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## *The Subject and Social Theory*

*Marx and Lukács on Hegel\**

It is very difficult to imagine addressing the relation of Marx and Hegel—and, relatedly, the question of the Subject and critical social theory—without considering the towering figure of Georg Lukács. In *History and Class Consciousness*, written in the aftermath of the Russian Revolution and the failure of revolution in central Europe, Lukács (1971) effects a fundamental theoretical break with Second International Marxism by reasserting the Hegelian dimension of Marx's thought. On this basis, he fundamentally criticized scientism and faith in linear historical progress, arguing that such positions were the deep theoretical grounds for the world-historical failures of Social Democracy to prevent war in 1914 and bring about radical historical change in 1918–1919.

In appropriating Hegel, Lukács places the issue of subjectivity and the notion of praxis at the center of the Marxian project in ways that broaden and deepen the critique of capitalist society. His essays grasp Marx's critique as a dialectical theory of praxis, on the basis of which he develops a rich theory of history, culture, and consciousness, a powerful revolutionary social theory very different from the mechanical, affirmative, and reductionist Marxism of the Second International.

Hegel and the Hegelian turn in Marxism, as powerfully represented by Lukács, however, have been strongly criticized more recently by structuralists and post-structuralists for whom concepts, such as total-

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ity and the historical Subject, which are central to Lukács's project, are anti-emancipatory concepts of domination. Nevertheless, the global historical transformations of recent decades—including the crisis of the Fordist/Keynesian welfare state, the collapse of Soviet communism, and the emergence of a neo-liberal capitalist global order—have underlined the importance of the issue of historical dynamics, and cannot be elucidated adequately by the poststructuralist and postmodernist theories that were dominant in the 1970s and 1980s. They suggest the need for a renewed theoretical concern with capitalism.

I am going to outline a reading of Marx that, while indebted to Lukács, seeks to get beyond the opposition of Hegelian and anti-Hegelian critical approaches. The relation of Marx's mature theory to Hegel, I argue, is different from that which Lukács presents. Indeed, Marx's critical appropriation of Hegel provides the basis for a critique both of Lukács as well as of post-structuralism, in ways that can avoid the weaknesses of each while incorporating their strengths.

## *I.*

Lukács's theory of praxis—especially as developed in his essay, “Reification and the Consciousness of the Proletariat”—does not grasp the categories of Marx's mature critique, such as the commodity, simply as economic categories. Instead, Lukács interprets them as determinations of both subjective and objective dimensions of modern social life.<sup>1</sup> On the basis of this argument, that the subjective and objective dimensions of social life are intrinsically interrelated, Lukács develops a sophisticated social theory of consciousness and of knowledge entailing a fundamental critique of Cartesianism, of subject-object dualism. His theory of praxis allows him to argue that the subject is both producer and product of the dialectical process (Lukács, 1971, p. 142). Consequently:

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1. Thus, Lukács (1971, p.293) criticized Ernst Bloch for assuming that the critique of capitalism is only economic (rather than an analysis of the system of forms that defines the real life of humanity), and, therefore, supplementing it with religious utopian thought.

[t]hought and existence are not identical in the sense that they “correspond” to each other, or “reflect” each other, that they “run parallel” to each other, or “coincide” with each other (all expressions that conceal a rigid duality). Their identity is that they are aspects of the same real historical and dialectical process (Lukács, 1971, p. 204).

Within the framework of Lukács’s categorial analysis, then, “consciousness ... is a necessary, indispensable, integral part of that process of [historical] becoming” (Lukács, 1971, p. 204).

In analyzing the interrelatedness of consciousness and history, Lukács’s primary concern is to delineate the historical possibility of revolutionary class-consciousness. At the same time, he presents a brilliant social and historical analysis of modern western philosophy. Such thought, according to Lukács, attempts to wrestle with the problems generated by the peculiar abstract forms of life characteristic of its (capitalist) context, while remaining bound to the immediacy of the forms of appearance of that context. Hence, philosophical thought misrecognizes the problems generated by its context as transhistorical and ontological (Lukács, 1971, pp. 110–12). It was Marx, according to Lukács, who first adequately addressed the problems with which modern philosophy had wrestled. He did so by changing the terms of those problems, by grounding them historically in the social forms of capitalism expressed by categories such as the commodity.

Recovering this mode of analysis, Lukács provides a social and historical analysis of modern philosophical and sociological thought. Significantly, he does not do so first and foremost with reference to considerations of class interest. Rather than focusing on the *function* of thought for a system of social domination, such as class domination, Lukács attempts to ground the *nature* of such thought in the peculiarities of the social forms constitutive of capitalism such as the commodity.

