Michel Aglietta, *Money. The First 5,000 Years of Debt and Power* (London/New York, Verso, 2018)

To the uninitiated, the contradiction between money's ubiquity in our daily economic lives and its relative absence in orthodox economic theory should be surprising. This would be akin to a geology without rocks, an astronomy without stars, or a botany without plants. Instead, the central object in orthodox economics is market equilibrium. Unlike money, however, we are unlikely to encounter equilibrium at any point in our economic lives. For a discipline like economics that loudly proclaims its scientific status and insists on being housed with its imagined disciplinary peers, this aporia is difficult to explain on purely empirical grounds.[1] In 1982, Michel Aglietta and André Orléan hypothesized why this might be the case. Money, they argue, is the bearer of "disorder, arbitrariness, struggle, power, convention, compromise, bad faith, in short all social experience."[2] The hermetic world of mathematical formalism, required to ensure the theoretical supremacy of the "free market," cannot readily accommodate such messiness. Orthodox economic theory, then, must cleanse itself of money while actually existing economic, social, and political life remain, in Aglietta and Orléan's words, "*enchaîné au pouvoir maléfique de la monnaie.*"[3]

Michel Aglietta remains committed to the project of moving economics away from its foundations in general equilibrium theory but has since softened his view on the malevolent power of money. Aglietta's new book, *La Monnaie: entre dettes et souveraineté*, assumes the monumental task of refounding economics on the basis of money rather than on market equilibrium.[4] The essential premise of this project is that money is "logically prior to market relations as a more fundamental social bond" and thus the proper foundation of economic theory [76]. Such a refounding would replace the price mechanism with the payment system as the principal object of economics. Aglietta's *Money* is many things: it is a critique of orthodox

[1] Edward Lazear, 2000, "Economic Imperialism," *Quarterly Journal of Economics*, 115, 1: 99-146, p. 142 ; Marion Fourcade, 2009, *Economists and Societies* (Princeton, Princeton University Press).

[2] Michel Aglietta and André Orléan, 1982, *La Violence de la monnaie* (Puf, Paris: 13) (quotation translated by the author).

[3] *Ibid.*: 312.

[4] The English title, *Money: The First 5,000 Years of Debt and Power* gestures to David Graeber's *Debt: The First 5,000 Years.*

Brian Judge, University of California, Berkeley [bjudge@berkeley.edu]
European Journal of Sociology, 60, 3 (2019), pp. 385–389—0003-9756/19/0000-900$07.50per art + $0.10 per page
 doi: 10.1017/S0003975619000195

economics, a social theory of money, a *longue durée* history narrated through the lens of this theorization, a reflection on the current state of the international monetary system, and an ambitious program for its reform. Aglietta's "money" is also many things. It is: a "relationship between the individual and collective," "a kind of debt," "a social relation," "the foundation of value," "a system of rules," a representation of the "wholeness of society," "the intergenerational bond that guarantees the immortality of society," a "signifier of belonging to a social order or community," "universal and transhistorical," that which "institutes the relationship between the individual and the collective," "the operator of value," "a common good," "a total social phenomenon," and "a system in a given space where it represents and realizes value." Such a range of conceptions would be expected across the different genres that *Money* combines into a single volume.

Aglietta notes that his theory "entirely conforms to Karl Marx's theoretical elaborations in the first section of *Capital*" [45]. In Volume 1 of *Capital*, Marx observes that, in its capacity as a measure of value, money "serves only in an imaginary or ideal capacity. This circumstance has given rise to the wildest theories."[5] For Marx, money is the "alienated ability of mankind" and the "overturning power both against the individual and against the bonds of society."[6] Aglietta instead defines money as "the means by which society gives back to each of its members what it judges each of them to have given to it" [32]. By accumulating money, "we symbolically experience the feeling of possessing a fraction of the collective" [61-62]. Money thus institutes "a relationship of social belonging. This relationship is established on the basis of the confidence that individuals place in a sovereign institution to unite them and guarantee the values, principles and norms of their community" [79]. What is money such that it can, contra Marx, be yoked to these social values?

From the title, we know that Aglietta's concept of money lies somewhere between debt and sovereignty. Indeed, he defines money as a "social system founded on sovereignty" [54]. Sovereignty is what endows a monetary order with legitimacy by guaranteeing that the monetary system operates in accordance with pre-defined rules in the service of collective values. For Aglietta, sovereignty is founded on a "life debt" that binds the mortal individual to the immortal society. Sovereignty is thus founded on "the postulate that while a society's

5 Karl Marx, 1990, *Capital*, 1 (New York, Penguin), p. 190.

6 Robert Tucker (ed.), 1978, *The Marx-Engels Reader* (New York, Norton), p. 104, 105.

https://doi.org/10.1017/S0003975619000195 Published online by Cambridge University Press

members are mortal, society itself is immortal. This ontological opposition between mortality and immortality is the source of a collective belief that unites a society's members" [126].[7] In the history of political thought, however, sovereignty denotes absolute authority within a given territory. Jean Bodin defines sovereignty as the "highest power of command." For Hobbes, the purpose of sovereignty is to create order and maintain security. For Locke, the purpose is to guarantee property. In both accounts, a form of consent produces the obligation to obey sovereign authority, but the values instantiated by and through sovereignty are fixed. Sovereignty, and thus money, are not neutral vessels for any values and practices whatsoever, but only for those necessary to escape the state of nature. If both money and sovereignty are limited to specific values, then the relationship of social belonging it implements is similarly constrained.

