1. Capital, Forms of Capital, and Surplus Values – an Introduction

1. What is Capital? What are Forms of Capital?

Capital and its Forms

Unfortunately, capital and its forms have the inconvenient characteristic of not been available in infinite amount and they are not equally at disposal for all. Rather they are characterized by scarcity and unequal distribution. Since their possession or absence directly impacts decisively on the life opportunities of individuals in societies, every person in capitalist society is faced with an unavoidable necessity: the need to comprehensively engage from a critical perspective with all its forms. In this chapter, I intend to anticipate a key outcome of my own work—this so as to provide readers with the option, given a certain basic knowledge, to move on directly to those chapters of particular interest to them.

I begin with a working definition of capital, and that definition will gradually be expanded. If we take the vantage once more of our external observers in the introduction, they would note that capital for earthlings down here is initially something endowed with a value (such as real estate, machines, objects, raw materials as means of production, or money). It is utilized to maintain and increase this value. As a rule, in order to increase capital on the basis of private property, capital requires labor, raw materials and a site of production or provision of service (no matter of what kind) to achieve this growth in value, and a market in which the increased value can be exchanged and converted into money. But it is not only labor that leads to the capitalization of private property; ownership of land or other entities can be exchanged against the backdrop of supply and demand. Indeed, in contemporary developed capitalism, even all forms of speculation and competition can be capitalized, where the concept of capital represents a multitude of strategies for winning. In rough terms, we can also categorize capital according to the types of application in order to indicate strategic fields of surplus value production: there is industrial capital, goods capital, commercial capital, real estate capital, and financial capital. Generalizing, we can say: if money is not spent for one's own consumption but rather is utilized in order to acquire more money, then it is transformed into capital. How this transformation comes about, changing a previous value into surplus value, cannot be directly deciphered from the actions involved; it occurs in a variety of very different forms.

This variety is already evident in the forms that money can assume: money has its price, extending historically across a range of different forms: cash, stock money, funds, money as credit, money for financing as deposited or electronic currency; its current forms are often incomprehensible (see e.g., Ferguson, 2009). That incomprehensibility grows as we turn to look at capital.

Capital is a concept originally with no plural form in a number of languages. It is either possession, that is, someone has capital in form of money or material assets, or it is a value intended to generate new values, that is, an investment promising the investor a profit. The concept of capital contains knowledge based on experiences and reflected actions. Originally the Latin lexeme *caput* (= head) referred to herds of cattle, where the number of cattle head indicated to the owner his direct wealth. However, over the course of time, the scope of what capital designated in economic knowledge was increasingly enlarged. From head of cattle it came to designate all means of production employed in producing commodities and goods or services aimed at generating a profit. Such means of production are the property of the capitalist, of those who put their capital to use by utilization of tools, machines, plants, where (with the onset of capitalism) individuals are hired for wage-labor and produce or maintain something or offer a service. In the actions of an ever more complex capitalist society—that is, a society that it totally determined economically by the employment of capital—economic capital morphs into very different forms of capital in order to achieve a profit. In everyday commercial transactions, in turn, a large amount of money is already considered capital, since that sum represents possibilities for investment in means of production or services and in the classical way the hiring of wage-labor to extract a profit. Strictly speaking, only by such use does money become capital. Since in the form of stocks, equities and funds, it becomes ever more common for the investor or source of funds not to appear directly as entrepreneur or capitalist with his own wage-laborers, we can understand the ambiguous use of the concepts from the actions of owners of capital. In comparison today with the cattle herd of earlier times, it can no longer be readily determined in a simple way when a specific sum of money—and in what forms of utilization, even if only as a bank savings account—is being utilized as capital in the sense of money seeking to make a profit, such as by the use of wage-labor. Profits can derive from a range of different categories, such as bank savings, stocks and bonds, funds, entrepreneurial activity, provision of credit, etc.

In such a system, the large owners of money are the real capitalists since they pursue their profit strategies on a large scale. But the small saver as well, who wishes to supplement his minimal pension, for example, acts like a small-scale capitalist because he also expects his money to “work,” that is, to be increased through others or rather some hidden mechanism called surplus value.

What, in distinction to capital, are the forms of capital? In his “Forms of Capital” (1986), Pierre Bourdieu distinguished economic capital from social and cultural capital. He follows Marx fundamentally in his initial definition of economic capital: here he recognizes that economic capital is ultimately the decisive form of capital determining the manner of production in capitalism, while also fundamentally structuring our ways of life.[1] Economic capital has such a defining power because in accumulated form it always expresses a private relation of ownership characterizing its unequal distribution in society. There are associated different positions here depending on volume, breadth, and distribution of capital. Although the upwardly mobile climbers like to imagine that by gambling in roulette or a lottery they can win a fortune in a one-time stroke of luck, leaping over the gap in economic capital, the improbability of such an event only goes to prove how great that gap actually is. By contrast, Bourdieu argues, economic capital has objectified forms embodying a longer-term process of accumulation that has the potential of generating profit and in this way proliferating itself; it has the potential to perpetuate itself and to maintain and increase inequality among individuals (a similar approach with more data gives Piketty, 2014). Economic capital has substantial effects because it provides a framework for the social world and for persons living together in history and culture, while generating various constraints on action. All human communication and cooperation is constantly under the constraints of such capital, because at the very least, without money and its growth forms in the modern world, in the long run nothing happens.

