Introduction: What is Transcritique

This book is in two parts: reflections on Kant and on Marx. Although the two names—Kant and Marx—appear to split the book, it is in fact thoroughly inseparable; the two parts are interactive through and through. The whole of the project—what I call Transcritique—forms a space of transcodings between the domains of ethics and political economy, between the Kantian critique and the Marxian critique. This is an attempt to read Kant via Marx and Marx via Kant, and recover the significance of the critique common to Kant and Marx. This critique is, of course, not an accusatory device, but something that begins from a scrutiny, a rather elaborate self-scrutiny.

Now with respect to the pairing itself. Quite a few thinkers have sought to connect the two since the late 19th century. This was an effort to grasp a subjective/ethical moment missing in the materialism called Marxism. This speaks to the fact that Kant was not in the least a bourgeois philosopher. To him, being moral was less a question of good and evil than of being causa sui and hence free; and this compels us to treat other people as free agents. The ultimate message of Kantian moral law lies in the imperative: "So act that you use humanity, whether in your own person or in person of any other, always at the same
time as an end, never merely as a means."¹ This is not an abstract doctrine. Kant considered it a task to be realized progressively in the context of historical society: it might be that, in the concrete, what he had in mind was an association of independent small producers. This was an ideal conceived in pre-industrial capitalist Germany; later however, in tandem with the rise of industrial capitalism, the unity of independent small producers was mostly disbanded. But Kant’s moral law survived. Abstract as it might have been, Kant’s position was precursory to the views of the utopian socialists and anarchists (such as Proudhon). In this precise sense, Hermann Cohen identified Kant as the true primogenitor of German socialism. In the context of a capitalist economy where people treat each other merely as a means to an end, the Kantian “kingdom of freedom” or “kingdom of ends” clearly comes to entail another new meaning, that is, communism. If we think about it, from the beginning, communism could not have been conceptualized without the moral moment inherent in Kant’s thinking. Unfortunately and unfairly, however, Kantian Marxism has been eclipsed by history.

I, too, came to connect Kant and Marx, yet in a different context from neo-Kantianism. From the beginning, the Kantian Marxists’ recognition of capitalism appeared to me to be insufficient. I felt the same way about anarchists (or associationists). While their sense of freedom and ethical disposition are noteworthy, what was undeniably missing in them was a theoretical approach to the forces of the social relations that compel people. For this reason, their struggles were mostly helpless and defeated miserably. My political stance

¹ Kant, *Groundwork of the Metaphysics ofMorals*, translated and edited by Mary Gregor,
was once anarchistic; I was never sympathetic to any Marxist party or state; yet at the same
time, I was deeply in awe of Marx. My admiration for *Capital*, the book with the subtitle
“Kritik der politischen Ökonomie” (critique of the economics of nation) has only intensified
year by year. Being a student of political economics and reading *Capital* closely, sentence
by sentence, I was always aware of and discontented with the fact that Marxist philosophers
from Lukacs to Althusser did not really read it full-heartedly, but instead, only induced
what was suitable to their philosophical concerns. So was I discontented with the majority
of political economists who deem *Capital* simply a book on economy. Meanwhile, I
gradually recognized that the Marxian critique was not a mere criticism of capitalism and
classical economics, but a project that elucidates the nature and the limit of capital’s drive
[Trieb], and furthermore reveals, on the basis of the drive, an essential difficulty entailed in
the human act of exchange. *Capital* does not offer an easy exit from capitalism; rather only
by the very presentation of exit-less-ness, does it suggest a possibility of practical
intervention.

All along, I became increasingly aware of Kant as a thinker who also sought to
suggest the possibility of practice—less by a criticism of metaphysics (as is usually
thought)— than by bravely shedding light on the limit of human reason. *Capital* is
commonly read in relation with Hegelian philosophy. In my case, I came to hold that it is
only *Critique of Pure Reason* that should be read in comparison with *Capital*. Thus the
Marx/Kant intersection.
Marx spoke very little of communism, except for the rare occasions where he criticized others’ discourses on it. He even said somewhere that speaking of the future was itself reactionary. Up until the climate change of 1989, I had despised all ideas of possible futures. I had believed that the struggle against capitalism and state would be possible without ideas of a future, and that we should only sustain the struggle endlessly in response to each contradiction arising from a real situation. The collapse of the socialist bloc in 1989, then, compelled me to change my stance. Until then, I, as many others, had been rebuking Marxist states and communist parties; the criticism nevertheless had unwittingly taken for granted their solid existence and the appearance that they would endure forever. As long as they survived, we could feel we had done something just by negating them. When they collapsed, I realized that my critical stance had been paradoxically relying on their being. I came to feel that I had to state something positive. It was at this conjuncture that I began to confront Kant.

Kant is commonly—and not wrongly—known as a critic of metaphysics. For the development of this line, the influence of Hume’s skeptical empiricism was large; Kant confessed that it was the first to interrupt his dogmatic slumber. But what is overlooked is that at the time he wrote *Critique of Pure Reason*, metaphysics was unpopular and even disdained. In the preface, he expressed his regrets: "There was a time when metaphysics

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was called the queen of all sciences, and if the will be taken for the deed, it deserved this title of honor, on account of the preeminent importance of its object. Now, in accordance with the fashion of the age, the queen proves despised on all sides ( . . . )”3. It follows that for Kant, the primary task of critique was to recover metaphysics’ proper function. This in turn charged Kant with the critique of Hume, who had once so radically stimulated him. I now want to reconsider the relationship between Kant and Hume in the context of the current debate.

During the 1980s, a Kant revival was a discernible phenomenon. In Hannah Arendt’s pioneering work, Lectures on Kant’s Political Philosophy, and in some of Jean-François Lyotard’s work, the return to Kant meant a rereading of Critique of Judgment. The point taken was that ‘universality’—a sine qua non for the judgment of taste—cannot be achieved, in reality, among a multitude of conflicting subjects; at best what we get is a ‘common sense’ that regulates conflicting tastes case by case. This work appeared to be drastically different from Critique of Pure Reason, which assumed a transcendental subjectivity that watches over universality (a reading that will be questioned in the following chapters of this book.) The political implications of the reappreciation of Kant were clear, not excepting those of Habermas, who sought to reconsider reason as "communicative rationality"—it was a criticism of communism qua ‘metaphysics’.

