

An Unnatural Science: A Defense of *Political Economy*

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In the history of knowledge, the notion of human nature seems to me mainly to have played the role of an epistemological indicator to designate certain types of discourse in relation to or in opposition to theology or biology or history. I would find it difficult to see in this a scientific concept. – Michel Foucault in his debate with Noam Chomsky, 1971¹

Karl Marx subtitled volume one of *Capital*, “A Critique of Political Economy,” but what does this phrase really mean? Is it the critique offered by political economy or of it? This paper will take the latter reading, that Marx thought to challenge political economy as a discipline, seeking to construct a science of economics in its place.

However, Marx’s attempt at a scientific history of capital makes an ontological error in inverting the necessarily political preconditions that underpin the formation of economic relations and instead claiming them to be their outgrowth. The consequence (one most efficiently utilized by capital) is the false objectification of economics which recategorizes the foundational political assumptions as incontrovertible and inescapable qualities of the human condition, nature, and social relations. Ultimately, any attempt to upend or amend the system of economic organization is labeled as utopian and ignorant of pragmatic realities thus stifling any attempts at organizing political opposition.

1. *Prepping the Lab: Marx as a “Pure Economist”*

Every author’s thoughts evolve over time leading to inevitable contradictions within their own works. The more they have published, the more common this phenomenon. When they are successful and have a scholarly following that develops and expands upon their theories, any claim to a particular reading of the original texts is immediately challenged with innumerable contradictory interpretations claiming greater legitimacy. Perhaps no author is more impacted by this reality than Marx. To say then, that I seek to challenge Marx’s attempt to create a science of economics independent or prior to politics is to invite rebuttals claiming this was never Marx’s intent.

Althusser offers the pivotal question of interpreting *Capital*, “Is it Economics or History?”² My answer, is that Marx was attempting to do economics when he should have been doing history or politics. That such a reading of *Capital* is possible and defensible, offers an initial legitimacy for analyzing the consequences it did or may have. As such, the latter two sections of this paper will start by taking Marx’s strict material science as a given which I will in turn critique. However, this first section will seek to both clarify this interpretation as well as justify it as a legitimate reading.

Clarification necessitates starting with defining how concepts are being utilized – what do I mean by *science*, *economics*, and *politics*? In the “Preface to the First Edition,” Marx portrays his work as a scientific analysis akin to physics or any other natural science.³ I take this as meaning two things, first, that economics is a study of the causes and effects of the flow and distributions of goods and capital, and second, that this is a natural phenomenon that results, at least initially, as a consequence of material forces rather than political arrangements.

¹ Michel Foucault, “Human Nature: Justice vs. Power (1971) A Debate Between Noam Chomsky and Michel Foucault,” in *The Chomsky-Foucault Debate On Human Nature* (New York: The New Press, 2006), 7.

² Louis Althusser, *Reading Capital: The Complete Edition* (New York: Verso, 2015), 217, ebook.

³ Karl Marx, *Capital Volume 1: A Critique of Political Economy*, trans. Ben Fowkes (New York: Penguin, 1990), 90.

Politics is the system of organization used to manage economics relations. For Marx, the apparatus of politics is the state which arises as the natural consequence of the division of labor and creation of class to secure the interests of the owners of the means of production.⁴ What is important to identify is how science functions as a material analysis of natural phenomenon and thus economics can operate as if it were a “pure science” until the introduction of politics which accompanies the arrival of class distinctions. Only after the material conditions have already created the social stratification does politics and its ideologies develop to compete over these scientific realities. Economics, then, is a precondition for politics and any methodology that focuses solely or primarily on ideational debates (such as the Young Hegelians) are doomed to fail as they cannot address the underlying material conditions that created these oppressive ideologies.⁵

To be clear, I do not mean to say that the resulting economic hierarchies are the consequence of natural differences between persons or races being accurately reflected in disparate economic outcomes. Marx is explicit in stating that wealth is not reflective of any meritocratic achievement but rather it is a combination of force and timing followed by the establishment of systematic legal protections to secure class division.⁶ When I use the term “natural” regarding economics, I mean Marx’s hypothesis of the pre-political economic interactions that began the evolution towards capital.

