

REVIEW ESSAYS

The Durability and Dynamism of David Harvey

ANDY CLARNO

University of Illinois at Chicago
aclarno@uic.edu

With an export-oriented manufacturing economy dependent on consumer demand in the United States, China confronted a massive crisis of unemployment when the U.S. economy crashed in 2008. To address this crisis, the Chinese government organized an extraordinary wave of investment in physical infrastructure—employing over 20 million workers to build cities, industrial zones, transportation grids, communications networks, and other megaprojects. In just three years, China consumed 1.5 times as much cement as the United States consumed during the entire twentieth century. The vast majority of these infrastructure projects were financed by credit. China's massive investment in the built environment helped to temporarily "fix" the 2008 economic crisis, while setting the stage for a future crisis by reproducing the pattern of speculative financialization that produced the U.S. housing bubble after the crash of the earlier "dot-com" bubble.

The story of China's role in saving global capitalism from disaster bookends two recent works by David Harvey: *The Ways of the World* opens with this narrative, and *Marx, Capital, and the Madness of Economic Reason* concludes with the same account. In both books, Harvey presents analytical frameworks to help readers understand why capital accumulation generates such destructive crisis tendencies. *The Ways of the World* traces the development of Harvey's thought over 47 years through a collection of his most influential essays. *Marx, Capital, and the Madness of Economic Reason* explores the relevance of Karl Marx for understanding the proliferation of debt and the spiral of speculative investments today.

The Ways of the World will stand the test of time as Harvey's ultimate "greatest hits"

The Ways of the World, by **David Harvey**. Oxford, UK: Oxford University Press, 2016. 384 pp. \$27.95 paper. ISBN: 9780190469443.

Marx, Capital, and the Madness of Economic Reason, by **David Harvey**. Oxford, UK: Oxford University Press, 2018. 252 pp. \$24.95 cloth. ISBN: 9780190691486.

volume. Each of the eleven groundbreaking essays is followed by a short commentary in which Harvey reflects on the context in which the piece was written, its reception, and its significance today. The chapters follow the trajectory of Harvey's effort to develop a Marxist framework for understanding why capital accumulation generates constantly shifting and uneven geographical development, for analyzing the social and environmental consequences of these processes, and for building an anti-capitalist political praxis. In the concluding essay, from which the volume takes its title, he writes: "If we are to collectively change this world into a more rational and humane configuration through conscious interventions, then we must first learn to understand far better than is now the case the ways of the world, what we do in it, and with what consequences" (p. 307).

Together, the chapters that make up *The Ways of the World* demonstrate the durability and dynamism of Harvey's framework for analyzing the historical geography of capitalism. The first three essays, published in the 1970s, chronicle Harvey's early engagement with Marx and the development of his core analytical framework. Concepts he began exploring in these essays—such as

crises of overaccumulation, tensions between fixity and motion, and spatio-temporal fixes (such as China's post-2008 investment in the built environment)—remain central to Harvey's work and are indispensable tools for urban geographers and sociologists. In "The Geography of Capitalist Accumulation," Harvey describes a spatial contradiction that continues to ground much of his scholarship today: "The produced geographical landscape constituted by fixed and immobile capital is both the crowning glory of past capitalist development and a prison that inhibits the further progress of accumulation precisely because it creates spatial barriers where there were none before" (p. 49). The endurance of his framework is also manifest in a diagram of the multiple circuits of capital that appeared in "The Urban Process under Capitalism," published in 1978, and again in *Marx, Capital, and the Madness of Economic Reason*, published in 2018.

The next five essays trace the maturation of Harvey's conceptual framework during the 1980s and 1990s. Through historical, cultural, spatial, ecological, and reflective studies, Harvey established the utility of his—and Marx's—process-based, dialectical mode of analysis. "Monument and Myth" provides a rich history of political and class dynamics in nineteenth-century France to account for the construction of the Basilica of Sacré-Coeur. After mobilizing anti-urban, antimodernist sentiment to smash the Paris Commune, Harvey argues, an alliance of Catholics and Monarchists built Sacré-Coeur to reassert their symbolic domination over the city and its "vanquished but unsubjected" population (p. 94). In "Time-Space Compression and the Postmodern Condition," Harvey analyzes the "postmodern" fascination with ephemerality, fragmentation, and dispersal as a cultural expression of the political-economic transition from Fordism to neoliberal "flexible accumulation." He also points out that the embrace of fragmentation exists in tension with a simultaneous search for stability, often expressed through dangerous (yet marketable) place-based identities.

