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**The Price of Money: A Psycho-Cultural History**

*(This is an abridged talk on some of the topics elaborated in the book: Christina von Braun, Der Preis des Geldes. Eine Kulturgeschichte, Berlin (Aufbau) 2012)*

“Humanities Increasingly Under Fire”, writes the International New York Times.<sup>1</sup> Both in the US and in Europe politicians are implementing heavy budget cuts to a field considered of no interest for the economy. And yet, in recent years, both in the US and in Europe, some of the most interesting papers on money and economy have been put out by scholars from the humanities. Before the financial crisis, money was usually a topic left to economists. But when it turned out that most of them had few explanations for what was going on (to say nothing of the fact that nearly nobody predicted them) anthropologists, theoreticians of literature or the arts and historians of religion began digging in the field. The disinterest of economists concerning the cultural side of money was not always the case. As early as 1954 Joseph Schumpeter wrote in his *History of Economic Analysis*. “Nobody can hope to understand the economic phenomena of any, including the present, epoch who has not an adequate command of historical *facts* and an adequate amount of historical *sense* or what may be described as *historical experience*.”<sup>2</sup> In the two or three decades following the Second World War, both in the US and in Europe it was considered self-evident by many economists that it needed knowledge not only in the field of political, but also of cultural history to understand the mechanisms of economy. And, indeed, for some of them, it was also clear that money itself demands cultural insight. Modern financial economists tend to consider money as an instrument of economics, created to facilitate exchange and to standardize values. But the generation of Schumpeter knew better. His book on money (which appeared posthumously) opens with the statement „that in a people’s monetary system is reflected everything this people wills, does, *is*.”<sup>3</sup> Many economists would agree today that questions of finance may belong to the field of psychology, they search for answers in mass

psychology. While this is not untrue, money has more than this (partly measurable) side to it. The kind of psychology needed to understand how money ,works‘ has to do with the way culture has installed itself in our psyche. To put it in one sentence: The history of money is probably one of the best ,documents‘ we have to understand the history of the collective unconscious. And because this is so, many aspects of modern economy appear in a new light when regarded through the looking glass of culture. Money is anything but a neutral instrument; it is rather part of those religious, anthropological and sexual paradigms that have formed our collective and individual identity.

When we refer to money as a means of exchange or payment, a standard or repository of value, we are referring only to the *functions* of money, not to what it actually *is*. The money we deal with could be described best as a writing system. Counting tokens—for example for the number of sheep in a flock—represented an early form of bookkeeping. Today, theorists of the history of writing consider that writing developed out of the necessity of bookkeeping when larger agricultural spaces developed and temples or palaces had to administer these.<sup>4</sup> Lumps of clay, for instance, symbolized goods, services and debt or property relations. They also circulated as currency. Later, clay tablets showed more modern forms of bookkeeping. The close relationship between money and writing explains why the two systems continued to develop parallel to one another: the first coins were minted 150 years after the introduction of the alphabet in Greece. When the printing press was invented, the first paper money soon followed. Today, as we communicate via email, money also circulates as an electronic impulse. It is true, both historically and today, that the regions where you have the most intensive written communication coincide with the most intense circulation of money. Since money became increasingly abstract and uncertain in this process—coins were followed by bills of exchange, checks, and then by stocks and paper money, and nowadays electronic bits—the question of its certification became ever more pressing. The line I try to draw in this paper asserts that this role was assigned to

the human body, and that the certification of money (its ‘securitization’ to put in modern economic terms) by the human body gained in significance as money itself became more abstract.<sup>5</sup>

*The certification of money through authority*

Historically, there are three means of certifying money. One is authorization by a sovereign. A coin is minted as the symbol of a city, a ruler or a deity: Pallas Athene for instance on the coins of ancient Athens. The power of these figures certified the money. Here, too, money thus follows its proximity to writing. Alexander the Great was the first ruler to replace the portrait of the deity with his own. The Roman emperors followed his example. But soon, sovereigns abused their power of issuing currencies to make a profit. This began in Antiquity and continued throughout history. In 1303 alone France reduced the silver content of its coins by more than fifty percent. „At times, French revenues from currency manipulation exceeded that from all other sources“, including taxes, of course.<sup>6</sup> During the reigns of Henry VIII and his successor Edward VI the English pound lost 83 percent of its silver content.<sup>7</sup> „For economists, Henry VIII of England should be almost as famous for clipping his kingdom’s coins as he was for chopping of the heads off the heads of his queens.“<sup>8</sup> Finally, the certification of money by the sovereign lost its credibility—and all monetary theories of the past 800 years have faced this problem: from Nicholas Oresme, a French bishop who in the fourteenth century wrote a pamphlet in which he proposed to remove money from the hands of the “counterfeiter kings,” to Friedrich von Hayek, whose 1977 book *The Denationalization of Money*, argues for a general abolition of national currencies, “When one studies the history of money one cannot help wondering why people should have put up for so long with governments exercising an exclusive power over 2,000 years that was regularly used to exploit and defraud them.”<sup>9</sup>

