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Response: Money in the History of Political Thought

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Let me first of all thank Jonny Thakkar for organizing the panel of critics from which this symposium emerged. I am deeply grateful to be in conversation with such a wonderful group of interlocuters—Samuel Chambers, Chiara Cordelli, Duncan Kelly, William Clare Roberts, Melissa Schwartzberg, and Jonny Thakkar—and indebted to their illuminating reflections on my argument about the politics of money in the history of political thought.

In writing the book my starting point was a sense that contemporary debates in the politics of money were at once theoretically impoverished while being weighed down by a past that had refused to pass but that was simultaneously little known or understood. Turning to the history of political thought was meant as a first step in confronting ideas that continue to haunt us, instead of turning to the past as merely a set of case studies or raw material for the present. This accounts for some of my choices of authors and moments, but it also raises important questions about the relationship of the past to the present implied by the book's argument.

The example of Athens is helpful here. As Schwartzberg points out, Athenian debates about money were indeed deeply interwoven with suspicions and distrust. My reconstruction of Aristotle's argument is not meant to displace that history, nor did Aristotle sideline problems of distrust and misuse. My point was merely that recovering ancient Greek monetary practices—coined money as an essential tool of the polis, but also one that was treated with widespread suspicion as well as being closely tied to Athenian imperial power—allows not only for a new appreciation of Aristotle's conceptualization of the institution of coinage but also helps to make visible a profound ambivalence about the political status of money that shaped subsequent thought about money as a peculiar conventional institution. I did not mean to suggest that this history should guide contemporary proposals for democratizing money. Rather, my emphasis of Aristotle's conceptualization of coined money was intended to flag the consequent disappointment that came to mark much of the tradition of Western political thought.

My purpose for recovering these layers of the past was not for them to serve as cautionary tales or reservoirs of wisdom but primarily to help us better understand our own vantage point and the conceptual ground on which we stand. Recovering past moments of monetary crisis and the divergent theorizations of money that emerged from them does not simply translate into an argument either for or against greater democratic control over the monetary system today. As a result, my voice consciously differs between the historical chapters and the contemporary epilogue. The relation between the epilogue and the preceding history is, crucially, not one of inference or application but reflects a process of becoming aware of why we see certain things when we turn our attention to money and why we struggle to see other aspects.

And yet, as Thakkar observes, my insistence that this is not a story of heroes and villains seems to stand in tension with the way in which some authors are framed. Put crudely, is Locke not the villain of the story after all? In what ways does Keynes fall short of being the book's hero? My refusal to speak of heroes and villains did not derive from a misguided attempt at neutrality, nor merely from a philosophical concern with anachronism. Instead, it reflected a particular attitude toward the past as neither mapping onto our existing traditions nor fully removed from our choices. My efforts to map the politics of monetary crises thus arose from an interest in the ways in which past arguments, especially where successful, frequently altered the argumentative landscape to such an extent as to distort the argument itself while obscuring possible alternatives from view.

My interlocutors, especially Chambers, Kelly, and Thakkar, are nonetheless correct to observe that Keynes is accorded a special place in this account. Keynes's argument is not merely yet another point on the map of modern monetary politics. His combination of monetary theorizing with historical reflections on past thinking about money does indeed mirror part of my book's method. Keynes consequently inhabits a double role, both an object of study and a guide to the politics of money. But I would nonetheless differentiate between guide and hero. Ultimately it depends on us to tell the guide where we would like to end up. We do not have to agree with a guide's assessments and can benefit from them even where we disagree. What I found appealing about Keynes's stance was not only his refusal to align with existing positions but his experimental embrace of seemingly contradictory options. Even where I disagreed with Keynes's conclusions, I found myself drawn to the ways in which he was able to think about modern politics and its relation to economic questions, as well as his account of the peculiar hold that past ideas can exercise over the present. But since very little of this broader conception of politics is articulated in the book, the special place accorded to Keynes must have seemed puzzling.

It is inversely true that Locke would have made an easy villain and one of my goals was to pierce the veil of the Lockean "sound money" tradition. But to reduce Locke to a villain would not only miss the irony that marks the reception of his monetary thought—having sought to tie coined money to metal value, he

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unwittingly contributed to a monetary shortage that fueled a credit revolution —it would also neglect that Locke's own peculiar solution constituted only one possible answer to the problem of monetary trust. Locke's argument, though ultimately deceptive, still proceeded on the basis of a political logic that when recovered begins to lose its hold on us. By returning to Locke, we can make visible the more ambivalent political nature of his argument that was lost in the subsequent "sound money" tradition. This meant for me that rather than simply positioning ourselves for or against Locke's argument, it is more promising to appreciate its original motivation, as well as the binds and paradoxes built into the logic of his stance.

