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Religions and Relations of Production.

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The basic point of view behind this paper is that imperialism is a phenomenon generated not only by the overaccumulation of capital prevailing in the U.S. and the Western European countries from the last quarter of the 19th century up to this day. Imperialism is also a result of dynamics in the extra-Western world, dating from about the eve of the colonial period. These are dynamics connected with the reaction of ruling classes in non-capitalist countries against Western military and economic power.

I take imperialism, then, to be a class struggle on a global scale, where the most important participants are ruling non-capitalist classes in "developing" countries, in this paper called "patrimonial", and bourgeois classes of the Western world.¹ The anti-colonial revolutions in Asia (especially in the period 1945-1960) and Africa (especially 1960-1970), as well as populist revolts in Latin America I take to belong to such a "patrimonial reaction". The same goes for developments related to Japan, Russia and China from about 1870 to about 1960. The dominance of patrimonial interests was threatened not only from capitalist nations, but also from progressive movements inspired by Communism, which, however, could only temporarily prevail.

For reasons related to the above, reasons which are taken up in the paper, I hold that the primary function of imperialist exploitation to be localised in unequal international exchange of commodities. The main implication, namely that value transfers related to this exchange should get some priority in Marxist analyses, makes it necessary to recapitulate Marx's definition of circulation, of measure of value and of standard of prices, and, not least, of "world money". There is no doubt that these concepts have been seriously misunderstood. It is now time to settle accounts and make a fresh start in these matters.

The focus on unequal exchange also points to the necessity of exploring the very concept of currencies, and thereby (as it will be seen) the concepts of what they are measuring, that is, national productivity and intensity of labour all over the globe. This theme leads me to stress the importance which the whole regional or national culture has in determining the character of the labour process. That is the reason for

¹ This is not to contradict Lenin's thesis to the effect that imperialism is not a "political" system proper, but an economic one. In so far as imperialism is the highest stage of capitalism, the Western bourgeoisies and working classes are its protagonists. Here, however, we are trying to get hold of the characteristics of capitalism *as* imperialism – that is, as a system that is not only over-accumulating, but also directly and indirectly dependent on exploitation through foreign investments.

focusing on religion, which positively or negatively can be considered a clue to the analysis of the relation of labour to the forms of ownership and to its own technical conditions. At the same time, this dimension implies that the whole investigation – hopefully – is a concrete, historical one, which so to speak by itself negates theories of a “world system” – theories that seem to be more or less speculative and ready-made.

Section I. Two epochs of economic social formation. On formal subsumption

In his recent review of the work *Global Capitalism*, Christopher Meissner points to how its author, Jeffrey Frieden, takes that classic year of crisis and recovery, 1873, as a starting point for our epoch of capitalism. Frieden’s book has a title actualising the “fall and rise” of global capitalism in the 20th century.² From that point on, these scholars remind us,

”one witnessed extreme commodity market integration, deep penetration of foreign capital into less developed countries and historically high immigration rates”.³

Also, from now on came the adherence of the U.S. and other great powers to the gold standard – a crucial condition for the internationalisation of capitalism as a system of production and – above all – as a system of value realisation.⁴

However, from these years (from 1868) dates also the Meiji “restoration” of the Japanese society. It is called the end of Japan’s feudalism. However, it was scarcely anything of that kind, but rather an adaptation of the feudal ruling class to new conditions – the old order of bondsman and lord organising its defense with industrial weapons developed by the enemy.⁵ Thus, the rough market forces behind the U.S. commodores of the 1850’s really did open up a kind of feudal restoration that in some ways have persisted to this day.

A look at the Japanese economy will, I think, make it clear that in those 130 years and more, no definite blow has hit the *zaibatsu-keiretsu* system – so characteristic and hegemonic in that economy. The existence of *keiretsu*, that is, ruling “finance gangs”⁶ upholding themselves through mafiotic friendship and modern forms of vasallage – concrete, traditional values inimical to bourgeois abstract money-mediated values of

² Christopher M. Meissner, “Global Capitalism: Its Fall and Rise in the Twentieth Century”, *Journal of International Economics*, Vol 71, 2, pp. 523-525. Cf. Jeffrey A. Frieden, *Global Capitalism: Its Fall and Rise in the Twentieth Century*, New York: W.W. Norton and Company, New York and London 2006.

³ Meissner, *op. cit.*, 523.

⁴ Frieden, *op. cit.*, 6-7.

