on the occasion of the victory in World War II and is now vice president of one of Russia’s largest banks and remains a prominent active player in the diamond industry.

The fact that high-ranking officials and “mob bosses” have been looting their own country has already been so notorious as to become commonplace. This apparent banality is due largely to its *systematic* character. The word “systematic” should ring a bell of warning for it suggests that the phenomenon at hand is not a mere aberration. It is not a coincidental, superficial or isolated event. Rather it indicates that the sensational outburst which caught our fleeting attention has its origin in a depth which conceals something serious and fundamental. The notion of “system” denotes regularity in time, as well as a sense of spatial mechanism with a distinct logic. The everyday operation of a system often looks banal because it is routine. But its causes and consequences can be far reaching, limited only by the limits of the system itself. However, it is important to note that the regime of postcommunist transition cannot be understood apart from its embeddedness in globalization that represents a planetary hegemony of capital. In this connection, it is noteworthy that the “mafia-style” machinations with the Russian gold reserves had been officially earmarked and cleared as the collateral for an international bank loan.

Russian police believed that mafia cartels control as much as 40 per cent of Russia’s wealth and are also active at the stock markets.¹⁷³ It was estimated that “half of Russia’s commercial banks were by 1993 under the control of the local mafias, and half of the commercial real estate in central Moscow was in the hands of organized crime.”¹⁷⁴ To a great extent, the political economy of capitalism has become under postcommunism a political economy of mafia or, as Skidelski dubbed it, “gangster capitalism.”¹⁷⁵

¹⁷³ Robert Skidelsky, *The World After Communism: A Polemic For Our Times* (London: Macmillan, 1995), p. 184; Stephen Handelman, *Comrade Criminal*, p. 3.

¹⁷⁴ Michel Chossudovsky, *The Globalization of Poverty*, p. 229.

¹⁷⁵ Robert Skidelsky, *The World After Communism*, p. 168.

Numerous scandals are causing disappointment, frustration and apathy on the part of the local populations. According to the Czech Public Research Institute, in 1994, only 5 per cent Czechs were satisfied with the government attitude toward the illegal appropriating of the state assets, some 90 per cent were explicitly unsatisfied.¹⁷⁶ However, this almost unanimously manifest dissatisfaction has had a very little, if any, political impact. Istvan Leko defended the position of the government arguing that the question is: "either today or never ... appropriating large state enterprises is possible only once."¹⁷⁷ And according to Jiri Kinkor, an advisor to the Czech Minister of Finance, auditing new wealth would be "a brutal destruction of freedom."¹⁷⁸ Vaclav Klaus, for his part, declared popular demands to control new capital barons were "an expression of the most evil, envious and meanest drives left by communism in the society ... millions of citizens would have to seek lawyers to establish a price of a grandmothers' cupboard."¹⁷⁹ The Czechoslovak minister in charge of privatization, Tomas Jezek, distinguished himself when he declared: "[T]here is dirty money here. But the best method for cleaning the money is to let them invest it."¹⁸⁰ In this connection, the OECD noted that "the line separating such informal appropriation by means of asset stripping from outright theft seems to be very thin, but only a few coercive actions were taken by the authorities."¹⁸¹

¹⁷⁶ *Reflex*, No. 25, 1994, p. 8.

¹⁷⁷ *Lidove noviny*, July 1, 1994, p. 5.

¹⁷⁸ *Lidove noviny*, August 15, 1994, p. 6.

¹⁷⁹ *Lidove noviny*, August 12, 1994, p. 3. Such practice and line of argument seems to validate the classical tenet of liberalism "Don't rob the robber!" that summarizes John Locke's didactic example used to explain the new principles of the political economy of capitalism [See John Locke, *Second Treatise of Government* (Indianapolis: Hackett Publishing Company, 1980), p. 95, par. 182]

¹⁸⁰ Quoted in Robert Skidelsky, *The World After Communism*, p. 134.

¹⁸¹ *OECD Economic Survey: The Czech and Slovak Republics* (Paris: the OECD, 1994), p. 82.

Under these conditions, the institute of citizenship becomes fictitious. For citizenship is formed by definition "with a view to some good purpose" - not for granting freedom to crime or to a regime where "all is permitted."¹⁸² Postcommunist transition appears more and more as an increased distancing of this liberalization from democracy. In fact, in the literature on postcommunist reform, "[i]t has also been argued that the democratic ideal - or myth - could be dangerous since it causes people to expect much more than they are realistically likely to get,"¹⁸³ and that "the postcommunist liberal state cannot be 'based on justice.'"¹⁸⁴

According to Canadian Senator William Kelly's report for the Organization of Cooperation and Security in Europe, throughout the former communist states, the "winners" form a relatively small and self-perpetuating minority amounting to 1 to 3 percent of the people. Many of them are ostentatious *nouveau riche*. Another 15 to 25 per cent have improved their living standards. The situation of the majority, including most of the former middle class, has however deteriorated, and an increasing number of people have sunken into a state of destitution.¹⁸⁵

¹⁸² On the classic notion of citizenship see Aristotle, *The Politics* (New York: Penguin Books, 1981), 1275a22, p. 169; 1275b34, p. 172; 1279a22; p. 190; 1252a1 p. 54. "In the state, the good [the greatest or highest end] aimed at is justice; and that means what is for the benefit of whole community." (1282b14, p. 217)

¹⁸³ John Mueller, "Democracy, Capitalism, and the End of Transition," in Michael Mandelbaum, ed. *Postcommunism: Four Perspectives* (New York: Council on Foreign Relations, 1996), pp. 145-46.

¹⁸⁴ Stephen Holmes, "Cultural Legacies or State Collapse?: Probing the Postcommunist Dilemma," in Michael Mandelbaum, ed. *Postcommunism: Four Perspectives*, p. 66.

¹⁸⁵ *Report For the General Committee on Economic Affairs, Science, Technology and Development: Progress in the Economic Transformation of the Countries of Eastern Europe and the Former Soviet Union*, presented by William Kelly, 4th Annual Parliamentary Session of the OSCE, Ottawa, 4-8 July 1995, pp. 4-5; cf. *Lidove noviny*, June 24, 1994, p. 3. Similar conclusions were made by Sabrina P. Ramet, *Whose Democracy?: Nationalism, Religion, and the Doctrine of Collective Rights in Post-1989 Eastern Europe* (Lanham, Boulder, New York, and Oxford: Rowman & Littlefield Publishers, 1997), p. 54.

Such an undemocratic concentration of power and wealth on the edge of illegality was part of the liberal dogma of reform. As Friedrich Levcik, for example, put it: "Meaningful change ... could perhaps be expected when the shares that can be 'bought' with the distributed coupons become sufficiently concentrated in the hands of a few emerging capitalists able to exercise their property rights."¹⁸⁶ Similarly, Branko Milanovic emphasized that "the free distribution of vouchers has been considered too radical; the defects of this model include ownership that is too dispersed."¹⁸⁷ In addition to this in-built bias against economic democracy, pluralism, and the rule of law, political democracy was seen as a possible danger and problem as well.

The sharp polarization within these countries has inhibited further real advances on the way toward democracy by effectively breaking down and dissolving the creation of a new, pro-democratic and educated middle class which was to become the backbone of pluralist society. Yeltsin's rule by decrees and his special powers over the parliament cannot be seen as anything other than making a mockery of democracy and the rule of law - not to mention his notorious "conversation" with the Russian parliament by means of tanks in October 1993. There actually seems to be a close connection between the polarization of society and its increased bent toward authoritarianism in order to check the opening rifts between classes and waves of potential dissatisfaction and disobedience. In such a situation, as Holmes said, "liberal pluralism requires a strong state."¹⁸⁸

¹⁸⁶ Friedrich Levcik, "The Place of Convertibility in the Transformation Process," in John Williamson, ed., *Currency Convertibility in Eastern Europe: How Quickly Should Convertibility Be Introduced?* (Washington, DC: The Institute for International Economics, 1991), p. 37.

¹⁸⁷ Branko Milanovic, "Privatization Options and Procedures," in Arye L. Hillman and Branko Milanovic, *The Transition from Socialism in Eastern Europe* (Washington, DC: The World Bank, 1992), p. 79.

¹⁸⁸ Stephen Holmes, "Cultural Legacies or State Collapse?," p. 53.

The nihilistic nature of postcommunism also sheds light on the fact that the principle of postcommunist transformation has been, despite all the initial emancipatory claims and promises, a strict maintenance, if not tightening, of the control over labor and its discipline (viz. the whole fable of “monetary overhang” and so-called needs of “national sacrifice”). This was achieved by dumping the price of labor (elsewhere referred to as “social dumping”) and eliminating savings through “anti-liberal” government controls of labor wages, inflation, and various other schemes. Labor in Russia is often not even paid. Russian capitalism has liberated labor not only from socialism but also from its wages. The crude nakedness and destitution of labor remains preserved in its essential dimension: as barter. Previous, not always underdeveloped “social safety nets,” i.e., health and education systems, were dismantled or downsized beyond the pale of social efficiency and effectiveness. Trade unions were conveniently presented as “communist,” and their formal rights and property were removed.¹⁸⁹ In exchange, a quick, almost automatic general recovery and prosperity were promised and later denied.¹⁹⁰ So far this strategy seems to work as a whole. Thus it might appear, as Holmes put it, that:

The labor movement ... has been startlingly quiescent almost everywhere. The great majority of citizens are nowhere even players in the political game. Most people are passive and privatized.¹⁹¹

¹⁸⁹ According to Hayek, unions are “economically very harmful and politically exceedingly dangerous.” F.A. Hayek, *The Constitution of Liberty* (Chicago: The University of Chicago Press, 1960), p. 272.

¹⁹⁰ When, in Czechoslovakia, a one-hour general strike was organized on December 11, 1989, its organizer, the Civic Forum argued that this would be by far the best investment made in the economy in the last 40 years, because the end of communism would automatically mean a significant economic improvement.

¹⁹¹ Stephen Holmes, “Cultural Legacies or State Collapse?,” pp. 46-47.

The negative effects of transformation translate into something that Michel Chossudovsky defined as “‘economic genocide’ which is carried out through the conscious and deliberate manipulation of market forces.”¹⁹² In Russia, the ‘crude death rate’ has increased in the first six years of the transformation almost by 50 per cent, female life expectancy dropped from 74.5 years in 1989 to 71.7 years in 1995, and male expectancy from 64.2 to 58.3 years. The crude birth rate fell from 14.60 newborns per 1000 citizens in 1989 to 9.40 in 1995. In real terms, millions of people have lost their lives because of socio-economic mismanagement. One can call it attrition of the people by other means. In 1993, in Russia there were half a million more deaths compared to 1989. The divorce rate increased by 50 per cent; official unemployment was around 20 per cent. Annual average income in 1995 was only 45 per cent of the level reached in 1989. Similar trends have been observed elsewhere in Eastern Europe (between 1989 and 1993, mortality in Bulgaria increased by 12 per cent, in Romania by 17 per cent). The number of suicides rose in Poland in the period 1989-1993 by one third, in Romania by 25 per cent. In the Czech Republic, the number of people living under the poverty line moved from 5.7 per cent in 1989 to 18.2 per cent in 1993. UNICEF experts assume that the average living standard of 1989 could perhaps be reached in Poland at the end of the 2010s.¹⁹³ By 1997, Russia’s GDP per person, was steadily going down and had already come near that of communist China which has been rising for many years in a row.¹⁹⁴ As a rule, all the postcommunist countries suffered a huge contraction in their industrial and agricultural

¹⁹² Michel Chossudovsky, *The Globalization of Poverty*, p. 37.

¹⁹³ Francis Williams, “Public Policy and Social Conditions: Central and Eastern Europe in Transformation,” (UNICEF: Florence, Italy Nov. 1993:), cited on www.srpska-mreza.com, July 5, 1998.

¹⁹⁴ *The Economist*, June 6, 1998, p. 47.

outputs of anywhere between 20 and as much as 80 per cent. This was followed by periods of stagnation with some weak, limited growth in isolated sectors.

Transformation economics proved to be impervious to sound social and economic well-being. The regime of indifference was embraced from the beginning as a policy. In accordance with this policy of indifference or 'liberalization,' positive economic growth as a predisposition for improvement was deliberately dropped from the list of the objectives of the reform. This meant that the elite were not seriously interested in a broader improvement for the whole society. The kernel of the reform was not a higher productivity but a redistribution, that is, expropriation of the existing "collective" assets for the benefit of the former communist and postcommunist groups of insiders, that is, mainly for the elite themselves.

However, the truth is a democracy is sustainable only with a healthy economic and social basis. Poor democracy does not work. In the words of a former Czech Prime Minister, Vaclav Klaus, "the GDP growth is for the evaluation of the success of the reform almost irrelevant."¹⁹⁵ The result is that "the austerity packages" and "short-term shocks"

¹⁹⁵ *Lidove noviny*, June 29, 1994, p. 1. On Huntington's 'realistic' arguments why economic growth is bad (it increases others' power, their ability to fight back, and hence instability and conflicts) see Huntington, *The Clash of Civilizations and the Remaking of World Order* (New York: Simon & Schuster, 1996), pp. 218-220. Some experts did not agree. For example, Lawrence J. Brainard tried to argue that "growth should be the yardstick against which alternative adjustment strategies are evaluated. ... Growth is central to the political legitimacy of the reform efforts; a failure to boost growth, and with it personal income, would seriously undermine popular support for the new democratic regimes." [See Lawrence J. Brainard, "Strategies for Economic Transformation in Central and Eastern Europe: Role of Financial Market Reform", in *Transformation of Planned Economies: Property Rights Reform and Macroeconomic Stability* (Paris: OECD, 1991), p. 95] Brainard's and other well-minded critics' views did not fall on a fertile ground.