By intrinsically relating social and cultural aspects of life, this appropriation of Marx’s categorial analysis breaks decisively with classical Marxist base-superstructure conceptions. Such conceptions are themselves dualistic—the base being understood as the most funda-

mental level of social objectivity, the superstructure being identified with social subjectivity. Lukács's approach also differs from that of the other great theorist of praxis, Antonio Gramsci, inasmuch as it relates forms of thought and social forms intrinsically, and does not treat their relation as extrinsic or in a functionalist manner. It not only elucidates the hegemonic function of those forms, but also delineates an overarching framework of historically determined forms of subjectivity within which class-related differentiation takes place. Lukács's approach, in other words, can serve as the point of departure for an analysis of the nature of modern, capitalist cultural forms themselves.

In addition to providing the basis for a sophisticated historical theory of subjectivity, Lukács, in his "Reification ..." essay, also shifts the focus of the critique of capitalism, rendering it more adequate to the significant social, economic, political, and cultural features of twentieth-century capitalism. His reading of Marx's categories goes far beyond the traditional critical analysis of capitalism in terms of the market and private property. Instead, he regards as central the processes of rationalization and bureaucratization emphasized by Weber, and grounds those processes in Marx's analysis of the commodity as the basic structuring form of capitalist society. Lukács argues that the processes of rationalization and quantification that mould modern institutions are rooted in the commodity form (Lukács, 1971, pp. 85–110). Like Marx, he characterizes modern capitalist society in terms of the domination of people by time, and treats the factory as a concentrated version of the structure of capitalist society as a whole (Lukács, 1971, pp. 89–90). This structure is also expressed in the nature of modern bureaucracy (Lukács, 1971, pp. 98–100), and gives rise to a determinate form of the state and of law (Lukács, 1971, p. 95). By grounding these features of modernity in Marx's categories, Lukács seeks to show that what Weber described as the "iron cage" of modern social life is a function of capitalism and, hence, transformable.

Lukács's essay on reification demonstrates the power and rigor of a categorially-based critical theory of modern capitalist society, both as a theory of the intrinsic relatedness of culture, consciousness and society, and as a critique of capitalism. His critique extends beyond a concern with issues of class domination and exploitation. It seeks to

critically grasp and socially ground processes of rationalization and quantification, as well as an abstract mode of power and domination that cannot be understood adequately in terms of concrete personal or group domination. The conception of capitalism implied by Lukács's analysis is much broader and deeper than the traditional one of a system of exploitation based on private property and the market. Indeed, his conception implies that the latter ultimately may not be the most basic features of capitalism. On the other hand, Lukács's analysis provides a level of conceptual rigor absent from most discussions of modernity. It indicates that "modern society" is basically a descriptive term for a form of social life that can be analyzed with greater rigor as capitalism.

Yet, in spite of the depth he introduces to the critique of capitalism, Lukács misrecognizes central aspects of the remarkable theoretical turn effected by Marx and fails to realize the promise of the sort of categorial critique he outlines. Consequently, although Lukács's approach presents a critique of capitalism fundamentally richer and more adequate than that of traditional Marxism, it ultimately remains bound to some of that theory's fundamental presuppositions. This weakens his attempt to formulate a more fundamental critique of capitalism, one that would be adequate to the twentieth century.

## II.

In order to elaborate these contentions let me briefly outline what I regard as a fundamental difference between Lukács's appropriation of Hegel and that undertaken by Marx in his mature works. As is well known, Hegel attempted to overcome the classical theoretical dichotomy of subject and object, arguing that reality, natural as well as social, subjective as well as objective, is constituted by practice—by the objectifying practice of the *Geist*, the world-historical Subject. The *Geist* constitutes reality by means of a process of externalization; in the process, it reflexively constitutes itself. Inasmuch as both objectivity and subjectivity are constituted by the *Geist* as it unfolds dialectically, they

are of the same substance. Both are moments of a general whole that is substantially homogeneous—a totality.

For Hegel, then, the *Geist* is at once subjective and objective; it is the identical subject-object, the “substance” that is, at the same time, “Subject”: “The living *substance* is, further, that being which is ... *Subject* or, what is the same thing, which is ... actual only insofar as it is the movement of positing itself, or the mediation of the process of becoming different from itself with itself” (Hegel, 1966, p. 28; translation modified, emphasis added).