Yet in Bourdieu's eyes, economic capital, which constantly seeks by formation of surplus value to grow, is today no longer sufficient for describing contemporary forms of capital. Exchange dealings in the present are no longer related solely to more narrowly defined economic actions; they are no longer bound up exclusively with economic markets and their processes of exchange or production of surplus value. The orientation to profit in capitalism leads us to see economic capital as central, but there are other forms of capital manifest in human action.

Cultural capital can be converted to economic capital, economic capital has always flowed into cultural capital; but cultural capital also has an independent effect. Bourdieu stumbled upon this form of capital in particular in empirical studies where he noticed the different levels of success achieved at school by children from different family backgrounds. He discovered that the equality so loudly proclaimed in capitalist society proved illusionary in regard to the actually achieved level of schooling or a career in education (Bourdieu & Passeron, 1988). Cultural capital increases the differences between individuals and their opportunities. It is not enough to consider supposed natural abilities or state assistance to the educational system when we speak of "human capital" as an expression of the opportunities available to an individual.

[1] For an introduction to the relation of capital, interests and power in Bourdieu's thinking, see in particular Swartz (1997); see also Bourdieu & Wacquant (1992), Calhoun et al. (1993) and Shusterman (1999).

We also have to take into account his or her achievements within certain cultural backgrounds and their constituent factors (family, residential area, circles of friends and acquaintances, educational institutions) in relation to later benefits as a result of better employment or economic advancement. According to Bourdieu, social classes (upper, middle, lower)[1] differ significantly in cultural capital, for example, in what they eat and drink and how they party and celebrate. In his study on "Distinction" (1987a), he also describes empirically what different milieus with what forms of habitus appear in order for individuals to distinguish themselves *culturally* on different levels of economic wealth and property.[2]

To what extent cultural capital has an effect is totally dependent on the way the available resources and their modes of circulation are appropriated. The successful user of cultural capital can then acquire especially favorable starting positions if the person also has a large amount of economic capital at his or her disposal, which at the same time in an incorporated form as prosperity presents inclusive educational goods in order to develop a habitus identifying the individual as a member of the wealthy class (stratum, milieu). This is a key prerequisite for the maintenance, further acquisition or new acquisition of economic capital that other strata cannot achieve so quickly. In Bourdieu's view, the invisible modes of operation in the formation of cultural capital lie in the long-term development and shaping of this capital; it cannot be acquired simply by money alone. According to his empirical studies, the mental attitude integral to the habitus of the individual knowledgeable in terms of cultural capital is already sufficiently expedient when it comes to positions of power in society.

Social capital becomes visible in particular as the expression of relation-oriented networks that are constructed in connection with economic and cultural capital. Social capital is a kind of investment strategy in the sphere of relations that sooner or later is meant to result in some benefit. In particular, this capital arises through membership in specific groups that can be more or less institutionalized; they can also consist of circles of friends and acquaintances who stand by, assisting themselves or their friends and acquaintances in mutual faith in the habitus they embody. Already at birth, each individual is positioned into such patterns of relations and networks in keeping with the position attained by the family. For this form of capital, the individual and

[1] Class or milieu theories categorize individuals here in very different ways. However, common to all is that a certain position is occupied in the cultural, social and economic field that is associated with certain privileges or disadvantages. On this, see in greater detail chapter 3.

[2] Habitus is a term for mechanisms of an individual's behavior, demeanor, and manner to deal with entities and relations. It is a distinctive distinguishing feature between culturally different groups. According to Norbert Elias (2000), habitus encompasses the entire mien and demeanor of a person, according to Bourdieu (1987a) in particular dispositions in his life style, language, clothing and taste.

collective investment strategies depend significantly on the other forms of capital already present. The trend of modern institutionalization of cultural capital in particular within educational institutions is that families alone no longer suffice to build up and secure the social capital necessary. To that extent, it has become increasingly important in modernity to have a “good address” in the right neighborhood, to be a member of the right golf club or tennis association—this in order to create favorable basic prerequisites of social networks for oneself and one’s children. Access to the social networks cannot be arbitrary; rather, it is restricted by formal or informal types of access, such as procedures for acceptance, checking of financial background and credit history, being a member of certain groups, etc. Bourdieu points out the paradoxical circumstance that as a part of such a group, an individual represents its interests and views, but simultaneously as a result is also delegated in a limited way to pass this specific social way of life on to others. This strengthens group interests but in the individual case can also significantly limit the individual’s freedom.