*The material certification of money*

Money is, secondly, backed or certified by material entities such as grain or cattle. The word *shekel* comes from the Akkadian and means to weigh. The Latin word for money, *pecunia*, is derived from *pecus*, cattle. Our term ‘capital’ also refers to the head in a herd of cattle, whose offspring are the ‘interest’. Aristotle used one and the same word for interest and offspring: *tokos* from which the English word ‘token’ derives. Among the material entities, land was considered the guarantee of greatest security and thus eligible to the highest ‘liquidity-premium’, to use an expression of Keynes.<sup>10</sup> This was due to its seeming imperishability, but this assurance is quite misleading: the amount of land can be increased—for example by irrigation or drainage. Or it can disappear— for example through global warming and rising sea levels.

The precariousness of land appears to be one of the reasons why it was in the Netherlands of all places that trade in virtual commodities began to flourish so early on. One-third of Holland’s land mass is below sea level. The belief in virtual commodities showed clearly in the tulip speculation of 1635. While this speculation began with actual tulip bulbs, they were soon being traded solely on the basis of pictures in catalogues: slips of paper indicating property transfers were passed from hand to hand, and florists sold tulips “they could not deliver to buyers who did not have the cash to pay for them and who had no desire ever to plant them”.<sup>11</sup> It is no coincidence that the first stock exchange was established in Amsterdam. Holland was also the first country to turn art into an alternative currency. The famous English diarist John Evelyn, who traveled through Europe in the seventeenth century, visited Rotterdam in August 1641 and was impressed by the many pictures for sale at a fair there: “The reason of this store of pictures, and their cheapness, proceeds from their want of land to employ their stock, so that it is an ordinary thing to find a common farmer lay out two or three thousand pounds in this commodity. Their houses are full of them and they vend them at their fairs to very great gains.”<sup>12</sup>

Another reason why landed property no longer offered security: In the eighteenth century, parallel to the introduction of paper money, it became a commodity. The commercialization of land had consequences that the anthropologist Karl Polanyi describes in his wonderful book on the history of industrialization, *The Great Transformation*: Traditionally, he writes, land was also associated with “kinship, neighborhood, craft and creed, with tribe and temple, village, guild and church.” To take this element of nature, “isolate it and form a market for it was perhaps the weirdest of all the undertakings of our ancestors“.<sup>13</sup>

On the other hand, the introduction of paper money had a great influence on social mobility and the rise of democracy. This was already true for money in antiquity, where slaves who dealt deftly with money could gain freedom, and this effect became ever more important with paper money. Some of the first banknotes were created in North America; they brought independence from the English motherland. The banknotes were backed by tobacco, even in states like New Jersey, where no tobacco was grown. In France, on the advice of the Scotsman John Law, the Crown issued paper money in 1720, which was allegedly backed by land in France’s American colonies and their rich mineral resources. When doubts arose concerning the existence of these resources the currency collapsed within a few weeks, and great fortunes dissolved into nothing. The French state treasury, however, got rid of its debts. The experiment was repeated in the French Revolution with the *assignats*. When the Revolutionaries needed weapons and supplies to defend their cause they issued papers that were backed by land confiscated from the Church—this land constituted one-fifth of the entire territory of France. Soon, there were more papers than land. Moreover, aristocrats who had fled to England smuggled counterfeit *assignats* into France: soon the papers lost their value and France finally had to abandon its “grounded standard.” By this time, though, the feudal system had been overthrown and a new social class, the bourgeoisie, was firmly established. Its revolution “had been financed with the help of the *assignats*”.<sup>14</sup> To put it in short, paper money financed American

Independence, the French Revolution, the Russian Revolution, and had a democratizing effect—provided that it had backing.

