

“The total market value of everything owned”: Piketty and the Presuppositions of Political Economy



[T]he normative reign of *homo oeconomicus* in every sphere means that there are no motivations, drives, or aspirations apart from economic ones, that there is nothing to being human apart from [what Hannah Arendt called] “mere life.” Neoliberalism is the rationality through which capitalism finally swallows humanity—not only with its machinery of compulsory commodification and profit-driven expansion, but by its form of valuation.

Wendy Brown, *Undoing the Demos*

[L]eading the way through every walk and cross walk, and scarcely allowing

them an interval to utter the praises [Mr. Collins] asked for, every view was pointed out with a minuteness which left beauty entirely behind. He could number the fields in every direction, and could tell how many trees there were in the most distant clump.

Jane Austen, *Pride and Prejudice*

If neoliberalism is characterized not so much by its values, but by the way it goes about assigning value, and by the epistemological frameworks it uses to translate “humanity” into that which can be traded on a market, we can do worse than look to the way writers reacted to the gradual emergence of quantitative political economy (PE) in the latter half of the eighteenth and first half of the nineteenth centuries for insight into the ethical ramifications of doing so. Standing at the threshold of new ways of thinking, these writers clearly perceived the dangers of an economistic understanding of the world insofar as that understanding was anathema to values that to them were sacrosanct: love and beauty above all.



“The Expulsion of the Money Changers, from Lorenzo Ghiberti’s Baptistery Doors, Florence,” pen and ink by John Flaxman (1787). Courtesy of the Yale Center for British Art, Paul Mellon Collection.

Needless to say, abolitionists’ critique of institutionalized slavery’s reduction of human beings to prices is but one of many indices of the palpable disdain wide swaths of the English populace felt toward the logic of PE during this period. And, yet, when it comes to reading that archive—or, to take another example, that concerning the exploitation of workers in industrializing England—economism itself often escapes blame; indeed, economism is often enlisted in *support* of such critiques (e.g. the argument that the global traffic in slaves slows the development of normative commerce). This is to say that the critiques of slavery, or exploitation, or, to take a recent example, of economic inequality, must themselves be analyzed for signs of lurking

economism. For while we all agree that slavery, exploitation, and inequality are social and moral evils, the means employed to solve such problems often entail subjecting the affected populations to epistemological frameworks that dehumanize even as they seek to cure.

To find, then, in the pages of Thomas Piketty's *Capital in the Twenty-First Century* the names of Austen, Balzac, and other literary authorities thus suggested for me the possibility of a reorientation of PE vis-à-vis the intellectual historical foundations of the discipline, the possibility that Piketty might have been able to take seriously the forms of value discussed and represented in literary texts, and to thereby call into question the economist's tendency to treat everything in purely quantitative economic terms. This would be to consider forms of value that exceed, supersede, or simply differ from the sorts of values with which PE ordinarily concerns itself. Alas, this was a mistaken assumption on my part, for the literary texts raised in *Capital* serve only as so many confirmations of Piketty's data. The references to Austen, et. al., in other words, merely lend a patina of humanity appealing to readers more familiar with the Georgian author and Keira Knightley movies than Stanley Kuznets and Pareto efficiency.

This is not a matter of omission, as if more pages would solve the problem; rather, it necessarily results from the logic of *Capital*. Consider its central focus—"national wealth"—which Piketty defines as follows: "the total market value of everything owned by the residents and governments of a given country at a given point in time, provided that it can be traded on some market. It consists of the sum total of nonfinancial assets ... and financial assets ... less the total amount of financial liabilities" (48). To understand inequality, Piketty needs a number that can be divided by the total number of people, such that (in)equality can be measured. This method for determining value, though, is only arguably better than that used by the banks he critiques late in the volume (437-8). Economists must decide whether the inequality Piketty identifies can be ameliorated by Piketty's proposals; but we should nevertheless observe that his approach requires us to subject everything to the logic of the market and that that which cannot "be traded on some market" will go untouched by those proposals. Is this part of the problem?

Wendy Brown might suggest that it is; Dickens certainly would. Henry Fielding would, too. In the second book of *Tom Jones* (1749) we find the unscrupulous Captain Blifil meditating on his potential inheritance of the venerable Squire Allworthy's estate:

[H]e exercised much Thought in calculating ... the exact Value of the Whole; which Calculations he often saw Occasion to alter in his own Favour: And secondly, and chiefly, he pleased himself with intended Alterations in the House and Gardens, and in projecting many other Schemes, as well for the Improvement of the Estate, as of the Grandeur of the Place: For this Purpose he applied himself to the Studies of Architecture and Gardening, and read over many Books on both these Subjects; for these Sciences, indeed, employed

his whole Time, and formed his only Amusement.