Work on maintaining relations is necessary in order to keep these networks operating. Symbolic or real exchange work is performed, much time expended, in order to motivate all within the network to mutual support. Equally positioned and similarly minded individuals in particular come together in such networks; this in turn makes it more difficult for social climbers to access such networks. Like other forms of capital, social capital can also be inherited, where the name passed on can stand for a habitus, some level of success achieved, a complex of distinction in which others participate by virtue of their relation. The larger the network, the more resources it has at its disposal, the more effectively it can be used, and the greater is the output based on this network’s solidarity. Such an output can mean many things: access to lucrative positions, donors, to increased personal participation in better business deals, augmented cultural capital, opportunities for education and their effective utilization.

For Bourdieu, economic, cultural and social capital are forces that lead to relatively objective positions of power in society if individuals can succeed in implementing them materially in an objective manner. Persons make use of their habitus to this end, in which relatively lasting dispositions of thought, perception, feeling, and desire are activated. These function as both generative mechanisms and schemata of behavior. In practice, they always operate as the experiencing and action of the subjects who utilize the habitus and who, as a marker of distinction, also communicate immaterial symbolic differences in gesture and language. To the extent that all capital forms have not only a material side that can be exchanged externally visible but also an ideal, invisible side—that can exercise a symbolic effect as idea, statement, construction—symbolic capital is a form standing obliquely over against other forms of capital. It can express each individual form as well as its interaction with others. As a rule, symbolic capital is translated in language, it introduces itself and is represented in constructions and statements that announce and articulate its possession or mark its non-possession. It is manifest in categories of perception that are observable and distinguishable, and are differentiated in order to parcel and partition social space. If, for example, an academic title is part of cultural capital, symbolically it is also a distinguishing feature between individuals and a powerful status symbol. All components embodied or contained in forms of capital always have a symbolic dimension as well, by means of which they can be expressed. Symbolic capital thus confers prestige, reputation, cachet: it serves as a badge of honor and recognition, it helps procure positions and privileges, if we take the side of success. But it also designates the negative side of life when characteristics such as poverty, neglect, social decline and the like are involved.

Yet we also encounter a difficulty arising from Bourdieu's definitions in connection with the concept of symbolic capital. As a rule, the symbolic runs the whole gamut of what is characterized by signs, words, statements in linguistic form. But why and under what more precise circumstances does the symbolic became a form of *capital*? Are the signs and statements in a book that expresses a specific linguistic code already symbolic or a form of linguistic capital, by dint of the fact that the book qua commodity also appears in a market and is exchanged for money? Or is the symbolic already capital because it mirrors certain interests and positions in the social field, thus embodying interest and power? For one's own positioning in society, such interest and power are after all closely bound up with the tendency to maximize one's own profit (through income, position, social status, etc.). These questions must be answered concretely for all forms of capital, because there is the danger of too readily designating everything as capitalized to the extent that it appears in a capitalist society symbolically together with certain interests in social positioning. The danger then is that what is symbolic can become too vague and ill-defined in regard to its capitalist and non-capitalist forms.

Mutual relations between forms of capital

The various forms of capital can always be derived from economic capital, but in Bourdieu's view, cultural and social capital in their symbolic forms cannot simply be acquired by means of money. The conversion of money into these forms of capital requires time, patience and effort, because even if money initially facilitates access to some forms of capital, follow-up costs arise that cannot only be met by money. Among these, for example, is the time invested in working on relations, the time and effort necessary for successful educational achievement, the long-term view of mutual obligations, social prestige, the construction of status and networks, the kind and scope of individual engagement, etc. It may even appear in this connection that money has receded into the background, but that often would seem to be but an illusion, concealing an existent interaction among forms of capital. Against this background, those who rely solely on their economic capital quickly overlook that the other forms of capital cannot simply be reduced to economic capital but rather follow their own distinctive rules of the game. Yet perhaps the others who tend to invoke the freedom of the cultural and social forms of capital in order to see opportunities there for social advancement and discern here a high degree of freedom, may underestimate the persisting power of the economy, which necessarily is an integral component of any opportunity and freedom.

Bourdieu explores the general equivalent on which all forms of capital are based. Here he partially follows Marx in concluding that the time expended (labor time in the broadest sense) includes the universal equivalent that allows all forms of capital to be converted into a monetary use.[1] The preservation of social energy, through all its deformations into different forms of capital, appears to always be confirmed if the time expended per form of capital and the time required to change into other forms and to transform one capital into another receives a value and generates new value. In the process, in order to build up social capital, we require time for observation, care for resources, concern for others and work on developing and maintaining relations. These represent exchange for a claim on our effort that we mutually accept. Seen in economic terms, this may appear to be pure wastefulness, but from a long-term perspective, social capital is converted once again into economic capital if we can make successful use of our relations. The same holds for cultural capital, which in part consumes enormous sums in order to amass a quantity of such capital. But these amounts can in turn be converted once again into economic capital, such as when a valuable collection of paintings is auctioned off, or they serve to establish a powerful position in society. This improvement in position also takes time; especially salient here are the time required to acquire advanced education and its preservation or display.

