10. The Political Economy of (Im)Possibility
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The very term 'political economy' is something that already names an ambiguous, even impossible, relationship. Derived from the Greek *oikonomia* (i.e. matters of household management and regulation), economy is something that designates a certain *domestication*; the keeping of good order. The political, on the other hand, is always that which upsets/challenges the order of 'the household' in the broadest sense of the term. The political not only bears witness to the impossibility of any ultimate Household it is also – and as a consequence - that which liberates the very possibility for developing new forms of social organization, identity and belonging. This is the paradox to which Lefort refers (1986): the political establishes the authenticity of every institution only to the extent that it shows the essential historicity and contingency of their inauguration. Every institution depends for its being on a political process of institutivity which it cannot incorporate or domesticate within it. Every household depends upon a certain impossible excess that is always 'promised' to something beyond what currently exists; to something Other.

This chapter has two central objectives. The first comprises an exploration of the aspect of the political in political economy. It will do this primarily through a critique of Luhmann's systems theory which has become increasingly influential in contemporary approaches to (international) political economy. This critique will be developed mainly through a postmarxist and post-structuralist approach in which the emphases are on discourse, negativity and antagonism. Whereas many of the traditional perspectives on political economy - of both liberal and Marxist persuasions - have tended to view the economy in terms of an extra-discursive or extra-political infrastructure, this paper affirms the opposite: the economy is fully a discursive construction and as such is essentially prone to political subversion and recomposition in respect of other discursive positions.

Second, however, the paper is concerned with the development of an analytical approach that also addresses the opposing register: that is to say, the economy of the political. With its compelling emphasis on contingency (the 'primacy of the political') both post-structuralism and post-marxism have arguably tended to overlook, or downplay, the way in which the political becomes economized in a given conjuncture. This is not to endorse any kind of return to a back-to-basics economism.

On the contrary, the point is rather that through a critique of economism we should not then embrace the opposite fetish of a pure politicism; *both* registers need to be taken into account precisely on the basis of their mutual interplay and subversion.

There are two main aspects to this economization of the political. The first comprises the standard ideological attempt to present the economy in thoroughly de-politicized and naturalistic terms in which the keeping of economic order is viewed as a purely pragmatic and technocratic enterprise; as Blair has put it, there is 'no left or right in economic policy only good and bad' (1998). On this view modern globalization is a spontaneous and irrepressible force of integration that is leading progressively to the ontological society: the final utopian order of humankind synthesized through a mature, sympathetic and responsible liberal capitalism. But second there is a deeper and more subtle aspect to this economization. Today's conjuncture does not simply repress the political, rather it engages reflexively with the latter and in such a way that it attempts to channel and compose it in paradigmatic fashion. There is in this sense a certain glamouring of the political that endeavours to bind and convey its energies in and through certain key incantations and watchwords: difference, consensus, inclusivity, tolerance, multi-culturalism and so on. To change the metaphor, the political is something that tends to be recruited to, and configured within, a characteristic 'grammar' that allows for the development of certain lines of questioning, indictment and critique but crucially not others. In these broader terms the economization of the political is something that stakes out *historically* the realm of the possible against that which is deemed impossible. There exists, in tendential terms, a kind of (non-Hegelian) dialectical totality in which a particular order already takes into account its own failures and deficiencies and to call for its own 'transformation' in typically specious, and grammatical, ways.

This paper represents a speculative contribution to the development of a broader approach to political economy – both in terms of an analysis of the functioning of the political in the economy and the economization of the political – that focuses on the way in which the very sense of the possible is circumscribed through markers of impossibility.

The persistence of the political

The history of Marxist thought reveals a progressive undermining of the idea of the economy as an autonomous entity with endogenous laws. With the likes of Hilferding, Gramsci and the later postmarxists, what begins to emerge is a new type of perspective in which the political itself becomes increasingly apparent as an object of theoretical reflection. To this effect, the economy has been shown to depend on more and more conditions of possibility that, far from expressing any cosmic decree, are themselves the result of contingent political practices. Yet the tension between naturalism and the logic of the political is already revealed within Marx's own thought.