The process by which this self-moving substance/Subject, the *Geist*, constitutes objectivity and subjectivity as it unfolds dialectically is a historical process, grounded in the internal contradictions of the totality. The historical process of self-objectification, according to Hegel, is one of self-alienation, and leads ultimately to the reappropriation by the *Geist* of that which had been alienated in the course of its unfolding. That is, historical development has an end-point: the realization by the *Geist* of itself as a totalizing and totalized Subject.

In “Reification and the Consciousness of the Proletariat”, Lukács translates Hegel’s concept of the *Geist* anthropologically, identifying the proletariat in a “materialized” Hegelian manner as the identical subject-object of the historical process, as the historical Subject, constituting the social world and itself through its labour. Relatedly, Lukács analyzes society as a totality, constituted by labour, traditionally understood as a social activity mediating humans and nature. The existence of this totality, according to Lukács, is veiled by the fragmented and particularistic character of bourgeois social relations. By overthrowing the capitalist order, the proletariat would realize itself as the historical Subject; the totality it constitutes would openly come into its own. The totality and, hence, labour, provide the *standpoint* of Lukács’s critical analysis of capitalist society (Lukács, 1971, pp. 102–21, 135, 145, 151–3, 162, 175, 197–200).

Lukács’s interpretation of the categories and his reading of Hegel, in particular his identification of the proletariat with the concept of the identical subject-object and his affirmative view of totality, have frequently been identified with Marx’s position.<sup>2</sup> A close reading of

2. See, for example Piccone (1982, p. xvii).

*Capital*, however, indicates that Marx's appropriation of Hegel in his mature works differs fundamentally from Lukács's affirmation of totality as the standpoint of critique and his identification of Hegel's identical subject-object with the proletariat. This, in turn, suggests that their understandings of a critical theory of modern, capitalist society are very different.

At the beginning of *Capital*, Marx (1976, p. 128) refers to value as having a "substance," which he identifies as abstract human labour. Marx no longer considers the concept of "substance" to be simply a theoretical hypostatization, as he did in his early works, but now conceives of it as an attribute of value—that is, of the peculiar, labour-mediated form of social relations that characterizes capitalism.<sup>3</sup> "Substance," for Marx, is now an expression of a determinate social reality. He investigates that social reality in *Capital* by unfolding logically the commodity and money forms leading to the complex structure of social relations expressed by his category of capital. Marx initially determines capital in terms of value, as self-valorizing value. At this point in his exposition, Marx presents the category of capital in terms that clearly relate it to Hegel's concept of *Geist*:

It [value/M.P.] is constantly changing from one form into the other without becoming lost in this movement; it thus transforms itself into an *automatic subject* ... In truth, however, value is here the *subject* of a process in which, while constantly assuming the form in turn of money and of commodities, it ... valorizes itself...[V]alue suddenly presents itself as a *self-moving substance* which passes through a process of its own, and for which the commodity and money are both mere forms (Marx, 1976, pp. 255–6; translation modified, emphasis added).

In *Capital*, then, Marx explicitly characterizes capital as the self-moving substance that is Subject. In so doing, he implicitly suggests that a historical Subject in the Hegelian sense does indeed exist in

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3. For an extensive analysis of Marx's conception of abstract labour as constituting a historically specific, abstract form of social mediation, see Postone (1993).

capitalism. Note, however, that he does not identify that Subject with any social grouping, such as the proletariat, or with humanity. Instead, Marx grasps it with reference to the social relations constituted by the forms of objectifying practice expressed by the category of capital.

Marx's interpretation of the historical Subject with reference to the category of capital suggests that the social relations that characterize capitalism are of a very peculiar sort—they possess the attributes that Hegel accords the *Geist*. This, in turn, indicates that the most fundamental social relations at his critique's center cannot be adequately understood in terms of class relations but as forms of social mediation expressed by categories such as commodity and capital. Marx's Subject is like Hegel's: it is abstract and cannot be identified with any social actors; moreover, it unfolds temporally independent of will.

As the Subject, capital is a remarkable "subject." Whereas Hegel's Subject is transhistorical and knowing, in Marx's analysis it is historically determinate and blind. As a structure constituted by determinate forms of practice, capital, in turn, is constitutive of forms of social practice and subjectivity; as a self-reflexive social form it may induce self-consciousness. Unlike Hegel's *Geist*, however, it does not possess self-consciousness. Subjectivity and the socio-historical Subject, in other words, must be distinguished in Marx's analysis.