Marxism has been accused of being rationalist and teleological in its attempt to realize the grand narrative. Stalinism was indeed a consequence of the tendency: the party

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3Kant, Critique of Pure Reason, translated and edited by Paul Guyer and Allen W. Wood,
of intellectuals led the populace by reason embodying the law of history, and thus the infamous tragedy. In opposition to this, the power of reason has been questioned, the superiority of intellectuals has been denied, and the teleology of history negated. The reexamination of Marxism has involved public consensus and negotiation among multiple language games as opposed to the central control of reason; heterogeneity of experience or complexity of causality as opposed to a rationalist (metaphysical) view of history; and on the other hand, the present—that has hitherto been sacrificed by telos—is reaffirmed in its qualitative heterogeneity (or in the sense of Bergsonian duration). I, too, was part of this vast tendency—called deconstruction, or the archaeology of knowledge, and so on—which I realized later, could have critical impact only while Marxism actually ruled the people of many nation-states. In the 1990s, this tendency lost its impact, having become mostly a mere agent of the real deconstructive movement of capitalism. Skeptical relativism, multiple language games (or public consensus), aesthetic affirmation of the present, empirical historicism, appreciation of subculture (or cultural studies), etc., lost their most subversive potencies and hence became the dominant, ruling thought. Today, these have become official doctrine in the most conservative institutions in economically advanced nation-states. All in all, this tendency can be summarized as the appreciation of empiricism (including aestheticism) against rationalism. In this sense, it has become increasingly clear today that the return to Kant in recent years has actually been a return to Hume.

Meanwhile, it was in the effort of going beyond the empiricist tendency—as a critique of Hume—that I began to read Kant. This, to state it outright, as a project to reconstruct the metaphysics called communism. It was Kant who provided the most lucid insight into metaphysics’ proper role and the inseparable and inevitable tie between faith and reason. "Thus I had to deny knowledge in order to make room for faith; and the dogmatism of metaphysics, i.e., the prejudice that without criticism reason can make progress in metaphysics, is the true source of all unbelief conflicting with morality, which unbelief is always very dogmatic." With this statement, it is not that Kant sought to recover religion per se; what he affirmed was the aspect of religion that tends toward morality, encouraging us to be moral.

In contradistinction from mainstream Marxists, Marx persistently refused to consider communism as “constitutive idea (or constitutive use of reason)” in Kant’s sense, and he rarely spoke of the future. Thus in The German Ideology, Marx made an addition to the text written by Engels: “Communism for us is not a state of affairs which is to be established, an ideal to which reality [will] have to adjust itself. We call communism the real movement which abolishes the present state of things. The conditions of this movement result from the now existing premise.” Therefore, the dogmatization of communism as a “scientific socialism” was rather the kind of metaphysics Marx refuted. But this is not contradictory to the fact that he nurtured communism as “regulative idea (regulative use of reason).” So the young Marx stressed the categorical imperative: "The

4 Kant, ibid., p. 117, Bxxx.
criticism of religion ends with the teaching that *man is the highest being for man*, hence with the *categorical imperative* to *overthrow all relations* in which man is a debased, enslaved, forsaken, despicable being ( . . . )" For him, communism was the “categorical imperative,” that is, practical and moral *par excellence*. He maintained this stance his whole life, though later he concentrated his efforts on the theoretical search for the historico-material conditions that would enable the categorical imperative to be realized. Meanwhile, the mainstream Marxists, having derided morality and advocated “historical necessity” and “scientific socialism,” ended up constituting a new type of slave society. This was nothing short of what Kant called “all pretensions of reason in general [aller Anmaßungen der Vernunft überhaupt].” Distrust of communism has spread, and the responsibility for “the true source of all unbelief” lies with dogmatic Marxism. We cannot and should not forget the miseries of the 20th century caused by communism, and neither should we take this mistake simply as misfortune. From that juncture on we have not been allowed to advocate ‘Idea’ of any kind—not even of the New Left, which came into existence by negating Stalinism—with a naive positivity. That is why “in accordance with the fashion of the age, [communism] proves despised on all ideas.” Yet at the same time, other kinds of dogmatism are flourishing in various costumes. Furthermore, while intellectuals of advanced nations have been expressing their distrust of morality, various kinds of religious

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fundamentalism have begun to gain strength all over the world, and the intellectuals cannot simply scorn them.

Henceforth, beginning in the 1990s, my stance, if not my thinking itself, changed fundamentally. I came to believe that theory should not remain in the critical scrutiny of the status quo, but should propose something positive to change the reality. It was with this problematic in mind that I began to read Kant via Marx and Marx via Kant. What I was struck by first was that both Kant and Marx, who appeared to have constructed solid systems of principles, in fact were practicing constant transposition. In the case of Marx, whose concern from the beginning was to change reality, a flexible shift of stance at the expense of academic consistency was obviously premeditated. When in *The German Ideology* he criticized Left Hegelians, of which he was a member *from without*, he attacked rationalism from an empiricist stance; but later, in England, where empiricism was dominant as an ideology of growing capitalism, he came to claim that he was a disciple of Hegel. To understand this, what is at stake is less the determination as to which stance represented the ‘true Marx’ than the radical transposition through which he confronted new situations. Furthermore, it was not that he discovered a third stance as a synthesis, but rather his unhesitant transposition and the criticality entailed therein that present a new manner of affirmative thinking.

Though less obvious, something similar can be observed in Kant. In real life, he never moved away from his hometown of Königsberg; therefore, in the physical sense, it could be said that he was as far as possible from being labeled a refugee. Nevertheless, his
stance made him a kind of refugee, a man independent from the state; Kant rejected a 
promotion in Berlin, the center of state academia, instead insisting on a cosmopolitanism. 
Kant is generally understood to have executed the transcendental critique from a place 
between rationalism and empiricism. However, upon reading his strangely self-deprecating 
yet striking text, *Dreams of a Visionary Explained by Dreams of Metaphysics*, it is 
impossible to find any concrete place of the in-between position. Instead, it is the “parallax” 
between positions that acts. Kant, too, performed a critical oscillation: he continuously 
confronted the dominant rationalism with empiricism, and the dominant empiricism with 
rationalism. The lesson is that the transcendental critique does not assume a solid third 
position. It cannot exist if not for a transversal and transpositional movement. I came to call 
the dynamic critiques of Kant and Marx—both transcendental and transversal—the 
transcritique.

