

Title: Theorizing money and institutions

Author: Martijn Konings,

Abstract

This paper aims to offer an original account of the relation between money and institutions. While heterodox economic theories have made major contributions to our understanding of money and institutions, there have been few convincing attempts to integrate these theoretical concerns into a coherent theoretical framework. The paper begins with an examination of regulation theory, arguing that its attempt to combine the classical Marxist theory of production with an institutionalist account of the role of the state and credit money does not so much escape but rather combines the problems inherent in each of these theories. I then turn to the sophisticated work of Simon Clarke, who criticizes the regulation theory for its inability to break with a conception of the market as a neutral institution, and stresses the *imperative* (as opposed to the functional or conventional) nature of monetary market relations vis-à-vis both institutions and producers. I discuss the important contribution of post-Keynesian theory, which emphasizes the relatively autonomous logic of the interplay between institutions and monetary relations, and I draw on poststructuralist insights into the discursive construction of value to shed some light on the question of in which sense we might conceive of market relations as imposing an imperative, as a cause of economic behaviour and the actions of policy-makers. I then sketch an original way of relating production, money and institutions, one which focuses on the question of how state institutions come to be organized in such a way as to frame a social rationality resting on a historically specific (non-natural) link between exploitation and money. Capitalist reproduction and crisis tendencies can only be understood with reference to the ways in which the reproduction of this link becomes problematic.