

# **Science of Spirit**

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**Abstract:** This paper is an examination of “spirits”. There are four kinds of spirits, and they originate in the four modes of exchange A, B, C, and D, respectively. Spirits, in other words, are the powers that compel people. Understanding these spirits is essential for the realization of D (communism).

**Keywords:** Modes of exchange, commodity fetishism, Lukács' reification, Thomas Münzer, scientific socialism, Utopianism, *Specters of Marx*

## 1

Several years ago, I contributed a thesis titled “Capital as Spirit” to *Crisis & Critique*.<sup>1</sup> In this thesis, I developed some of the thoughts I had after writing *The Structure of World History*.<sup>2</sup> It was an attempt to reconsider ““modes of exchange”” that I proposed in that book.

Since then, I have been rethinking the mode of exchange in the same line, which will become a book titled “Power and Modes of Exchange”. At the heart of that book is what might be called the “science of spirits”. My consideration of “spirit” has some of its origins in Hegel's spirits (especially in his *Philosophy of Right*, which deals with the problem of the capital-nation-state) and Marx's fetish (*Capital*). In this essay, I will give a very brief introduction to this “science of spirits”.

Firstly, I would like to quickly review how I came to conceive “modes of exchange”. According to the standard thinking, historical materialism is based on the mode of production (productive forces and relations of production), but this became subjected to the criticism that it did not sufficiently capture the “political and ideological superstructure”. For example, Weber, Durkheim, and Freud criticized historical materialism in this way. In their view, there is something in the “political-ideological” dimension, i.e., the state and religion, that cannot be simply determined by the “economic base” (mode of production). But then how is it determined?

In response to that, I thought like this: the political-ideological dimension is also determined by the “economic base”, however, the economic base in this case is not the mode of production but the mode of exchange. In fact, when Marx and Engels proposed the “materialist view of history (historical materialism)” in 1846, they wrote;

This conception of history depends on our ability to expound the real process of production, starting out from the material

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1 Karatani 2016, pp.167-189

2 Karatani 2010/2014

production of life itself, and to comprehend the form of intercourse connected with this and created by this mode of production (i.e., civil society in its various stages), as the basis of all history.<sup>3</sup>

I thought that what they called “*Verkehr* (intercourse)”, or “exchange”, was the key to solving the mystery. In fact, Marx himself later tried to elucidate the “fetish” as the superstructure brought about by exchange in *Capital*.

The exchange that Marx discovered in *Capital* is exchange of commodities that begins between communities. However, intercourse-exchange is not confined to this. For example, gift-giving/ gift-repayment and domination/subjugation are also forms of exchanges. Therefore, we could say that both the community and the state began with intercourse-exchange. Of course, exchange here is different from commodity exchange. In *The Structure of World History*, I proposed a view of the history of social formations from the perspective of the mode of exchange in addition to the mode of production. The modes of exchange can be divided into A (gift and return), B (obedience and protection), C (commodity exchange), and D, which goes beyond these.

I realized that the “power” that defines the political and ideological superstructure does not come from somewhere different from the economic base, but from the “intercourse (exchange)” that forms the foundation of the economic base. That is to say, the ideational powers that are seen as religion or unconsciousness come from there, creating differences depending on the mode of exchange on which they are based. There are four modes of exchange A, B, C, and D that underlie the social formations; the social structure changes depending on which mode is dominant and how different modes are combined. From the above perspective, I worked to reconsider the history of social formations in *The Structure of World History*.

After writing this book, I have come to think about in particular about the “power” which these exchanges bring about. It was Marx, who first clarified about this power; in *Capital*, he elucidated the power that arises from mode of exchange C. He saw the emergence of a fetish-spirit in the emergence of money out of the exchange of things between communities. It is the power that enables, or rather compels, the exchange of things. Likewise, Marx discovered “capital as spirit”.

## 2

In *Capital*, Marx wrote about “fetish”. However, this was only taken as a joke. Lukács, for example, called it “reification”, where a relationship between human and human is transformed into a relationship between

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3 Marx and Engels 1932

thing and thing. This is a failure to recognize an important realization that *Capital* arose.

