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Money as a Form of Religious Life

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As I began writing this piece, a blog post in *The Guardian* (18 May 2010) asked if 'the markets' are our new religion, likening them to a 'bloodthirsty god' in primitive religion. Financial markets are the outcome of thousands of independent decisions, but the media often speak of them as a single all-knowing entity. Almost a decade earlier, Thomas Frank (2001) published *One Market under God* and many others have made a similar connection. The editors of this journal approached me to comment on the possible interest the financial crisis might hold for anthropologists of religion. That begs the question of what religion is and what money has to do with it. In what follows I will stick to a Durkheimian line on the affinity between money and religion. Its relevance to the current economic crisis must wait for another occasion.

Religion belongs to a set of terms that also includes art and science. It is a measure of the declining intellectual credibility of the established religions that science, which began as a form of knowledge opposed to religious mysticism, is now often opposed to the arts. If science may crudely be said to be the drive to know the world objectively and art is mainly a means of subjective self-expression, religion typically addresses both sides of the subject-object relationship by connecting what is inside each of us to something outside. Religion binds us to an external force; it stabilizes our meaningful interactions with the world, providing an anchor for our volatility.

Durkheim's last book, *The Elementary Forms of the Religious Life* (1912), is his most neo-Kantian work. Compared with his reductionist sociological approach of the 1890s, starting with *The Division of Labour in Society* (1893) where consciousness is always collective, this study of religion conforms more closely to my definition above. He divided experience into the known and the unknown. What we know well is everyday life, the mundane features of our routines, and we know it as individuals trapped in a sort of private busy-ness. But this life is subject to larger forces whose origin we do not know, to natural disasters, social revolutions and, above all, death. We desperately wish to influence these unknown causes of our fate which we recognize as being both individual and collective in their impact. At the very least we would like to feel they were less uncertain and to establish a connection with them. For Durkheim, religion was the organized attempt to bridge the gap between the known and the unknown in our lives, between a profane world of ordinary experience and a sacred, extraordinary world located outside that experience. What is ultimately unknown to us is our collective being in society. Through ritual we worship our unrealized powers of shared existence, society, and call it God. Society lies within each of us as well as outside. The chaos of everyday life attains some stability to the degree that it is informed by beliefs representing the social facts of a shared collective existence. Rituals instil these collective representations in each of us.

Assisting with the publication of Roy Rappaport's *Ritual and Religion in the Making of Humanity* (1999) sharpened my appreciation of Durkheim's perspective, since the book is an extended reflection on ritual as the ground where religion is made. Rappaport's own definition starts from an emphasis on formality, invariance and tradition to build an analysis of ritual which, for comprehensiveness and consistency, has no parallel in the literature. The project of achieving our potential to be collectively human is, in a sense, barely begun. It is entailed, however, in our origin as a species, according to him in the discovery of language and with it religion. Religion, which is constantly being made and remade through ritual, is how we get in touch with the wholeness of things ('holiness'). Human society has a precarious unity defined by our common occupation of this planet. We must now assume responsibility for the stewardship of life as a whole. Religion is indispensable to that task; hence the echoes of *la vie religieuse.* Rappaport considered money to be a false religion, preferring ecology to economics as the scientific ground for a new world religion. I will suggest that the religious potential of money could be positive, but it is still the opium of the people.

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Money was traditionally impersonal so that it could retain its value when it moved between people who might not even know each other. It was then an instrument detached from the person who uses it. The expansion of trade often depended on this objectivity of the medium of exchange and economists have long debated whether money's value derives from its being a scarce commodity or from the guarantees made by states that issued it (Hart 1986). Bank credit has always been more directly personal, being linked to the trustworthiness of individuals and, in the case of paper instruments like cheques, issued by them. The idea that transactions involving money are essentially amoral comes from its objective form; but until recently, even in societies using impersonal money, the bulk of economic life was carried out by people who knew each other and could discriminate between individuals on that basis.

For Karl Polanyi (1944), impersonal markets and money only recently displaced more humane institutions from the social organization of economy. These were society's way of ensuring material provisioning for its members and they subjected exchange to moral (personal and social) considerations. The self-regulating market dehumanized exchange. This would be bad enough when limited to what people make, like hats and shoes; but the market principle was extended to the conditions of our collective existence and these are not made by human design. Polanyi considered that Nature, Society (in the form of money) and Humanity had been reduced to the 'fictitious commodities' of land, capital and labour. Impersonal markets thus threaten human survival itself and inevitably provoke a social reaction in the form of people's attempts to restore a measure of control over their lives.

