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Global Libidinal Economy

International Political Economy Versus Global Libidinal Economy

If IPE investigates the economic flows and political governance that transcend the nation-state, then global libidinal economy (GLE) analyzes the latter's accompanying unconscious circuits of excess and antagonism. GLE takes the view that, because unconscious desires are unpredictable and profligate, they necessarily disrupt, divert, or deny global economico-political circuits. In this sense, GLE brings attention to the discontinuities and gaps of such circuits—the dirty underside of cross-border decisions about growth or investment in the form of, say, overconsumption or racist humiliation—which conventional IPE tends to ignore or cover up. The goal of this chapter, accordingly, is to compare and contrast (neo)classical and Marxist IPE with GLE by highlighting the importunate role played by the libidinal.[1]

Both classical and neoclassical political economy are premised on *homo economicus*—the figure of the "economic man [*sic*]" who pursues rational and self-interested ends. Classical economist Adam Smith's notion of the self-regulating market assumes (and requires) the prevalence of order and reason for the "invisible hand" of market-organized decision making to take place. According to him, it is the "free" play of rationality and self-interest that brings about the efficiency of the capitalist market as a distributive mechanism. Thus, he famously writes that it is "not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interests" (1997, 119). In

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the same vein, early neoclassical economist William Stanley Jevons depicts his theory of political economy as "the mechanics of utility and self-interest" (1970, 90; see also Mill 2004; Locke 2003, 2006; D. Bennett 2011, 10), emphasizing the economic rationality that upholds typical consumer choices. Like Smith, he depicts market actors as independent subjects whose behavior is determined only by market-maximizing calculations. Here, "irrational" market behavior, to the extent that it occurs, is the result not of misguided consumer choices but external market intrusions, principally those of the government. Indeed, neoclassical IPE, just like its classical variant, demands a minimal, "nightwatchman" state, whose role is to provide the necessary conditions (e.g., law and order, private property, and contract protections) for a well-functioning, competitive market. For Jevons and his ilk, it is when governments overstep their nightwatchman role that freedom is constrained, economic rationality suffers, and markets falter.

A similar mind frame is to be found in contemporary variants of neoclassical political economy—rational choice theory, game theory—the former proposing that out of a set of various courses of action available to them, subjects (individuals, corporations) select the one they consider most preferable (Homans 1961; M. Friedman 1963; Coleman 1990), the latter that each subject's choices depend on other subjects' choices, like in a game of strategy (Von Neumann and Morgenstern 1953). Both variants aim to not only describe market behavior but predict it, most often requiring increasingly complex mathematical modeling to factor in anything from prices and savings to elections results and weather patterns. Once again, both hinge on the presence of rational, calculating actors—increasingly within the context of the information economy—the goal being to maximize preferences and profits.

But if rational calculation is privileged in (neo)classical thought, this is not to say that the question of human passions is ignored. Utilitarianism, after all, argues for a "felicific calculus" through which subjects maximize their utility. Jeremy Bentham (1996) suggests that people calculate profit and loss by weighing up pleasure and pain, so that, for example, while the consumption of sugar may be pleasurable, there may be unpleasant health side effects that override one's pleasure. Likewise, in his *Mathematical Psychics* (1967), Francis Edgeworth sees all pleasure as measurable, with the rate of pleasure of a typical commodity decreasing the more of it we consume. But what is noteworthy here is that, while valorizing the psyche, these neoclassical economists subject it to a *calculus*,

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that is, to reason: rationality trumps passion in the service of the market. Desire is curtailed of its excess and unpredictability in order for *homo economicus* to remain an autonomous, rational, and self-interested market subject. As David Bennett (2011, 12) puts it, this is a "psychologically anorexic model of 'economic man,' " that is, "not so much a colonisation of economics by its traditional other, psychology, as a takeover of psychology by neoclassical economics."

Bennett (1999, 2010) shows in fact how eighteenth- and nineteenth-century Britain, precisely where much of neoclassical political economy was being theorized, witnessed various forms of curtailment of sexual desire. The need to preserve bodily energy, rather than recklessly expend it, became a priority, with masturbation and prostitution emerging as two practices targeted for institutionalized repression. The former, pruriently termed "onanism," was not only discouraged (by the church, medical establishment, etc.) but came to be associated with a growing list of symptoms, including blindness, imbecility, insanity, homosexuality, and death. For its part, prostitution was condemned as not just sinful but also wasteful: those frequenting brothels were seen as nonreproductive fornicators, while prostitutes themselves were associated with profligate "spending" in both the sexual and economic sense—sexually depraved but also conspicuous consumers (as opposed to "savers"). The overarching goal here, according to Bennett, was the subjection of desire to the productivist needs of capitalism, with bodily energies treated as assets to be economized and managed rather than squandered: "While masturbators were censured for wastefully draining their own libido and hence the productive energy needed to build commerce and industry, many Victorian social hygienists focused their anxiety about wasted libidinal expenditure on prostitutes, believing it was mainly they who drained men's seminal fluid and that at the bottom of the slippery slope on which the masturbator embarked was the brothel" (2010, 98).