Another way to clarify my position is to articulate it in contrast to another’s. In some ways, this work can be read as a response or, perhaps more accurately, an augmentation to Clara Mattei’s, *The Capital Order*. While in large part I agree and will borrow from Mattei’s thesis, I do contest one element – the idea of Marx as a political economist. When Mattei describes the rise of “pure economists,” she does so as the capitalist reaction to Marx’s political economy.⁷ Her labeling of Marx as such arises from his recognition that the consequences of class distinctions is the creation of power politics.⁸ Pure economists, however, do not recognize or concern themselves with class or economic inequalities as a political matter – as a science it explicitly ignores the political realities to look at the economics in a supposedly objective manner.

While I can recognize the partition that Mattei is developing, I would maintain that this is a secondary distinction within the group of pure economists. After all, pure economists understand their field as a scientific endeavor attempting to analyze natural phenomenon. Politics arising after economic fact, whether recognized or ignored by these “scientists,” still maintains its ontological primacy. The consequence of this methodology, whether by Marx or the most extreme capitalist, I will argue is the same – both create an economics that ignores the inherent assumptions that both organize the manner of economic exchange and orient the metrics and goals used to assess the success of economic or market forces.

This pure economist reading of Marx can be sourced throughout *Capital* and in Marx’s other writings. This paper will focus its analyses on *Capital* to limit the impact of Marx’s evolution of thought, however, I will utilize other texts to elucidate the interpretive lens I am adopting. For example, “The German Ideology” makes the aforementioned case of the primacy of material realities to ideology and the subsequent critique of the Young Hegelians. Additionally, in the “Economic and Philosophic Manuscripts of 1844,” Marx makes the contrast between political

⁴ Karl Marx, “The German Ideology: Part 1,” in *The Marx-Engels Reader: Second Edition*, ed. Robert Tucker (New York: W.W. Norton, 1978), 160-1.

⁵ *Ibid.*, 149.

⁶ Karl Marx, *Capital Volume 1: A Critique of Political Economy*, trans. Ben Fowkes (New York: Penguin, 1990), 873-4.

⁷ Clara Mattei, “There’s Nothing Natural About Capitalism,” *The Majority Report with Sam Seder*, March 11, 2023, video, https://www.youtube.com/watch?v=rjYDc0pN_zI.

⁸ *Ibid.*

economy and what he calls “*actual* [sic] economic fact,” in discussing the origins of economic relations.⁹

Even within *Capital*, Marx lays out his materialist methodology. The “Preface to the First Edition,” establishes a scientific method of analysis to assess the development and operation of capitalism using England as his test subject.¹⁰ It is worth noting that he explicitly compares his endeavor to that of physics and other natural sciences.¹¹ In other words, we do not see in Marx an attempt at the division of what would later be called “hard” and “soft” sciences. Even his language is reflective of this connection using terms such as “force” and “laws of motion” to describe the material conditions that created and determined social arrangements.¹²

A central problem for readers of Marx is assessing exactly how strong is this material economic determinism? Is the revolution an inevitable consequence of natural market forces or does it require the willful political involvement of its supporters to bring about the socialist utopia? Even given the strong reading I assume in this paper, I will adopt at least the possibility of political free will such that some level of class consciousness and affirmative decision-making is necessary to spur social movements. Or, in the inverse, that political tools can be used to stymie, thwart, or destroy such resistances.

The determinism at the heart of the challenge I am offering is the ontological primacy of economics to politics. In other words, what I will be challenging is the idea that economic interactions are a naturally emergent phenomenon from which the political system is an outgrowth. Thus, I seek to undermine the material determinism of economics, its role as the proximate cause of politics, and Marx’s critique of idealist approaches. I will contend that economics only occurs after the adoption of at least a basic political structure that facilitates economic exchange. In turn, economics will certainly influence and shape the state, but it is politics that has ontological primacy. As a result, challenging ideological structures is essential to change our political and economic realities. A material change without a fundamental reframing of the underlying ideational structures would be just as useless as a political reframing with no material changes – both would either maintain the same exploitative relationships or would simply reconstitute the temporarily reformed other.

