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Credit unto Death

“On the website of *The Guardian* it was reported Thursday that the marquee on a building in Times Square, in the heart of Manhattan, which displays the amount of the U.S. public debt, no longer has enough room for such an astronomical figure of trillions of dollars, to be exact, 10,299,299,050,383.00, an enormous number that is the result above all of the Paulson Plan and the government bailout of Freddie Mac and Fannie Mae. It has even been necessary to eliminate the ‘\$’ sign, which occupied the last space on the marquee, so that the pedestrians could see the number to the last decimal point.”¹

Who wants to remember that now? The great fear of October 2008 already seems more remote than the “Great Fear” at the start of the French Revolution. But at the time one had the feeling that the ship was taking on a lot of water and that it was on the verge of sinking. One even had the impression that everyone expected this for a long time, without actually saying so. The experts were openly questioning the solvency of even the most powerful governments and newspaper headlines evoked the possibility of a chain reaction that would take down the French savings banks. Heads of families contemplated whether they should withdraw all their money from the bank and hide it under their mattresses;

commuters, when buying tickets in advance, wondered whether the trains would still be running a couple of weeks later. George Bush, in his address to the nation, spoke of the financial crisis in terms reminiscent of those he used after September 11, 2001, and the October 2008 issue of *Le Monde's* monthly magazine was entitled: "The End of a World". All the commentators agreed in their assessment that what was taking place was not a simple temporary disturbance of the financial markets, but the worst crisis since the Second World War, or since 1929. It was particularly surprising to discover that the same people (from the *top manager* to the welfare recipient) who, prior to the crisis, seemed to be convinced that ordinary capitalist life would continue to function for the foreseeable future, could so quickly accept the reality of such an important crisis. The general impression of being poised at the edge of a cliff was all the more surprising since, at the time, at first, it was only a financial crisis concerning which the average citizen had no more knowledge than what he was exposed to in the media. No mass layoffs, no interruption in the distribution of basic needs, no shutdowns of ATM machines, no businesses that refused credit cards. Nothing yet indicated a "visible" crisis. And yet the very air we breathed had a twilight quality about it. This could only be explained if we assume that, even before the crisis,

everyone felt vaguely, but without wanting to face it, that they were on thin ice, or hanging by a frayed rope. When the crisis broke out, no contemporary observer seemed, deep down, any more surprised than an incorrigible smoker who finds out he has cancer. Although it was never explicitly expressed, the feeling that things could not go on “like this” was universal. But perhaps we should have been even more surprised by the rapidity with which the media forgot all about the apocalypse in order to devote their attention once more to the oystermen or the extravagancies of Berlusconi; or by the economists who shamelessly announced that the worst was over and that everything would once again go like clockwork; by the depositors who went to their banks without the least fear of finding them closed; or by the average citizen for whom the crisis amounted to a shorter holiday vacation this year.... Even the experts who explained to us, with all their cant, that nothing had happened and that nothing bothersome would happen must have been disturbed and considered such sudden relief and forgetfulness suspect. But they, too, carried on like the cancer patient who ostentatiously smokes his cigarettes in order to prove that he is in excellent health. They, too, had resigned themselves to their fate. For decades, a low rate of economic growth was considered to be a national catastrophe, and in 2009 the growth rate

was, for the first time in sixty years, actually negative in many countries. But this could be easily mended: growth would resume next year—they tranquilly claimed—and every positive statistic, even if it was limited to one country, one productive sector, or one quarter, and even if it was nothing but the modest outcome of the gigantic “recovery programs” financed by governments by means of credit, was immediately offered as proof of the definitive end of the crisis.

There is nothing new under the depleted ozone layer. Neither official science, nor everyday consciousness, could imagine anything different than what they already were familiar with. Just capitalism and more capitalism. Capitalism might undergo serious setbacks, it could lead to “excesses”, the next few years might be tough, but those in power will learn from their mistakes. The Americans, just to mention one example, have finally elected a reasonable president, and now they will adopt the necessary measures. Every rainstorm comes to an end! It is hardly surprising that the hired optimists, the only people who are ordinarily authorized to express themselves in the institutions and the media, should announce, with the arrival of each swallow, the return of summer. What else could they say?

