

Topic 8

Modes of Power

Lewis Mumford and *The Myth of the Machine*

- Technology: material versus symbolic
- Language: the magic of self control
- Language: the first prerequisite/model of technology
- Types of technology: democratic vs. authoritarian
- Ideal types of society: Neolithic vs. power civilization
- Acceptance of death, fear of death

Neolithic society

- Abundance: material and biological
- Limited division of labour, equality, lack of systemic violence
- Inventions: morality, self-discipline, systematic cooperation, order and foresight
- Limitations: closure to the outside, suspicion, pettiness, inevitable stagnation

Power civilization

- Material fragility: complexity and the risk of total loss
- Hierarchical, absolute power
- Symbolic drives: the discovery of the cosmos
- Sun gods, astrology, mathematics, written language
- The threat of infinity: human mortality
- The promise of infinity: human capabilities
- The mega-machine and the quest for immortality: imitating the cosmic order on earth

The Mega-machine

- Components: labour, army, bureaucracy
- Control: royalty and clergy
- Minute division of labour, rigid segmentation, strict discipline
- Reuleaux's definition and the social machine
- Visible output vs. inner drive: power for the sake of power

The mega-machine resurrected: capital

- The decline and rise of the mega-machine: Galileo's mechanical world view
- The century of progress circa 1933: science explores, technology executes, man conforms
- The newest and most potent mega-machine: the nomos of capital
 - *Universality*: from culturally specific symbols to the all-encompassing symbol of capitalization
 - *Cohesion*: belief in the normal rate of return and the unification of the ruling class
 - *Expandability*: the limitless breadth of vendibility
 - *Intensity*: the limitless depth of leveraging the unit of organization
 - *Absorptiveness*: the capitalization of "every thing"
 - *Flexibility*: the agility of operational symbols

Owners and technocrats

- The Weberian view: separating organization from accumulation
- From Berle and Means' separation thesis to Galbraith's technostructure to Zeitlin's rebuttal
- Force is nothing but its effect: the rise of capitalist income and the decline of capitalist risk

State and capital

- Capital and state: historically fused, theoretically bifurcated
- Gilpin's metamorphosis: from different goals to different means
- Strange's reordering: the retreat of the state and ascent of the market
- Arrighi's contradictory interdependence and epochal leaps: the qualitative historical transformation of state-business formations

Space

- Cosmic space
 - Newton's empty space: an independent/absolute container of material objects
 - Leibnizian filled space: positional quality/order of material objects
- The liberal *market-space* container: utility maximizing particles obeying eternal market rules
 - Outside market space: non-economic entities and the expansion/retreat of the market
- The realist *state-space* container: rational power mongers obeying the eternal rules of power seeking
 - Outside state space: non-state entities and the expansion/retreat of the state
- The Marxist *production-space*: the Leibnizian historical/dialectical logic of the capitalist mode of production
 - The devil in the details: can the Newtonian mechanics of productive labour sustain the ever changing capitalist mode of production?

State as a mode of power

- The conventional "state": a political entity that exercises sovereignty, backed by legitimate force, over a definite territory
- The pre-capitalist "state": fusing the organs and institutions of power (estate, palace, king, emperor)
- Power in capitalism: the dissolution of the conventional "state"?
- State as a mode of power: slavery, feudal, capitalization
- The *capitalist mode of power as the state of capital*: the all-encompassing Leibnizian mega-machine
 - The organs of the state of capital: corporations and government
 - The nomos of the state of capital: capitalization

The feudal mode of power

- The transition from feudalism to capitalism: "modes of production" or "modes of power"?
- Feudal violence as differential sabotage
- The feudal bond
 - The "mixing of hands" (fusion of persons) and the oath of fealty (by free man)
 - The "negative" basis of the bond: what *not* to do
- The elementary particle of feudal power: the fully-equipped knight and the landed fief (feodum)
- The state of networked fiefs: mutual military obligations tied to manorial agricultural production
- The flexibility of feudal power: from conquest and marriage to cutting and pasting voluntary military contracts
- The hallmarks of feudal power: *personal and religious; total; permanent*
- The limits of feudal power
 - How to leverage chained military obligations? (monetize)
 - How to prioritize total commitments? (rating)
 - How to alienate a "personal" fief? (relief)
- The capitalization of feudal power
 - Inverting the feudal contract: from fief as a means to fief as an end
 - The double monetization of the feudal bond: *feodum de bursa* and pecuniary services

Faubourg, bourg bourgeoisie

- The feudal bourg and the commercial fair
- The faubourg takes over the bourg
- The "dual economy"
 - The small economy: artisans, masters and workers
 - The big economy: commercial/industrial oligarchs and the "blue nails"
 - The class struggle: strikes, legislation and organized violence
- Public and private
 - Tax: from feudal penalties to public finance
 - Taxation and representation
 - The early fusion: private capitalist companies, public capitalist government

- Liberty as differential power
 - The original separation: “economics” (bourg) versus “politics” (feudal rule, war, religion)
 - *Libertates*: exceptions, immunities and franchises
 - Liberty as status of relative power: negative, dynamic/relative, anchored in sabotage
 - The rise of bourgeois liberty, the rise of bourgeois power

War and inflation

- The bourg leverages peace: *communia pro paca* (communes for peace)
- The bourg leverages war
 - New weapons, new logistics
 - Commodity price inflation vs. fixed rent

War and credit

- Bypassing power: private credit as a trans-territorial negation of territorial sabotage
 - Letter of credit, bill of exchange, insurance, *commenda* and *compagnia*
 - Urban education: the development of accounting and benchmarks
 - Bypassing the church opposition to interest: mortgages
 - Buying feudal property: the “real estate” market
- Absorbing power: financing state bellicosity
 - The monetized army
 - The king’s dilemma: solvent but illiquid
 - The solution: present borrowing backed by future taxation
 - War and violence absorbed into capital

The government bond, or the capital/state symbiosis

- The claim: the discounted flow of taxes
- The collateral: a share in the organized violence of society
- Capital as the universalization of power

Primitive accumulation

- Marx’s general framework: bottom-up production or top-down state?
- Primitive accumulation: the formative role of the state
 - Force as “economic power”
 - Public credit as the alienation of the state
- Marx’s negation: primitive accumulation (the forceful exception) versus expanded reproduction (the *sans-force* rule)
- What is “expanded reproduction”?
- Fictitious accumulation, rent seeking, accumulation by dispossession: much ado about nothing?