Moving from theory to history, Aglietta states "we adhere entirely to Fernand Braudel's conclusion" in Fernand Braudel's *Capitalism and Civilization* trilogy [120-121]. In that work, Braudel charts how the "jingle of coin" worked its way into everyday life.[8] However, a tension arises in the lessons they derive from their respective histories. For Braudel, the monetary economy is the "real reason for the existence of money. Money only becomes established where men need it and can bear the cost."[9] Braudel demonstrates how money first emerges on the periphery of societies as a means of mediating trade with foreign groups. It is precisely the fact that these two groups do not form a single community that makes monetary exchange mutually advantageous. Money replaces in-kind payment only when these groups are pulled into the orbit of a broader monetary economy. Braudel's verdict on money is clear: "[f]or the same process can be observed everywhere: any society based on an ancient structure which opens its doors to money sooner or later loses its acquired equilibria and liberates forces that can never afterwards be adequately controlled. The new form of interchange disturbs the old order, benefits a few privileged individuals and hurts everyone else."[10] Braudel's history of capitalism does not support the claim that money is logically prior to the market and institutes relations of social belonging.

[7] Elsewhere, Aglietta makes the surprising claim that the "*sine qua non* condition of sovereignty" is the state's "ultimate capacity to monetize its debt" [74].

[8] Fernand Braudel, [1967] 1992, *The Structures of Everyday Life* (Berkeley, CA, University of California Press), p. 437.

[9] *Ibid.*, p. 439.

[10] Braudel, *op. cit.*, p. 437.

5,000 years of debt and power culminate in a set of proposals designed to complete the "historical trajectories of money" [81]. Aglietta's goal of "inclusive and sustainable growth" demands "the generalization of a principle of value that far transcends market valorization" to redirect the global economy [168]. This in turn requires extending the "realm of money" to all human, intangible, and natural resources "as forms of capital" [168]. Aglietta discusses an array of potential avenues for pairing monetary forms to the "establishment of the sovereignty of the commons" [183]. Aglietta also calls for the International Monetary Fund (IMF) to regain its position as the governing body of the international monetary system and to resurrect Special Drawing Rights (SDRs) as the anchor for a post-dollar order. Once established, Aglietta argues, "The very long historical evolution of money would have found the form of organization consistent with its essence: the universal form of the representation of value" [398]. At last, Aglietta reveals the crucial premise of *Money*. Money is not merely a medium of exchange, a unit account, or a store of value. Rather, "for in all its plurality of forms, money is the expression of value" [399]. The only legible desires and values are therefore those that are expressed in money. This claim is not presented as a peculiar product of capitalism but instead as a fundamental fact of human nature. Aglietta's core premise is therefore far more totalizing than Adam Smith's famous presumption about mankind's natural "propensity to truck, barter, and exchange one thing for another."

Karl Polanyi identified a fallacy repeated in many economic histories where the "economy" is conflated with the "market." Although any human society possesses some apparatus for providing for its physical needs (an economy), the price mechanism (the market) is a "comparatively modern institution of specific structure, which is easy neither to establish nor to keep going."[11] An economy exists wherever anthropologists have something to discern, yet not all societies have been market societies governed primarily through the market and beholden to market valorization. In contrast, Aglietta claims that "wherever anthropologists have been able to discern something that we could call an economy, money existed. Money is universal and transhistorical" [81]. *Money*, like orthodox economics, conceptualizes cowry shells and TARGET2, the Kula trade and the Chicago Board of Trade, as gradations of the same basic form

[11] Karl Polanyi, 1977, *The Livelihood of Man* (New York, Academic Press), chapter 1.

https://doi.org/10.1017/S0003975619000195 Published online by Cambridge University Press

operating according to the same basic laws. New monetary developments like Bitcoin are dismissed for being "disconnected from any sovereign authority" and "anti-commons;" the massively increased role of sovereign debt in structuring the global payment system post-2008 is not discussed; and the development of shadow banking—non-bank financial intermediaries operating without sovereign guarantees—receives only a passing mention [173, 174].

These gaps are not specific to Aglietta's account but are instead the necessary product of the attempt to encapsulate money *sub specie aeternitatis*. A transhistorical theory of money must necessarily come into contradiction with the diversity of its historical and contemporary forms. Such a theory risks replacing the "dogmatic cathedral of pure economics" with another, thereby replicating the very problem it was intended to solve [27]. Aglietta's history omits historical debates about money where its meaning and its practice are contested. Such a perspective would complicate the progressive history from electrum in Lydia to SDRs in Washington. Radical rupture and discontinuity, not teleological unfolding, is the norm.[12] Shifting definitions of money belie the incongruence between static theory and protean social artifact. Rather than passing 5,000 years of history through the grid of a universal theory, an alternative approach would chart how the practices and rationalities comprising the social apparatus of "money" came to be formed, abandoning the presumption of a separable, immanent sphere animated by its own internal mechanisms. Such an account of money would look much closer to, say, a history of sexuality or madness than a scientific theory of rocks, stars, or plants. Unlike these other conditions of our existence, money is nothing other than what we make it.

BRIAN JUDGE

[12] See Carl Wennerlind, 2011, *The Casualties of Credit* (Cambridge, MA, Harvard University Press); Christine Desan, 2014, *Making Money: Coin, Currency, and the Coming of Capitalism* (New York, Oxford University Press), and Nigel Dodd, 2014, *The Social Life of Money* (Princeton, NJ, Princeton University Press).