

INTRODUCTION

The people are never more fecund or more strong than on the morrow of a general bankruptcy.

PIERRE-JOSEPH PROUDHON

I know no creative person can thrive in this economy. *You will lose us.*
I am the 99%.

OCCUPYWALLST.ORG

They have been freezing money in Greece. Between 2010 and 2012, approximately €72 billion was withdrawn from bank accounts and hidden in ice-boxes, vacuum cleaners, bags of flour, pet food containers, mattresses, and under floors. The exodus of cash from bank to home, financial network to private sphere, prompted a significant rise in violent house burglary. While wealthier Greeks were investing heavily in London real estate, others were hoarding cash in more mundane domestic spaces because of what might happen to their bank accounts should Greece leave the Eurozone and launch its own independent currency. Fearful that their savings would be decimated overnight, Greeks were reversing the conventional wisdom that a bank is the most secure place to keep your money. What began as a crisis in the U.S. subprime mortgage market in 2007 was now manifesting itself as a slow-motion bank run. This problem was not confined to Greece but was happening throughout the Eurozone amid widespread doubt about the future of a project that had been launched with such optimism a little more than a decade before.

Since the collapse of Lehman Brothers in September 2008, the world's major central banks have been plowing vast quantities of money into the banking system. The U.S. Federal Reserve has made commitments totaling some \$29 trillion, lending \$7 trillion to banks during the course of one

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single fraught week. The Bank of England has spent around £325 billion on quantitative easing alone—a figure that could yet rise to £600 billion—while the U.K. government has committed a total of £1.162 trillion to bank rescues. The European Central Bank has made low-interest loans directly to banks worth at least €1.1 trillion. These measures are not addressing the crisis alone. In April 2013, the Bank of Japan embarked on a quantitative easing program worth some \$1.3 trillion, designed to end more than a decade of deflation. The social costs of the crisis, too, have been devastating. These are the costs both of the crisis itself and importantly of the policies used by governments and central banks to alleviate its effects on those very institutions that caused it. Where governments have pursued austerity programs involving significant cuts in public spending, the effect has been greatest on the weakest members of society. In the United States and the United Kingdom and in countries on the periphery of the Eurozone, people on state pensions, working for low pay or relying on social welfare, alongside those in public sector jobs such as education and health, have been hardest hit, amid rising unemployment, creeping economic stagnation, and the threat of prolonged economic recession. It seems irrefutable that society's poorest are paying for the misjudgments of its wealthiest.

The underlying causes of the crisis are deeply entrenched in the history of modern capitalism, and its immediate catalyst was located in the U.S. subprime mortgage market. These were mortgages held by the poorest borrowers, those deemed most at risk of default and charged higher rates of interest as the price of that risk. The subprime market was demographically skewed: 47 percent of Hispanic homebuyers were issued subprime-mortgage loans in 2006, compared with 26 percent of white and 53 percent of African-American homebuyers (Leigh and Huff 2007: 5). Rising interest rates drove many of these borrowers into default in 2007, triggering a credit contagion that wove a red thread of insolvency from the poorest to the richest strata of society, spreading quickly across the global financial system throughout 2008. The outcome was multiple bank failures, an economic downturn in most Western economies that may go on for some years yet, and a protracted sovereign debt crisis in the Eurozone whose economic and political consequences are likely to be profound. Central banks were under political pressure to loosen their monetary policies, and sometimes to engage in competitive currency devaluation—so-called currency wars—as a means of boosting exports and kick-starting economic recovery. As what some experts believe is a further consequence of the crisis, by a circuitous but discernible route, several governments collapsed amid political uprising in the Middle East

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during the first half of 2011.¹ The broader ramifications of the crisis for the global economy, its effect on the emerging BRIC economies (Brazil, Russia, India, and China), for example, are yet to be fully discerned.

This is a crisis of *legitimacy* as much as *economics*, provoked by the contrast between the resources that governments have devoted to rescuing banks and on the other hand, their subsequent willingness to make dramatic and socially corrosive cuts in public expenditures. Many financial institutions have been saved from insolvency by a combination of public funds and creative accounting, but households and individuals tend to be granted no such leniency. The crisis has polarized every society that has been affected by it, giving birth to a meme—the 99 percent—that is inextricably tied to rising resentment and hostility toward Wall Street. Faced with these realities, it is little wonder that a war has been declared on the banking system through political protests that have embraced as wide a spectrum of society as the original crisis itself. The political rhetoric is not simply about unequal wealth and income distribution. At a more fundamental level, and in a more precise way, it attacks the financial system that is responsible for perpetuating it.