In Arendt's view, however, the communist "mismanagement" was deliberate and hence "efficient." See Hannah Arendt, *The Origins of Totalitarianism*, p. 375. Arendt defined communism as "a kind of laboratory in which to carry out the experiment with or rather against reality, the experiment in organizing a people for ultimate purposes which disregard individuality as well as nationality, under conditions which are admittedly not perfect but are sufficient for important partial results. Totalitarianism [nihilism] in power uses the state administration for its long-range goal of world conquest and for the direction of the branches of the movement; it establishes the secret police as the executors and guardians of its domestic experiment in constantly transforming reality into fiction; and it finally erects

necessitate a new set of austerities and shocks in order to respond to the effects of the old. This self-perpetuating repetition of failure takes place in different degrees and can be studied as a general phenomenon. The patient becomes a hostage, and his treatment becomes his illness. As it turns out, the decade of postcommunist transformation has been a long and costly lesson in politics, economics, and morality of indifference. Yet, the local politicians together with the media controlled by former nomenklatura-turned-bankers and the IMF tenaciously hold their ground, defending the cause of indifference by insisting that all this represents neither a crisis nor a major development.¹³⁶

Such outcomes have been achieved to a great extent not despite, *but because of privatization*. Privatization was free to become systematically “wild” and “spontaneous” with no one being accountable or responsible. Any means became self-justifying. Even in countries where privatization seemed to be more democratic, like in the Czech Republic, only one third of the nominal shares was actually distributed to the people through vouchers. The proportion has been further radically diminished by various legal and illegal means of manipulation. As the magazine *Time* put it:

Most Russians would disagree [that privatization was ‘done brilliantly’ as the government has it]. Their vouchers turned out to be largely worthless, and the popular view is that privatization was a rip-off. *Privatizatsiya*, Russians say in a typically biting play on words, was really *prikhvatizatsiya* - grab all you can. ... ‘The proclaimed freedom, property and law as their basic values,’ says a critic, Larisa Piyasheva. But in fact, she says, the ruling elite turned the state sector ‘into their private property virtually for free.’ ... What [is needed], however, is something few Yeltsin associates so far have had: time. A few more years near the

concentration camps as special laboratories to carry through its experiment in total domination.” [See Hannah Arendt, *The Origins of Totalitarianism* (New York: Harcourt, Brace and Company, 1951), p. 378]

¹³⁶ *U.S. News & World Report*, June 22, 1998, p. 44; *The Economist*, June 6, 1998, p. 47.

center of power, and the people might forget all about vouchers and privatization.¹⁹⁷

An argument has been made that these outcomes of privatization should be viewed as an inevitable price for the (unrealized) benefits or as “collateral damage.”¹⁹⁸ That unspontaneous character of what has been subsequently termed as “wild” or “spontaneous privatization” was publicly admitted, for example, by Dusan Triska, the then Deputy Finance Minister of the Czech and Slovak Federal Republic. In a speech to a foreign audience in 1991, he said:

We will have to make do with the managers ... most of whom are former nomenklatura from the Communist Party. The most bitter pill our nation will have to swallow is to see who will be the winners and who will be the losers in the process of transformation and privatization. The winners certainly will be the old winners and the losers will be those who were also the losers under the previous regime.¹⁹⁹

The reality confirmed Triska’s informed opinion. Similarly, Vaclav Klaus, the then Finance Minister and later Czech Prime Minister, stated with regard to criticism of the adopted economic strategy: “They are right because it is really so, but they are also wrong because it is not a mistake.”²⁰⁰ At the same time, Tomas Jezek, the so-called father of Czech voucher privatization, threatened that any examination of the financial and economic

¹⁹⁷ Paul Quinn-Judge, “Russia’s Regent,” *Time*, December 9, 1996: 41.

¹⁹⁸ See Jan Pavlik, “Philosophy, ‘Parallel Polis’ and Revolution: The Case of Czechoslovakia,” in Barry Smith, ed., *Philosophy and Political Change in Eastern Europe* (LaSalle, Illinois: The Hegler Institute, 1993), p. 95.

¹⁹⁹ Dusan Triska, “Privatization: Czechoslovakia”, *East European Economics*, Vol. 30, No. 1, Fall 1991: 27.

²⁰⁰ Slavomir Ravik, *Bylo nebylo v listopadu 1993* (Prague: Alternativy, 1993), p. 55. In the same vein, Klaus also spoke about “unaccidental scheduling of the individual steps.” See Slavomir Ravik, *Bylo nebylo v prosinci 1993* (Prague: Alternativy, 1993) p. 23.

situation of the former elite would “direct the society towards a catastrophe.”²⁰¹ In 1992, Vaclav Havel summarized the development in a statement that he was later compelled to repeat many times in various forms (compare, for example, his New Year Address of January 1, 1998):

[M]any of those who, as the so called nomenklatura, until recently deceitfully pretended that they cared about social justice and interest of the workers, cast off their masks almost over night and openly changed into a class of speculators and thieves, so that many yesterday feared Communists now became unscrupulous capitalists who directly and arrogantly laugh into the faces of the same working class whose interest they allegedly protected.²⁰²

The embarrassing irony of such an acknowledgment, which seemed to escape its author, was the fact that at this time the negative appraisal was not coming from a dissident who wanted rectification of justice and change of government but from the head of the state endowed with the highest executive powers. Since such critiques were, as it turned out, inconsequential, their impact reinforced rather than undermined the *politics and economics of indifference*.²⁰³

²⁰¹ Slavomir Ravik, *Bylo nebylo: Chaos nebo bordel? unor 1994*, (Prague: Alternativy, 1994), pp. 27-28. The post-Communist Czechoslovak leadership, as the only one in Central Europe, did not allow professor Ivan Szelenyi to study the political, economic and personal interrelatedness between the old and new elites. Szelenyi commented: “the old nomenklatura transformed themselves into a big bourgeoisie ... for the former nomenklatura, there are no obstacles that could prevent them from transforming their political capital into the economic one; nothing precludes them from utilizing their connections for their enrichment. I call this a hypothesis of elite reproduction. According to this view, the elite reproduce themselves. While the system changes, the individual staying on top does not ... [but] there are political limits to this convergence ... Preliminary results of my research undertaken in Hungary generally confirm my hypothesis of elite reproduction. They show that half of the people who are today part of the political elite had been there already in 1988. The findings related to the economic sphere are even more surprising. Eighty per cent of them had been the economic elite already in 1988.” [Slavomir Ravik, *Bylo nebylo v rijnu 1993* (Prague: Alternativy, 1993), p. 17]

²⁰² Vaclav Havel, *Letni premitani* (Prague: Odeon, 1992), p. 95.

²⁰³ Petr Pithart, a post-1989 Czech Prime Minister, was well cognizant of the situation but was able only to comment: “The shock method of transformation had to mean a devaluation of justice and the law. One day the people can make a point here that the transformation (change in ownership) was not legitimate. They already think that today. But it is exactly a possible reason for another revolution ...” [Cited in

As a result, privatization has brought to most of the people social displacement, political and moral disillusionment, and loss of savings. The general rule across the whole region was a sharp devaluation and depreciation of the stocks, with many of them becoming virtually worthless (the drop in the RTS stock market index by as much as 80 per cent in Russia in early 1998 is not unprecedented).

To paraphrase a famous pronouncement of John Calvin on the death of Christ, it is also possible to say that communism did not die for all men equally either.²⁰⁴ Needless to say, the idea of presumed, yet subverted equality of meanings also directly and meaningfully evokes the image of the *finale* of George Orwell's *Animal Farm* where, at the end of the emancipatory experiment, one learns that the pigs are not only 'more equal than others' but that they indeed are so alienated that they are virtually unrecognizable from the old masters. Again, labor or rather its nihilistic concept is a key.

In place of labor's revolutionary ethos, postcommunism has left nothing. More precisely, "the nothing" - capital's *cipher* that covers *fiat* and force. In 1998, thousands of Romanian miners marched on Bucharest and fought with riot police. On the screens of TV networks, miners' protest became a rather insignificant and quickly forgotten piece of news about a disturbing local vandalism and another "illegitimate" collective questioning of "collective outcomes."

The stage "has moved from the concept of labor to the concept of communication"²⁰⁵ where networks of *ciphers* and their flows appear more important than

Slavomir Ravik, *Bylo nebylo: Na hradby Jericha* (Prague: Alternativy, 1994), p. 53]

²⁰⁴ Developing their thesis, both Calvin and Luther also reaffirmed - against the previous Christian dogma - that 'the Devil was God's servant.' See Alice K. Turner, *The History of Hell* (San Diego, New York, London: Harcourt Bruce & Company, 1993), pp. 159-60.

²⁰⁵ Ronald Aronson, *After Marxism*, p. 152.

reality and life itself. And imagination hypnotized by these *ciphers* is dumping the rest aside so that “it now strikes many of us as quaint and intolerable to speak of right and wrong.”²⁰⁶ Perhaps the reason for this could be that we live in a global Platonic cave where we are not supposed to know. But perhaps this too is but a prejudice which is abstract and hollow like other remaining ideological prejudices by means of which we are “caught up in a general civilization-wide malaise, an inability to talk about right and wrong.”²⁰⁷ That is, in nihilism.

5.4. The political economy of postcommunism

If we define postcommunism not merely in its usual, more narrow sense as referring to a particular type of society emerging in the former communist countries, but more broadly as denoting a new post-communist phase in the evolution of the capitalist world-system, it is then possible to see Francis Fukuyama’s thesis of the final triumph of liberalism over the world as a challenging attempt to formulate the political economy of such postcommunism as a *system*. In this regard, the political economy of postcommunism also mirrors and reveals more nakedly than elsewhere something essential about globalization itself.

Postcommunism is in its usual, narrow sense a part of globalization. If we, however, see postcommunism more broadly as a new phase in the formation of global capitalism, then postcommunism and globalization denote the phenomenon, though with somewhat different emphases. Fukuyama himself seems to prefer using for this political economy of postcommunism-globalization the Kojèvean term “The Universal and

²⁰⁶ Ronald Aronson, *After Marxism*, p. 233.

²⁰⁷ *Ibid.*, p. 237.

Homogeneous State.” Fukuyama’s view of the global homogeneity is probably best summarized and explained in its moral, political, and epistemological implication. He says: “By this Hegelian scheme, one can distinguish between a human being and a rock, a hungry bear, and a clever monkey, but one cannot distinguish between the first man who kills his fellow human being in a battle for pure prestige and a Mother Theresa who sacrifices her worldly happiness to follow the dictates of God.”²⁰⁸

What recommends Fukuyama’s book to our attention is its *synthetic* character. Fukuyama summarizes in a relatively accessible manner some fundamental ideas of capitalism from our postcommunist perspective. And perhaps most importantly, Fukuyama’s account is also distinguished by the fact, which has not been yet fully appreciated, that it also connects already in its very title, *The End of History and the Last Man*, capitalism, liberalism, and nihilism.²⁰⁹

The end of history” is, like the Universal and Homogeneous State, embedded as a principal concept in the Hegelian-Kojèvean discourse. A very succinct characterization of the Hegelian-Kojèvean ethos behind its “end-of-history” thesis was formulated by Susan Shell:

Kojèvean reason sometimes seems to owe less to Hegel than to Kant, albeit a Kant stripped of the last vestiges of moral and spiritual other worldliness. What Kojève appeals to, and what makes his thought finally so compelling, is, I think, less its selective Hegelian scaffolding than a singular perceptiveness (almost Nietzschean in its pessimism) ... Thirty years ago Kojève’s claim that there was no essential

²⁰⁸ Francis Fukuyama, *The End of History*, p. 252.

²⁰⁹ At the same time, Peter Fenves observes (in an endnote): “What Fukuyama does not want to discuss is ‘the will to power’ ...” [Peter Fenves, “The Tower of Babel Rebuilt,” *After History?*, p. 237] Nevertheless, the “will to power,” while deliberately avoided, permeates the whole Fukuyama’s book and informs its main thrust. According to Fukuyama, “*thymos* became the whole man for Nietzsche.” Fukuyama, *The End of History* p. 334.

difference between the Soviet Union and the United States seemed ludicrous if not downright criminal. ... his claims for convergence seem [today] almost eerily prescient. In keeping with this Nietzschean mood, the end of history for Kojève ... [is rather] a final playing of the negativity whose dialectical energy and *frisson* made history possible.²¹⁰

"The Last Man," the second part of the title of Fukuyama's book, is a term introduced by Nietzsche as part of his teaching of nihilism. In Nietzsche's *Thus Spoke Zarathustra*, the Last Man is created as a necessary part of the introduction of the *Overman* in the marketplace. Fukuyama himself stresses the Last Man's "prideful belief in one's own superior worth" and also claims that "the last man ceased to be human."²¹¹ Accordingly, to "recognize" humans as the Last Men is to recognize them as inhuman. Thus, while building his argument around the Hegelian assertion that man had achieved his principal desire for recognition by the universal State, Fukuyama simultaneously realizes that such a recognition comes with a catch: it recognizes humanity as inhumanity; it recognizes man as what he is not. In other words, such recognition is *de facto* an *unrecognition* of humans as humans. Such a recognition also comes with contempt and conforms to Nietzsche's own concept of the Last Man: "Is not the man who is completely satisfied by nothing more than universal and equal recognition something less than a full human being, and object of contempt, a 'last man' with neither striving nor aspiration?"²¹² There is, moreover, another catch present in Fukuyama's account of the political economy of globalization. For he also maintains that if modern man is "the *last* man," "the classical capitalist entrepreneur described by Joseph Schumpeter is therefore not Nietzsche's last

²¹⁰ Susan Shell, "Fukuyama and the End of History," *After History?*, p. 42.

²¹¹ Fukuyama, *The End of History and the Last Man*, p. xxii.

²¹² *Ibid.*, pp. xxii-xxiii; see also pp. 301, 307, 313, 314.

man.”²¹³ If this is so, then Fukuyama presents us with a picture of a new society where the previous distinctions based on classes could be deconstructed as something by far deeper and more radical, as something which, at best, would resemble more the Indian caste system than a class society. For such a notion of the Last Man obviously implies that the Nietzschean Overman, the other new type of man, and the Last Man are conceived as having almost nothing in common, that is, at least not humanness. There is however another step in Fukuyama’s argument. Fukuyama’s portrayal of the society “at the end of history” is a democracy of the Last Man and for the Last Man who is free to consume and forget about serious (and terrible) issues and questions. Besides that, and perhaps even more importantly, the democratic Last man does not recognize the superiority desired by the Overman who is to this effect endowed with a certain spiritual megalomania (Fukuyama’s *megalothymia*). Thus the Last Man who wants to be merely “equal” lives for the time being “at the end of history” without a master. From the point of view of *megalothymia*, this situation is not satisfactory for, as Fukuyama holds, “the life of masterless slavery - the life of rational consumption - [is] in the end, *boring*.”²¹⁴ In this way, Fukuyama indicates where the thrust of his argument about liberalism is heading. Or differently put, this is also the direction in which postcommunist liberalism and capitalism might be heading. A synthesis of Hegel and Nietzsche stands at its head. In terms of principal ideas, the title alludes to the Hegelian imperative of an absolute universality on one hand and its Nietzschean decoding as nihilism on the other.

What recommends Fukuyama’s work for a careful reading to us is not its Straussian, that is, presumably esoteric, style but rather its invitation to contemplate

²¹³ Fukuyama, *The End of History*, pp. 301, 316.