According to Louis Althusser, Marx made an epistemological break in *The German 
Ideology*. But to my transcritical understanding, the break was not once, but many, and this 
one in particular was not the most significant. It is generally thought that Marx’s break in 
*The German Ideology* was the establishment of historical materialism. But in fact that was 
pioneered by Engels, who wrote the main body of *The German Ideology*. Rather we have to 
cherish Marx for being a latecomer to the idea; it was because of his obsession with a 
seemingly outmoded problem (to Engels)—the critique of religion. Thus Marx says: “For 
Germany the *criticism of religion* is in the main complete, and criticism of religion is the
premise of all criticism.” He conducted a critique of state and capital as an extension of the criticism of religion. In other words, he persistently continued the critique of religion under the names of state and capital. (And this was not merely an application of the Feuerbachian theory of self-alienation that he later abandoned.)

The development of industrial capitalism made the stance to see the previous history from the vantage point of production possible. So it is that Adam Smith could already pose a stance akin to historical materialism by the mid 18th century. But historical materialism does not have the potency to elucidate the capitalist economy that created it. Capitalism, I believe, is nothing like the economic infrastructure. It is a certain force that regulates humanity beyond its intentionality, a force that divides and recombines human beings. It is a religio-generic entity. This is what Marx sought to decode for the whole his life. “A commodity appears at first sight an extremely obvious, trivial thing. But its analysis brings out that it is a very strange thing, abounding in metaphysical subtleties and theological niceties.” Here Marx is no longer questioning and problematizing metaphysics or theology in the narrow sense. Instead, he grasps the knotty problematic as “an extremely obvious, trivial thing.” Thinking of this kind of Marx, we realize that an equivalent of historical materialism—or even what is known as Marxism for that matter—could have existed without Marx, while the text *Capital* could not have existed if not for him.

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7 Ibid., p. 175.
The ‘Marxian turn’—the kind that is truly significant and that we cannot overlook—exists in his middle career, in the shift from *Grundrisse* or *A Contribution to the Critique of Political Economy* to *Capital*—the introduction of the “theory of value form.” What provoked Marx’s radical turn, which came after he finished writing *Grundrisse*, was his confrontation with a skepticism: it was Bailey's critique of Ricardo’s labor theory of value. According to Ricardo, exchange value is inherent in a commodity, which is expressed by money. Bailey criticized this position by claiming that the value of a commodity exists only in its relationship with other commodities, therefore the labor-value that Ricardo insists is inherent in a commodity is an illusion. Bailey’s skepticism is similar to Hume’s skepticism that negates all causality, insisting upon the constantly contingent becoming of events. In the same manner that Kant’s dogmatic slumber was interrupted by Hume's skepticism, Marx must have been severely stricken by Bailey's skepticism.

The theory of value form is not simply a logical inference of money’s generation; it is first and foremost a critique of the labor theory of value. Classical economists tacitly took for granted the being of money, and projected an internalized value—that which in reality could exist only thanks to money’s job—onto commodity. In reality, a commodity cannot have value if it is not first exchanged with other commodities. Thus Bailey stressed that the value of a commodity exists only thanks to its relationship with other commodities. Marx adopted this skepticism, yet he refused to deny value in general. The relationality between Marx and Bailey is akin to the one between Kant and Hume. Kant concluded that Hume's skepticism was finally inconsistent: when Hume saw the law of nature as merely a custom,
he was assuming the certainty of mathematics as analytic judgment, and Marx deemed Bailey’s skepticism inconsistent in the same way. When he insisted that what commodity has is only price, Bailey did not question what expresses price—money. In other words, he did not question what relates commodities to each other and composes the system—money as the general equivalent. This omission was analogous to that of Hume, who denied the Cartesian subject and yet could not think of the equivalent of the Kantian transcendental apperception X.

For mercantilists and bullionists (the Monetary System)—the predecessors of classical economics—money was an object to be revered. This was called the fetishism of money. Scorning this, classical economists posited the essence of value in labor in and of itself. But this did not resolve the enigma of money; rather, it was reinforced and sustained. Both Ricardo—the advocate of the labor theory of value—and Bailey—its radical critic (and the unacknowledged primogenitor of neo-classical economics)—managed to erase money only superficially. As Marx said, in times of crisis, people still want money suddenly, going back to bullionists. The Marx of Capital stands on the side of the mercantilist, rather than Ricardo or Bailey. By criticizing both Ricardo and Bailey on such a premise, his transcritique elucidated a form that constitutes the commodity economy.

According to Marx, if gold becomes money, that is not because of its immanent characteristics, but because it is placed in the value form. The value form—consisting of relative value form and equivalent form—makes an object that is placed in it money. Anything—anything—that is exclusively placed in the general equivalent form becomes
money, that is, it achieves the right to attain anything in exchange (that is, its owner can attain anything in exchange). People consider a certain thing (i.e., gold) as sublime, only because it fills the spot of general equivalent. Marx crucially begins his reflections on capital with the miser, the one who hoards the right to exchange—in the strict sense, the right to stand in the position of equivalent form—at the expense of use. The desire for money or the right to exchange is different from the desire for commodities themselves. I would call this ‘drive [Trieb]’ in the Freudian sense, to distinguish it from ‘desire’. To put it another way, the drive of a miser is not to own an object, but to stand in the position of equivalent form, even at the expense of the object. The drive is metaphysical in nature; the misers’ goal is to ‘accumulate riches in heaven’, as it were.

We tend to scorn the drive of the miser. But capital’s drive to accumulate is essentially the same. Capitalists are nothing but “rational misers” to use Marx’s term. Buying a commodity from someone somewhere and selling it to another person in another place, capitalists seek to reproduce and expand their position to exchange, and the purpose is not to attain many ‘uses’. That is to say that the motive drive of capitalism is not in people’s desire. Rather, it is the reverse; for the purpose of attaining the right to exchange, capital has to create people’s desire. This drive of hoarding the right to exchange originates in the precariousness inherent in exchange between others.

Historical materialists aim at describing how the relationships between nature and humans as well as among humans themselves transformed (developed) throughout history. What is lacking in this endeavor is any reflection upon the capitalist economy that organizes
the transformation (development). And to this end, we have to take into consideration the dimension of exchange, and why the exchange inexorably takes the form of value.

