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Money as Measure

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MONEY AS MEASURE

David Gray Carlson.

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INTRODUCTION

In this paper, I wish to present a syllogism. The major premise of the syllogism is that measure is a fantasy, as psychoanalysis defines the term. For the concept of measure I will take Hegel's speculative theory from the *Science of Logic*.¹ For the concept of fantasy, I will refer to various Lacanian texts. What is meant by fantasy is what metaphysicians would call a totality. Therefore the argument from Hegel and Lacan is that measure presupposes an impossible totality. Nothing is measured unless everything is measured. Yet not everything can be measured!

As the minor premise of the syllogism, I wish to show that money is a measure of value. For this proposition, I take Georg Simmel's classic text *The Philosophy of Money*,² a book that is "unfortunately ignored in the modern literature but full of relevant insights and anticipations[.]"³

The consequent of the major and minor premises is that, to the extent that it is a measure, money is a fantasy. It relies on an impossible totality. As totality is what is required for the absolutely certain existence of a thing, the conclusion is that money does not exist, much as,

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¹ GEORG WILHELM FRIEDRICH HEGEL, *HEGEL'S SCIENCE OF LOGIC* 327–32 (Arnold V. Miller trans., 1969) (1816).

² GEORG SIMMEL, *THE PHILOSOPHY OF MONEY* (Tom Bottomore & David Frisby trans., 1978).

³ Eric A. Posner, *The Strategic Basis of Principled Behavior: A Critique of the Incommensurability Thesis*, 146 U. PA. L. REV. 1185, 1185 n.1 (1998).

for the Lacanians, Woman and God⁴ do not exist. Nevertheless, these things function powerfully in our fantasies. What more common things are there to fantasize about than money, women, and God?

The implication of the syllogism is that money is “not all.” Money is feminine, quantitative, and hysterical.⁵ It does not exist for itself, but exists for its other—the subject.

The subject that faces the totality of the money supply is masculine and qualitative. It “ex-sists.”⁶ That is, the masculine insists that it exist, unlike the feminine, which does not exist at all. Such a subject stands outside the totality that it fantasizes. The totality is taken as objective— independent from the subject. For this reason, money—and economics in general—are not critical theories. A critical theory is one in which the theorist accounts for his own position.⁷ Economics cannot do this, however. Human subjectivity in economic theory is simply a dogmatic “given.” Economics cannot account for the structure and origin of human subjectivity. Basically, it can only deal with human beings as heteronomous animals—albeit animals that are capable of ends-means reasoning.

Both the subject that values objects and the money that measures these aggregated values are contradictions in themselves. Each requires its other. Each is incompatible with its other. For this reason, money is a totality whose center cannot hold. Like all fantasies, it is perpetually at risk. It is like Neurath’s ship, constantly in need of repair, and which must be rebuilt again and again while the voyage continues.⁸ In the end, we cannot entirely say what money is. We can only point to it (ostension),⁹ confident that it functions.

⁴ Jeanne L. Schroeder & David Gray Carlson, *Does God Exist? Hegel and Things*, 4 J. CULTURE & UNCONSCIOUS 1 (2005). This is definitely not an atheistic proposition. The point is that the realm of mere “existence”—the realm in which “things” seem to endure, for a time—are inadequate to Woman and God.

⁵ Hysterical in the Lacanian sense of “the desire of man is the desire of the Other.” Jeanne L. Schroeder, *Can Lawyers Be Cured?: Eternal Recurrence and the Lacanian Death Drive*, 24 CARDOZO L. REV. 925, 960 (2003) (internal quotation marks omitted). The point is that money is *entirely* the desire of its other and is nothing in and of itself.

⁶ See Renata Salecl, *Rights in Psychoanalytic and Feminist Perspective*, 16 CARDOZO L. REV. 1121, 1134 (1995) (“Lacan describes what he means by a *matheme* by invoking the difference between the meaning of the words ‘exist’ and ‘ex-sist’ (or insist). Something can exist only if it can be articulated in language. But what only ex-sit or insist (and belongs to the Real) cannot be described in language.”).

⁷ RAYMOND GEUSS, *THE IDEA OF A CRITICAL THEORY* 55 (1981) (“Critical theories . . . [are] ‘self-referential’: a critical theory is itself always a part of the object-domain which it describes; critical theories are always in part about themselves.”).

⁸ WILLARD VAN ORMAN QUINE, *FROM A LOGICAL POINT OF VIEW* 78–79 (1953) (“Yet we must not leap to the fatalistic conclusion that we are stuck with the conceptual scheme that we grew up in. We can change it bit by bit, plank by plank, though meanwhile there is nothing to carry us along but the evolving conceptual scheme itself. The philosopher’s task was well compared by Neurath to that of a mariner who must rebuild his ship on the open sea.”).

⁹ See *id.* at 67.

I. FANTASY

Fantasy is the construction any human subject builds up over the years according to which the subject has a fixed and certain existence.