⁵ Cf. some classical words in the *Communist Manifesto* concerning the bourgeoisie: “The low prices of commodities constitute the heavy artillery with which it shoots all Chinese walls to pieces and forces the barbarians’ obstinate hatred of foreigners to capitulate.” *Marx-Engels Werke* (hereafter *MEW*), Vol 4, 466.

⁶ The U.S. word “gangster” would in fact be an adequate, not to say accurate, translation both of “*zaibatsu*” and “*chaebol*”.

freedom and equality, was with us from the beginning of global capitalism.

Reflecting on this, and on the structural similarity between the *keiretsu* and the Korean *chaebol*, a similarity existing in spite of the fact that Korea cannot be said to have had the feudal background which characterised Japan and consequently generated the *zaibatsu*, one is reminded of how Marx's thesis on feudalism as a progressive form of the social economic formation goes together with a wider interpretation of pre-capitalist societies. After 1953, when the *Grundrisse*, and more specifically the "Epochs of economic social formation" became commonly known in Western intellectual circles, it has (rightly, I think) been hypothesised that Marx looked upon all pre-capitalist formations as fundamentally homogeneous in the last instance, because of their basis in land tenure, versus the capitalist tendency to revolutionise the social formation through ownership of industrial means of production.⁷ In this way, history (as far as dynamic economic *formation* is involved) can be seen as consisting of two great epochs, the one based on land tenure and the other on private property to industrial means of production.

In the epoch based on land tenure and agricultural production, which some Weberians are inclined to subsume under the label of patrimonialism,⁸ one should conceive the sequence of progressive forms to be the same as in Marx's alternative picture – with feudalism as the most advanced form. Both in Japan and in Western Europe, this form allowed for free petty bourgeois production in servile peasant homes. Thus products of spinning and weaving (mostly manufactured by the women in the family) brought the immediate producers into contact with a market and gave them a glimpse of relative economic freedom. It also – most importantly – created a form of private production independent of feudal or patrimonial jurisdiction and tradition.

It is told that when the Europeans first came into contact with the Japanese, it was the first time in their overseas explorations that they met a social structure that they could recognize. It is possible that Japan, had it been left to itself, could have evolved a capitalist mode of production proper. As things developed, the Japanese social classes were at least capable of constructing a cultural defence employing workers as true proletarians, a result that must have been much more difficult to realize any other place outside Europe.

It is reasonable to suppose that this was a result of approximately the same forces that transformed feudal Europe to capitalist countries. Still, what happened in Japan was a halfway house. The advanced socio-economic structure made it possible for the ruling classes to defend their position with new and progressive means, in a manner that was out of reach for any other nation or region inside the old world of land tenure. *That* was what it meant to belong to the most progressive of social forms in the "developing" world!

⁷ See "Formen, die der kapitalistischen Produktion vorhergehen", in *Grundrisse der Kritik der politischen Ökonomie*, Berlin 1953, 375-413. (Cf. English translation in *Grundrisse*, London 1973, 471-514.) For the interpretation referred to, see especially Alfred Schmidt, "Zum Verhältnis von Geschichte und Natur im dialektischen Materialismus", in *Existentialismus und Marxismus. Eine Kontroverse*, Frankfurt am Main 1965.

⁸ See for instance the interesting article by Rangalal Sen: "Patrimonialism and Urban Development: A Reexamination of Max Weber's Theories of the City", *Bangladesh e-Journal of Sociology*, Vol. I, No. 1 January 2004.

This gives us a key to explaining the similarities between industrial relations of production in Japan and those of other developing or recently developed countries. These relations are based on structures that are the same in most patrimonial systems based on land tenure. The important difference is only that they were especially well developed in the advanced Japanese culture. Thus, they may be reproduced in some way or other in developing countries even with traditions very different from the Japanese, e.g. in China and India.

I have made these reflections, which admittedly are rather interim, partly because I am in need of a general concept that can be used to cover all (or a defined majority, at worst) of the mechanised production systems outside the developed capitalist countries in Europe and America. Tentatively, I will apply the term "formal subsumption" for much of what goes on economically in these countries or areas. It is a Marxian term originally introduced to describe a certain kind of subjugation of workers under the capital relation. "Formal subsumption of workers under capital" means that workers are subsumed, but are only formally propertyless; working for wages, but not actually producing goods in the mechanical and industrial (and alienating) manner typical of the capitalist mode of production. Furthermore, they still stand in the traditional position of being masters over their tools. In the classical example, described by Marx, we talk about European manufacture production, which reached its heyday in the 17. and 18. centuries. Marx, like Adam Ferguson and others, pointed out that in this technical mode of production, where workers were using *tools*, not employing machines, they were rather themselves making up a composite machine inside a plant.⁹

In preparing this text, I read Brian Grogan's abstract of the paper "In Defence of Marxism", and found many an important point in harmony with my own views. Like Grogan, I would like to stress the importance of keeping in mind that the transition precisely from manufacture is of the utmost importance for an understanding of the core of the concept of modern capitalism. Also, it should be stressed that a capitalist *system* cannot exist unless the law of value takes the form of a production price system inside a nation, or better, unless the system of production and distribution is connected with such a specific price system.