Physiocrats and classical economists had the conviction that they could see everything transparently from the vantage point of production. The social exchange, however, is consistently opaque and thus appears as an autonomous force which we can hardly abolish. Engels’ conviction, that we should control the anarchic drive of capitalist production and transform it into a planned economy, was little more than an extension of classical economists’ thought. The stance of Engels was, of course, the source of centralist communism.

One of the most crucial transpositions/breaks in the theory of value form lies in Marx’s attention to use value or the process of circulation. Say a certain thing becomes valuable only when it has use value to other people; a certain thing—no matter how much labor-time is required to make it—has no value if not sold. Marx technically abolished the conventional division between exchange value and use value. No commodity contains exchange value as such. If it fails to relate to others, it will be a victim of "sickness unto death" in the sense of Kierkegaard. Classical economists believe that a commodity is a synthesis between use value and exchange value. But this is only an \textit{ex post facto} recognition. Lurking behind this synthesis as event is a “fatal leap [\textit{salto mortale}].” Kierkegaard saw the human being as a synthesis between finity and infinity, reminding us that what is at stake in this synthesis is inevitably ‘faith.’ In commodity exchange, the equivalent \textit{religious} moment appears as ‘credit.’ Credit, the treaty of presuming that a
commodity be sold in advance, is an institutionalization of postponing the critical moment of selling a commodity. And the commodity economy, constructed as it is upon credit, inevitably nurtures crisis.

Classical economics saw all economic phenomena from the vantage point of production; it believed that it managed to demystify everything (other than production) by reasoning that they all are secondary and illusory. As a result, it is mastered by the circulation and credit that it believes itself to have demystified, and thus it can never elucidate why crisis occurs. Crisis is the appearance of the critical moment inherent in the commodity economy, and as such it functions as the most radical critique of the political economy.

In the preface to the second edition of *Capital*, Marx “openly avowed [himself] to be the pupil of that mighty thinker” Hegel. In fact Marx sought to describe the capitalist economy as if it were a self-realization of Capital *qua* the Hegelian Spirit. Notwithstanding the Hegelian descriptive style, however, *Capital* distinguishes itself from Hegel’s philosophy in its motivation. The end of *Capital* is never the “absolute Spirit.” *Capital* reveals the fact that capital, though organizing the world, can never go beyond its own limit. It is a Kantian critique of the ill-contained drive of capital/reason to self-realize beyond its limit. And all the enigmas of capital’s drive are inscribed in the theory of value form. The theory of value form is not a historical reflection that follows exchange from barter to the formation of money. The value form is a kind of form that people are not aware of when

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9 Ibid, pp. 102-103.
they are placed within the monetary economy; this is the form that is discovered only
transcendentally. In the reverse of his descriptive order—from form of value, money form
to miser to merchant capital to industrial capital—we have to read Marx’s retrospective
query from the latter to the former. Classical economists rebuked the businesses of
bullionists, mercantilists, and merchant capital of the previous age, and denounced their
economic role. They argued that while this type of capital earns profit from the difference
of unequal exchange, industrial capital makes money from fair, equal exchange: it derives
profit from the division of labor and cooperative work. In contrast, Marx thought of capital,
by returning to the model of merchant capital. He saw capital in the general formula:
Money-Commodity-Money’. This is to see capital essentially as merchant capital. Capital
under this light is a self-increasing, self-reproductive money. This is the movement M-C-
M’ itself. The case of industrial capital—that which is usually considered as totally
different—differs only in that the role of C is a complex that consists of raw material,
means of production, and labor-power commodity. And this last, labor-power commodity,
is truly inherent in industrial capital. For industrial capital earns surplus value not only by
making workers work, but also by making them buy back—in totality—what they produce.

Classical economists’ claim that merchant capital (or mercantilism) conducts
unequal exchange misses the point. The fact is, when merchant capital attains surplus value
from the exchange between different value systems, each deal—either M-C or C-M—is
strictly based upon equal exchange. Merchant capital attains surplus value from spatial
difference. Meanwhile, industrial capital attains surplus value by incessantly producing new
value systems *temporally*—that is, with technological innovation. This categorical division does not prevent industrial capital from attaining surplus value from the activity of merchant capital. Whatever the kind, capital is not choosy in how it attains surplus value; it always attains surplus value from the difference of value systems by equal exchange in each deal. But, as one of the points that I want to pose, how surplus value is earned—in contradistinction from how profit is earned—is strictly invisible, and the whole mechanism remains in a black box, as it were. Thus invisibility is also a condition for the struggle within the process of circulation.

It is troubling that the majority of Marxists posits surplus value only in the ‘exploitation’ of the production process rather than in the differences between value systems. These Marxists see the relationship between capitalists and wage workers as a (disguised) extension of that between feudal lord and serfs. They believe that this was Marx’s idea. But it originated in the Ricardian Socialists, who drew from Ricardo’s theory of profit the idea that profit making is equal to the exploitation of surplus labor. This became the central theory of the English labor movement in the early 19th century. Though it is true that Marx himself said a similar thing time and again, and it may entertain a vulgar ear, it should be distinguished from that aspect of Marx that actually elucidated the enigma of surplus value. The best it can do is to explain absolute surplus value (achieved by the elongation of the labor day), but not relative surplus value (achieved by the improvement of labor productivity)—the particular characteristic of industrial capitalism. What is more, seeing the relationship between capitalist and wage worker in comparison with the
relationship between feudal lord and serf is seriously misleading: (1) it results in envisioning the abolishment of the capitalist economy from the vantage point of the master/slave dialectic; (2) it leads to centralizing the struggle in production process by ignoring the circulation process.