One of the great achievements of Marx consists in what Hesse (1980) might call his metaphoric re-description of the economy; a re-description that, for the first time, sought to analyse economic relations in terms of social context. Marx was vehemently opposed to those conventions of political economy that attempted to derive economic meaning, and to justify vast inequalities of wealth, on the grounds of a mythical state of origins.

In contrast to abstract ideals, Marx affirmed the *social* character of labour such that the individual's potential for production and self-development is always dependent upon a given framework, or mode of production, that in turn reflects certain power relations; a balance of forces between classes. This enabled Marx to advance a powerful critique against naturalistic conceptions of capitalism that have persisted from Smith and Locke right through to Friedman and the dominant forms of neo-classical economics. Against such pieties concerning 'free' labour contracts in an open market, Marx demonstrated how workers are *forced* to sell their labour power as, under capitalism, they are denied access to the means of production and subsistence. For Marx, the classical liberal paradigm turned precisely on the attempt to finesse the power basis of capitalism.

A logic of contingency is already apparent within Marx insofar as there is a fundamental emphasis on the economy as a human construction rather than an underlying form waiting to be discovered. By de-objectifying the economy and showing its reality to be the result of wider power relations that generates its principles of construction, there is a clear sense in which Marx expanded the dimension of the political. At the same time, this expansion is limited as, in a contrary

movement, there is a re-absorption of the political within a new form of objectivism. For Marx the problem was not positivity itself but rather the liberal version of it. Accordingly he sought a restoration of the modernist enterprise through the affirmation of a metaphysical laws of history foretelling of an ultimate resolution.

The political shone all too briefly in Marx. Yet it was not something that could be extinguished. Indeed the subsequent history of the Marxist imagination is characterised by a tendential ebbing and flowing between the idealist search for certainties and their persistent denial by the political. This is reflected in an increasing de-stabilisation of the traditional economic/non-economic distinction. Rejecting the view of the economy as a self-enclosed order Hilferding (1985), for example, focused on the way that the modern economy developed within the terms of a nationalist framework. Gramsci (1976), of course, developed this line of enquiry even further. For Gramsci, the economy cannot be separated from ideological and cultural practices but is articulated with these phenomena in a characteristic historic bloc. By developing a radically contextualist approach, Gramsci showed that nothing automatically follows from economic relations and that we cannot predict whether they will be articulated in nationalist, liberal or social democratic terms (or other terms). A basic undecidability exists whose resolution will depend upon the outcome of concrete forces in political struggle. And the types of resolution that result will have crucial consequences for the construction and functioning of the economic space.

In his emphasis on the undecidable and political character of structuring principles, Gramsci may be said to render visible the political as a basic dimension of all social ordering and identification. We might reasonably argue that Gramsci is distinguished in modern thought not so much as a political theorist but as a theorist of the political. In his critique of economism, Gramsci provides the theoretical resources for politicising political economy and thereby for a new imagination of actively radicalising economic practice.

Yet it would be mistaken to think that theoretical reflection on the political has developed only within Marxism. One could cite examples of various thinkers, from other traditions, whose interventions have also served to undermine objectivist-naturalist approaches to the economy: Weber's analysis of economic development in terms of religious-cultural context; Simmel's argument that the value of money cannot be referred to an absolute foundation but depends on a broader network of symbolic

exchange; Polanyi's emphasis on the social conditions of possibility for a 'market economy'; Keynes' demonstration of the artificial constitution and manipulation of the economic 'ground' through state intervention. More recently the French regulation School has shown that the functioning of the economy is not an endogenous matter (as in classical models) but depends on the construction of an entire mode of social regulation that transcends the economy as such. Each of these perspectives move away from the idea of the economy as a closed autonomous order and towards a view that considers the latter in far more contextual and discursive terms (see Daly 1991; 1999).

The envisioning of the political, however partial or incomplete, is not exclusive to any one tradition, but reflects a synergy of all those themes and tendencies that have led to a weakening of idealist thinking about economic reality. On this basis a new approach is enabled that affirms the non-natural character of all economic order and identity. Such an approach would begin from an analysis of the ways in which all economic systems attempt to conceal their essential *lack* of ground through artificial power processes of discursive constitution. It is in this context that the work of Luhmann makes an important contribution.