2. *Conducting the Experiment: The Ontological Primacy of Politics*

What does it mean to say that the Marxist history must be inverted, that politics instead has ontological primacy? The political foundations of economics can be demonstrated both in theory and practice. Marx’s definition of politics as the apparatus that maintains the divisions of class and labor is tautological insofar as it establishes economics as the precursor to politics – of course politics cannot exist first if it is defined as the outgrowth of economic relations. But if not politics, then what do we call the norms that established and regulated the method of exchange even before the development of capital?

Prior to any economic interaction, there must be a political structure that upholds the legitimacy of the exchange. For example, take the use of currency as a medium. The legitimacy of that currency is enforced and determined through the apparatus of the state. At the level of enforcement, it is the state that determines the currency to be a sufficient exchange vehicle. Printed

⁹ Karl Marx, “Economic and Philosophic Manuscripts of 1844,” in *The Marx-Engels Reader: Second Edition*, ed. Robert Tucker (New York: W.W. Norton, 1978), 71.

¹⁰ Karl Marx, *Capital Volume 1: A Critique of Political Economy*, trans. Ben Fowkes (New York: Penguin, 1990), 90-1.

¹¹ *Ibid.*, 90.

¹² *Ibid.*, 90-2.

on the face of all U.S. dollars is the statement, “This note is legal tender for all debts, public and private.” Any interaction is defined in dollar terms – not just the conventional economic transactions of the marketplace. In legal terms, compensation for damages or injury is always defined in monetary terms, as are the standards for consideration in contract law (which itself is evidence of the primacy of political constructs to economic interactions).

However, even the determination of the value of that currency is political. At a certain level, this is implicit – it is called monetary *policy* after all. However, the theories that explain the source and determining factors of monetary value are political. Keynesian and Austrian schools are divergent capitalist monetary theories; however, their difference is not scientific but political.¹³ Modern Monetary Theory is another diverging branch which is largely popular amongst today’s leftists which explains the valuation of money not as a reflection of a nation’s productive capacity but explicitly as a reflection of political organization. This is to say, that the value of money arises from its function as the sole medium for the payment of taxes.¹⁴ As a consequence, a value in terms of one’s tax debt obligations guarantees that the dollar will have an exchange value in the marketplace and can be used as a steady means to influence the price of goods and services.

That there is even a debate within these schools, which themselves all operate within a capitalist paradigm and thus in contrast to all Marxist theorizations, demonstrates that there is not a static underlying objective fact to which economics is a mere scientific analysis. Rather, there are political operations that lay at the foundation of these interactions and the epistemic modes through which they are studied.

Both the political enforcement of currency as a medium of exchange and the theorizations of underlying monetary value are features of the modern economy (even if we can take that modern analysis back centuries or millennia). A strictly economic Marxist would most certainly claim that these legal mandates and divergent theories are only the consequence of the development of politics to maintain the position of the ownership class after its evolution as a product of purely economic origins. Of course, any attempt to claim with certainty the structure of such prehistoric exchanges would be at best presumptive, including Marx’s theory of primitive accumulation.¹⁵ However, to engage at this level will require a similar conjecture, though one I will attempt to make with as much deductive rather than inductive reasoning as possible.

As Emmanuel Levinas did with ethics, we can attempt to imagine a sort of “first” economic interaction.¹⁶ However primitive and rudimentary it was, underlying the exchange was a necessary set of political norms. Prior to the transfer of goods, services, or currency had to be some notion of possession or rights to those things being exchanged. This does not necessitate the complex modern theorizations of private property, but simply a recognition that the person offering the good had the right to do so and that, in exchanging it, that claim was transferred. The reciprocity of that exchange and its durability necessitates some normative assessment that prevents its undoing – a mutual agreement between the parties that serves as a legitimizing force. Only through the establishment of a normative structure could the need for exchange even arise as otherwise accumulation would simply mean gathering, irrespective of the source of the good, and the risk of theft with no recourse or even pejorative consideration.