Of course, just calling this a banking crisis is too narrow a description. And to speak of banks as if they were all the same—to wit, part of an overarching Wall Street system—glosses over the complexity of financial institutions that do not operate in unison and are fragmented within themselves. Indeed, one could argue that divisions within banks, and their fragmented epistemic cultures, played a significant role in bringing the crisis about (MacKenzie 2011). Nevertheless, it is mainly the banks that have provided the conduit through which critique and protest have flowed since the crisis began. The Occupy movement is broad-based, its aims unclear, its progress uncertain. But its core thesis—that the financial system has grown absurdly disproportionate relative to the rest of the economy: distorting capitalism, widening inequality, damaging society, and exposing its key public institutions to unacceptable risks—has gained popular support across the political spectrum, on both left and right.

1 The crucial link is food prices, which rose sharply toward the end of 2007 and spiked during early 2008 in Egypt and throughout much of the Middle East and North Africa (MENA) region. According to some experts, this spike was a significant factor in provoking political unrest. Food prices were peaking worldwide, partly because speculators were turning to the commodities markets (instead of credit markets), such as food, in the immediate aftermath of the subprime crisis (Lagi, Bertrand, et al. 2011). See <http://www.psmag.com/politics/why-the-middle-east-is-rioting-46792/>.

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This phenomenon raises a question that has been in the background of political discussion of events in the financial system since 2007 but remains largely unremarked upon by scholars: where did the crisis leave *money*? The way that governments and central banks have used their rights over money's production to provide liquidity and capital to the financial system is at the vortex of the crisis. The question of "who pays" goes to the very heart of issues about how society organizes its money. The right to create money raises profound questions about power, freedom, justice, and law. Simmel once described money as a "claim upon society" (Simmel 2004: 177). By doing so, he captured the sense in which the monetary system must be underpinned by *trust*, not merely between particular individuals, but also across society as a whole. The nexus of mutual obligation upon which money depends has been eroded by a system that allows immensely profitable banks to remain solvent at the public's expense. This erosion places the monetary system itself, configured around the state's special rights over the definition and production of money, under serious question.

My aim in this book is to stand back and reconsider the nature of money, particularly its social nature, not just in light of the specific events and political sentiments just described, but *in toto*. The book's purpose, in short, is to explore money's *social life* in all of its myriad complexity. Potentially, this moment could be a significant time of realignment in the way our money and credit systems are organized. To make the most of this moment, we need to return to some of the most fundamental questions there are about money, to refresh our thinking. These questions include those about the source of money's *value*, its relationship with *time* and *space*, its role in *society* and connections with *community*, its relationship with *power* and the *state*, its ancient links with *ritual* and *religion*, as well as its deep associations with the *unconscious* and with *culture*, *self*, and *identity*. These major issues have been addressed within correspondingly large scholarly literatures. My specific aim is to bring them to bear on the opportunities we have now, not simply to *rethink* money but also to *reframe* and *reorganize* it. The crisis and its aftermath have contributed to a sense that this could be a tipping point for money.

The financial crisis has provoked a widespread discussion about how the monetary system should legitimately be organized: about which institutions have the right to produce money and about the legitimate scope of banks' ability to create credit. Insofar as the crisis has given rise to a sense that the monetary system has become "tainted" through its close structural connections with a banking system that is dangerously inflated, the relationship between money and *society* about which Simmel had so much to

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say has been damaged, too. At the very least, the terms of that relationship need to be understood more thoroughly. Walter Benjamin—who as we see in Chapter 4, made some fascinating observations about capitalism and the history of debt—wrote of an “angel of history,” surveying the past as a repetition of crisis and catastrophe. The angel wanted to “make whole what has been smashed” (Benjamin 2003b: 392) in order to redeem damaged history and thereby renew the present. This spirit resonates with my argument in this book. We have been living through a moment in monetary history in which we are confronted with not only the opportunity but also the *obligation* to revisit, and refresh, everything we thought we knew about the social life of money.