But during the peak of the crisis of 2008, the media were obliged to occasionally allow those who offered an “anticapitalist” interpretation an opportunity to speak, that is, those who present the crisis as a sign of more profound dysfunctions and who did not waste this opportunity to appeal for “radical changes”. While the “New Anticapitalist Party” and its ilk proclaimed, as if it was the least they could do, that “we will not even talk about paying for their crisis”, and they dragged out of their basements the pamphlets left over from demonstrations that were held ten, twenty or thirty years ago, the more well-known representatives of what today passes for an implacable critique of contemporary society—that is, Badiou, Zizek, Negri and their sort—obtained much more exposure in the mainstream press than usual, where in any case they felt the wind at their backs. It was something that was, all in all, quite surprising: the possibility of a serious crisis of capitalism, not provoked by the resistance of the “exploited” or the “multitude”, but by a breakdown of the machine that was by no means foreseen in their analyses. And, indeed, they, too, explained in their own way that there was nothing to see here and that we should move along; that this is a crisis like all the others, that it will pass just like all the others, because crises constitute the normal basis of capitalism. But what they call crises—the collapse of

the stock markets, global deflation—is not, in reality, anything but a collection of secondary phenomena. They are the visible manifestations, the surface expressions of the authentic crisis, of the authentic crisis that they fail to understand. The declared enemies of capitalism—“extreme” or “radical” left, Marxists of various schools, “opponents of growth” or “radical” ecologists—almost all insist on believing in the eternity of capitalism and its categories, sometimes with even more devotion than some of its apologists.

This kind of critique of capitalism is only directed against *finance capital*, which is thought to be solely responsible for the crisis. According to this view, the “real economy” is healthy, it is only because finance capital has been totally deregulated that it can endanger the world economy. Hence, the most expeditious explanation, but also the most widespread, attributes all the responsibility for the crisis to the “greed” of a small handful of speculators, who have gambled with everyone’s money as if they were in a casino. And in effect, the reduction of the arcane details of the capitalist economy, when it is beginning to malfunction, to the wiles of a conspiracy of evildoers, is inscribed in a long and dangerous tradition. The worst solution possible would consist in once again delivering scapegoats,

“Jewish financiers” or any other kind, to the revenge of the “honest folk”, composed of workers and depositors. Nor is it much more serious to oppose a “bad” Anglo-Saxon capitalism, predatory and out of control, to a “good” “continental” capitalism, which is considered to be more responsible. We have already seen that there are only a few nuances by which they can be distinguished. All those who are now calling for “more regulation” of the financial markets, from ATTAC to Sarkozy, only see the madness of the stock exchanges as an “excess”, an excrescence on an otherwise healthy body.

The “anti-capitalism” of the radical left is nothing more than a form of “anti-liberalism”. The only alternative to capitalism that this radical left was capable of conceiving was that of the dictatorships with state managed economies of the world’s east and south; since the latter descended into bankruptcy, changed course or simply became indefensible, the only choice that such anti-capitalists can still contemplate is the choice between different models of capitalism: between liberalism and Keynesianism, between the continental model and the Anglo-Saxon model, between financialized turbo-capitalism and the social market economy, between the celebration of the stock market and “job creation”. There

could be different modes of the valorization of value, of the accumulation of capital, and of the transformation of money into more money; but it is above all the distribution of the fruits of this mode of production that can be changed, to benefit certain social groups more than other social groups, or certain countries more than other countries. The crisis—according to their predictions—will even be beneficial for capitalism: overvalued capitals will be devalued, and as everyone has known since Joseph Schumpeter coined the term, “*creative destruction*” is the fundamental law of capitalism. It is impossible to even imagine—if one wants to avoid being stigmatized as a naïve utopian or a fan of Pol Pot, that is, as a supporter of the only alternatives to capitalism that the dominant consciousness is still capable of conceiving—that humanity can live without the valorization of value, the accumulation of capital and the transformation of money into more money. There might be an *external* limit to the growth of capitalism in the form of the depletion of resources or the destruction of the natural environment; as a form of social reproduction however, capitalism is unsurpassable. What *Le Figaro* declares openly, the neo-Marxists, the Bourdieusians and the “another world is possible” crowd say in a roundabout way: the market is innate to man. The antiliberal-anticapitalists simply propose to return to

the “social” capitalism of the 1960s (an idealized and false version of that capitalism, as is obvious), to full employment and high wages, to the Welfare State and education as a “social elevator”; some prefer to add a dash of environmentalism, the ideology of volunteer work or the “unpaid sector”. One thing that is clear is that they can only hope that capitalism can recover and once again function profitably in order to realize their noble and very expensive programs.

The current crisis represents in their view the long awaited opportunity to finally get an audience for the proposals they have been making for a long time. The crisis will be salutary. True, it will mean losses for some, but will nonetheless force men and institutions to revise their noxious ways. Thus, all these deferential critics expect the crisis to bring grist to their mill: regulation of the financial markets, ceilings on executive bonuses, abolition of “tax havens”, redistributive measures and, above all, a “green capitalism” as the motor for a new regime of accumulation and job creation. Their position is clear: the crisis is an opportunity for improving capitalism, not for breaking with it.

