I entirely agree that the main interest of this issue is to locate criticism of capitalism in conceptually defensible form. In a nut-shell, the difference between us is that Tony Smith criticises capitalism for failing to live up to the demands of Hegel’s philosophy; whereas I think it is to be criticised precisely because it does so. I argue this is so because it is a system of self-moving abstraction. Obviously, we must be reading Hegel very differently. I agree with the Marx of 1843, 1857 and 1872 that Hegel inverts the relation between thought and being. My innovation is to argue that capital is also an inverted reality with a parallel logic.

(i) With regard to Smith’s defence of Hegel: I disagree that Hegel’s project was ‘thinking about thinking’ (as will also be done under socialism). Some of what Hegel says in the Logic is certainly useful for anyone interested in this. But Hegel himself treated this only as a moment of his main project, to show the Idea constitutes reality, that ‘the Idea creates Nature’, and realises itself
as ‘Spirit’, as he puts it.\textsuperscript{1} Smith contests this reading of Hegel. If there is textual evidence supporting two possible readings of Hegel, the conclusion has to be that Hegel was muddled, not on this or that point, but \textit{systematically} muddled. Marx himself saw this; and he expressed it by talking of a kernel and a shell. Smith concentrates on extracting the rational kernel, but (with Moishe Postone),\textsuperscript{2} I say that the mystical shell is also interesting because it is an absolutisation of capital’s attempt to prove its self-creative power. Hence, the homology can be read back into capital.\textsuperscript{3} Hegel’s ‘speculative construction’ prioritises logic and downgrades the substantive realms to its embodiment.\textsuperscript{4} It is well-known, since Feuerbach at least, that the transition from the \textit{Logic} to the \textit{Real-philosophie} is the weakest point of his system. This transition also features in my homology thesis because it is paralleled by the difficulty capital as a \textit{form} has in subsuming under it the material forces of production, centrally labour itself, and shaping them into an adequate \textit{content}.

(ii) Smith makes an interesting point about whether I can match the idea of capital (and its reconciliatory logic) with the class struggle I say is constitutive of capital. The answer is that this hiatus is \textit{inherent} to capital itself, that in its own logic it cannot grasp its origin. Just as Marx in 1844 charged Hegel with alienated thinking thinking itself within its estrangement, repressing true objectivity, so capital in its own self-absorption is too locked up in the value-form to grasp that it is not self-constituted but rests on expropriating the energies of labour and nature. \textit{This} is our \textit{critical} moment which we bring from our materialism; but, just as Hegel’s logic \textit{in its own sphere} has some validity, so the dialectic of the value-form modelling it has effectivity. The trouble with both is the problematic interface with material reality (i.e. in capital’s case, value versus use-value). The ‘separation’ between the logic and the real content is right there in the Idea of capital. Contrary to Smith, it is possible both to assert that capital, like Hegel’s ‘Idea’, claims to encompass this reality in its own forms, while criticising it for repression of the truth that it is not so reconcilable with its ‘others’. Capital as self-valorising value finds in the use-value sphere its ‘others’, and, insofar

\begin{itemize}
\item \textsuperscript{1} Hegel 1969, p. 592.
\item \textsuperscript{2} See Postone 1993.
\item \textsuperscript{3} See Arthur 2002.
\item \textsuperscript{4} See Marx 1975.
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