In the postscript to the second edition of *Capital*, Marx praised Hegel. This was already a time when Hegel was treated as a “dead dog”. Almost thirty years earlier, when the mystical aspect of the Hegelian dialectic was still in vogue, Marx relentlessly criticized Hegel. However, in the postscript to the second edition of *Capital*, he wrote the following:

I therefore openly avowed myself the pupil of that mighty thinker, and even, here and there in the chapter on the theory of value, coquetted with the mode of expression peculiar to him. The mystification which the dialectic suffers in Hegel’s hands by no means prevent him from being the first to present its general forms of motion in a comprehensive and conscious manner. With him it is standing on its head. It must be inverted, in order to discover the rational kernel within the mystical shell.

This famous statement is misleading in several ways. In a sense, Marx had been “inverting” Hegel since he was young. What is important is that the overturning of Hegel in *Capital* is different from the previous overturnings, and this is what makes it unique to Marx.

In the first place, the “Hegel” that Marx found when he professed to be a “pupil” of Hegel is different from the Hegel that is usually referred to. In Hegel, world history is a process of the self-realization of “spirit”. However, what Hegel means by that is that the social history of humans is not created by their intention or design, but is something beyond human intentions, forced by the “unconscious”. Hegel’s “spirit” (*Geist*) is a “ghost” that operates in the way of the “unconscious”.

Hegel emphasized this in his *Lectures on the History of Philosophy*. He first rejected the “psychological” view, that is, the view to see action as stemming from “consciousness”. Caesar and Napoleon, for example, were driven by their own intentions, desires, and ambitions in their individual consciousness. However, each of them achieves something beyond such “psychology” or “consciousness”. Hegel understood this that they are driven by the “unconscious”. In this sense, Hegel can be said as the first philosopher who doubted the view from “consciousness” and looked into the workings of the “unconscious” or spirit.

As an example, Hegel wrote the following about Socrates, who went to the agora and started to engage in dialogues with passersby because he was told by daimonion-spirit not to go to the assembly.

The characteristic form in which this subjectivity — this implicit and deciding certainty — appears in Socrates, has still to be mentioned. That is, since everyone here has this personal mind which appears to him to be his mind, we see how in connection with this, we have what is known under the name of the Genius (daimonion) of Socrates; for it implies that

now man decides in accordance with his perception and by himself. But in this Genius of Socrates — notorious as a much-discussed bizarrerie of his imagination — we are neither to imagine the existence of protective spirit, angel, and such-like, nor even of conscience. For conscience is the idea of universal individuality, of the mind certain of itself, which is at the same time universal truth. But the Genius of Socrates is rather all the other and necessary sides of his universality, that is, the individuality of mind which came to consciousness in him equally with the former. His pure consciousness stands over both sides. The deficiency in the universal, which lies in its indeterminateness, is unsatisfactorily supplied in an individual way, because Socrates' judgment, as coming from himself, was characterized by the form of an unconscious impulse. The Genius of Socrates is not Socrates himself, not his opinions and conviction, but an oracle which, however, is not external, but is subjective, his oracle. It bore the form of a knowledge which was directly associated with a condition of unconsciousness; it was a knowledge which may also appear under other conditions as a magnetic state. It may happen that at death, in illness and catalepsy, men know about circumstances future or present, which, in the understood relations of things, are altogether unknown. These are facts which are usually rudely denied. That in Socrates we should discover what comes to pass through reflection in the form of the unconscious., makes it appear to be an exceptional matter. revealed to the individual only, and not as being what it is in truth. Thereby it certainly receives the stamp of imagination, but there is nothing more of what is visionary or superstitious to be seen in it. for it is a necessary manifestation, though Socrates did not recognize the necessity, this element being only generally before his imagination.<sup>4</sup>

The exact reason why Socrates went to the agora to speak with people is unclear. What is important here, however, is that he did not do so based on his conscious choice. If so, Hegel assumed, we could say that the daimonion was the “unconsciousness” of Socrates. Marx was thinking along the same lines when he declared himself as the “pupil” of Hegel. In fact, in *Capital*, Marx wrote the following about what occurs in exchange:

Men do not therefore bring the products of their labor into relation with each other as values because they see these objects merely as the material integuments of homogeneous human labour. The reverse is true by equating their different products to each other in exchange as values, they equate their different kinds of labour as human labour. They do this without being aware of it. Value, therefore, does not have its description branded on its forehead.<sup>5</sup>

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4 Hegel 1995

5 Marx 1976, pp.166-7

Marx, as Hegel's "pupil", brought in the "unconscious" in *Capital*, or rather, he brought in daimonion (spirits); that is "fetish". In other words, when he mentioned fetish in relation to the value of commodities, he saw that a kind of spiritual or ideational power emerges there, and that it comes not from production but from exchange.