It is remarkable that more than a century after the Victorian era, under late capitalism, we have moved from the curbing of desire for productivist purposes to its opposite: the embrace of libidinal expenditure for the purposes of mass consumption. This is because, as Todd McGowan explains (2004, 31), the prohibition of enjoyment in favor of productivism has become a limit to recent transformations in global capitalism—the emergence of monopoly capitalism and consumer culture—with the result that, rather than restraining libidinal enjoyment, late capitalism *commands* it (more on this below). Witness, for example, our increasing access to

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easy and fast credit so we can shop uninhibitedly, or the ubiquity of advertisements that beckon us to indulge our desires (e.g., Coca-Cola's "Enjoy!," Nike's "Just Do It!"). We are encouraged to coddle our libidinal extravagance in order that the late capitalist machine keep churning. So we are all (encouraged to be) masturbators and prostitutes now! No wonder that neoliberal gurus—from Ludwig von Mises (1966) to Milton Friedman (1957)—see "free" consumer choice as the defining feature of market economies. For them, the sovereign consumer is an "agent" capable of leading, if not dictating, economic production. Their overall implication, though, is that, if (neo)classical political economy previously needed to tame our passions in order that we save and labor in the service of production, it now needs us to indulge our passions in order to shop and luxuriate in the service of consumerism. Despite appearances, rationality is still very much in charge here, directing and managing desire to the changing requirements of the market.

Yet, from the perspective of Marxist IPE, it is precisely the dominance of this market rationality that is troubling. For Marx (1887, 311–12; 1993, 650) such rationality perpetuates the liberal myth that the market is benign and "free" (and hence the preferred object of a rational calculus). He argues that neither free markets nor free labor are (or ever have been) the norm. What the "invisible hand" of the market ensures most is the survival of the fittest, with the tendency toward the domination of the few (monopolies, oligopolies) more the rule than the exception. Capital, in this sense, is not simply a set of tangible assets, as (neo)classical IPE appears to think, but a form of disciplinary power. This is no more evident than with regard to labor, which neoclassical IPE appears to mostly ignore in its analysis (Marx 1993, 273–74). Rather than enabling people to freely sell their labor to the highest bidder, private capital coerces them into an exploitative system of wage labor to systematically extract surplus value. Marx draws in part here on classical economist David Ricardo, who, in contrast to Adam Smith, is pessimistic as to the distributive implications of capitalist markets: according to Ricardo (1876, 50–59), the combination of competition and plentiful labor supply under capitalism often implies an "iron law of wages," as a result of which workers' wages tend toward subsistence. Marx agrees, pointing up the resulting socioeconomic inequality and class oppression.

To be sure, unlike (neo)classical IPE, which tends to focus on the micropersonal and subjective (individual freedom, entrepreneurship, etc.), Marxist IPE tends to emphasize the broader macrostructural elements of market capitalism. Foremost, according to this view, is the basic class

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antagonism and social inequality that inheres between wage laborers and the bourgeoisie (those who own the means of production). In contrast to the neoclassical idea of social harmony produced by the market, Marxist IPE points up the indispensable social inequality on which capitalism is based as a result of historically generated power relations. Here the state is seen as the institutionalization of such unequal power relations, sometimes acting as a tool in the hands of the ruling classes to ensure the status quo, but sometimes also able to play a more remedial and progressive role in class-divided societies (Poulantzas 1975; Miliband 1983; Evans, Rueschemeyer, and Skocpol 1985).

Moreover, unlike neoclassical IPE, which tends to emphasize national economies as self-enclosed orders (i.e., a nation-state world order), Marxist IPE sees market capitalism itself as a globally structuring force so that the capitalist system, driven by the production of surplus value as an "absolute law" (Marx 1970, 436), is a de facto global system. The latter expands spatially at certain historical periods, penetrating new and distant markets everywhere. And because spatial and socioeconomic inequality is integral to capitalism, the globalization of capital necessarily results in uneven development and new forms of disciplinary power (between and among nation-states, the poor and the rich, urban centers and hinterlands, monopoly capital and small entrepreneurs, etc.) (Frank 1967; Wallerstein 2004; Hopkins and Wallerstein 1977; P. Evans 1979; Jenkins 2014; Harvey 2006).

There is no doubt that Marxist IPE as outlined above takes a rationalist view of the world. Like (neo)classical IPE, reason is privileged as a way of investigating our socioeconomic predicament, but unlike (neo)classical IPE, rationality is here seen as a way not of justifying the (capitalist) status quo but of criticizing it and finding a way out. In this regard, Marx was a critic of all forms of obscurantism (including religion) and a firm believer in science and technology, which he thought could also—under the conditions of the collective ownership of the means of production—help in increasing productivity and reducing the drudgery and brutality of labor (Marx and Engels 2003, 1:18; Marx 1992, 389). Moreover, drawing on his reading of Hegel, he interprets human history as a movement toward greater rationality, arguing in favor of a genuinely rational (communist) society in which people could be free (Marx and Engels 2003, 16:474–75; see also Megill 2002, 81ff.).

But this is not to say that Marx ignores human passions or fails to recognize a role for desire in political economy. Alienation, for him,

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after all, is constitutive of human subjectivity, so that under coercive capitalist conditions, workers are alienated as much from the labor process and products of their labor as from their "species being" (as free, social, and self-realized creators) (Marx 1992, 385–86; Marx and Engels 2003, 3:332–33). Nowhere is such alienation more evident than in what he famously terms "commodity fetishism": "A commodity is therefore a mysterious thing, simply because in it the social character of men's labour appears to them as an objective character stamped upon the product of that labour. . . . There it is a definite social relation between men [*sic*], that assumes, in their eyes, the fantastic form of a relation between things" (1887, 47–48). It is thus because we are seduced by commodities at the level of unconscious desire that, according to him, the social relations between producers are transformed into a relation between things. He does not dwell on this psychoanalytic dimension, putting his faith in the ability of rationality to eventually triumph over social alienation, but it seems clear that he sees the "mysterious" character of desire as a kind of negativity, a rupture, leading to the unthinking and irrational behavior of the market subject. No wonder, then, that Althusser, in his famous essay "On Marx and Freud" (1991, 19ff.), suggests that, despite their differences, one thing Marxism and psychoanalysis share is that they are both antagonistic and conflictual. Marx might champion reason over passion, but like Freud, he sees the subject as split, unstable, out-of-joint, conflicted.