²¹⁴ *Ibid.*, p. 314.

globalization and postcommunism as an essentially synthetic work, if not a consummation, of nihilism. In any case, like Callicles and Socrates who had in common the experience of “two things” - a conflict and love (that is, the Platonic divided line)²¹⁵ - Fukuyama and I could also have something important in common, namely an experience of nihilism which makes it possible to reflect on Fukuyama’s account and relate it to my own thesis. People have in common not only their flesh and blood but also keys to knowledge. Because of this commonality, I can say that Fukuyama’s account not only makes sense as a key to the political economy of postcommunism, but also appears to me to be in many respects correct. If Fukuyama is also right from the ethical point of view is however altogether a different question.²¹⁶ It might be true that such a question or quest behind and beyond the immoral *ciphers* of capitalist society is not suited for the Last Men whom Fukuyama seems to identify with “Americans”: “For Americans, the health of their bodies - what they eat and drink, the exercise they get, the shape they are in - has become a far greater obsession than the moral questions that tormented their forebears.”²¹⁷ Five years after *The End of History* (1989), Fukuyama stated that, as far as democracy and an authentic moral cognition are concerned, “it is impossible to be anything but pessimistic.”²¹⁸ In this, I differ - otherwise there would be no point writing this work.

A key to Fukuyama’s postcommunist political economy of capital is the idea of war. In this, Fukuyama *de facto* confirms the validity of Clausewitz’ insights into the

²¹⁵ See Plato, *Gorgias*, 481c-e.

²¹⁶ Cf. Fukuyama’s own take on the question of morality and ethics: “It is probably healthy for liberal democracies that the Third World exists to absorb the energies and ambitions of such [superior] people; whether it is good for the Third World is a different matter.” [Francis Fukuyama, *The End of History and the Last Man* (New York: The Free Press, 1992), p. 318.

²¹⁷ Francis Fukuyama, *The End of History and the Last Man*, p. 306.

²¹⁸ Francis Fukuyama, “Reflections on the End of History, Five Years Later,” *After History*, pp. 256-7.

secrets of (modern) warfare which are extended above to the question of money capital. Fukuyama's synthesis of postcommunist liberalism with nihilism can be summed up under the headings of imperialism and war against *thymos* (spirit of the ethical justice and courage).

In *The Republic*, Socratic *thymos* is identified as a seat of the drive for justice and is linked with the qualities of a warrior. It is the spiritual force of courage which is the power not to change or lose one's view of the terrible, while universal recognition requires a universal homogeneity. According to Socrates, such spiritedness needs to be "tamed" (negated) not by the moneymaking desire, but should be ordered by a higher reason and insight into the nature of the good and what *is*. For Socrates, the moneymaking desire stands as the lowest, vulgar form of Eros. If Socrates were looking for the character of a warrior, Fukuyama's ideal is a businessman or speculative investor. In terms of humanness and justice, the faithful guardianship of *thymos* is crucial because it is the *mediating*, cementing links between desires and wants of the body-corpse and elevated insights of philosophical wisdom. The medium of courage and *thymos* guards the gates of the flood. Wisdom without courage is no wisdom, and courage without wisdom is no courage. *Thymotic* courage without wisdom is blind. *Thymos* does not recognize the rule and ontological priority of death. It can be postulated that as soon as the fear or anxiety driven by death is recognized as the supreme, the guardian dog (*thymos*) is driven away. This is, for example, well evident in Heidegger's *unthymotic* thinking: having installed death on the throne of authenticity and ontological primordially, he did not invoke courage but *Angst* as the chief, underlying mood and existential attunement.²¹⁹ According to

²¹⁹ See Plato, *Republic*, 375a-376a, 376c, 410b, 410d, 411a-411e, 435a, 439c-442e.

Fukuyama, the world, in which *thymos* was replaced by certain desires, “should have much less incentive for war.”²²⁰ The reason is obvious: without courage, man is unable to fight. In this way, war would not be overcome due to a greater wisdom of mankind, but supposedly because of universal cowardice. Needless to say, cowardice is no solution to war, neither is it able to prevent it. Often it is exactly the cowards who become executioners, shoot the unarmed, or order nations into war. At the same time, Fukuyama believes that “the last man [most of us] ceased to be human.”²²¹

According to Fukuyama, war is “the beginning of freedom and creativity.”²²²

Fukuyama further argues: “The possibility of war is a great force for the rationalization of societies, and for the creation of uniform social structures across cultures.”²²³ The fact is “uniform social structures across cultures” are neither free nor creative. Following in the steps of Weber, Fukuyama too dubs such homogenization as “rationalization.” Yet there is nothing that makes a homogeneous leveling of cultures necessarily “rational.” This notion follows the fallacy that equates things by expressing them in ciphers or monetary terms and more often than not, equating this with efficiency. Things are “equal” in the head of a consumer whose obedience is ensured by teaching him to count with ciphers and money and to see in these ciphers or abstractions the “self-evident equality” of things and men. It is more correct to say that during an exchange things are indeed compared, but comparison does not make them truly equal in themselves. Their “equivalence” hangs only on the cipher; in fact, the equivalence is nothing but the cipher (nothing) itself. What truly matters is how what is assigned and to whom or what. The “how” is the cipher and its

²²⁰ Francis Fukuyama, *The End of History and the Last Man*, p. xx.

²²¹ *Ibid.*, p. xxii.

²²² *Ibid.*, p. 332.

²²³ *Ibid.*, p. 73.

encryption. The fallacy of equivalence or encipherement allows war to slip by under a different name; thus war becomes encrypted as “rationalization.” War becomes, as Fukuyama put it, a mere “possibility” that nevertheless acts as war itself. The blindness and unconsciousness created by encryption or alienation allows liberalism to erase barriers to nihilism as well as to raise barriers to its description and decryption as war *qua* nihilism. “Modern thought,” Fukuyama says on his part, “raises no barriers to a future nihilistic war against liberal democracy on the part of those brought up in its bosom.”²²⁴ Fukuyama does not tell us why “modern thought” (which one?; whose?) raises no barriers to a war on the behalf of nihilism and how such “modern thought” carries out this disarmament for the sole benefit of nihilism. The conclusion is that Fukuyama’s “modern thought,” that covers and confuses (encrypts) liberalism with democracy, *is* nihilism.

“Nietzsche believed,” Fukuyama further develops his argument, “the era of European nihilism, which he was helping to inaugurate, would lead to ‘immense wars’ of the spirit, objectless wars whose only purpose was to affirm itself.”²²⁵ Consequently, “objectless war” will be the final self-affirmation of nihilism. Here, however, Fukuyama leaves out another important source of reference, besides Nietzsche. It is Schumpeter. Putting together Nietzsche and Schumpeter has fundamental consequences for

²²⁴ Francis Fukuyama, *The End of History and the Last Man*, p. 332. Practicing a Strauscean method of esoteric dissembling, however Fukuyama several pages before says: “In fact, virtually the only forms of *megalotheimia* that are not permitted in contemporary democracies are those leading to political tyranny.” [Ibid., p. 320] Here much depends on what Fukuyama means by “virtually.” In a modern corrupted newspeak, virtue is no longer virtue but, as in the expression “virtual reality,” something one puts on with image-making glasses and is indistinguishable from fantasy, that keep a person hermetically detached from the real world and real people around him. Note that instead of using his otherwise preferred term “liberal democracy,” Fukuyama correctly says that only democracies *per se* do not permit a consummation of nihilism with political tyranny, thus he avoids any implications about the adjective “liberal.” But encryption and technology work hard to bury (encrypt) this opposition of democracy in “virtual reality” outside of both virtue and reality.

²²⁵ Ibid., p. 333.

understanding the relation between capitalism, socialism, nihilism, and imperialism. For in this nodal conjunction where Nietzsche's and Schumpeter's messages meet and embrace each other, "there is a qualitative leap, and the child is born," to use Hegel's famous words, "[and] the whole is cut short by a sunburst which, in one flash, illuminates the features of the new world."²²⁶ The notion of "objectless war" is a key element in Schumpeter's definition of *imperialism*. In "The Sociology of Imperialism," Schumpeter says: "This, then, is our definition: imperialism is the objectless disposition on the part of a state to unlimited forcible expansion."²²⁷ Later, in the same work, Schumpeter identifies imperialism with the will to objectless war.²²⁸ In addition, he also shows how "objectless" is to be deciphered and understood. To this effect, he says that imperialism

seeking expansion for the sake of expanding, dominion for the sake of ruling ... confronts us, independent of all concrete purpose or occasion ... It values conquest not so much on account of the immediate advantages ... Expansion for its own sake ... is in a sense its own 'object,' and the truth is that has no adequate object beyond itself. Let us therefore, in the absence of a better term, call it 'objectless.' ... Hence the tendency of such expansion to transcend all bounds and tangible limits, to the point of utter exhaustion.²²⁹

The following can be noted. Schumpeter emphasizes the idea that imperialism is its own end" "independent of all concrete purpose," "expansion for its own sake," with "no object beyond itself" - hence beyond any other principle, beyond good and evil, beyond the teleological idea of common good, "beyond" God. Schumpeter's "expansion for the

²²⁶ G.W.F. Hegel, *Phenomenology of Spirit* (Oxford: New York and Toronto: Oxford University Press, 1977), Preface 11, pp. 6-7.

²²⁷ Joseph A. Schumpeter, "The Sociology of Imperialism," *The economics and Sociology of Capitalism* (Princeton: Princeton University Press, 1991), p. 143.

²²⁸ *Ibid.*, p. 187.

²²⁹ *Ibid.*, p. 143.

sake of expansion” has essentially the same characteristics as the nihilistic ‘will to power.’ For as Heidegger says in his commentary on Nietzsche, “will to power is will to will, which is to say, willing is self-willing.”²³⁰ As such, the will to power has no other object beyond itself:

Willing itself is mastery over ... will is intrinsically power. And power is willing ... Will is power; power is will. Does the expression ‘will to power’ then have no meaning? Indeed it has none ...²³¹

In this way, the will to power acts like a perfect *cipher* because it gives out no meaning - on its own. While appearing as nothing - void of any meaning - and thus perfectly “objectless,” within the discourse of nihilism, the will to power nevertheless also “designates the essence of Being.”²³² In other words, the will to power as “the ultimate *factum*”²³³ occupies the place of God. In these terms, imperialism appears as a consummate idea of nihilism. Fukuyama’s interpretation of nihilism thus leads in a circle from Nietzsche - who “was helping to inaugurate the era of European nihilism” to Schumpeter’s idea of imperialism. For it was Schumpeter who defined imperialism as “objectless wars whose only purpose was to affirm itself.” Schumpeter also associated imperialism with the ideas of “male supremacy” and “ideas of overlordship” that bear a close resemblance to Nietzsche’s Overman.²³⁴ In a footnote, Schumpeter also explicitly linked imperialism with the figure of an “entrepreneur,” whom Fukuyama, as noted above,

²³⁰ Martin Heidegger, “Will as Will to Power,” in Martin Heidegger, *Nietzsche*, Volume 1, tran. David Farrell Krell (San Francisco: HarperSanFrancisco, 1991), p. 37.

²³¹ *Ibid.*, p. 41.

²³² *Ibid.*, p. 39.

²³³ Martin Heidegger, “Nietzsche as Metaphysical Thinker,” in Martin Heidegger, *Nietzsche*, Volume 1, p. 4.

²³⁴ Joseph A. Schumpeter, “The Sociology of Imperialism,” p. 213.

refuses to rank among the Last Men.²³⁵ With regard to Fukuyama's "end of history," against which Fukuyama himself objects as "boring," it is also important to point to a closely related notion advanced by Schumpeter in another footnote:

Capitalism is its own undoing but in a sense different from that implied by Marx ... because the achievements of capitalism are likely to make it superfluous ... I do wish, however, to preclude any interpretation that I regard capitalism as the *final* [Schumpeter's own emphasis] phase of social evolution ...²³⁶

"Objectless war" however raises a number of objections. Every war is directed against some object that at the same time stands against it as its limit or barrier. War without barriers or "objectless war" is a contradiction of terms. Such "war" is not a war, but rather an encryption of crime. And crime facing no objecting objective, no resistance, is a crime for which "everything is permitted," that is, an absolute and perfect crime or absolutely 'free' tyranny to which "modern thought raises no barriers." The "objectless" or "nothing" (cipher), that is the object (hence something after all), thus amounts to a desire for tyranny against which it is impossible to object and whose absolute power will lie in the unimpeded, absolute freedom of universal conversion of objects, i.e., men and things, into ciphers or nothings (the objectless). This coincidence between the mechanism of moneymaking, nihilism, and tyranny has its deeply rooted reason. For a tyrant "all is permitted" by definition. And because "all is permitted" is nihilism, tyranny is essentially nihilism.

A tyrant tends to treat all and everything as his property. To this effect, a tyrant converts all public reason, conscience, and general will into his uncontested private will.

²³⁵ Joseph A. Schumpeter, "The Sociology of Imperialism," p. 219 note 33.

²³⁶ Ibid., p. 218 note 30.

For “all to be permitted” it is necessary, as Fukuyama’s statement indicates, that all objects-barriers be reduced to “nothings” (ciphers) and abstracted as such. In other words, converting a thing into a cipher and then taking the cipher for the whole is a way of ignoring the enciphered thing itself. Ciphers make possible forgetting-burying what has been encrypted.

Converting and calculating everything as mere quantities or ciphers (nothing) is the business of moneymaking in particular. To reduce all to nothing but quantities, numbers, or ciphers (nothings) means to assume a worldview and habit of indifferent neglect (abstraction) that lays down the corresponding psychological, moral, and social foundations for a tyranny. Tyranny as well as moneymaking have to struggle against public reason and collective deliberation. Tyranny and moneymaking have thus one essential thing in common - the will to (the) nothing which is the will to absolutely no resistance. Were moneymaking ever capable of really reducing everything, i.e., all men, irreversibly to nothing but objectless ciphers (nothings), it would be indistinguishable from absolute tyranny. Conversely, whenever a tyranny is able to establish itself, it dispenses with its mediating and moderating encryptions in accordance with the degree of its freedom (immunity). The truth of ciphers becomes blunt command and dictate. On the other hand, the more tyranny is insecure, the more it is compelled to encrypt itself under the cover of the unconsciousness of ciphers in general and with private moneymaking in particular.