Marx's identification of the identical subject-object with determinate forms of social relations has very important implications for a theory of subjectivity. With this theoretical move, Marx recasts the epistemological problem from a consideration of the knowing individual (or supra-individual) subject and its relation to an external (or externalized) world, to one of forms of social mediation (constituted by praxis), considered as determinations of social subjectivity as well as objectivity.<sup>4</sup> The problem of knowledge now becomes a question of

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4. Habermas (1984, p. 390) claims that his theory of communicative action shifts the framework of critical social theory away from the subject-object paradigm. I am suggesting that Marx, in his mature works, already effects such a theoretical shift. Moreover, I would argue—although I cannot elaborate here—that Marx's focus on forms of social mediation allows for a more rigorous analysis of capitalist modernity than does Habermas's turn to communicative action.



the subjective dimension of determinate forms of social mediation.

This reading of *Capital* appropriates Lukács's understanding of Marx's categories as subjective and objective, cultural and social. Yet it also indicates that those categories have a different meaning than that accorded them by Lukács, who implicitly posits "labour" (labour in general, transhistorically conceived) as the constituting substance of a Subject, which is prevented by capitalist relations from realizing itself. The historical Subject in Lukács can be understood as a collective version of the bourgeois subject, constituting itself and the world through "labour." (That is, the concept of "labour" and that of the bourgeois subject [whether interpreted as the individual or as a class] are intrinsically related.)

Note that Lukács's interpretation implicitly treats capitalist relations as extrinsic to labour. Although *History and Class Consciousness* does contain criticisms of the structure of factory labour, its underlying presuppositions are consonant with traditional approaches to capitalism essentially in terms of the market and private property—that is, in terms extrinsic to labour.

Marx's critique of Hegel breaks with the presuppositions of such a position (which, nevertheless, became dominant within the socialist tradition). Rather than viewing capitalist relations as extrinsic to the Subject, hindering its full realization, Marx analyzes those very relations, characterized by their quasi-objective form, as constituting what Hegel grasped as a historical Subject. This theoretical turn means that Marx's mature theory is not bound to the notion that social actors, such as the proletariat, constitute a historical meta-Subject that will realize itself in a future society. Indeed, it implies a critique of such a notion.

A similar difference between Marx and Lukács exists with regard to the Hegelian concept of totality. For Lukács, a social totality is constituted by "labour," but is veiled, fragmented, and prevented from realizing itself by capitalist relations. It represents the *standpoint* of the critique of the capitalist present, and will be realized in socialism. Marx's categorial determination of capital as the historical Subject, however, indicates that the totality and the labour that constitutes it have become the *objects* of his critique. The capitalist social forma-

tion, according to Marx, is unique inasmuch as it is constituted by a qualitatively homogeneous social “substance.” Hence, it exists as a social totality. Other social formations are not so totalized; their fundamental social relations are not qualitatively homogeneous. They cannot be grasped by the concept of “substance,” cannot be unfolded from a single structuring principle, and do not display an immanent, necessary historical logic.

The idea that capital, and not the proletariat or the species, is the total Subject clearly implies that, for Marx, the historical negation of capitalism would not involve the *realization*, but the *abolition*, of the totality. It follows that the contradiction driving the unfolding of this totality does not drive the totality forward towards its full realization, but, rather, towards the possibility of its historical abolition. That is, the contradiction expresses the temporal finiteness of the totality by pointing beyond it.

The determination of capital as the historical Subject grounds capitalism’s dynamic in historically specific social relations (commodity, capital) that are constituted by structured forms of practice and, yet, are alienated: they acquire a quasi-independent existence and subject people to quasi-objective constraints. Capital, as analyzed by Marx, is a dialectical process that, because quasi-objective, quantifiable, and independent of will, presents itself as a logic. The existence of a historical logic is not, within this framework, a characteristic of human history as such but, rather, a historically specific, distinguishing feature of capitalism that Hegel (and Lukács, and most Marxist thinkers) projected transhistorically onto all of human social life as History. Marx’s mature analysis, then, changes the terms of debate regarding history. He neither treats historical logic affirmatively, nor as an illusion, but as a form of domination rooted in the social forms of capitalism.

Paradoxically, this historically specific understanding of History possesses an emancipatory moment not available to those positions that, explicitly or implicitly, identify the historical Subject with the labouring class. Such “materialist” interpretations of Hegel which posit the class or the species as the historical Subject seek to enhance human dignity by emphasizing the role of practice in the creation of

history. Within the framework of the interpretation outlined here, however, such positions are only apparently emancipatory, for the very existence of a historical logic is an expression of heteronomy, of alienated practice. Accordingly, the call for the full realization of the Subject could only imply the full realization of an alienated social form.