All forms of capital can only be maintained if they are sufficiently reproduced. Bourdieu believes this can be seen as analogous to the expenditure of labor time, as in the production of commodities (see on this in greater detail chapter 2). According to this view, the value of a commodity is determined by the amount of average expended labor-time necessary for its production. However, one problem is that everything that cannot be transformed back into economic capital may be especially susceptible to loss. For that reason, cultural and social capital are clearly more uncertain in their management and handling than economic capital, especially because gratitude for social engagement is always confronted by the strategies of the more successful money-making in the markets. By contrast, successes in education, school

[1] See in particular Bourdieu (1986), where he describes economic capital as accumulated and its value equivalent calculable via the labor-time expended.

diplomas, degrees and academic titles appear to offer some protection, since they do not immediately result in losses, although they can also lead into dead-end streets should they fail to be implemented in economic terms. The markets offer a lot of dead ends. Thus, for example, a degree in art or music from a respected academy may be a worthwhile qualification for the educated middle class, but such degrees often bring individuals to the brink of poverty if they do not possess some money of their own, if and when their own hard-earned skill cannot establish itself in the highly competitive labor market at a livable level of income.

Basically speaking, it is very difficult to measure the successes of the expenditure of labor-time for cultural and social capital. As a rule, there is no direct exchange of commodities here; rather, exchange occurs behind the facades, hidden from view and always veiled. No one likes to boast they have their well-paid job thanks to their social connections or those of their parents—given the social and cultural background of the family. Rather, individuals project their success as their own exceptional personal achievement in competition with other candidates. Individuals like to point to the objective diplomas and degrees earned marking their own education. Each individual might appear to have equal chances, but on closer examination it is evident just how unequal the cultural, social, and economic opportunities were and remain, right from day one. Decisive for the forms of capital and their highest degree of just and fair distribution is the extent to which the state takes on the role of a trustee for all social and cultural interests, or whether it mainly protects and promotes the privileges of the better-off. In every case, the tendency of owners of capital is to secure and expand their privately amassed wealth, to defend their cultural and social capital, their properties and power relations, and to present them symbolically as necessary for human society in general.

With his theory of forms of capital, Bourdieu initially provides a description of a social space in which individuals are distributed with differing habitus and interests. This space can be studied empirically by forming subcategories and looking for subtle differences and distinctions between individuals, presenting this in milieu studies. The agents appear in a field of forces where they interact, using their habitus to occupy certain positions in social space and to secure these for their progeny. The initial thesis reads: no one in a totally capitalized society can be free of this. Even if we would like to be free of economic and capitalized constraints, in particular in social and cultural matters, on closer scrutiny from this perspective, we simply are not. That is particularly true for intellectuals, who ostensibly think they can look at everything in a value-free and objective manner; yet it is precisely members of the intelligentsia who always have a certain social rank and interest-linked positioning in society that guides the way they view the world. Those who already have a secure position can act most freely here.

Against this backdrop, it has become clear that it is not enough to place economic capital solely in the center of focus in order to appropriately describe current conditions of living, even if it always lies at the very core of capitalism. Other forms of capital supplement it and designate separate spheres of interest and power that we should not underestimate. This is all the truer because the other forms of capital often convert the power of economic capital into other spheres, thus helping either to strengthen or mask it.

The capitalization of human abilities

Building on Max Weber, Bourdieu interprets all human actions as guided by interests. This also includes symbolic intentions—and the forms of capital he distinguishes—with the interests they express. They also mark certain positions together with and against one another that individuals occupy in the social, cultural, and economic field (cf. also Swartz, 1997, 66 f.). In Bourdieu's view (1977, 178), the logic of economic calculation that is essential for utilizing forms of capital extends to all material and symbolic commodities—independently of whether they appear but rarely or often in a specific social field. He is interested in designating conditions in which all practices are oriented to a maximizing of material or symbolic profit (1980, 209). Here he no longer has his eye solely on material exchange of goods but also includes personal characteristics and competencies as symbolic expressions of interest in the field of profit maximization. However, this gives rise to the problem of the extent to which all social or cultural characteristics and competencies, by the way they are performing and performed, are capitalized as an expression of a possible advantage that can be extracted from them. A general theory of economic practice always appears to include the narrower economic theories of maximization of profit in capitalism (see also Bourdieu, 1977).

Alain Caillé (1992) in particular has critiqued this generalization. Even if the effects of the individual forms of capital cannot be denied in most cases, generalizing that the human qualities and competencies that flow into them are fully capitalized is problematic. Should everything be seen as capitalized simply because a person has acquired certain qualifications by learning, for example, because behind everything there lurks (or could lurk) an always desired material or symbolic benefit geared to profit maximization by egoistic individuals? Or are there important key additional conditions under which such a benefit specifically first emerges as capitalized? Caillé maintains that Bourdieu, in analogy to the theory of "human capital" (see below) proceeds from a utilitarian approach, where human actions are geared primarily to utility and maximization of utility and benefit.[1] Caillé stresses three critical points

[1] Swartz (1997, 68 ff.) discusses this critique in detail. He proves that Bourdieu does not seek to be utilitarian, and is not in the sense of a "rational choice theory." Yet nonetheless he exhibits

here (cf. 1992, 109 ff.): (1) it is unclear in Bourdieu what conscious or unconscious portion of socioeconomic actions is clearly oriented in economic terms, and what portion is not. (2) because this distinction is lacking, material interest dominates in Bourdieu's writings, and is generalized as something universal. (3) although Bourdieu initially vehemently rejects any kind of universalism, as a genetic structuralist and later social-constructivist author, such a universalism appears to have entered his theory by the backdoor of this strong generalization, so to speak.