These calculations “employed much of his own Algebra, besides purchasing every Book extant that treats of the Value of Lives, Reversions, &c.” Unfortunately for the Captain, as Fielding’s cosmic irony fully requires, it is precisely when he is in the midst of such venal reveries that “he himself died of an apoplexy.”



“Money and Little Wit,” mezzotint by Samuel Okey (fl. 1765-1780). The poem below the image reads: “The boy enrapture’d at the Sight, / Beholds the Coin with vast Delight; / Yet not withstanding all his Joy, / ‘Twill soon be Lavisht on a Toy.” Courtesy of the Yale Center for British Art, Paul Mellon Collection.

How does the Captain’s attempt to quantify “the exact Value of the Whole” relate to Piketty’s “total market value of everything owned”? In Fielding’s depiction of the Captain’s avaricious mathematics we find not one critique, but two. Unlike Piketty’s “total market value,” the Captain’s “exact Value” is derived for selfish reasons. The Captain aims at what most modern economists suppose to be true to our natures as *homo aeconomici*: self maximization. Piketty, however, aims to improve the lot of the many, proposing a global tax on wealth. In this regard, Piketty steers clear of the first of the two charges Fielding levels at the Captain.

But Fielding makes another point in this passage: that the Captain’s mistake lies not simply in the object of his calculations, but in the calculation of value, *tout court*. There is an excess of meaning in Fielding’s description of the Captain’s attempt to establish the “exact Value,” which requires a unique algebra and morally outrageous—however ordinary they are for actuaries—books that index “the Value of Lives.” The Captain’s sudden and untimely demise proves the folly of the very books that occupied him while living. Fielding clearly signals that in addition to the moral error of gleefully anticipating

the death of Allworthy, the Captain errs in his understanding of value itself. As far as Piketty is concerned, this charge sticks. Fielding often admonished those who understood value solely in terms of prices, incomes, estates, and costs, and we should be no less vigilant in offering such admonitions today.

Poised on the brink of PE, Fielding and his contemporaries sensed the impending mathematization of human life, regarded it as dubious, and said as much. Piketty places himself in this long history, asserting that the first question PE asked was the question that drives him today: "What public policies and institutions bring us closer to an ideal society?" (574). That's one way of putting it, but it seems rather the third question PE needed to ask. For, before the role of a public state in private commerce could be analyzed, PE first needed a means whereby values could be translated from one experiential field to another. Its *first* question, thus, was rather: "How can value be translated from one field to another?" In the course of things, sensing that some aspects of experience were more hostile to acts of translation than others, it asked, "How can we make that which seems to resist quantification quantifiable?" Only after these were asked could PE proceed with the question that Piketty asserts as primary.

Of course, the fact that novelists and poets see human beings as more than what Brown, following Hannah Arendt, calls "mere life" does nothing to change the fact that people will go to bed hungry tonight and in need of better access to housing, healthcare, and education. These are problems that we need quantification to study and solve. At the same time, to imagine that the solution to inequality consists solely in maintaining "mere life" is to positively affirm a paradigm wherein life is nothing but mere life, or that which can be "traded on a market." There is something both resigned and pitiable about an economics that proceeds along such lines, though the case of Piketty is somewhat different. Casually peppering a fundamentally quantitative analysis with allusions to great writers and their characters allows Piketty to create an illusion of *Capital's* humanistic concern; in reality, this is a dangerous gambit that Piketty, I suspect, is unaware he is playing. Reducing the complex worlds of his chosen, representative authors to so many confirmations of a thesis that, as Piketty might say, the math can prove by itself, is to create a false sense of inclusiveness and an impression of an author more self-aware than he really is. Nowhere is this more palpable than in the concluding pages to his book, where we find no mention of the authors he has occasionally referenced throughout the volume. It is almost as if Piketty senses, but also does not sense, that the kinds of answers that his data ultimately provides cannot speak to the value of things that his invocation of literature tacitly, perhaps unconsciously, brought into view.

Further Reading

Ian Baucom, *Specters of the Atlantic: Finance Capital, Slavery, and the Philosophy of History* (Durham, N.C., 2005).

Wendy Brown, *Undoing the Demos: Neoliberalism's Stealth Revolution* (Cambridge, Mass., 2015).

Henry Fielding, ed. Tom Keymer, *The History of Tom Jones; A Foundling* (London, 2005).

Jill Lepore, ["Richer and Poorer: Accounting for Inequality."](#) *The New Yorker* (March 16, 2015).

Mary Poovey, *Genres of the Credit Economy: Mediating Value in Eighteenth- and Nineteenth-Century Literature* (Chicago, 2008).

This article originally appeared in issue 16.3 (Summer, 2016).

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