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*The Bonds of Debt: Borrowing Against the Common Good*

Richard Dienst

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## **Void of Debt: Crisis and the Remaking of Indebtedness**

**David Janzen**

In the wake of the credit crisis of 2008 the management of debt became a central justification for a state of exception — the so-called “age of austerity” — that continues to have drastic and violent effects. Driven by a media spectacle that claims for itself the role of informer and arbiter, the rhetoric of crisis has been used to reorganize economic activity, leading to further entrenchment of the dominant economic role of creditors and banks (and their financial and military minions), creation of ever-deeper forms of peonage for the vast majority of the global population, and dismemberment of the social and governmental structures created to maintain some semblance of economic equality.

Richard Dienst’s *The Bonds of Debt* re-examines and expands existing concepts of debt to argue that what has been perceived as an economic crash may, in fact, be symptomatic of a more foundational crisis. The objects and discourses Dienst takes up in this analysis are compellingly diverse — they include statistical indices for measuring economic inequality, the infamous photo of Bono and Bush traversing the White House lawn, and the architecture of Prada stores. The theoretical framework, too, is wide-ranging, traversing disciplinary distinctions and drawing on phenomenological, constructivist, and Marxian approaches. In this sense, *The Bonds of Debt* aims less at a fully cohering social, economic, or philosophical conception of debt, than a constellation of insights regarding the situation of indebtedness. Though heterogeneous in content and approach, the book offers a sustained critical trajectory that can be organized into three general modes of inquiry. The first few chapters develop a socio-economic critique of the nature of crisis, institutional discourses on poverty, and the relationship between Keynesian economics and Kant’s notion

of perpetual peace. Following this, Dienst examines, with particular verve, the ways in which cultural images and representations of spaces inform (and potentially enforce) capitalist modes of indebtedness. Lastly, Dienst mobilizes insights from his socio-economic and cultural critiques toward a more speculative and philosophical intervention.

This philosophical intervention is framed by a distinction between the concept of debt as a measurable economic obligation and a more foundational concept of indebtedness, defined as “the reciprocal bonds of productivity generated between people, in their work and their lives alike” (30). Any community, Dienst asserts, must create and maintain modes of mobilizing the potential of labor and resources, and such mobilization is only possible on the basis of some form of obligation or indebtedness. The issue, in this more foundational sense, is not the simple fact that we are all indebted but rather that, within the framework of global capitalism, modes of social obligation are continually reconstituted such that all forms of indebtedness are increasingly mitigated through and determined by the nexus of money.

The tension between capitalist debt and indebtedness is the driving force of Dienst’s book. Through the dynamic negotiation of this tension, he argues convincingly that the current crisis of indebtedness necessitates an escape from the fetters of global finance capitalism. Such an escape must be premised on the projection of new possibilities, on a reinvention of the ways in which we are indebted to one another. Moreover, Dienst speculates, it is from within the system of capitalist debt itself (and the crisis thereof) that we will discover and potentially generate leverage for the undoing of the system.

### **Debt and the Representation of Inequality**

The credit disaster of 2008 and the ensuing media spectacle led to a proliferation of rhetoric declaring doom in increasingly serious terms, from “crisis” and “crash” to “meltdown” and (Alan Greenspan’s term) “tsunami.” Yet in spite of the severity of the situation, and in spite of the fact the crisis was, at least to some extent, understood not as an aberration but as an effect of a problematic or mismanaged system, this crisis has not led to a moment of revelation or transformative truth. In the U.S. (on which Dienst’s analysis is primarily focused), it was largely assumed that the individuals and groups that created the storm were the only ones adequately qualified to navigate through it, and the four-year transition from the initial state of panic to the relative restoration of faith has led to a deeper entrenchment of existing powers. Even in EU countries experiencing widespread popular dissent, austerity measures are being forced through. In short, Dienst suggests, “[t]he crisis of knowledge — as messy, confusing and embarrassing as it was — did not turn into a crisis of faith” (12).

The opening three chapters of *Bonds of Debt*, which intervene in the rift between the crisis of knowledge and the disavowed crisis of faith, analyze the frameworks by which we currently understand debt. Seeking to expand the concept of debt, Dienst argues that the supposed stabilization and recovery of the economy hides a more

foundational historical fissure. The debt crisis (crash, meltdown, whatever designation we wish to give it) and the accompanying media-driven frenzy — both of which have been represented as a moment of credit instability — are in fact symptomatic of a “crisis of indebtedness”: a crisis, that is, in the psychic, social, and economic forms of human relations that bind human beings together across time (13). By examining the constitutive forms of indebtedness and the modes by which indebtedness is distributed — what Dienst calls the “regime of indebtedness” — *Bonds of Debt* raises several central questions: How has the contemporary regime of indebtedness been understood? How does this regime appear in the everyday spectacle? And how might we better understand and engage in the restructuring of this regime?