When we think about social or cultural factors of either a material or symbolic nature, in my view they are quite often oriented in social or cultural terms, but not yet capitalized. Entry into capitalization must be clearly and very sharply distinguished from other qualities, modes of action, and functions lest we fall prey to the danger of imputing capitalizations in an imprecise manner, because everywhere the surrounding social field exhibits in some way the influence of money, power, interests, and the like. The danger of such a generalization actually exists in Bourdieu's thinking. He perceives in human actions a pervasive profit motive that is especially manifest in economic actions, but also has its prerequisites in social and cultural fields of action. Bourdieu does not focus there on a precise transition into a capitalized or non-capitalized form; rather he always sees the capitalization already manifest in the power and potency of interests, in the power structure that is generated by such effects in actions. In his thinking, we do not have to indicate when in a precise selective way, a given action is socially or culturally motivated, and then at some juncture suddenly changes into something economic, calculating, geared to the maximization of profit. His theory also tends to include the presupposition of such action in the actions themselves, to generalize it within a habitus. This is because along with stressing interests, it is at the same time a theory of the social field itself. Interests and power have led to positioning's in this field that always express conditions of the possibility of further actions. His is a theory of practice, and he focuses here on the social practice of capitalism, that with its tendency toward capitalization increasingly permeates all forms of human action. Characteristic for his theory is an approach where he argues as a sociological observer that individuals in their actions do not have sufficiently clear ideas about the consequences of their presuppositions regarding such action.[1]

common features with utilitarian thinking, because he appears to assume that human action is always based on striving to maximize profit.

[1] Bourdieu originally identified the meaning of exchange in a pre-capitalist model, the exchange of gifts in Algeria, which he also saw operating in capitalism. The de-historicizing and unintentional universalizing tendency springing from this appears problematic. However, the free and independent intellectual, looking through the faculty of reason at things "as they are," can no longer see any suitable counter-model, since all observers are already participants in capitalist structures.

The advantage of this position is that it allows one to better see the relationships of the field, to discern interdependencies and to better identify and grasp the diversity of capitalized actions in the present. Yet the concomitant disadvantage is that the discriminatory power of this prism to distinguish between types of action can easily be lost. This distorts an analytical focus on those elements that produce a narrower capitalization, as contrasted with other elements also containing social or cultural dimensions alongside what is capitalized, or perhaps relatively free from that. This is also bound up with the problem that in Bourdieu's view, habitus appears to function as a generating mechanism for all perceptions, schemata of thought, and actions. Except perhaps for the critical sociologist, that mechanism is difficult to penetrate and analyze. It is even doubtful if sociologists can manage to view their own habitus in a penetrant critical light, because they too are already part of the same field they seek to subject to interest-related analysis.[1] Nonetheless, Bourdieu's work specifically points up the possible successful potential of such critical examination.

Seen against this background, there is a certain tension in the thinking of all those analysts who talk about forms of capital. The aim of these capital forms is to overcome a narrow economistic conception by opening up the economic interests (e.g. capital) toward universal human orientations (e.g. forms of capital). This opening unfolds in two directions:

(1) It dissolves the old dualism between labor and capital, the exploited and the exploiters, by analyzing the far greater and more realistic positioning of different individuals in the contemporary fields of interest and power, unmasking as illusion ostensibly value-free and objective disinterest in such fields. By opening up capital toward forms of capital, it becomes possible to show how human qualities and competencies, including in particular human desire (Bourdieu & Wacquant, 1992), spring from unconscious motives in the complex interplay of human actions.

(2) Yet at the same time, this also leads toward an imprecise view of capitalization itself. Where is the decisive point of transformation of a human quality, a competence, a desire, a social power position, into an economic interest, a material or symbolic profit, which then is also itself bound up with monetary advantages? This question is generally not given a precise answer by analysts who deal with forms of capital. Rather, it is answered bound up with the tendency to see the application of forms of capital in a very broad and open way. This is done by concluding on the basis of human behavior in retrospect how a cultural and social reproduction of acquired wealth can be identified and described.

[1] Such systematic interactions can be readily explained from a constructivist viewpoint. On my theory of observers, participants and actors, see Neubert & Reich (2006).