Why are human beings driven to construct the imaginary structure called fantasy? For human beings, nothing is self-authenticating. Everything must be grounded in something else. “When we ask for a ground, we want to see the *same* determination that is content, double, once in the form of something posited”¹⁰—the explanation, and again in the form of the thing explained. The very structure of any explanation is that “it goes *from the same to the same*.”¹¹ “[T]here is nothing in the ground that is not in the grounded, and there is nothing in the grounded that is not in the ground,”¹² Hegel writes.

So it is that upon being presented with an alien object, we must ask what it means. The traumatic new thing must be integrated into our preexisting structure of logic. From childhood, we slowly build a network of meaning. By creating a network among objects, we fix ourselves. “The reason why ‘explaining’ affords so much self-satisfaction,” Hegel writes, “is just because in it consciousness is . . . communing directly with itself . . . although it seems to be busy with something else, it is in fact occupied only with itself.”¹³ This network of explanation is what the Lacanians mean by “fantasy.”

Of all the things that can come forward and disrupt our fantasy of certain existence within a fixed totality is our own self—that most alien and foreign of objects. The “self” is invisible to our senses. To be sure, we can sense our own body. No doubt the body is the condition for the possibility of the self.¹⁴ But our body does not make up the totality of ourselves. For one thing, it is said that the molecules that make up our body turn over and get replaced, so that, in a short period, even our bones have been entirely displaced. Whatever you are today, bodily, in, say, three years’ time, you will be entirely something other. Indeed, the self is nothing but the idea that connects today’s body with the body of ten years from now, with which it is chemically quite unconnected.¹⁵

¹⁰ HEGEL, *supra* note 1, at 457.

¹¹ JEAN HYPPOLITE, GENESIS AND STRUCTURE OF HEGEL’S *PHENOMENOLOGY OF SPIRIT* 133 (1974).

¹² HEGEL, *supra* note 1, at 457.

¹³ GEORG WILHELM FRIEDRICH HEGEL, *PHENOMENOLOGY OF SPIRIT* 101 (A.V. Miller trans., 1977).

¹⁴ ANGELICA NUZZO, IDEAL EMBODIMENT: KANT’S THEORY OF SENSIBILITY 89 (2008) (“[A]s shown in the fourth Paralogism, the very possibility of distinguishing ‘my own existence as that of a thinking being, from other things outside me—among them my body’ is already predicated upon my existence in a body and follows analytically from it.” (quoting IMMANUEL KANT, *CRITIQUE OF PURE REASON* B409 (Paul Guyer & Allen W. Wood trans., 1990))).

¹⁵ For Kant, time is the inner sense—pure intuition located in the subject and imposed by the

Lacanian fantasy as the network of explanation and meaning does not entirely comport with common use of the word “fantasy.” In fact, common use identifies two rather different meanings. First, fantasy is a daydream. In my daydream, I can fly and melt steel with my x-ray vision. But I can tell the difference between dream and reality. Second, it is also synonymous with delusion—a misinterpretation of reality. If in real life I try to fly, I will fall. In the common usage, fantasy is tolerable so long as I do not confuse fantasy with reality, in which case, fantasy is dangerous.

Lacanian usage echoes at least some aspects of the two meanings assigned by common usage. Lacanians caution that fantasy is not to be confused with what is “real.” “Reality” in Lacanian thought (that is, “the Real”) is a forceful negativity that “fantasy” tries to contain. Reality is precisely what cannot be put into words. The Real is “the unfathomable limit that prevents the Particular from achieving identity with itself.”¹⁶ Any attempt to capture reality in words is doomed to fail because the Real is defined as the negation of the Symbolic. The Real transgresses the fantasy, and it is the role of fantasy to keep the Real at bay. “[F]antasy is essentially a lure that conceals the subject’s mainspring, masking what truly makes the subject ‘tick[.]’”¹⁷ Fantasy is the realm in which the subject has a fixed existence—an immunity from the Lacanian Real. In contrast, the Real is oblitative. The Real erupts from within the subject himself, as subjects are the gap between the symbolic (law and language), the imaginary (fantasy), and the Real (*jouissance*, in which the subject “dies”).

A fantasy is structured from intersubjective materials by the subject. Every subject that has not slipped back into psychosis has a fantasy that describes to the subject who he or she is, and how he or she relates to other things and other persons. Fantasy is the narrative in which the subject has positive existence for him or herself. It is for this reason that fantasy is on the side of man-on-the-street-style “reality” and against the horrific Real.¹⁸

Fantasy represents the masculine position, meaning that fantasy is constructed by the subject from symbolic materials at hand. The fantasy reflects what the subject is (or is supposed to be) in the objective world.

Take the Cartesian *cogito ergo sum*. The “I think” is active—the masculine pole of the subject. What it thinks—the “I am”—is the passive, feminine pole.¹⁹

subject on the object world. See KANT, *supra* note 14, at A33/B49–50.

¹⁶ SLAVOJ ŽIŽEK, FOR THEY KNOW NOT WHAT THEY DO: ENJOYMENT AS A POLITICAL FACTOR 105 (1991).