Section II. Fundamentals of international exchange. The concept of world money.

Instead of immediately expanding on the inner reason for this last (that may come later, and in the discussion), I'd like to switch now to a difficulty that follows from the fact that any capitalist nation, that is, any system of production prices, is up against others of its kind. In concreto, this goes for two (or more) developed, that is, "capitalist" countries. When they (i.e. their citizens) are circulating and exchanging commodities, they do so on the basis of two (or more) qualitatively identical price systems, albeit the level of commodity prices and average profit rates of course differ from one another. The components of these systems have a history of *transformation* behind them: They are commodities which possess certain value magnitudes, now transformed into price magnitudes, according to a general rule.

⁹ Cf. Ferguson, *An Essay on the History of Civil Society* (1767), ed. Cambridge 1995, 174, and Marx, *Das Kapital* I (MEW Vol 23), 369.

This lawlikeness implies that the production prices at which commodities from the two countries are sold on the world market are created through the measuring of values in the gold material (or another precious metal material). This, as Marx pointed out, cannot go without the simultaneous transformation of a given mass of gold into a standard of prices. The total volume of single measured values is therefore ipso facto related to an ideal mass of gold of the same magnitude, so that they are changed into prices and compared on the gold taken as a standard (*numéraire*). Through this imaginative operation, materially real as well as logically necessary, we can rest assured that there can exist no such thing as a discrepancy of sums of surplus values and profits, not to mention total sums of values and prices.

Thus as a condition for their circulation on the world market, all particular commodities making up each of the two national commodity aggregates, have already compared their individual prices with those of all the others in their own aggregate.

On the world market itself (in this example in the sale between the two nations) other price-determining factors come into action, if we are to believe Marx's theses in his chapter on national differences in wages.¹⁰

The point here lies in the fact that each and every performed labour has a certain *intensity*, so that each nation has a given average intensity calculated for the aggregate of its production branches or spheres. This average varies from nation to nation, depending on differences in the level of mechanisation of labour.

This last means that the nation with the more intensive labour is cashing in more value than another in the transfers on the world market, because here it is no longer operating as part of a given average, but is placed on a scale (*eine Stufenleiter*), and is consequently functioning as *value*-producing to a higher extent.

Similarly, Marx says that in principle, "the law of value is yet more modified in its international application by the fact that the more productive national labour reckons also as the more intense".¹¹

These factors indicate that "the different quantities of commodities of the same type that are produced in the same labour time in different countries, consequently do have unequal international values, which express themselves in different prices, that is, in different sums of money, *all according to the international values*".¹²

The price sums differ according to values, i.e. *not* according to a transformation to international production prices. This is equivalent to saying that there is no international average rate of profits, but just a scale of national profit rates, expressing themselves in certain masses of profit expropriated on the world market by capitalists of different nations. Similarly, as Marx says explicitly, since productivity and intensity on the world market is not levelled out, their scale (mentioned above) is measured through an average unity of "universal labour".

¹⁰ See Chapter 20 in *MEW* Vol I, 583-588. The chapter ought in fact to have been called "Different national intensities of labour", or something like that.

¹¹ *MEW* Vol. 23, 584 (English edition by Progress Publisher: I, 560.)

¹² Marx, *ibid.* Italics added.

Now, back to the difficulty announced above: It is a fact that the operations which I have here been describing are

firstly, absolutely necessary for the formation of capitalist production prices inside a nation, and, furthermore, for the functioning of a capitalist international trade, and,

secondly, nonetheless unacceptable for orthodox heterodox economists.

The reason for this last lies in the widespread acceptance of the so-called transformation problem, whose very formulation denies that it is a prerequisite for circulation that commodity values have been measured in gold. It is a dominant problem in circles neighbouring to the revolutionary Left that a criticism like this, in its classical formulation dating back to von Bortkiewicz's well-known articles from 1906-07, is still being accepted.