In my view, the deficiency connected with (2) can be easily remedied without having to negate the advantages accruing from (1).[1] A successful clear designation and identification of distinct and definite functions of the conversion of interests, personal qualities, etc. into the economic realm would sharpen a theory of social practice. We could then distinguish and reconstruct, for example, when and to what extent actions are more social or cultural in their anchorage, and where precisely they clearly begin to be capitalized. This would prevent us from the danger of seeing all actions as already grounded in terms of a specific proviso of utility (as in the theory of "human capital," see comments below), or from stressing interests and power as general strategies (which Bourdieu tends to prefer), without properly focusing on the actual process of capitalization.

3. Surplus Value as the Key to Understanding Forms of Capital

Capital is increased by surplus value. The types of extraction of surplus value that I will describe in detail for all forms of capital can be derived from studies of economic capital in human actions and then be transposed to other forms of capital. Here it is important to understand that the production of surplus value always springs from a difference: there is an initial baseline value in the calculations of costs and profits, leading at the end in a process of appropriation to acquiring a plus, a surplus value over against the baseline or starting value. But how can this difference be precisely calculated? Chart 1 presents the four forms I suggest in a simple diagram. I see four principal strategies in the formation of surplus value. They can operate individually, but are for the most part in systematic interplay in producing surplus value:

(1) One classic strategy is to employ an individual in wage-labor (no matter at what level of qualification) and then to remunerate his or her labor time in such a manner that in the end, in the production of goods or services, after the deduction of all further costs, a surplus of value remains that then is actually realized in the market as a monetary price and can be exchanged.
(2) There is supply and demand in the market. The more by conscious direction I (in the tendency to be hopefully a temporary monopolist in the concurrence of the markets) can render supply scarcer or can

[1] Luc Boltansik, a student of Bourdieu, developed a pragmatically inspired turn in critical sociology that is also important for me. In looking at questions of inequality, the agents in their actions have to be brought more into the analysis. Boltanski asks, for example: how can a small number of agents succeed in exercising power over a multitude without the latter rebelling? Even if Boltanski's (2007, 2011) answers go in a somewhat different direction from my own, there is nonetheless a significant overlap in argumentation.

control demand, the greater my success in achieving a surplus value on the basis of property law can be, either in addition to the wage-labor or largely independent of it. However, the competition makes this strategy more difficult. Nonetheless, contemporary speculation transactions point up in particular how successful one can be in achieving surplus values by practices such as short-selling, real estate bubbles or more-or-less fictive strategies.

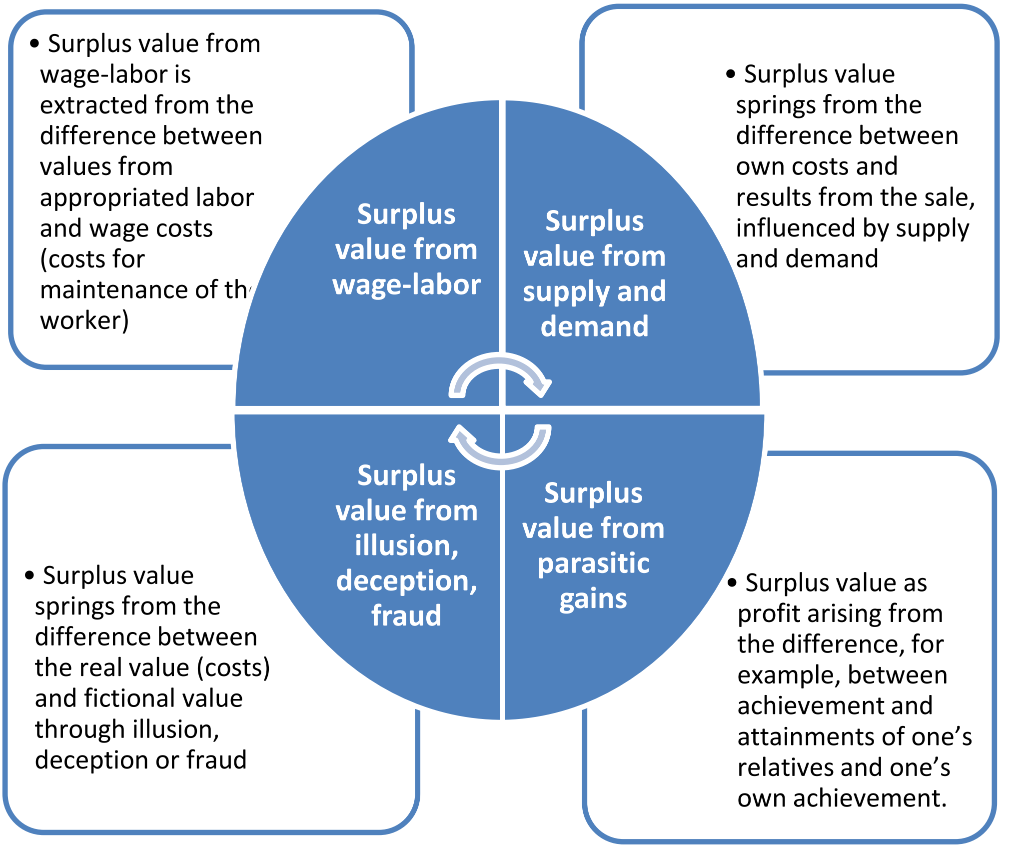

Chart 1: Four Forms of Surplus Value

(3) Illusions, deceptions or fraud are always possible strategies to manipulate a value in such a way that it can generate surplus value. What in the past was only considered an exception and deviation from capitalist morality and market practice has today become the rule and a basic expectation associated with many transactions.