Among the forms of certifying currency with commodities, precious metals proved of utmost longevity—paradoxically enough, because their value is mainly symbolic. One can weigh gold or silver or test its fineness, but the actual value is and always was fictitious. In ancient Babylon it was determined according to the religious aspects of astronomy: Throughout antiquity and well into the Middle Ages the exchange rate of gold and silver remained at 1:13 $\frac{1}{3}$ . Why this weird relationship? Gold symbolized the sun, and silver the moon, and their relative value was derived “from the relationship of the orbital rotations of these heavenly bodies to one another”.<sup>15</sup>In China and Japan the ratio between the value of gold and silver was set more pragmatically, but no less randomly, at 1: 10. The mythical background of the value of gold explains why it has not relinquished its value as an investment object even after the abandonment of the gold standard. Interestingly it corresponds to the ratio of capital resources and volume of credit defined by Basel I. Basel II laid down an exchange ratio of 1:40—this was at the beginning of deregulation. Since the financial crisis of 2008/2009, 8.75 percent equity capital is again under discussion, which corresponds quite closely to the exchange ratio between gold and silver the Babylonian priests had derived from the planets in heaven. This is just one of many examples of the long-term memory we find in the history of money.

In other words, the material certification of money also leaves much to be desired. Today, as we all know, only a fraction of the circulating capital has its counterpart in tangibles or the ‘real economy.’ To be sure, the modern financial market claims that currency requires no backing. Yet there is much to indicate that abstract, electronic money in particular needs certification. It is this function that the human body must fulfill, and it was from the outset invested in the third form of currency certification.

*The sacred certification of money*

This third form of certification emerged in Greece, the cradle of Europe. It derives from temple sacrifice. The Germanic word *Gelt* (the German word for money, but written with a ‘t’ at the end) actually means ‘offering to the gods’. The verb *gelten* connotes to pay back, to pay, to cost, to be worth, to requite or compensate, but also to cut into pieces. *Geld* or money is “a tribute to be paid to the divinity”.<sup>16</sup> In English the word ‘guild’, which originally indicated a sacrifice community, is derived from the same etymology.<sup>17</sup> The Greek word *obolós*, from which the ecclesiastical term *obolus* (contribution in Church) comes, refers to a little meat skewer, the instrument with which members of the community partook of the sacrificial meal. These small skewers became currency. They had no material but purely symbolic value derived from their sacred function in sacrificial ceremonies. The sacrificial act disappeared, but the symbol remained: as a substitute for the actual sacrifice. The skewers in turn were replaced by coins bearing symbols of the sacrificial animals—such as bull’s horns—or instruments used in sacrifice. These coins were used for profane commerce: The first Greek coin was called *obolós*. In short, the actual sacrifice was supplanted by a sign of the sacrifice. Sacrifice rituals gradually receded in Greece, while at the same time money gained in influence over the economy. At the same time, the symbolic quality of money determined its further development into abstraction, and this on the other side required that the reference to sacred certification via sacrifice would never be lost.

The sacrificial cults took place in the temples of fertility goddesses like Artemis or Hera. The sacrifice offered up to the deity was intended to move her to bless the fields, livestock and human fertility. The oldest known coins were found in Ephesos, the site of the cult of Diana or Artemis. In the temples of these fertility goddesses the first Greek mints and banks were installed. Because the theological certification of money appeared the most secure, to this day the architecture of our banks and stock exchanges resembles that of the Greek temples. This sacral appearance allowed the banks to dispense with the convertibility of their

banknotes. , The Bank of England was the first to do so. The more abstract money became, the more precarious its backing, the more monetary economy insisted on a theological certification. The American dollar bills bear the words “In God we trust” (and not “In gold we trust”). Finance economy until today relies on the temple discourse of antiquity. The symbol of the bull as an emblem of the stock exchange is just one indicator.

Not only the idea of sacrifice but also the cult of fertility was transferred to money and economy. The figure of Danaë, whom Zeus impregnated in the guise of a shower of golden coins, is but one legend of this. The conversion of temples to banks was another. The translation of sacred fertility rites to money explains why the vocabulary of finance sounds so theological—most clearly in the proximity of *credo* and *credit* —, and why stock market reports contain so many biological terms derived from nature: cycle, flow, growth, circulation, and the like. The Deutsche Bank takes up this tradition when it depicts its investment advisors on publicity flyers as female gardeners “who tend the delicate plants in your portfolios.”