¹⁷ BRUCE FINK, A CLINICAL INTRODUCTION TO LACANIAN PSYCHOANALYSIS: THEORY AND TECHNIQUE 186-87 (1997).

¹⁸ See SLAVOJ ŽIŽEK, THE SUBLIME OBJECT OF IDEOLOGY 43 (1989).

¹⁹ SLAVOJ ŽIŽEK, TARRYING WITH THE NEGATIVE: KANT, HEGEL, AND THE CRITIQUE OF

In the masculine position, the active thinker fancies himself in complete control of passive being. This is the obsessional position that negates the Other.²⁰

Passive being is the symbolic realm of language and law. In this realm, the subject can find itself. The masculine pole therefore discovers itself in the feminine pole. It constructs what it is, using the materials found in the objective world of the Symbolic. So, subjectivity is a legal structure—a fantasy structure. It is law that constitutes the subject. The subject needs the law to recognize its own self.

In this relationship to his fantasy, the masculine subject “has the *Phallus*”²¹—that is, he is uncastrated and assured of his existence. This, however, is a false claim.²² The phallus is “nothing but the symbolization of lack.”²³ Thinking, however, is incompatible with what it thinks. What it thinks is the feminine—the phallus, which the masculine subject supposedly has.²⁴

None of this is to be conflated with biological sexuality. As Renata Salecl explains:

Lacan thus moves as far as possible from the notion of sexual difference as the relationship of two opposite poles which complement each other, together forming the whole of “Man”. “Masculine” and “feminine” are not the two species of the genus Man but rather the two modes of the subject’s *failure* to achieve the full identity of Man. “Man” and “Woman” together do not form a whole, since *each of them is already in itself a failed whole*.²⁵

Fantasy as such, however, is a totality, where everything has meaning or nothing has meaning. Fantasies are fixed. The problem is, however, that the Real forever intrudes upon fantasy. New things happen, moment by moment. When they happen, the fantasy must be patched up Neurath-style to account for the new phenomenon.

Incidentally, Simmel, our theorist of money, sees this perfectly. According to Simmel, consciousness seeks satisfaction—fantasy! Simmel writes, “Only when all the differences . . . are reconciled in a single

IDEOLOGY 59–61 (1993); see also Jeanne L. Schroeder, *The Midas Touch: The Lethal Effect of Wealth Maximization*, 1999 WIS. L. REV. 687 [hereinafter, Schroeder, *The Midas Touch*].

²⁰ Jeanne L. Schroeder, *Rationality in Law and Economics Scholarship*, 79 OR. L. REV. 147, 249 (2000) (“The obsessional doesn’t try to reach the goal of desire (wholeness) because the masculine subject tries to pretend that he is already whole.”).

²¹ JEANNE L. SCHROEDER, *THE VESTAL AND THE FASCES: HEGEL, LACAN, PROPERTY, AND THE FEMININE* 80, 87–94 (1998).

²² Jeanne L. Schroeder, *Can Lawyers Be Cured? Eternal Recurrence and the Lacanian Death Drive*, 24 CARDOZO L. REV. 925, 937–38 (2003); Jeanne L. Schroeder, *The End of the Market: A Psychoanalysis of Law and Economics*, 112 HARV. L. REV. 483, 507 (1998).

²³ Schroeder, *supra* note 22, at 942.

²⁴ See *id.*

²⁵ RENATA SALECL, *THE SPOILS OF FREEDOM: PSYCHOANALYSIS AND FEMINISM AFTER THE FALL OF SOCIALISM* 116 (1994) (emphasis omitted).

aggregate is the intellectual and emotional striving for unity satisfied.”²⁶

Newness as such cannot be named. If a new thing could be named, it would not be new, but would already have been integrated into the fantasy. Rather, the new thing can be contained only by naming the things to which is related. There is no text in the class of the new. There is only *context*—the things surrounding the new which have already been interpreted. As a result, the new thing is a metonymy. That is to say, it is highly negative. It can only be integrated into its context. It can never be put into words directly.

This portrait of fantasy comports with W.V.O. Quine’s definition of meaning: For Quine, the meaning of a sentence is the set of *every* synonymous sentence.²⁷ But Quine would add this proviso: synonymy, one of the two dogmas of empiricism,²⁸ is impossible.

This adds up to the fact that “things” are metonymies. If synonymy always fails, the new thing can never be named. We can only name the context of the new thing. We can never reduce a thing to its criteria. Although we fantasize that we can define what a thing is (by giving a complete account of its criteria), ultimately there is an irreducible moment of “pointing” at the nonlinguistic thing.²⁹ This nonlinguistic irreducible thing at which we can only point is the Lacanian real that cannot be reduced to words.

II. MEASURE

Hegel presents a full-dress theory of measure in the *Science of Logic*. The upshot of Hegel’s analysis is that measure of any one thing implies the present measure of *all* things. But even when every measure is deemed present, the Lacanian Real still disrupts it. Hegel calls the measureless unnamable thing “Essence.”³⁰

Measure is the final part of Hegel’s theory of being. Generally, measure stands for the realm of appearance, which cannot sustain itself without a subject to which it appears. This subject “transcends” the realm of measure, in the sense that the subject is defined as being *be-*

²⁶ SIMMEL, *supra* note 2, at 110.