Fukuyama agrees with Clausewitz that “the ultimate ground of war among states” is *thymos* (spirit).²³⁷ The West owes decryption of *thymos* to Socrates who inaugurated philosophical thinking as ethics (teaching about the good). Fukuyama also knows that

²³⁷ Francis Fukuyama, *The End of History and the Last Man*, p. 255.

thymos stands for “an innate human sense of justice: people believe that they have a certain worth.”²³⁸ Nihilism holds that man is (worth) nothing, that he is a mere a commodity, a price, a number, an item in nomenklatura. Accordingly, the concept of *thymos* which Fukuyama actually uses is an inconspicuously inverted form of a *thymos* abstracted from the innate sense of justice and reduced to “the propensity to invest self with a certain value and demand [its] recognition.”²³⁹ Fukuyama thus turns *thymos* into a *cipher*. Fukuyama’s use of “value” and “demand” also shows that his model is not Plato but the market economy. The question of man’s worthiness thus boils down to the question of a philosophical affirmation or a nihilistic burying of man’s *thymos* and courage which is at the center of all struggle (*polemos*) - our common *political* war. In our modern era, the war against *thymos* and its burying (encryption) is carried out by technology. Thus modern man has created a tool that can work against himself, against his spirit and against his own humanness.

Of course, “[t]he question of the end of history then amounts to a question of the future of *thymos* ...”²⁴⁰ On the basis of a correct decryption of Hobbes’ “non-Christian” premise, Fukuyama seems rightly to imply that *thymos* is also the ability or courage to kill a man, which may also include killing the tyrant. Upon this principle, equality of men can be postulated. Therefore Hobbes decided to choose for the purpose of his liberal Leviathan the very opposite as a founding principle: “the postulated universality of the fear of violent death.”²⁴¹

²³⁸ Francis Fukuyama, *The End of History and the Last Man*, pp. 165, 171.

²³⁹ *Ibid.*, p. xvii, 164-165.

²⁴⁰ *Ibid.*, p. 289.

²⁴¹ *Ibid.*, p. 366.

Fukuyama concisely shows the 'liberal' logic of moneymaking as the method of war - cryptic war (*crypteia*) - against *thymos*. This especially applies to the modern project. In Fukuyama's words: "Hobbes and Locke, the founders of modern liberalism, sought to eradicate *thymos* from political life altogether, and to replace it with a combination of desire and reason."²⁴² This means that "[t]he liberal state growing out of the tradition of Hobbes and Locke engages in a protracted struggle [war] with its own people. It seeks to homogenize their variegated traditional cultures and to teach them to calculate instead."²⁴³ Ciphers and the values, especially those related to owning material "goods," replace the distinction made by conscience and *thymos* about good and evil. This is also one of the fundamental reasons why "[m]odern thought raises no barriers to a future nihilistic war against liberal democracy on the part of those brought up in its bosom."²⁴⁴ Modern thought "raises no barrier to a nihilistic war" because it is nihilistic inasmuch as it produces ciphers or concepts separated, like money, from man's political and ethical concerns. While removing the barriers to a nihilistic war, modern thought raises through the same ciphers a different kind of barrier serving the same purpose. For such ciphers also create what Fukuyama admitted to be a "confusion about what is really at stake," and the same confusion also appears to "the chief threat to democracy":

If it is true that the historical process rests on the twin pillars of rational desire and rational recognition, and that modern liberal democracy is the political system that best satisfies the two on some kind of balance, then it would seem that the chief threat to democracy would be our own confusion about what is really at stake.²⁴⁵

²⁴² Francis Fukuyama, *The End of History and the Last Man*, pp. 184-85.

²⁴³ *Ibid.*, p. 214.

²⁴⁴ *Ibid.*, p. 332.

²⁴⁵ *Ibid.*, p. 337.

Here the crucial turning point lies in the “*if*” and “*if its is true.*” As already noted above, Fukuyama believes that liberalism (confused as liberal democracy) does not “rest on the twin pillars off rational desire and rational recognition” but on the pillars of irrationality. Thus “if it is true” introduces what Fukuyama holds himself to be false. “Then,” from the previous false statement is, as if logically, deduced, “that the chief threat to democracy would be our own confusion about what is really at stake.” This statement is correct on its own account and does not depend on the falsity of the initial premise. Fukuyama obscures what is really at stake by confusing *thymos* defined by Plato as the middle part of man’s soul, with Hegel’s recognition of man by another man. Thus, he posits a false congruence between the mutually antithetical Platonic and Hegelian views: “The desire for recognition arising out of *thymos* ... [is] a projection of one’s own values on the outside world.”²⁴⁶ In reality, the connection between Plato’s *thymos* and the Hegelian desire for recognition is a relationship of opposition and inversion. Fukuyama is himself well aware of this, for he says: “Recognition is the central problem of politics because it is the origin of tyranny, imperialism, and the desire to dominate.”²⁴⁷ Hegel’s “recognition,” a *cipher* that points toward tyranny and imperialism, thus effectively displaces the classic question of justice as the central political concern. In other words, the origin of tyranny and imperialism is the separation of man from his courage and from justice. Such is also the origin of moneymaking. Tyranny, moneymaking, and imperialism are all shades and forms of the nihilistic will to power, and the same is also what defines much of modern ‘politics.’

²⁴⁶ Francis Fukuyama, *The End of History and the Last Man*, p. 172.

²⁴⁷ *Ibid.*, p. xxi; see also p. 182.

The names for what are good values are ciphers or coverings for something else. The good ceases to be the end and is “rationalized” instead as a means only with the name or the adjective “good” - for example, as “goods” sold because of their labels that have little in common with the goods themselves. In Fukuyama’s words: “[Modern liberal values] were conceived as having a purely instrumental function, habits that one had to acquire if one was to live successfully in a peaceful and prosperous liberal society. It was for this reason that Nietzsche called the state the ‘coldest of all cold monsters’ that destroyed peoples and their cultures by hanging ‘a thousand appetites’ in front of them.”²⁴⁸ Indeed, the Leviathan beast hidden behind such instrumentalism (encryption) hangs the unselfconscious on the ciphers, images, and names. For this magical ruse to work, consumers must forget that a cipher is a cipher and “cease to see” ciphers as such in order to accept them at their face value. What Fukuyama as a Weberian calls elsewhere “reason” and “rationalization,” he decrypts again as its opposite, as *irrationality* vis-a-vis ciphers *qua* ciphers, i.e., money *qua* fetishism of the financial *magi*:

For democracy to work, however, citizens of democratic states must forget the instrumental roots of their values, and develop a certain irrational thymotic pride in their political system and a way of life. That is, they must come to love democracy [that is, liberalism] not because it is necessarily better than other alternatives, but because it is *theirs*. Moreover, they must cease to see values [ciphers - my comment] like ‘tolerance’ as merely a means to an end [the good - my comment]; tolerance in democratic societies becomes the defining virtue.²⁴⁹

²⁴⁸ Francis Fukuyama, *The End of History and the Last Man*, p. 215. Hobbes’ Leviathan was to be a trade of man’s thymotic pride “for the prospect of unlimited material acquisition.” [Ibid., p. 186] Under this often tried scheme, a man trades off what is for what is not (“the prospect”). Effectiveness of such deal depends on having the man tricked. As Pitkin put it: “We read the *Leviathan* and feel that somehow we have been tricked.” Hannah Pitkin, “Hobbes’ Concept of Representation - II,” *The American Political Science Review* (1964/58): 917.

²⁴⁹ Francis Fukuyama, *The End of History and the Last Man*, p. 215.

For liberal moneymaking to work, it is necessary to forget: 1) the reasons why democracy is good or useful; 2) that democracy is “necessarily better than other alternatives;” 3) the good as the end (*telos*); 4) that tolerance separated from the *telos* of the good is irrational; 5) that the regime is irrationally presented as theirs; 6) that irrational tolerance abstracted from the good is what defines what is moral and who is a member of such society (“citizenship”); 7) that irrationality is irrational; and 8) that such morality of irrationality is but an instrument, and thus a means for another conditionally encrypted reason (*telos*). At the same time, Fukuyama demands that citizens “develop a certain irrational thymotic pride” in such total irrationality. All these points summarize how moneymaking works, together with its rationalization of the irrational and its imperative of forgetfulness (*lethe* in Greek as opposed to *aletheia* - truth; unveiling; remembering).

Fukuyama further argues:

The most successful capitalist societies have risen to the top because they happen to have a fundamentally *irrational* and ‘pre-modern’ work ethic, which induces people to live ascetically and drive themselves to an early death ... some form of irrational *thymos* is still necessary in order to keep our rational, liberal economic world going.²⁵⁰

Fukuyama recognizes that capitalism is sustained largely by irrational or meaningless labor that means “some form of irrational *thymos*,” that is, a *thymos* set apart from reason. This separation of reason from *thymos* (the innate sense of justice) is also the necessary premise for a capitalist “success,” that is, for the highest efficiency. Thus,

²⁵⁰ Francis Fukuyama, *The End of History and the Last Man*, p. 229. “The work ethic ... would be eroded ... [by] ‘self-realization,’ or the desire not just to have work but ‘meaningful work.’” [Ibid., p. 230] Desire for the meaningful or reasonable work is thus from this liberal point of view “irrational” (it would erode liberal moneymaking), while meaningless labor is what ought to be desired (irrationally) instead.

Fukuyama's synthesis of Hegel's "end of history" and Nietzsche's Last Man becomes a justification or 'rationalization' of the irrational by means of which people "drive themselves to an early death." This early death is admittedly irrational, but it is necessary for sustaining the rationale or the purpose of globalization, for "keeping the liberal economic world going."

Fukuyama's argument presents to us the following movement of encryptions where the precedent is used as a cipher (nothing) for the latter: ethical *thymos* $\Rightarrow$ irrational *thymos* $\Rightarrow$ irrationality $\Rightarrow$ early death $\Rightarrow$ modern labor. It is such *irrational thymos* - early death of man - that is "necessary in order to keep our rational, liberal economic world going."²⁵¹ Consequently, "irrational *thymos*" *qua* "early death" of man is an encryption for modern labor, and, therefore, the commodification of man as cipher (nothing) upon which depends both political and economic liberalism.²⁵²

Fukuyama indicates that irrationality prevents men from fighting for justice. Irrationality also makes people fight against justice, hence against their own humanity, and thus drives them to their 'early death' *qua* human beings so that As a result, an encryption of courage and justice turns into an unconscious war against justice:

Experience suggests that if men cannot struggle on behalf of a just cause because that just cause was victorious in an earlier generation, then they will struggle *against* the just cause. They will struggle for the sake of struggle. They will struggle, in other words, out of a certain boredom ... *against* that peace and prosperity, and against democracy.²⁵³

²⁵¹ Francis Fukuyama, *The End of History and the Last Man*, p. 229. "The work ethic ... would be eroded ... [by] 'self-realization,' or the desire not just to have work but 'meaningful work.'" [Ibid., p. 230] Desire for the meaningful or reasonable work is thus from this liberal point of view "irrational" (it would erode liberal moneymaking), while meaningless labor is what ought to be desired (irrationally) instead.

²⁵² In Fukuyama's words: "Like political liberalism, economic liberalism is not totally self-sustaining, but depends on a degree of irrational *thymos*." Ibid., p. 233.

²⁵³ Ibid., p. 330. Fukuyama's emphases.

Liberalism as cryptic nihilism is a cryptic war against human nature itself.

Fukuyama says this as well: “The bourgeois was an entirely deliberate creation of early modern thought, an effort at social engineering that sought to create social peace by changing human nature itself.”²⁵⁴ Accordingly, the “‘modernization’ process described by contemporary social science can be understood as the gradual victory of the desiring [moneymaking] part of the soul ... over the soul’s thymotic part.”²⁵⁵ Later Fukuyama stresses the same point again, as if to remind the reader that his own account of *thymos* too is forged “at the expense of *thymos*.” He says: “Indeed, the modern economic world could only emerge after desire had been liberated, so to speak, at the expense of *thymos*.”²⁵⁶ In this regard, the globalized markets reveal themselves as being such cybernetic projections on the screens of our unselfconscious eyes in the Platonic cave and, as Fukuyama says, “at the expense of *thymos*.” Therefore, we may say that the market as a social institution is an inverted pseudo-substitute for political conscience and public deliberation. Strangers do not normally deliberate together - they have in common *no-thing* (no deliberating gathering-assembly), hence no political conscience. No common deliberation means no effective citizenship and no justice.

5.5. Postcommunism and democracy

In order to show how the question of democracy is seen and understood in the context of postcommunism and globalization, it is worth reviewing the concept of

²⁵⁴ Francis Fukuyama, *The End of History and the Last Man*, p. 185.

²⁵⁵ *Ibid.*, p. 185.

²⁵⁶ *Ibid.*, p. 189.

democracy formulated by Vaclav Havel who has become a representative symbol of postcommunist transformation. This will also help us establish a possible conceptual (in)compatibility between Fukuyama's devaluation of democracy as a value "at the end of history" and a leading voice and perspective "from within" "postcommunism" (understood here in its usual, narrow sense as applying to the countries of the former communist bloc). Such a discussion would therefore make it possible to corroborate or falsify at least a part of Fukuyama's insights into the postcommunist political economy of globalization.

Havel's views on the relevance and importance of democracy show a remarkable steadfastness of his thought. Referring back to Heidegger's rejection of democracy as a meaningful alternative for the future, Vaclav Havel consented many years before the Velvet Revolution (1989):

Nothing really suggests that Western democracy, that is, democracy of the traditional parliamentary type, would open any deeper way-out ... really, it can hardly be considered as a viable way where a man could find himself again ... Although a man is there provided with many freedoms and certainties unknown to us, those freedoms and certainties are, however, in the end useless for him ... Sticking to the traditional parliamentary democracy as the political ideal and succumbing to an illusion that such a 'proven' form can ensure for a man a permanently dignified and sovereign position, would be, in my opinion, at least shortsighted.²⁵⁷

²⁵⁷ Vaclav Havel, *O lidskou identitu* (London: Svedectvi, 1984), pp. 127-128. Similarly for Pithart, a former Czech Prime Minister and the current Chairman of the Senate of the Czech Republic, democracy "can neither create or secure positive values;" consequently democracy is not the determinative or prevailing trend of the future. [See Petr Pithart, *Dejiny a politika* (Prague: Prostor, 1990), pp. 134, 230] Cf. Uhl's program of "revolutionary Marxism" in a passage that seems to characterize the present phase: "We consider a return of previous capitalists to [political] power as totally impossible ... Possible forms of coexistence of power structures are not [however] completely exclusive, although they are limited in time, various situations can arise when two or more centers of power would operate at the same time, either in a mutual coordination or against each other." See Petr Uhl, *Program spolecenske samospravy*, p. 95.