All agrarian civilizations tried to keep markets and money in check, since power came from the landed property of an aristocratic military caste who feared that markets might undermine their control over society (Hann and Hart 2009). This dialectic of local and global economy existed long before we came to perceive the modern world that way. Socialists (and most anthropologists) draw their ideas implicitly from the pre-industrial apologists for landed rule such as Aristotle. But if we demonize money and markets, we will be unable to grasp their potential for making a better world.

After the industrial revolution, the wage labour system led to an attempt to separate the spheres in which paid and unpaid work predominated. One is ideally objective and impersonal, specialized and calculated; the other is subjective and personal, diffuse, based on long-term interdependence. The first is a zone of infinite scope where things, and increasingly human creativity, are bought and sold for money, the *market*. The second is a protected sphere of domestic life, where intimate personal relations hold sway, *home*. The market is unbounded and, in a sense, unknowable, whereas the bounds of domestic life are known only too well. The result is a heightened sense of division between an outside world where our humanity feels swamped and a precarious zone of protected personality at home. This duality is the moral and practical foundation of capitalist society (Hart 2005).

The economists' insistence on the autonomy of market logic cannot disguise the fact that market relations have a personal and social component, particularly when human creativity is bought and sold. Human work is not an object separable from the person performing it, so people must be taught to submit to the impersonal disciplines of the workplace. The war to impose these rules has never been completely won. So, just as money is intrinsic to the home economy, personality remains intrinsic to the workplace; and the cultural effort required to keep the two spheres conceptually separate is huge.

Oswald Spengler (1918) argued that the power of number and money to separate and depersonalize was even more fundamental. For the Greeks, number was *magnitude*, the essence of all things perceptible to the senses. Mathematics for them was thus concerned with measurement in the here and now. All this changed with Descartes whose new number-idea was *function*--a world of relations between points in abstract space. Now a passionate Faustian tendency towards the infinite took hold, married to abstract mathematical forms that freed themselves from concrete reality the better to control it. In economic life, a parallel shift took place from thinking in terms of goods to thinking in terms of money. When a businessman signs a piece of paper to mobilize remote forces, this gesture stands in an abstract relationship to the power of labour and machinery, only taking the form of money numbers in a retrospective accountancy process. Thinking in money generates money. It turns the world into subjects and objects-- a few executives and those who follow their orders. Each individual either joins the money force or is its victim as part of a mass.

People want to make some meaningful connection between themselves as subjects and society as an object. It helps that money, as well as being a means of separating public and domestic life, was always the main bridge between them. Today it is the source of our vulnerability in society and the practical symbol allowing each of us to make an impersonal world meaningful. That is why money must be central to any attempt to humanize society. If money has indeed separated economic spheres and fragmented human experience, it can also join together what it has divided.

Like Spengler, the classical economists focused on the commodity's higher-order ability to enter into abstract relations of exchange with other commodities through money (quantity) rather than on its concrete value in use (quality). But the commodity remains something useful and in that use lies its concrete realization. The reality of markets is not just universal abstraction, but this mutual determination of the abstract and the concrete. If you have some money, there is almost no limit to what you can do with it, but, as soon as you buy something, the act of payment lends concrete finality to your choice. Money's significance thus lies in the synthesis it promotes of impersonal abstraction and personal meaning, objectification and subjectivity, analytical reason and synthetic narrative. Its social power comes from the fluency of its mediation between infinite potential and finite determination.

We need to understand better how we build the infrastructures of collective existence, money among them. How do meanings come to be shared and memory to transcend the minutiae of personal experience? Memory played an important part in John Locke's philosophy of money (Caffentzis 1989). For him a *person*, by performing labour on the things given to us in common by nature, made them his own. But, to sustain a claim on his property through time, that person has to remain the same; and personal identity depends on consciousness. Property must endure in order to be property and that depends on memory. Money thus expands the capacity of individuals to stabilize their own personal identity by holding something durable that embodies the desires and wealth of all the other members of society. Money is a 'memory bank' (Hart 2000), a store allowing individuals to keep track of those exchanges they wish to calculate and a source of memory for the community. One of money's chief functions is *remembering.*

Economic history is dialectical. Most people become quite anxious when they depend on impersonal and anonymous institutions. This is an immense force for reversing the historical pattern of alienation on which the modern economy has been built. How we combine the personal and impersonal aspects of money has much in common with religion. Because our ephemeral economic transactions depend on using money, it seems to be more stable than the relations it expresses (Simmel 1900). Money may thus be conceived of as durable ground on which to stand, anchoring identity in a collective memory whose concrete symbol is money; or as the outcome of a more creative process where we each generate the personal credit linking us to society. When it is seen to be what each of us makes of it, we may be ready at last to dethrone money as the archaic God of capitalism it has become (Frank 2001).

