

Racial capitalism, uneven development, and the abstractive powers of race and money

EPA: Economy and Space

1–7

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DOI: 10.1177/0308518X231202914

journals.sagepub.com/home/epn**Ilias Alami** 

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Abstract

How does the circulation of capital in the form of money and finance mobilize different constructions of “Blackness” across historical-geographical contexts, and how does this produce uneven development? This contribution offers theoretical and methodological provocations to think about this question, drawing on two cases of raced finance: race-based bank lending in the United States, and international investment to sub-Saharan countries. I argue that the impersonal character of social domination under capitalism, expressed in and by the movement of abstract categories (such as the commodity, value, money, the state) requires that we carefully mobilize the notion of *abstraction* in theorizing the co-production of racialized difference and uneven development. I develop this conceptual argument by way of a sympathetic yet critical engagement with recent scholarship on racial capitalism, and by bringing the critique of political economy into conversation with the Black radical tradition. The key question is not the extent to which cases of raced finance exhibit a paradigmatic “anti-Blackness.” Rather, it is about how the abstractive powers of race and the social forms of capital refract each other in violent configurations, and contribute to giving the capitalist production of space a raced imprint. The co-production of racialized and spatial difference thus enhances processes of capitalist discipline and extraction mediated by money, while the totalizing operations of money reproduce racialized power relations and uneven development. I then turn to the work of Bhandar and Toscano to reflect methodologically on how to mobilize various *levels* and *modalities* of abstraction in concrete research.

Keywords

Racial capitalism, anti-Blackness, Black radical tradition, real abstraction, money and finance

Confessions of an anti-“anti-Blackness” capitalist

In December 2021, a few colleagues from Maastricht University and myself conducted a range of interviews in Kenya. One of our informants was an investor based in the financial district of Nairobi. For anonymity purposes, let’s call him James. James is an American citizen, with more than 20 years of experience in corporate and investment banking, private equity, and venture capital in the United States. Amongst others, he worked at JP Morgan, the International Finance Corporation, and has been

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an advisor at the World Economic Forum. He now specializes in “emerging markets” finance and lives between Washington DC and Nairobi. Quite importantly for what follows, James is Black, and has recently founded a fintech company which specifically targets the African-American diaspora. In exchange for a fee, his firm offers to channel American Black-owned savings into investment opportunities in Kenya and other African countries.

During our interview, James explained that African Americans, because of their history of marginalization from (followed by predatory inclusion into) the American banking system based on the color of their skin, are uniquely positioned to understand that firms and governments in Black African countries are also suffering from racialized stereotypes on the part of the international finance community, affecting the pricing, amount, and quality of the finance which they receive. In other words, he is acutely aware that racialized difference results in the differential treatment of populations and governments by financial capital. Furthermore, while James knows that these two cases are of course different, he nonetheless believes that there is something unique that unites them, which is related to how the “Blackness” of financial recipients is perceived by loan officers and international investors. In short, they both exhibit a sort of “anti-Blackness.” James’s wager, and business idea, is precisely that he can leverage the shared experience of anti-Blackness amongst African Americans and Black Africans. In characteristically capitalist fashion, he aims to monetize it.

James’s remarks struck me as a stimulating starting point to a reflection on the relation between race and finance. Framings of “Blackness” and “anti-Blackness” clearly have some descriptive validity in both cases, and one could indeed read James’s business as an example of a Black capitalist strategy consisting of profiting from the prevailing “anti-Blackness of capital accumulation” (cf. Bledsoe and Wright, 2019). Yet what I find most interesting in James’s comments are the broader questions that they raise, beyond his own understanding of Blackness and the rationale he articulates for his actions and business model: how does the circulation of capital in the form of money and finance mobilize different constructions of “Blackness” across these two historical-geographical contexts, and how are specific spatial configurations produced in the process? How does this relate to enduring articulations of race, money, and uneven development in the making of the modern world? In sum, James’s comments invite a relational comparison (Hart, 2018) of how race and money operate in differentiated but interrelated ways, and how they are implicated in processes of uneven development.

In this commentary, I explore generative pathways, both theoretical and methodological, to conduct such relational comparison, as well as warn against potential pitfalls. My argument is that by bringing together insights from the critique of political economy and the Black radical tradition, we can develop conceptual tools to theorize racialized difference and uneven development across contexts. I focus on one such tool in particular, the notion of abstraction. Now, I am aware that this is not an easy argument to make, not least because, as Sorentino (2019: 18) notes, the literature on racial capitalism has featured

conflicting approaches towards the problem of abstraction. On the one hand are Marxists who want to redeem Marx’s abstractions and, consequently, his totality; on the other are postcolonial and critical race scholars who reject the theoretical validity and political purchase of “abstraction” altogether.