But even in this respect, they risk being disappointed. In the context of the crisis, reactions of a totally different

kind are manifested. Thus, for the purpose of overcoming the crisis, environmentalist measures might be proposed (as Obama and Sarkozy promised) or, to the contrary, there could be an attack on the already existing regulations in the name of “stimulating growth” and “job creation” (as Berlusconi has proposed, and as industry demands, above all the construction and automotive sectors, as well as a considerable part of the public).² And what are we to say when a group of workers, in an attempt to obtain better severance packages, threatens to dump toxic waste in a river, as has taken place in France on several occasions? Will we see the environmentalists come to blows with the workerists? The “radical” left will have to decide now: either it can proceed directly to the critique of capitalism as such, even if the latter no longer proclaims that it is neoliberal, or else it can join the management team of a capitalism which has integrated those critiques directed against its “excesses”.

Some observers appear to go farther and speak of a capitalism that is destroying the world and is self-destructing. Do not such cries of alarm denote a growing awareness of the disasters caused by capitalism, both when it is functioning “normally” as well as when it is in its periods of crisis? These attacks, however, in most

cases, are only aimed at the recent “deregulated” and “out of control” phase of capitalism, the neoliberal phase, but by no means at the regime of capitalist accumulation as such, and by no means at the tautological logic that ordains that one euro must be transformed into two euros and which consumes the real world as if it were the simple raw material for this increase of the value-form. According to these critics, a return to a “moderate” capitalism, one that is “regulated” and subordinated to “politics”, would logically resolve the problem.

Is it the case, then, that the “anti-neoliberal” discourse denies that there is actually a crisis? Not at all, it is only that it only wants to treat the symptoms of the disease. However, the general incapacity for imagining that the crisis could lead, now and always, into something other than capitalism, stands in stark contrast to the vague, although persistent and universal, feeling that we live in a permanent state of crisis. For several decades now, we have been breathing the air of pessimism. Young people know, and accept it with resignation, that their lives will be worse than those of their parents and that basic needs—jobs, housing—will be increasingly more difficult to obtain and to keep. One has the general impression that we are sliding down a slippery slope. The only hope

lies in not falling too fast, but by no means is there any hope of being able to climb back up the slope. There is a vague feeling that the party is over and that lean times are ahead; a feeling that is sometimes accompanied by the conviction that the previous generation (that of the “baby boomers”) had devoured everything and left little for their children. Most young people in France, at least among those who have some kind of college degree, are still convinced that they can find a way to survive in the world of the economy; but nothing more. One can no longer speak of a crisis that affects certain sectors to the benefit of others that, for their part, would be enjoying a period of growth: the stock exchange collapse of 2001, which affected the “new economy” that had for years been presented as the new driving force of capitalism, proves this. Nor are we witnessing the decline of certain occupations in favor of others, as when blacksmiths were replaced by mechanics, as the “retraining” mania would still have us believe. What is taking place now is a general devalorization of almost all human activities, perceptible in the rapid and unexpected impoverishment of the “middle classes”. If one combines these factors with the awareness, now well-entrenched in almost everyone’s mind, of the environmental disasters that have taken place and that are expected to take place, and the depletion of natural resources, it is possible to assert that

the great majority of the population now contemplates the future with fear.

What may seem strange is the fact that this so very widespread apprehension of the general worsening of living conditions should often be accompanied by the conviction that capitalism is functioning profitably, that globalization is at its peak, and that there is more wealth than ever before. The world might be undergoing a crisis, but not capitalism, or at least that is what Luc Boltanski and Ève Chiapello claim at the beginning of their book, *The New Spirit of Capitalism*, published in 1999: capitalism is expanding; it is the social and economic situation of many individuals that is deteriorating. Thus, capitalism is perceived as a *part* of society opposed to the rest of society, as the subset of men who possess the accumulated money, and not as a social relation that embraces *all* the members of today's society.

Others, who think they are more astute, see the discourse of crisis as a mere fabrication: a fabrication of the industrialists, in order to reduce wages and increase profits, or a fabrication by "domination" itself, in order to justify the planetary permanent state of emergency. It is true that crises, past and present, have often been used to legitimate the state, and especially since the latter no longer offers any "positive" responses to the crisis, but

restricts its activity to emergency management, and itself assumes responsibility for emphasizing the fact that everything is going badly (unlike the propaganda of the past, which was devoted to spreading the message that “everyone is happy thanks to the wisdom of the government”). Its mission is to create the proper environment for the only proclaimed goal, for the sole end recognized by contemporary world society, wherever it may be) (with the exception of the ideologies that hold sway over North Korea, Iran and a few other Islamic regimes): to allow individuals the greatest opportunity for maximum consumption and maximum “personal realization”. It is true that if crises did not exist, states would invent them. But only secondary crises, not the kind that endangers their foundations. During this crisis, more than ever before, one got the impression that the “ruling classes” did not rule much, and that, to the contrary, they were themselves ruled by the “*automatic subject*” (Marx) of capital.