It should be evident by now that the critical thrust of Marx's analysis, according to this reading, is similar in some respects to that of poststructuralist approaches inasmuch as it entails a critique of totality, of the Subject, and of a dialectical logic of history. However, whereas Marx grasps these conceptions as expressions of the reality of capitalist society, poststructuralist approaches deny their existence. Seeking to expand the realm of human freedom, such positions ignore the reality of alienated social relations and cannot grasp the historical tendencies of capitalist society. Consequently such approaches are, contrary to their intentions, profoundly disempowering.

Those positions that assert the existence of a totality, but do so in an affirmative fashion, then, are related to those positions that deny totality's very existence in order to save the possibility of freedom. Both positions are one-sided: they posit, albeit in opposed fashion, a transhistorical identity between what is and what should be, between recognizing the existence of totality and affirming it. Marx, on the other hand, analyzes totality as a heteronomous reality in order to uncover the historically emergent conditions for its abolition.

### *III.*

At this point I shall briefly outline a reading of Marx's categories very different from that presented by Lukács. Although indebted to Lukács's focus on the categories, this reading could serve as the basis for a critical theory of capitalism able to overcome the dualism of his specific approach as well as its traditionalist assumptions.

Lukács analyzes central aspects of modernity—for example, the factory, bureaucracy, the form of the state and of law—with reference to processes of rationalization grounded in the commodity form. He describes these processes in terms of the subsumption of the qualita-

tive by the quantitative, arguing, for example, that capitalism is characterized by a trend toward greater rationalization and calculability, which eliminates the qualitative, human, and individual attributes of the workers (Lukács, 1971, p.88). Relatedly, he maintains that time loses its qualitative, variable and flowing nature and becomes a quantifiable continuum filled with quantifiable “things” (Lukács, 1971, p. 90). Because capitalism entails the subsumption of the qualitative under the quantitative, according to Lukács, its unitary character is abstract, general, and formalistic.

Nevertheless, although the rationalization of the world effected by the commodity relation may appear to be complete, Lukács argues, it actually is limited by its own formalism (Lukács, 1971, p. 101). Its limits emerge clearly in periods of crisis, when capitalism is revealed as a whole made up of partial systems that are only contingently related, an irrational whole of highly rational parts (Lukács, 1971, pp. 101–2). The crisis, in other words, reveals that there are qualitative conditions attached to the quantitative relations of capitalism, “that it is not merely a question of units of value which can easily be compared with each other, but also use-values of a definite kind which must fulfill a definite function in production and consumption” (Lukács, 1971, p. 106). Hence, capitalism cannot be grasped as a rational totality. Indeed such knowledge of the whole would amount to the virtual abolition of the capitalist economy, according to Lukács (1971, p. 102).

Lukács, then, grasps capitalism essentially in terms of the problem of formalism, as a form of social life that does not grasp its own content. This suggests that, when he claims the commodity form structures modern, capitalist society, he understands that form solely in terms of its abstract, quantitative, formal dimension—its value dimension. He thereby posits the use-value dimension as the “real material substratum,” as a quasi-ontological content, separable from the form, which is constituted by labour, trans-historically understood.

Within this framework, getting beyond bourgeois thought means getting beyond the formalistic rationalism of such thought, that is, beyond the diremption of form and content effected by capitalism.

And this, Lukács argues, requires a concept of form that is oriented toward the concrete content of its material substratum; it requires a dialectical theory of praxis (Lukács, 1971, pp. 121–42). It is Hegel, according to Lukács, who points the way to such a theory by turning to history as the concrete and total dialectical process between subject and object. Yet, Lukács claims, although Hegel develops the dialectical method, which grasps the reality of human history and shows the way to the overcoming of the antinomies of bourgeois thought, he is unable to discover the identical subject-object in history (Lukács, 1971, p. 145). Instead, he locates it idealistically, outside of history, in the *Geist*. This results in a concept mythology, which reintroduces all the antinomies of classical philosophy (Lukács, 1971, pp. 145–8).

Overcoming those antinomies entails a social and historical version of Hegel's solution, according to Lukács. The adequate "solution" is provided by the proletariat, which is able to discover within itself, on the basis of its life experience, the identical subject-object (Lukács, 1971, p. 149). Lukács then proceeds to develop a theory of the class-consciousness of the proletariat (Lukács, 1971, pp. 149–209). I shall not discuss this theory at length other than to note that, unlike Marx, Lukács does not present his account with reference to the development of capital—for example, in terms of possibilities that emerge as a result of changes in the nature of surplus value (from absolute to relative surplus value) and related changes in the development of the process of production. Instead, he outlines a dialectic of immediacy and mediation, quantity and quality, which could lead to the self-awareness of the proletariat as subject. His account is curiously devoid of a historical dynamic. History, which Lukács conceives of as the dialectical process of the self-constitution of humanity, is indeterminate in this essay; it is not analyzed with reference to the historical development of capitalism.