From autonomy to autopoiesis
Beyond the positivity of systems

Contemporary political economy has drawn increasingly on the work of Luhmann and, in particular, his notion of autopoiesis (e.g. Lash and Urry 1994; Leyshon and Thrift 1997; Jessop 1990, 2002). The general tendency has been to link autopoiesis with a certain endogeny in the development of complex systems of exchange and production. Jessop, for example, enlists autopoiesis to underscore his view that the economy (specifically, the capitalist market economy) exhibits a radical operational autonomy (Jessop 1990, 2002). Notwithstanding this autonomy, Jessop maintains that a market economy is further sustained by interdependent forms of regulation and what he refers to as 'social embeddedness' within the lifeworld of a society (2002).

While I am in general agreement with this approach I think that there are two potential problems that should be addressed. First, Jessop tends to use the notions of autonomy and autopoiesis interchangeably and in doing so, I would argue, loses sight of the distinctiveness of the latter. Second, and related, there is sometimes an

inclination in Jessop to present the idea of economic autonomy in terms of a rather traditionalist economy/society division. The point that should be emphasised is not that economic practices cannot achieve a certain (relative) autonomy, but that this is entirely a matter of politico-discursive constitution in a particular context and is not something that can be universalised. The ambiguity surfaces at those points where Jessop insists on an analysis that secures a basic distinction between the discursive and the extra-discursive (1990: 302; 1999: 2; also Jessop and Sum this volume, Ryner this volume). This clearly runs the risk of reproducing a standard formulation whereby the economy is implicitly identified with the 'extra-discursive' dimensions of material reproduction, structural conditions and so on (as if the latter were independent of discursive reality and stood outside history). There is thus the potential danger that 'social embeddedness' could be perceived as a simple process of adjustment to, and the legitimisation of, an underlying autonomous economic reality.

Luhmann's perspective allows for a different approach. Through his theory of autopoiesis, Luhmann's central innovation concerns his problematisation of autonomy conceived as extra-discursive foundationalism. At the same time, Luhmann's position is highly ambiguous. If, on the one hand, Luhmann demonstrates the non-grounded character of all systems, on the other, he is drawn towards a new type of idealism in which society is presented as a positivity of systems that progressively masters all distortion. I will argue, in contrast, that the radicalism of Luhmann's autopoietic theory can be developed further by linking it with the postmarxist affirmation of the ineradicability of power, negativity and antagonism: that is, by linking it to the notion of the political and a transcendence of all positivism.

Luhmann begins from the position that 'the world is constituted by the differentiation of meaning systems, by the difference between system and environment' (1995: 208). What Luhmann demonstrates is that systems can never be grounded in anything solid. It is because of the essential absence of any (extra-discursive) ground that we have systems in the first place. If an ultimate ground was reachable then the logic of systematisation would cease to have any meaning: we would simply have infinite presence – a final domestication of the real.

A system establishes its consistency by differentiating itself from its 'environment': i.e. that which designates the negative correlate of the system, or 'simply "everything else"' (Luhmann 1995: 181). This is achieved through processes of self-referral or autopoiesis.[1] A system is autopoietic insofar as it manifests the

'recursive application of its own operations' (Luhmann 1988, p. 336). The coherence of a system depends upon its ability to differentiate itself from, but also to engage with and interpret, its environment in terms of its code of organisation.

The system of law, for example, no longer appears arbitrary because of the numerous sedimentations of case study, constitutional interpretation, preceding judgements and so on; all of which help to reinforce coherence and patterning. Such sedimentations serve to repress the fact that there exists no clear point of origin – autopoietic routinisation is precisely the illusion of foundation – and that the legal system cannot be based on any absolutist conception of Law.

A system of law requires, in the first place, a basic code for distinguishing what is lawful and what is not. But this immediately presents a paradox because the legal/illegal distinction is not something that can be determined outside the system of law. Furthermore, the question as to whether the legal system *itself* is legal or illegal is strictly unthinkable and undecidable (see Esposito 1991). And this applies to the formation of every system. Where a system's code encounters itself – as in the legality/illegality of an existing system of law, the value of a system of valuation, the representativeness of a system of representation and so on – the system is confronted with a fundamental lack of ground: in short, it is confronted with the political. No system is capable of systematising its own principle(s) of construction.