This section also includes Harvey's most-cited essay, "From Managerialism to Entrepreneurialism," which analyzes the

neoliberal structure of interurban competition that generated a shift from managerial urban government focused on addressing local concerns to entrepreneurial urban governance focused on creating a "good business climate" to attract corporate investors. Another groundbreaking essay, "The Nature of Environment," includes Harvey's productive meditations on dialectics and ecosocialism. Tracing the contradictions of various ecological projects, he calls for ecosocialist projects that recognize these tensions, address the aspirations of working people, and incorporate systemic critiques of capitalism and the state. And in "Militant Particularism and Global Ambition," Harvey draws on the novels of Raymond Williams to reflect on a research project that forced him to navigate between his loyalty to a group of striking workers and his commitment to abstract, global, political-economic analysis. Each of these five brilliant essays highlights the radical dynamism of Harvey's intellectual project. Together, they fueled the growth of Marxist geography and the revival of Marxist urban sociology.

The book ends with three more-recent essays that expand Harvey's framework by introducing new tools for studying empire, neoliberalism, and the contradictions of contemporary capitalism. In "The New Imperialism," Harvey introduces the concept of "accumulation by dispossession" to analyze violent, predatory forms of accumulation such as resource wars, land grabs, speculative raiding by hedge funds, and the privatization of public goods. Whereas Marx labeled these "primitive" forms of accumulation, Harvey insists that they are omnipresent features of capitalism that have become increasingly important due to the instability of U.S. global hegemony and the recurrent crises of neoliberalism. Harvey analyzes these recurrent crises in "The Urban Roots of Financial Crises," an article that anticipates some of the themes in *Marx, Capital, and the Madness of Economic Reason*. Setting out to explain why property bubbles have generated so many financial crises since the 1970s, Harvey focuses on financialization, accumulation by dispossession, and the boom-bust cycles that result from overinvestment in the built environment as a temporary "fix" for previous rounds of

overaccumulation. The collection ends with "Capital Evolves," which outlines a dialectical method for studying the development of capitalist society. Arguing that capitalism develops by moving between and across seven "activity spheres"—ranging from technologies and production processes to relations to nature and mental conceptions of the world—he insists that revolutionary change requires movements and alliances between social forces that traverse these spheres. "The revolution has to be a movement in every sense of that word," he concludes. "If it cannot move within, across and through the different spheres then it will ultimately go nowhere at all" (p. 321).

The Ways of the World captures the impressive breadth of Harvey's political and intellectual project. For people new to his work, it provides a highly accessible introduction to his conceptual framework, his dialectical method, and his wide-ranging interest. For Marxists, urban sociologists, and others versed in Harvey's work, it provides an invaluable compilation of his most influential and transformative writings.

Marx, Capital, and the Madness of Economic Reason begins with the proposition that reading Marx can help us understand our current conditions. But make no mistake: this is neither a general introduction to Marx's work nor a conjunctural analysis of the multiple, overlapping crises of contemporary capitalism. If you are interested in the latter, see Harvey's brilliant *Seventeen Contradictions and the End of Capitalism* (2014). *Marx, Capital, and the Madness of Economic Reason* draws on Marx's analysis of capital as "value in motion" to develop an original argument about the dangers posed by a spiraling accumulation of debt. Exemplifying the dynamism of Harvey's work, it extends his conceptual framework by developing a new theory of "anti-value."

Harvey begins by describing Marx's overall analysis of capital as "value in motion." Much like water changes form as it moves through the hydrological cycle—evaporation, condensation, precipitation—value changes form as capital circulates. Value produced by labor initially takes the form of a commodity (valorization); when commodities are sold on the market, value is transformed into money (realization);

when money is parceled out as wages, taxes, rent, interest, and profits (distribution), a portion takes the form of money capital that is reinvested in production (valorization). Unlike the water cycle, however, capital accumulation is structured as a constantly expanding spiral. This expansion depends on the successful movement of value across different forms: from valorization to realization to distribution back to valorization. Crises of overaccumulation occur whenever the flow stalls, such as when commodities cannot be sold or when money capital cannot find profitable investments.