So then if (neo)classical IPE either ignores unconscious desire or tames it to conform to the needs of market capitalism, and Marxist IPE acknowledges it but stops short of developing its antagonistic dimensions, how are we to conceive of a global libidinal economy that incorporates both unconscious desire and this nonconforming, "conflictual" dimension? Psychoanalysis focuses precisely on the question of unconscious desire as a privileged entry point to understanding and engaging with the antagonisms that always already beset us as human animals. For both Freud (1961, 14) and Lacan (1998, 219), our separation from the parent and acculturation into the social world is accompanied by a deep sense of loss (from a mythical sense of unity and wholeness), of which we can never rid ourselves. Our entrance into society *requires* the trauma of castration, which manifests as a never-ending (unconscious) desire to soothe such loss, to recover such imaginary oneness. A psychoanalytic take on political economy thus implies that desire plays not a supplementary or trivial but a constitutive role in economico-political phenomena: "Every political economy is libidinal," writes Lyotard (1993, 111), suggesting that

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GLE is founded on a desiring subject and hence that market activities are not simply unavoidably imbued with, but invariably overwhelmed and overtaken by, human desire.

Indeed, what is peculiar about the psychoanalytic view is its decentering of the subject: always punctured by internal conflict and alienation, said subject is seen as inevitably failing to achieve unity, stability, or sovereignty.[2] This is because unconscious desire follows a logic not of predictability and reason but of anxiety, enjoyment, and excess that outwit and destabilize the "knowing subject." But how, exactly? Crucial here is the notion of the "death drive" (or "drive" for short), which Freud discovered in 1920 with the publication of his *Beyond the Pleasure Principle*. He sees the drive not as a human predilection toward aggression and self-annihilation (which is how some, like Marcuse [1955, 51], have interpreted it) but as a predominant social force that manifests as a "compulsion to repeat" (Freud 1961, 38). The subject, according to him, is driven to endlessly repeat the experience of the primordial loss, taking profligate pleasure from such repetition. It is for this reason that Lacan coins the term "enjoyment" (*jouissance*), which he closely associates with drive (1997, 211), aimed at describing not simply the pleasure taken in repetition but the immoderate and excessive lengths the subject may go to in its compulsion to repeat. The death drive, in this sense, refers not to death as an end point, but to the death that occurs within life itself: an eternal undeadness, the "horrible fate of being caught in the endless repetitive cycle of wandering around in guilt and pain," as Žižek puts it (2006, 62). Unable to free itself from the drive's constant needling and excess, the subject is condemned to both suffer enjoyment and enjoy suffering.

The implications of this pleasurable "compulsion to repeat" are far-reaching. It means that the subject acts not necessarily based on what it knows but on what it unconsciously desires and enjoys. The gaps in the subject's knowledge are revealing precisely of a kernel of enjoyment, of which the subject is unaware (and upon which psychoanalysis dwells as a primary object of investigation). Such enjoyment entails that there is a chasm between what the subject knows and what it says and does, but also that the subject may actually desire *not* to know in the expectation of excess and pleasurability. In the same way that the bungee jumper derives thrill not despite but *because* of the danger involved, the subject is moved by the orgasmic experience of recreating the experience of loss, even if it yields to a certain recklessness. For it is indeed the idiotic stupor

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of enjoyment that makes life worth living, giving it "spice" for all of its foolhardiness.

Yet, organizing life around enjoyment and the avoidance of knowledge inevitably entails self-sabotage. To continually repeat something despite the damage being done, to never learn from one's mistakes because of the pleasure derived from repeating them, is self-destructive. It means acting against one's own self-interest. The death drive thus involves working unconsciously against social betterment, dooming the prospect of progress. Or to turn that around: any progress toward the good implies the contrary antagonistic move to undermine it. The drive, in this sense, is a fundamentally rupturous impulse that obeys an idiotic and irrational logic, which ends up subverting the "normal" flow of things.

We can better glean now why libidinal economy runs counter to (neo)classical IPE. For GLE, the subject is not an autonomous and free agent, as the neoclassicals like to think, but on the contrary, a fundamentally split and alienated subject, often overcome by anxiety and contradiction. Unable to keep a lid on its desires, the subject does *not* necessarily know its interests: its desires obey a logic that runs counter to reason and predictability, often diverting and undermining its intentions, plans, and projects. Libidinal economy thus puts into doubt the "homeostatic model" of market stability and order that supports economic (neo)liberalism. While the latter does take into account human desires, these are gentrified, as underlined earlier—tamed and managed to serve the market. Accordingly, desire is conceptualized in the form of two opposite poles, with the subject seeking pleasure and avoiding pain. Yet it is *by* keeping the two apart that a homeostatic model can be maintained: admitting *jouissance*—taking pleasure in pain and pain in pleasure—would disrupt rationality and stability, since it would entail that market actors actually enjoy making irrational decisions (see chapters 3 and 6).