What autopoiesis shows is that the 'ground' of any system is merely the artifice of its recursivity. Every foundation is ultimately a phantom of a system's tautological (self-referring) constitution. This is why for Stäheli the 'self-referential system functions as a metaphor for the impossibility of the origin' (Stäheli 1995: 19). The more a system refers to itself the more it serves to underline an essential lack of foundation. Autopoiesis is precisely that which acts as a stand-in for the absent foundation.

From this perspective, the idea of autopoiesis has to be strictly separated from traditionalist conceptions of autonomy and independence. It is precisely because the latter cannot be formed that autopoiesis comes into being. The 'closure' of any system is purely an artificial effect that depends upon the discursive-contingent practices of inclusion/exclusion. On these grounds we can infer the basic paradox governing all systematicity: that the lack of origins/foundations makes systems both necessary and impossible.

This paradox, I would argue, is not sufficiently developed by Luhmann. He appears to be irresistibly drawn to an idealist position and his extensive analysis of differential system formation becomes simultaneously a major weakness. This is particularly apparent in his functionalist account of contradictions and conflict. For Luhmann, conflicts and contradictions 'function as an alarm in society's immune system' (1995: 387): that is, as a kind of signalling in which '(t)he signal merely warns, merely flares up, is merely an event – and suggests action in response' (ibid. 373). The problem here is that while he explicitly rejects such totalising notions as Centre and Subject, his alternative conception of social reality – as a perpetual differentiation of systems – runs the risk of becoming equally totalising.

The development of systematisation is one that is regarded as capable of tendentially resolving social negativity and opacity. By conceiving society in terms of an immune system, he effectively reduces the notion of the political to one of simple adjustment (or 'noise abatement'). Politics becomes a mere problem of perturbation that can be neutralised within the basic framework of the societal system and in such a way that autopoiesis proceeds undisturbed (ibid. 373).

System failure
Reintroducing the political

The essential question that begs to be answered in Luhmann's analysis is what are the conditions of possibility for system formation as such? In addition, how should the frontiers of a system be conceived?

For Luhmann systems exist as a basic phenomenalism. As in a complex organism, systems develop through processes of differentiation that augment coherence and regularity and each system functions as difference within an overall process of differentiation (ibid. 208). By basing his analysis on a pure logic of differentiation (a logic that embodies systematicity as such), Luhmann advances a vision of the social universe in terms of a constant, and in principle limitless, expansion of systems; an expansion that constantly resolves its problems (negativity) along Hegelian lines.

From a postmarxist perspective this vision is defective. In the first place, the formation of systems depends fundamentally on the construction of frontiers of antagonism against an irreducible negativity. Systems can only be systems in relation to what they are not: as orders of intelligibility carved out against that which would

overwhelm them. And it is because frontiers are always precarious in the face of such negativity that they may be said to establish the conditions of possibility and impossibility for all systems.

Luhmann is correct in his observation that any attempt to represent what is beyond 'meaning-constituting' systems is ultimately interior to those systems and merely leads to their extension: put in other terms, the significance of any 'beyond' always involves a system of signification. Within the Luhmannian paradigm of a continuous logic of (positive) differentiation limits become strictly unthinkable. A differential approach to limits is evidently self-defeating as it would mean transforming the latter into a difference *within* the system – thereby rendering ineffectual their function as limits.

The effectivity of a true limit derives from an entirely opposing register – that of negativity. A limit is only instituted as the result of the *failure* of a system and a radical interruption/suspension of its differential logic. The limit of a system emerges precisely at the point where a system *cannot* incorporate or represent a set of elements and in consequence excludes the latter as Other. Limits, therefore, are produced as orders of *equivalence* and not difference (see Laclau 1996). Every limit depends upon a certain dichotomy between an equivalential order of those elements perceived as belonging to a system and a corresponding equivalential exclusion of those elements identified as a 'threat' to that system. In short, limits are always of the type system/anti-system.