With rich possibilities for reforming money, however, conceptual difficulties arise. During the past two decades or so, there has been a growing interest in the changing nature of money. Researchers have been looking into the emergence of new monetary forms, for example, complementary currencies and Internet or electronic monies. Scholars have been predicting that the relationship between money and the *state* is coming under increasing threat from “alternative” monies. But for all the empirical richness that these recent contributions add to our understanding of money, there is no common view of what *counts* as money in a general sense. There never has been a consensus about this: the extant literature on money is replete with debates over competing definitions. Even our language is confused. Take the distinction between “money” and “currency.” Most scholars accept that the second term is narrower than the first, but they are divided as to whether it should refer simply to legal tender, or whether currencies are monies that—literally—circulate in the sense of being passed from hand to hand.²

Definitional debates about what to *call* money run on, and theoretical disputes between the proponents of leading schools of monetary thought are as fiercely contested as ever. Even today, fundamental differences between economists about the need for austerity in monetary and economic policy are underpinned by doctrinal feuds (e.g., between Keynesians and “Austrians”) about the nature of money. There are major differences here that are unlikely to be resolved. I am not seeking to resolve such differences in this book or to take sides in the debates they generate. Rather, my analysis seeks to encourage a sense of experimentation in the way that money is

2 The *Oxford English Dictionary* carries both definitions of currency: as “that which is current as a medium of exchange; the circulating medium (whether coins or notes); the money of a country in actual use,” and on the other hand, as “the fact or quality of being current or passing from man to man as a medium of exchange; circulation.”

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conceived and organized—both to avoid the sense of estrangement and loss toward money that people often experience in the teeth of an economic crisis and to help realize that promise of fecundity about which Proudhon spoke. To *redeem* and *reinvent* money, we must also *rethink* it; indeed, these tasks are inseparable. To carry them out successfully, however, a clearer sense of order needs to be given to the vast scholarly literature on the nature of money.

There are three sets of questions in particular that I want to pursue in the book. The first set is *conceptual*. Is money a *process* or a *thing*? Is it a *commodity* or a *social relation*? What explains the *value* of money? What are money's *key functions*? Why are there so many competing (and contradictory) *definitions* of money? What were the *origins* of money, and how important are they for understanding how it works now? Money, I want to suggest, is essentially a fiction: a socially powerful—and socially *necessary*—illusion. Money's great, sweeping historical associations—with gold and with states, for example—are inessential. It can exist without them, as much as their structures linger. That is to say, money is not *necessarily* a creature of the state. Nor *must* it be a form of credit that is created, *ab initio*, by banks. Empirically, money is enormously complex, and the possibilities for organizing it are immensely varied. The monies we encounter in reality are not completely empty, not exactly fictional, and never absolutely fungible. But what do these apparently partial forms of money have in common that enables us to call them “money”? It is not possible to arrive at a satisfactory empirical answer to this question. Any answer that focuses on the functions of money, its material qualities or institutional affiliations, is bound to fall short: there are always exceptions and counterexamples. A more theoretically nuanced answer is required, one that embraces all of the various empirical forms of money without lapsing into an arbitrary nominalism.

This book, therefore, begins with the proposition that money is an extraordinarily powerful *idea*. My understanding of this proposition comes from Simmel, whose *Philosophy of Money* was published (complete) in 1907. Simmel's exploration of money had started more than fifteen years earlier, with an article about the social psychology of money. He was fascinated by the notion that—as an *idea*—money is a perfect means of exchange, able to convert qualitative differences between things into quantitative differences that enable them to be exchanged. His interest in money was psychological, philosophical, and sociological. It centered first on determining what the social, cultural, and economic preconditions are for such an intellectually remarkable tool of exchange to exist. He then set out to discover the effect of its widening circulation upon society. Since the book was published, most

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attention has been paid to Simmel's remarks on the negative consequences of money's expansion. According to this view, as our social relations are increasingly mediated by money, they become more abstract and featureless, and our inner lives are rendered ever more devoid of inner meaning and subjective value. Many sociologists and anthropologists disagree, arguing that money has not corroded social meaning in the way he suggested. One of the key concerns of this book is to examine the normative implications of this argument: to explore the possibilities for *improving* society through the way we organize its money. Simmel, too, had strong views about this prospect, which some readers may find surprising.