In other words, what GLE forefronts, and what (neo)classical IPE ignores or disavows, is this "dirty underside" of capitalism. Adam Smith and his peers believe in the "natural" propensity to accumulate, enabling the capitalist to overcome material or technological constraints. What they elide, though, is the prospect that the capitalist might actually enjoy rather than surmount these very constraints. To wit: the unrelenting drive to accumulate, which under late global capitalism especially results in the corporate monopolization or oligopolization of the market, ensuring the demise of small and medium-sized firms and thereby threatening the very rule of "free competition" upon which neoclassical markets are

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purportedly based (see chapter 2); the corporate obsession with amassing monopoly profits rather than seeking efficient production, which, as Veblen points out (1904, 1965), yields to the deliberate *under*utilization of capital and labor (and hence to unemployment and a growing reserve army of labor and precarious workers, especially in the global South) (see chapters 4 and 6); or perhaps most flagrantly, late capitalist overaccumulation to the point of recklessness and self-annihilation, as witnessed by our current global environmental crisis, which perhaps best illustrates the self-sabotage of the death drive (i.e., unending capitalist accumulation that puts the planet, and our very survival as a species, in grave jeopardy; see chapter 7). To be sure, rather than viewing this planetary crisis as inherent to the system, neoclassical IPE treats it as an "externality" in need of correction through policy intervention (e.g., green technology), all the while failing to grapple with the libidinal investment that propels capitalist (over)accumulation in the first place.

But the recklessness of desire is to be found not just in patterns of accumulation but also in consumption, which stands as the "ultimate driving force of individual advancement" in neoclassical IPE (Gammon and Palan 2006, 102). The problem with neoclassical political economy is that it assumes that, subject to self-interest, consumption remains stable and can be satisfied "rationally" (Pareto 2014, chap. 3). But then it cannot account for such things as unproductive expenditure: what Bataille (1986) characterizes as the self-wasting drive of ecstatic and gratuitous spending, or what Veblen (2006) sees as the "irrational" conspicuous consumption of the wealthy, more interested in showing off their wealth than using it productively.[3] True, as mentioned earlier, in our late capitalist times we have moved away from such a "productivist" ethic toward the incitement of greater consumptive excess: we are now encouraged to "enjoy" conspicuous shopping (see chapters 3 and 6). But now the recklessness lies in how some consumers, by emulating the extravagance of the wealthy and famous, end up endangering their own lives as well as that of their families by overspending (e.g., buying a luxury car at the expense of health insurance, desperately engaging in the drug economy in order to emulate the lifestyles of the rich and famous), or in how overconsumption implies growing waste, garbage, and pollution (most often "dumped" near where indigenous, racialized, and poor remote communities live, especially but not exclusively in the global South). In either case, neoclassical political economy fails to acknowledge or account for the irrationality and damaging socioecological consequences of consumption.[4]

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Perhaps the most concerning characteristic of *jouissance* is its sadomasochism, which stems from its recklessness. Indeed, the peculiarity of enjoyment is that it often implicates not just one's own self-destruction but that of others—by reveling in their subordination, suffering, or failings. Here the subject takes cruel enjoyment in dominating others, whether it be in the form of corporate managers or contractors bossing around their (often gendered and racialized) sweatshop workers, the patriarch controlling his household, urban elites dispossessing marginalized communities in favor of the privatization of the commons, aid workers lording it over Third World "recipients," or masculinist international financial institutions "structurally adjusting"—controlling, auditing, disciplining—their debtors (Kapoor 2020, 273–85). Maureen Sioh (2018b) draws attention, for example, to the racist humiliation involved in the Western economic disciplining of Asian economies during the late 1990s Asian Economic Crisis (see chapter 5 and 8), while Dan Bousfield (2018) highlights the racialized hierarchies underpinning Northern European "rational" financial responses to Southern European debt crises. Neoclassical IPE seems only too happy to disavow such inconvenient *irrational* proclivities from its calculus, and as such appears as little other than an ideological justification of the domination and inequalities inherent to the global capitalist system.

As to Marxist IPE, we have already indicated GLE's alignment with it on maintaining the (global) capitalist system as a primary focus of analysis, but especially on the question of antagonism. As McGowan puts it (2013, 7), "Where Freud sees antagonism manifesting itself in the excessive suffering of the individual subject, Marx sees it playing out in class struggle. Despite this difference in focus, they share a belief in the fundamental status of antagonism, which separates them from political thinkers (such as John Stuart Mill and John Rawls) who view the social order as whole, as divided by conflicts but not by a fundamental antagonism." Nonetheless, by inadequately considering the negativity represented by unconscious desire, what Marxist IPE underestimates, ironically, is the "stuckness" and intractability of the material world—the extent to which people become attached to and invested in capitalism, as witnessed not only by their fetishization of consumer goods but also by their libidinal attraction to exploitation and domination of the other (e.g., sweatshop laborers, gendered and racialized groups, aid recipients, Third World debtors, etc.; see chapters 2, 4, 5, and 6). While Marx understood well the power of capital in enforcing inequality and wage slavery, he undervalued

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the extent to which people can acquiesce to such domination because of their fetishization/enjoyment of the system. Social hierarchy may well be abhorrent, but as much those at the top as on the bottom of the social pyramid can accede to it, as long as there are others below them that they can subordinate or feel superior to (see chapter 5). And commodity fetishism may well obfuscate exploitative social relationships, but even those who are exploited may enjoy, through processes of disavowal, cheap fast food and sweatshop-produced commodities (see chapter 6).