Indeed, Lukács treats capitalism as an essentially static, abstract quantitative form that is superimposed on, and veils, the true nature of the concrete, qualitative, social content. Within the framework of his account, the historical dialectic, constituted by praxis, operates on the level of the "real" social content, that is, class relations; it is ultimately opposed to the categories of capitalism. Those categories, then, veil

what is constituted by praxis; they are not themselves categories of praxis. The opposition Lukács draws between “the developing tendencies of history” and “the empirical facts,” whereby the former constitutes a “higher reality,” also expresses this understanding (Lukács, 1971, p. 181).<sup>5</sup> History here refers to the level of praxis, as Lukács understands it, to the “real” social content, whereas the empirical “facts” operate on the level of the economic categories.

How, then, does Lukács deal with capitalism’s dynamic? He does refer to the immanent, blind dynamic of capitalist society, which he characterizes as a manifestation of the rule of capital over labour (Lukács, 1971, p. 181). Nevertheless, Lukács does not ultimately take seriously that dynamic as a historical dynamic, a quasi-independent social reality at the heart of capitalism. Instead he treats it as a reified manifestation of a more fundamental social reality, as a ghostly movement that veils “real history”:

This image of a frozen reality that nevertheless is caught up in an unremitting ghostly movement at once becomes meaningful when the reality is dissolved into the process of which man is the driving force. This can be seen only from the standpoint of the proletariat because the meaning of these tendencies is the abolition of capitalism and so for the bourgeoisie to become conscious of them would be tantamount to suicide (Lukács, 1971, p. 181).

“Real” history, according to Lukács, is the dialectical historical process constituted by praxis. It operates on a more fundamental level of social reality than what is grasped by the categories of capitalism, and points beyond that society. This “deeper,” more substantive, level of social reality is veiled by the immediacy of capitalist forms; it can only

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5. The distinction between the tendencies of history and empirical “facts” is implicitly related by Lukács to the difference in logical levels between Marx’s analysis of value and surplus value in Volume I of *Capital* and his analysis of price, profit, rent and interest in Volume III of *Capital*, whereby the latter categories veil the former (Lukács, 1971, pp.181–5). What is significant here is that Lukács reads the concrete dimension of the underlying categories of Volume I such as “labour” and “use-value” as ontological and affirmative.

be grasped from a standpoint that breaks through that immediacy. And this standpoint, for Lukács, is a possibility that is available structurally to the proletariat (Lukács, 1971, p. 149). The historical overcoming of capitalism by the proletariat, then, would involve overcoming the formalistic, quantitative dimension of modern social life (value), thereby allowing the real, substantive, historical nature of society (the dimension of use-value, labour, the proletariat) to emerge openly and come into its own historically.

Lukács, then, presents a positive materialist version of Hegel's dialectical method. Lukács affirms the dialectical process of history constituted by the praxis of the proletariat (and, hence, the notions of history, totality, dialectic, labour, and the proletariat) *in opposition to* capitalism. We have seen, however, that Marx interprets the Hegelian identical subject-object *in terms of* the category of capital. This indicates, as already noted, that precisely what Lukács appropriates from Hegel as pointing beyond capitalism—the idea of a dialectical historical logic, the notion of totality, the identical subject-object—are analyzed by Marx as characteristics of capital. What Lukács understands as socially ontological, outside the purview of the categories, is grasped critically as intrinsic to capital by the categories of Marx's critique of political economy.

Lukács's analysis in the "Reification" essay separates and opposes the quantitative and the qualitative and, relatedly, form and content. These oppositions are bound to his understanding of the relation of value and use-value and, hence, of the commodity form. Lukács, as we have seen, interprets the commodity as a historically specific abstract form (value) superimposed upon a transhistorical concrete substantive content (use-value, labour), which constitutes the "real" nature of society. For Lukács, the relation of form and content is contingent in capitalism. Relatedly, a concept of form that is not indifferent to its content would point beyond capitalism.

This, however, is not the case with Marx's analysis of the commodity. At the heart of Marx's analysis is his argument that labour in capitalism has a "double character": it is both "concrete labour" and "abstract labour" (Marx, 1976, pp. 128–37). "Concrete labour" refers to the fact that some form of what we consider labouring activity

mediates the interactions of humans with nature in all societies. “Abstract labour” does not simply refer to concrete labour in the abstract, to “labour” in general, but is a very different sort of category. It signifies that labour in capitalism also has a unique social function that is not intrinsic to labouring activity as such: it mediates a new, quasi-objective form of social interdependence (Postone, 1993, pp. 123–85). “Abstract labour,” as a historically specific mediating function of labour, is the content or, better, “substance” of value (Marx, 1976, p. 128). Form and content are indeed intrinsically related here as a fundamental determination of capitalism.