The diversity of notions of money within the literature provides us with ever-present opportunities for reinventing it. My aim in this book is to nurture this sense of diversity within monetary theory. We need to discover, clarify, and promote those qualities that make money such a potentially fruitful site for social, political, and economic reform. Galbraith once complained that scholarly discussions of money tend toward "priestly incantation" as those with expertise in the field deliberately cultivate the belief that they are in "privileged association with the occult" (Galbraith 1975: 4–5). The language is strikingly reminiscent of that in Adorno's withering critique of astrology, "Theses Against Occultism" (Adorno 2007). Against this language, I have sought to bring a narrow, specialist literature on money into contact with much broader debates in contemporary social thought. There is a rich seam of scholarly discussion of money by social and cultural theorists, philosophers, and literary critics that is rarely aired in discussions between monetary specialists. Many thinkers who are reasonably familiar to a wider readership—Agamben, Bataille, Baudrillard, Benjamin, Deleuze, Derrida, de Saussure, Negri, and Nietzsche, to name but a few—have made imaginative and potentially incisive contributions to our conception of the nature and significance of money. Their ideas on this subject are doubly intriguing when set against the arguments of scholars who are specialists within the field. In each of the chapters that follow, this is the kind of dialogue, and spirit of intellectual adventure, that I have sought to cultivate.

The second set of questions that I am exploring in the book is *sociological*, although I shall be seeking answers in a range of social science traditions besides the field of economic sociology, including anthropology, political science, social theory, and geography, as well as in heterodox (and especially Keynesian) branches of economics. In what sense is money—as Simmel describes—a *claim upon society*? What is this claim *based* on, and what *sustains* it? Does money require the backing of a *political authority* to be trusted by its users? What are the main social and political differences

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between fiat monetary systems, which are organized *vertically*, and *horizontal* systems, where there is no issuing authority? If money is a form of *debt*, to whom is the debt actually owed—and who owes it? How important are *banks* for the operation of money on a large scale? Once we start asking these more specific questions, we must also ask what exactly Simmel *meant* by “society” in this context. Was the term as he used it synonymous with *nation-state*, as it is often taken to be, or—as I intend to argue—did it have more in common with Simmel’s own, much more fluid, notion of *sociation*? If so, much more needs to be said about Simmel’s description of money, and above all, about its relevance to present-day debates about the way that our monetary systems are organized.

There are numerous ways of presenting the debate over the nature of money. Conventionally, economists define money according to its basic functions; or, following Keynes, they distinguish between money’s abstract role as a *money of account* versus its properties as a *medium of exchange*. In this book, I focus more broadly upon money’s features as a *social form*. It is, for example, the *universal commodity form* (Marx 1982: 162 and ch. 2), a *claim upon society* (Simmel 2004: 177), diffuse *social media* (Zelizer 1997: 21), a *social technology* (Ingham 2004b: 1; Smithin 2008: 36), an *instrument of collective memory* (Hart 2001: 243), a *generalized symbolic medium* (Parsons 1968), a *social process of commensuration* (Maurer 2007: 126), and a *communal illusion* (Karatani 2003: 203). Even if we agree with Simmel about the importance of trust in money, it is far from obvious that the “society” he had in mind when describing it was equivalent to a *nation-state*. As a sociologist, Simmel himself was not committed to the idea (*pace* Durkheim) of society as an entity that exists over and above the individual, as something both real and constraining. On the contrary, he defined sociology as the study of *sociation*, not society (Simmel 2009: 22–23; Pyyhtinen 2010). Keith Hart offers an alternative formulation to Simmel, which I take up later in the book. He accepts Simmel’s underlying proposition that money is a “token of society” but opens up the idea of society by differentiating it into *state*, *nation*, and *community* (Hart 2001: 235). Each term offers its own distinct treatment of the sociological foundations of money. My argument is that these treatments are *alternatives*: they are not mutually exclusive and should not be run together. I have called this book *The Social Life of Money* to capture this flexibility and to escape from connotations of the term “society” that are all too easily associated with national borders. After all, the relationship between these borders and various kinds of money is increasingly open to question. By referring to the *social life* of money, I intend to draw attention to the sense in which money’s value, indeed its very existence, rests on *social*

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relations between its users. These relations are shaped by a range of historical, cultural, political, and institutional factors. They are complex and dynamic, variable and contested. And crucially for my argument in this book, they are open to renewed—and urgent—critical questioning.