Yet, I argue that it is the very impersonal character of social domination under capitalism, expressed in and by the movement of *abstract* categories (such as the commodity, value, law, money, the state, and so on) which requires that we carefully mobilize the notion of abstraction in theorizing the co-production of racialized difference and uneven development. My primary (and limited) objective given the format of this contribution and its place in the Symposium, is to advance a set of theoretical and methodological propositions concerning the notion of abstraction in racial capitalism. It is grounded in a long-term research project developed with Vincent Guermond (cf. Alami and Guermond, 2023).

More precisely, I build on recent work that reflects on the role and significance of abstraction in specifying whether the connection between race and capitalism is a contingent or logical necessity (i.e., if race must be understood on the same level of abstraction as the laws of motion of capitalism) (cf. Conroy, 2023; Go, 2021; Mau, 2023). With these authors, I argue that carefully manipulating abstraction is indeed fundamental to understanding how capitalism and race “collide” (Conroy, 2023), and I illustrate this argument by focusing on money and finance. Furthermore, I add to these debates by emphasizing that the notion of abstraction in racial capitalism does not simply refer to a tool of dialectical inquiry (a means of moving between levels and modalities of analysis, and of parsing the distinction between the necessary and the contingent), it also crucially refers to the ways in which social life is ruled by the movement of “real abstractions.” I show that this has important implications for how we conceive of the coproduction of racialized difference and uneven development.

On the (mis)uses of abstraction in racial capitalism

Let me start by offering a sympathetic yet critical engagement with recent racial capitalism scholarship to demonstrate why abstraction significantly matters in theorizing racialized difference and uneven development. It is worth saying out the outset that this is a very diverse field in how various authors map race, capital, capitalism, and their interrelations, including deep disagreements and productive tensions (see Go, 2021; Singh, 2022).

First, misusing abstractions may result in faulty generalizations or erroneous universalization of particular capitalist trajectories. This is evident, for instance, in how James approaches the two sites of racialized finance mentioned earlier. In assuming, based on his American experience, that race operates in the same way across the two sites, James abstracts the United States from its context and turns it into a paradigmatic case. This universalizing impulse is quite common in racial capitalism scholarship, perhaps because it has largely focused on the Atlantic settler-slave formation as a site for investigation and object of critique. This results in formulating theories that “far exceed the specificities of this formation,” as Omstedt (2021: 1207) argues.

To avoid this universalizing impulse, postcolonial scholars make the case for provincializing capitalist trajectories and privileging contingent and connected histories. Relatedly, some argue for deploying the methodological principles of uneven and combined development, with an emphasis on multi-linear historical development trajectories and their interweaving (Omstedt 2021). Others submit that we should retreat from high-level, abstract generalizations altogether. For example, Bhattacharyya (2018) rejects a general theory of racial capitalism in favor of the more contingent analysis of “the place of racialization in particular instances of capitalist formation” (p. ix). I sympathize with these propositions, inasmuch as it is crucial to situate racialization within localized dynamics of class formation, spatialized processes of dispossession/expropriation, and place-specific class-political projects. Yet, we should not abandon the project of theorizing the co-production of racialized difference and uneven development with reference to the totality of capitalist social relations, which is characterized by a very distinctive configuration of abstraction and concreteness (O’Kane, 2020; more on this below).¹

Difficulties dealing with the latter have arguably hampered theorization efforts, which is the object of my second sympathetic critique of recent racial capitalism scholarship. Consider, for instance, Bledsoe and Wright’s (2019) powerful argument that global capital accumulation features “a fundamentally anti-Black agenda” (p. 18), a claim they make on the basis of a careful documentation of a range of instances, in the United States and elsewhere, where capitalists have implemented accumulation strategies relying on racist assumptions about Blackness, with profound racialized and spatialized impacts. While I share their motivations and fully endorse their theorizing impulse, what is arguably missing from their argumentation is a means of linking the concrete strategies and conscious practices of capitalists to the movement of abstract forces “operating behind their backs.” Theorizing

this link is important insofar as global capital accumulation is indeed determined by the subordination of the former (and of social life in general) to the latter. In what follows, I offer reflections on what taking this fundamental insight seriously would mean for theorizing the co-production of racialized difference and uneven development. For this, I turn to the critique of political economy which I bring into conversation with the Black radical tradition.