(4) The more capital that is available, the greater the amount that can be passed on to those who participate in a parasitic manner especially by inheritance or marriage in the achievement and attainments of others.

Important for me is the fact that a difference is always centrally involved in looking at such surplus value. It is only this difference between invested costs (or in a given case non-costs, as in inheritance) and later profits gained that allows us to define surplus value, pointing at the same time to the conversion of money or monetary costs into *capital*. Money only becomes capital if increase is the aim, in accordance with one of the four differences. Personal qualities or competencies alone do not yet constitute capital. Only if costs can be determined that are measurable and lead to an increase in gains (for example as higher wages, income, and other such benefits) can we speak of a capitalization or a form of capital. This distinction is fundamental, because I only become a capitalist, on a small or larger scale, if I strive for and achieve such surplus value. That is why my qualifications and competencies, my human qualities, my habitus, etc. are not capital or "human capital," because they would first have to be utilized in the sense of the production of surplus value before I can tally up costs over against gain and return. If I did not make this distinction, capital would be a very imprecise entity, because it would then have indeed been present at all times in all human actions. In my view, it is already powerful enough, but only in so far as we pay increasing attention to surplus value in our actions.

My definition of the four forms of the extraction of surplus value makes it possible not only to observe economic capital manifested in the shape of these four forms in a multitude of different actions, but also to extend this model to other fields, such as social, cultural, body, and learning capital; here, as in economic capital, costs against gains can actually be calculated. That is why it is meaningful to speak here of forms of *capital*, as will be shown in the chapters below.

"Human capital" is not capital

We have noted in connection with Bourdieu's distinctions in describing forms of capital how quickly human qualities, social or cultural competencies, achievements or views can be capitalized by being converted as personal "wealth" into monetary advantages. But how are human qualities capitalized, what concrete processes are involved? In answering that central question, the present book seeks to ascertain, both for the realm of the individual and society, the extent to which we have become dependent on capital. It documents a sojourn in my own research down a long trail of inquiry, with many byways, detours and dead-ends. These gradually led me onto a clear track and were transformed into answers. In the process, certain things had to be left along the trail, some paths and territories remained unexplored. But an explanatory approach increasingly crystallized as I progressed, although this initially was driven by a fundamental sense of discontent. This unease is expressed most sharply for me in connection with the concept of "human capital."

In the theory of "human capital," the individual is constructed as an agent who—endowed with his or her abilities and competencies, resources and personal qualities—operates like a small firm that enters into the market driven by a profit motive, seeking its gains there. What do these personal qualities supposedly constituting such capital include? They consist of experienced and certified education, training and the academic "credits" earned, all activities that can be utilized, personal competencies and social networks, relations and connections, preferences and attitudes, communication styles, etc. In the end, "human capital" consists basically of everything that comprises (or could comprise) an individual in his or her ways of behavior and knowledge. And the relation rendering it possible to convert this to capital is that everyone is also moving within a market and in capitalism (see esp. Becker, 1993). Here once again we can discern the notion of utility articulated by our fictive extraterrestrial observers noted earlier in the introduction.

What is problematic about this point of view? The concept "human capital" initially frightens off many because it would seem reductive, diminishing the human being to a mere economic factor. That is why in Germany in 2005 it was deemed the ugliest word of the year. On the other hand, this concept represents a direction in economics that was awarded a Nobel Prize through the work of Gary S. Becker, and also points to two large areas of corporate policy and the profit economy:

(1) it is becoming ever more important to make profits by means of qualified and motivated employees, and to successfully compete with other firms in the marketplace. That is why employees can no longer be seen simply as cost factors. Rather, the firm has to calculate how in employee selection it can strengthen its resources in a bid to maximize profits. A "humanization" of the world of work intends to express a new situation; important are not only an increase in productivity and labor intensity, not only better supervision and increases in efficiency, but also the correct selection and further training of the personnel. "Human resource management" is designed to help organize such processes.

(2) Firms can add the individual human capital at their disposal to a firm's total human capital and organize this in "human capital management." This is considered essential for long-term company success. It includes skills and abilities, knowledge, experience, potentials for innovation, and motivation of the staff. The company must always weigh the option: can it achieve a short-term rise in profits by downsizing and dismissing employees, or will such a move have the opposite effect, worsening its

chances for profit over the long term. Particularly in short-term profitable transactions ("the Ant and the Grasshopper" debate), short-term strategies prevail, while the consequential costs are postponed to the longer term or shifted to the state treasury.