Labour in capitalism, according to Marx, then, is not only labour, as we transhistorically and commonsensically understand it, but also a historically specific socially mediating activity. Hence its products—commodity, capital—are both concrete labour products and objectified forms of social mediation. According to this analysis, the peculiar quasi-objective, formal social relations that fundamentally characterize capitalist society are dualistic: they are characterized by the opposition of an abstract, general, homogenous dimension and a concrete, particular, material dimension, both of which appear to be “natural,” rather than social, and condition social conceptions of natural reality. Whereas Lukács understands the commodity only in terms of its abstract dimension, Marx analyzes the commodity as both abstract and concrete. Within this framework, Lukács’s analysis falls prey to a fetish form; it naturalizes the concrete dimension of the commodity form.

The form of mediation constitutive of capitalism, in Marx’s analysis, gives rise to a new form of social domination—one that subjects people to impersonal, increasingly rationalized structural imperatives and constraints. It is the domination of people by time. This temporal domination is real, not ghostly. It cannot be grasped adequately in terms of class domination or, more generally, in terms of the concrete domination of social groupings or of institutional agencies of the state and/or the economy. It has no determinate locus and, although constituted by determinate forms of social practice, appears not to be social at all.<sup>6</sup> Moreover, the temporal form of domination analyzed

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6. This analysis provides a powerful point of departure for analyzing the pervasive and



by Marx in *Capital* is dynamic, not static. Whereas Lukács affirms history as a dynamic reality that is veiled by capitalism, Marx analyzes it critically as heteronomous, as a basic characteristic of capitalism. In *Capital*, the unstable duality of the commodity form generates a dialectical interaction of value and use-value that gives rise to a very complex, non-linear, historical dynamic underlying modern capitalist society (Marx, 1976, pp. 283ff.). The use-value dimension here is not outside of the basic structuring forms of capitalism, but is one of their integral moments (Postone, 1993, pp. 263–384). The dynamic generated by the dialectic of value and use-value is characterized, on the one hand, by ongoing transformations of production and, more generally, of social life. On the other hand, this historical dynamic entails the ongoing reconstitution of its own fundamental condition as an unchanging feature of social life—namely that social mediation ultimately is effected by labour and, hence, that living labour remains integral to the process of production (considered in terms of society as a whole), regardless of the level of productivity. The historical dynamic of capitalism ceaselessly generates what is “new,” while regenerating what is the “same” (Postone, 1993, pp. 287–306). This dynamic both generates the possibility of another organization of social life and yet hinders that possibility from being realized.

Marx’s mature critique, therefore, no longer entails a “materialist,” anthropological inversion of Hegel’s idealistic dialectic of the sort undertaken by Lukács. Rather, it is, in a sense, the materialist “justification” of that dialectic. Marx implicitly argues that the so-called “rational core” of Hegel’s dialectic is precisely its idealist character. It is an expression of a mode of social domination constituted by structures of social relations that acquire a quasi-independent existence vis-à-vis the individuals and that, because of their peculiar dualistic nature, are dialectical in character. The immanent dynamic they generate cannot be understood directly with reference to individual or group action. Rather, the historical Subject, according to Marx, is the alienated structure of social mediation constitutive of the capitalist

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immanent form of power that Michel Foucault (1984) described as characteristic of modern Western societies.

formation (capital), whose contradictions point to the abolition, not the realization, of the Subject.

According to this interpretation, the non-linear historical dynamic elucidated by Marx's categorial analysis provides the basis for a critical understanding of both the form of economic growth as well as the proletarian-based form of industrial production characteristic of capitalism (Marx, 1976, pp. 645, 657–8; Marx, 1981, pp. 953–4). That is, it allows for a categorial analysis of the processes of rationalization Lukács critically described. This approach neither posits a linear developmental schema that points beyond the existing structure and organization of labour (as do theories of postindustrial society), nor does it treat industrial production and the proletariat as the bases for a future society (as do many traditional Marxist approaches). Rather, it indicates that capitalism gives rise to the historical possibility of a different form of growth and of production; at the same time, however, capitalism structurally undermines the realization of those possibilities.

The structural contradiction of capitalism, according to this interpretation, is not one between distribution (the market, private property) and production, between existing property relations and industrial production. Rather, it emerges as a contradiction between existing forms of growth and production, and what could be the case if social relations no longer were mediated in a quasi-objective fashion by labour.