Humanity's interdependence in a global economy made by markets and money has lately been increased by a digital revolution in communications whose symbol is the internet (Hart 2000, 2005). Time and distance have been shortened to an unprecedented degree. We need to understand this virtual world of abstraction in order to make meaningful connection with it from the perspective of our everyday lives. From having been an object produced by remote authorities, money is becoming more obviously a subjective expression of our own will; and this development is mirrored in the shift from 'real' to 'virtual' money. It is now possible to attach a lot of information about individuals to transactions at distance. The trend is thus to restore personal identity to impersonal contracts, not least in the market for credit/debt.

Of course, powerful organizations have access to huge processors with which to manipulate an often unknowing public; and rich individuals have always experienced markets and money as personalities in their own right. But for many people these developments have introduced new conditions of engagement with the impersonal economy. The idea is slowly taking root that society is less an oppressive structure out there and more a subjective capacity that allows each of us to learn how to manage our relations with others. Money symbolizes this shift. It once took the form of objects outside ourselves of which we had a greater need than the available supply; but now it is increasingly manifested as digitized transfers mediated by plastic cards and telephone wires, thereby altering the notions of economic agency that we bring to participation in markets. Cheap information is undermining the assumptions that supported mass production and consumption for a century.

Economic anthropology should aim to show that the numbers on people's financial statements, bills, receipts and transaction records constitute a way of summarizing their relations with society at a given time. The next step is to show where these numbers come from and how they might serve in building a viable personal economy. When individuals are able to take responsibility for their own economic actions, they will understand better the social forces impinging on their lives. Then it will become more obvious how and why ruling institutions need to be reformed for all our sakes. If credit cards could be seen as a step towards greater humanism in economy, this also entails increased dependence on the impersonal organization of governments and corporations, on impersonal abstraction of the sort associated with computing operations and on the need for impersonal standards and social guarantees for contractual exchange. Once we accept that money is a way of keeping track of the complex social networks that we each generate, it could take a wide variety of forms compatible with both personal agency and collective association at any level of society. It is up to us to build them.

Simmel (1900) argued that money is the symbol of our human potential to make world society. We all need to participate in global markets of infinite scope, using international moneys-of-account, electronic payment systems of various kinds or even direct barter via the internet. We must develop more effective impersonal institutions ('the state') at the level of world society as well as below. Money's ability to sustain local meaning and universal connection at the same time is an indispensable means to that end. Like society itself, money is always both personal and impersonal.

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So, if some parallels may be drawn between money and religion, can we apply Durkheim's analytical framework to money? Before doing so, we should make a distinction between those who participate in what Spengler called "the money force" and the masses who don't, its victims. The line between these classes is shifting as a result of the digital revolution, but a crude bipolar model must do for now. We could label them the 'makers' and the 'takers' of money. An analysis of money rituals lies beyond the scope of this comment, but I can say something about the nature of belief in money and how what is known (the everyday) and what is unknown (the world) are broadly articulated by the two classes.

The money-makers, at least since Frank Knight's *Risk, Uncertainty and Profit* (1921), have been able to distinguish between future threats that are calculable (risk) and those that are not (uncertainty). Whereas to you or me a barn burning down is an unpredictable disaster, insurance companies can assess quite closely the probability of such an event in a given area and share the risk between those willing to pay a premium. This elementary principle was forgotten in the three decades of the credit boom, so that the insurance giant AIG undertook liabilities that its assets were unable to cover in the event of a crash. The computer programs of some banks issuing mortgages could not even simulate a downturn in housing prices.

Karen Ho's ethnography of Wall Street (2009) shows how a spate of corporate downsizing and mergers in the 1980s elevated 'shareholder value' to a primacy that it had never enjoyed before. Company workforces, indeed whole company towns, were sacrificed to maintaining stock prices as high as possible. Alexandra Ouroussoff (2010) identifies the ratings agencies as the principal source for a belief that the risk of future losses could be known in advance and factored into share prices, whereas corporate executives tended to be empiricists who knew that all futures are uncertain. But the latter's need for investment capital led them to cook their books in conformity with the agencies' expectations. In this climate, the investment banks came to think of themselves as invincible and Western capitalism took an unsustainable form.

Belief in the efficiency of the 'free market', as propagated by an army of economists, journalists and politicians, took hold especially in the money-maker class. Gillian Tett (2009) tells how she was denounced as unpatriotic by leading figures in the City of London, as well as by her employers at the *Financial Times*, for expressing doubts about the soundness of the market for credit derivatives. Well-established truths, such as what goes up always comes down in real estate markets, were forgotten in the rush for fat salaries and bonuses. William Poundstone (2006) reminds us that three stories have long circulated side-by-side in money-making circles: the economists' belief that you cannot beat the markets; another that you can do so with inside knowledge (often illegally); and one that scientific methods can guarantee steady profits from gambling on asset prices. In any case, the rich rely heavily on personal relations for knowledge and contacts, even if the intellectual disciplines that dominate public education invariably represent society as being governed by impersonal forces.