This is not the place to restate my (and others') arguments to the effect that a price theory of the Walrasian kind, with a *numéraire* equal to unity, is nothing but a phantasm which, unlike some more serious spectres, does not even *appear* to be a real phenomenon. I might of course point to Marx's ironic statements to the effect that especially in English political economy, the confusion of the gold's function as standard of prices with its operation as measure of value has been "unsäglich". So it is, still today. It is not even necessary to quote Marx's criticism of this Ricardian-Walrasian dogma, overlooked by so many commentators.¹³

I will rather content myself by making one point, admittedly rhetorical: To-day, there exist three important paradigms in pure economic theory: The neoclassical, the neo-Ricardian, and the Marxist.¹⁴ If "the marxist left" (Grogan's expression) is right in its insistence on a *numéraire* with a value or price equal to "unity", then we have three "paradigms" which coalesce on the most important point of economics. Under such circumstances, I would prefer to talk about just one paradigm. And it would be imperative to establish a second one.

It is clear that the work performed by economists looking at themselves as adherents to a Marxian paradigm in economics, while still holding on to the Ricardian-Walrasian-Sraffian standard of prices, has been fruitful and indispensable. That goes not least for the works of Freeman, Kliman and Wells.¹⁵ However, as long as one accepts such a phantasm standard, it is not possible to argue that there is no inconsistency between the first and the third volume of *Capital*. To obtain a thesis of

¹³ See *ibid*, 113: "It is ... quite clear that a change in the value of gold does not, in any way, affect its function as a standard of price." Cf. *Theorien über den Mehrwert*, Book 2, *MEW* Vol. 26.2, 198, against Ricardo's "false presupposition that money, inasmuch as it serves as means of circulation, is exchanged as commodity against commodity. [On the contrary:] The commodities are evaluated in it before they circulate." Cf. my arguments in "The 'Transformation Problem': Wage Form, *Numéraire* and Value Transfer", *International Journal of Political Economy*, Vol. 34:3, 2004, 41-58.

¹⁴ For arguments for the incompatibility of neo-classical and Sraffian models, see e.g. Alessandro Roncaglia, *Piero Sraffa. His Life, Thought and Cultural Heritage*, London 2000, 14.

¹⁵ *The New Value Controversy and the Foundations of Economics*, edited by Alan Freeman, Andrew Kliman, and Julian Wells, 2004, Cheltenham, UK: Edward Elgar. Further, Andrew Kliman: *Reclaiming Marx's "Capital": A Refutation of the Myth of Inconsistency*. New York 2007: Lexington Books.

”inconsistency refuted”, Kliman and others argue that certain value-and-price-magnitudes in Marx’s ”transformation schemes” are not supposed to be simultaneous.¹⁶ But indeed they are.¹⁷

Let us substantiate this claim – and the consequences of the TSSI standard – while we go back to Marx’s concept of ”universal labour”, which we met in his sketch of the structure of the world market. Obviously, when Marx uses this concept, he is introducing us to a special form of abstract, value-producing labour; and when he says that a definite scale is measured through an average unity of ”universal labour”, he must presuppose that this measuring process, to be objective for the commodity owners, must take the outer form of a measuring operation along a rod of gold. This process is described earlier in *Capital*, in the chapter on the circulation of commodities, last paragraph: ”World money”.¹⁸ It is precisely on the world market, Marx says, ”that money is functioning to the full extent as the commodity whose natural form is also immediate form of realisation of human labour in abstracto”.¹⁹ Why? Clearly because here the need for *uncoined* gold, gold as international commodity, a worked-up product, but only in immediate form (consequently as bar), is precarious.²⁰

A price-market structure such as this one should make it all the more clear that commodities cannot circulate until after they have measured themselves in gold, so that a change in the value or price of the money material (the *numéraire*) is of no importance to the real price formation, contrary to the Ricardo-Walras-thesis. I shall refrain from making polemics concerning the utter confusion of a world market situation modelled after the last-mentioned idea. As to the importance of gold bars, suffice it here to point to the official huge state deposits the world over. ”Everything has its sufficient reason” (Leibniz).

¹⁶ See e.g. Kliman, *ibid.*, 205.

¹⁷ See the general argument in Sandemose, *op. cit.* 2004.

¹⁸ *MEW* Vol. I, 156-160: ”c) Weltgeld”.

¹⁹ *Ibid.*, 156.