This evidently does not mean that limits remain fixed in a once-and-for-all manner. Limits can always be subverted and re-drawn precisely because they are penetrated by negativity. In this sense limits are always historically defined. Yet what is transhistorical is the fact that limits *per se* cannot be eradicated. For example, a moral system that is designed to maximise tolerance in respect of cultural differences is one that is also compelled 'violently' to exclude its Other: racial bigotry, xenophobia, cultural chauvinism and so forth. The very possibility of a system of differential tolerance is one that depends on, and grows out of, the equivalential negation of that which is deemed to be intolerable.

Three points should be emphasised. First, a system can only be instituted through logics of exclusion and antagonism that in providing the sense of limits are constitutive and affirming of its positive content (a 'not-system' in order for a 'system'). Accordingly every system is a *power construction* that relies upon the

repression of its Other. This insight is decisive in turning foundationalism on its head. Systems do not possess positive grounds but are shown to grow out of negativity and antagonism. It is not that systems are foundation-*less*, but rather that 'foundations' are *made* (not discovered) through political processes of exclusion and delimitation.

This means – second point - that the political can be seen to be a fundamental dimension of every system. In the absence of pre-existing grounds or generative principles, all systems are ultimately political to the extent that they are constituted through acts of violence and exclusion. A legal system, for example, cannot be *legalised* in an external or absolutist sense, but depends upon discursive fiat and contexts of social power: 'these commandments and not those'. This is precisely what Derrida means when he speaks of the 'violence of the law before the law' (1994: 31): that is, a political intervention that sustains the possibility of a legal system only to the extent that it shows its impossibility as a natural positivity.

Every system is marked by an originary discursive violence, an arbitrary 'line in the sand', that seeks to establish a certain territorial coherence vis-à-vis radical undecidability. Through processes of routinisation and sedimentation, systems typically attempt to finesse their artificiality by concealing the political nature of their origins behind a particular idealism. In search of authenticity, the violence of a system tends to be disavowed through reference to an external and tautological principle – destiny, divinity, dynasty ('the way it is/always has been') – and, more especially, through the invocation of certain mysterious laws of history, nature, the market, God and so forth. We might say that what is missing is the psychoanalytic insight into the *obscene* supplement (of violence and repression) that necessarily accompanies every system and upon which the latter implicitly relies (see also Gammon and Palan this volume). This gives rise to an irresolvable tension: (i) autopoietic mechanisms seek to gentrify systems through artificially inducing closure and by presenting them as natural and universal; but (ii) the repressed-excessive dimension, which is constitutive of a system, is something that can never be mastered and thus all 'closure' and 'universality' is inherently compromised. It is in this tension between systems and their ungovernable excesses that the political is continuously re-born.

In consequence, and as a final point, systems are *essentially* prone to failure and can always be challenged and subverted by precisely those forces that are antagonised/excluded by a system. An important corollary of this is that failure cannot be reduced to an internal moment of autopoietic readjustment. Rather failure

designates the eruption of those events and antagonisms that are *external* to the system in the sense that they cannot be managed or represented within the terms of the latter.[2] Moreover, there exists a fundamental gap between the failure of a system and the processes of recomposition; a gap through which the ontological possibility of the political emerges. Whether a failure will be resolved through fascist, socialist, social democratic or some other means, is not something that can be derived from the failure in and of itself: this will depend on the outcome of a hegemonic struggle in a particular context. Failure is not merely a transition in the unfolding of a pre-given principle of intelligibility but rather the very degeneration of the latter.

System failure is one that leads to a widening of the realm of the possible – a reactivation of the political – in which a diversity of social forces will compete to establish new principles of ordering and intelligibility that will in turn affect the dimensioning of systems and the nature of their autopoietic functioning. What postmarxism enables us to grasp is the susceptibility of autopoiesis itself to hegemonic re-formulations; re-formulations that are essentially possible because of the central impossibility of mastering failure and negativity.

