

All That Is Solid Melts into Air (Again)

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NEARLY EVERY BOOK ON DEBT THAT HAS COME OUT RECENTLY (and there have been a slew of them) features some discussion of morality. In fact, one of the first, big, books, David Graeber's *Debt: The First 5,000 Years*, has as its fifth chapter "A Brief Treatise on the Moral Grounds of Economic Relations."¹ Maurizio Lazzarato's *The Making of the Indebted Man* takes the moral discourse surrounding debt as a central theme. It's an important and provocative work; however, after making a fine set of arguments, at the end Lazzarato barely has a recommendation to make in terms of battling against the stigmatization of "indebted man."² This is disappointing, since, as I will assert here, one of the most powerful arguments against debt relief or forgiveness is that those who incur debt are irresponsible spendthrifts who are only too willing to renege on their obligation to "honor" their debts. Debtors get hit with a double-fault: they should have had stronger moral fiber *before* getting into debt in the first place (and this would be manifested in a strong work ethic coupled with a sense of deferred gratification, so the characterization goes) and *after* incurring the debt (they should have promptly discharged their obligation to repay). Given this double-fault, debtors should be the recipients of scorn. What is more, their sin is amplified—their behavior threatens to contaminate others, breeding even more debtors. Even worse, they become a drag on the state. Such moralizing impedes any serious understanding of what the debt incurred during and after the 2008 meltdown is actually all about. Here I offer an argument for a *countermorality* in order to suggest that a different sense of community

¹ David Graeber, *Debt: The First 5,000 Years* (Brooklyn, NY: Melville House, 2011).

² Maurizio Lazzarato, *The Making of the Indebted Man: An Essay on the Neoliberal Condition*, trans. Joshua David Jordan (Los Angeles: Semiotext(e), 2012).



and a different sense of justice might be in order as correctives to popular conceptions of debt and morality. To do so, it is crucial to first identify a collective harm.

In his *Introduction to a Critique of Hegel's Philosophy of Law*, Marx speaks of the proletariat as “[a] class which is the dissolution of all classes, a sphere of society which has a universal character because its sufferings are universal, and which claims no *particular right* because the wrong committed against it is not a *particular wrong*, but wrong *as such*.”³ I will offer a fuller discussion of what that wrong might be these days and its relation to debt later on. Here it is important to register Marx’s notion of a universal wrong that has been imposed upon the proletariat. This wrong operates at the basic level of species being. I want to suggest that if for the proletariat this wrong is their uniform alienation from their human activity—labor—then for today’s precariat the dominant wrong is the universal expropriation of future labor on into infinity in the form of debt repayment. Whereas Marx worried about the mystifying character of wages, today we find the same mystification of debt, which appears in our consciousness as an ever-present shadow and constraint that is not only practical but also moral. Debt is today’s original sin—generations now are born into debt. How it is a sin for which we have less responsibility than we are led to believe will be one of the main points of this essay.

Let’s turn to Marx’s well-known discussion of the ascendancy of the bourgeoisie, which he describes in terms that speak of magic: “Modern bourgeois society, a society that has conjured up such mighty means of production and exchange, is like the sorcerer who can no longer control the powers of the underworld that he has called up by his spells.” This is a process of mystification that has in its wake debunked all other sources of sorcery:

The bourgeoisie has stripped of its halo every occupation hitherto honoured and looked up to with reverent awe. It has converted the physician, the lawyer, the priest, the poet, the man of science, into its paid wage labourers.... 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 can ossify. All that is solid melts into air, all that is holy is profaned, and man is at last compelled to face with sober sense, his real conditions of life, and his relations with his kind.⁴

Marx’s take on the “real conditions” of life and man’s “relations with his kind” is well known through the concepts of alienated labor and commodity fetishism. In his “Comments on James Mill” (1844) Marx saw something that promised to restore man to man, something breaking the mediation of commodities and allowing man to see man directly: “In the credit system, of which banking is the perfect expression, it appears as if the power of the alien, material force were broken, the relationship of self-estrangement abolished and man had once more human relations to man.”

But then Marx quickly shows how this seeming restoration of direct relations is just another magic trick: “[T]his abolition of estrangement, this return of man to himself and therefore to other men is only an appearance; the self-estrangement, the dehumanization, is all the more infamous and extreme because its element is no longer commodity, metal, paper, but man’s *moral*

³ Eric Hobsbawm, introduction to Karl Marx, *The Communist Manifesto* (London: Verso, 1998), 23 (emphasis in the original), quoting Marx, *Introduction to a Critique of Hegel's Philosophy of Law*.