Broaching the first of these questions, Dienst examines the ways in which inequality, poverty, and indebtedness are measured and accounted for, particularly from the perspective of international organizations. He suggests that the myriad of indices economists use to calculate equality and poverty — purchasing price parity, Human Development Index, the Gini index, and so on — are necessarily reductive for a number of reasons. In measuring equality, how can one account for the experience of abject poverty? And, as there is no legislative body capable of addressing global inequality, to whom would such a measurement be addressed? Still, such calculations work well enough to show that in the decades leading up to the economic downturn the world was becoming less and less equal and, with the growing disparity between wealth and poverty, affording less and less freedom to large portions of humanity. Even if drastically limited, this knowledge is significant for understanding the potential of solidarity.

Indebtedness, Dienst suggests, “marks the Real of solidarity” (57). The binding force of financial debt rests on the capacity to connect borrowed currency to some external sources of value — collateral, projected future earnings, other paper wealth, and so on — that may themselves be unstable. At any point, debt can be cut off from the value of its source (through a decline in the value of collateral, loss of projected earnings, and so on), and when the referential form is undone, debt takes on potential meanings, potentially becoming a crushing and impossible infinite, a disappearing void, or anything in between. In short, Dienst asserts, “a system of debt both *allows* and *requires* people to build upon the void without being crushed by the infinite” (58).

But what occurs when this precarious system collapses? The brief history of neoliberalism demonstrates that when the credit system is driven to the brink by reckless production of private wealth, debt becomes a public burden to be borne in the form of austerity measures and bailouts that, in turn, necessitate further restructuring that deepens of the regime of indebtedness.

Particularly during moments of instability and restructuring, this system requires both military force and careful media strategy. In the realm of warfare technology, Dienst suggests, one of the most crucial breakthroughs has come in telecommunications — specifically, in the technological capacity to manipulate

“the distances between those who decide strategy, those who fight, those who die, and those who sit and watch” (70). Moreover, media strategies are never tied to a single ideal or front. They re-order and reconstitute what appears in extremely diverse ways, from the absolute invisibility of conflict (in cases like Rwanda and Chechnya) to the calculated bombardment by fear that prefigured the Iraq war. With the power to determine (or ignore) the ways in which a conflict can be understood, Dienst argues, “media strategies now perform constitutional functions *in absentia*, producing ‘legitimation’ without recourse to legal processes, a ‘popular mandate’ without recourse to democratic procedures, and ‘universal principles’ that need not last beyond the particular task at hand” (71).

Such strategies obscure the ways in which the promised era of liberal peace is built on a generalized system of violence while, at the same time, claiming that such peace rests on a state of exception that forges a new link between indebtedness and war: anyone who wishes to partake of the “opportunities” advertised by the market-state must be willing to pay, in advance, the cost of maintaining a particular world picture. This world picture, Dienst argues, may allot freedom in immense disproportion — securing real freedom only for the very rich — but it offers the rest of us, insofar as we accept its terms, the chance to take part in the “view from above.” After 9/11, for example, the turnaround from vulnerability and fear to ruthless vengeance took mere days. By drawing people into endless so-called debates on security and foreign policy and into the “buzz of the war room” the media spectacle allowed anyone to join the side of power, to participate in the making of important decisions: not how to respond — this had already been decided — but rather “when and where to drop the bombs” (91-92).

### **Culture and the Spectacle of Obligation**

Following the critique of economic and political understandings of indebtedness, Dienst shifts perspective, reading debt through a series of cultural objects and projections in order to get a sense of how the current regime of indebtedness operates — what it does, how it appears, and what it looks like in an everyday sense. In what is perhaps the book’s liveliest chapter, a letter addressed to “the persona, the media image known as Bono” (95), Dienst examines the role of the media spectacle in the negotiation of debt and global poverty. In good constructivist fashion, the essay eschews questions of morality and policy, asking instead: What does Bono-as-media-image do? And how does this projection work?

The chapter begins with a look at the infamous photo of Bush Jr. and Bono (who at the time was lobbying the Bush government for debt cancellation and AIDS relief in Africa). From this starting point, Dienst analyzes the ways in which debt co-opts and replaces older social and economic relations, but also — and this is where Bono literally enters the picture — the ways in which the mass media spectacle reinforces and remakes a top-down order. Claiming to speak on behalf of “the poorest and most

vulnerable people...whose rage, whose anger, whose hurt I represent,” Bono stands in for those who cannot be present (116). But in what sense? Neither Bono-the-man nor Bono-the-image is capable of representing the diverse, directed, and articulate expressions of inequality that sometimes puncture through the media spectacle. To the contrary, Dienst argues that Bono’s presence at the White House, in the media, at Davos, and so on, depends directly upon the continued absence and silence of those he claims to represent. The issue is not only that the compassionate Rock Star is allowed to be present while legitimate representatives are not, but also that the philanthropic, sympathetic figure postures as the limit of the political struggle against poverty, thus closing the circuit between the media spectacle and existing powers. “What is missing, invisible, off the agenda,” Dienst writes, “is any belief that economic development can be a mode of collective self-determination, opening up a realm of freedom for the poor beyond that envisioned for them by billionaires” (117-18).