²⁷ W.V. QUINE, THEORIES AND THINGS 46 (1981).

²⁸ See WILLARD VAN ORMAN QUINE, FROM A LOGICAL POINT OF VIEW: NINE LOGICO-PHILOSOPHICAL ESSAYS 22–26, 36 (1953) (“[T]ruth in general depends on both language and extralinguistic fact.”).

²⁹ See Hilary Putnam, *The Meaning of “Meaning,”* in 2 MIND, LANGUAGE AND REALITY 215, 231–35 (Hilary Putnam ed., 2d ed. 1979).

³⁰ HEGEL, *supra* note 1, at 379 (“[Measure] therefore has to be *posited* as sublating this its contradictory nature and acquiring the character of a self-determined, self-subsistent being which has for its result and truth not the unity which is merely indifferent, but that immanently negative and absolute unity which is called essence.”).

yond measure—the immeasurable. I proffer this with full appreciation of the fact that, in the end, Hegel is a rigorous *anti-transcendental* philosopher who specifically and repeatedly attacked Kant’s notion of the thing in itself—the noumenon beyond the realm of phenomenalist appearance.³¹ Measure is, as it were, the realm of Kantian appearance, with its notorious thing in itself.³²

Formally, measure is the unity of quality and quantity—the two categories that precede it. This is a definition that Simmel emphasized:

A measuring instrument, it is said, has to have the same quality as the object to be measured: a measure of length has to be long, a measure of weight has to be heavy, a measure of space has to have dimensions; consequently, a measure of value has to be valuable. No matter how unrelated two things may be in all other respects, when I measure them against each other they must both have the quality that I am comparing. Any quantitative and numerical equality or inequality that I assert would be meaningless if it did not refer to the relative quantities of one and the same quality.³³

So, for example, if I compare a yardstick to a human being who is standing up, both the yardstick and the human have the quality of “height.” The ratio of the yardstick to the human is one unit of “height” to roughly two units of “height.”

To understand measure fully, we must also comprehend the constituent parts of quality and quantity. Needless to say, I can only give the briefest tour of the earlier portions of the *Science of Logic*, but this can indeed be done precisely.

Quality is that which resists otherness. It is being-for-self or *freedom*. But without an Other, quality can say nothing as to what it is. It is merely negative freedom. It therefore collapses and confesses that is *nothing but otherness*.³⁴ As such it is quantity.

As for quantity, few before or after Hegel have bothered to define what we mean by the word. Most people would say quantity is a number. But that is just an example—and an advanced concrete example at that. “Number” is actually an impure quantity, with aspects of quality

³¹ ROBERT B. PIPPIN, *HEGEL’S IDEALISM: THE SATISFACTIONS OF SELF-CONSCIOUSNESS* 211 (1989) (“[T]here are no ‘essences’ beyond or behind the appearances, at least none that can do any cognitive work. There are just the appearances . . .”).

³² One finds at the beginning of the “Measure” section an analysis of Kant’s category of mode, which Hegel alleges is the true “third” category to Kant’s previous categories of quantity and quality. See HEGEL, *supra* note 1, at 327–29. Hegel’s identification of modality as a form of measure constitutes “the essence of Hegel’s response to the challenge of the way in which transcendental idealism treated determinate being.” Cinzia Ferrini, *On the Relation Between “Mode” and “Measure” in Hegel’s Science of Logic: Some Introductory Remarks*, 20 *OWL OF MINERVA* 21, 47–48 (1988).

³³ SIMMEL, *supra* note 2, at 131.

³⁴ HEGEL, *supra* note 1, 185 (explaining that being-for-self becomes “absolutely identical with being-for-other”).

mixed in. Thus, number is continuity with otherness (quantity), but also number is a unit (discontinuity with otherness).³⁵

Hegel insisted that beneath number was a substrate of “pure quantity.” This, Hegel defined as absolute openness to outside determination—“indifferen[ce] to its affirmative determinateness.”³⁶ Quantity is promiscuous. It is whatever the outside mathematician wants it to be. The mathematician carves up this blob called quantity—what Cantor would have called the continuum³⁷—into numbers, or units that continue into other units and therefore have “amount.” Indeed, set theory speaks of “Dedekind cuts,” wherein the real number line is literally “sliced” into two disjoint sets, each of which is sliced again, as often as the mathematician chooses.³⁸

Based on this definition, one can see in advance that money is a quantity, because the community can set a monetary value on all things. Money is open to any imposition on it that the public may, in the aggregate, choose. Money is not, however, a *pure* quantity once it is divided into units—a qualitative intervention.