### 3

As mentioned earlier, Marxists generally regarded this as a joke. Lukács, for example, rejected it and replaced it with reification, in which the relationship between human beings becomes a relationship between things. The Japanese Marxist philosopher, Wataru Hiromatsu, made a similar argument (around the same time or slightly earlier). The failure to grasp the fetish lead to the failure to grasp the inherent significance of *Capital*. Here, Marx was trying to elucidate that the spirit of capital arises from commodity exchange (mode of exchange C).

To add, spiritual powers do not only come from mode of exchange C. It is also present in gift exchange (mode of exchange A). This is the spirit that Marcel Mauss called *Hau*. The spirit also haunts the state (mode of exchange B). It was Hobbes who gave insight into this power that arises out of mode B. The monster he called Levithan is nothing but a spirit that enables the exchange of domination-submission (B). Moreover, the spirit manifests itself as a power that overwhelms such spirits. In other words, the mode of exchange D, which supersedes A, B, and C, appears as a spiritual power.

The following words from the beginning of *The Communist Manifesto* are well known: "A specter is haunting Europe—the specter of communism". Of course, this is supposed to be a joke, but that is not necessarily the case. Rather, it means the following: communism is a "spirit". That is, it exists as an ideational "power" that transcends capital-nation-state, that is, as mode D that transcends modes A, B, and C of exchange.

Speaking of spirits, Jacques Derrida's *Specters of Marx* (1995) is suggestive. In this book, he cites examples such as "the specter of communism" and writes that Marx was accompanied by many "ghosts" in his life. The ghosts he refers to range from communism to God, or to money-capital. Certainly, each of these is spiritual in its own way. However, Derrida did not try to clarify the difference and relationship between them. As a result, I feel that the discussion ended up being a kind of play on words.

Derrida wrote this at a time when "the end of history" (Francis Fukuyama) was pronounced after the collapse of the Soviet Union in 1991, that is, at a time when it was said that Marxism was dead. Considering this situation, he was presumably trying to say that the ghost of Marx is

still alive. I agree with him. However, I believe that the various spiritual powers he cited are not mere metaphors, but real powers that originate in different modes of exchange.

Marx presented those in *Capital*. By doing so, he paved the way for the understanding of money and capital as fetish (spirits), i.e., ideational powers that arose together with the mode of exchange C. It was at that point that he professed to be a “pupil” of Hegel, whom he had been criticizing all along. However, Marx clarified only the “spirit-fetish” arising from the mode of exchange C. As for the problem of “spirit” arising from other modes of exchange, there is still room for much further thought.

In his later years, Marx moved toward the problem of mode of exchange A, specifically, what Morgan called “ancient society”, or clan society. However, Marx did not turn to the spirit of communism. In fact, it was Engels who did so.

#### 4

Shortly after Marx and Engels published *The Communist Manifesto* in 1848, revolutions for socialism took place in European countries, but they were all defeated. It was a strange defeat, however, because the victors adopted “socialism”. For example, in France, the emperor Bonaparte, a Saint-Simonist, promoted industrial development and supported the workers’ movement. In Germany, Bismarck advocated “national socialism”. Overall, it can be said that the revolutions of 1848-9 brought about a system in which the class struggle between capitalists and workers was resolved by the nation-state. It had a “socialist” element to it. In other words, it was a system that reduced the class disparity brought about by the capitalist economy through taxation and redistribution by the state.