How can sacrifice ‘certify’ money? This can be explained by the society of the gift which Marcel Mauss has described so brilliantly: In pre-monetary societies, the circulation of gifts and counter gifts guarantees social cohesion. The bond created in this manner banishes the danger of conflicts within and between communities. The sacrificial rite takes up the principle of gift and counter gift—now, in exchange with the deity. However, a sacrifice and a gift have value only when they ‘contain’ the giver. Sacrifice is a matter of “yielding as a pledge *something of one’s own*, something assimilated to the body or goods of the sacrificer or the group offering the sacrifice.”<sup>18</sup> In other words, when an animal was sacrificed in the temple, it actually represented and substituted a human being. The sacrificial rituals themselves refer to this. “In Egypt the seal used to mark the sacrificial animals depicted a kneeling man tied to a stake with his hands behind his back, and a knife at his throat.”<sup>19</sup> The bull is the proxy of man and is



sacrificed for him. Rulers like Augustus drew their power of issuing coins not only from their own portraits, but also from this sacred backing of money. It is only from this connection, that money is not merely a substitute for animal sacrifice but itself ultimately rests on a symbolic human sacrifice, that one can understand why we continue to lend such credence to the pure sign: The ultimate authority that lends money its credibility is human life, the offerer contained in sacrifice. The modern symbols for money make it quite evident that our faith in money still rests on this form of certification: The two lines in the signs for the dollar (\$), the British pound (£) and more recently also the euro (€) are relics of the bull's horns.<sup>20</sup> And even bitcoins, an even more abstract form of money, have taken up the same symbolic form. Yet another example of the long—unconscious—chain of memory we find in money.

*The gendered coding of the sacrificial offering*

That money relies for its backing on the logic of human sacrifice and fertility becomes tangible in two sacrificial contexts, one of which refers to the female and the other to the male body. The 'female' context comes from the first societies that engaged in agriculture and animal husbandry and, unlike hunter-gatherers, intervened in nature. These were the very first societies to celebrate sacrificial cults. Hunters and gatherers regarded themselves as part of the flora and fauna; they had a right to nourish themselves from this bounty just like any animal or plant, even if it meant killing another creature to do so. Agrarian societies, in contrast, intervened in nature and thereby incurred a debt towards creation. In order to atone to the deity, the creator of nature, people sacrificed the first harvest or the first-born lamb from their herd. (It was here that the association between guilt, debts and guilty conscience that still determines discourses in theology, economics and psychology today arose.) The sacrificial rite was expressed in early knife or spade money on the one hand, but also in shell money on the other. As with gifts, the highest offering was the female body: As Lévi-Strauss has shown in his elaboration on Marcel Mauss's discussion of the gift, it represented

the most valuable gift that a society can offer ‘of itself’. Chains of shells, which were used in payment of bride price and also circulated as currency represented this sacrifice. For if there was no direct ‘wife exchange’, a substitute, the bride price, could be paid instead: “This ‘money’ and these goods constitute the pledge that another bride will at some point be returned to the giver group.”<sup>21</sup> The female ‘sacrifice’ based on this gift exchange was performed symbolically: through the domestication of female sexuality. Like nature, female fertility was subjected to societal regulation. Symbols of this could be female genital cutting, Chinese footbinding, but it is generally intricate to the institution of marriage, in which woman was denied autonomous status, especially concerning her sexuality. Why did the cowrie shell become the symbol of this form of sacrifice? Because cowrie shells strikingly resemble the female genitalia. In some parts of the world this currency was still in use in the twentieth century. Many terms and signs in Chinese writing pertaining to economy and money refer to shells, and it still appears today as a bank symbol in some regions of Asia.

The sacrifice referring to male sexuality is closer historically to our currency and is associated with minted coins. Here, too, it is a matter of fertility secured by the offering. The most important sacrificial animal, the bull, stood for masculinity and was offered up in rituals of sacrifice to fertility goddesses such as Artemis. Scholars long wondered what the protrusions on the breastplate of Artemis represented. They were believed to be fertility symbols: breasts, eggs, fruits and the like. They *are* fertility symbols, but not female ones. Instead, they are the testicles of the bulls sacrificed to Artemis. This was at once an act of sacrifice (human beings offer up the most valuable things they possess) and a fertility ritual. This offering implied the domestication of male sexuality. The original English word for castration, to geld, is related to the German word for money as well as to the guild as a sacrificial community. Male castration was a prerequisite for the fertility of money.