⁴ Marx, *Manifesto*, 38.

existence, man's social existence, the inmost depths of his heart, and because under the appearance of man's trust in man it is the height of distrust and complete estrangement."⁵

The credit system is thus founded upon yet another kind of alienation. The seemingly direct apprehension it endows human beings with to see each other as they are, unmediated by commodities, coins, or paper money, is now simply mediated by something else, something stubbornly abstract: man's trust in the other to repay his debt. What is exchanged for money is not a commodity or labor: it is one's honor. And honor, unlike commodities and even labor, is hard to secure. There is no guarantee of payment. The creditor is put in the position of distrusting the debtor's character, for the creditor, in this scenario, has lost actual possession of the token of value that sustains his identity as an economic being—money. What he has in return always threatens to be only an empty promise, for its manifestation threatens to be deferred far into the future. Unlike a commodity that is placed into one's hands after one has paid, or labor that is performed first and then rewarded, a debt is given over solely on the promise of a future redemption.

Both the participants in this drama suffer a social and a spiritual and emotional estrangement—Marx asserts that one's social existence, what one is as a social being, is inseparable from one's emotional being and moral existence. This tight imbrication indicates powerfully the centrality of moral existence to a sense of self, deeply felt at the core of affect and action. And capitalism in the specific form of credit contaminates that nexus; it pollutes and in fact makes impossible morality, social existence, and emotional life because the trust that binds them all together is now haunted always by distrust, deep suspicion, and bad conscience. The dematerialization of the commodity-mediated relationship between human beings presents an even more pernicious relationship in which the real ties that bind are invisible. However, they are not gone; they are internalized as essential parts of our now estranged, fragmented social, moral, and affective beings. We are always in debt, imperiled, lacking, untrustworthy. The capitalist too is always dialectically connected to suspicion and bad faith.

Human beings undergo a particularly different kind of self-fashioning, with a new set of biopolitical institutions to be interpellated by and a new positionality with regard to them. Lazzarato glosses it this way:

"To make an enterprise of oneself" (Foucault)—that means taking responsibility for poverty, unemployment, precariousness, welfare benefits, low wages, reduced pensions, etc., as if these were the individual's "resources" and "investments" to manage as capital, as his "capital." . . . In the current crisis, the "most" that capitalism demands and compels, in every area, is less knowledge than that one *take upon oneself* the costs and risks externalized by the State and corporations.⁶

As is well known, the debt incurred by risk-taking, highly speculative private financial companies was unloaded upon the public. Our bailouts of the banks were nothing less than us making good on their debt *while at the same time* the moralistic charge was deflected quickly from them and refocused on welfare recipients, the unemployed, the elderly, and the ill, who pay for the private debt incurred by the banks either through taxes or through the diminishment of their benefits, pensions, et cetera. Attention was turned away from the 1 percent to the 47 percent who

⁵ Quoted in Lazzarato, *Indebted Man*, 56–57.

⁶ *Ibid.*, 51 (emphasis in the original).

were characterized as selfishly selling their votes out to the party that would give them the most (unearned) “perks.”

Why is that? Despite the Supreme Court’s belief that corporations are people, they clearly are not, simply because, unlike human beings, social, moral, and affective “being” does not obtain in corporations. There are no mechanisms to provoke social conscience, moral contrition, or affect. Corporations must be litigated against to act “ethically” and are largely punished only by the market for their failure to survive the meltdown. Yet the actual human agents behind the schemes usually go unpunished. The mainstream media, aside from marginal and transient criticism of the banks, investment firms, and insurance companies, had no real substantial, systemic critique to make.

It is in state austerity programs that we pay for the transference of private debt into public debt. We pay doubly: we are denied the social benefits we have paid for through taxes of different sorts, and if we protest, we are told that the very fact we need these services means that we have been derelict in fulfilling our obligations as economic subjects—we have not saved, acquired high enough salaries, obtained secure jobs (with benefits). We are told that the state simply cannot afford to make good on its obligation to those who have paid into welfare and pensions. But again the guilt is to be borne by us, not by the state for reneging on its promises or for breaking social contracts or even for not keeping its economic house in order (these sins were foisted on the poor and middle class) and not by the banks that have gone more massively into debt than can be imagined and have reaped the benefits of state subsidies and bailouts. In austerity programs we find nothing short of the radical rescripting of the social contract between human beings and the state and finance. Given the global scale of this problem, it is disappointing that despite his acute analysis of the genealogy of the morality of debt, the best we get from Lazzarato at the end of his book is this terse recommendation: “We must . . . rid ourselves of guilt, of everything owed, of all bad conscience, and not repay a cent.”⁷ OK, if you say so. But he doesn’t say how we should do either thing.

So let me propose two steps. The first step is to instill what I will call a *countermorality* and a new course of action once we are freed from the old moralism surrounding debt. To begin to see what this countermorality might consist of, and why it is essential in Marxist terms, let alone ethical and moral terms, let us turn back to Marx, via another text that evokes the phrase cited in the title of my essay.