Revisiting the critique of political economy through the Black experience

The critique of political economy is fundamentally concerned with the alienated character of social life in capitalist society. In such society, human beings are dominated by the results of their own practical activity, which they experience as an autonomized, impersonal, alien power. This alien power finds expression in the movement of abstract categories (such as the commodity form, value, law, money, the state). Thus, the critique of political economy is the critique of these categories as historically specific forms of expression of capitalist social relations (Bonefeld 2001). As Marx puts it, these categories are “abstractions” from such relations; they are not illusions, or mental constructs, but “real” (or concrete) operative forces. They both contain the immanent violence of capitalist social relations and operate on them.

The contribution of the Black radical tradition is fundamental here: it emphasizes the importance of racial ordering and other technologies and practices of colonial rule (from colonial modes of land appropriation to chattel slavery, indigenous dispossession and genocide) in the social constitution of the categories at the core of capitalist modernity, such as the abstract figure of the free and equal citizen, private property, wage-labor, the nation-state, and various other political and legal-judicial forms (Bhattacharyya, 2018; Nichols, 2020; Shilliam, 2015; Singh, 2016; Virdee, 2019). As such, these abstract categories not only already “contain” racialized difference; racialization processes inhabit and shape the very movement of such categories “from the inside,” thereby powerfully contributing to the dialectic of homogenization/differentiation which animates the self-expansion of the capital relation. The Black radical tradition also gives us tools to theorize the role of race as a “productive force” in this dialectic. Here it is useful to draw upon the work of scholars who conceive of race as a “practice of abstraction” which “displaces difference into hierarchies,” notably by drawing rigid boundaries, both in the social and spatial sense (Bhattacharyya, 2018; Gilmore, 2002: 16). Tilley and Shilliam (2018: 537) neatly capture the violence of this processes when they write that race functions as “a mode of classifying, ordering, creating and destroying people, labor power, land, environment and capital.”

From the above, we can frame the question of the co-production of racialized difference and uneven development in capitalism as follows: how do the “abstractive powers” (Bhandar and Toscano 2015), of race and the social forms of capital operate together, refract each other in particularly violent configurations, and contribute to giving the capitalist production of space a raced imprint? Now, this raises the thorny question, encountered earlier, of manipulating abstraction. As Werner (2015: 13) eloquently puts it: how do we “shift our analysis from the abstract lineaments of value and difference in global hierarchies of capital and labor to the concrete determinations and everyday politics of place production?” Here I find Bhandar and Toscano’s (2015) analysis of the abstractive powers of race and property particularly inspiring. Drawing upon Stuart Hall’s writings on “articulation,” they carefully mobilize various levels and modalities of abstraction in their analysis of how race and property shape each other. Let me illustrate what this means by returning to the two sites of raced finance mentioned earlier, that is, race-based bank lending in the United States, and international investment to sub-Saharan countries.

Raced finance as a combination of the abstractive powers of race and money

At “the high-level *logic* of abstraction,” these cases are about how money operates in and through race. Money in capitalism, the critique of political economy tells us, is not the neutral, technical, economic instrument that it appears to be. It is the most pre-eminent, abstract, and “autonomous” incarnation of wealth and class power in modern society. Its movement powerfully determines the immediate conditions (and mere possibility) of life (Clarke, 2003). It plays a fundamental role in value’s drive to impose its universalizing character, reducing the qualitative contents of lived experience to the quantitative metric of socially necessary labor time (abstract labor). Yet, as economic geographers have comprehensively shown, the movement of money is also predicated upon and reproduces uneven development (e.g., Christophers et al., 2017). Our cases, then, are about how the abstractive powers of money and race simultaneously produce racialized and spatial difference, as part of the dialectic of homogenization/differentiation which animates capital (see Alami and Guermond, 2023).

Let us now move to a lower (or more concrete) level of abstraction. Money and race obtain in historically and geographically specific social relations, resulting in their uneven forms of expression across space. For instance, in its concrete modalities of existence, money is shaped by relations of production and associated configuration of class relations, and is mediated by a range of spatial-territorial arrangements, notably the multi-scalar geographies of the financial and monetary system (Alami 2019). Similarly, race has no existence outside of the various regimes of racialization and colonial logics of differentiation, which are a product of both global social relations of empire and more localized legacies of racialized dispossession/expropriation. The relation between money, race, and space is therefore importantly determined at this level of abstraction, including in our two cases.