This notion leads into our third set of questions, which is *normative*. Is there an *ideal* monetary form, and if so, what are its social and political features? What is the purpose and scope of *monetary reform*—and why should it be attempted? Can money be a means for achieving social change, e.g., for addressing social inequality or extending social and economic inclusion? Should money be *neutral* in the way that classical thinkers suggested? Or is money inevitably a vehicle of *power*—and if so, how should its power be used or restrained?

Monetary reform has been on the agenda for a long time. Many of the new projects that we see today are variations on much older schemes and themes. Since the early 1990s, however—and especially since the crisis—there has been a genuine surge of interest in the changing nature of money, partly because of the emergence of new forms such as local currencies and digital monies. Whereas the financial crisis appears to have fueled the enthusiasm of wider publics for new forms of money and credit, it has also underlined the argument that the role of states and banks in money's social production may be undergoing a fundamental transformation. As the Cypriot banking crisis erupted during the early months of 2013, the value of Bitcoins (a currency that severs links with *both* the state *and* the banking system) rose sharply against both the euro and the U.S. dollar. There are many possible explanations for this, not least that we were simply witnessing a bubble. But the debates that have sprung up around the Bitcoin phenomenon are revealing because most of them are focused on the possibilities of developing a serious rival to state currency.

At a protest march in London during 2011, one cardboard banner, suspended from the entrance of NatWest bank in Paternoster Square, captured this view. It said, "We are the true currency."³ The words strike an intriguing counterpoint in the war against banks because they imply that the system can be transformed, not completely overthrown, by being reconfigured on a more human scale. They suggest, moreover, that money's value is derived from *social life*. This idea would suggest that money is not simply a claim upon society, but—ideally—*is* social life, gaining its value not from the institutions that produce it but from the people who use it. The sentiment

3 See <http://www.demotix.com/news/876663/occupy-london-st-pauls-cathedral#media-876391>.

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nurtures the idea that money *can* play a crucial and constructive role in imagining and shaping alternative economic and financial futures. Money, in other words, is as much a *solution* to the problems the banking crisis has exposed as it was ever a *cause*. Money, in short, is capable of achieving more for our societies than we have allowed it to.

Money, *all* money, contains a utopian strain. This strain is the quality that has fascinated and perplexed social thinkers of almost every possible outlook. Money rests on an extraordinarily powerful ideal, the ideal of complete fungibility. Money, Borges tells us in “El Zahir,” “symbolizes man’s free will” because it can be transformed into anything (Borges 1968). It derives its utopian quality from its sense of being absolutely unlike any other commodity or medium of exchange. In Borges’s story, the holder of the Zahir (a 20-centavo coin) gradually finds himself unable to see anything else other than the coin, even after exchanging it for a drink. He eventually discovers that, according to Islamic folklore, the Zahir is an object that entraps anyone whose gaze falls upon it, erasing their capacity to see anything else. Money can be anything—everything—and derives its power from this fact.

In *Crack Capitalism* (Holloway 2010), John Holloway argues that changes to the global economy are most likely to occur on the level of the ordinary and mundane. The “method of the crack” means exploiting the myriad interstitial spaces in which small changes are possible. Holloway believes that money is integral to the system that needs to be cracked because the world is “ruled” by it. A similar tale is told by Gerald Davis in *Managed by the Markets* (2009), where he describes finance as “the new American state religion” (Davis 2009: vii), and by Greta Krippner, who argues that “we live in a world of finance” (Krippner 2005: 173). All three authors tend to portray money and finance—the terms are treated interchangeably—as immensely powerful and destructive forces, which by definition are almost impossible to resist, let alone reform. Krippner, whose superb *Capitalizing on Crisis* (2011) advances a subtle historical thesis that portrays financialization (she calls it the “turn to finance”) as the unintended consequence of policy choices taken in the face of various social, fiscal, and legitimation crises of the 1960s and 1970s, suggests that the most likely outcome of this process is a return to those very problems. Financialization, in other words, has “now travelled its full arc,” and any further movement in this direction will be self-defeating (Krippner 2011: 22). I want to advance a different thesis, namely, that money can be a *positive* force for change in its own right. Moreover, contrary to Holloway’s thesis, it can be transformed—precisely—on the level of the *ordinary* and *mundane*. Instead of striving to rid ourselves of money, we should aim for different *kinds* of money. This is not just a question of “bringing

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down the banks.” Rather, it is a matter of supplanting key ingredients of the present system (albeit in a piecemeal and localized fashion) by offering viable alternatives. There is no single solution and no magic pill. Proudhon said that human fecundity would be at its height when a general bankruptcy is imminent. It is open to debate how such a bankruptcy might be defined in today’s world. But it is in the spirit of creative experimentation Proudhon identifies that this book has been written.