Parliamentary democracy as useless? And holding on to democracy as shortsighted? As much as parliamentary democracy encourages freedom of speech, it can hardly be considered useless unless one has a radically different political ideal in mind. In 1978, Havel did elaborate more extensively and also explicitly on this point, presenting his ideal model for the future which he defined as a “post-democratic system.”²⁵⁸ This ideal regime of permanent sovereignty ought to be “anchored in the universe” but incompatible with “any political order.”²⁵⁹ It would consist of small communities which could easily perish. The supreme principle of the regime would be embodied not in these “dynamically perishing” communities but in the figure of the *Leader* who would be endowed with “large authorities” and “a large trust.”²⁶⁰ Havel’s *Leader* is to bring as “a grand master” a solution to “the classic powerlessness of traditional democratic organizations” seen by Havel as “irresponsible.” Instead, every member of the post-democratic society would be “fully existentially answerable” - evidently to the *Leader*.²⁶¹ Consequently, the final truth-ideal would be a sovereign system of “dynamic appearing and perishing.”²⁶² It is

²⁵⁸ Vaclav Havel, *O lidskou identitu*, p. 131.

²⁵⁹ *Ibid.*, p. 129.

²⁶⁰ *Ibid.*, p. 130. Cf. Vaclav Havel, *Do ruznych stran (1983 - 89)* (Scheinfeld - Schwarzenberg: Cs. stredisko nezavisle literatury, 1989), p. 40; and Marie L. Neudorfl, “Vaclav Havel and the Ideal of Democracy”, a paper delivered at the Vth Congress for Central and East European Studies, Warsaw, August 6-11, 1995, p. 4. One episode recorded by Petr Pithart can be mentioned here for it displayed certain features of such “Leader” syndrome. During the war over a hyphen in the name of state inaugurated by Havel in February 1990, Vaclav Havel invited some thirty Czech and Slovak representatives to his presidential chateau in Lany. Havel told the assembled politicians that they were to be held there by armed guards until they would come up with a new name of the state. The audience laughed at first, thinking that it was a joke. Well, not really, the guards were two police girls armed with colts who were then escorting the captured men even to toilets. Pithart said that he still could not figure out what the meaning was of Havel’s intimidation played by him with a full seriousness. See Slavomir Ravik, *Zahradni slavnost pro 15 milionu* (Prague: Prazska imaginace, 1993), p. 21.

²⁶¹ Vaclav Havel, *O lidskou identitu*, p. 130.

²⁶² *Ibid.*, p. 130. In Washington on February 21, 1990, Havel rejected interests of the nation and state in favor of the “global” and “general” ones and called a responsibility towards “something higher than my country” as “the only real spine of all his doing.” See Vaclav Havel, *Projevy, leden - červen 1990* (Prague: Vysehrad, 1990), pp. 59-60.

interesting to note that Havel also makes reference here to “all the theoreticians of socialism” and later adds that he “considers himself to be a Socialist” who “had taken even many things from Marxism.”²⁶³ On September 29, 1994, Havel confirmed in a speech delivered at Stanford University, his previous Heideggerian conviction that democracy has no capacity to address humanity as a whole.²⁶⁴ In an address delivered at Harvard University on June 8, 1995, Havel confirmed his allegiance to the program of one universal culture and of a single global civilization, which is a negation of the state and nation. The nation state is to be replaced by hitherto nonexistent, yet “natural” regions and communities “lying somewhere between nation states and a world community.”²⁶⁵

5.6. Conclusion

Postcommunism helps explain and unveil the underlying essence of nihilism. The principle of nihilism “nothing is true, all is permitted” is the key to the common wealth and poverty of globalization - to its political economy of indifference.²⁶⁶ In this regard, one of the chief differences between the communist and postcommunist political economies of *ciphers* is that, while the communist ideological *ciphers* were still pointing to some redeeming positive meanings behind them, the postcommunist message is: “Yes, what you see may be ugly, but there is *nothing* beyond; take it or leave it. That’s the fact.” The premise of the success of such hermeneutics of ciphers and, conversely, a source of its

²⁶³ Vaclav Havel, *O lidskou identitu*, pp. 130, 240.

²⁶⁴ See Marie L. Neudorfl, “Vaclav Havel and the Ideal of Democracy,” a paper delivered at the Vth Congress for Central and East European Studies, Warsaw, August 6-11, 1995, p. 6.

²⁶⁵ Vaclav Havel, *Address by Vaclav Havel, Harvard University, June 8, 1995*, a press release by the Czech Foreign Ministry, pp. 9-10.

²⁶⁶ Friedrich Nietzsche, *Thus Spoke Zarathustra*, in *The Portable Nietzsche*, translated and edited by Walter Kaufmann (New York: Penguin Books, 1982), Nietzsche, *The Portable Nietzsche*, p. 386.

possible 'falsification,' is indifference and apathy that levels the distinctions between good and evil and imagines the ethical distinctions as insignificant and irrelevant nullities. Deeper still, the premise upon which the edifice of indifference stands is simply a lack of ethical and political courage.

One of the principal characteristics of present postcommunist globalization, as Mary McAuley puts it, represents an intertwined maneuver where "[p]rivate forces move in to replace the state," and "[c]rime has developed an international self."²⁶⁷ In this connection, McAuley also raises a probing question: "Could it then be that in the postcommunist world we shall observe new, post-sovereign, post-representative [post]democratic form of organizing political rule? But can a society skip stages and move straight on to 'post-state' forms?"²⁶⁸

Postcommunism marked by the *ciphers* of nihilism is a world where capital appears as a nearly magical, global network of flows cut freely adrift. In this, capital as a powerful current of *enciphered* commands, that encompasses mankind, resembles the Platonic river *Lethe*, the river of Forgetfulness and the dead, which stood as a symbolic negation of *aletheia*, truth. Like *Lethe* in speech, global capital (globalization) washes away boundaries by washing away man's self-consciousness and self-recollection. Capital is the true modern Leviathan, the Hobbesian "awe-inspiring" Beast-God of terrible power, that transports us 'beyond good and evil.' Like the three waves of Plato's dystopian Book V of the *Republic*, although expected to be the best, the wave of globalization may yet produce the worst of all possible regimes. For globalization nihilates and washes off boundaries and

²⁶⁷ Mary McAuley, *Russia's Politics of Uncertainty* (Cambridge: Cambridge University Press, 1997), p. 313.

²⁶⁸ *Ibid.*, p. 315.

political obstacles that are in the way. "In post-Communist Russia, as in the former Soviet Union," Handelman says, "the boundaries between crime and politics have been blurred."²⁶⁹ This co-penetration and assimilation between politics and crime is an uncanny form of Robertson's Hegelian position on globalization as a co-penetration of the universal (politics) and the particular (crime).

Such co-penetration, that blurs politics and crime, and public and private into the amorphous and homogeneous "*social*," begets and is begotten by capital's *tokos* - capital's *interest* ("offspring").²⁷⁰ On usury, *tokos*, and making "more" out of nothing, Aristotle says in the *Politics* the following:

Usury is hated with good reason because of its being acquisition from currency itself and not from that for which currency is provided. For currency came into being for the sake of exchange. The *tokos* makes it more. And it is from that that it got its name. For as the offspring are like the parents, so *tokos* breeds currency from currency. And in this way it is of this kind of moneymaking the most contrary to nature.²⁷¹

In other words, capital breeds *ciphers* from *ciphers*. *Tokos* itself is created as if out of "nothing," that is, as argued here, out of the *cipher* - an arbitrary and *imaginative* abstraction into which people have been over long centuries primed to trust and believe. Sometimes this belief and imagination is brought off by and unveiled as sheer force.

Tokos creation and capital-creation is, as shown, in its essence money-creation. The essential difference between money *per se* and capital is that money in itself is just a

²⁶⁹ Stephen Handelman, *Comrade Criminal: Russia's New Mafia*, p. 113.

²⁷⁰ The Greek *tokos* means both *interest* (charged by an usurer) and *offspring*.

²⁷¹ Aristotle, *Politics*, 1258b. Alan Bloom's translation in *Plato, Republic*, tran. Alan Bloom, pp. 463-64, note 31 (referring to the passage 507a of the *Republic*).

cipher qua token or imaginative substitute-representation, while capital is a *cipher* whose veiled is an authoritative command that is effectively accepted and is not questioned.

Accordingly, money is turned into *capital* when it is endowed with and comes to represent *an unimpeded social command* not only over goods and things but also over persons and especially over whole classes, peoples, nations, and mankind. Now it is not always possible to say where man's control over mere things ends and where control over persons begins. In practice, money and capital often coincide, respectively their difference is either arbitrary or a matter of degree.

From this it also follows that things and relations which we do not usually perceive as "money" can have or do have a function of "money" since *ciphers* are much more ubiquitous and exists in multivariate forms, so do more or less assimilated, implicit, tacit, stealthy, veiled, automatically executed, and unconscious social commands. Conceivably, any sign, symbol, token, icon, idea, trick, person, celebrity, value, *Fuhrer*, hatred, violence, belief or *fiat* can be and function as "money" capital provided that it can be institutionalized and reproduced as a social command over people - over labor.

In principle, money is any abstract concept/idea or "whatever," as Friedman said, for which we "exchange" goods and services and, in the case of money capital, our lives.²⁷² "Money" is *de facto* whatever can be turned into or presented as a *claim* or *title* to money and vice versa, such a whatever can be also "nothing."²⁷³ As Schumpeter said, this is also

²⁷² "The abstract concept of money is clear: money is whatever is generally accepted in exchange for goods and services ... an object that represents a temporary abode of purchasing power." [Milton Friedman, *Money Mischief: Episodes in Monetary History* (San Diego, New York, and London: Harcourt Brace & Company, 1992), p. 16]

²⁷³ "[C]laims or titles to money (however defined) may serve the same purposes as money itself. This is the fundamental explanation of the possibility of 'credit creation' ..." Joseph A. Schumpeter, *Business Cycles: A Theoretical, Historical, and Statistical Analysis of the Capitalist Process*, Volume 2 (New York and London: McGraw Book Company, 1939), p. 545.

“the reason why it is so easy to create ‘near money’ and so difficult to prevent the creation of it.”²⁷⁴ Or as Peter Reynolds said: “The definition of money chosen in any particular context will depend on the purpose at hand.”²⁷⁵ All these notions express in different ways one of the theses of this work, that money is not merely an economic medium of exchange but essentially a currency of power and an artifact or technology of social imagination. Money is essentially a *cipher* to which different materials, meanings, and commands can be assigned, without necessarily having to be “backed-up” by reality, and which presents a tax-claim on that reality. An automatic validity of such tax-claim (convertibility of the money code into something real) is *normally* presumed, that is, is not questioned. Thus it is also possible to say that money is a social contract based on ciphers, that replaces and displaces conscious contracts and agreements between and among people.

The essential veiling - abstraction from the questions of right and wrong - is effected by our own trust, beliefs, opinion, imagination, images, mimicking, etc., that is, by what can be summed up as “cognitive ignorance.” Cognitive ignorance can be defined as a situation, to use the words from Socrates’ apology, when we suppose that we know something and in reality know nothing. For example, this can happen when we don’t know that what we are dealing with are actually *ciphers* rather than “simple” or “clear” “facts”- when we carelessly confuse “signs” for the whole meanings, parts for wholes.

Since, as a rule, unjust power does not like to suffer an unobstructed view on its naked ugliness for too long in fear of becoming soon “illegitimate,” injustice sooner or later finds that it needs a veil, a cover, a code. As such a veil, capital has served power and

²⁷⁴ Joseph A. Schumpeter, *Business Cycles*, Volume 2, p. 545.

²⁷⁵ Peter J. Reynolds, *Political Economy: A Synthesis of Kaleckian and Post Keynesian Economics* (New York: St. Martin’s Press, 1987), p. 154.

injustice well.²⁷⁶ Since however the danger is growing,²⁷⁷ the time might come earlier than later when there is nowhere to retreat any more, and when we have not just to search but to *strive* for the concealed and buried meanings of our social *ciphers* and *our own meaning as humans* as well - when we have to question the causes of injustice and privilege in order not to lose our own humanness.

It is very possible that we will find that behind the veil of capital - the veil of trust, the veil of "the nothing" - is nothing but a naked violence and force. In any case, it is very plausible, or at least one should expect it, that force and violence also apparently stood at the beginning of the long history of Western socialization with monied imagination. This might be one of the unsaid sides of Hegel's story about the original duel between the master and the slave that, in Hegel's view, started the history of his Absolute Spirit.

All too often in the course of the history of the West, it was the Hobbesian fear of violent death that mediated between the fiat of command and obedience. Under capitalism, the mediation became shared with capital. As a veil of trust drawn over ignorance, power, and injustice, capital may therefore also be looked upon as a veil and mediation of the Hobbesian fear of violent death, that is, as a "state of modern nature" existing right in the middle of our society.

At the root of money-capital, that is, capital-creation, stands the intertwined idea of debt and tax qua bond that is socially respected, trusted, and obeyed. In our late modernity or Westernization, such capital imagination and trust are also boundary markers of the Platonic cave which now stretches over the whole globe - our panopticon-prison in

²⁷⁶ "Who told you that you were naked? ... "The man has become like one of us, knowing good and evil." [Genesis, 3:11, 3:22] The serpent apparently kept his promise: "God knows ... [that] your eyes will be opened and you will be like gods, knowing both good and evil." [Genesis, 3:5-6]

²⁷⁷ Cf. Martin Heidegger, "The Question Concerning Technology," p. 34.

which we sit together, watching various screens full of *ciphers* - more or less subtle commands - among which a central place belongs to what we normally call money. As money and other social interactions become increasingly electronic, it also becomes an increasing practice to control and watch over the panopticon - and our lives - effectively from a few data centers or “banks” round the clock and also in “real time.”

Since capital is an offspring-interest of trust and belief and is based on trust-belief (now often rendered as “confidence”), it is possible to say that capital is *de facto* the most pervasive and influential *secular* (Godless) religion of mankind. Such belief and trust, as I argued, is based on and sustained by the nothings - by *ciphers* that numb man’s mind, and induce and facilitate a lack of political reflexivity.