Therefore, the revolutions of 1848-9 had the following consequences for Marx and Engels. In 1850, Marx went into exile in London, where he wrote *The Eighteenth Brumaire of Louis Bonaparte* and at the same time launch his *Critique of Political Economy*. At that time, he began to think about “exchange” and found money as a fetish that arises from there. This work, which resulted in *Capital*, can be said to have been the beginning of his “science of capitalism” as I would call it.

On the other hand, Engels’ attention to Thomas Münzer’s millenarian movement in *The German Peasants’ War*, which was published in 1850, can be said to be the genesis, of what I would like to call “science of socialism”. Engels became known to the public in the 1970s with the publication of *From Utopia to Science*. There are some misconceptions about this book. The idea of “scientific socialism” already existed in the mid-1840s. In fact, Proudhon advocated “scientific socialism,” and Owen said something similar. In that case, “scientific” meant, so to speak, not religious. In other words, it must be rationally planned by human beings.

Engels' idea differs from this. Engels' praise of the religious revolutionary leader Münzer in his book *The German Peasant War* suggests this:

His theologic-philosophic doctrine attacked all the main points not only of Catholicism but of Christianity as such. Under the cloak of Christian forms, he preached a kind of pantheism, which curiously resembles the modern speculative mode of contemplation, and at times even taught open atheism. He repudiated the assertion that the Bible was the only infallible revelation. The only living revelation, he said, was reason, a revelation which existed among all peoples at all times. To contrast the Bible with reason, he maintained, was to kill the spirit by the latter, for the Holy Spirit of which the Bible spoke was not a thing outside of us; the Holy Spirit was our reason. Faith, he said, was nothing else but reason become alive in man, therefore, he said, pagans could also have faith. Through this faith, through reason come to life, man became godlike and blessed, he said. Heaven was to be sought in this life, not beyond, and it was, according to Muenzer, the task of the believers to establish Heaven, the kingdom of God, here on earth.<sup>6</sup>

This passage indicates that when Engels thought of communism, he thought of it in terms of historical materialism (modes of production), but also grasped it as coming from some “power” different from that. He found communism in Münzer’s “theological-philosophical doctrine”, but this does not mean that it comes from Christianity in particular, as “pagans could also have faith.” In other words, it does not matter if one is pagan or atheist. What is important is that there is some ideational “power” at work here.

In his view until 1848, the class struggle arose along with the development of the capitalist mode of production, through which the proletariat would realize socialism. This would occur only after industrial capital had developed to a certain stage. In this sense, the class struggle in England, where industrial capitalism was most developed, should have been a model example. But what happened in 1848 was not the case. Rather, with some degree of victory of the proletariat, the movement to abolish the class itself disappeared. Specifically, with the passage on the Trade Union Law, the Chartist movement dissolved.

It means the following: socialism that “supersedes class itself” cannot be explained only in terms of historical materialism, that is, in terms of modes of production. So how does such socialism arise? After the defeat of the German Revolution of 1848-49, Engels went back to the German Revolution of 1255 to discuss the similarities and differences between these two revolutions.

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6 Engels 1996



At that point, Engels had already realized that socialism, as consciously designed by humans, is only a “utopia”. It may be locally viable, but it cannot be more than that. If it is to be widely realized, state power will be necessary. Then, how would it be possible to supersede the state? It cannot be said that if economic class differences disappear, the state will automatically disappear as well. In the first place, a state exists in relation to other states. Therefore, it is not possible for one state alone to overcome the state form in general.

How, then, is it possible for socialism to be more than a utopianism? As a matter of fact, this is not sufficiently discussed in his book *From Utopia to Science*. Here, Engels merely reiterates the ideas that Marx expressed in his *Critique of the Gotha Program*. However, it appears that he was not satisfied with that. There are traces that he was trying to examine communism from a different perspective. These can be found in his studies of primitive Christianity, which he proceeded in his last years. Incidentally, it was his disciple Kautsky who succeeded this line. It is ironic that Kautsky was later ostracized as a “renegade” by Lenin, even though he had inherited Engels’ most important interest.

In my opinion, the “science of socialism” which Engels started is not impossible to be established. It is to elucidate the mode of exchange and the powers (spirits) it brings about, specifically the spirit of communism. That is what I have attempted in my forthcoming “Power and Modes of Exchange”.

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