The book contains eight chapters, each devoted to a theme that presents opportunities for reinvigorating our theoretical understanding of and practical relationship with money. Chapter 1 is motivated by the observation that many of the debates about the predicament currently faced by governments, banks, and communities regarding the organization of the money and credit system are characterized by a tendency to invoke “myths of origin” to bolster their arguments about money’s present and future. These myths operate in a similar way to what the philosopher Richard Rorty once termed a “final vocabulary”: they are the places where doubt stops and circularity begins, where coherent and open-ended debate no longer seems possible (Rorty 1989: 73). Such beliefs underpin those expert voices that Galbraith associated with the occult. But I am calling these arguments myths to reflect the nature of their role in present-day monetary debates, not because I want to suggest that they are false. Their veracity, indeed, is beside the point.

Chapter 2 is prompted by the resurgence of interest in the work of Marx since the financial crisis began. Increasing sales of and references to his writings confirm my own experience as a teacher at the London School of Economics that Marx is back in intellectual vogue. Equally striking, however, is that despite this upsurge in interest in Marx, most of the talk concerns questions about social class and inequality, and not those of his writings that were surely most germane to the crisis, namely those on money and credit. This chapter therefore provides a systematized account of Marx’s theory of money, paying particular attention to his thoughts on the credit system. My aim is to render Marx’s theory as coherent as possible, not to highlight its weaknesses. Having characterized his theory in the strongest possible terms, the chapter then asks which (if any) of Marx’s arguments about the contradictory nature of money and credit are most helpful as guides to our understanding of their role in capitalism today. As the discussion proceeds, we turn to the work of subsequent thinkers within the Marxist tradition—from Lenin and Luxemburg to Harvey and Marazzi—who have sought to “update” his core ideas in order to apply them beyond the empirical constraints imposed by the historical context in which they were conceived. The chapter

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concludes by discussing an unusual contribution to Marxist theory from the Japanese philosopher Kojin Karatani, whose smaller scale treatment of his ideas raises intriguing questions about how money might be reinvented from the standpoint of its users.

In Chapter 3, the discussion turns to the most widely discussed feature of contemporary capitalism, namely, debt. Although debt is much older than capitalism, capitalism has given it a negative, impersonal, and mass character. Current debates are focused on the vast scale of the financial obligations that have been accumulated in the modern era. But debt is a broader term whose moral economy is of crucial importance to its relationship with money. I focus on this wider significance of debt in this chapter. The discussion begins with the history of debt, which traces its development from being a fundamental (and wholly positive) feature of human society—a social lubricant—to its subsequent (and violent) appropriation by the state and financial capitalism. I then move on to examine the arguments of scholars (from Knapp and Mitchell-Innes to Schumpeter and Keynes) who argue that money itself is a form of debt; indeed, it is debt that makes money social. These conflicting sides of debt—its destructiveness *and* importance for the social life of money—are explored in the remainder of the chapter. Banks are crucial in both senses. Having played a pivotal role in the establishment of forms of credit money that are trusted and accepted throughout society, banks now lie at the heart of a potentially devastating spiral of debt and deflation.

Building on the discussion of debt in the previous chapter, Chapter 4 uses the arguments of Nietzsche as a lens to explore a moral economy of debt as *guilt*. Nietzsche offered important insights into such matters as the relationship between the money economy and the permanent decadence of modernity, money's effect on social hierarchy and individualism, and the moral economy of debt. His remarks on these themes are closely connected to two of his best known but controversial ideas: the eternal return and the *Übermensch*. I explore how some later thinkers have taken up Nietzsche's arguments, and these two concepts in particular. In particular, he informs Benjamin's examination of the "guilt history" of modern capitalism and Brown's psychoanalytic treatment of the roots and consequences of a neurotic money complex. Each of these thinkers provides a sharply critical perspective on the idea that money's expansion in the modern world reflects the individual's liberation from traditional social ties and ancient moral bonds.