This leads me into the heart of the book's argument about the politics of monetary depoliticization as well as important questions about the political status of money. Part of my interest was not simply to recover a lost conversation about money as a tool of rule but also to understand how this appreciation was lost. The dissemination of Lockean arguments provides one important strand of that history but I also argue that contemporary political theory was unwittingly complicit in underwriting the most recent wave of the politics of monetary depoliticization since the early 1980s. Cordelli asks whether this claim stands in tension with Rawls's institutional agnosticism or Walzer's ongoing commitment to democratic socialism during the 1980s. I largely agree with Cordelli concerning Rawls's relative silence on monetary policy which did indeed have important methodological roots. Had I focused more extensively on the 1950s and '60s, I would have elaborated on the ways in which Rawls's stance also reflected the taken-for-granted political settlement of international money at Bretton Woods, which of course disintegrated the very year Rawls's seminal book appeared.[1] I would however defend Walzer's case as representative of the way in which political theorists—perhaps in particular on the left—came to accept and reinscribe a fundamental distinction between state and market during the 1980s that had once seemed implausible. One unwitting casualty of redrawing a sharp dividing line between the economy and the political realm was alas the question of monetary policy, which straddled this divide uneasily. My point is of course not causal. Walzer, Habermas, and others did not produce the politics of monetary depoliticization. Nor do I suggest that Walzer had become a neoliberal cheerleader. He remained committed to decentralized democratic socialism. But I was struck by the irony that it was precisely a Marxist equation of money with capital that led many on the left to quickly accept a new disinflationary reality in which money creation was once more merely an "economic" question rather than also a possible arena of democratic contestation.

[1]Katrina Forrester, *In the Shadow of Justice* (Princeton, NJ: Princeton University Press, 2019), 180. For an interpretation of Rawls's sparse remarks on central banking, see Jens van 't Klooster, "Central Banking in Rawls's Property-Owning Democracy," *Political Theory* 47, no. 5 (2019): 674–98.

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But as Cordelli probingly asks, what accounts for money's public qualities despite its depoliticized appearance? Is it because money can, like speech, enable relationships of trust and reciprocity? Or is money a public good because it acts in close analogy to the law, indeed as an institution rooted in the law? Cordelli points in a slightly different direction with which I sympathize, and which I take to be entirely compatible with either option: the powers of money creation not only raise distributive questions but also unleash relations of dependence that easily render states subservient to private financial actors, thereby creating a system of blackmail that distorts the very foundations of public finance. I am in deep agreement with Cordelli on this point, though perhaps less optimistic about our ability to extricate ourselves from these bonds while simultaneously more optimistic about the ways in which finance continues to need the state at least as much as the state needs finance. From this follows for me one of the core tasks of political theory that emerges from my book: the need to develop better theorizations of the peculiar interdependence between state and finance, not least in order to be able to exploit these strategically in ways that put financial markets on the backfoot by having to respond to democratic politics rather than the more familiar picture of democratic states having to respond to the follies and miscalculations of financial markets.

A final set of worries and questions about constructivism and excessive monetary malleability weighed heavily on me in writing the book. Roberts is entirely correct to observe that the book revolves around an encounter with Marx. But this is less a confrontation than a conversation and a shared enquiry into the contours of monetary politics. To posit the political construction of an institution does not imply an effortless ability to cash out the democratic promise of said institution. Nowhere is this more evident than in the realm of monetary politics. One of my reasons for deploying an expansive, multilayered conception of politics was to capture the tension between the utopian ideal of "political currency" in the democratic sense and its inescapable frustration under existing economic relations.

Roberts nonetheless worries that this framing offers an involuted horizon of democratic critical theory that can easily amount to idealist voluntarist slogans on the basis of a crude political constructivism. But my epilogue does not simply underwrite claims of monetary malleability. Money is, to be sure, a peculiarly self-reflexive institution whereby certain beliefs and expectations can easily become self-fulfilling or, more likely, self-defeating. But even these beliefs and expectations do not emerge in a social vacuum. As Chambers helpfully flags, money is always already a relation of power. Just as the monetary imaginary cannot be cleaved off from its social underpinnings, so it cannot be changed by acts of imagination alone.[2] Marx's critique forms both

[2]For an instructive discussion, see Samuel Moyn, "Imaginary Intellectual History," in *Rethinking Modern European Intellectual History*, ed. Darrin M. McMahon and Samuel Moyn (Oxford: Oxford University Press, 2014), 112–30.

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an important caution against the excessive voluntarism of contemporary forms of monetary Proudhonism and a powerful reminder that a fully democratic form of money necessarily points beyond existing economic structures.

And yet I remain convinced that this critique leaves space for articulating political demands for the democratization of monetary politics even under contemporary capitalism. What Roberts refers to as the "Escher logic" of democratic theory does not mean that we have simply forgotten what powers we already have. Instead, we need to struggle for things that we are said to already possess and yet might never fully attain.[3] That does not imply that our chains are merely imaginary but rather that democratic politics requires struggling within a system whose horizon of realization we can never reach. The politics of money and credit is a particularly pertinent example for such democratic struggles not because they are easy but precisely because they are so difficult and their stakes so high.

In reflecting on the contemporary monetary constitution and its fleeting but real possibilities for democratization in the book's epilogue, my purpose was not to present policy proposals derived from historical reflection. Instead, the epilogue issues a plea for a better democratic language that would allow citizens to articulate and debate the economic foundations of modern politics anew. Becoming aware of this lack is, as Kelly also highlights, the necessary precondition for beginning to formulate a better democratic vocabulary.

[3]I am thinking of Astra Taylor, *Democracy May Not Exist, but We'll Miss It When It's Gone* (New York: Metropolitan Books, 2019).