A critique of contemporary capitalism very different from the ones sketched above has arisen, however. A critique that asks: what if financialization, far from having ruined the real economy, has, to the contrary, helped it to survive beyond its expiration date? What if it has infused the breath of life into a moribund body? Why are we so

certain that capitalism must be exempt from the cycle of birth, growth and death? Might it not be possible that it contains *intrinsic* limits to its development, limits that do not reside solely in the existence of a declared enemy (the proletariat, the oppressed peoples) or in the simple depletion of natural resources?

During this last crisis, it once again became fashionable to quote Marx. But the German thinker did not only speak of class struggle. He also foresaw the possibility that one day the capitalist machine would grind to a halt on its own, that its dynamic would be exhausted. Why? The capitalist production of commodities contains, from its very inception, an internal contradiction, a veritable time bomb hidden in its very foundations. Capital can neither be made fruitful nor, therefore, accumulated, without exploiting labor power. But the worker, in order to be capable of generating profits for his employer, must be equipped with the necessary tools, and these days they must be state-of-the-art tools. Hence a continuous race, dictated by competition, to keep abreast of technological change. At each stage, the first employer who avails himself of a new technology will be the winner, since his workers will produce more than his competitors who do not possess that technology. But the system as a whole is a loser, since these technologies

replace human labor. The value of each particular commodity therefore contains an ever diminishing portion of human labor, which is, however, the only source of surplus value and, therefore, of profit. The development of technology reduces the total profits. For a century and a half, however, the expansion of commodity production on a world scale was capable of compensating for this tendency for the amount of value contained in each commodity to decline.³

After the 1960s, this mechanism—which was nothing but a permanent flight forward—lost its effectiveness. The increase of production fostered by microelectronics paradoxically plunged capitalism into crisis. Increasingly larger investments were required in order to set the few remaining workers to work, in accordance with the standards of productivity established by the world market. The real accumulation of capital threatened to come to a halt. It was at that moment that “fictitious capital”, as Marx called it, came to the fore. The abandonment of the dollar’s convertibility into gold in 1971 eliminated the last safety valve, the last mooring in real accumulation. Credit is nothing but the anticipation of expected future profits. But when the production of value, and therefore of surplus value, stagnates in the real economy (which has nothing to do with stagnation

with regard to the production of things; capitalism revolves around the production of value and not of products as use values), only finance capital allowed the owners of capital to extract profits that are now impossible to obtain in the real economy. The rise of neo-liberalism after 1980 was not a devious maneuver on the part of the most greedy capitalists, nor a coup d'état carried out with the complicity of complacent politicians, as the "radical" left would have us believe. Neo-liberalism was, to the contrary, the only possible way to further prolong for a little while the life of the capitalist system. For quite some time, credit has allowed many businesses and individuals to preserve the illusion of prosperity. Now, this crutch is broken, too. But the return to Keynesianism, evoked to some degree on all sides, will be entirely impossible: there is no longer enough "real" money at the disposal of governments, that is, money that has not been created by fiat or by speculation, but money that is the result of the production of commodities in conformance with the prevailing standards of productivity of the world market. For the moment, the "decision-makers" have managed to postpone for a little while their *Mene, Tekel, Peres*, adding another zero to the delirious numbers posted on the screen, and to which nothing corresponds. The loans disbursed to bail out the banks are ten times higher than

the deficits that made the markets tremble twenty years ago—although real production (let us say, trivially, GDP) has increased by approximately 20-30%! The “economic growth” of the 1980s and 1990s no longer had an independent basis, but was the result of financial bubbles. And when these bubbles burst there will be no “recovery” after which everything can start all over again.

Why has this system not yet completely collapsed? To what does it owe its temporary survival? Essentially, to credit. Faced with growing difficulties, over the course of the last century, with regard to the financing of the valorization of labor power, and thus to investing in fixed capital, the resort to ever larger amounts of credit is by no means an aberration; to the contrary, it was inevitable. Even during the reign of the neoliberal monetarists, indebtedness expanded on a massive scale. Whether this credit was private or public, domestic or foreign, does not really change the situation much. The continuous and irreversible development of technology permanently increases the gap between the role of labor power—which, we shall repeat, is the only source of value and surplus value—and the increasingly more important role played by the instruments of labor, which must be paid for with the surplus value obtained through

the exploitation of labor power. As a result, the resort to credit can only increase with the passage of time and is leading towards a point of no return. Credit, which is profit that is consumed before having been realized, can postpone the moment when capitalism will have reached its systemic limits, but it cannot prevent it. Even the most effective and harshest therapies have to lose their effectiveness and come to an end someday.