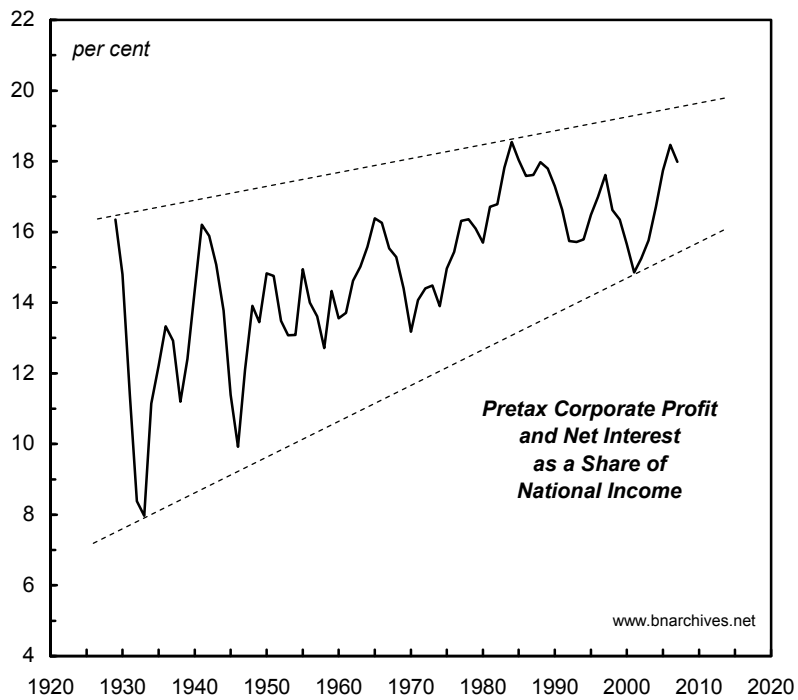
Capitalized government

- High-tech profits and the state: intellectual property rights
- Financial profits and the state: monetary policy
- Automobile profits and the state: highways, public policy
- Oil profits and the state: Middle East wars
- Is there capital outside the “state”? Is there a “state” outside capital?

The state of capital

- Who are the regulators: from Wal-Mart to the accountants to the legislators
- Social policy
- Sovereign owners
- The language of war
- International relations

Figure 1
Capital's Share of Income in the U.S.A.



* Including capital consumption allowance and inventory valuation adjustment. The last data point is for 2007.

SOURCE: U.S. Department of Commerce through Global Insight (series codes: ZBECON for pre-tax corporate profit; INTNETAMISC for net interest; YN for national income).

Feudal violence as differential sabotage

“The Bayeux Tapestry of the Queen Mathilda – that remarkable story in pictures from the end of the eleventh century, narrating the 1066 Norman conquest of England – shows us how, after the landing, a big feast was held and blessed by the hegemon, and how the war expedition was launched with the burning of a house. And, indeed, war in the Middle Ages was marked by systemic devastation. Its purpose was not so much to defeat the enemy militarily, *as to undermine its economic and social power* (by burning and destroying crops, houses and villages).”

Le Goff, Jacques. 1965. [1993]. *The Late Middle Ages*. In Hebrew, translated from the French by Aharon Amir. Tel Aviv: Dvir.

The “negative” basis of the feudal bond

“He who swears fealty to his lord should always have these six words present to his memory: ‘safe and sound’, sure, honest, useful, easy, possible. Safe and sound, because he *must cause no injury to the body of his lord*. Sure because he *must not injure his lord by giving up his secrets or his castle*, which are the guarantees of his security. Honest, because he *must do nothing to injure the rights of justice of his lord* or such other prerogatives as belong to his well-being. Useful because he *must do no wrong to the possessions of his lord*. Easy and possible, because he *must not make difficult for his lord anything which the latter may wish to do*, and because he *must not make impossible to his lord that which the lord might otherwise accomplish*. It is only right that the vassal should abstain from injuring his lord in any of these ways.”

Quoted in Ganshof, François Louis. 1964. *Feudalism*. 3rd English ed. New York: Harper & Row, p. 83 (emphases added)

Marx on state power and the birth of capital

“The different momenta of primitive accumulation distribute themselves now, more or less in chronological order, particularly over Spain, Portugal, Holland, France, and England. In England at end of the 17th century, they arrive at a systematic combination, embracing *the colonies, the national debt, the modern mode of taxation, and the protectionist system*. These methods depend in part on brute force, e.g., the colonial system. *But they all employ the power of the State*, the concentrated and organized force of society, to hasten, hothouse fashion, the process of transformation of the feudal mode of production into the capitalist mode, and to shorten the transition. Force is the midwife of every old society pregnant with a new one. *It is itself economic power*. . . .

“National debts, i.e. the alienation of the state – whether despotic, constitutional or republican – marked with its stamp the capitalist era. . . . Public credit becomes the credo of capital.”

Marx, Karl. 1909. *Capital. A Critique of Political Economy*. Chicago: Charles H. Kerr & Company, Vol. 1, pp. 823-824, 827 (emphases added)