¹³ Samuel Bowles, Alan Kirman, & Rajiv Sethi, “Retrospectives: Friedrich Hayek and the Market Algorithm,” *The Journal of Economic Perspectives* 31, no. 3 (2017): 216.

¹⁴ L. Randall Wray, *Understanding Modern Money: The Key to Full Employment and Price Stability* (Northampton, MA: Edward Elgar Publishing, 2003), 23-4.

¹⁵ Karl Marx, *Capital Volume 1: A Critique of Political Economy*, trans. Ben Fowkes (New York: Penguin, 1990), 873-6.

¹⁶ Emmanuel Levinas, *Totality and Infinity: An Essay on Exteriority*, trans. Alphonso Lingis (Boston: Martinus Nijhoff Publishers, 1979), 43.

Exchange only matters insofar as there are rights or claims to the items being traded and that this transaction can be validated and thus enforced. The specific qualities defining these rights and the methods of their validation and enforcement are up for ideological contestation; but the essence of these prerequisites is necessarily a political one. How did accumulation happen if it is not something normatively defined and preserved? If there is no legitimacy or duration to the exchange? The transaction would have no force that necessitates its recognition by the interested parties and, as such, there can be no study of the effects of that force and, therefore, no science of economics.

We do not have to rely solely on theory to guide us in this direction. We can test Marx using a competing economic interpretation of industrial England (he does after all request such scientific challenges).¹⁷ Marx uses England as he considered it the exemplar of the capitalist mode of production. As a “pure economist” he did so looking at the impact of market tendencies – material determinates – to provide his account of the development of modern capital, its use in creating and maintaining a division of class and labor, and the exploitation inherent within the systems of labor.¹⁸ However, strikingly absent from *Capital* is much discussion of the legal frameworks in operation.

While certainly from the point of view of labor protections, the English market was highly unregulated compared to today. Yet, in matters of exchange it was if anything more regulated. Certainly, in the construction of the market, there were vast political influences that maintained, established, and organized economic engagement. In the Industrial Age of which Marx is referring, the material analysis emphasizes the role of technological development to organize the social changes that arose. What it ignores is what Patrick O’Brien and his colleagues refer to as the “prior development” of the legal apparatuses that created an operational framework within which these technological developments could be utilized and where the markets for the exchange of raw materials and manufactured goods were established.¹⁹ In fact, O’Brien’s study is explicitly intended to reestablish the role of the political in creating the conditions under which the economic evolution of British industry occurred:

...the significance of mercantilist regulation and pressure group politics has been rather ‘crowded out’ by economic analysis, concerned to bring demand and supply, prices and costs to the foreground of the story. Important as they were, market forces were neither natural nor distinctively English. They operated within a framework of legislation promulgated and enforced by the central government in London...Once the market and the spontaneous reactions of businessmen have been placed at the centre of both cliometric and other styles of modern economic history, political and legal preconditions for the operation of the invisible hand tend to disappear from analysis altogether. Our survey is intended to reintegrate politics, law, and government...²⁰

The legal preconditions of economic engagement continue through today. As one of the most well-known Marxist economists, David Harvey, discusses in his examination of neoliberalism, the role of the state is to establish the “institutional framework” in which markets can function.²¹ This can be witnessed in different ways. For example, the development of the Internet was a government project that created a new market sector that could then be turned over to private economic interests.

However, the creation of market spaces is not simply in the investment in the technological innovations that generate the invention of new goods, services, or mediums for economic

¹⁷ Karl Marx, *Capital Volume 1: A Critique of Political Economy*, trans. Ben Fowkes (New York: Penguin, 1990), 93.

¹⁸ *Ibid.*, 90-3.

¹⁹ Patrick O’Brien, Trevor Giffits, & Philip Hunt, “Political Component of the Industrial Revolution: Parliament and the English Cotton Textile Industry, 1660-1774,” *The Economic History Review* 44, no. 3 (1991): 395.

²⁰ *Ibid.*, 396.