The meaning of this symbolic castration is reflected in the history of the alphabet—a further indicator of the close ties between writing and money. All letters of the alphabet were originally hieroglyphs, sacred symbols. The word *alpha*—the first and most important letter of our alphabet—is derived from the Semitic word *eleph* (bull or ox). The figure of the alpha went through many phases, beginning with a clearly recognizable bull's head. In the course of its history, the symbol was turned on its side, assimilating the meaning of the plough. A horizontal line appeared that referred to the yoke and thereby to the castrated bull. “The taming of the bull is the great achievement of the developing agricultural civilization, and, like the invention of the alphabet, a milestone in the progress of man.” The two events were contemporaneous.<sup>22</sup> Finally, the symbol took on anthropomorphic form, just like the Greek gods themselves. The two lines of the A, which originally marked the bull's horns, now pointed downward and represented the legs of a man standing upright. Kallir: „The transformation of the picture of *aleph*, the bull, into *alpha*, replica of the human being, typifies the event. [...] Man becomes the master of the world“.<sup>23</sup> From now on, writing as a culture of empowerment, replaced the male genitals. It is no coincidence that writing instruments are described as phallic symbols and words like pen and pencil are derived from penis.

The symbolism of these cultural turns is visible until today in Spanish bullfights, which usually take place on days consecrated to the Virgin Mary who inherited from the ancient fertility goddesses the facility to give birth as a virgin. During the bullfight, the bull enters the ring as a figure representing masculine sexual power. The torero appears almost fragile in contrast, which is underlined by his feminine clothing. He symbolizes the power of the mind, which is supposed to win out over sexual potency. The fight between these two principles of masculinity is what makes the excitement of both the *corrida* and the stock market. The underlying notion can already be found in the painted vases of antiquity, where masculine power—over a wife, a hetaira or a pupil—was represented as a

moneybag in the shape of the male genitals. These paintings show that already in ancient Greece the word *semen* became *sema* (the sign) and the male seed was transformed into money. A new and specific form of fertility ensued: the minted coins of Greece would be the first to produce interest, an economic form of ‘offspring’. Only against the background of this metamorphosis of male sexual into male intellectual power rooted in the sign can we understand the exclusion of women and the persistence of ‘masculine’, quasi-Vaticanic standards in the higher echelons of finance: Since the male body has paid the castrating price of money, the fruits of this sacrifice belong to men alone. The meaning of the masculine ideal of asceticism for the history of money has been described very well by Max Weber when he shows the links between early Protestant capitalists and secular forms of monastic life these adhered to.

#### *Christian Religion and Money*

How could this symbolism of sacrifice, potency and fertility survive for so long? To put it simply: Money allied itself anew with religion, and found in Christianity the ideal cultural breeding ground for the credibility of money. It is mainly thanks to Christian religion that money preserved the connection to its sacred ‘backing’ for so long. Two factors were key here: one was the importance that Christianity accorded to faith. The business of credit is also based on the principle of faith. Secondly, the Christian doctrines of sacrifice and incarnation – the ‘word-become-flesh’ – also promoted the further development and spread of monetary economy. As early as the time of Constantine the Great the Passion of Christ, which was coded as a masculine sacrifice, served the authorization of coins. Coins were imprinted with the portrait of Christ or the cross. In the symbol of the cross, as with money, sacrifice and fertility are closely allied: The so-called paradox of the cross states that the cross symbolizes sacrifice *and* resurrection, death *and* life. Only when the cross took on this dual meaning did Christians accept it as a symbol of their faith. The symbolism of the cross corresponds to the two sides of money: Sacrifice on the one side, as a means of certification, and life, Christ as

the ‘word-become-flesh’, on the other. When the monetary economy reasserted itself in the thirteenth century for the first time since Antiquity, and trade and urban life experienced a new efflorescence, the host assumed the form of a coin. This ninth-century reliquary allegedly contains the foreskin of Christ. It takes the form of a moneybag, recalling Greek vase painting with its moneybags in the form of the male genitals. The reliquary is kept in the basilica of St. Foy in the Auvergne. Relics were the most important commodities of the early Middle Ages, for the first trade fairs emerged where there were relics. From the beginning these were both sites of pilgrimage and of commerce. (The German word ‘Messe’ has the double meaning of ‘mass’ and ‘trade fair’). Until the end of the twelfth century, nine out of ten privileges for the foundation of markets in Christian Europe were issued to the clergy.

