

BOOK REVIEW/COMPTE RENDU

Maurizio Lazzarato, *The Making of the Indebted Man: Essay on the Neoliberal Condition*. Translated by Joshua David Jordan. Los Angeles: Semiotext(e), 2012, 1,999 pp., \$13.95 paper (9781584351153)

In this brief yet dense theoretical treatise, set out in three brisk chapters and a conclusion, the Paris-based Italian sociologist and philosopher, Maurizio Lazzarato, “offers an exploration and genealogy of the economic and subjective production of indebted man” in what he calls the neoliberal age (p. 9). This age, according to the author, began in the mid-1970s with changes to the financing structure of the welfare state such that Western central banks were forbidden to coin interest-free money to ease public debt, and Western countries were compelled to turn to financial markets to service their deficits. The subsequent indebtedness of both individuals, states, and even the entire world to powerful private interests “reveals the extent to which markets have been able to plunder the population over the last forty years” (p. 19).

Lazzarato is concerned not simply with the fact of global debt, but more with its fundamentally class-based nature. Finance, he insists, is above all a “universal power relation” between the owner of capital and the nonowner, between creditor and debtor. This transcends and precedes all other social relations, even capital and labour, “since everyone is included within it,” including children and the poor, who may have no access to credit, yet remain indebted via the state (p. 32). Indeed, the money economy comes before and determines the market economy (rather than the other way around). What is more, the creditor-debtor power relation is fundamentally asymmetrical, so undermining classical economic theories of “commercial exchange” that imply and presuppose equality between buyer and seller (p. 33), and quashing the fantasy whereby “state and society begin with a contract” (p. 43).

In *On the Genealogy of Morality*, Friedrich Nietzsche demonstrated his understanding of the primordial primacy of the creditor-debtor relation and the precedence of credit to exchange. Debt, as a promise of repayment and a guarantee of self-worth, first began to engender memory, conscience, repression, calculation, duty, and guilt. It is the origin of subjective evaluation between men, and of “subjectivation” — the labour of man on himself such that he is made predictable, accountable, and

answerable to his creditor (p. 42). Through debt, moreover, capitalism “bridges the gap between present and future,” which results in the “objectivation” of time — the elimination of future choice and possibility in subordination to the “reproduction of capitalist power relations” (p. 46). The “strange sensation,” Lazzarato writes, “of living in a society without time, without possibility, without foreseeable rupture, is debt” (p. 47).

A young Karl Marx, Lazzarato maintains, echoed these Nietzschean notes in his early essay, “Comments on James Mill.” Creditor-debtor seems to run counter to capital-labour, for the latter is a relationship between things, whereas the former appears to establish trust between fellow human beings. Such abolition of estrangement, however, is superficial. Debt actually completes alienation by exploiting man’s moral existence, social existence, and “the inmost depths of his heart” (p. 56). Through indebtedness, trust becomes universal distrust, which turns into a demand for security and ultimately state intervention. In the case of welfare, Lazzarato observes, erstwhile social rights have been transformed into latter-day debts, about which recipients of services are to feel guilty and for which they are to have their private lives examined in order to determine their validity and their conformity to the norms of the providing institution. Such spying on “assistance applicants is what welfare agents increasingly do” (p. 137).

The author ends by arguing for the resumption of class struggle “in the right place,” which, in the abstract and “deterritorialized” realm of debt, amounts to a renunciation of misplaced guilt and a repudiation of every cent owed to the “Great Creditor” (p. 165). This conclusion suggests the basic limitation of his work, overlooking as it does the fact that creditors and debtors are often one and the same, and that such relations are not simply between rich and poor. Indeed, the author privileges abstract consideration, in which his categories are neat, over concrete demonstration, in which they may not be so. His insights on the indebted condition, drawing on the works of Nietzsche and Marx above all yet not exclusively, are often brilliant. The reader is left, however, wondering about the accuracy of the few historical claims on which his argument ostensibly hinges.

Indeed, the empirical soundness of Lazzarato’s disquisition is not so much demonstrated as assumed, which is not entirely satisfactory. By key example, were changes to state financing in the 1970s a device, involving the collusion of socialists, for “overturning May ’68” in Europe and the better aspects of the New Deal in America (p. 88), or were they a response to concerns about inflation after the collapse of the Bretton Woods system? (After all, similar fears have returned in a near-zero interest rate environment in which states can once again, *pace* Lazzarato,

borrow for almost nothing.) Further, is the current economic “catastrophe” (p. 151) due to the failure of a vaguely defined neoliberalism, or the denouement of a corrupted social democracy in which financial interests have benefitted cynically from interminable and often unrealistic demands on the state apparatus by self-interested politicians and a complicit population? The author may, of course, be correct in his assessment of such foundational points, but his work would have benefitted from a more thorough discussion of the relevant literature and counterarguments as well as a more detailed and careful presentation of the available historical evidence.

Lazzarato’s text is eclectic, bringing together philosophy, sociology, and political economy. The difficulty of the subject matter under discussion renders it most appropriate for a senior undergraduate or graduate level course in any of these disciplines. Philosophers of Nietzsche and Marx may find the book of especial interest; sociologists of debt, poverty, and development likewise. Needless to say, lay readers with a background in these areas or of keen general interest may also learn something from *The Indebted Man*, very possibly their own condition.

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