

they confirm the project of this book and the necessity to distinguish a productive and sterile sector in the economy, all fall far short of solving the task.

## Section 4. An original assembly

The introductory elementary economics of profit economies, which will now be concluded, has equipped us for the further journey undertaken in this book. We deny “objective value” and shall not be misled by the theory of labor value and exploitation. We possess a basic concept of money, and specifically the idea of the importance of money creation, and understand its difference to fiat money (fiat money being only one, if the most efficient, form of money creation). We have, furthermore, come to appreciate that the economic system must be regarded as a temporalized system that is created and re-created by elementary events in time, more like a dance, where dancers swap partners in between, which have exchanges. Classes or units, including our two classes and their ports, are only spatial representations of where players take roles as sellers or buyers in exchanges in time as part of their strategic two-leg-behavior, which aims beyond the single exchange. Marx’s  $C-M-C'$  and  $M-C-M'$  are these two-leg-circuits, but only if we also lay the distinction between sterile or employment-generating (or the wealth economy and productive economy) across the distinction of consumptive ( $M-C'$  in  $C-M-C'$ ) and investive ( $M-C$  in  $M-C-M'$ ), we are truly equipped to analyze the problems of circuit closure in capitalism and to ultimately combine it with a theory of prosthetics.

We shall close the elementary economics of profit economies with a romantic moment: Contrary to natural law theories, the state was *not* founded by social contract. Capitalism was likewise not introduced following deliberations in an original assembly.<sup>96</sup> Yet, *imagine*, contra-factually, capitalism *had* been erected per resolution after such an original assembly and assume that the speakers (contrary to what we know from democracies from ancient Athens to the present) had only made honest and reasonable arguments. In this case, proponents of capitalism could still have possessed strong and intelligent arguments in its favor (which would have somewhat resembled Hobbes’ honest and true arguments in favor of Leviathan). They could have argued: “See, we all like values-in-use and produce them to consume them or to exchange them against other values-in-use. This ( $C-M-C'$ ) works, more

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96 Social institutions are normally not founded neither to serve a commonly agreed purpose, such as to fulfill a social function, nor do they, e.g., states, owe their existence to an insight or teleological intervention of a steering god or a social contract in the sense of Hobbes, Locke or Rousseau. They rather come into being because a political entrepreneur with some mix of financial means, political allies and hard and soft power in the background has successfully established them for certain purposes. They, then, become part of the social landscape and are later appropriated for other purposes.

or less. However, what happens if we invite, in addition to these value-in-use-related motives for production and exchange, an additional and much more powerful artificial motive, a motive which is not interested in values-in-use, but only in value-in-exchange, profits, and wealth?" The pro-capitalist speaker could then have gone on to claim: "If we let this ghost out of the bottle, we shall see value-in-exchange-production drive value-in-use-production to levels otherwise impossible...". "That is wholly true..." an anti-capitalist opponent might have replied, "but we must also know that while profit-seeking ( $M-C-M'$ ) will massively push value-in-use-production, it will also ignite other activities, irrespective of whether they generate truly useful values-in-use and – and this will be reckless to humans, animals and the environment in general." "Furthermore", he could have added, "we should know that, as time goes by, those successful in profit-making, the winners of the game, which we would invite in, will monopolize the means of production and the non-winners will become dependent on them. There will be no other option for the non-owners to draw incomes but from the winners, and the winners will only employ them if they need them to produce goods, which promise further profits for the winners!" The honest proponent of capitalism would not deny this. And he would not deny either if the anti-capitalist proponent adds "As a result of capitalism, there will, thus, be stronger than otherwise social segregation between wealthy and non-owners and we will antagonize against each other in society, in politics and sometimes in civil war. Worse, a new strong motive<sup>97</sup> for foreign wars will arise – to mitigate the condition of the non-winners to the detriment of foreign people." This too, the honest proponent of capitalism may not renounce. But he will now raise his voice and arrive at his strongest point. "Yes, I admit", he will add, "it is a devil's pact. But it is a devil's pact, we *have* to enter – simply because if we don't, our neighbors will. Yes, the world will become richer, more advanced and uglier by the same time. But no country has a real alternative." And he will go on painting a dark scenario: "See, these others will then – in this more advanced, wealthier and uglier world – use their newly gained superiority to build the armament and military organization to put us at a disadvantage, they will be equipped to take away our riches, colonize us possibly enslave it in a violent way." "Let us...", the pro-capitalist speaker might, thus, conclude, "take the risk of inviting a guest, who will be stronger than we are and may control of us – all alternatives are worse!"

Arguments along these lines (which resemble the prisoner's dilemma) can be expected to have ended most debates in original assemblies in favor of capitalism. And everything we have learned since confirmed their soundness. Even if capitalism, in a world of a plurality of capitalist countries, was no guaranty for lasting wealth and dominance, those who first "used" it (by surrendering to it!) enjoyed the greatest advantages – not only in the exchange economy but also in the realm of wealth pro-

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97 Apart from the old motive to rob and subjugate neighbors.

curement by violence. And those, who renounced to allow capitalist dynamics in, as China in the 19th century, the most progressed country by then, the Middle Ages and soviet style communism, had to pay a heavy price. But capitalism appearing to be without alternative does not mean that what is strong in it can stay without significant antinomies, which were not yet elaborated in the debates in the original assembly. We shall secure the insights of great economist about these antinomies and circuit closure. But before that, we enter a bit deeper into history and the ancient social master drama.