Once a mathematician decides to slice the continuum into units, the imposition of a successor function³⁹ gives numbers some considerable rigor, so that it becomes impossible to derive five from the addition of $2 + 2$. In the number line, every unit can be assigned a *name*—*e.g.*, one, four or nine.⁴⁰ But there are two numbers that the mathematician cannot name: the infinitely largest or smallest numbers. Any nomination for this honor by a mathematician may be bettered if we simply take the nominated largest number and multiply by two. Similarly, we cannot name the infinitely smallest number, known to Leibnizian calculus as δx . Again, any nomination for smallest number can be defeated by dividing the nominated number by two.

³⁵ See *id.* at 202–04.

³⁶ *Id.* at 372.

³⁷ See generally MARY TILES, THE PHILOSOPHY OF SET THEORY: AN HISTORICAL INTRODUCTION TO CANTOR’S PARADISE (1989) (explaining that a continuum forms a whole because it is homogeneous and not differentiated into parts).

³⁸ See *id.* at 86. Formally, a Dedekind cut in P is a pair (A, B) of disjoint nonempty subsets of P such that

- (i) $A \cup B = P$
- (ii) $a < b$ for any $a \in A$ and $b \in B$.
- (iii) A does not have a greatest element.

THOMAS JECH, SET THEORY 39 (3d ed. 2000).

³⁹ In set theory terms, $x \cup \{x\}$. *Id.* at 12.

⁴⁰ Actually, even whole numbers can’t properly be named. As Hegel knew, $1/(1-a)$ can be expressed as $1 + a + a^2 + a^3$ etc . . . This, however, is true only if $a < 1$. HEGEL, HEGEL’S SCIENCE OF LOGIC, *supra* note 1, at 246–47. More generally, if $|r| < 1$, the geometric series

$$a + ar + ar^2 \dots ar^{n-1} \dots$$

converges to a sum $a/(1-r)$. But it never quite reaches this sum.

This inability to name the vanishing quantum δx is the quality of the quantum. So quantity—absolute promiscuity to outside determination—has a quality. Quality cannot be *quantified*. And so quality in the end stands for that which cannot be named *by the other*—by the mathematician.⁴¹ Unnameability is what quality—resistance to otherness—has become. Meanwhile, quantity continues to stand for openness and indifference to outside determination. Yet, quantities are also qualities that resist outside manipulation.

Measure is the unity of quality and quantity. At first, measure is brittle. A slight quantitative change, imposed upon quality by another, constitutes a qualitative change. But the logic of quality is that it survives quantitative change—even while it is what it is by virtue of its unique quantity. After all, quality is that which cannot be precisely quantified. On the other hand, qualitative change is achieved by quantitative change. As Hegel writes:

[D]oes the pulling out of a single hair from the head . . . produce baldness, or does a heap cease to be a heap if a grain is removed? An answer in the negative can be given without hesitation since such a removal constitutes only a quantitative difference, a difference moreover which is itself quite insignificant; thus a hair, a grain, is removed and this is repeated, only one of them being removed each time in accordance with the answer given. At last the qualitative change is revealed; the head . . . is bald, the heap has disappeared. In giving the said answer, what was forgotten was not only the repetition, but the fact that the individually insignificant quantities (like the individually insignificant disbursements from a fortune) *add up* and the total constitutes the qualitative whole, so that finally this whole has vanished; the head is bald, the purse is empty.⁴²

This example indicates that a quality has immunity from change with its range, but it also has a “beyond,” which is quantitatively brought about. Quantitative change is imposed from without, and eventually it will spell the doom of a quality.

Within this range, a measure is authentic. It reveals a quantum that is authentic to the quality of a thing. But a measure is not self-authenticating. It needs another measure to reveal what it is. As John Burbidge remarks:

Measuring . . . introduces an explicit act of relating, for it brings together two realities, indifferent to each other. This conjunction is recognized as valid, however, only if each term allows for, and indeed encourages, the association. Since mutual reference is now an inherent characteristic of the concept, one passes beyond simple im-

⁴¹ Although δx or δy cannot be named, the ratio $\delta x/\delta y$ can be precisely determined.

⁴² HEGEL, *supra* note 1, at 335.

mediacy.⁴³

One example is measuring the temperature of a baby by use of a thermometer.⁴⁴ The baby is indifferent to having its temperature taken and the thermometer is what it is whether it measures the baby, a cup of tea, or the ambient air. An outside measurer brings these two measures together. Now one of these things is the specifying measure, which uses its other to advertise its quantum. The other is the specified measure that serves to report what the specifying measure advertises. But which is which? This is entirely up to the measurer. Commonly, the baby is the specifying measure. But in principle there is no reason why babies could not be used to measure thermometers. This is a matter for the will of the measurer.

Simmel is percipient on this point. “[T]he disproportion of weights caused us, for a long time, to notice the gravitational attraction of the earth upon the apple but not that of the apple upon the earth[.]” he writes.⁴⁵ In fact, the apple attracts the earth and the earth attracts the apple. That the apple “falls” to the earth is simply the common bias of the observer. The earth equally falls up toward the apple.