Credit not only prolongs the life of the system itself, but also that of the consumers. Everyone knows that private indebtedness has reached astronomical proportions, especially in the United States. And we also know, and most importantly, that it is rapidly growing. One may get a glimpse of the future of this kind of life in a country like Brazil, where one can buy a cell phone and pay for it in ten installments, where an oil change can be bought in three installments and where gas stations compete not with respect to the price of gas, but by allowing the customers to pay for their gas with checks: one gives them 90 days to clear, another 180 days....

Some people go into raptures of ecstasy over this “virtualization” of the world and predict a radiant future. But only a completely postmodernized consciousness is capable of believing that a virtualization without real foundations can last forever. There are those who have

sought to challenge and “deconstruct” the very concept of the “real economy”. Undoubtedly, many people would welcome proof that fiction is worth just as much as reality, since this is much more congenial to our desires. One does not have to be a great prophet, however, to foresee that the “denial of reality”, declared with smug grins for the last thirty years, does not have much of a future in an era of “real” crises. The editorial in *Le Monde* cited above justly said: “Return to the real, passing through the square of disaster”.

Even on the strictly economic level, the crisis has only just begun. A large number of banks and large corporations have concealed their disastrous situations by falsifying their accounts, and there is talk of, among other future bankruptcies, of the approaching collapse of the consumer credit system in the United States. The astronomical sums injected by governments into the economy, after having suddenly thrown overboard the monetarist dogma in the name of which millions of people had been plunged into poverty, and the announcements of comprehensive regulatory measures, have nothing to do with a return to the Keynesianism and the Welfare State of the past. There are no “New Deal” -type investments in infrastructure, or for the purpose of creating buying power among the population.

These sums have, all at one stroke, increased the public debt of the United States by 20%, but they have not been enough to prevent the imminent collapse of the credit system. For an authentic “economic recovery”, still more gigantic sums would be required, sums which, in the current situation, can only be obtained by means of the creation of fiat money—which would lead to worldwide hyperinflation. Short-term growth driven by inflation will lead to an even greater crisis, since nowhere can new possible forms of accumulation be discerned that, after an initial “stimulus” provided by the state, would be capable of producing growth that would continue afterwards on its own momentum.

But the crisis is not just an economic crisis. When there is no more money left, nothing works. Over the course of the 20th century, capitalism encompassed, for the purpose of extending the sphere of the valorization of value, more and more sectors of life: from the education of children to the care of the elderly, from the kitchen to culture, from heating to transportation. It was perceived as progress in the name of “efficiency” or “individual freedom”, liberated from the bonds of the family and the community. Now we see the consequences: everything that cannot be “funded” is breaking down. And it is not only upon money that everything depends, but even

worse: it all depends upon credit, too. When real reproduction is completely dependent on “fictitious capital”, and businesses, institutions and governments can only survive thanks to their credit ratings on the stock exchange, every financial crisis, far from affecting just those who gamble on the stock markets, has an impact on countless persons in their personal and everyday lives. The many Americans who accepted their retirement funds in the form of stock portfolios and who, after the stock market crashes, found themselves with nothing to live on in their old age, are among the first people to get a taste of this death on the installment plan. And that was only the beginning; when the crisis really gets underway—when mass unemployment and precariousness are accompanied by a steep decline in government revenues—we shall see entire sectors of social life abandoned to the arts of day-to-day survival.

The various kinds of crisis—economic, environmental, energy—are not just “conjunctural” nor are they just “interconnected”: they are the expressions of a fundamental crisis, that of the value-form, that of the empty, abstract form that is imposed on all content in a society based on abstract labor and its representation in the value of a commodity. It is a whole way of life, of production and thought, at least two hundred fifty years

old, which no longer appears to be capable of assuring the survival of humanity. Maybe there will never be a “black Friday”, as in 1929, or a “Judgment Day”. But there are good reasons to think that we are experiencing the end of a long historical epoch;⁴ the epoch in which productive activity and products are not for the purpose of fulfilling needs, but for that of feeding the incessant cycle of labor that valorizes capital and capital that employs labor. The commodity and labor, money and government regulation, competition and market: after the repeated and increasingly more serious crises of the last twenty years and more, we can discern the outlines of the crisis of all these categories, which—it is always good to recall—have not always and everywhere been part of human existence. They have seized control of human life over the last few centuries and could give way to something different: something better, or something even worse. There might be a temporary recovery that will last a few years.⁵ But the end of labor, of selling, selling oneself, and buying, the end of the market and the state—categories that are by no means natural and that will someday disappear, just as they replaced other forms of social life—is a long-term process. The current crisis is neither the beginning nor the end, but an important stage of this process.