The Marx of *Capital*, in contrast, stresses the priority of the circulation process. In the manner of Kant, Marx points out an antinomy: he says, on the one hand, that surplus value (for industrial capital) cannot be attained in the process of production *in itself*, and, on the other hand, that neither can it be attained in the process of circulation *in itself*, either. Hence, “Hic Rhodus, hic salta!” Nevertheless, this antinomy can be undone, that is, only by proposing that the surplus value (for industrial capital) comes from the difference of value systems in the circulation process (like in merchant capital), and yet that the difference is created by technological innovation in the production process. Capital has to discover and create the difference incessantly. This is the driving force for the endless technological innovation in industrial capitalism; the productionism never comes from peoples’ hope for the progress of civilization as such. It is widely believed that the development of the capitalist economy is caused by our material desires and faith in progress; so it is that it would always seem possible to change our mentality and begin to control the reckless development rationally; and further, it would seem possible to abolish capitalism itself, when we wish. The drive of capitalism, however, is deeply inscribed in our society and culture; or more to the point, our society and culture are created by it; it will never stop by itself. Neither will it be stopped by any rational control or by state intervention.
Marx’s *Capital* does not reveal the necessity of revolution. As the Japanese Marxian political economist, Kozo Uno (1897-1977) pointed out, it only presents the necessity of crisis.\(^{10}\) And crisis, even though it is the peculiar illness of the capitalist economy, is the catalyst for its incessant development; it is part of the whole mechanism. The capitalist economy cannot eradicate the plague, yet neither will it perish because of it. Environmentalists warn that the capitalist economy will cause unprecedented disasters in the future, yet it is not that these disasters will terminate the capitalist economy. Also, it is impossible that capitalism will collapse by the reverse dynamic, when, in the future, commodification is pushed to its limit.

Finally, the only solution most of us can imagine today is state regulation of capital’s reckless movement. But we should take notice of the fact that the state, like capital, is driven by its own certain *autonomous* power—which won’t be dissolved by the globalization of capitalism. This autonomy should nevertheless be understood in distinction from the sense of historical materialism’s doctrine that state and nation assume superstructure in relationship with economic base; they are relatively autonomous to, though determined by, it. First of all, as we have seen, the very notion that the capitalist economy is base or infrastructure is itself questionable. As I have tried to elucidate in the book, the world organized by money and credit is rather one of illusion, with a peculiarly religious nature. Saying this from the opposite view, even though state and nation are composed by communal illusion, precisely like capitalism, they inevitably exist sheerly

\(^{10}\) See Kozo Uno, *Principles of Political Economy*, translated by Thomas T. Sekine,
thanks to their necessary grounds. Simply said, they are founded on exchanges that are different from the commodity exchange. So it is that, no matter how many times we stress their nature of being “imagined communities,” it is impossible to dissolve them. As young Marx pointed out vis-à-vis another bind: “To abolish religion as the illusory happiness of the people is to demand the real happiness. The demand to give up illusions about the existing state of affairs is the demand to give up a state of affairs which needs illusions. The criticism of religion is therefore in embryo the criticism of the vale of tears, the halo of which is religion.” The same can be said of state and nation.

After reflecting upon “value form,” the Marx of Capital seems to explicate the historical genesis of commodity exchange in the chapter, “Process of Exchange.” There he stresses that it began in-between communities. “The exchange of commodities begins where communities have their boundaries, at their points of contact with other communities, or with members of the latter. However, as soon as products have become commodities in the external relations of a community, they also, by reaction, become commodities in the internal life of the community.” Despite its appearance, this depiction is not strictly of a historical situation, but the form of exchange that is discovered and stipulated only by a transcendental retrospection. And we should elucidate the phenomenon of human exchanges in the broad sense, outside the commodity exchange, in the same

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12 Marx, ibid., p. 176.
manner. The commodity exchange is a peculiar form of exchange among other exchanges. And nation and state are those very two other types of exchange. First, there is exchange within a community—a reciprocity of gift and return. Though based upon mutual aid, it also imposes community’s code—if one does not return, s/he will be ostracized—and exclusivity. Second, the original exchange between communities is plunder. And rather it is this plunder that is the basis for other exchanges: Other exchanges begin only at the point where mutual plunder is given up. In this sense, plunder is deemed a type of exchange. For instance, in order to plunder continuously, it is necessary to protect the victims from other plunderers, and even nurture eco-mono-industrial growth. This is the prototype of the state. In order to keep on robbing, and robbing more and more, the state guarantees the protection of land and the reproduction of labor-power by redistribution. It also promotes agricultural production by public undertakings such as regulating water distribution through public water works. It follows that the state does not appear to be abetting a system of robbery: farmers think of paying tax as a return (duty) for the protection of the lord; merchants pay tax as a return for the protection of their exchange and commerce. Finally, the state is represented as a supra-class entity of reason.

Plunder and redistribution are thus forms of exchange. Inasmuch as human social relations entail the potential of violence, these forms are inevitably present. And the third form is what Marx calls the commodity exchange between communities. As I analyze in detail in the book, this exchange engenders surplus value or capital, though with mutual consent; and it is definitively different from the exchange of plunder/redistribution.
Furthermore and this is the final question of this book—there is a fourth kind of exchange: association. This is a form of mutual aid, yet neither exclusive nor coercive like community. Association can be considered as an ethico-economic form of human relation that would appear only after a society once passes through a market economy. It is thought that Proudhon was the first to have theorized it; according to my reading, however, Kant’s ethics already contained it.

In his famous book, *Imagined Communities*, Benedict Anderson said that the nation-state is a marriage between nation and state that were originally different in kind. This was certainly an important suggestion. Yet it should not be forgotten that there was another marriage between two entities which were totally heterogeneous—the marriage between state and capital. In the feudal ages, state, capital, and nation were clearly separated. They existed distinctively as feudal states (lords, kings, and emperors), cities, and agrarian communities, all based upon different principles of exchange. States were based upon the principle of plunder and redistribution. The agrarian communities that were mutually disconnected and isolated were dominated by states; but, within themselves, they were autonomous, based upon the principle of mutual aid and reciprocal exchange. Between these communities, markets or cities grew, these were based upon monetary exchange relying on mutual consent. What crumbled the feudal system was the permeation of the capitalist market economy. On the one hand, this engendered absolutist monarchical states which conspired with the merchant class, monopolized the means of violence by toppling feudal lords (aristocracy), and finally abolished feudal domination (extra-economic
domination) entirely. This was the story of the wedding between state and capital. Protected by the absolutist state, merchant capital (bourgeoisie) grew up and nurtured the identity of the nation for the sake of creating a unified market. Yet this was not all in terms of the formation of the nation. Agrarian communities, that were decomposed along with the permeation of market economy and by the urbanized culture of enlightenment, always existed on the foundation of the nation. While individual agrarian communities that had been autarkic and autonomous were decomposed by the osmosis of money, their communalities—mutual aid and reciprocity—themselves were recovered imaginarily within the nation. In contradistinction from what Hegel called the state of understanding (lacking spirit), or the Hobbesian state, the nation is grounded upon the empathy of mutual aid descending from agrarian communities. And this emotion consists of a feeling of indebtedness toward the gift, indicating that it comes out of the relation of exchange.

