

# Schäuble's grandmother

Franco Berardi (Bifo)  
Bologna University

Translated by Giovanni Mion y Walter Leonard

Schäuble: *My grandmother used to say: Benevolence comes before dissoluteness*

## 1. The rule, the measure, the debt.

### What rules are we talking about?

In an article by Jochen Bittner, a collaborator with the prestigious weekly *Die Zeit*, published on 18th July, 2015 in the *New York Times* and titled It's time for Greece to go, we read that "patience is rapidly wearing thin since the Greeks have shown with the referendum that, according to them, no rule can be considered to be set in stone". The question of rules is central to the European cultural dispute. Mainly because it is not clear who is establishing the rules.

Under democratic conditions rules are valid when they are the result of an agreement reached by the majority of the electorate. But since European elections count for nothing, because they elect an organism that has no effective power, the rules are set by the strongest, that is, the financial system. We have proof of the arbitrariness of these rules since 2005: the Treaty of Lisbon surreptitiously introduced certain rules that Dutch and French citizens had rejected in referendum in May 2005.

That rules are established by force is a known fact; in the case of Europe, force is no longer hidden behind democratic formality. Time is of the essence, so order is imposed without hesitation according to the ruthless rules of the economic model which follows deregulation.

Formerly, rules were a legal transcription of ethical or political norms inspired by a principle of rational universality of the law. Deregulation has thrown off that old universalist encumbrance but has not, however, instituted a regime of freedom from rules. On the contrary, it has transferred the regulation of the field of ethical and political will to the field of mathematical financial necessity.

Therefore, social life has been subjected to the order of automatisms incorporated into the technical machinery of governmental administration.

But if in the Protestant, Teutonic view of Ordoliberalism the rules constitute an unalterable order which guarantees the supremacy of the market, in the political practice of Mediterranean, Catholic countries rules are limits which must be continually redefined – or even transgressed.

The question of rules takes us to the heart of the cultural differences between the north and south of Europe, between the Europe of the Protestant reform and the Europe of the Catholic counter-reform and orthodoxy, in short, between the “modernized” bourgeois Europe and the Mediterranean Europe which has resisted, throughout the centuries of modernity, bourgeois modernization.

### **The end of the bourgeois work ethic.**

The European Union was conceived during the convulsions of World War II. And it was, above all, an attempt to overcome the national war between France and Germany, as well as the debate which contraposes universal reason and human rights to the romantic cult of a sense of belonging, memory and territory.

But this was only part of the cultural problem still to be resolved in the European world. There is another cultural discrepancy that Europeans have not dealt with because in the post-war situation it was not a pressing issue. This second point of discrepancy, however, turned out to be an explosive issue when changes in the global economy towards post-industrialization and ideological transformations in favour of neoliberalism gave rise to different conceptions of work and the relationship between the economic individual and the social community.

Southern Europe is slow to assimilate the sense of individual responsibility, respect for rules and for discipline, but these values of the modern bourgeoisie now seem to fade away and lose all significance. Digital mutation and financial globalization dynamite the very foundations of every rule. The relationship between value and time of work, between monetary dynamics and economic production breaks down, shatters under the pressure from financial indeterminism. The fixed rules of the bourgeois epoch lose their meaning from the moment that it becomes impossible to define a relationship between work, salary, prices, and when insecurity takes over every type of cooperation and benefit.

Paul Mason wrote the following in an article entitled *The end of capitalism has begun* (*The Guardian*, 17th July, 2015): “Information is corroding the market’s ability to form prices correctly. That is because markets are based on scarcity while information is abundant”.

The bourgeois work ethic ceases to have universal value when capitalism leaves its bourgeois industrial form. In the bourgeois ethical sphere private property and just retribution for work were principles based to some extent on the common good – the expansion of community, the growth of production and consumption. Ethical values and common interest were linked. Hard work deserved to be paid not only for its supposed intrinsic value, but also because paying work was the only way of developing a sense of responsibility in society at large. Responsibility meant respect for the common good. But now that financial capitalism has deterritorialized production and made the very source of value indeterminable, the shared conditions of ethical behaviour have disintegrated. The fluctuations of the financial market have little to do with the responsible

behaviour of the stockholders. On the contrary, financial benefits depend more and more on the violation of common interest, as witnessed in the recent case of bankruptcy caused by the American mortgage societies.

The basis of bourgeois regulation was salaried employment. But labour is less and less needed. Automation reduces working hours. Unemployment increases, but governments the world over respond by prolonging working life – delaying the age of retirement, unpaid overtime. Unable to face this increasingly explosive contradiction, European governance opts for wage reduction, the impoverishment of society and the imposition of a no longer needed work discipline.