A few more words need to be said on the conceptual connections between capital, economy, despotism, and the ‘mafia.’ The connection between capital and economy is not purely “economic.” The West built its understanding of economy on the basis of a patriarchal and private household (*oikos*) whose principle was a *despotic* rule or *monopoly* exercised freely by the male *head* of the household. Wife and children were treated not so much differently than other slaves. Tyranny was essentially a bigger private *oikos* that extended over a city, state, other peoples and assimilated and nihilated the political or public realm under its fiat. Internally, such economic despotism was virtually free of external political interference and thus, so to say, approximated an ideal of “free market,” though only within the bonds of the household itself.²⁷⁸ Modern “free market” is thus, in a sense, a grown-up offspring of such *oikia* or private despotic “economy.” Marx understood this well, when he stressed that “the original determination of private property

²⁷⁸ See Aristotle, *Politics*, Book I.

is monopoly.”²⁷⁹ It is here in this peculiar type of economy where lies a root of that “economic” imagination which has been *colonizing*, respectively, Westernizing the globe since the late fifteenth-century. For inasmuch as capital is *command*, as Marx claimed, and I do know how to refute him on this point, then capital not only has an “economic,” that is, despotic origin but also its “unnatural nature.” However, we need to be aware that money capital always “tends to go beyond what is necessary”²⁸⁰ or just, and that, as such, money capital is almost “naturally” part of the political economy of nihilism and its tyranny.

The mafia, a seemingly archaic institution, which however thrives so well under capitalism, is *de facto* such a patriarchal, private *oikos* headed by a despotic godfather.²⁸¹ At the same time, the mafia is a *society* or even a *commune*. Interestingly, the political economy of the mafia follows some key liberal or rather Hobbesian principles: 1) its contract is based on the fear of violent death (Hobbes’ constitutive principle); 2) *normally*, though always present, this principle based on force or its threat is mediated and veiled by a complex, ritualized, hence socialized (secret) codes and *ciphers* that translate (read) *anxiety into command* and *profitable capital* - in Hobbes, the violent fear of death is translated into Hobbes’ capital and reader’s profit by reading and believing Hobbes; 3) as in Hobbes, contract based on the fear of violent death, when honored, is supposed to insure a relatively convenient and commodious life; 4) for Hobbes, freedom is a lack of

²⁷⁹ Karl Marx, *Excerpts from James Mill’s Elements of Political Economy*, in Karl Marx, *Early Writings* (New York: Vintage Books, 1975), p. 270.

²⁸⁰ See Aristotle, *Politics*, editor’s introductory note, p. 80.

²⁸¹ I am using here as elsewhere the term of “mafia” in its *common, current* sense that has been broadened as to include various crime syndicates and societies that are distinguished by turning crime into a systematic, profit-driven, often gradually ‘cleared,’ legalized, or quasi-legitimate business that penetrate into and even are taking over the political and economic system, thus realizing in practice the nihilistic dictum that ‘all is permitted.’ In this sense, the word “mafia” and its derivatives have also been now commonly applied to postcommunist Russia and other Eastern European countries.

external impediments; with this no mafia could disagree; 5) both Hobbes' Leviathan and the mafia are moulded upon a *familial* corporation (*oikos*); 6) the operational mode of both Hobbes' Leviathan and the mafia as sovereigns is *their own fiat*; 7) the organizational ideal for both Hobbes' Leviathan and the mafia is enforced *monopoly*; and not least 8) neither Hobbes' Leviathan nor the mafia see themselves as 'beyond good and evil.'

Consequently, Hobbes, capital, and the mafia appear to have certain principles in common.

That is, both the mafia and capital are in fact *command* economies. Only the mafia is known as such and parasites on the latter, while the same with regard to capital is more veiled and less known, or perhaps has been so until now - when postcommunism started directly challenging our previous ideological prejudices. This also indicates that the mafia itself is probably not so much an aberration of free market as a living embodiment of some of its underlying essence. The question that we need to ask then, and that appears to be forced upon us by present developments, is which politico-economic regime in particular would correspond best to the model of the mafia. Apparently, such a regime would need to comprise the eight above said principles in addition to the principal of a despotic Leader-Father - the commanding head (capital) of the whole "social household." Fascism with its direct appeal to the will and power seems to be a best candidate to meet the parameters of such a regime. Although communism was conceived as a doctrine of a global state endowed with a total power, it bound itself to a rhetoric of social justice. Since, necessarily, so much lies beyond the limited scope of this work and is very uncertain, this suggestion can stand only as a very tentative conclusion of this thesis and should be seen merely as a matter for possible consideration open to refutations and possible falsifications.

The West is now just hovering on the verge of its own “postcommunism,” idly waiting till the wave of nihilism and liberalization returns from the East and washes away the beautiful face that has been covering the abyss for so long.²⁸² It appears that the West has been largely indifferently looking at the East, not realizing that the East is a mirror that reflects back something to the West. Perhaps this reflection is the specter of “the terrible.” In this reflection coming from the East, Robert Skidelsky rightly sees together with John Gray the problem of West as being “replicated” and “grotesquely exaggerated”. Under postcommunism, “the subversive dynamism of market institutions, particularly when these are globalized,” benefit and breed new fascist combinations.²⁸³ Hence, the question stands: Is this the truth of “the institutionally naked market system *per se*”?²⁸⁴ At the same time, “[n]ow that Marxism is over, in its place stands - nothing,” we are free but also have to ask ourselves “how do we answer the challenge Thrasymachus hurls at Socrates in Plato’s *Republic* when he asserts that justice is the interest of the stronger?”²⁸⁵ Being “*After Marxism*” means that we are finding ourselves back with Plato, glimpsing through the veil ... through the *ciphers* of his cave.

²⁸² The so-called East, being the *other* part of the West itself, is bound to the West *propre* and its destiny. It is a special relation of mutual opposition and reciprocity. Both the East and the West are related to each other as “consciousness and the unconscious [which] are related to each other in a reciprocity where each conscious element has its unconscious counterpart of an opposite yet compensating character.” [See C.G. Jung, *Psyche and Soul* (New York: Doubleday Anchor Books, 1958), p. xxiii] At every moment, both the West and the East are manifesting something which is still empirically submerged or latent in the other, while the latter is often in a better position to grasp consciously the nature of the manifested, being however unable to see the same in itself and recognizing it merely as the other’s and thus somehow indifferent.

²⁸³ Robert Skidelsky, *The World After Communism: A Polemic For Our Times* (London: Macmillan, 1995), pp. 166-7; John Gray, *The Undoing of Conservatism* (Social Market Foundation, 1994), p. 19. That the untrimmed *capital* utopia leads to fascism was already persuasively argued by Karl Polanyi in his book, *The Great Transformation*, which is one of the most important books-messages of this century.

²⁸⁴ Robert Skidelsky, *The World After Communism*, p. 167.

²⁸⁵ Ronald Aronson, *After Marxism*, pp. 9, 238.

Conclusion: The Political Economy of “The End of Capitalism”

“One learns from this non-reflective and self-satisfied Gorgias that his kind of rhetoric is used for the single purpose of increasing one’s power.”¹

Tom Darby

My study of the political economy of nihilism has been mainly focused on modernity and its thought. There is, however, also a body of the postmodern literature that is rapidly developing. To show how my ideas relate to this type of approach, I consider Gibson-Graham’s reconceptualization of capitalism and political economy.² Gibson-Graham, I suspect, would take very serious exception to a great deal of what is argued here. The choice of Gibson-Graham is made not the least for this reason. Therefore, my comments on their work *The End of Capitalism (as we knew it): A Feminist Critique of Political Economy* may serve as a test case for the applicability and usefulness of my thesis.

In *The End of Capitalism*, Gibson-Graham present a powerful, feminist critique of political economy and at the same time use a certain type of analytical approach and thinking that can be seen as permeating my analysis. Gibson-Graham base their approach on an opposition to what they call “deterministic analysis” which is, for example, contrasted with “the great and existing diversity of people’s relations to sex.”³ They carry out their postmodernist, poststructuralist and feminist theorizing “in the hope of

¹ Tom Darby, “Who Has the Right to Rule the Planet?: Power and Wisdom: Politics as Destiny,” Part II, *Kritika & Kontext*, 3-4 (1998): 111.

² “Gibson-Graham” is a dyad consisting of two persons, Katherine Gibson and Julie Graham. I respect their choice and thus I refer to them as “Gibson-Graham.” But since “Gibson-Graham” is physically two, I use the pronoun “they” instead of “she” or “it.”

³ J.K. Gibson-Graham, *The End of Capitalism (as we knew it): A Feminist Critique of Political Economy* (Malden, Mass., and Oxford: Blackwell, 1996), p. x.

contributing to an anticapitalist politics of economic invention.”⁴ To this effect, they ask: “What might be the advantages of representing a rich a prolific disarray?”⁵

However, the underlying *purpose* of their project of “anticapitalist politics” appears to display - despite the avowed and obvious “prolific disarray” - a specific coherency, although Gibson-Graham say that they are after capitalism’s incoherence.⁶ It is also this purpose and *not* the views and perspectives as such that reveals the most essential and serious divergence between their and my approaches. In this connection, the nature of the divergence of purpose and not simply of perspectives also shows that what is most at stake is the nature of our *human* purpose, or our humanness itself. In fact, they themselves imply this thought: “But, of course, how one chooses to represent a social site has to do with any number of things, including the politics that one is interested in promoting.”⁷ What is thus the purpose of their “end of capitalism”? In their own words, “perhaps the principal aim” of the *End of Capitalism* is “an anti-essentialist project.”⁸ Such projected anti-essentialism is to be understood as a posited “absence of a ‘capitalist system’” where “[i]n slaying the capitalist monster, we have eliminated as well the subject position of its opponent.”⁹ In other words, Gibson-Graham’s project consists in “[d]eveloping an economic imaginary populated with ‘friendly monsters’ of the noncapitalist sort.”¹⁰ The “absence of a ‘capitalist system’” is, therefore, a project that takes place in an “imaginary” where capitalist opponents have been eliminated by being turned into “friendly monsters”

⁴ J.K. Gibson-Graham, *The End of Capitalism*, p. xi.

⁵ *Ibid.*, p. ix.

⁶ Gibson-Graham define their practice as “[t]heorizing capitalism itself as different from itself - as having, in other words, no essential or coherent identity.” *Ibid.*, p. 15; see also p. 156.

⁷ *Ibid.*, p. 69.

⁸ *Ibid.*, p. 11.

⁹ *Ibid.*, p. 21.

¹⁰ *Ibid.*, p. 21.

of the capitalist “monster” slain by their images and words. However, what such “slaying” really is rather “depicting the object of our obsession as powerful and well developed, but we also try to muzzle and silence it.”¹¹ Thus it is very hard, it not impossible, to say if Gibson-Graham have really aimed at the eliminating a ‘capitalist system’ or Capitalism and not at the elimination of the opponents to the capitalist system. And since this elimination takes place in an “in an economic imaginary,” it is also difficult to find if they “banish [such] paralyzing problems.”¹² However, Gibson-Graham themselves believe that such “thinking difference without opposition” is thinking “beyond the oppositions between ‘real and unreal ... the living and the non-living, being and non-being.’”¹³ Like Nietzsche’s Zarathustra and his shadow, they too try to overthrow all boundary stones and images, i.e., those between being and non-being and even between life and death itself. This overthrow of the whole experiential or imagined universe is deliberately set up to produce “a referential crisis.”¹⁴ Admittedly, some referential crises can be a good thing, especially if the references became inadequate or if they were false in the first place. Gibson-Graham see the purpose of the induced referential crisis otherwise: “If there are only capitalisms (and no essential capital or capitalism), some capitalist instances may be quite acceptable and benign.”¹⁵ However, Gibson-Graham give us no indication of how to distinguish between which capitalist instances are benign and which are not. At this level, the argument that there are also some benign practices remains a truism that has no

¹¹ J.K. Gibson-Graham, *The End of Capitalism*, p. 23.

¹² On the account of the book Meaghan Morris’s comments: “Paralyzing problems are banished by this dazzlingly lucid, creative and practical rethinking of class and economic transformation.” *Ibid.*, p. i.

¹³ *Ibid.*, p. 238. “Here we might want to engage in the deconstructive practice of thinking difference without opposition.” [*Ibid.*, p. 245] Similarly: “But if man himself is different from himself, then woman cannot be singularly defines as non-man.” *Ibid.*, p. 14.

¹⁴ *Ibid.*, p. 249.

¹⁵ *Ibid.*, p. 247.

significance if its referential points are left as void into which Gibson-Graham are “deconstructing the weight and gravity of ‘reality,’”¹⁶ and where Capitalism is a “fantasy.”¹⁷ As a result, “[i]t is not clear what it means to call the industry capitalist given the differences in production relations, except that it entails obscuring rather than illuminating plurality and difference.”¹⁸ However when it is not clear what “capitalist” means, then the epistemological base and justification of Gibson-Graham’s “noncapitalist” and “anticapitalist” alternatives loses its ground and clarity. Nevertheless, it is also evident that this imaginary applies to those who are caught in the referential crisis of poststructuralism and postmodernism.

To this effect, Gibson-Graham’s book also reads like a manual of a title which suggests itself among “a surplus of titles” of the last chapter: “How to smash capitalism while working at home in your spare time?”¹⁹ And a short answer to this question reads: “If we can divorce our ideas of class from systemic social conceptions, and simultaneously divorce our ideas of class transformation, we may be able to envision local and proximate socialisms.”²⁰

Interesting are also the means by which this divorce of our ideas from social conceptions is achieved. The short answer is by replacing ‘logic’ by ‘text’ or ‘discourse’ within which a new language and a new imagination would out of necessity “think the

¹⁶ J.K. Gibson-Graham, *The End of Capitalism*, p. 250 note 17.

¹⁷ *Ibid.*, p. 264. Every imagery and fantasy has its own concrete, experiential basis. See *ibid.*, p. xiii: “Over the past six years we have frequently overcome the tyranny ...”

¹⁸ *Ibid.*, p. 18.

¹⁹ *Ibid.*, p. 251.

²⁰ *Ibid.*, p. 264.

radical emptiness of every capitalist instance.”²¹ More specifically, the means is a strategy of ‘ongoing subversions’ of meanings that undermines their “underlying commonality.”²²

The real enemy that is attacked is not so much ‘capitalism’ but a new *cipher* of ‘essentialism’ which “means a specific presumption ... that any apparent complexity - a person, a relationship, an historical occurrence, and so forth - can be analyzed to reveal a simplicity lying at its core.”²³ In other words, “essentialism” is a generic *cipher* applied to those who try to make distinctions between “material reality of a definite social relation” from “the fantastic form of a relation between things.”²⁴ “Essentialism” is faulty because it struggles to do discern and discriminate between what is important (essential) and what is secondary or spurious. For me, this “essentialism” means to discern above all between what is just and what is unjust. According to Gibson-Graham, such discernment has constrained a desired “intervention”: “[I]t becomes clear that ... specifically the essentialist conception that one or several parts are critical while others are peripheral or supportive ... has constrained and directed the possibilities of economic intervention.”²⁵ Such freedom of imagination from “essentialism” or discernment dramatically changes our relation to reality and, since these relations are part of reality, this changes reality itself.