²⁰ Marx showed that once money was understood as imagined gold, there are no theoretical difficulties in accepting that gold will continue to be the *money*, the money commodity, and also the universal wealth as world money. The paper card-house superstructure over the money-commodity is not qualitatively more mighty today than it was two or three hundred years ago. I consequently doubt Alan Freeman’s thesis that ”T-bills” are world money to-day. See his ”Money, Capital and Labour: A Critique of the value-form theory of value”, intervention on Historical Materialism Conference, December 2006.) Bills are just appearance-forms of that mass of fictitious capital which rather increases the system’s dependence on the only logically possible world money, that is, precious metals pure and simple. (Christopher Arthur’s thesis that world money is no longer gold, but ”the dollar” may be instructive. He writes: “[V]alue cannot exist without an adequate form; and such a value form is itself without adequacy unless money is present. This view contrasts with that in which money is of importance merely as a common standard of measurement, in principle as a kind of numéraire. But on my account only money makes value actual.” I suspect that the middle sentence is meant as an argument against Marx’s way of putting things. If so, Arthur forgets the measure of value and its determining function in generating the numéraire. That is by itself the same as forgetting, precisely, the *representational* status of money. (Both citations are from ”Money as Measure of Value”. Paper presented at *Marx’s Theory of Money: Modern Appraisals*, Conference held at Mount Holyoke College, in South Hadley, Massachusetts, August 4-8, 2003.))

Section III. On unequal exchange and intensity of labour

This theme is important in a theory of imperialism. Nearly forty years ago, Ernest Mandel, in line with the work done by Samir Amin and Pierre Jalée, made calculations indicating that the role of unequal exchange on the world market had surpassed the profits from overseas investments in significance for imperialist incomes in the developed countries. There is, as we shall see now, scarcely any reason to believe that globalisation has reversed this tendency.

Such imperialist profits are dependent on the gold-material-mechanism on the world market. The measure is universal labour, labour in abstracto, in so far as it is related to gold. Furthermore, while the gold on the world market, as in every circulation of commodities, functions as *imagined* gold, this imagined magnitude (a use value, that is, a weight of gold) comes robustly to the fore in the actual value of the currencies and consequently in the exchanges between nations.

This is a crucial fact: imperialism is dependent on a series of different national currencies to cash its profits. This fact is worth consideration when certain analysts tell us that globalisation contributes to the irreversible decline of the nation-state.²¹ On the contrary, globalisation means a temporal strengthening of nation structures, primarily because it involves waves of Foreign Direct Investments (FDIs) whose safety and security need to be guaranteed by a nation-*state*-apparatus that is adapted, through traditional legitimacy, to keep producers in place according to the complex exigencies of the different patrimonial cultures in question.

We now have three crucial categories: Nation-state, gold-money, and labour intensities. As readers of Marx will know, any analysis of a national *productivity* of labour presupposes that its average *intensity* is given. We also know that this basic average intensity differs from country to country and consequently on the world market. Since "intensity" here de facto means both productivity and intensity proper, the upshot is that "the more developed nation" produces both more commodities and more value in a given time.

Also, for a less developed nation, this means an unequal exchange: To obtain a commodity it spends the equivalent of more labour time than it would have done with a more mechanised national labour, since intensity of labour is a fairly direct function of its mechanisation. In fact, the exchange terms could have been better even if the actual commodity was not produced at home, since the currency would have been stronger as a consequence of the higher mechanisation in general.

Given some political presuppositions, this presents us with a basis for imperialist exploitation in the sense that it may block the poorer nation's ability to use domestic labour time to industrialise. On the other hand, imperialist states and firms may use the method of FDI to conquer the domestic markets in such a poorer nation, and even to sell high-tech FDI products on the world market relatively cheap, while exploiting the fact that the developing country's currency is weak because its *average* degree of mechanisation is low.

²¹ See especially Michael Hardt and Antonio Negri, *Empire*, Harvard 2000, 336.

All in all it is clear that the differences in intensity between nations is a crucial point in international exchange and thus in imperialist structures, structures which may benefit not only industrial bourgeoisies in the "North", but even ruling classes in the patrimonial "South". Furthermore, the general situation seems to be such that imperialist states tend to be interested in a general status quo and, in the main, an unchanging social structure in "Southern" countries. It is, for instance, by no means evident that they would prefer a general mechanisation of production even if wages were kept low.

Section IV: Religions, fetishes, sobriety: Work discipline.

The intensity of labour can be looked upon as a the central distinguishing mark of a country, its culture and civilisation. The given intensity is immediately a reflection of characteristics of its labour processes. But in a mediated form it is also, be it low or high by international standards, dependent of a special kind of concrete, ruling state power; it is also dependent on the economic basis, on the juridical-political superstructures, and, not least, on popular mentality, which is expressed especially in religion. I will here take religion as great common denominator and principal factor in this net of dependencies: So to speak as the mirror of cultural nature.