In Chapter 5, I examine money from the perspective of *waste*. Throughout its history, money has been seen primarily as a means of managing scarcity; indeed, there is a tradition of monetary theory in which it is argued

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that money must itself *be* scarce to fulfill its primary functions as money. Money is not simply a tool for *managing* scarcity, however, but a means of *perpetuating* it. In this chapter, I explore a contrary vein of thought, wherein money is conceived as an expression of the way in which society manages *surplus*, *luxury*, and *waste*. This is money according to the theory of general economy. This perspective is most closely associated with Bataille, whose work on expenditure has some intriguing (but overlooked) implications for money. The chapter moves on to consider the monetary writings—scattered but invariably interesting and often illuminating—of Derrida and Baudrillard. These thinkers raise compelling questions about how key monetary problems such as inflation and debt can be understood once money is decoupled from the problem of scarcity and viewed, as it were, from the opposite direction.

Chapter 6 addresses the relationship of money and *territory* and in particular explores theoretical and substantive issues opened up by the argument that money has been *detrterritorialized*. The concept of Westphalian money, which has for many scholars framed the modern system of state currencies, has its roots in what Carl Schmitt described as the emergence of a territorial ordering of the globe that began with the discovery of the New World (Schmitt 2003). I suggest that what we now think of as state money is inextricably linked with territorial spaces that are *negative* or *indeterminate*, not simply those institutional forms that are purported to be at the center of territorial space, such as states and their agencies, i.e., central banks. So how should we think about monetary spaces and flows in the age of detrterritorialization? And how does the decline of territorial money inform questions about money's connections with *society*? I tackle this issue by engaging with the arguments of thinkers—Deleuze and Guattari, and Hardt and Negri—whose work is most closely linked to the theory of detrterritorialization.

Chapter 7 turns to the question of money's relationship with *culture*, focusing especially on its ongoing constitution in and through microsocial relations. These characterizations challenge conventional attempts to objectify money as a theoretically stable, homogeneous entity. Relational approaches to money emphasize its continual reproduction through the very transactions it mediates. Normatively, such arguments are particularly important for coming to grips with money's reinvention “from below” precisely in the sense captured by the declaration that “we are the true currency.” The discussion first considers the conventional (and still influential) view—spelled out here via Marx, Nietzsche, Simmel, and Polanyi—that money's relationship with culture is overwhelmingly a threatening, destructive one.

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I then explore the counterargument, which traces out the contours of a “quality” theory of money—advanced by scholars such as Zelizer, Guyer, and Hart—which holds that money is richly infused with the cultural conditions of its production and use. These analytical arguments raise significant and wide-ranging issues that speak directly to the normative inquiries being pursued throughout this book.

The prospect of money’s active reinvention by its users is tackled at greater length in Chapter 8, which explores examples of *utopian* thinking in which there is a central role for the monetary system as both the site and vehicle of social, political, and economic reform. This type of thinking first appears in the work of Simmel as a notion of “perfect” money that sheds light on a largely unexplored aspect of his writings: his views on the relationship between money and socialism. The second instance is Erich Fromm’s case for a human utopia in which money must be reconfigured in light of a distinction between “having” and “being” that framed Fromm’s sociopsychological critique of advanced Western capitalism during its last major monetary and financial crises in the 1970s. These arguments resonate with a tradition within social, political, and economic thought in which the utopian spirit is defined not—*contra* More—by money’s *abolition* but rather by its *transformation*. I explore several examples of this tradition here, as well as a number of actually existing alternative monetary systems, such as local and complementary currencies, mobile money, Bitcoin, and social lending. This discussion of monetary reform brings the book back to where it began, to the prospect that money is reconfigured from below, such that it lives up to Simmel’s classic description of it as a claim upon society.

With states’ role in the creation and governance of money being encroached upon from all sides, we seem to be facing a future in which money is more pluralistic than it has been throughout the modern era. This is not just a question of who *produces* money but also of who governs the infrastructure through which it flows. Our pluralistic monetary future raises fundamental theoretical issues for the analysis of money. In particular, it suggests that we need to develop a concept of money that can incorporate the full range of monetary forms in circulation, without treating them all as variants of currency or as having broadly similar features. Our monetary theories, in other words, need to match our monetary practices in being increasingly flexible and open-ended. What is needed, more than ever before, is an open, inclusive conversation about the nature of money and its role in society, about who has the right to create it, and why.