Shifting from the spectacular to the spatial, Dienst analyzes this top-down structure by reading shopping spaces — specifically, Koolhaas’s New York Prada store — as extensions of the regime of indebtedness. Shopping space is a form of enclosure that aims to configure encounters between shoppers (or their credit) and commodities, thus giving place to the “basic contradiction of consumerism, offering a way to bear being in debt, turning endless obligation into fleeting enjoyment, staking a claim in a collective excess that would be inaccessible to mere individuals” (129). Koolhaas’s Prada store exemplifies the multivalent nature of this contradiction, addressing the potential consumer both as a subject showered with the brand’s costly aura and as individuals who, in return for Prada’s generosity, are under implicit obligation to buy.

### **Re-Inventing Indebtedness**

The media spectacle of war, Bono’s campaigns, the architecture of Prada stores: all of these cultural forms give subjects the “opportunity” to express indebtedness to the existing order and to possibilities already decided for them by that order. But can our indebtedness be lived otherwise? Is there something about the existing regime of indebtedness that generates leverage for its own undoing? Is it perhaps precisely the spectacle of insupportable debt that could make visible the collective force that supports such indebtedness? These are the questions posed in the final chapters of *Bonds of Debt*.

Arguing for a committed re-reading of Marx, Dienst gleans from Marx’s writing three understandings of debt: the philosophical, the economic, and the political. The philosophical and economic perspectives emphasize the ways in which credit and debt mediate the master/slave relation between the creditor who “stands in for the judgment of *all those who possess wealth*” and the debtor who must accept credit (148). Within this relation the living body is inscribed and enclosed within, and dependent upon, the law of debt. It is in Marx’s political reading of debt that Dienst discovers the revolutionary possibility of indebtedness. On the one hand, the credit system

accelerates production by harnessing more labor and organizing resources. On the other hand, its existence, caught as it is between the void and the infinite, rests on an imaginary plane that reveals its absolute dependency both on the real productive forces of bodies and on the collective imagination that sustains the fiction. But what would happen, Dienst asks, if this collectivity were able to recognize its investments and claim “the imaginary powers of this system as its own”?

The insights and tensions taken up throughout the book point to a fundamental contradiction inherent to the existing regime of indebtedness. As social beings, Dienst suggests, we bear a form of indebtedness that is continually reasserted in the existence of community, and therefore can never be “paid off” in any final sense. Negating this collective indebtedness, we are inscribed in a complex order of things that remakes and dominates potentiality, placing past and future in perpetual debt to the present and to the forms of power therein. As Dienst writes:

We live between two debts. On the one hand, there is the ineradicable debt described by Agamben that comes from having or being a potentiality that we can never really possess, exhaust or fulfill, which prompts us to live as if we were always in pursuit of something else, like happiness, which can never be our own. On the other hand, there is the full array of as yet unreckoned debts that constitute the complex historical situation in which we live, ranging from unresolved family romances and the duties of identity to the very persistent obligations imposed by the dominant forms of political and economic power. (156-57)

The contradictory forms of indebtedness demand that we resist or refuse the obligations set upon us by the media-finance order — that we liberate one another from the apparatuses that make capital the basis for all forms of human indebtedness. But for Dienst, as I have already implied, there is no pure escape. Radical exoneration from capitalist debt must proceed through the constitution of new narratives of indebtedness and new modes of organizing the forms of potentiality that emerge in solidarity. “The key historical task,” Dienst writes, is to “constitute...a properly historical connection between indebtedness and the common good on a global scale” (158).

What might such a connection look like? For the most part we lack the understanding needed to make positive projections, but Dienst does gesture toward a few key ideas. For one, he asserts that the dialectic of indebtedness, if it is to gain any transformational leverage, requires that we eschew optimism. Thus, following Fredric Jameson, Perry Anderson, and others, Dienst argues that, in spite of the political risk involved, the only way to escape triumphalist neoliberal discourse is to “declare defeat” and to “recognize failure” — to “go through defeat *without saving anything*, and to go through failure *without losing everything*” and to do so without

knowing in advance “what will be given up and what will be kept” (169). Perhaps, in precisely this regard, our historical moment offers new opportunities for insight. A decade ago many thought it safe to assume that there was an inherent link between capitalism, democracy, and the global economy, and that, eventually, the “rising tide” ideal would play out. As Eric Cazdyn and Imre Szeman suggest, in the discourse of capitalism and globalization the blunt language of economics has largely replaced the more romantic language of freedom, democracy, and liberalism.<sup>1</sup> Austerity measures, the ongoing instability of the labor market around the globe, bailouts for banks and investors — the current situation is leading to increasing indebtedness while, at the same time, making increasingly visible the oppressive nature of the existing regime of indebtedness. Perhaps, then, we are poised to learn what Dienst calls the “vital lesson” that “the only way to bear the dead weight of history is to push back against it” (170).

### Notes

1. Eric Cazdyn and Imre Szeman, *After Globalization* (London: Wiley-Blackwell, 2011).