What both the baby and the apple examples show is that the quantum that gets reported in measure is actually not the quantum of either measure in the ratio but some third thing. So when the measurer takes the baby’s temperature, he does not learn directly what the baby’s temperature is. Rather, he learns what the ratio of mercury thermometer to baby is. If the measurer *really* wants to know what the baby’s temperature is, she will have to test the baby against an alcohol thermometer, a thermometer containing single malt scotch, a thermometer containing seawater, etc. . . . The baby’s true quantum is only revealed in an infinite sequence of measures, which Hegel calls the “elective affinities.”⁴⁶

In an important sense, the ratio of baby-to-thermometer or apple-to-earth is misleading. Babies and apples are *things*. A “thing” is logically too sophisticated for the precise point of the *Science of Logic* that considers the nature of measure. “Things” do not appear until the middle portion of Essence, which is the beyond of Measure.⁴⁷ What in fact we are measuring is the totality of quantities and qualities. Each quality is a range across which the quality is independent from outside manipulation by the measure. To measure the totality we must make present *all* the quantities and qualities, expressed as ratios with all the other quanti-

⁴³ JOHN W. BURBIDGE, ON HEGEL’S LOGIC: FRAGMENTS OF A COMMENTARY 63 (1981).

⁴⁴ See David Gray Carlson, *Hegel’s Theory of Measure*, 25 CARDOZO L. REV. 129, 149–50 (2003).

⁴⁵ SIMMEL, *supra* note 2, at 116

⁴⁶ HEGEL, *supra* note 1, at 354–56.

⁴⁷ The “thing” emerges from its ground in Hegel’s thirteenth chapter of *Science of Logic*. *Id.* at 481–96.

ties and qualities. Unless everything is present all at once, nothing is truly measured.

Hegel develops measure into a fantasy in his chapter, “The Becoming of Essence.”⁴⁸ At this point, every measure is deemed to be present. Of course, this is an empirical impossibility. Nevertheless, as a thought experiment, we are bidden to imagine this as a recursive definitional matter. Nevertheless, measure fails as a totality. There is a non-presence that organizes the realm of measure that disrupts the fantasy, which Hegel at first calls “the Measureless,”⁴⁹ but later renames “Essence.”⁵⁰ Essence for Hegel is very, very negative. It is simply that which is *not*. In effect, Essence is the Lacanian Real that disrupts the fantasy of measure.

I conclude with a caveat about engineering. Engineering tolerates imprecision in measurement. It is possible in this world to be a successful engineer. But Hegel is not concerned with engineering. He is concerned with the logic of totality. Empirically, it is quite impossible to measure everything. Hegel’s point is that, even if we could, there would be a disruptive beyond to measure. Ultimately, nothing is measured apodictically unless everything is measured. The fantasy of measure, however, fails as a logical matter. The totality cannot be measured.

III. MONEY

The conclusion of the syllogism is that money is a fantasy, as illustrated by Georg Simmel’s classic text, *The Philosophy of Money*,⁵¹ first published in 1907. Simmel was a sociologist at the University of Berlin whose approach was highly Kantian. Simmel’s approach to money far transcended the ordinary realm of markets, with which economics is largely concerned. According to Simmel, “[t]he significance and purpose of the whole undertaking is simply to derive from the surface level of economic affairs a guideline that leads to the ultimate values and things of importance in all that is human.”⁵² Simmel’s task is one of philosophy, “whose problem is nothing less than the totality of being.”⁵³ In short, Simmel is a philosopher of the *totality* of money.

Simmel states the obvious: the value of objects cannot be inferred

⁴⁸ *Id.* at 375–85. I analyze this chapter in David Gray Carlson, *Hegel and the Becoming of Essence*, in *THE SPIRIT OF THE AGE: HEGEL AND THE FATE OF THINKING* 118 (2008) (Paul Ashton et al. eds., 2008).

⁴⁹ HEGEL, *supra* note 1, at 371–74.

⁵⁰ *Id.* at 385.

⁵¹ SIMMEL, *supra* note 2.

⁵² *Id.* at 55.

⁵³ *Id.* at 56.

from “reality.”⁵⁴ “[V]alue is never a ‘quality’ of the objects, but a judgment upon them which remains inherent in the subject.”⁵⁵ Value comes from human subjects.

Simmel’s logic very much follows that of Hegel with regard to measure. Thus, an object’s value does not reside in the relation of the object to the subject: “the mere demand for an object does not yet create an economic value, because it does not include the required *measure*.”⁵⁶ Rather, value puts one object in relation to another object. A cabbage has value only in comparison to a quantity of carrots. “[T]here is a *reciprocal* determination of value by the objects. By being exchanged, each object acquires a practical realization and measure of its value through the other object.”⁵⁷

Because all subjects contribute to valuation, economic value achieves a sort of conventional objectivity—an inter-subjectivity that transcends any one subject’s desire. Thus, “value becomes supra-subjective, supra-individual, yet without becoming an objective quality and reality of the things themselves. . . . The technical form of economic transactions produces a realm of values that is more or less completely detached from the subjective-personal substructure.”⁵⁸