Another factor also made Christianity a suitable terrain for the further development of the monetary economy: the notion of guilt/debt that was peculiar to the religion. This is linked to the above-described ‘guilt’ for intervening in nature and violating divine rights, for which a sacrifice must be made (which in turn provides money with a link to reality). What does this guilt principle consist of? In the Christian religion, it is not the human being who sacrifices to God, but the other way around: God sacrifices himself—in the guise of his son—for humanity. This divine sacrifice implies an incredible liberation, on the one hand: Christ’s one-time sacrifice, according to the doctrine, renders any further sacrifice superfluous, and human beings are absolved of their debt/guilt (towards creation) once and for all—a promise that allows them to overcome their inhibitions about enlarging their conquest of nature. On the other hand, the believer cannot respond to such a divine gift with a counter gift. The law of exchange does not function, and the debt that emerges can never be repaid. And it is this very relationship of debt that becomes the motor of a constant multiplication of money: It corresponds to the hope that one day there will be enough money around to pay off the debts towards the creator. The German term ‘Schuld’ corresponds to both sin/guilt and

to economic debt.<sup>1</sup> The Latin language allows to differentiate between guilt and debt, and yet the Italian ‘Our Father’ does not speak of ‘sinners’, but of ‘debitori’. So does the old English version of the prayer, according to the bible of James I: “And forgive us our debts, As we forgive our debtors”. Already the first Church Banks, created by the Franciscans used the image of Christ on their promissory notes or debt certificates. And as everyone knows the Roman Catholic Church made a good fortune by issuing indulgence letters against payment. All these ideas are borne along by the fantasy that it is possible to buy one’s way out of guilt—in an economic way. In short, it is no coincidence that the modern monetary economy and capitalism developed in the sphere of Christian culture, and that the idea of the free market arose here.

*Money: The modern logic of sacrifice and incarnation*

What are the modern implications of the above and some of the mechanisms by which the logic of sacrifice and incarnation is inherent to money in modern economy? The examples I choose are quite random, but may exemplify the point I’m trying to make that the old idea of money certification has kept its validity for modern monetary issues. In the financial crisis of 2008/09, in the USA alone, six million individuals lost their jobs and homes: They paid with their real bodies and social existence the price of money. They were ‘sacrificed’ so that the faith in money could be restored. Other example: In 2009, the US Army managed to fill its recruitment quotas for the first time in thirty-five years, although it was abundantly clear that the soldiers would be sent to war zones.<sup>24</sup> The economic downturn and rising joblessness had led more qualified youths to enlist. “We delivered beyond anything the framers of the all-volunteer force would have anticipated“, said Bill Carr, deputy head of the Pentagon department responsible for recruitment.<sup>25</sup> The logic of sacrifice also shows in the inflated prices for basic

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<sup>1</sup> The English term ‘guilt’ itself is linked to sacrifice. It derives from the Old English *gieldan*: ‘to yield, pay, pay for, reward, requite, render, worship, serve, sacrifice to, punish’.

foods, which are created by speculation and lead to four times as much money being invested in corn as there is corn, making this basic foodstuff unaffordable for large numbers of people.

Another example are the bonds developed by Wall Street in 2009, one year after the Lehman Brothers bankruptcy. They are based on life insurance plans, which (like the real estate funds that preceded the crash of 2008) are bundled in ‘packages’. These bonds contain the life insurance policies of older and ill people with a low life expectancy. A market for the resale of life insurance policies already existed before. Goldman Sachs created a tradable index, „enabling investors to bet on whether people will live longer than expected or die sooner than planned.“<sup>26</sup> In the new bonds, diversification was meant to protect the investor against the risks involved in buying the life insurances of people that live longer than expected. “It is not a hypothetical risk. That is what happened in the 1980s, when new treatments prolonged the life of AIDS patients. Investors who bought their policies on the expectation that the most victims would die within two years ended up losing money.”<sup>27</sup> That is what the *New York Times* wrote about these new investment opportunities on its front page. With these new funds, Wall Street wanted to repeat the model of subprime mortgage securities. It was based on the idea that the real estate market can only collapse in one region, but never across the entire country. „A bond made up of life settlements would ideally have policies with a range of diseases – leukemia, lung cancer, her diseases, breast cancer, diabetes, Alzheimer’s. That is because if too many people with leukemia are in the securitization portfolio, and a cure is developed, the value of the bond would plummet.“<sup>28</sup>