It was amidst the bourgeois revolution that these three were officially married. As in the trinity intoned in the French Revolution—liberty, equality, and fraternity—capital, state, and nation copulated and amalgamated themselves into a force as inseparable ever after. Hence the modern state must be called, sensu stricto, the capitalist-nation-state. They were made to be mutually complementary, reinforcing each other. When economic liberty becomes excessive and class conflict is sharpened, the state intervenes to redistribute wealth and regulate the economy, and at the same time, the emotion of national unity (mutual aid) fills up the cracks. When facing this fearless trinity, undermining one or the other does not work. If one attempts to overthrow capitalism alone, one has to adapt
statism, or one is engulfed by nationalist empathy. It goes without saying that the former appeared as Stalinism and the latter as fascism.

Among the three principles of exchange, in the modern period, commodity exchange expanded and overpowered the others. Inasmuch as it operated within the trinity, however, it is impossible that the capitalist commodity exchange could monopolize the whole of human relationality. With respect to the reproduction of humans and nature, capital has choice but to rely on the family and agrarian community; in this sense capital is essentially dependent upon the pre-capitalist mode of production. Herein exists the ground of the nation. On the other hand, while absolutist monarchs disappeared by bourgeois revolutions, the state itself has remained. The state can never be dissolved and subsumed into the representatives of national sovereignty (=government). For the state, no matter what kind, always exists as the bare sovereign vis-à-vis other states (if not always to its nation); in crises (wars), a powerful leader (the subject of determination) is always called for, as evidenced in Bonapartism and fascism.

We frequently hear today that the nation-state will be gradually decomposed by the globalization of capitalism (neo-liberalism). This is impossible. When individual national economies are threatened by the global market, they demand the protection (redistribution) of the state and/or bloc economy, at the same time as appealing to national cultural identity. So it is that any counter-act to capital must also be one targeted against the state and nation (community). The capitalist-nation-state is fearless because of its trinity. The denial of one ends up being reabsorbed in the ring of the trinity by the power of the other two. Counter-
movements in the past, such as corporatism, welfare society, and social democracy, rather resulted in the perfection of the ring, instead of its abolition.

Marx thought that the socialist revolution would be possible only in the most advanced country, England, because socialism was supposed to be possible only in the stage where bourgeois society was fully ripe, ripe enough to decompose. Nonetheless, in reality it could not have seemed less likely to him that it would occur. In the particular situation where universal suffrage was installed and labor-unions strengthened, revolution seemed like it had receded even farther into the distance. What receded, however, was the revolution that was imagined from the vantage point of and as an extension of bourgeois revolution; the fact was that from that juncture on, a different kind of revolution came to be called for. One should not forget that it was under such circumstances that Marx came to grips with the task of writing *Capital*. His recognition that a criticism of capitalism would no longer suffice made him write such a monumental piece.

Gramsci spoke of revolutionary movements using figures of military tactics: the war of maneuver (frontal attack) and the war of position. The war of maneuver signifies a confrontational and direct fight with the state government, while the war of position indicates a struggle within and against the hegemonic apparatus of civil society, residing behind the state governmental apparatus. In this context, he clearly stated that what had worked in the Russian Revolution would not work for Western civil societies. “In Russia, the State was everything, civil society was primordial and gelatinous; in the West, there was a proper relation between State and civil society, and when the State trembled a sturdy
structure of civil society was at once revealed. The State was only an outer ditch, behind which there stood a powerful system of fortresses and earthworks. . .”14 Whether there was a proper relation between State and civil society, that is, whether there was a mature civil society should be restated, in our context, as whether there was a proper copulation/amalgamation between capital/nation/state.

In Italy, the Leninist struggle that was led by Gramsci and centered on the occupation of factories was smashed by fascists. Its weakness was due to its reliance on nationalism. Meanwhile, in Russia, where the wedding of capital/state/nation had not been completed, wars were fought on behalf of the Tzar and not for the nation; therefore, the socialist revolution had been able to, or had to, resort to nationalism. Since then, many socialist revolutions have borne national independence movements; in those regions where state apparati and capitals conspired with colonialist powers, it was the socialists who informed and realized nationalism. The success of the revolutions unfortunately does not teach us anything further concerning the struggle where the capital/nation/state trinity is well established.

How, then, is a true socialist revolution possible in a highly bourgeois society? Marx did not answer this question directly. Yet it is certain that he had already confronted the same question in Capital. After Marx’s death, Engels was encouraged by the remarkable advance of the German Social Democratic Party, and he came to think that a revolution was possible by parliamentarianism. A disciple of Engels’, Eduard Bernstein,

14 Antonio Gramsci, Selections from Prison Notebooks, edited and translated by Quintin
totally removed the residue of revolutionary fervor that Engels had harbored. Then, of course, Lenin and Rosa Luxemburg attacked this tendency. Denying the observation that the socialist revolution was possible only in bourgeois society where the capitalist economy was fully developed, they insisted that a jump over the stages was not only possible but necessary.

This problem should be expressed, however, less as that revolution was possible only in advanced nations than as that in the advanced nations, classical revolution—which inherited the form of bourgeois revolution—had become obsolete. Thus a new idea came to be required. It was that the revisions of Engels et al were the responses to this situation. In the nations where capitalism was not fully developed, revolutions tended to follow the path of bourgeois revolution. Many of the socialist revolutions of the 20th century sought to establish the modern nation-state itself by way of national liberation or independence; they succeeded because of this objective. Therefore, the problem ever since has been to discern if a jump is really possible.

It was Trotsky who pioneered a keen understanding of the problem. After the Russian Revolution of 1905, he came to think that a jump would be possible since the bourgeois civil society in Russia was only poorly developed, and the main target was the state power. Yet he also confronted the impossibility of the jump. For the government led by the proletariat class had to itself render the primitive accumulation (namely, the robbing of farmers)—that which capital had previously done—and an absolutist dictatorship was

required to do this. He had a conviction in his theory that the aporia could be solved by the permanent revolution. And the real situations subsequently proved his prophecies in both aspects.