Casino capitalism

Luhmann's perspective may be said to reflect a particular tension in contemporary thought between what might be called the epistemological and aspirational dimensions of modernity. The modernist paradigm can be understood as a series of rationalist attempts to subordinate the political within an overall system of integration where basic antagonisms have been eliminated. In the contemporary era, there has been a clear distancing from such rationalism and its totalitarian propensities. At the same time, writers like Bell (2000), Fukuyama (1992) and Rorty (1989) – who would endorse this distancing – nevertheless affirm the tendential emergence of a new holistic order: global liberal capitalism. In this way, a certain embodiment of the modernist aspiration – an ultimate systematisation – is presented as having somehow survived the epistemological ruination of modernism as such. From this point of view, liberal capitalism and human destiny are seen to comprise a synchronicity that is being historically realised.

More recently, this tendency is reflected in the fashionable, and increasingly influential, thesis of 'natural capitalism' developed by Hawken *et al*. For these authors

natural capitalism is concerned with the creation of a new industrial revolution that accords with planetary eco-systems and responds to the 'basic principles that govern the earth' (1999: 313). Production should be developed in terms of 'bio-mimicry' and a holistic system of valuation should be established:

> To make people better off requires no new theories, and needs only common sense. It is based on the simple proposition that *all* capital be valued. While there may be no "right" way to value a forest, a river, or a child, the wrong way is to give it no value at all. (Hawken *et al* 1999: 321)

What the natural capitalists envisage is a steady process of bringing the 'house' of capitalism into good order; of establishing an (ontological) economic harmony that fulfils the promise of capitalism as the true human paradigm. Socio-environmental problems can be resolved by factoring them in to the economic calculus of capitalism and in such a way that the latter can achieve its full potential. This idea of a progressive overcoming of all distortion and exclusion is paradigmatic of the dominant liberal approach to globalization. The liberal think tank, the *Globalization Institute*, sees the matter this way:

> Globalization is the increasing integration of the global economy to bring together rich and poor countries…Only by integrating the poorest into the world economy can we put an end to the poverty that still blights much of the world today (http//www.globalizationinstiute.org)

What the liberal myth disavows is the fact that capitalism *of necessity* is a power system of exclusion. While capital works ceaselessly to transform and commodify all existing social relations, what it refuses to bargain with (in fact, *cannot* bargain with) is precisely its exploitative conditions of possibility. What, for example, would happen if the cost of exploitation – the extraction of surplus value from workers, the immiseration of vast sectors of the world's population (one in every five are condemned to live on less than $1 per day) – was actually factored into the economic calculus of capitalism? Confronted with its own code of organization it would simply implode. Within the strict terms of the capitalist paradigm what cannot be valuated are its very symptoms of global privation and social injustice. Capitalism cannot ingest the excesses upon which it relies for its constitution. One of the most striking features of this constitutive excess is the so-called foreign debt. This debt is now so extreme, so permanent, that it cannot properly be *accounted* within existing conventions. The quantification of this debt appears increasingly arbitrary and absurd.

In the modern age, the foreign debt - a debt which, in practical terms, is beyond calculation and is exorbitant in relation to any possibility of actually being met - is rather the name (or one of the names) for the structural dislocation, the traumatic failure, of global capitalism as a universal system.

What Marx sought to disclose was precisely the pathological element (of power and exclusion) behind the 'neutral' calculus of capitalism. While the latter is a radical universal force (bursting every provinciality asunder), at the same time it is manifestly parochial in its social tendentiousness. Through processes of gentrification (or autopoiesis) capitalism strives to institute itself as *the* global order through a disavowal of its politico-discursive violence.

It is interesting in this context to look at the type of (implicit) critique that Scorsese develops in his excellent *Casino*. In this film, Scorsese explores the dual-edged nature of capitalism through his two main characters: Sam 'Ace' Rothstein (Robert de Niro) and Nicky Santoro (Joe Pesce). As in Marx's notion of primitive accumulation, Nicky may be said to reflect the primitive, or foundational, violence of capitalism; a violence that is integral to the construction of a casino system in the deserts of Los Angeles and to sustaining a power base for its operation ('pre-legal' reliance on corruption, money-laundering, extortion and so on). As time progresses, however, Nicky becomes an increasing liability as he constantly seeks to reinforce his position through crude acts of gangsterism. What Nicky fails to appreciate, and what the character of Ace is all too aware of, is that the power of the casino resides precisely in it being a self-reproducing autopoietic system. It naturalises its violence through its obscene calculations of 'chance' such that the house always, ultimately, wins. In this context, we might say that Nicky represents the excessive drive, the monstrous face, of capitalism; an ugly reminder of the casino system's origins who must be disavowed and consigned to the periphery. And thus on the orders of certain corporate interests (that remain anonymous) he is taken to the desert to meet the gruesome fate of being buried alive.