Yet, Gibson-Graham’s freedom denies to its liberated imagination a correspondence with reality: “When knowledge is freed from the task of ‘corresponding’ to an external reality (which it does not change and must not contradict) it enters a realm of heterogeneity and simultaneously leaves the real in which some knowledges are

²¹ J.K. Gibson-Graham, *The End of Capitalism*, p. 31 note 12, 17.

²² *Ibid.*, pp. 37, 43.

²³ Resnick and Wolf quoted *ibid.*, 24 note 1.

²⁴ *Ibid.*, p. 239.

²⁵ *Ibid.*, p. 106.

adjudged more true or authentic than others because of their greater 'affinities' with the real."²⁶ In other words, under such "freedom" man enters the Platonic cave - because, in Gibson-Graham's own words, he "leaves the real in which some knowledges are adjudged more true or authentic than others because of their greater 'affinities' with the real."

Gibson-Graham promise that "[a]lternative representations of society as a decentered, incoherent and complex totality could offer multiple points of interventions in class (and other) process at any point in time."²⁷ Yet if the system is made to fall apart into an incoherent heterogeneity, what would guarantee that interventions would not be incoherent as well, if not irrelevant - as far the "totality" is concerned? Moreover, the irony or 'truth' of such a vision is that the *cipher* of "heterogeneity" produces and imposes its opposite: homogenization - indifference to difference or formal equality where the heterogeneous turns by the sleight of hand suddenly into "all": "All may participate in constituting the economy and the larger society; all harbor various technologies and organizations of production; all are the sites of class process. And all are subject to change on a continual basis."²⁸ Here, the promise of a participation for all loses at the end its initial sense of permissiveness and turns into a normative statement that "all are *subject* to change on a *continual* basis." Calling such an "alternative" "a personal politics of class"²⁹ exacerbates not only the confusion not only of terms, but also obscures what is at stake. Moreover, a more original formulation of this vision can be found in Marx's idea of the 'constantly revolutionizing' nature of capitalism or in Schumpeter's concept of 'destructive creation.' However, if, both for Marx and Schumpeter, a constant change of

²⁶ J.K. Gibson-Graham, *The End of Capitalism*, p. 172.

²⁷ *Ibid.*, p. 172.

²⁸ *Ibid.*, p. 173.

²⁹ *Ibid.*, p. 173.

everything is a systemic demand of capitalism to maintain a perpetual denaturing of man, Gibson-Graham offer subjecting all to a permanent change as an ostensible alternative. Gibson-Graham also mention in this connection “technologies.” However, they fail to make a link between technology, i.e., money capital, their notion of “difference without opposition,” for capitalism, that “is always becoming what it is not,” is so because of technology, and, in a similar way, man becomes “different from himself” - without his opposition.³⁰ Here, in the imperative of constant change that alienates man from himself without opposition also lies, in my view, the root of the *systemic*, that is, technological and ideological bias *against* any “essentialism.” Consequently, Gibson-Graham’s postmodernism is not so much a real alternative as a permutation and transmutation of the same systemic principle. Part of the imperative of man’s negation by technology and money capital that is *not resisted* is also a negation of *causation* that is bundled together with “essentialism”: “Essentialism is here understood as the intellectual process of locating a single element (or a set of elements) at the center or origin of a process of event. With respect to causation, then, the essentialist move involves an attempt to isolate sole or principal causes ...”³¹ Without known causes, that is, without understood relationships, hence without discernment and judgment, knowledgeable resistance becomes impossible. Resistance that does not know or cannot discern is usually either a folly or a crime; in fact, such resistance is rather again our “difference without opposition.” Moreover, without understanding causality, resistance can hardly be meaningfully articulated.³² One also needs to remember that the postmodernist devaluation and rejection of causality has its

³⁰ J.K. Gibson-Graham, *The End of Capitalism*, pp. 245, 44, 14.

³¹ *Ibid.*, p. 159 note 18; see also p. 56..

³² Thus Gibson-Graham set their theorizing against “an articulated structure.” *Ibid.*, p. 154.

origin in Nietzsche's nihilism where this 'cause' against causes was first formulated as a program.³³

Elements of Gibson-Graham's 'political economy' of "the end of capitalism as we knew it" consist in contributing to a "referential crisis" and their treatment of definitions that tend to be avoided because "this would involve choosing," that is, a discernment of what is essential. Thus Gibson-Graham say: "Though we refer on almost every page of this book to capitalism, we find ourselves loath to define it, since this would involve choosing among a wide variety of existing definitions (any one of which could be seen as our 'target') or specifying out of context ..."³⁴ Thus, for example, they "theorize class as a process without an essence; in other words, class processes have [for them] no core or condition of existence that governs their development more closely than any other ..."³⁵ This, however, contradicts their own definition of capitalism, which they reluctantly provide in footnotes, as "a system [sic] of generalized [sic] commodity production ... and exploitative production relations between capital and labor"³⁶ and/or as "a class process in which surplus labor is appropriated from wage laborers in value form."³⁷ For in these definitions is what they themselves have denied to classes, namely, "an essence," a "core or condition of existence that governs their development more closely than any other." This banished essence is "commodity production;" "exploitative relations between capital and labor;" "appropriation of surplus labor in value form."³⁸ In this way, Gibson-Graham

³³ See, for example, Friedrich Nietzsche, *The Will to Power* (New York: Vintage Books, 1968), aphorisms 55, 69, 244, 288, 327, 347, 447, 478, 483, 497, 523, 524, 532, 545-54, 572, 575m 597, 627, 635, 638, 645, 658, 664, 689, 711, 1019.

³⁴ J.K. Gibson-Graham, *The End of Capitalism*, p. 3 note 4.

³⁵ *Ibid.*, p. 55.

³⁶ *Ibid.*, p. 3 note 4.

³⁷ *Ibid.*, p. 54 note 8.

³⁸ In fact, Gibson-Graham themselves have said virtually the same a few pages earlier: "[W]e define class

might have achieved their goal of “incoherence” but at the price of consistency. Some definitions are simply wrong: “In its most narrow sense, capital accumulation refers to the growth of fixed constant capital and, more precisely, to the expansion of fixed capital value.”³⁹ What is essential in capital accumulation is not fixed constant capital as such but the accumulation of “value” through which capital expands its command over labor. Fixed capital is rather a byproduct and a means of this process. As Marx put it:

The same causes which develop the expansive power of capital, also develop the labor-power at its disposal. The relative mass of the industrial reserve army thus increases with the potential energy of wealth. ... *This is the absolute general law of capitalist accumulation.*⁴⁰

Instead of clear definitions that can be analyzed and explained together with their terms (deciphered), Gibson-Graham construct their own objects-caricatures of their critique. These are projected imageries: “Perhaps a better way of saying this is that feminists were required [sic] to produce a theoretical object (sexism or male dominance or patriarchy of the binary hierarchy of gender) ... In this sense, the burden can be seen to lie with us, to produce the discursive object of our critique.”⁴¹ The purpose of their *technique* is not so much to use logical arguments as to “create alternative emotions, desires and moralities”⁴² and through such emotions and desires induced by playful associations to “divorce the politics of class transformation from images of systematic

simply as the social *process* of producing and appropriating surplus labor (more commonly known as *exploitation*) and the associated process of surplus labor distribution.” J.K. Gibson-Graham, *The End of Capitalism*, p. 52.

³⁹ J.K. Gibson-Graham, *The End of Capitalism*, p. 157.

⁴⁰ Marx, Karl, *Capital: A Critique of Political Economy*, Volume I, translated by Ben Fowkes (New York: Penguin Books, 1976), p. 798. Marx’s emphases.

⁴¹ J.K. Gibson-Graham, *The End of Capitalism*, p. 10 note 20.

⁴² *Ibid.*, p. 204.

transition.”⁴³ Gibson-Graham suggest that such a procedure is “epistemological terrorism”:

In the absence of empirical material ... we are tempted instead to fabricate some visions of being and motion that draw upon images of potentiality ... We are tempted, that is, to an act of epistemological terrorism ... To create a discourse of the enterprise as a dissipative system, as empty, as multitude ... is almost too daunting ...⁴⁴

An example of such imagination in making reveals its underlying ethos - a vision of the body “freed” from the rule by the mind. It is, in other words, a vision that fits the definition of the Platonic cave:

If we think of the enterprise as an entity defined as much by the dispersion of social labor as by its condensation, it can be likened to the body in which identity has been freed from the defining and governing function of the ‘mind.’ Without mentality in a position of dominance over the other bodily process, the body and its identity may be seen as equally determined by all corporeal processes in their multiplicity.⁴⁵

This reminds one of the Nietzschean promise uttered by his Zarathustra to the dying tightrope walker in the marketplace: “Your soul will be dead even before your body: fear nothing further.”⁴⁶ Tom Darby describes the same ethos as belonging to “reanimalized man”: “He wants for nothing, and is thus contented, which is not only a characteristic of animals but also of gods. This is the world returned to ‘natural man,’ a realm inhabited by

⁴³ J.K. Gibson-Graham, *The End of Capitalism*, p. 173.

⁴⁴ Ibid., p. 201. In the same way is however also a defined an object of apparent criticism: “The outside insinuates itself into thought, drawing knowledge outside of itself, outside what is expected, producing a hollow which it can then inhabit - an outside within or as the inside.” E. Grosz quoted *ibid.*, pp. 75-76.

⁴⁵ Ibid., pp. 189-90.

⁴⁶ Friedrich Nietzsche, *The Portable Nietzsche*, trans. Walter Kaufmann (New York: Penguin Books, 1982), p. 132.

the *soulless bodies* ...”⁴⁷ Gibson-Graham’s “postmodern alternative” is thus again the same nihilism. With the mind gone, distinctions vanish too, and “the body and its identity may be seen as equally determined by all corporeal processes.” And bodies without the “governing function of the ‘mind’” can hardly put up any resistance on their own.

In this light, what appears first as an object-imagery of critique comes out again as “the object of obsession.”⁴⁸ The professed “overdetermined” “irreducible specificity”⁴⁹ accordingly takes a form of a simple saying: “In this type of urban theory the spatiality of women’s bodies is constituted in relation to two different but perhaps connected Forms or Identities, that of the Phallus and that of Capital.”⁵⁰

Supposed “alternatives” are locked within the same imagination where the ethical mind has no place:

‘Barbie is not a dildo, not a penis substitute, but rather a figure of lesbian eroticism, a woman in the palm of a woman’s hand (Mary Gossy).’ ... In the same spirit, might we not wonder exactly what is globalized and how infection is moving when Barbie dolls are marketed in India or, for that matter, Indianna? What power

⁴⁷ Tom Darby, *The Feast: Meditations on Politics and Time* (Toronto: the University Toronto Press, 1982), p. 210.

⁴⁸ “Each of these chapters represents a skirmish with the capitalist beast. In every encounter we depict the object of our obsession as powerful and well developed ...” J.K. Gibson-Graham, *The End of Capitalism*, p. 23.

⁴⁹ *Ibid.*, p. 27.

⁵⁰ *Ibid.*, p. 78. Imagination replaces definitions: “Capitalism is the phallus or ‘master term’ within a system of social differentiation.” [*Ibid.*, p. 8] Or: “Invariably [sic], the object that exists within/invades/penetrates the inert void - bringing woman into existence - is the Phallus. Woman is necessarily rape space in the phallogocentric discourse of gender. ... The discourse of capitalism renders the space of woman no longer homogeneous and void. Instead woman-space is ‘relative space’ ...” [*Ibid.*, p. 79] Here woman is discursively turned into a *cipher* “space.” But cf.: “Feminist theorists urge us to think woman and space outside that discourse in which identity, or the Phallus, gives meaning to everything - to think outside the discourse in which woman can only be given shape by Man and in which space is an empty container that can only be given shape by matter.” [*Ibid.*, p. 84] The question is *who* really thinks so that he or she ought to be urged by the feminists “to think woman *and* space” otherwise. And where does “the Phallus give meaning to everything”? The likely candidate however could be “the body in which identity has been freed from the defining and governing function of the ‘mind’ ... [so that] the body and its identity may be seen as equally determined by all corporeal processes.” [*Ibid.*, pp. 189-90; viz. note 44]

and potentialities do we relinquish when we accept the univocality of the market/commodity/global capitalist totality?⁵¹

While calling for recognition of “noncapitalism” or “noncapitalist class processes,” Gibson-Graham also effectively project the totalizing logic of the capitalist market - its notion of (surplus) value and exploitation based on such value - into their “noncapitalist” household. Thus they arrive at the curious question of whether children in the family are exploited by their parents or if the children are exploiters of their parents. While they leave this question undecided, they nevertheless categorize children as a “class”:

The household is, thus, a site of an exploitative class process which involves the production of use values and the appropriation of surplus labor in use value form. ... While there is no intrinsic obstacle to representing children as exploiters ... there is no rationale for doing so. ... These theoretical distinctions and decisions did not have to be made ... Theorizing children’s class position(s) might be interesting ...⁵²

Gibson-Graham’s strategy renders itself most transparent in their use of the word “feudal” as a *cipher* that covers their projection of the capitalist notions of surplus, value, class, appropriation, and exploitation on the workers’ family. Thus, while they define such a family as “feudal,” they invest its nature and intra-relations with the notions taken from the capitalist economy. Interestingly enough, the workers’ families themselves adamantly refused to acquiesce in being redefined by Gibson-Graham’s *cipher-label*.

Gibson-Graham’s own account of their attempted re-engineering of identities by means of evocative *ciphers* is as much transparent as exemplary and thus deserves to be quoted here at a length:

⁵¹ J.K. Gibson-Graham, *The End of Capitalism*, p. 144.

⁵² *Ibid.*, pp. 212-14.