True, an individual buys because *he* values. But his demand is expressed in the object of exchange. “The fact of economic exchange, therefore, frees the objects from their bondage to the mere subjectivity of the subjects.”⁵⁹ But, reciprocally, exchange frees the subject from the objects of his property. In market exchange, the subject shows that he transcends his property and can do, in general, without them.⁶⁰

Simmel emphasizes many times that money is a measure of value.⁶¹ To be sure, the money supply may be enhanced, in which case more money is chasing the same amount of goods, thereby causing prices to fall.⁶² Nevertheless, at “equilibrium”—*i.e.*, the fantastical masculine universe in which all movement (that is, time and space) is wished away⁶³—money is a measure that is based on the fantasy of totality. In this fantasy, a unit of money expresses the entire universe of

⁵⁴ See *id.* at 59.

⁵⁵ *Id.* at 63.

⁵⁶ *Id.* at 92 (emphasis added).

⁵⁷ *Id.* at 78.

⁵⁸ *Id.* at 78–79.

⁵⁹ *Id.* at 80.

⁶⁰ See *id.* at 120 (“The money price of a commodity indicates the degree of exchangeability between the commodity and the aggregate of all other commodities.”).

⁶¹ See, e.g., *id.* at 78–79, 92, 122, 131, 190, 431 (“[M]oney measures all objects with merciless objectivity. . . .”); *id.* at 511.

⁶² See *id.* at 133.

⁶³ An economic equilibrium is a perfect market. “The perfect market is an impossible realm without any distinctions of time, space, subjectivity, objectivity—indeed, of no market exchange at all.” Schroeder, *The Midas Touch*, *supra* note 19, at 693.

commodities. Thus, a dollar is a small portion of a trip to Europe, of a dental examination, or of a diamond necklace. All objects that can be sold are expressed in this dollar. All commodities are present in every single monetary unit.⁶⁴

This leads Simmel to suggest, at times, that the money supply is precisely equal in size to the value of all commodities.⁶⁵ True, Simmel views this as “a preliminary, crude and schematic step,”⁶⁶ but he is forced to admit that, if everyone brought every nonmonetary thing he or she owned to the market place at once, then the value of a dollar would rise.

Simmel considers the problem of

those objects that are not offered for sale, but are occasionally saleable if there is a tempting offer. If the amount of money required for the sale of the total supply of goods were calculated on the basis of the prices actually paid for these goods, the estimate would vastly exceed the actual supply of money. From this point of view, it can be stated that there is much less money than commodities and that the proportion between the commodity and its price is not at all equal to the proportion between all commodities and all money, but is considerably smaller than this.⁶⁷

Simmel’s appreciation of this problem reminds me of a remarkable talk given to the Cardozo Law School faculty by the son of a Nobel Prize winning economist who wished to get into the family business. The proposition of the talk was that murder can be efficient. I have no doubt this is true, as witnessed by the executioner’s song in *The Mikado* and the common daydream of going back in time to murder Hitler. But measure is the obvious problem in this theory of efficient murder. The speaker proposed a Posnerian auction⁶⁸ in which everyone presently in the world⁶⁹ would bid on whether a given person should live or die. It was pointed out in the question period that in order to participate in this life-or-death auction, everyone would rush all his or her commodities to the market in order to liquefy because liquefaction was the *sine qua non* for participation in this democratic *Totentanz*. But upon arriving at the market, there would be no one to offer dollars for these commodities,

⁶⁴ See Richard A. Posner, *Wealth Maximization Revisited*, 2 NOTRE DAME J.L. ETHICS & PUB. POL’Y 85, 87 (1985) (“When I used money as a component of wealth . . . it was just a shorthand for the things that money can buy.”).

⁶⁵ See SIMMEL, *supra* note 2, at 133; cf. Richard A. Posner, *Utilitarianism, Economics and Legal Theory*, 8 J. LEGAL STUD. 103, 119 (1979) (“Wealth is the value in dollars or dollar equivalents . . . in society. It is measured by what people are willing to pay for something or, if they already own it, what they demand in money to give it up.”).

⁶⁶ SIMMEL, *supra* note 2, at 134.

⁶⁷ *Id.* at 138.

⁶⁸ E.g., Richard A. Posner, *The Value of Wealth: A Comment on Dworkin and Kronman*, 9 J. LEGAL STUD. 243, 246–47 (1980).

⁶⁹ Presumably, the dead and the unborn have nothing to say on this or any issue.

because to buy a commodity was to surrender liquidity, the very thing required to participate in the auction.⁷⁰ The speaker rescued his theory of efficient murder by conceding that one would have to imagine an “imaginary” market in which each owner of a commodity would cash out her commodities in an orderly fashion so that there could be a true measure of the person’s wealth.