The reason for this can be formulated in many ways, and I will here briefly just point to what we know religion was capable of generating in the transformation into a capitalist economy that took place in Western Europe. In this respect, I am not especially inclined to embrace Max Weber's theses, which are idealist and were formulated long after Marx's important observations on capitalism and Protestant religion. Rather, I focus on these last observations, and I'll try to expand somewhat on them and on the inner relation between Protestantism and capitalist production. My immediate theme is thus modern Western capitalism.

Here, also, a clue is to be found in Marx's theory of subsumption of the worker, in this case more specifically his category of *real* subsumption under capital. Advanced capitalist production, based on machinery and technology generated by the capitalist system itself, has been instrumental in creating a worker without any instruments, work traditions or social status independent of capital. Thus capital can fulfill its "historical task" of disciplining the working population and liberate it mentally from the tendency to bondage under pre-modern forms of domination. Here, the subsumption is "real", in addition to being formal (through the wage form).

Also, in the corresponding labour process, the power of the worker is now projected onto the means of production, so that the result of labour seems to be created by "capital" itself. It is precisely this that *constitutes* "wage labor" as well as "capital" or the capital relation, and it is this that Marx calls "transubstantiation".²² Means of production take the form of "*fetishes* equipped with their own will and soul".²³ Marx tells us that the fact that commodities and capital take command over the worker, is

²² Marx 1953, 216/1973, 308. The word is also used in Marx's description of the genesis of circulation, which, as we know, is in itself an act of measuring in gold: To realize its value, each commodity "must quit its bodily shape" and undergo a "transubstantiation" to "real gold" (Marx 1968a, 117sq.).

²³ Karl Marx, *Resultate des unmittelbaren Produktionsprozesses*, Verlag Neue Kritik, Frankfurt 1969, 30

”precisely *the same* relationship” as that which ”in the ideological field presents itself in *religion*, the inversion of the subject in the object and vice versa”.²⁴

This kind of disciplining structure needs further analysis. In the *Manifesto*, Marx and Engels had written of the bourgeoisie that ”for exploitation, veiled by religious and political illusions, it has substituted naked, shameless, direct, brutal exploitation” This was a viewpoint that Marx never abandoned. For instance, ten years later, in the *Grundrisse*, he made the same argument, formulated as if he were setting out to explain the genesis of modern utilitarianism. Capital, he said, creates ”a system of general utility”, so that ”nature becomes purely an object for humankind, purely a matter of utility”.²⁵ This of course implies that even the material things that make up capital in the physical sense, stand forward as (worked up) natural things as such.

Seen superficially, this might seem to contradict the thesis that these same things appear as ”*fetishes* equipped with their own will and soul”. However, Marx’s point as regards fetishism is precisely that the value relation (the value expression), in positing one commodity as an equivalent of another, makes us believe that the first one is a carrier of value even without the measuring act performed by the owner of the second one. Consequently, it is *because of* the existence of products as values that they take the form of isolated use-values, that is, exemplars of pure ”utility”. And furthermore, an equivalent will appear as if it were a carrier of value even outside a value-relation, creating the illusion that value production is a natural institution.²⁶

Therefore, the worker who is subsumed under capital in circumstances such as these, is, at the one and same time, thoroughly mystified *and* filled with sobriety; the means of production, natural substances as they are, have been stripped of all religious mixtures (as the *Manifesto* foresaw) precisely through the quidproquo which makes them confront him in a fetishised form. Such a mystified worker is a treasure for his capitalist, ready to work disciplined, regularly, and with the highest intensity, because he is subsumed both technically and ideologically. He is the man behind the intensity of labour of imperialist nations, manifested in the supremacy of the mass of value amounts incarnated in gold on the world market.

Furthermore, this worker is split in two by the bourgeois-citizen relation characteristic of Western society since the great revolutions of the 17. and 18. centuries. He is formally free on the market and in the public sphere, but he is unfree inside the factory gates. In the public sphere, he is not directly subsumed under capital. If this last subsumption inside the factory gates is to be accepted ideologically by him, not to say by the working class, there must exist a kind of public frame that corresponds to the fetish-structure, giving it public legitimation. Religion, especially as reformed Christianity, functions as such a frame. This was in effect described by Marx in his critiques from the mid-1840s: Religion is the form that brings legitimation to the fundamental split in society itself – not only to the tensions in the sphere of production, nor only to the conflicts inside the public arena, but explicitly to the very cleavage between these two spheres.

²⁴ *Ibid.*, 18.

²⁵ Marx, *Grundrisse der Kritik der politischen Ökonomie*, Berlin 1953, 313; *Grundrisse*, London 1972, 409-410.