In a similar way, we could say that the contemporary system of capitalism endeavours to gentrify itself through a disavowal of the crude reality of exploitation/privation and by pushing its necessary measures of violent repression to the internal and external peripheries of the world. In this way, neo-liberal ideology attempts to naturalise capitalism by presenting its outcomes of winning and losing as

if they were simply a matter of chance and sound judgement in a neutral marketplace (see also Peterson this volume).

It could further be argued that today's model of hospitality is the casino itself. The casino is, in principle, open to all those who have money and are prepared to play by the rules. At the same time there are significant categories of exclusion: those who win excessively – consistently successful gamblers tend to be banned for playing the game(s) too well; those who lose excessively – gamblers who take the game(s) *too* seriously and risk all to beat the house system; those who are excessively proximate – local people are typically banned from gambling in the casinos.

The hospitality of contemporary capitalism can be seen to function along similar lines: (i) the constant reproduction of a demographic of debt – the endless invitations to take out loans to deal with existing loans (rather than escape the cycle of debt altogether); (ii) the withdrawal of participatory credit from those who take it too literally – those who in a sense embody the very nature of fictitious capital; (iii) the maintenance of a critical distance from the Other – a kind of postmodern culture of neighbourliness without having to deal with real neighbours as such (e.g. the migrant who wants to take up residence, the inert presence of the poor etc.).

In contrast to Kant's affirmation of an open and cosmopolitan approach to hospitality, the increasing tendency in contemporary capitalism is towards a far more conditioned hospitality that we might characterise as megalopolitan[3]: that is a hospitality whose fate and frontiers of belonging/non-belonging are determined and co-ordinated through the key megalopolises – New York, Berlin, London, Hong Kong and so on – of a global power structure that endeavours to domesticate the universal and, by extension, the political itself.

The economy of the political

It is in this context that we should address the economy of the political: that is, the historical determination of the parameters of possibility. The central emphasis here is on the way in which the play of the political tends to be conditioned by a meta-political logic (which itself is a thoroughly political construction); in postmarxist terms, it stresses the way in which hegemony itself can become effectively hegemonised by certain key themes and rules of political engagement that govern its economy.

Let's take the voguish development of 'business ethics' and the way that this is becoming increasingly standardized in terms of a postmodern political correctness – respecting difference, valorising the personal and so on. The British inventor and entrepreneur, James Dyson, has been acclaimed as a role model for a new type of business culture both in terms of his development of innovative 'green' forms of technology (esp. the vacuum cleaner) and through a hands-on leadership/managerial approach that encourages participation and creativity among employees. At a critical point of expansion, however, it was decided in 2004 that the majority of his plant would have to move to Malaysia. Breaking out of the old mode of industrial relations, the response of the company was to set up a series of 'listening committees' to deal with the resultant eight hundred redundancies and to provide personalised advice and support. While this management-with-a-human-face approach was widely accepted as both positive and responsible, what remained beyond question was the legitimacy of the decision to export production – this was simply accepted as a fatum. Thus what we have is the political development of a new form of business ethical practice but only to the extent that it represses a more radical and substantive form of politico-ethical engagement.