But why is it that this analysis, which is almost the only one that is confirmed by the recent crisis, has aroused so little interest? Essentially, because no one can really imagine the end of capitalism. The very idea provokes terrible fear. Everyone thinks that they do not have enough money, but no one feels that their existence is threatened, even in psychological terms, when it appears that money is being devalorized and losing its role in social life. It is during the crisis, more than ever, that subjects cling to the only forms of socialization that they know. There is a general consensus about at least one thing: we have to keep selling, selling ourselves and buying, relentlessly. But this is what makes it so hard to *react* to this crisis or to organize to confront it: because it is not a matter of *us against them*. We have to fight against the “automatic subject” of capital, which inhabits each one of us, and, consequently, against one part of our habits, tastes, alibis, inclinations, narcissisms, vanities, egoisms.... No one wants to look the monster in the face. How many bizarre lunacies are proposed, instead of challenging labor and the commodity, or even just the automobile! “Great scientists” indulge in crazy speculations about launching huge satellites capable of deflecting part of the sun’s rays or building an apparatus that could cool the oceans. There are proposals to “grow vegetables in hydroponic greenhouses” and to

manufacture meat “directly from stem cells”; or, literally, to go and explore for scarce resources on the moon: “We can extract, among other things, a million tons of helium₃, the ideal fuel for nuclear fusion. One ton of helium₃ would be worth about 6 billion dollars, in terms of the energy it could generate. And this is only one of the reasons why so many countries are interested in going back to the moon.”⁶ Along the same lines, it is proposed that we should “adapt ourselves” to climate change, instead of fighting against it.⁷ Instead of escaping from “economic terror”, the threat is being augmented: “Now more than ever, organizations and human beings that know how to, want to and are capable of adapting have a social and economic future. The advocates of immobilism will forfeit all employability”⁸ and, as a result, disappear from the face of the earth. Malthus had already told us: hunger is the best way to train people for labor. Anything that does not serve the valorization of capital is a luxury and, in times of crisis, luxury is inappropriate. Nor is this a perversion; it is completely logical in a society that has made the transformation of money into more money its driving force.

We shall be told that this is an apocalyptic portrait: the end of capitalism has been proclaimed every time it

encounters difficulties, since its inception. But it experienced a rebirth after each crisis, like the phoenix rising from its ashes. And it also changed after every crisis, so that it is very different today than it was in 1800, or 1850, or 1930. Are we not witnessing another transformation of this kind, in which capitalism is changing in order to survive? Why should this crisis be any worse than any other crisis that has taken place during the last 200 years? Did capitalism not continue to exist in other, atypical forms, during catastrophes and wars? Is crisis not the eternal form of its existence, and even that of historical societies in general? The mere enumeration of all the dysfunctions of current capitalism—to continue with the objection—cannot constitute proof of its final crisis unless you assume that the brief Fordist period of stability was the only possible form of functioning for capitalism, and that all its other forms of existence were deviations. The civil wars in Africa and the process of re-feudalization in Russia, Islamic fundamentalism and the precarization of Europe, only prove that it was impossible to spread the Fordist model to the whole world, but they do not prove the collapse of capitalism, which, as a world system, consists precisely in the coexistence of all of these forms, each of which is, within its context, useful for the world system. Capitalism can also function in a very different way than

it functioned in the Europe of the 1960s, which only demonstrates how flexible it is. The devastation it causes, from the atomization of individuals and the dissolution of the family to psychological and physical diseases and pollution, are not necessarily a sign of its collapse; to the contrary: they will create a series of constantly renewed needs and market sectors that allow for the accumulation of capital.

But this objection cannot be sustained: what it describes is the birth and perpetuation of always changing forms of domination and exploitation, but not the appearance of new models of capitalist accumulation. The “non-classical” forms of profit creation can only function as a form of indirect participation in the world market and, as a result, by parasitizing the global circuits of value (for example: by selling drugs to the rich countries, certain countries of the “South” redirect towards themselves one part of the “authentic” surplus value obtained in the rich countries). If the creation of value in the industrial heartland were to be completely extinguished, the same thing would happen to the drug barons and the traffickers in children. In such a situation, it would be quite likely that they would once again force their dependents to produce an agricultural and material surplus for their masters. But not even the most

convinced defenders of the eternity of capitalism would dare to call this a new model of capitalist accumulation.