²⁶ See different versions of the first chapter of *Capital*, 1867 sqq.

In order for capital to prevail, Protestant thinking (or something similar to it) has to exist relatively independent of production, as a doctrine of authority and self-discipline. In ways sketched above, it makes itself felt in the bourgeois-citizen cleavage and in the sphere of circulation. But it is also being generated in the sphere of production, and that is the true reason why it is maintained as an ideology in the public sphere of citizens. On the other hand, as the transubstantiation in production gains in strength with the widening powers of accumulation, religious revelation takes the form of a capitalist automaton, something ever-present in our daily lives, making it superfluous that it should be presented in ceremonial ways.

Historically, expanding capitalism started out as a Protestant enterprise, as Weber rightly saw. So it has continued. It is the capitalism of Northern America and Northern Europe which has won world political-economic hegemony, versus its southern, Catholic relative – not to speak of other world religions. It was made possible by the Protestant "authority of faith": The pious and fearsome Lutheran-Calvinist soul was better prepared than any other to subject itself through a bourgeois process of *Gehorsam*. There is good reason to characterize capitalism in "Northwestern" Christian countries as capitalism *proper*.

A serious flaw in Weber's theory was the way in which it focused on the creative potencies of the "spirit of capitalism" in constructing capitalist society. This reflected an idealist bias: Firstly, because it made a separation between spiritual and material interests, while these are always intertwined and can only analytically be divorced. Secondly, because he gave real explanatory force only to the spiritual aspect.

When today we talk about "capitalism" outside the "Northwestern" area, the term is justified, to the extent that the economies in question are dependent on a distinctly proletarian, propertyless labour force. Still, one is struck by the lack of effective capitalist development of relations in production as well in distribution. As we have seen, even in Japan, the first nation to create an industrial base independently of Christian traditions, the unbroken dominant tradition of pre-capitalist values, creating forms of capitalist competition and of working class structure that are anomalous compared to Western ones, is still today so imposing that it should lead us to rethink our concepts of capitalist subsumption on a world scale.²⁷

Real subsumption of workers under capital, being a prerequisite for the existence of capitalism proper and for the hegemony of the capitalist mode of production in a given society, seems not to be present today outside the "Northwestern" areas. In other parts of the globe capitalism does as yet only exist in the form of formal subsumption of workers under capital.

The hypothesis here presupposed is – bearing in mind that any prevailing religion is a

²⁷ For details on the Japanese situation, see e.g. editors' introduction in Robert Boyer and Toshio Yamada (eds.): *Japanese Capitalism in Crisis*, London 2000. Also Ronald Dore, "Goodwill and the Spirit of Market Capitalism" *British Journal of Sociology* 1983, and above all David Friedman, *The Misunderstood Miracle. Industrial Development And Political Change in Japan*. Ithaca 1988. For tables and diagrams illustrating the dominating position of *keiretsu* groups in the economy, see especially Takatoshi Ito, *The Japanese Economy*, London 1992, 181. See comments in Chapter 6 in Jørgen Sandemose: *Stat, religion, økonomi: Karl Marx og kapitalismens former (State, religion, economy: Karl Marx and the forms of capitalism)*, Oslo 2002, where related perspectives for the world economy is treated also in chapters 5 and 7.

mirror of general cultural conditions in a nation or region – that one cannot have a capitalism proper, unless the national/regional public sphere is penetrated by a religion of the Protestant type. Marxists may, in political analyses, have underrated the import of the workers' double existence in private ("at home" or in the working place alike) and in public; if so, they should not commit the same error here, and overlook the importance of a Lutheran (or the like) ideology keeping the worker in place in the public sphere, lubricating him for real subsumption in the private sphere. Nor should they overlook the importance of capitalists being lubricated in this way for subsumption under the profit motive. In fact, the very concept of capitalist private property is at stake here. The Protestant-inspired psyche, in so far as it has gained momentum and does really exist as a traditional, active force, reduces each person to an introvert, an isolated mind who can really reflect on itself as a "private" person with its own property, secluded from others'. We often talk of capitalist property in countries like Russia, China, Malaysia and India to-day; we hear of state property or common, collective property being parcelled out to private individuals. But are we quite sure that this is capitalist private property, even if it is employed in industrial exploitation? Is it not possible that it is not felt like this by the recipients and other participants, and that they – for good or for bad – consider it a possession for which they have only a temporary responsibility? Would not that be a way of reacting that we might recognise as distinctively "patrimonial"?