At this point, Harvey raises the concern that animates his study: the contradictory role of credit—or interest-bearing capital—in the circulation of value. First, credit facilitates both production and consumption. "In housing markets, for example, financiers fund developers to produce housing while the same financiers lend to consumers to realize housing values in the market" (p. 43). Thus, credit helps "bridge" or "harmonize" the movement from valorization to realization, lubricating a crucial transition in the circulation of capital. But credit is a dangerous lubricant. Because debts must be repaid, credit generates new incentives for investing in production. "The frantic search for profit," Harvey writes, "is supplemented by the frantic need to redeem debts" (p. 44). This accelerates the spiral of endless accumulation. But capitalists increasingly lend out money as interest-bearing capital rather than investing in production. The result is a massive accumulation of debts with no real chance that they will ever be redeemed. Ultimately, Harvey predicts, the failure to redeem these debts will initiate "the mother of all crises to the system of capital flow" (p. 23).

For Harvey, the concept of "anti-value" provides the key to understanding these dynamics. Through a close reading of Marx, Harvey argues that value always exists in relation to its negation: anti-value. Whenever the circulation of capital stalls, value is temporarily negated. If commodities cannot be sold, for instance, value cannot be realized. And during a crisis, capital undergoes a general devaluation. Anti-value is thus omnipresent: "a permanently disruptive force in the very gut of capital

circulation" (p. 74). The credit system, Harvey argues, helps prevent devaluation by facilitating the passage from production to realization. It also ensures that money taken out of circulation through savings (anti-value) is returned to circulation as interest-bearing capital (value).

But the credit system also produces anti-value in the form of debt. Harvey defines debt as anti-value because it involves claims on future value production. Capitalists must produce value to pay off debts, just as working people must labor to overcome their debts. As such, debt generates an imperative for expanded production and provides a powerful tool for disciplining the working class. Yet the capitalist system contains a dangerous tendency toward the spiraling expansion of debt. "The danger exists that the economic system will collapse under the dead weight of anti-value," he concludes. "When debt becomes so huge that there is no prospect for future value production to redeem it, then debt peonage, debt slavery rules. We celebrate Athens of the past as the cradle of democracy. The Athens of today is the epitome of undemocratic debt peonage" (p. 83).

For working people, debt peonage means that the future is "already foretold and foreclosed" (p. 204). Trapped in debt, they are forced to work their entire lives with little hope that they will ever be free of debt. For states like Greece, it means the end of democracy through subjugation to the will of bondholders and financiers. Ultimately, Harvey argues, credit expands the spiral of capital accumulation by "foreclos[ing] upon the future of as many economic agents as possible and condemn[ing] all and sundry—consumers as well as producers, merchants, landlords, and even the financiers themselves—to a state of debt peonage" (p. 204).

Harvey traces the "irrational" expansion of credit to the elimination of the gold standard in the early 1970s. When the United States abandoned the metallic basis of the monetary system, bankers and financiers began to effectively create money through lending. Profits no longer relied on production, and the relationship between money and value became increasingly tenuous. The logic of endless capital accumulation already required the perpetual expansion of

surplus value production. But financialization transformed money into an infinite commodity that could be lent without limit in exchange for interest. As a result, the flow of credit became "the principle and unrestrained driver of endless capital accumulation" (p. 66). Borrowing language from Marx, Harvey notes that spiraling debt amplifies the "madness of economic reason" and intensifies the crisis tendencies that "can only culminate in devaluation and destruction" (p. 174).