This implicit acceptance of what is possible is emblematic of mainstream political culture. From New Labour to the 'third way' and even Beck's (1992) 'new enlightenment' there is a paradigmatic tendency towards the pragmatic in addressing what is viewed as the 'common problems' of the economy, environment, technology and so on. Lyotard (1984) is fully justified in his characterisation of the contemporary attitude as one of incredulity towards radical forms of political engagement. The global vision of a New World Order is seen very much in terms of a mere expansion of liberal capitalism where the megalopolitan power structures remain firmly in place. Any real transformation – power sharing and a meaningful redistribution of wealth (as opposed to the relatively superficial idea of 'debt' cancellation) – is viewed with the utmost scepticism and is quickly consigned to the domain of the 'unrealistic'. In this way the political tends to become economized; subject to a logic of autopoietic reflexivity that provides a kind of elementary grid for its functioning.

It is against this background that the distinctive theoretical attitudes towards the notion of class can be situated. In much of post-structuralist and postmarxist thought the analytical use of class has been rejected on the grounds that it presupposes a unified and incomplex agency that is pre-programmed for social revolution. Laclau,

for example, rightly points out that the socially more cohesive forms of industrial working class are tending to disappear from the developed economies and that the political orientation of the popular classes (as Gramsci knew well) cannot be predicted in advance or independently of historical context (Laclau in Butler *et al*, 2000: 296-301). For Žižek, by contrast, class is something that connotes the primary form of social antagonism under capitalism (see Žižek & Daly 2004: 146-150).

While there is no simple 'third way', I think that the merits of both positions can be in fact maintained by changing the terms of debate. That is to say, class should not be regarded, in the traditional 'scientific Marxist' sense, as a positive identity but rather the opposite: a signifier of embodied negativity; something that again bears witness to the traumatic failure of megalopolitan capitalism. In this sense of the embodied negativity or symptoms of capitalism, class designates the socially excluded, the outcast, the destitute and today's figure of the 'migrant'.

In this respect we might say that class is approximative of Lacan's use of the alchemical term *caput mortuum* (death's head). The *caput mortuum* is the residue, the indivisible remainder, after all that is of value has been extracted in a particular process. It is that which is excluded from the sphere of positive value and yet is integral to its production – it represents the (negativized) truth of such a sphere. Fink explains its functioning in the context of a numerical chain of signification:

> The *caput mortuum* contains what the chain does not contain; it is in a sense the other of the chain. The chain is as unequivocally determined by what it excludes as by what it includes, by what is within as by what is without. The chain never ceases to *not* write the numbers that constitute the *caput mortuum* in certain positions, being condemned to ceaselessly write something else or say something else which keeps avoiding this point, as though this point were the truth of everything the chain produces as it beats around the bush (Fink, 1995: 27).

Class would seem to have the same paradoxical status vis-à-vis today's emphasis on the identitarian chain of 'alliance politics'. That is to say, class functions as something that cannot be positively 'named' within the chain as if it were one more difference and yet is the very (negativized) sticking point – a kind of existential tort – that renders the latter possible.

A central imperative of a radical politics must be the development of a defining solidarity with the abject classes; one that faces up to our ethical implication

in the production of global abjection in systemic terms (see also Amoore this volume). This solidarity of excess would mean moving beyond the current postmodern economy of the political and its identitarian logic – precisely because, as with the *caput mortuum*, the symptoms of social negativity are constitutively debarred from, and excessive to, such an economy. It would be a solidarity based upon a fundamental disclosure of the constitutive pre-conditions of this economy.

The perspective that has been outlined here is one that seeks a broader approach to political economy and in such a way that it enables us to critique and to confront the economy (the historical circumscription) of the possible. In this context it affirms a politics that does not defer to house rules but which is prepared to take on directly today's silently accepted markers of impossibility.

Notes

1. Literally meaning self-creation - from the Greek *poiesis* (creation). Autopoiesis first achieved currency with the thought of Maturana and Varela (Maturana and Varela 1980, 1987; Varela 1979), where it was applied to the field of biology. In this context, autopoiesis refers to a cybernetic description of cell metabolism whereby a cell establishes its coherence and consistency (its 'inside') through the mutual interaction and reinforcement of its components against its 'outside'.

2. For example, the popular mobilisations against the system of apartheid. The externality here clearly does not imply an 'extra-discursive' but rather a deformation of the existing system from a position of equivalential resistance to it.

3. The distinction that I am using between the cosmopolitan and the megalopolitan is tendential rather than absolute.

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