### **Rules and measures**

The moral foundations of modern society were the responsibility of the bourgeoisie and solidarity among workers. The bourgeoisie was essentially a land-bound class. The very definition of the term refers to the burgh, where productive energies gathered together and property was protected. Even the wealth of the bourgeois was territorialized since the accumulation of capital depended on the production of merchandise materially bound to territory. Thus, work time and land were the conditions of universal rational measures. The bourgeois were responsible to God and the territorial community, because prosperity depended on them. In turn, the worker enjoyed solidarity with his fellow workers, due to the awareness of shared common interests, and considered his wage the equivalent of the work time he dedicated to the company, work which in turn was transformed by the company into socially useful goods.

These two basic elements of modern ethics have disappeared. The post-bourgeois capitalist has no sense of responsibility to the community or territory, because financial capitalism is basically deterritorialized and has no interest in the future well-being of the community. On the other hand, the post-Fordist worker no longer shares the same interests as his colleagues but rather is forced to compete daily against other workers for a wage in a deregulated work market. In the framework of this precarious new organization, solidarity is more difficult than ever.

Moreover, wage no longer refers to an objective measure, but rather is the arbitrary sanction of a series of forces increasingly disadvantageous for workers who have lost their only political clout – solidarity.

In the sphere of modern bourgeois civilization rules were founded on a measurable relationship between value and work time. This relationship has been lost because in the sphere of semio-capitalism cognitive work is increasingly less reducible to a common measure. And also because financial capital is no longer the result of savings nor thriftiness nor the product of hard work. It is the effect of an arbitrary power based on deceit and violence, a power embodied in technical automatism, in the algorithms that govern the financial system, in the blind, indisputable governance which has usurped the place of political government.

## The metaphysical debt

In an article written in 1996 (*Dette mondiale et univers parallèle*) Baudrillard maintains that debt has become a metaphysical entity orbiting the earth. In fact, “the debt will never be paid. No debt will ever be paid. The final counts will never take place. If time is counted, the missing money is beyond counting”.

Debt is a virtual entity due to the disappearance of the referential universe. In the sphere of the infinite proliferation of signs, the significant frees itself of referentiality and the definition of truth is based on the arbitrary power of semiotic self-ratification.

The disproportion between the volume of financial exchanges and the bulk of economic product is proof of the post-referential character of financial capitalism.

According to Baudrillard:

[T]he debt circulates on its own orbit, with its own trajectory made up of capital, which, from now on, is free of any economic contingency and moves about in a parallel universe (the acceleration of capital has exonerated money of its involvements with the everyday universe of production, value and utility).

And therefore he concludes:

We only live because of this unbalance, of the proliferation and the promise of infinity created by the debt. The global or planetary debt has, of course, no meaning in the classical terms of stock or credit.

Baudrillard perfectly describes the arbitrary nature of money and debt in the post-referential age of global capitalism although his prediction proved wrong in one aspect: the infinity of the debt in orbit has fallen to earth again and is destroying social life.

Guided by the Protestant faith in referentiality, the European financial system has demanded the restitution of the metaphysical debt, a demand impossible to satisfy. And indeed, European countries, weighed down under the burden of austerity, have been forced to dismantle part of their resources, impoverishing the daily life of society in order to apply rules that cannot be applied.

The result is a double failure: production decreases, unemployment grows, recession worsens and, at the same time, debt continues to grow.

This is the reason why, at one point, after winning the Greek elections, Syriza tried to stop the show.

## Indeterminacy of fluctuating values

In the final decades of last century, as a result of digital deterritorialization and the financialization

of the process of accumulation of capital, the bourgeoisie began to disappear from the stage of power while a new predatory class took over whose wealth was based on finance. Just as Baudrillard predicted in his 1976 article *Symbolic Exchange and Death*, the system plummets into the indeterminacy of fluctuating values; consequently, the determinacy of value becomes random and arbitrary and brute force becomes the only means of control and measure of economic dynamic.

The concept of governance which replaces the concept of government, indicates the subjugation of social life more to techno-linguistic automatism than to political will and consensus. The mathematization of language and the inclusion of technical automatisms in the body of society are the basis of power in the area of finance. The valuation process becomes essentially semiotic: goods produced in the area of digital economy are increasingly semiotic products: programmes, texts, communication services. Financial exchange also loses all contact with real examples and becomes a virtual sphere of self-replication without quantifiable physical determinants. Financial transactions proliferate at an ever-increasing speed and the valuation of capital separates from the production of physical goods. Money is made out of money, without need of a real transformation of the existing world.