In industrial capitalism—as Marx demonstrated—human labor, thus *life*, contributed to the accumulation of capital. In finance capitalism, however, where the *certification* of money is primary, people are sacrificed, or, in the words of Zygmunt Bauman, ‘wasted’, so that they may certify money by their actual or

social death. With their precarious existence they pay the price for money's precariousness. That is quite a different functionalization of poverty.

Not just the sacrificial logic of money, but also the logic of incarnation usurped the human body. This is evident in the history of commercial sexuality, which always ran in close parallel to that of money. Prostitution arose with monetary economy, and always spread where money played an important role in the economy.<sup>29</sup> According to French-Canadian sociologist Richard Poulin's book *La Mondialisation des industries du sexe*, the sex industries "are today considered the 'sector' with the highest rate of expansion."<sup>30</sup> The density of the flow of money corresponds to the international circulation of human bodies. This applies not just to prostitution, but to the labor market more generally. It is particularly striking for prostitution, however. We might explain the expansion of prostitution with the 'necessities' of the male sex drive. We can also ask ourselves, however, whether the male sex drive might not in turn be understood as a product of finance capitalism. "In the expanding sex industries," writes Poulin, "which produce substantial migrations of population and generate fantastic profits and income, we find the fundamental characteristics of the present-day capitalist economy."<sup>31</sup> This sounds less like sexual needs than the exigencies of the modern money market.

But money wants more than mere sex,<sup>32</sup> it would also like to incarnate itself in 'real children.' In the Renaissance the wives of moneychangers were said to be barren: This was the price they paid so that their husbands' money could develop its fertility. In some portrayals, the moneychanger's wife draws hope from the image in the book lying open before her: It shows the Virgin and child, a symbol that had become flesh in her body.<sup>33</sup> This religious idea was turned into medical reality with the modern reproductive technologies and their sperm banks, egg donor agencies and paid surrogate mothers. Britain recently issued a new two-pound coin: One side shows the classical genealogy with the queen, the other the new kind of genealogy, symbolized by the double helix. This coin signifies a new mode of money fertility, closely linked to reproductive techniques.



A female egg in Romania costs 100 to 1,400 euros, in the USA up to 100,000 dollars—for example for the egg of an Ivy League graduate. Male sperm is cheaper and also easier to store—with the effect that there are now sperm donors who maintain Excel tables of their scattered offspring. The New York Times recently reported on one father whose sperm, kept in a sperm bank, has helped to produce 150 children. Adding up the expenses of sperm and egg donation, surrogate mothers, medical services, brokers' fees and legal fees (given the often complicated contracts involved), parents can expect total costs of at least 120,000 dollars for their 'high-tech offspring.'

It is above all the money that demonstrates its fertility, however. Overall, reproductive technology—egg and sperm donations, surrogacy and embryo adoption—raises the question of who are the 'real' parents. As early as 1990, in a dispute between the intended parents and a surrogate mother who refused to relinquish the child after birth (it was genetically her child as well), a U.S. court found that the woman “who intended to procreate the child” was to be considered as the “natural mother”. The judgment was confirmed by the California Supreme Court which argued that the “arrangement of procreation” made her the real mother.<sup>34</sup> Taken to its logical conclusion, this implies that money has become capable of producing the very human bodies it needs for its certification.

This may be exactly the reason why we are all willing to leave so much power to the financial market and its agents: we hope that they have the key by which we are at last redeemed of our debt/guilt.

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<sup>1</sup> Dec. 2<sup>nd</sup> 2013.

<sup>2</sup> Joseph Schumpeter, *History of Economic Analysis*, Ed. from manuscript by Elizabeth Body Schumpeter, (1954) Introduction by Mark Perlman, New York/Oxford (Oxford University Press), 1994, p. 12f.

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- <sup>3</sup> Joseph Schumpeter, Money and Currency, Introduction by Richard Swedberg, in: *Social Research*, Vol 58, No. 3, 1991, p. 504.
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