Moreover, while Marx sees antagonism as inherent to capitalism, he does away with it under his ideal collectivized communist regime: once the private appropriation of surplus value has been replaced by the generation of surplus for the common good, he envisions a society without antagonism (Marx and Engels 1970, 51–59). But this is an option that psychoanalysis indubitably repudiates because antagonism is understood as constitutive of our social (and linguistic) structure (McGowan 2013, 9; Žižek 2006, 266–67). To be sure, for GLE antagonism is inherent not just to the capitalist system but to any society, so that even a postcapitalist society would have to contend with the negativity of unconscious desire in all its forms (envy, enjoyment, perversion, drive, etc.). Antagonism means the impossibility of stability, harmony, goodness, or reconciliation. In fact, it is precisely the impossibility of resolution that keeps life (and politics) going, so that without it Marx is at pains to explain how and for what purpose, say, accumulation would continue (what would "drive" it if not some form of enjoyment, with all the latter's attendant perils?) or why envy and domination—generated by new forms of social differentiation (e.g., Communist Party "insiders" vs. "outsiders")—would disappear, as indeed they didn't, as witnessed by the socialist experiments of Soviet Russia, China, Vietnam, North Korea, or Cuba.

Notwithstanding this lacuna, it is important to ask what role antagonism—so central to both Marxist IPE and GLE yet disavowed by (neo) classical political economy—plays in our global capitalist system. The short answer is: the global capitalist system abhors negativity even as it crucially depends on it. That it repudiates antagonism should come as no surprise, since as (neo)classical IPE strongly maintains, the market requires reason, stability, and order to function well (i.e., to ensure unfettered capital accumulation and mobility). As Samo Tomšič writes, "Capitalism is grounded precisely . . . on the foreclosure of negativity. [It] rejects the paradigm of negativity, castration: the symbolic operation that constitutes the subject as split and decentralised" (2015, 163). This is also why, as we

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have previously stressed, capitalism (and by extension, neoclassical IPE) admits only those human passions that conform with productivism and consumerism: unbridled pleasure and happiness are embraced, while pain is forsaken. It is precisely this disavowal of structural negativity to which Marx draws our attention, underlining how capitalism is founded on the distortion of social antagonisms/class struggle. The ostensibly harmonious, apolitical, and objective nature of neoclassical IPE is thus meant to cover over the rapacious and unstable nature of the system, as we have outlined above. In fact, what neoclassical IPE denies is the very systemic nature of capitalism: systems—capitalist or not—are constructed on the basis of an exclusion, an irreducible negativity, so that what is strategically obscured in neoclassical political economy is "the psychoanalytic insight into the obscene supplement (of violence and repression) that necessarily accompanies every system and upon which the latter implicitly relies" (Daly 2006, 186).

Several examples can be cited to illustrate this: capitalism's fundamental reliance on surplus extraction, exploitation, and socioeconomic inequality, yet its ideological masking of them through the promotion of such ideals as happiness, pleasure, opportunity, and "freedom of choice" (Žižek 1989; see also chapter 3); the recurring cycle of economic booms and busts inherent to the global system (viz. the Third World debt crisis [1980s–1990s], the Asian financial crisis [1997], the global financial crisis [2007–8], etc.), upon which the massive fortunes of banks and financial speculators are made and sometimes lost, yet whose human costs in the form of unemployment, homelessness, or racialized and gendered poverty are rationalized as temporary and solvable (see chapter 6); and the inclusion of only those activities considered "rational" and "efficient" in such key economic measures as GDP, resulting in the exclusion (and taking for granted) of such gendered activities as domestic work, the care economy, and subsistence agriculture (see chapters 2 and 4), upon which social reproduction and growth count (Gibson-Graham 1996).

But to bring out the specifically psychoanalytic dimensions of capitalism's vital reliance on, yet disavowal of, negation, let us consider briefly the role played by desire and drive (further developed and illustrated in chapters 2, 3, and 6). For Lacan, both compulsions stem from our ontological loss as linguistic beings—they are the libidinal supplement to our emergence as subjects, our entry into the sociolinguistic world. But desire targets (putatively lost) objects to try and satisfy the subject's ontological lack, whereas drive targets not objects per se but the unend-

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ing circulation around them as a recurring enactment of imaginary loss (Lacan 1998, 179). Thus, while the goal of desire is to obtain the object, the goal of drive is (enjoyment in) ceaseless looping and repetitiousness (recalling our earlier discussion of the death drive's compulsion to repeat). Žižek sees the operations of desire and drive so conceived as constitutive of capitalism's expansive movement: "At the immediate level of addressing individuals, capitalism . . . interpellates [us] as consumers, as subjects of desire, soliciting in [us] ever new perverse and excessive desires (for which it offers products to satisfy them). . . . Drive inheres to capitalism at a more fundamental, *systemic* level: drive is that which propels the whole capitalist machinery, it is the impersonal compulsion to engage in the endless circular movement of expanded self-reproduction" (2006, 61; see also Dean 2012). Highlighted here is how capitalism exploits desire in its quest to push consumerism: the desiring subject is encouraged to engage in continuous shopping in search of the "real thing," which always proves elusive. The iPhone or cola drink temporarily gratifies but never quite satisfies. But that is precisely the point: the goal of capitalist accumulation is to ensure consumers keep coming back for more by exploiting their fundamental lack, while at the same time stimulating their desire through the construction of fantasy (i.e., product advertising) and the cheap availability of credit. Meanwhile, at the broader level of capitalist accumulation, it is not desire but drive that is at play. Here, the fundamental compulsion to repeat manifests as the circular drive to "accumulation for accumulation's sake" (Marx 2004, 652). Capitalism feeds off drive's perpetual re-enactment and enjoyment of loss to accumulate more capital, amass more profits, conquer new markets, and create "new" and "better" technologies and products (i.e., product/technological differentiation and obsolescence).

