

Edited by **Andrea Fumagalli & Sandro Mezzadra**

# CRISIS IN THE GLOBAL ECONOMY

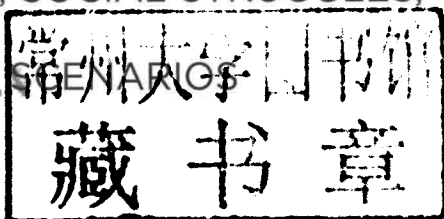
FINANCIAL MARKETS, SOCIAL STRUGGLES,  
AND NEW POLITICAL SCENARIOS



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# CRISIS IN THE GLOBAL ECONOMY

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AND NEW POLITICAL SCENARIOS



Edited by Andrea Fumagalli and Sandro Mezzadra

Translated by Jason Francis Mc Gimsey

Postface by Antonio Negri

SEMIOTEXT(E) ACTIVE AGENTS SERIES

Originally published as: *Crisi dell'economia globale. Mercati finanziari, lotte sociali e nuovi scenari politici*. Copyright © 2009 Ombre Corte.

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Published by Semiotext(e)

2007 Wilshire Blvd., Suite 427, Los Angeles, CA 90057

[www.semiotexte.com](http://www.semiotexte.com)

Special thanks to John Ebert.

Cover art by Moyra Davey, *Copperhead No. 40*, 1990

Courtesy: Moyra Davey and Murray Guy Gallery.

Design by Hedi El Kholti

ISBN: 978-1-58435-087-3

Distributed by The MIT Press, Cambridge, Mass. and London, England

Printed in the United States of America

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## Introduction

1. The passion for knowledge, the impatient desire to understand the world in order to change it: certainly there is also a lot of “reason” in UniNomade, particularly in this volume that inaugurates its book series. But it is the “emotional temperature” of the discussions that animate the network that constitute its principle “added value.” For four years now (the first UniNomade seminar, dedicated to “War and Democracy,” was held in Padua on January 29th and 30th, 2005),<sup>1</sup> at least three generations of researchers and activists raised in the footsteps of the tradition of Italian *workerism*<sup>2</sup> periodically meet in seminars which see the participation of hundreds of people. Europe and social networking, the new forms assumed by the metropolis and governance, the “Institutions of the Common,” the relations between contemporary art and activism, the metamorphoses of labor and those of the university; these are some of the themes that have been addressed over these last few years in a continuous dialogue with analogous experiences that are going on in five different continents.

Our point of departure is the awareness that we live in an era in which the very statute of knowledges is being radically modified, imposing (as the latest “Anomalous Wave” movement in Italy has demonstrated in an extraordinarily effective way) a rethinking of

the relation between knowledge production and classic (academic and political) institutional spaces that had previously enjoyed a monopoly over it.<sup>3</sup> When knowledge—not only “technical” knowledge but “humanistic” knowledge too—becomes an immediately productive force, the critique of knowledges is nothing other than the critique of the political economy. When universities become essential nodes of metropolitan production, lingering over the defense of their “liberty” in a traditional sense isn’t worth while. When the most fundamental conflicts in the development of class struggle are carried out on the terrain of knowledges, there is no party that can vindicate a primacy in the production of theory and the privileges of the “battle of ideas” are no longer reserved to “organic intellectuals.”

We are schematically and problematically alluding to prodigious transformations here. We don’t have any simple solutions to propose, only a sense of urgency and the conviction that it is necessary to create new spaces and new institutions within which uncharted relations between knowledge production, political practices and struggle development can be explored. UniNomade is a first step in this direction: seminar participation and project construction with hundreds of social movement activists, not as subjects “to be educated” but as full fledged protagonists, is therefore a qualifying element of the experience that we have lived over these last few years and that we will continue living, expanding and making evermore effective in the near future. A book series, which this work inaugurates is the first tool that we are adopting to extend the area of our discussion, to enter in a more direct and incisive way into public debate in order to look for interlocutors and allies.

We come, as we’ve said, from the great tradition of revolutionary Italian *workerism*, and our work is collocated within what is now,

in the international debate, referred to with the certainly insufficient but also somewhat effective term “*post-workerism*.” We nevertheless feel the need to question our own theoretic tools and to be open to discussion with other currents and with other theoretic practices that have contributed to the critical comprehension of the present in the last few years: from postcolonial studies to the most recent developments in feminism, from the reflections in new media studies to the frontiers of political philosophy, only to name a few. From a political point of view, our discussion proposal moves over 360°. We hold dear the science—and consequently the reasonableness—of subversion and don’t hesitate to define ourselves, once and for all, as revolutionaries. But our theoretic and political work is not fed by empty formulas. We are interested in struggles and people that live and suffer, that build joy and cooperation in their endeavors. We would like to dialogue with these people, without asking for identification or membership cards. Only those who have nothing to say over the present quarrel about a presumed glorious heredity of the past: this is not our case.

2. The first book of the UniNomade series could only be dedicated to the global crisis in which we are living. Two seminars prepared it, the first held at the University of Bologna in the Department of Politics, Institutions and History and at the Social Center *TPO*<sup>4</sup> on the 12th and 13th of September 2008, and the second in Rome at the Faculty of Philosophy at the Sapienza University and at the squatted *Atelier ESC* on January 31st and February 1st of this year. But this volume doesn’t merely present the papers of these two seminars: it is much more, it is the result of a collective discussion that developed over many long months and a series of other meetings held in Italy, Spain, Switzerland, Brazil and France that

involved—other than the authors of the contributions published here—innumerable social activists. A choral contemplation, therefore, only partially synthesized in the “10 Theses” that conclude this volume.