²¹ David Harvey, *A Brief History of Neoliberalism* (Oxford: Oxford UP, 2005), 2.

engagement. The historical form is the literal opening of markets through political control and entanglements with foreign trade partners, most explicitly in colonial or neocolonial forms. After all, imperialism can only occur once the political order of international sovereignty is established. As Michael Hardt and Antonio Negri stated:

The boundaries defined by the modern system of nation-states were fundamental to European colonialism and economic expansion: the territorial boundaries of the nation delimited the center of power from which rule was exerted over foreign territories through a system of channels and barriers that alternately facilitated and obstructed the flows of production and circulation. Imperialism was really an extension of the sovereignty of the European nation-states beyond their own boundaries.

Theoretically and practically, there have been no eras in which economics comes prior to political structures. As Jairus Banaji argued, “[t]here are no prelegal relations of production,” (sic).²² If we then accept that the political is the precondition for the establishment of markets and economics more broadly, what then? What does this claim to ontological primacy change in our ideational or material analysis of capital? It is to these questions we turn to next.

3. *Analyzing the Results: Epistemic and Revolutionary Consequences*

Ceding primacy to the political means an epistemic restructuring of the discipline of economics. Pure economics considers itself politically neutral and thus free from socially constructed dynamics until there is intentional and explicit market interference.²³ However, this occludes the underlying political dynamics that structure the forces economists attempt to analyze. At the least, this can be identified in the base assumptions and evaluative metrics by which economic success is determined.

Economics begins with a set of core assumptions – the nature of and interaction between supply and demand, presuming a rational consumer, and so on.²⁴ Supply and demand are represented as curves on a graph which will naturally intersect at a point of market equilibrium. Each of these forces is constituted by the other. Supply reflects the relative quantity produced given a price point; demand is the quantity purchased at said price. The point of equilibrium is where the relative elasticities of supply and demand allow consumers and producers to meet – the maximum amount of goods produced at a corresponding level of maximum demand – such that everyone who can afford and desires a product can acquire one at the minimum price at which the producer can manufacture them at the greatest quantity.

However, this presumes all sorts of political preconditions: the absence of regulation, the external influence of taxes on price, and the knowledge of the two agents (producer and consumer) of each other and their mutually constitutive effects. Let us not forget the implied theoretical politics at the heart of any exchange and at the same time we ought to realize that even the absence of regulation is a political choice in the construction of the market.

Most interesting is this notion of market equilibrium. For capitalist economics, achieving this is the gold standard for market evaluation. Every theoretical calculation is demonstrated graphically as leading the market to this point. Of course, there are certain ironies that occur when this is achieved that never, and indeed could not, be realized in the actual market. For example, within industries, perfect competition (another economic assumption) means that firms should naturally

²² Jairus Banaji, *Theory as History: Essays on Modes of Production and Exploitation* (Boston: Brill, 2010), 42.

²³ Clara Mattei, *The Capital Order: How Economists Invented Austerity and Paved the Way to Fascism* (Chicago: University of Chicago Press, 2022), 11.

²⁴ Jeffrey Perloff, *Microeconomics: Theory and Applications with Calculus, 4th Edition* (New York: Pearson, 2018), 86.

form where profits exist. These firms would compete as would legacy firms over price, driving it down until it matches costs, and profits disappear. Economic equilibrium – the ideal of capitalist economic theory – is profitless.

The reason prices fall is because the consumer is meant to be rational, competent, and omniscient – at least until caveat formulations like behavioralism start recognizing this failure and introduced modified approaches like bounded rationality.²⁵ The rational consumer would never purchase a product from firm “A” if firm “B” offered a comparable product at a lower price. This forms the basis of competition between producers. However, under this logic marketing departments should exist solely to inform consumers of the existence of their product, a focus on *logos* instead of *pathos*. Additionally, the assumption of rational choice frames reason as maximizing economic efficiency ignoring not only things like passions but also competing interests that may limit one’s capacity or willingness to spend hours comparing products across firms. However, this “rational choice” that prioritizes economic efficiencies are construed as natural and are certainly necessary for any kind of calculation of market forces.