There is almost no public education about money in Western schools and middle-class parents do their best to shield their children from direct experience of it for as long as possible. The American economist, Paul Samuelson used to say in the introduction to his best-selling textbook (Samuelson 1989) that 10 million New Yorkers go to sleep every night confident that the economy will still be there the next morning; but how do they know? In *Money: Whence it Came, Where it Went* (1975), J.K. Galbraith tells a story from the 1960s about a member of Kennedy's administration being paid off with a directorship of a bank. After his first meeting, he was seen walking down Wall Street in a daze, muttering "I never knew. I never knew." What had he not known? Galbraith surmises that he may have learned the first principle of modern banking: take money from one party and lend it to another, then persuade both that they still have it. Perhaps money truly is a phantom conjured up by unscrupulous wizards. In which case, most of us would rather not know. We prefer to believe that we are standing on solid ground, that the money we live by is real and will not go away. Failing that, we pay experts to look after the problem and are reassured by the sound of their technical jargon. In either case, understanding is unnecessary. That is why inflation is so upsetting: when the value of money refuses to stand still, what else is there to rely on? Fear of the unknown leads us into a crippling search for certainty in monetary affairs; and this is as much of an obstacle to effective understanding as was the old-time religion it so closely resembles.

Perhaps for this reason most people are extremely tenacious of their ill-formed views of the money system they have grown used to. I know from personal experience that they refuse to be told that there are viable alternatives to working for wages and pensions, such as scientific gambling or do-it-yourself trading circuits such as LETS (Hart 2000). In order to win as a gambler, you need a large fund and to make small bets often; but most punters ensure that they will normally lose by trying to win a lot with a little occasionally. They believe that the bookie or the casino must always win. Perhaps that makes it more tolerable to sacrifice their lives to an economic system stacked against them. It is the same with resistance to community and complementary currencies (Blanc 2010).

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It is relatively easy to debunk religion, but to understand its social force one has to enter the minds of believers. Searching for the source of money's power is like asking how God gets us to believe in Him. Of course we made him up, just as we made and make money up. Since all we can ever know is the past, why would anyone accept a claim to guarantee an unknowable future? But we do, because we have to--and faith is the glue sticking past and future together in the present. Simmel (1900) made a good case for why money is able to make this spurious claim. Since all the ephemeral transactions we wish to calculate are made in terms of it, money seems to be more stable than the rest, even though we know it is not really. The river bank seems to be solid and yet in reality it is just slower-moving deposits thrown up by the fast-moving water. But, if we are drowning, we settle for its presumptive stability. The physicist may have worked out what is going on at an abstract level, but for practical purposes we do not need to know what he knows about the movement of particles.

Given the cultural longevity of money in its present form and the powers of indoctrination held by ruling institutions, it is not surprising that most people are initially reluctant to embrace new approaches to finance; but the situation is psychologically complex. On the one hand, conventional money flatters our sense of self-determination: with some money, we can exert power over the world at will, moving from infinite potentiality to finite determination, back and forth. On the other hand, there is another kind of comfort in the notion that money, as presently constituted, is not in our control at all. The fact that it embodies an exogenous force of necessity serves, in a manner analogous to number, to generate clarity of judgment and action where otherwise things might be frighteningly wide open. Similarly, if they issued their own currencies, people would not only be freer, but would have greater responsibilities also.

There is a strong parallel with slavery. People feel that the monopoly claimed by national money must be inevitable, since no-one would freely choose it. To be told that there is an alternative we could choose makes nonsense of a lifetime's enslavement to an unrewarding system. So we cling to what we know as the only possibility. We often talk about wanting to be free, but we choose the illusion of freedom without its real responsibility. This is perhaps why we prefer money not to be of our own making. We spend it, but we never have enough of it because 'they' keep it scarce. This is perhaps the underlying reason why eminently sensible schemes for do-it-yourself money get such a poor reception. It is not enough to develop a superb design for exchange circuits employing community currencies. People have to be sold the idea; and this involves engaging with their most cherished beliefs.

The word 'belief' originally meant 'something held dear', which is to say that exchanges involving money entail at some level a vision of humanity bound by mutual love (Hart 1988). This is how the young Marx ends his remarkable essay on "The power of money" in the 1844 manuscripts: "If you love without evoking love in return, i.e. if you are not able, by the manifestation of yourself as a loving person, to make yourself a beloved person, then your love is impotent and a misfortune" (Marx 1844). But this takes us beyond the limits of a Durkheimian analysis.

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