Revolutions in the backward nations were deemed crucial from the vantage point that they could corner the capitals of advanced nations by blockading markets. In consequence, however, the blockade only cornered the economy of socialist nation-states, and had no power over the development of world capitalism. Furthermore, in the late 1980s, the bourgeois revolution—that which was believed to have been jumped over—finally hit in the socialist bloc. After a detour of one full century, leftists have now returned to the position of Bernstein, of a social democracy; and this has totally lost the objective of abolishing capital and state. Not only has it not been able to prevent the imperialist war, but it has also been involved in the frenzy itself. And it is quite possible that it will repeat the same faux pas in the future. Yet, as all of us know well by now, Leninism cannot replace it. Is there an alternative? I would posit that it can be found in Capital, the book Marx wrote as he deliberately remained in England where the possibility of revolution was fading away. As I have explained, capital, nation, and state and their trinity are rooted in the necessary forms that human exchange could assume, and therefore, it is nearly impossible to get out of the ring. Marx in Capital, however, discovered an exit, the fourth type of exchange—association.

The Marxists of the late 19th century overlooked the communism of later Marx, the idea that an association of associations would replace the capital/nation/state. In The Civil
War in France--written as an address to the general council of the international working men's association--Marx wrote: "if united co-operative societies are to regulate national production upon a common plan, thus taking it under their own control, and putting an end to the constant anarchy and periodical convulsions which are the fatality of Capitalist production--what else, gentlemen, would it be but Communism, ‘possible’ Communism?"15 The association of producers/consumers cooperatives has been conceptualized and practiced by socialists since Robert Owen, and by Proudhonist anarchists. In Capital, too, Marx considers cooperatives in comparison with stock companies and highly appreciates them: while stock companies are only passive abolition [Aufhebung] of the capitalist system, the positive abolition is discovered in the cooperative of which stockholders are workers themselves.16 But Marx saw their limits as well. They are destined either to fail in the fierce competition with capital, or to turn themselves into stock companies. For this reason, both Lenin and Engels ignored them or, at best, marginalized them as subordinate to labor movements. On the other hand, and notwithstanding the limits, it was precisely in them that Marx saw the possibility of communism.

Bakunin attacked Marx as a centralist thinker by associating him with Lassalle. He either did not know or ignored the fact that Marx was critical of Lassalle’s direction (the Gotha Programme) to have the state protect and foster cooperative production. Marx was clear: “That the workers desire to establish the conditions for co-operative production on a social scale, and first of all on a national scale, in their own country, only means that they

are working to transform the present conditions of production, and it has nothing in common with the foundation of co-operative societies with state aid. But as far as the present co-operative societies are concerned, they are of value only insofar as they are the independent creations of the workers and not protégés either of the government or of the bourgeois.”¹⁷ In other words, Marx is stressing that the association of cooperatives itself must take over the leadership from the state, in the place of state-led-cooperative movements. Whereby capital and state will wither away. And this kind of proposition of principle aside, Marx never said anything in particular about future prospects.

All in all, communism for Marx was nothing but associationism, but inasmuch as it was so, he had to criticize it. Marx was thinking in-between Lassalle and Bakunin. This oscillation allowed later generations to draw either stance from Marx’s thought. But what we should see here is less contradiction or ambiguity than Marx’s transcritique. What was clear to Marx was that it is impossible to counter autonomous powers of state and capital by simply denying state or nurturing the non-capitalist mode of production, i.e., consumers/producers cooperatives. To tackle this task a deep scrutiny into (and critique of) capital/state reciprocity is required. Where can we find the clue to form the counter movement? This, I believe, is in the theory of value form in *Capital*. In the preface, Marx clarified his stance as follows:

¹⁶ See *Capital*, Vol. 3, p. 567

To prevent possible misunderstandings, let me say this. I do not by any means depict the capitalist and landowner in rosy colors. But individuals are dealt with here only in so far as they are the personifications of economic categories, the bearers [Träger] of particular class-relations and interests. My standpoint, from which the development of the economic formation of society is viewed as a process of natural history, can less than any other make the individual responsible for relations whose creature he remains, socially speaking, however much he may subjectively raise himself above them.¹⁸

The “economic categories” mentioned here signify the forms of value. Who are capitalists and proletariats is determined by where the individuals are placed—in either relative form of value or equivalent form. This is totally irrespective of what they think. This structuralist view was a necessity, yet at the same time, for the lack of subjective moment, this seems to make it impossible for the movement to sublate the value forms, namely, the forms of capital/wage labor. (Here Marx did not suffice with simply accusing capitalism of immorality; this is the essence of Marxian ethics.) In Capital, there is no subjectivity. Even capitalists—especially those in stock companies—are agents of capital’s movement, but not subjects. The same is true of workers. So it is that people either read in Capital the (natural historical) law of history whereby a capitalist society gradually yet apodictically turns into a communist society, or sought motives of revolutionary act in pre-Capital texts. As is

¹⁸ Capital, p. 92.
evident, however, neither method worked. Concerning the former, it is totally impossible to assume that capitalism will end autotelically. There cannot be a telos as such in natural history in principle. Concerning the latter, what were discovered in those texts are, more or less, subsumed into a narrative of the Hegelian dialectic of master and slave: that is, proletariat *qua* slave will finally rebel against bourgeoisie *qua* master at the extremity of alienation and impoverishment. In this narrative, a workers’ rebellion is supposed to take place in the production process as a general strike, and this would lead to their seizure of state power. I cannot believe that the position of the Marx at the time of writing *Capital* was such. If *Capital* has been rather shunned by Marxists themselves, it is more because of the difficulty in finding a prospect of revolution therein. And the new revolution would have to be different from those which could happen in various places of the world outside England and North America. Then, how is a revolution possible in the world where there seems to be no moment for subjective intervention to appear?