We thus glean how the capitalist system hinges on desire and drive to advance accumulation. The problem, though, is that it either disavows the negative and reckless implications of such unconscious compulsions as discussed above (i.e., socioeconomic exploitation, overconsumption, environmental crisis, sadomasochism, etc.) or it dissuades or represses the negative political possibilities of desire and drive. Indeed, it is revealing that capitalist liberal democracies "tolerate" and increasingly encourage desire in the (positive) form of identity: demands for recognition and civil-political rights (based on sexual, gender, racial, and other identities) are not only acceded—because they pose no real risk to capital accumulation and mobility—but celebrated and commodified (e.g., gay pride,

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"ethnic chic," green products, etc.) to the extent that they help advance consumerism and the conquest of new markets (Žižek 1997). It is also revealing that psychoanalysis itself is (and has been) minoritized as a discourse, most likely because it is seen as threatening to the system, founded as it is on castration, disequilibrium, and collective alienation, in contradistinction to the broader field of psychology (e.g., behavioral therapy, cognitive psychology, etc.) that appears to thrive in its objective to conform to the demands of the market (reduction of mental "disorders," healing, and reintegration of the individualized subject into society, etc.).

But then how might the negativity of desire and drive be deployed in the service of an antisystemic politics? One route is to orient our desires away from consumerist or productivist enjoyment (which conforms to the capitalist market) toward anti- and postcapitalist alternatives (e.g., social and community economies that put the subaltern first, worker-owned enterprises, transnational regulation of multinationals, a politics of the [intellectual, natural, genetic] commons, antiracist popular education, etc.). Our subsequent chapters will probe the conditions of possibility of such options, but the challenge for the Left will be to find ways of not only constructing and promoting these postcapitalist fantasies but of making them seductive. For, as chapters 3, 4, and 6 will point out, it is fantasy that trains and orients desire, so that the political test then becomes one of building Left fantasies that thrill and attract (Kapoor 2020, 227–30), making them at least as seductive and enjoyable as those constructed by the Right (e.g., through the deployment of nationalism) or indeed the market (e.g., through product advertising). To be sure, with few exceptions, the Left has been much less successful than the Right in deploying social passions for political purposes; psychoanalysis offers a way of doing so that harnesses the critical-negative dimensions of the unconscious.

The other, more radical,[5] political route is the one offered by drive: drawing on Žižek, Kapoor (2015b, 75–76; 2020, 88–90, 229–30) makes the case for a politics that inhabits the drive as a way breaking out of our capitalist liberal democratic stronghold. The relentlessness and intensity of the drive is what can enable the revolutionary subject (individuals, movements, coalitions, radical states, and parties) to stubbornly stick to its objective of antisystemic change, without compromising its desire (de Vries 2007), such as the liberal Left has been wont to do in the form of reformist and welfare politics that leaves the system mostly intact (see chapter 7). The view here is that it is not postcapitalist alternatives that the Left lacks—there are many, as mentioned above—but the commitment,

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organization, and drive to intransigently struggle toward them through thick and thin, that is, through a self-sacrificing enjoyment for a more just (if still fraught) future. As McGowan proclaims, "It is by abandoning the terrain of the good and adopting the death drive as its guiding principle that emancipatory politics can pose a genuine alternative to the dominance of global capitalism rather than incidentally creating new avenues for its expansion and development. The death drive is the revolutionary contribution that psychoanalysis makes to political thought" (2013, 21). The big catch of course is also understanding the intractability of loss, so that the revolutionary struggle would not be for some ideal society or ultimate future enjoyment; a postcapitalist order, as underlined earlier, would still depend on desire and drive, accompanied by all the messy politics and struggles that accompany them.

GLE and Dialectical Materialism

The approach to global libidinal economy we advocate here is decidedly a dialectical materialist one. What counts, according to this approach, is not simply matter (our physical and material conditions), seen as first principle or ultimate substance from which all else emerges, but rather *the split or cut in matter* that enables subjectivity. As Žižek states, "Subjectivity emerges when substance cannot achieve full identity with itself, when substance is in itself 'barred,' traversed by an immanent impossibility or antagonism" (2014, 49). Such a position is consistent with modern science (e.g., quantum mechanics, wave theory), which points to the dematerialization of matter, the impossibility of apprehending it without the intervention of an observer. This is to say that the solidity and unity of material reality is always already shot through with a negativity, so that from such immanent self-blockage emerges the (split) subject. Our material world, in this sense, is always both necessary and contingent; it exists independent of us, but only becomes so at "the very moment of its discursive creation." It is not materially constituted by us, but neither is it independent of us: "Reality's own inherent negativity/contradiction appears as part of this reality precisely in the form of the subject" (Zupančič 2017, 82, 121; Žižek 2012, 707–8). So while everything may be subjectively mediated, this does not imply the subject comes first: matter is primary without being a first principle (which is why we are dealing here not with idealism but with dialectical *materialism*), but meaningless,

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unrepresentable, without its self-alienation. If anything is primal, then, it is neither substance nor subject but antagonism: Žižek gets at this with his Hegelian coinage of the term "absolute recoil" (2014)—the recoil that reveals the very object from which it recoils (Hamza 2016, 167). Matter "becomes" matter only retrospectively, as a consequence of its internal rupture and only *after* the intervention of subjectivity/representation.