These base assumptions form the rule set in which the economic forces operate – the equivalent to the laws of physics that govern the natural world. Efficiency itself is another of these assumptions but this time a teleological one. Capitalism prioritizes economic efficiencies and promotes it as the metric and goal of natural market forces. However, prioritizing productive maximums is a political orientation, not a naturally occurring one. We can see this in political debates over issues that negatively impact market equilibriums. Price caps and floors are hotly debated issues. The forms most discussed are rent controls (caps) and the minimum wage (floors). On either side of the point of equilibrium, each of these “artificial” restrictions on the market create a range of inefficiency that can be graphically represented as the area between the equilibrium point and the line that depicts the regulation. This space is called a “deadweight loss.”²⁶

However, the negativity associated with that inefficiency, the deadweight, is only a loss if we are seeking maximized productivity without consideration of what society may desire as necessary elements of market production. For example, if unregulated market forces cannot make housing available and readily affordable for all members of society at the point of equilibrium, are we to take the achievement of establishing balance a success? What of the people without homes? Or if we take the minimum wage case, those unable to afford their bare necessities?

Viewing this as a success is only possible when viewing economics independent of social consequences. In other words, when its naturalized and treated as if the laws of supply and demand are the equivalent to that of gravity or the laws of thermodynamics. Removing the political basis of economics removes the ability to leverage demands on economic forces to conform to social interests rather than simply functioning as spectators to the flows that occur within the manufactured system of rules we have constructed.

If economics is a naturally occurring phenomenon, to demand a political change to restructure it is meaningless. Marx himself makes this objection at least to some degree in his critique of the Young Hegelians. Where he was wrong is that the most reactionary position, the most conservative, is to claim that nothing can be done.

When the underlying political assumptions are considered natural, there is no longer a debate on how to organize the economic system. The capitalist economist is incomprehensible to his Marxist counterpart and vice versa – each exist in their own universe with a different set of physical laws. The demand for economics to serve social welfare is as foreign to the capitalist as the demand for the maximization of profit for the bourgeoisie owner would be to the socialist.

²⁵ Jeffrey Perloff, *Microeconomics: Theory and Applications with Calculus, 4th Edition* (New York: Pearson, 2018), 117-8.

²⁶ *Ibid.*, 319-22.

In her description of this phenomenon with the capitalist “pure economists,” Clara Mattei explains how this naturalization establishes a highly rigid and resistant system of domination:

...by presenting economic theory and conceptualizing markets as free from social relations of domination – pure economics restored an illusion of consent within capitalist systems, allowing these relations of domination to masquerade instead as economic rationality. Indeed, technocracy’s strength rested in this power to frame austerity’s most fundamental objectives – reinstating capitalist relations of production, and subjugating the working class into accepting the inviolability of private property and wage relations – as a return to economy’s natural state.²⁷

4. *Cleaning the Spills: Restoring Political Economy*

Early Modern philosophy marked an epistemic shift from knowledge and truth as having divine origins to being pluralistic and readily accessible through the supposed objectivity provided via the establishment of methodological standards of practice. Marx attempted to do the same in his apolitical study of economics wanting to develop a scientific analysis that speaks to natural processes rather than aspirational ideals that fail to materially change the conditions of the oppressed.

However, this fundamentally misunderstands the nature of economics which only comes into existence after the establishment of a political framework. This is not simply at the level of creating markets but in the basic epistemic premises that regulate the flow and distribution of goods within the system and the metrics used to assess economic success. Yet, the consequences are not limited to epistemic errors.

The naturalization of political forces makes them incontrovertible as they are not fluid social dynamics which can be restricted but become imagined as structural elements of the human condition in its interaction with the physical world. No more can one change the laws of supply and demand than they can gravity; and so political endeavors such as socialist revolution or reforms become laughable and dismissed as naught but utopian fantasies. Ironically, to the capitalist pure economist who mirrors Marx’s methods back at him, all his advocacies for the unification of labor and the ending of class distinctions are just as immaterial and ideological as those Young Hegelians Marx chastised – now *he* has become the *staunchest conservative*.

²⁷ Clara Mattei, *The Capital Order: How Economists Invented Austerity and Paved the Way to Fascism* (Chicago: University of Chicago Press, 2022), 11.