In the most general terms, we must always keep in mind that services are not a form of labor that reproduces capital, but a form of labor that depends on the productive sectors of capital. This is not only confirmed by Marx's theory (and in this respect, even more than in others, this is something that the Marxists have not perceived), but also by everyday experience: in times of recession, culture and education, the conservation of nature and health care, and subsidies to nonprofit associations for the preservation of our cultural heritage, far from serving as "motors for growth", are the first things to be sacrificed due to a "lack of funds". One cannot "prove", of course, in an abstract sense, that we are witnessing the end of this centuries-old commodity society. But certain recent tendencies really are new developments. This society has reached an *external* limit with the depletion of resources—and especially of that most important and irreplaceable resource: clean water—as well as with irreversible climate change, species extinctions and devastated landscapes. Capitalism is also approaching an *internal* limit, since its developmental tendency is linear, accumulative and irreversible, rather than cyclic and repetitive like other

forms of production. It is the only society that has ever existed that contains in its foundation a dynamic *contradiction*, rather than just an *antagonism*: the transformation of labor into value is historically condemned to exhaustion because of the technologies that replace labor.

The subjects that live in this era of external and internal crisis also suffer from a derangement of those psychic structures that have long defined man's existence.⁹ These new, unpredictable subjects are at the same time in a position to control unprecedented means of destruction. Finally, the diminution of value creation throughout the world also implies that, for the first time—and everywhere—there are extra, superfluous populations that cannot even be exploited. From the point of view of the valorization of value, it is humanity that is beginning to be a disposable luxury, an avoidable expense, and an “excess”. And this is certainly a completely new factor in history!

Unfortunately, the “crisis” does not entail any guaranteed “emancipation”. There are many people who are angry because they have lost their money, or their homes, or their jobs. But this anger in and of itself, contrary to what the radical left has always believed, has

nothing emancipatory about it. The current crisis does not seem to be favorable for the appearance of emancipatory projects (at least not during this first phase), but rather for an attitude of every-man-for-himself. On the other hand, it seems to be no more favorable for any large-scale attempts to restore the capitalist order, either, for totalitarianism, or for the rise of new regimes of accumulation based on force. What appears to be in store for us instead looks more like a gradual descent into barbarism, but not always an easy one. Before the big *crash*, we can expect to undergo a downward spiral towards infinity, a perpetual postponement that will give us time to get used to it. We shall certainly witness a spectacular extension of the art of survival in a thousand different ways and of adaptation to everything, before a vast movement of reflection and solidarity, in which everyone puts aside their personal problems, forgets the negative aspects of their socialization and together construct a more human society. In order for such a thing to take place, there will first have to be an anthropological revolution. It seems unlikely that the crises and collapses currently underway would ever facilitate such a revolution. And even if the crisis implies a forced “curtailment of growth”, this does not have to possess a positive meaning. The first blows of the crisis will not be directed at the sectors that are

“useless” from the point of view of human life, but at the sectors that are “useless” for the accumulation of capital. It will not be arms production that will undergo cuts, but spending on health care; and once one accepts the logic of value, it would be quite inconsistent to protest against this. Must we therefore begin with the little things, with helping our neighbors, participating in local networks of exchange, cultivating a garden in the backyard, doing volunteer work for charity organizations, joining “AMAP”?¹⁰ They often have their place. But trying to prevent the collapse of the world system with such means would be like trying to empty the ocean with a spoon.

Just where do these sobering considerations lead? To a little lucidity, at least. One may thus avoid joining the ranks of the populists of all stripes, who limit their protests to cursing the banks, financial corporations and the stock exchanges, and the people that are assumed to control these institutions. This kind of populism easily leads to a witch-hunt against “enemies of the people”, both at the lowest level (immigrants) and the highest level (speculators),¹¹ thus avoiding any critique of the real foundations of capitalism, which, to the contrary, appears to them to be the civilization that must be saved: labor, money, commodity, capital, state.

Indeed, the prospect of this collapse provokes the vertigo of confronting the end of a way of life in which we are all fully implicated and which is now coming down around our ears without anyone being responsible for it, leaving us in the middle of a landscape in ruins. All the presumed antagonists of the past, the proletariat and capital, labor and accumulated money, risk disappearing together, embracing one another in their death throes: it is the common basis of their conflicts that is disappearing.