V. Concluding remarks: Political possibilities and tendencies.

What I am suggesting here, is that "Northwestern" capitalism, real-subsumptive and production-price-generating, is what Marx de facto had in mind when he took "capitalist" private property to be the most extreme version of its kind. Private property of means of production has existed in all class societies, but its beginnings were vague, and it sharpened its edge only slowly and by degrees. The phenomenon we call "private" has itself got different intensities. In its extreme form, it is present in that unique – and not all too sympathetic – Protestant individual that we have known for half a thousand years. To be truly "private", a thing has to be owned or appropriated by a person with such a mentality, and the appropriation has to be of a kind that in its turn fortifies this mentality. When that mental state is widespread, it can (and it did!) create a new society, where the individual considers himself the genesis of the state, and never could accept interference from other persons or from the state itself, with the things allotted to him. He would not accept that his "property" was a prebend, a liturgical gift, a fief or some other kind of patrimonial surplus – or a derivation from any such form.

I would contend that the first germ of such a social type appeared as medieval European peasant families (as pointed out above) were free to produce for a market, and to do so at liberty, independently of the existing patrimonial (feudal) jurisdiction. It was still only a germ, not the first link in a predestined development. But as it was worked up and refined in the religious upheavals of the later middle ages, it turned out to be gunpowder against the feudal barriers. In other patrimonial societies no such germ existed, or at least not for so long that a development could take off. This implies that in all other land-tenure-based societies, the patrimonial property, whatever its form, retained its position as an originally and primitively given condition – which was why Marx insisted that "Asian" societies could not develop their economic formation if they were not approached by outside forces. All apparent

development was brought to a halt by the fact that its conditions were dictated in the last instance by the dominating patrimonial jurisdiction.

We all have a deplorable tendency to fetishism, perhaps just as much as the Protestants commented upon in this paper. As soon as we catch sight of industrial machinery, we readily associate it with nothing but its capitalist employment. But if we, as Marxists or whatever we are, feel ready to say that we can have machinery without exploitation (namely in a communist society), and even hold that it is the employment of machinery under capitalism that makes time ripe for the overthrow of all class societies – then it should be acceptable to hold that we can have machinery with non-capitalist exploitation.

In my opinion, this last is something of an improbable bordering case. But it represents a possibility, and an illustrating one at that. In practice, all attempts to introduce machinery with the de facto aim of perpetuating patrimonial structures of domination, have ended in a compromise: Factory production performed by propertyless workers, i.e. capitalist production; on the other hand, and as suggested above, the subsumption of workers remains formal, because the means to ideological subjugation have been missing.

In some cases, e.g. in USSR and possibly even in contemporary Russia, this formal subsumption took the form of utter lack of factory discipline, and the labour process tended to be a form of low-conscious political opposition to the regime. The result was a predictable breakdown of the whole system.²⁸ In other cases, results can be, and have been, very different, but scarcely radically diverging from phenomena we would recognize from the European period of "manufactory"; the main difference in this respect is of course the changed appearance of the means of labour, which does not present any real theoretical difficulty.²⁹

What distinguishes Christianity as a world religion is that incarnation dogmas are connected with a monotheism that favors material labour of all kinds, without discrimination. But such *differentia specifica* get their full realization only in Protestantism. Neither in orthodox Christianity (and perhaps scarcely in the Catholic one), nor in Shintoism, Buddhism and other patriarchal religions (and certainly not in Hinduism) there is present the element of *active* productive subjugation, a mentality that originally prepares human beings for looking at religion as a kind of labour process.

It is impossible to expand here on this special theme, which I have been discussing in other places. But let it be said that since it is no viable solution for any class nowadays to make countries Protestant, we are left with the socialist solution. A socialist movement, emerging in new industrial areas of formal subsumption, may signify a new path to global freedom and to a corresponding inversion of the inverted world. One of the reasons for the success of Protestantism is the fearsome mentality among the masses and a relative passivity in politics. A capitalism based on formally subsumed workers could at times represent a greater danger to itself than the working classes of the North.

²⁸ See Sandemose, *op. cit.*, Chapter 5.

²⁹ Sandemose, *op. cit.*, Chapter 5.

The main contention is clear: The "capitalisms" in the South are forms of class defense against an imperialist monopoly on the world market, whose prime tool is intensified labour. Until now, with the possible exception of a fraction of the life-time of the USSR, this resistance has been successful as a form of reactionary movement. Like all other kinds of such movement, it carries with it its own grave-diggers. That these proletarians may in the main themselves adopt the regressive viewpoints of their upper classes, will, probably, soon be a thing of the past. What is clear, is that there is no general structure here which allows us to take the international economy to be anything like a "world system".