Furthermore, the abstractive powers of money and race have no practical reality outside of their “character mask-wearing personifications,” to use Marx’s suggestive expression in *Capital Vol. 1*, that is, the loan officers, bankers, international investors, financial analysts, regulators, financial service providers, borrowers, and other relevant *dramatis personae* involved in the everyday operations of both forms of raced finance. This draws our attention to, amongst others, the various techniques, modes of thought, and systems of representation involved in lending and investment decisions (risk assessments, credit ratings, benchmark indexes, formulas and algorithms for risk valuation); the diverse types of financial products and investment strategies (consumer and mortgage finance, equity and bonds, bank loans); the technologies facilitating investment and lending (payment and accounting systems, banking and financial market infrastructures, tools to monitor solvability and generate financial data); legal frameworks (regulations, mechanisms to secure compliance on the part of debtors and maximize repayment rates and debt servicing); norms and standards; and so on. These are, in Bhandar and Toscano’s (2015) words, “deliberate *practices* and *devices* of abstraction” (p. 11) because they involve a separation from concreteness and intensely formalized operations.

While these concrete practices and devices belong to the allegedly neutral domains of expertise, science, law, and technology, the relevant question here is how they operate through the prism of racialized difference across our two sites of raced finance, in the form of racist assumptions, racialized regimes of desires and affects, colonial scripts, and other forms of discourses, imaginaries, and practices (cf. Alami, 2022). This matters to understand spatial difference. Indeed, these practices and devices are embedded in (and mobilize) space, and produce new spatial configurations in the process (think about, for instance, redlining, or the construction of “emerging markets” as a specifically geographically-bound investment category). They also shape local conditions at both the emitting and receiving ends of monetary flows, including financial dynamics (such as the availability, quality, and costs of liquidity, and the unequal spatial distribution of financial returns, risks, and vulnerability), but also the wider circuits of capital and spaces of consumption and everyday life.

Thus, following Bhandar and Toscano's proposition, a relational comparison of our two sites of raced finance would involve thinking in terms of "articulation" between the abstractive powers of race and money and their relation to space at all three levels of abstraction: the high-level logic of their interaction as capitalist social forms; the intermediary level where their abstract character takes historically and geographically specific forms; and finally, the more practical moment of the concrete deliberate practices and devices that mediate them. It would also involve carefully thinking through the articulations between these levels of abstraction. Indeed, while they constitute a dialectical totality (insofar as the more concrete forms are modalities of expression of the more abstract and general determinations), there is also a certain non-correspondence between them, which requires critical investigation. This is because the open-ended and antagonistic development of money and race as real abstractions takes place in concrete social formations, which are made of multiple particularities, and in relation with other capitalist social forms (such as the state). In other words, their movement toward concretization is also one where they acquire more complex determinations, some of which will feed back into the social forms' more fundamental coordinates.

A relational comparison of our two sites of raced finance, then, would not aim to determine the extent to which they exhibit a paradigmatic "anti-Blackness." Rather, by illuminating the articulations between these three levels and modalities of abstraction (and potentially others), it would aim to show how the mobilization of racialized and spatial difference enhances processes of capitalist discipline and extraction mediated by money, while the totalizing operations of money in turn reproduce racialized power relations and uneven development. In sum, it is by scrutinizing this "complex recursivity" (Melamed, 2015) at various levels of abstraction, as well as between them, that we can theorize the violent co-production of racialized difference and uneven development in capitalism.

Acknowledgements

My thanks to Mikael Omstedt and Nina Ebner for kindly inviting me to participate in this symposium on Uneven Development and Social Difference in Capitalism, and for their excellent editorial guidance. I am grateful to Greig Charnock for his close reading of this essay.

Declaration of conflicting interests

The author declared no potential conflicts of interest with respect to the research, authorship, and/or publication of this article.

Funding

The author declared the following potential conflicts of interest with respect to the research, authorship, and/or publication of this article: This work was supported by the Independent Social Research Foundation (Small group project grant: Raced Finance).

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Note

1. A number of recent contributions indicate how we can advance this avowedly ambitious project. See, for instance: Preston's (2010) argument about abstract racial domination as a unique form of racial oppression in capitalism; Day's (2016) work on how Asian bodies became the "negative representation of capital" in North American settler colonial economies; Sorentino's (2019) reconstruction of the Marxist methodology of rising from the "abstract" to the "concrete" by centering the abstraction of slavery rather than that of labor; White's (2020) analysis of antisemitism and antiblackness as "a pair of devices for falsely concretising the structure of alienation that produces the apparent opposition of labour and capital" (p. 22).

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