We can now better understand why psychoanalysis makes the question of negation so central to its concern—to bring out the alienation that is constitutive of our lives, with the subject as the very name of the antagonism that makes reality incomplete. Psychoanalysis is, in this sense, not just a parochial discipline investigating the human psyche but a profoundly philosophical discourse centered on the formation and structure of the subject. This means, first, that instead of being considered as only one among many other objects, the subject is viewed as a privileged object of study that illuminates the fracture "at work in the very existence of objects as objects. It refers to the way in which the impasse/contradiction of reality in which different objects appear exists within this same reality. . . . The (Lacanian) subject is not simply the one who thinks, it is also and above all what makes certain contradictions accessible to thought" (Zupančič 2017, 122).

And this means, second, that psychoanalysis is deeply materialist, in the sense of unearthing the ontological negation that infiltrates all matter. As Alenka Zupančič formulates it, "This is what makes psychoanalysis a materialist theory (and practice): it starts by thinking a problem/difficulty/contradiction, not by trying to think the world such as it is independently of the subject" (2017, 123). It is this feature that distinguishes the psychoanalytic approach to political economy from certain (but not all) Marxist variants of dialectical materialism. Marx's well-known assertion that it is "social existence that determines . . . consciousness" (1970, 21), for example, is often interpreted as a deterministic theory of history based on the materiality of production (i.e., the "base-superstructure" model, which sees consciousness/culture as an epiphenomenon of the material base). It is such determinism that sparked a rethinking of Marxism in the early twentieth century by the likes of Lukács, Gramsci, and the Frankfurt school, who turned to culture and politics to redress what they saw as the economism of dialectical/historical materialism.[6]

For psychoanalysis, the unconscious (or what Lacan denotes as the "Real") is that which testifies to the presence of the contingency of matter/necessity, the cut through which meaning is both created and threatened;

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it is the notional term for what must go wrong in reality for an idea to emerge in the first place. The negativity of the unconscious, in this sense, is not an external obstruction but that which must infiltrate any object or thought for it to manifest as a positivity, albeit an always discontinuous and fractured one. The subject, of course, is the very embodiment of such negativity and discontinuity, so that at the level of subjectivity, the unconscious is revealing of both the subject's lack (its alienation from its imaginary primordial wholeness with Matter) and excess (its surplus enjoyment in recreating its primordial loss). It is such lack and excess that make life destabilizing yet also colorful and pungent. As Žižek states, "Humans are not simply alive, they are possessed by the strange drive to enjoy life in excess, passionately attached to a surplus which sticks out and derails the ordinary run of things" (2006, 62).

Global libidinal economy presupposes, therefore, not just the discursivity of the economico-political but the very fracturing of the latter as revealed through unconscious desire. Or to put it the other way around, the incompletion and excess of the capitalist political economy reveals the space of unconscious desire. So it is neither that the unconscious comes first and the goal is to see how capitalism incorporates it, nor that political economy comes first and the goal is to analyze its production of desire; instead, what GLE claims is that capitalism is always already fissured by the unconscious—unconscious desires are immanent within it—so that, as Samo Tomšič maintains, today's unconscious "is nothing other than the capitalist unconscious, the intertwining of unconscious satisfaction with the structure and the logic of the [late] capitalist mode of production" (Tomšič 2015, 108–9; see also 79, 131). The structure of subjectivity today mirrors the structure of capitalist political economy.

It is for this precise reason that GLE takes such phenomena as patriarchy and racism deadly seriously (as chapters 2, 5, 6, and 8 illustrate): these are treated not as epiphenomenal but as integral to the workings of contemporary capitalism. They are constitutive of the (unconscious) reckless proclivity toward domination and inequality that capitalism fundamentally depends on, as underlined earlier. Such a proclivity stretches back to the very rise of capitalism/colonialism, as several analysts have pointed out (Quijano 2000; Robinson 2000; Lugones 2016; Wilderson et al. 2017; Bhattacharyya 2018), when the gender and racial categorization and inferiorization of the colonized other was needed for control of labor and the slave trade. Patriarchal and racial domination is what, accordingly, helped (and continues to help) address the socioeconomic antagonisms

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of capitalism. This is why dealing with gender and racial discrimination as a problem of "tolerance," as liberal political economy tends to do, misleads and miscarries; if such discrimination is constitutive of the system, as we claim, it requires not just political recognition and the granting of civil rights (which leave the fundamentals of the system intact) but changing the coordinates of the system itself to unravel the domination and exploitation on which it is founded.

Note here as well that it is the negativity at the core of GLE that makes it intrinsically political: as Jacques Rancière (1999) suggests, the political is that which challenges and ruptures the status quo. The castration-as-negativity that psychoanalysis spotlights is therefore to be seen as the site of an unsettling politics, aimed at disrupting the very *homo economicus* that neoclassical IPE justifies as a system of reason and good order. Like Marxist IPE, GLE points to the inherently political nature of the global capitalist system, founded as it is on logics of antagonism and exclusion. Žižek appropriates the term "class struggle" (2011, 198) to bring out such logics. For him the term refers not to a positive identity (e.g., working-class, bourgeoisie), as Marxists tend to believe, but rather the opposite: it is a signifier of negativity that reveals the traumatic deficiencies of the system. Class struggle, in effect, designates, what Rancière (1999, 9–11; Žižek 1997, 50) calls the "part of no-part"—the system's outcasts, destitutes, and pariahs—those whom it depends on but relegates to the margins (e.g., slum dwellers, sweatshop workers, migrants, gendered and racialized subalterns, the precariat, indigenous communities, the disabled, etc.; in short, the "reserve army" of labor whose composition forever changes as new systemic antagonisms arise). It is they who disclose the truth of the system—its systematic exploitation and exclusions. Class struggle thus functions as the unconscious of the global capitalist order, serving as marker of its basic failures and impossibility (see chapter 4).