To escape from this situation, we have to make such a major leap into the unknown that everyone—understandably—rejects it in principle. But the fact that we are living in such an end of an era also means, despite everything, an unprecedented opportunity. Therefore, let the crisis get worse! F. Partant, *Que la crise s'aggrave*, Paris, Solin, 1978. We must not try to “save” “our” economy and “our” way of life, but force them to disappear as soon as possible, and at the same time give way to something better. We should follow the example of the recent conflicts in the schools and universities: instead of complaining about the reduction of grants for education and research, would it not be better to question the very fact that there would be no education and no research if they were not “profitable”? Must we

renounce life itself because the accumulation of capital can no longer proceed?

Finally, a way out! is the title of a painting by Paul Klee. During the brief crisis of October 2008 one could not help but get the impression that the lid was about to blow off: people began to openly discuss the depredations and the limits of capitalism. We may therefore expect that, during a long and serious crisis, people will begin to talk, taboos and inhibitions will melt away and countless people will spontaneously begin to question what they had only the day before considered to be “natural” or “inevitable” and they will begin to pose the simplest and least often heard questions: why is there a crisis if, in reality, there are too many means of production? Why do we have to die in poverty if everything we need (and even much more) is all around us? Why should we accept the fact that everything that does not serve accumulation must stop? Do we have to renounce everything that we cannot pay for? Maybe, despite everything and as it happens in the fairy tales, someone will utter the word that breaks the spell.

- 1. E. Fottorino, “Retour au réel par la case désastre”, *Le Monde*, October 11, 2008.
- 2. “‘Reconversions’ are advocated (a change in belief in order to change behavior) in order to convince people to live more simply, the attitude of ‘everything for the car’ is denounced, as are the plundering of resources, the invasion of life by alienated labor, and the curse of progress. But as the machine is breaking down, as the automotive sector sinks into crisis, as advertising abandons the newspapers and threatens their financial solvency, as unemployment affects an increasing number of workers, the tune is changing and the old ways are resurfacing”, wrote Gilbert Rist on November 26, 2008 in a blog sympathetic to the “anti-growth” movement.
- 3. For a more detailed explanation of this phenomenon, see my essay, “‘Advocates of Curtailing Economic Growth’—One More Step...!”
- 4. Almost the only person who has claimed, in the major media, that capitalism has reached, after 500 years of existence, its final stage, and that something new will take its place, was Immanuel Wallerstein (see his article, “Le capitalisme touche à sa fin”, in *Le Monde*, October 11, 2008). Wallerstein, however, only sees the current crisis as the bursting of the speculative bubble that was inflated during the 1970s; and he compares it

with other crises of the past. While he predicts a “stage of political chaos”, of “systemic crisis” and the end of capitalism in the next few decades, he attributes this to the changing relation between the “center” and the “periphery”. His interpretation is therefore very different from the one we are setting forth here.

- 5. During the last couple decades, after each crisis, we have witnessed a “recovery”—above all, a recovery with respect to stock market indices—which seems to prove that all these crises are only a matter of cycles, of ups and downs. But none of these “recoveries” were the product of a new mode of production that profitably set in motion massive amounts of labor. They only involved fictitious increases in value, obtained by buying and selling titles of ownership and occasionally investing this fictitious capital in the real estate, consumer goods or services sector; which on every occasion created financial bubbles of ever greater dimensions and increasingly lacking in any basis.
- 6. As a form of punishment, we shall here give the public the name of the author of these words: “Plus de croissance est en nous”, by Xavier Alexandre, *Le Monde*, November 30, 2008, “Chroniques d’abonnés”.
- 7. “S’adapter au changement climatique plutôt que de le limiter?”, *Le Monde*, August 21, 2009, in response to the study commissioned by the Center for Consensus

[!] of Copenhagen to the Italian scientific research institute, “Enrico Mattei”, linked to the Italian oil company, ENI.

- **8.** Here is some more punishment for the reader: “Le previsible déclin du salariat”, by Camille Sée, *Le Monde*, August 9, 2009, “Chroniques d’abonnés”.
- **9.** See, with reference to this issue, the essays in the third part of this book. [“The Cat, the Mouse, Culture and the Economy” and “Is There Art after the End of Art?” —Translator’s Note.]
- **10.** “Association for the Preservation of Local Farmers’ Agriculture”: an association in which consumers commit in advance to buy products (generally organic) from local farms. [Its counterpart in the United States is known as “Community Supported Agriculture” — Translator’s Note.]
- **11.** Both the left as well as a segment of the right have protested (at least in the United States) against the bank bailouts.

[Translated into English in January 2013. Based on the Spanish translation of Anselm Jappe, *Crédit à Mort: La décomposition du capitalisme et ses critiques*, Éditions Lignes, Fécamp, 2011. Spanish translation by Diego Luis Sanromán: *Crédito a muerte: La descomposición del capitalismo y sus críticos*, Pepitas de calabaza, Logroño, 2011]