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The integration of the infosphere in the economy is a dominant feature of the new landscape in which the area of finance establishes itself. The infosphere that surrounds and infiltrates the nervous system of society, permeates the psychosphere – the space where the unconscious and emotion are formed. The acceleration of the rhythm of semiotic emissions provokes an intensification of nervous stimulation. So, the more the info-circulation accelerates, the less attention and rational will can elaborate and govern the social sphere. And the old bourgeois rationality loses its grip on reality.

The decline and slow dissolution of bourgeois culture, along with the emergence of a new style of cultural hegemony, can be reconstructed and described as a transition at once religious and aesthetic: indeed the eclipse of the Protestant ethic runs parallel to the return of the baroque spirit in the field of imagination and ethics.

## 2. Gothic and baroque

### **Aesthetic polarity of the European cultural space: gothic and baroque**

In *La guerre des images* Serge Gruzinski tells the story of the Spanish colonization and evangelization of Mexico, from the baroque viewpoint as regards racial mixing and religious syncretism and in this light delineates a long trajectory which leads to the emergence of the late modernist collective imagination - including Hollywood and cyberpunk.

If the American collective imagination is founded on a puritan annulment of historical identity and the continuous deterritorialization manifested in frontier culture, the Californian collective imagination is at once the arrival point of puritan and digital deterritorialization and the moment of updating the baroque racial mixing. It must not be forgotten that California's cultural history is influenced by its Mexican colonial heritage and the Spanish and Italian baroque collective imagination.

In *Vuelta de siglo* the philosopher Bolívar Echevarría points out that the return of the Baroque accompanies the explosion of a complexity that can no longer be contained within modern rationalist categories.

The contrast between Protestant and Catholic cultures is at the core of the European tragedy whose leading actors are debt and guilt – two concepts which in German are expressed by the same word. Debt and guilt have both played an equally fundamental role in the European tragedy of the twentieth century. Indeed, the birth of Nazism in Germany was the consequence of the humiliation and economic aggression imposed on Germany after the Treaty of Versailles, and of the resulting hyperinflation and misery. Now the debt problem in the European continent confronts Protestant and Catholic countries, a conflict which is driving the EU to the edge of collapse.

The European Union project has put an end to the political division which confronted the Enlightenment heritage, represented by France, with the Romantic heritage, represented by Germany. But it has not resolved an even deeper cultural conflict, the one which confronts the culture of economic responsibility, of Protestant origin and which adopts the aesthetic forms of severity and gothic essentialness, with baroque dissipation based on parental trust in the community and personal irresponsibility.

When, with the Treaty of Maastricht at the beginning of the nineties, and the imposition of the neoliberal model the social solidarity that had characterized the post-war European model was broken, this confrontation began to become more and more decisive, causing a split between the responsible and hard-working northern member countries and their idle and spendthrift southern counterparts. Naturally, this caricature hides a much deeper issue, whose surface has not even been scratched, that is, the inadequacy of the classical model of the German ordoliberal kind, to explain and face the semio-capitalist transition in process at the beginning of the new century.

Protestant imagination is based essentially on the severity of verbal semiosis but, on the other hand, it is wary of the illusory language of images: gothic aniconism and Protestant ethics are the conditions which prepared the economic rationality of the bourgeoisie. So Protestant sensitivity rejects baroque ornamentation as a waste of work time. Thus gothic severity establishes itself as the dominant aesthetic of the modern industrial bourgeoisie.

Baroque culture, on the other hand, draws its strength from the process of geographical and imaginary deterritorialization. After the Council of Trent the Roman church's strategy was based on the evangelization of the New World. It was not the severity of aniconic imagination nor the unequivocal assertiveness of the written word, but rather the proliferation of images and the triumph of the extravagant energy of the Baroque, that fomented the expansion of the Catholic religion based on syncretism, on the polysemic ambiguity of the message and simulated imagery.

What is the Baroque? Deleuze answers this question by saying that the baroque is the fold, the infinite complication. After the great Renaissance revolution, as regards perception and project, after the consolidation of human point of view as the basis of the vision and projection of urban and social architectural reality – perspective as the expression of a rational and systematized point of view – the baroque emerges as the multiplication of point of view.

It is not possible to reduce the vision of God to a single point of view because the vision of God is infinitely multiple, and the worlds derived from his gaze are innumerable. The baroque challenges rationalist simplicity. On a social level the baroque spirit rejects the principle of responsibility because history cannot be reduced to the simple vision of a linear chain of causes and effects.

In modern times the bourgeois vision prevails with its aesthetic and moral severity. The simplification of perspective reduces the future to a linear consequence of actions accomplished in the present and reduces the idea of wealth to the accumulation of the product of work-sacrifice.