Building on his argument in "The Urban Roots of Financial Crises," Harvey explains that these tendencies have produced recurring boom-bust cycles since the 1970s. The 2008 financial crisis, for instance, was produced by the flow of credit into the U.S. housing market after the crash of the "dot-com" bubble. Originating in the United States, the crisis spread to China, where millions of workers faced unemployment. In response, the Chinese government carried out massive, credit-financed infrastructure projects, similar to projects undertaken by the United States after World War II and France after 1848. But China's vast consumption of cement after 2008 demonstrates that the spiral of debt financing has reached an unprecedented scale. And Harvey predicts that future crises will be even more severe. The only hope, he argues, is to quickly and deliberately dismantle the "tower of debt" that threatens our collective future (p. 93).

Harvey also introduces a theory of "regional value regimes" to analyze the geopolitical battles that shape flows of credit and the spatial displacement of crises on a global scale. Uneven geographical development, he argues, has produced distinct regional value regimes around which power-blocs compete on the world stage. Each power-bloc is managed by a "state-finance nexus" made up of private capital, central banks, and the treasury departments of powerful states. The Trans-Pacific Partnership (TPP), for instance, was "designed by the United States and Japan to constrain the ability of Chinese and European companies to build market share in Asia" (p. 161). Similarly, as infrastructural development slows in China, the Chinese government is exporting surplus steel along with cheap credit to encourage countries around the world to carry out

infrastructural projects. Donald Trump's trade war must be seen in this context.

Overall, *Marx, Capital, and the Madness of Economic Reason* paints a devastating picture of credit as a mechanism propelling the dangerous spiral of endless capital accumulation. "The unprecedented pace of global debt creation since the 1970s suggests a global economy that is increasingly growing by the deployment of the smoke and mirrors of anti-value creation within the world's multiple regional monetary systems," Harvey concludes. "It is not clear where the value will come from to redeem this ever-escalating debt" (pp. 183–84).

Together, these two books provide important tools for unpacking the contradictions and crises of contemporary capitalism. *The Ways of the World* will be indispensable for students of geography, globalization, capitalism, and urban sociology. *Marx, Capital, and the Madness of Economic Reason* will speak

to scholars of financialization, neoliberalism, and economic crisis. Both books certainly have limitations. Like much of Harvey's work, they bracket questions of race, gender, and other dimensions of oppression to focus on the logics of capital accumulation. And the implications for political praxis remain underdeveloped, especially in *Marx, Capital, and the Madness of Economic Reason*. But this should not detract from the brilliance of these books, which reveal the sophisticated theories, rigorous dialectical methods, and trenchant critiques that Harvey has developed through a lifelong engagement with the work of Karl Marx.

Reference

Harvey, David. 2014. *Seventeen Contradictions and the End of Capitalism*. Oxford, UK: Oxford University Press.

Back to the Future

GABRIEL ROSSMAN

University of California-Los Angeles
rossman@soc.ucla.edu

In one of my undergraduate courses, I show students a photo of Paul Lazarsfeld and Frank Stanton. Of course, neither social scientist is familiar to them, but I argue to my students that Lazarsfeld had a bigger impact on the daily practice of sociology than any member of the Marx/Weber/Durkheim triumvirate they study in classical theory. But even those of us who are aware of Lazarsfeld's impact on sociology can forget how much of his work and other social science of his era generally relied either on data collected as an industrial byproduct or on piggy-backed, theory-driven data collection on industrial efforts. After all, in the picture Lazarsfeld is collaborating with Stanton, a psychology PhD who was first the head of research at CBS radio and then the president of CBS as it transitioned to television. Before the establishment of the National Science Foundation's Social, Behavioral, and Economic Sciences division and the proliferation of regularly collected surveys with

Bit by Bit: Social Research in the Digital Age, by **Matthew J. Salganik**. Princeton, NJ: Princeton University Press, 2018. 423 pp. \$35.00 cloth. ISBN: 9780691158648.

about 1500 randomly sampled respondents and about 100 theory-driven Likert scale questions, sociologists had to hustle. Data collected through industry sometimes feel deficient by contemporary standards, with non-random samples and few covariates. Nonetheless, work along these lines done in collaboration with CBS, Pfizer, *Life* magazine, and the Department of War gave us many of the great works of social science published prior to the first wave of the GSS. We would do well to learn from the mid-twentieth-century model as we consider our response to threats to the late-twentieth-century model in plummeting