In adopting the term 'feudal' we hoped to draw upon some of its connotations, particularly its associations with the appropriation of surplus labor in use value from and with relations of fealty ... In presenting this work to many different audiences, however, we have found them virtually united against the term 'feudal.' ... and we seemed unable to divest the concept of some of its meanings while retaining others. No matter that we might understand any social concept to be quite empty of meaning ...⁵³ No matter that we did not presume a commonality linking all social instances that are designated 'feudal' (in other words we take an anti-essentialist approach to naming and categorization). Despite our protestations and demurrals, the practices and institutions that ostensibly [sic] characterized a particular phase of European social history seemed to stick like glue to the term 'feudal.' ... The project of divorcing the language of class from holistic social conceptions and evolutionary historical sequencing is not simple or straightforward, given the history of the use of these terms. ... our intent is to disturb and destabilize ... prevalent meanings; generating new meanings for the familiar term is one of the ways we do this work ...⁵⁴

"Disturbing and destabilizing prevalent meanings" does not necessarily produce a better understanding. By redefining the worker's' family as feudal, Gibson-Graham ostensibly abstracted from its "overdetermination" by capitalism, while covering it with the logic and language of capital. The use of the term "feudal" as a *cipher* is evident in the fact they encoded the word "feudal" with a radically new meaning or purpose without really explaining and revealing it. We are only told that they "hoped to draw upon some of its connotations" and "to divest the concept of some of its meanings while retaining others." Yet, for themselves, they simultaneously "might understand any social concept to be quite empty of meaning."

⁵³ Cf. Nietzsche: "With you I unlearned faith in words and values and great names. When the devil sheds his skin, does not his name fall off too? For that too is skin." Friedrich Nietzsche, *Thus Spoke Zarathustra*, in *The Portable Nietzsche*, p. 386.

⁵⁴ J.K. Gibson-Graham, *The End of Capitalism*, pp. 212-214.

Thus, instead of accepting their claim that their “strategies have the potential to undermine capitalism’s discursive hegemony’,”⁵⁵ I have to agree with Lefebvre who “remains convinced that [such a work] ... reproduces the ‘dominant ideas which are perforce the ideas of the dominant class.’”⁵⁶ The strategy of such fragmentation and disassociation-cum-false-associations shows an obvious commonality with the capitalist mode of social ‘production’ or technology that includes a systemic abstraction from what *is* an essential common *human* concern about what is just and what is unjust. In fact, it appears that such postmodernism is not only a permutation of the co-penetration between the Hegelian ‘identity of being and non-being’ and Nietzschean causal agnosticism ‘beyond good and evil.’ By deconstructing values into virtually free-floating, incoherent signifiers, Gibson-Graham’s “end of capitalism also appears as a superstructural *reflection* of its “*base*” made of virtual global money that roam around the world as ‘free-floating signifiers.’⁵⁷

Despite their apparent trivialization of slavery by listing it along with “home-cooked meals and made beds” as the specters of capitalism, Gibson-Graham could nevertheless be hitting upon something important, upon a deeper dark truth:

What haunts the capitalist commodity is not only *noncommodity* production (those home-cooked meals and made beds ...) but *noncapitalist* commodity production ... slave commodities (what pure and strange moment is this, that slavery is only infrequently imagined to exist?) ...⁵⁸

⁵⁵ J.K. Gibson-Graham, *The End of Capitalism*, p. 44.

⁵⁶ *Ibid.*, p. 75.

⁵⁷ Money is now “a kind of free-floating signifier detached from the real process to which it once referred.” S. Lash and J. Urry, *Economies of Signs and Space* (London: SAGE, 1994), p. 292.

⁵⁸ J.K. Gibson-Graham, *The End of Capitalism*, p. 245.

However when Gibson-Graham say that “[w]e might cease to speak easily of capitalist imperialism as though empire were an aspect of capitalism’s identity (albeit one that masquerades as its history),”⁹⁹ readers might ask whether capitalist imperialism has been hitherto merely a masquerade, or whether “ceasing to speak” would make it all too easy for such “an aspect of capitalism’ identity” to reemerge.

A world where technology as the mode of the nihilistic ‘will to power’ or ‘will to will’ would define everything gives us “difference without opposition.” It would be a world where everything and mankind would be always becoming what it is or what it is not. Such ambiguity in the process that follows “the end of capitalism as we knew it” appears to lead to a void in meaning for the global household which is nihilism. In this regard, my theses concerning the Platonic cave and the interrelated concept of the nihilistic *cipher* (a *cipher* that functions to alienate man from his ethical grounds) is a methodology that offers tools with which it is possible to render the process that has lasted over three hundred years more transparent and discernible. In other words, the purpose of this methodology is to help us keep the terrible in view and not to cast it out or lose it together with the view of man’s just purpose.

In conclusion, it may be said that the history of the West has been interwoven by nihilism so much so that nihilism came to define now what the West stands for. However, the same history can also be written as a history of the ‘old dispute’ between philosophy and its traditions, one the one hand, and the various permutations and transmutations of nihilism and its *mimetic* techniques, on the other hand. The distinguishing feature of our late modernity is that nihilism has declared the end of philosophy and politics and hence its

⁹⁹ J.K. Gibson-Graham, *The End of Capitalism*, pp. 247.

triumph. This work tries to argue that this is not necessarily the case, because the claims of nihilism are at variance with many things, especially with what it means to be human, that is, i.e., to think, to act, and to aspire to something good for others, as well as oneself. At least, these are all *possibilities* the availability and realization of which appear to depend on 'what kind of power' nihilism yields, and what this power really does. In other words, the question of the 'end of history' is at the bottom actually a question of 'power.' In this regard, as Skidelsky pointed out, "Fukuyama's claim that mankind has reached its ideological endpoint is thus false on two accounts: it is hopelessly Western-oriented (ideology itself is a Western concept) and, even for the West, it falls under Popper's general refutation of historicism: we cannot predict the invention of knowledge, and we cannot predict the conditions of change."⁶⁰

The concept of man's will is a powerful concept, however, as in geometry and mathematics (viz. the concept of the mathematical in Chapter 4), while it is possible to choose relatively freely any point in a given space, we are then bound by our choice to *all* of what it *means*, to *all* of the consequences, including all that is implied. This is part of the inescapable *logic* of man's will, i.e., his will to power. To claim, as Heidegger did, "the first law of thinking," subjected to man's will to will, is not "the rules of logic," is correct.⁶¹ However, this does not mean that *logos* itself has been thereby removed. Neither can nihilism eliminate the countervailing tendency, as it was identified by Karl Polanyi, on the part of man and society to defend themselves. This countervailing tendency coincides with what Plato identified as *techné* - the art of man's protection and

⁶⁰ Robert Skidelsky, *The World After Communism: A Polemic For Our Times* (London: Macmillan, 1995), p. 166.

⁶¹ Martin Heidegger, "The Letter on Humanism," in Martin Heidegger, *Basic Writings* (San Francisco: HarperSanFrancisco, 1977), pp. 264-65.

defense of the good. The royal art of such defense is a genuine politics and philosophy. The necessary premise of this art is man's courage reinforced with a proper understanding of what is at stake - what is terrible. However, a knowledge of the terrible in itself is not enough. For courage in its "finer treatment"⁶² is also "the power and preservation, through everything," of the view of the good, of man's *telos* produced and fostered by the universal law (*logos*).⁶³ Such a courage is opposed to a provisional and polemical concept of "courage" which is keeping "the right and lawful opinion about what is terrible," "that comes to be without education" or philosophy.⁶⁴ Nihilism is in the violation of these principles.

A necessary premise of such a courage is a self-knowledge as it pertains to both an individual human being and a whole society. To this effect, individuals as well as nations have to wrestle with the nihilistic *ciphers*, arbitrary abstractions, which numb and entertain and, at the same time, cover up the political and ethical views, distinctions, and markers that constitute our self-knowledge. This 'flood,' that mixes up evil with good, and power with wisdom, is epitomized in our technology into which money capital too is being dissolved. In this sense, technology is also becoming a new founding, legitimizing myth of the global regime. The nature and mechanism of this dystopia correspond to Plato's cave and the dystopia described in Books V-VII of the *Republic*. If the original account of such a regime came about as a result of the desire and the will imposed on Socrates by his companions, the 'detour' away from the genuine art of politics has now been enforced on mankind by modern nihilism, the successor of the ancient sophism and the Dionysian

⁶² Plato, *Republic*, 430c.

⁶³ Cf. Plato, *Republic*, 429c, 430b.

⁶⁴ Plato, *Republic*, 430b.

(hedonistic) world view. In this way, the truth of the dystopia has been writ large over the whole globe and thus magnified so that we can read and understand it *post festum*, together with its Hobbesian and other scripts previously hidden from our view.

Technology cannot do its 'work' without *ciphers*. This has become particularly evident in cybernetics, the modern science of control, which, according to Heidegger, "takes the place of philosophy" as the "other" or "completely new thinking."⁶⁵

Technology, epitomized by cybernetics, "directs the appearance of the totality of the world and the position of man in it" in order to regulate, plan, and arrange man as 'labor.'⁶⁶ The task of nihilism, the "other thinking," consists "in helping man in general ... to achieve an adequate relationship to the essence of technology."⁶⁷ Heidegger also explained in which direction such thinking assists man: "National Socialism, to be sure, moved in this direction. But those people were far too limited in their thinking to acquire an explicit relationship to what is really happening today and has been *underway for three centuries*."⁶⁸ To this effect, Heidegger himself claimed that "the only thing we have left is purely technological relationships."⁶⁹ Similarly, Marx argues that the bourgeoisie, hence not technology *per se*, "has left remaining no other nexus between man and man than naked self-interest, than callous 'cash payment.'"⁷⁰ According to Marx, such a nexus is a

⁶⁵ Martin Heidegger, "Only a God Can Save Us," Heidegger's interview for *Der Spiegel*, trans. Maria P. Alter and John D. Caputo, in Richard Wolin, ed. *The Heidegger Controversy: A Critical Reader* (Cambridge, Mass. and London: The MIT Press, 1993), pp. 108-9; cf. Tom Darby, "Reflections on Technology: An Excursus as Introduction," in Tom Darby, ed. *Sojourns in the New World: Reflections on Technology* (Ottawa: Carleton University, 1986), p. 9.

⁶⁶ Martin Heidegger, "The End of Philosophy and the Task of Thinking," in Martin Heidegger, *Basic Writings*, p. 434.

⁶⁷ Martin Heidegger, "Only a God Can Save Us," p. 111.

⁶⁸ *Ibid.*, p. 111. My italics.

⁶⁹ *Ibid.*, p. 106.

⁷⁰ Karl Marx, *The Manifesto of the Communist Party*, in Karl Marx, *The Revolutions of 1948* (New York: Penguin Books, 1973), p. 70.

new, “alien,” and “veritable God” that produces, mediates, and rules the reduced and dehumanized relationships of men - man’s mortification.⁷¹ What both Marx’s and Heidegger’s accounts have in common is the idea of reduction and dehumanization. Both these accounts are compatible because technology and capital are hermeneutically fused with each other by means of their nihilistic ciphers and their project. Thus, if technology is a compound of perceptions and practices that hermetically assimilates one with the other,⁷² the essence of money capital is the same: “Since money ... confounds and exchanges everything, it is the universal *confusion* and *exchange* of all things, an inverted world, the confusion and exchange of all natural and human qualities.”⁷³ Accordingly, we can also say that power has become a compound of technology and capital, that is operationalized by means of ciphers. The nihilistic ciphers *interweave* our technological networks, including the World Wide Web, while *cutting* man off from what he *is*. The *cipher* as power, to use the words which Marx addressed to money, “turns *imagination into reality* and *reality into mere imagination*, [it] similarly turns *real human and natural powers* into purely abstract representations, and therefore *imperfections* and tormenting phantoms [*Schemen*], just as it turns *real imperfections and phantoms* - truly impotent powers which exist only in the individual fantasy - into *real essential powers and abilities*.”⁷⁴ The nihilistic cipher is thus “the universal inversion” or a new ‘*Deus inversus*.’⁷⁵ In essence, this description also gives us the layout of our global Platonic cave. This cave can also be

⁷¹ Karl Marx, *Excerpts from James Mill’s Elements of Political Economy*, in Karl Marx, *Early Writings* (New York: Vintage Books, 1975), p. 260; Karl Marx, *Economic and Philosophical Manuscripts*, *ibid.*, p. 326.

⁷² Tom Darby, “On Who Has the Right to Rule the Planet: Life in the Age of the World Picture.” Part III. *Kritika & Kontext* (Bratislava), 7-8, July 1999: 24-34.

⁷³ Karl Marx, *Economic and Philosophical Manuscripts*, p. 379. Marx’s *emphases*.

⁷⁴ *Ibid.*, p. 378. All the *emphases* are Marx’s.

⁷⁵ See *ibid.*, p. 378.

compared to a virtual panopticon the guardians of which perceive others as ‘nothings,’ i.e., monetary and other ciphers. The global Leviathan is thus made of compounds of men and ciphers in a way that, from the point of view of the project, makes and perceives them as indistinguishable.

The paradox of the nihilistic cipher, like the regime of the ‘cave’ itself, consists in that it is an inverted and emptied form of the Platonic *idea* of the Good. This is also how, in his commentary upon Heidegger’s “The End of Philosophy and the Task of Thinking,” David Krell explains the essence the *cipher* which, as such, is said to complete the end of philosophy. The *idea* becomes cybernetic, thus, “a mere cipher.” Admittedly, however, all this is “ostensible”:

The completion of philosophy, the most extreme possibility or ‘place’ for metaphysics, is a world civilization based on the Western technological model. This model is the Platonic *idea* ostensibly drained of all ontological content and become a mere cipher, a monadic carrier of information, a unit of cybernetic science.⁷⁶

What is “ostensible” has often a character of a *pre-text* which, Shipley explains, “was at first just a curtain; then, something *put before to conceal the truth* - like the smoke *screen*, borrowed from *modern war* in figurative sense.”⁷⁷ This ‘pretext-screen’ is technology, the chief weapon of modernity in general and of modern wars in particular. For technology is what places before and around man those artificial some things that can be turned off and on as ‘nothings’ (ciphers) at will. In this way, technology and its ciphers cut man off from *a view* of the truth and the good. Thus, technology as the chief modern

⁷⁶ See David Farrell Krell’s Foreword to Martin Heidegger’s “The End of Philosophy and the Task of Thinking,” in Martin Heidegger, *Basic Writings*, p. 428.

⁷⁷ Joseph Shipley, *Dictionary of Word Origins* (New York: Barnes & Noble, 1995), p. 355. My emphases.

‘pretext’ is what obscures the meaning of man’s practice (*technē*) and reason (*logos*) hidden behind its screens.

Consequently, if the cipher is the hinge upon which hangs this nihilistic dystopia in making, a way-out is a struggle and a hard work (*technē*) of the encryption or unearthing of what has been covered up and buried. An important form of such unveiling is a recovery of the essence of *technē* by practicing it for the sake of justice.

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