Finally, there is the question of the state: we believe it to be a significant political subject/actor, with the material and discursive power to affect political economy. Several chapters (4, 6, and 7) point up the neoliberal state's role in aiding and abetting capitalist accumulation in much of the world. But chapters 5 and 8 specifically showcase the Chinese state as an emerging superpower on the world stage, strategically directing the country's domestic and foreign economic relationships (in trade, investment, and technological development). Yet by focusing on the libidinal, we see the Chinese state as split (i.e., as any agentic subject would be

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from a libidinal perspective): its economic calculus is accompanied by a notable psychoanalytic dynamic aimed at responding to its erstwhile subordination and racial humiliation in the global order. Psychic anxiety, in this sense, is integral to China's global dealings, even or perhaps especially when it presents itself as a an outwardly coherent actor.

But the state-as-split-subject is also to be gleaned in GLE's view of it as the site of a key social deadlock—class antagonism. This is in keeping with the notion that the social is ruptured by socioeconomic differences/contradictions, so that the state emerges in particular historical conjunctures as the political authority to address said contradictions, most often (but not always) serving the interests of the most powerful social classes/groups. The state thereby maintains the system, and as Marx has argued, under bourgeois capitalism, it has effectively become a tool for class domination (Marx and Engels 1970, 15). This is all the more true in the age of the globalization of capital, when the nation-state form facilitates rather than regulates the mobility of capital: unable to adequately manage socioeconomic flows under and above the state, the nation-state has essentially turned a blind eye to the antagonisms produced, in particular by transnational corporate activity (inequality, unevenness, environmental destruction, increasing enclosure of the commons, etc.; see chapters 2, 4, and 5–8). GLE thus underscores the (neoliberalized) state as a mechanism for reproducing and covering over, rather than addressing, the antagonisms of the global capitalist order, most often abrogating its social welfare role in favor of facilitating endless accumulation to the benefit of sociopolitical elites and at the expense of the subaltern and laboring classes (China is no exception here; see chapter 5).

What GLE offers as alternative is a view of the state that, rather than reconciling social antagonisms, aims at embodying them: by identifying first with those who are excluded from the system—the part of no-part—who stand as symptom of class antagonisms. It is because the part of no-part have no stake in the system that, when the state identifies with their demands for equality-freedom (*égaliberté*), it is acting in the interests of all (Žižek 2008, 379, 427; Kapoor and Zalloua 2022, 165–68, 177–84), as when catering to the health needs of the marginalized implies attending to universal interests (no one is excluded from the health system), or when state land reform in favor of indigenous communities begins to put the most downtrodden on a more equal footing socioeconomically with others. Thus, rather than aiming at eliminating alienation (the ultimate

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Marxist fantasy, as stressed earlier), the state would become a technocratic apparatus that imposes on us all the conditions under which all humans and nonhumans, especially the Excluded, can thrive (albeit never without struggle or antagonism). In our current times of the COVID-19 pandemic, for example, such a view of the state is exactly what some (including the World Health Organization) say is pressingly required—relying on both science and effective global collaboration/coordination to ensure that everyone, not just the privileged, has equal access to vaccines and health care, because without such universal access the virus mutates and spreads, meaning no one—and certainly no country—is safe.

Conclusion

We have argued for a global libidinal economy that, in contrast to the market tendency to reduce the subject to a positive, unified, and hence commodifiable identity, views it instead as the embodiment of instability, if not irrationality, anxiety, and disorder. This is because the libidinal is the site of the recklessly desiring subject that is often overcome by excess to the point of self-sabotage and abandon. It is this recklessness that makes GLE dialectically materialist: desire's excess is what forever troubles our material reality, so that the latter is always punctured by a gap (i.e., the unconscious). It is also this recklessness that helps explain such global capitalist ills as social exploitation and domination, overconsumption, and the drive to endless accumulation, which threatens not just accumulation but the planet itself. And yet it is also such recklessness and relentlessness that, we suggest, can equally enable the subject to break out of the choke hold of global capitalism.

In what follows, we flesh out the above arguments in the context of what we see as key contemporary categories of IPE: production (chapter 2), consumption (chapter 3), informal economy (chapter 4), trade (chapter 5), financialization (chapter 6), ecology (chapter 7), and the state (chapter 8). We readily embrace Marxist IPE's claim that capital is the main structuring force globally today, but our purpose is to investigate and highlight the libidinal dimensions of such a structuring force in and through these categories, paying attention to them in the context of both the global South and North. Typically, "race" and "gender" do not fit the standard roster of IPE categories, but we explicitly include them as cross-cutting

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themes in several chapters, our point being to dialectically inflect mainstream IPE with critical broader questions of culture and power: such neglect in (much but not all) standard IPE, in our view, is revealing precisely of a disavowal of key axes of domination and exploitation.

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