The fact that in value form, place determines the nature of the subject who occupies it, nevertheless does not prevent capitalists from being subjective. Since capital itself is the subject of a self-reproductive movement, the agents—capitalists—can be active, and this activity is precisely that of money or the position of purchaser (the equivalent form). On the other hand, those who sell the labor-power commodity—workers—have no other choice but to be passive. In this relationality, it is only natural that they can only engage in an economist struggle wherein they negotiate with capitalists over their own commodity price. It is absolutely impossible to expect workers to stand up under such conditions. If this has
occurred historically, it has been thanks to social chaos resulting from war, or a situation where employers were particularly villainous. But it is not that workers resistance against capital is totally hopeless. The movement of capital $M\rightarrow C\rightarrow M'$, namely, the realization of surplus value, is dependent upon whether or not products are sold. And surplus value is realized in principle only by workers in totality buying back what they produce. In the production process, the relationship between capitalist and workers is certainly like that between master and slaves. But the process of capital’s metamorphosis (or trans-substantiation) is not so one-dimensional as to be defined by that. Because at the end of the cycle, capital, too, has to stand in the position of selling (the relative form of value), and it is precisely at this moment and this moment only that workers are in the subjective position. This is the place where the commodities of capitalist production are sold—the place of consumption. This is the only place where workers in totality with purchasing power are in the buying position. Marx articulated this: “What precisely distinguishes capital from the master-slave relation is that the worker confronts him as consumer and possessor of exchange values, and that in the form of the possessor of money, in the form of money he becomes a simple center of circulation—one of its infinitely many centers, in which his specificity as worker is extinguished.”19 For capital, consumption is the place where surplus value is finally realized, and for this objective precisely, the only place where it is subordinated to the will of consumers/workers.

In the monetary economy, buying and selling as well as production and consumption are separated. This introduces a split in the workers’ subject: as workers (the sellers of labor-power commodity) and consumers (the buyers of capitalist commodities). In consequence, it comes to appear as if corporations and consumers were the only subjects of economic activities. It also segregates the labor and consumers' movements. In recent history, while labor movements have been in a deadlock, consumers' movements have flourished, often incorporating issues of environmental protection, feminism, and minorities. Generally, they take the form of civil action, and are not connected to, or are sometimes even antagonistic to, the labor movement. After all, though, consumers' movements are laborers’ movements in transposition, and are important only inasmuch as they are so. Conversely, the labor movement could go beyond the bounds of its ‘specificity’ and become universal inasmuch as it self-consciously acts the consumers' movement. For, in fact, the process of consumption as a reproduction of labor-power commodity covers a whole range of fronts of our life-world, including child care, education, leisure, and community activities. But what is at stake here is obviously related to, yet clearly different from the process of reproduction in the sense of Gramsci—the cultural ideological apparati such as family, school, church, etc. In our context, it is first and foremost the process of the reproduction of labor-power as a topos of ordeal for capital’s self-realization, and hence the position in which workers can finally be the subject.

Marxists failed to grasp the transcritical moment where workers and consumers intersect. And in this sense, the anarcho-sandicalists, who opposed them, were the same.
They both believed that what had been evident in the feudal system came to be veiled under the capitalist commodity economy; therefore, the workers are supposed to stand up and overthrow the capitalist system according to the dialectic of master and slave. But in reality, workers do not stand up at all, because, they believe, the workers’ consciousness is reified by the commodity economy, and their task as the vanguard is to awaken workers from the daydream. They believe that the reification is caused by the seduction of consumerist society and/or manipulation by cultural hegemony. Thus, to begin with, what they should and can do is to critically elucidate the mechanism. Or to say it outright, that is the only business left for them today. What Fredric Jameson calls “the cultural turn” is a form of ‘despair’ inherent in the Marxist practice. There are various forms of the despair, but they are, more or less, all the result of production-process-centrism.

What about civil acts that overlap the consumption front? In keeping a distance from labor movements, they lack a penetrating stance toward the capitalist relation of production. They tend to be absorbed into the social democracy that, approving the market economy, seeks to correct its shortcomings through state regulations as well as redistribution of wealth.

The movement of capital is endless in the double sense: it has no purpose and it lasts endlessly. Even though it is self-evident that the movement will bring ruin on the future of humanity, it will never end by itself, if not for our ethical/practical intervention. Nevertheless, as the Marx of Capital stated, the capitalist economy has a structural compelling power that nullifies individual responsibility. How, within this theoretical
domain, is ethical/practical intervention possible? This, I insist, should be located in the movement of capital, M-C-M’, itself. In this process, there are two critical moments that capital has to confront: buying labor-power commodity and selling products to workers. Failure in either moment disables capital from achieving surplus value. In other words, it fails to be capital. That is to say that in these moments workers can counter capital. The first moment is expressed by Antonio Negri as “Don’t Work!” This really signifies, in our context, “Don’t Sell Your Labor-Power Commodity!” or “Don’t Work as a Wage Laborer!” The second moment says, like Mahatma Gandhi, “Don’t Buy Capitalist Products!” (And, of course, this should not be for the protection of national capital.) Both of them can occur in the position in which workers can be the subject. But in order for workers/consumers to be able ‘not to work’ and ‘not to buy’, there must be a safety net whereupon they can still work and buy to live. This is the very struggle without the capitalist mode of production—the producers/consumers cooperatives. The struggle within inexorably requires these cooperatives and LETS (Local Exchange Trading System) as an extra-capitalist mode of production/consumption; and furthermore, this can accelerate the reorganization of capitalist corporation into cooperative entity. The new counter movement against capital/state should be organized by interaction between the one immanent in and the one exscendent to the capitalist mode of production/consumption.

Karl Polanyi likened capitalism (the market economy) to cancer.20 Coming into existence in the interstice between agrarian communities and feudal states, capitalism invaded the internal cells and transformed their predispositions according to its own
physiology. And it is still parasitic. If so, the transnational network of workers *qua* consumers and consumers *qua* workers is a culture of anti-cancer cells, as it were. In order to eliminate it, capital and the state would have to eliminate the conditions by which they were produced in the first place. According to my reading, Marx’s *Capital* offers a logical ground for the creation of this culture. That is, the asymmetric relationship inherent in the value form (between commodity and money) produces capital, and it is also here where the transpositional moments that terminate capital can be grasped. And it is the task of transcriticism to make full use of the moments.

Finally, in this book, I could include but little of my reflections on the state, nation, and power, which form an indispensable partner to these reflections on capital. Neither have I included the particular historical context of Japan—the state, its modernity, and its Marxism—in which my thinking was fostered. I plan to fully deal with these in the sequel to this book, *Transcritique 2*. In fact I owe much of my thinking to the ‘tradition’ of Japanese Marxism, and transcritique could not exist without the historical context of Japan. It is nurtured in the difference between Japanese and Western, as well as other Asian contexts, and my own singular experience of oscillating and traversing between them. In the present volume, in the place of directly writing about these experiences, I have only dealt with the theoretical events between the texts of Kant and Marx.

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