A deep conviction guided our work over these last months, under the immanent chronicle of the crisis: that which we are experiencing is a new type of crisis that is investing the whole figure of capitalism renewed from the great crisis of the '70s—beginning with the declaration of the inconvertibility of the dollar that, inaugurating in August of 1971 the regime of flexible exchange, essentially proposed to disengage the monetary system from the wage struggles of the multinational mass worker. We well know—having learned from Fernand Braudel and the theoreticians of the World System Theory—that “financialization” is not a new phenomenon. We know, for example, the importance of financial expansion that had as its epicenter the capitalist enclave of northern Italy between the end of the 14th and the beginning of the 15th century, in which “the agents of the first systemic cycle of accumulation formed and the principle characteristics of all the successive financial expansions were prefigured.”<sup>5</sup>

However, we are convinced that in our age, independently from what we can say about our past, the thesis, central in the work of Giovanni Arrighi for example, that “systemic cycles of accumulation” are constituted by phases of “financial expansion” that are followed by phases of “material expansion” is no longer valid.<sup>6</sup> What seems evident, and that in particular is argued in detail in Christian Marazzi’s and Andrea Fumagalli’s pieces, is finance’s pervasive character in a capitalism that has assumed a radically new character in the last decades to the point where the very distinction between “real economy” and “financial economy” (between “material

expansion” and “financial expansion”) is today unfounded from an analytic profile in the first place.

It is a problem that regards our historical comprehension of what capitalist production was and is. By now we’ve learned, based on an ample foundation of historiographic studies, that a capitalism before the industrial revolution existed, a “preindustrial capitalism” with an essentially commercial base. Hence, the possibility that a “postindustrial” capitalism exists is evident and some of the contributions published in this volume provisorily propose to define it as “cognitive capitalism” or “biocapitalism.” More important than the pertinence of these terminologies, however, is the problem that they pose, particularly in reference to the role of finance. In an important work published in 1909, Rudolf Hilferding analyzed, based on two key phenomenons of his times (the development of shareholding companies and mixed banks of German-style industrial credit), the transformations that finance was undergoing at the culmination of the process set in motion by the industrial revolution, from the historical caesura with which capitalism made itself industrial.<sup>7</sup> Our conviction is that finance must be investigated today in the same prospective method, which is to say, considering the transformations that have shaped it over the last decades, as symptomatic of an analogous epochal caesura.

3. Let’s get things straight, once and for all. When we talk about a radical transformation in the modes of capitalist production, of a capitalism that is no longer “industrial,” we are far from negating the importance (that, in a certain sense, is ever growing) that industrial production and labor continue to have on both a global level and in our own territories. Instead, we are insisting on the fact that this production and this labor are progressively “articulated” in

(and commanded by) valorization and accumulation processes of capital that function according to a logic that differs from “industrial” logic.<sup>8</sup> We’d like to call attention to the fact that these processes are increasingly extended over the backdrop of the exploitation and “capturing” of the productivity of abstract and common resources—from knowledge to *bios*, from social cooperation to what Carlo Vercellone defines as “man’s production for man.” The hybridization between financial capitalism and the sociality of the web 2.0 described by Tiziana Terranova in her piece represents an extraordinarily suggestive exemplification of this new condition. Again, it is on this basis that the thesis of the “becoming rent of profit,” presented in this volume by Vercellone and, in the postface by Antonio Negri, must be read.

This thesis results in enormous problems for the definition, on a global level where capital’s valorization and accumulation are determined, of what class composition means today. While many contributions take up the category of “multitude” to this proposal, Karl Heinz Roth, in a text originally published in the site of “Wildcat” magazine,<sup>9</sup> suggests reasoning around the formula of a “multiverse, in continual transformation, of the world working class.”<sup>10</sup> This seems like a very interesting proposal both from an analytic and a political perspective: here we’d simply like to underline how it also emerges from a productive confrontation with a “global labor history” that has profoundly modified, over the last few years, the historical studies on the proletariat and the working class. It is a long-term prospective, at the same time capable—as Roth writes—of emancipating itself from the narrowness of a “national and eurocentric” point of view, in particular allowing for the redefinition of the debates on labor “precariousness” and “flexibility” and of liberating them from the mirage of a “normal



work relation” (a permanent contract tied to a series of “social rights”) that in reality is constructed on the characteristics of “Fordism” in the West. However, if it is considered from within the long global history of the mode of capitalist production, it appears much more “exceptional” than “normal.”<sup>11</sup> It is worthy of noting, once again, that this is a fundamental question from a political as well as historical and analytic point of view.

On the other hand, there is a question, like many others raised in this volume, that problematically summons a few fundamental concepts forged in the same theoretical laboratory as Italian *operaismo*. We have hinted at it elsewhere in respect to the relation between the “formal subsumption” and “real subsumption” of labor to capital, and the relation between “absolute surplus value” and “relative surplus value”<sup>12</sup> (Antonio Negri addresses the question here, developing it in the realm of revenue analysis). Generally, it is the relation determined between struggle and development as well as between cycle and crisis that doesn’t seem to hold up anymore when Carlo Vercellone’s discourse on the exhaustion of capital’s progressive virtue is taken seriously. In the same method of tendency, the most precious heredity of historic *workerism* must be consequently re-calibrated to the rhythms of a capitalistic development that now appears to register itself in the crisis as its own definitive horizon.

4. Here, too, we should explain further. The idea of re-exhuming a hypothesis of “collapse” is far from our intentions. Capital is crisis, and it can survive in crisis for centuries... Nor can it be taken for granted that after capitalism something better will follow. We are, in any case, inclined to think along with Walter Benjamin, that “capitalism will not die a natural death.”<sup>13</sup> What we are reasoning