This tactic is not dissimilar to that of Simmel. In effect, Simmel redefines commodities to only those commodities, which at a precise moment in time, are actually sold. All the commodities back in the warehouse that could have been sold are not truly commodities at all:

However, there are two ways in which we can save our basic proposition. First, we might regard as the total quantity of commodities, that quantity that is actually in the process of being sold. To use an Aristotelian concept: the unsold commodity is merely a possible commodity, which becomes a real commodity only at the moment of sale. Just as money is real money only at the moment when it buys something, i.e. when it exercises the function of money, so the commodity becomes a commodity only when it is sold; until that time, it is only a possible object for sale, an ideal anticipation. From this standpoint, it is an obvious and analytical statement that there is as much money as there are objects to be sold—including as money, of course, all those money substitutes provided by the banking and credit system.⁷¹

Simmel then defines commodities as that which are actually sold at the precise moment they are sold. Commodities in the warehouse and not in the market are *not actual commodities*. They are only *potential* commodities. Similarly, money is money only when used in exchange. Money buried in the backyard or in the money market is *not money*.⁷² These savings and deferred consumptions are merely *potential* money.

In short, for Simmel, there is no money and no commodities outside exchange. Here, we see fantasy reduced to its fundamental essence: fantasy is a philosophy of presence;⁷³ and so is Simmel’s vision of money: either everything is exchanged for money all at once now, or the entire concept falls apart.

But aside from this point, it is clear that there is no one “money” that expresses the value of all commodities. “The ideal purpose of money, as well as of the law, is to be a measure of things without being

⁷⁰ Schroeder, *The Midas Touch*, *supra* note 19, at 712 (“A perfect monetization of goods, therefore, would have the lethal effect of the Midas touch. At the moment of wealth maximization, all actual market exchanges would cease and all wealth would evaporate.”).

⁷¹ SIMMEL, *supra* note 2, at 138.

⁷² See SIMMEL, *supra* note 2, at 127, 510.

⁷³ See David Gray Carlson, *On the Margins of Microeconomics*, 14 CARDOZO L. REV. 1867 (1993), reprinted in *DECONSTRUCTION AND THE POSSIBILITY OF JUSTICE* 265, 266–67 (Drucilla Cornell et al. eds., 1992).

measured itself, a purpose that can be realized fully only by an endless development.”⁷⁴ In fact, against its will, money is constantly becoming a commodity. To be sure, Simmel much emphasizes the historical origin of money as the most common and universal of commodities. But eventually (so Simmel asserts) money ceases to be a commodity, and indeed must do so if it is to be money. That is, money is a measure of the value of commodities and so cannot itself be a commodity. Simmel was ahead of his day in seeing that money has nothing to do with, say, gold or silver, and that money could (and indeed must) be reduced to a neutral, abstract measure.⁷⁵ In fact, when gold or silver (in the old days) is used in jewelry, Simmel insists that the metal ceases being money and becomes a commodity.

But in fact, money can never stay withdrawn from the world of commodities. Money is not just dollars. The dollar itself becomes a commodity in foreign exchange. When a dollar is traded for a euro, it is entirely unclear which is the commodity and which is the measure of the commodity. The same point can be made about loans. As Simmel emphasizes, potential money (that is, *future* money) is not the same as present money. So in a loan, future dollars are purchased for present dollars. It is perhaps easy to say that the present dollar is the neutral measure, and the future dollar is the commodity. But tomorrow’s dollar will eventually become the present, neutral measure. Future dollars cannot help but surrender their status as commodities in order to become the neutral measure.

To summarize, then, it is impossible to say exactly what money is. It purports to measure commodities, but this is so only if we exclude the commodities not “presently” being exchanged. It purports to be uncommodified, but, given multiple monetary systems and the concept of future money, money is always constantly becoming a commodity. Money therefore does not have a fixed existence, which makes it a feminine concept, like Woman and God. That we can theorize money is precisely the obsessional masculine fantasy.

The lesson, however, is not that we should give up on theory—of money or any other totality. Rather, the lesson is that theory is necessarily a dialectic process that is constantly on the move. Theory is a

⁷⁴ SIMMEL, *supra* note 2, at 511. How is money like law? Simmel has in mind the essence or paradigm of a thing:

Just as the general concept in its logical validity is independent of the number and modification of its realizations, indicating, as it were, their lawfulness, so too money—that is, the inner rationale by which the single piece of metal or paper becomes money—is the general concept of objects in so far as they are economic. They do not need to be economic; but if they wish to be, they can do so only by adjusting to the law of valuation that is embodied in money.

Id.

⁷⁵ *See id.* at 191.

necessary but inadequate component in human experience.⁷⁶ Theorizing is precisely how human beings create for themselves a world in which they themselves have a place and a home. Theorizing about money is as much about who *we* are as it is about what money is.

⁷⁶ This is largely the theme of Kant's *Critique of Judgment*. As Nuzzo writes, reflective judgment is where

[w]e begin to orient ourselves in the labyrinth of nature, which is thereby progressively transformed into a systematic whole. The important point in this reflective operation is that we become [an] integral part of nature. Reflection reconciles us with the object we are judging and unifies us with it; our experience of the object is an experience of ourselves.

NUZZO, *supra* note 14, at 242.