However, the science of economics has great difficulty calculating "human capital" in exact terms. One can list the costs for employing staff, their further costs in upgrading qualifications in the firm, and what always constitutes the main segment in expenses, labor costs. Yet by contrast, the actual initial costs (education and training, health and maintenance), are expected to be borne by the individual: payment of these costs is demanded from the employee's family and/or the state with its institutions. Then desirable for the market is a differentiated "human capital" in order to satisfy the different need of firms. Other calculation models attempt to determine what increase in value the employees themselves could bring to the given firm (see also OECD, 1996, 1998).[1]

The problem in the prevailing discourse about "human capital" is that although it describes human factors such as knowledge, competencies, behavior, and the like, it cannot clearly and unambiguously explain why these factors can or should also be properties of *capital*. Consequently, critics consider the concept problematic and unsuitable (see, for example, Block, 1990). What is the strongest argument against "human capital"?

As a cost factor, "human capital" is often assigned to the category of means of production or material costs. The working assumption is that the entrepreneur will invest in "human capital" as long as he or she can count on higher revenue by increasing labor productivity, although such "human capital," regulated by supply and demand on the side of the provider, can demand higher wages. Through this prism, all persons appear capitalized. All their personal qualities, even if these are in many aspects quite independent of monetary expectations or actions, appear potentially to have always been capitalized. In accordance with rational choice theory, the entrepreneur as well as the provider of labor power then decide about all these qualities, in terms of utility maximization, until what point they can increase profit and when the costs begin to devour too much of the profit. But should, for example, employee friendliness, a good communicative style, the readiness to cooperate, interactive skills, the ability to empathize and much more only be viewed and understood from the vantage of utility maximization? A basic question here is why a worker should represent an element of capital when it is only the entrepreneur alone who employs his or her economic capital. Evidently the capital model is here reversed and individualized. All now appear

[1] Keeley (2007) points up the way the concept of "human capital" is used in the publications of the OECD. Human labor is equated here in a very general way with capital as a production factor.

as owners of capital, simply by dint of the fact that they are individuals with specific skills, competencies and starting positions.

Just how difficult such a definition is can be illustrated, for example, by the economic explanation of unemployment from this perspective. In looking at joblessness, in the ensuing explanations it is not just that the entrepreneur has made a mistake in investment, because now that employer must resort to redundancies. No, the employees themselves have also grounded their existence on a "human capital" that they should have better planned in order to avoid the risk of such redundancy. Seen here from a rational standpoint, unemployment must blame itself. Such a perspective is not only quixotic but also takes a too one-sided view of the circumstances and factors at play. The risks in producing their supposed "human capital" are born solely by the workers. But it is the entrepreneur who in particular is driven by the desire to realize their use alongside the market-related wage as profit. Only when their risks do not work out or cannot be maximized do the bosses fire their "human capital." It is easy here to see workers as resources and as their own capital qua individuals, and also to have workers perceive themselves as such, because this helps to mystify processes of capital, keeping workers from rising up critically against unjust distributions.

Nonetheless, many individuals often accept such an approach uncritically, because it also promises them a chance to independently achieve free opportunities for themselves and their investments, no matter how limited in the individual case such resources may be. The more generally such a perspective gains ground and is practiced in a society,[1] the greater becomes the social need for a stance to discount and excuse the levels of performance not achieved by disadvantaged segments of society. Politics should engage to help citizens whose resources are insufficient; the social need is to furnish them with adequate opportunities. But if we rely on the power of solidarity and put our hope in building solidarian attitudes, on the other hand we must critically examine the extent to which in a capitalized world such changes are in fact probable, and how fair and equitable opportunity can and should be augmented and expanded.

From this starting point, I interrogate the meaning of capitalization at our current conjuncture. It is an existential question for the development of democracy—and education as a key driving force for possible fair and equitable opportunity in human society—if now even in the economy, experts adhere to a discourse proceeding on the assumption that human qualities, which we generally see as independent of money and capital (even if indirectly there may be such a nexus), should be ascribed immediately and directly to the side of capital. We can argue here about the kinds of calculations employed.

1 Members of the Tea Party movement within the ranks of the Republican Party in the U.S. espouse a radical version of this perspective.

But the fundamental question remains: what in our individual qualities and resources appears to be capitalized and why, and where are the boundaries of such capitalization, where does it end? In this connection, I did not find arguments for “human capital” in my research, but I came to the sobering conclusion that capitalization is far more extensive than I earlier had even surmised.

My basic focus here is the imperative need to describe in exacting and precise terms what the side of capital actually signifies concretely—this so as to avoid the gross simplification of declaring all human qualities to be a function of capital. To express it simply: we humans are not capital, but we perform actions that can assume certain forms of money, costs, and exchange, and via these our outcomes can be transformed into capital. My arguments in the following seek to show that it is not only the entrepreneurs who are capitalists—rather, all workers in a certain way have perforce to capitalize themselves. But in contrast with the theory of “human capital,” the worker does not become an entrepreneur in miniature, thus overlooking all the antagonisms in capitalist experiences and forms of appropriation. And the forms of capital the individual develops will also have to be more clearly differentiated and described in their specificity in order to adequately comprehend them.