After noting the celebratory language with which Marx describes the great revolutionary surge behind the rise of the bourgeoisie, in his classic work *All That Is Solid Melts into Air: The Experience of Modernity*, Marshall Berman remarks: “The irony of bourgeois activism, as Marx sees it, is that the bourgeoisie is forced to close itself off from its richest possibilities. . . . For all the marvelous modes of activity the bourgeoisie has opened up, the only activity that really means anything to its members is making money, accumulating capital, piling up surplus value.”⁸

As opposed to this dreary image of potentially revolutionary human energy solely channeled into profit and invested in labor, Berman points out that “if Marx is fetishistic about anything, it is not work and production but rather the far more complex and comprehensive ideal of *development*—‘the free development of physical and spiritual energies.’”⁹

⁷ Ibid., 164.

⁸ Marshall Berman, *All That Is Solid Melts into Air: The Experience of Modernity* (New York: Penguin, 1982), 93.

⁹ Ibid., 127.

It is here that we might similarly rechannel energy from acquiescing and bowing down in shame before the condition of an indebtedness that is foisted upon us by the 1 percent rather than entered into by us willingly. We need an entirely new social imaginary that links up, as Marx says, “man’s *moral existence*, man’s *social existence*, *the inmost depths of his heart*,” but in a qualitatively different manner. After the necessary first move of detaching ourselves from the debt morality we have inherited, I suggest that we rescript the neoliberal vocabulary that pins us into a particular kind of subject formation.

In closing I turn to the work of Catherine Malabou, specifically her book *What Should We Do with Our Brain?* and its discussion of the notion of flexibility, one of the keywords of neoliberal discourse. Counterposed to it, and in its place, she suggests a specifically active and destructive/creative “plasticity” that itself is a reappropriation of capitalist notions of creative destruction. Here we reanimate what Marx calls the “free development of physical and spiritual energies.” And rather than melting away the solidity of work and labor, we find an explosive creative energy aimed precisely against the subject formation of neoliberal “flexibility,” which is nothing other than a mystified form of constant submission to precarity.

Malabou poses a particular notion of plasticity against this notion of flexibility. According to its etymology—from the Greek *passein*, “to mold”—the word “plasticity” has two basic senses: it means at once the capacity to *receive form* (clay is called “plastic,” for example) and the capacity to *give form* (as in the plastic arts or in plastic surgery).¹⁰ She writes, “The difference between the two terms [plasticity and flexibility] appears insignificant. Nevertheless, flexibility is the ideological avatar of plasticity—at once its mask, its diversion, and its confiscation.”¹¹ That is to say, we are aware of flexibility because it has become a naturalized part of our world and a highly valued one as well. Flexible production, flexible accumulation, flexible hours are all masks for a general state of instability and constant adaptation to precarity, a new norm.

Against this appropriation and distortion of plasticity, Malabou reminds us of another, entirely disruptive sense of “plastic”: “We should not forget that *plastique* . . . is an explosive substance made of nitroglycerine and nitrocellulose, capable of causing violent explosions. . . . The word *plasticity* thus unfolds its meaning between sculptural molding and deflagration, which is to say explosion. From this perspective, to talk about the plasticity of the brain means to see in it not only the creator and receiver of form but also an agency of disobedience to every constituted form, a refusal to submit to the model.”¹² And here I merge the sense of disobedience with the act of disavowing the false morality surrounding “our” debt.

I will end with a proposal for a countermorality predicated on a constant reassertion of the origin of debt and the formation of new communities based outside the false moralism of debt society and within an explosive exploration of a new, dynamic, guilt-free notion of human development. Earlier I noted that Marx talks of how the proletariat is identifiable as a collective specifically named as an aggrieved party (“A class which is the dissolution of all classes, a sphere of society which has a universal character because its sufferings are universal, and which claims no *particular right* because the wrong committed against it is not a *particular wrong*, but wrong *as such*”). This wrong is of course the expropriation of its human species being, as manifested in work upon the world. This is the big, fundamental wrong committed by capitalism. I suggest

¹⁰ Catherine Malabou, *What Should We Do with Our Brain?* (New York: Fordham University Press, 2008), 5.

¹¹ *Ibid.*, 12.

¹² *Ibid.*, 5–6.

that today the big, fundamental wrong has to do with a claim that capitalism has placed on our future, and not just our future wages, in the form of indebtedness. It is a wrong that tears asunder the triad of moral, social, and affective being by founding its morality on a historical lie. The restorative, plastic, explosive move is to replace false morality with a morality that is historically and materially sound, exonerates the 99 percent, and places the blame where it belongs. That is the fundamental beginning of a new community. A