(As an aside: by grounding the contradictory character of the social formation in the dualistic forms expressed by the categories of the commodity and capital, Marx implies that structurally based social contradiction is specific to capitalism. In light of this analysis, the notion that reality or social relations in general are essentially contradictory and dialectical can only be assumed metaphysically, not explained.)

The reinterpretation of Marx's theory I have outlined constitutes a basic break with, and critique of, more traditional interpretations. Such interpretations understand capitalism in terms of class relations structured by the market and private property, grasp its form of domination primarily in terms of class domination and exploitation, and formulate a normative and historical critique of capitalism from the

standpoint of labour and production (understood transhistorically in terms of the interactions of humans with material nature). I have argued that Marx's analysis of labour in capitalism as historically specific seeks to elucidate a peculiar quasi-objective form of social mediation and wealth (value) that is constitutive of a form of domination. This form structures the process of production in capitalism and generates a historically unique dynamic. Hence, labour and the process of production are not separable from, and opposed to, the social relations of capitalism, but constitute their very core.

Marx's theory, then, extends far beyond the traditional critique of the bourgeois relations of distribution (the market and private property); it grasps modern industrial society itself as capitalist. It treats the working class as the basic element of capitalism rather than as the embodiment of its negation, and does not conceptualize socialism in terms of the realization of labour and of industrial production, but in terms of the possible abolition of the proletariat, of the organization of production based on proletarian labour, and of the dynamic system of abstract compulsions constituted by labour as a socially mediating activity (Postone, 1993, pp. 307ff). This reinterpretation of Marx's theory thus implies a fundamental rethinking of the nature of capitalism and of its possible historical transformation. By shifting the focus of the critique away from an exclusive concern with the market and private property, it provides the basis for a critical theory of post-liberal society as capitalist and also of the so-called "actually-existing socialist" countries as alternative (and failed) forms of capital accumulation, rather than as social modes that represented the historical negation of capital, in however imperfect a form. This approach also allows for an analysis of the newest configuration of capitalism—of neo-liberal global capitalism—in ways that avoid returning to a traditionalist Marxist framework.

#### *IV.*

It has become evident, considered retrospectively, that the social / political / economic / cultural configuration of capital's hegemony has

varied historically—from mercantilism, through nineteenth-century liberal capitalism, and twentieth-century state-centric Fordist capitalism, to contemporary neo-liberal global capitalism. Each configuration has elicited a number of penetrating critiques—of exploitation and uneven, inequitable growth, for example, or of technocratic, bureaucratic modes of domination.

Each of these critiques, however, is incomplete. As we now see, capitalism cannot be identified fully with any of its historical configurations. By outlining the differences between Lukács's critical appropriation of Hegel and that of Marx, I have sought to differentiate between an approach that, however sophisticated, ultimately is a critique of one historical configuration of capital, and an approach that allows for an understanding of capital as the core of the social formation, separable from its various surface configurations.

The distinction between capital as the core of the social formation and historically specific configurations of capitalism has become increasingly important in the course of the past century. Conflating the two has resulted in significant misrecognitions. Recall Marx's assertion that the coming social revolution must draw its poetry from the future, unlike earlier revolutions that, focused on the past, misrecognized their own historical content (Marx, 1979, p.106). In that light, Lukács's critical theory of capitalism, grounded in his "materialist" appropriation of Hegel, backs into a future it does not grasp. Rather than pointing to the overcoming of capitalism, Lukács's approach entails a misrecognition that conflates capital and its nineteenth-century configuration. Consequently he implicitly affirms the new state-centric configuration that emerged out of the crisis of liberal capitalism. Although, paradoxically, Lukács's rich critical *description* of capitalism is also directed against the bureaucratization of society, his specific understanding of the categories of Marx's critical theory does not adequately ground that critical description.

The unintended affirmation of a new configuration of capitalism can be seen more recently in the anti-Hegelian turn to Nietzsche characteristic of much post-structuralist thought in the 1970s and 1980s. Such thought, arguably, also backed into a future it did not adequately grasp. In rejecting the sort of state-centric order Lukács

implicitly affirmed, it did so in a manner that was incapable of critically grasping the neo-liberal global order that has superseded Fordist state-centric capitalism, East and West; on a deep theoretical level, it affirmed, in turn, that order.

By rethinking Marx's relation to Hegel in ways that illuminate his conception of capital as the essential core of the social formation, I have sought to contribute to the reconstitution of an adequate critique of capitalism today, freed from the conceptual shackles of approaches that identify capitalism with one of its historical configurations.

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