The ethics of responsibility presuppose a simple, one-dimensional relationship in the process of determination. The baroque, however, opens itself to a logic of the plurality of the perspectives of determination, to an indeterminate vision of the relationship between present and future. This logic, repressed and marginalized by industrial modernity re-emerges progressively in late modernity when the principle of determination loses ground and the plurality of the lines of determination reveals a random and complex universe.

On the other hand, the baroque, although defeated and marginalized in its confrontation with the rationalism and determinism of the modern industrial bourgeoisie, never disappears completely from modern history. It remains hidden in the folds of modernity, a hindrance to progress and triumphant reason, until, in the twentieth century, the baroque bursts once more onto the world stage as an unyielding force of spectacle and irrationality. Thus it re-emerges with aggressive impetus, embodied above all in the spectacle of Italian fascism.

## Vitality of fascism in the collective imagination

In a book from 1925 entitled *L'Europa vivente*, Curzio Malaparte attacks the claim that modernity can be reduced to Northern European rationality and Protestant morality. We also are modern, he writes, nay, we are modernity in the extreme, as demonstrated by Benito Mussolini.

Italian fascism can be understood as the resurgence of the baroque on the historical European stage, while Nazism – which is wrongly identified with fascism, when culturally it is quite removed – represents the absolute control of the principle of functionality, of efficiency, of gothic rigour.

Although in the Second World War historical fascism is defeated along with its Nazi ally, the vitality of both in the popular mind remains present in world history. At the beginning of the post-modern century, both fascism – the spectacular nature of the baroque, irrational body culture that re-emerges as a vindication of belonging and identity – and Nazism – predominance of the functional over the ambiguity of the human – return to the world scene in a different guise but always dragging the world towards an escalation of violence.

On the one hand the functional control of abstraction becomes established – finance, the digital world. On the other there is a reappearance of the aggressiveness of the mindless body – identity, sense of belonging, racism, nationalism.

Berlusconi's ascent in Italy could be interpreted as a resurgence of the baroque in Italy; the bombarding of the collective sensitivity with a continuous flow of TV and publicity images and the unscrupulous use of publicity language in political communication have produced an effect of sensorial saturation, as well as the impossibility of interpreting messages unequivocally, something similar to the 17th century taste for excess.

Among the latest generation of Italian film-makers there is an attempt to capture the elements of persistence of the spectacular nature of the Baroque and the moral cynicism that accompanies it – especially in Paolo Sorrentino's films, *Il Divo* and *La grande bellezza*, in Matteo Garrone's, *Gomorra and Reality*, and even in Nanni Moretti's *Habemus Papam*.

Although Berlusconi represented the return of the Baroque in the Italian context, baroque phenomena of madness in power are not restricted to Italy. In the summer of 2015 another phenomenon that could be described as baroque appeared in the United States, the emergence of the multimillionaire Donald Trump whose surname is a homonym for both out-matching and farting.

The only argument that this individual has submitted to debate so far is that he must win because he is a winner and the rest must lose because they are losers. However, the problem is not that such a character exists. There have always been similar cases and in former times they were treated in psychiatric hospitals. The problem is rather that, to the bewilderment of all, this individual should obtain in the polls majority support. Within just a few months we will know if



he wins the Republican primaries – which at the moment seems likely – and in November 2016 we will know if he becomes president of the United States which would mean that the world is actually the hostage of the psychopathology produced by the baroque of the media.

What I am interested in pointing out here is that in the case of both Trump and Berlusconi what really counts is the substitution of critical discourse by the aggressive phantasmagoria of image.

### **Return to order?**

Faced with these examples of baroque madness, one could naturally feel tempted to regret the gothic severity of the bourgeois reason of an era in which written communication dominated the infosphere. Critical faculties were not besieged by media mythology and value was measurable in terms of socially useful work time. But that would not work because rules have lost their measure (their ratio). And without measure, rules are an arbitrary order that can be imposed more or less for a long period, but eventually destroys the social body.

Many were those in Italy who understandably rejoiced when poor Berlusconi, erstwhile self-proclaimed victor (though victor also by popular acclaim), was treated like shit by the European establishment – especially by Angela Merkel who had every reason to scorn him. When in 2011 financial difficulties threatened the country's permanence in the euro zone, Berlusconi, although elected by a majority of Italians, was forced to resign in favour of a public servant of the Eurocracy, Mario Monti.

Eurocracy has tried to re-establish the order of rule, forcibly attacking and subduing the widespread baroque un/reason. But the authoritarian attempt to impose a false universality of mathematical law on the complexity of life is causing the failure of the European project.

The crisis of Europe – which above all is a crisis of the relationship between work, value and economic rule – cannot be overcome via an authoritarian reaffirmation of the order of salaried labour. It is a question of developing a social, semiotic means that goes beyond paid labour. And that is the step that modern capitalist culture is unable to take.

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