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Tony Lawson on money

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Abstract: Tony Lawson, the leading figure of the Cambridge Social Ontology Group, recently published a series of papers devoted to the question of the nature of money. These contributions have to be understood in the context of his broader approach to social ontology, the so called social positioning theory. While at first glance Lawson's monetary ideas might appear disconnected and sometimes even contradictory or mistaken, there is a consistent vision behind them which is Lawson general social ontology. Lawson's elaboration of the nature of money is not the only one compatible with the social positioning theory and an alternative one is briefly proposed in the paper. While systematising various Lawson's monetary contributions, attention has been paid to several particular discrepancies and mistakes and their rectification. At the end of the paper, some lessons from analysing Lawson's monetary contributions are drawn for his general approach to social ontology.

Keywords: Cambridge Social Ontology Group, claim approach to money, credit theory of money, nature of money, social accounting system approach to money, social ontology, social positioning theory, Tony Lawson

JEL Classification: A10, B00, B40, E40, E43

Introduction

Tony Lawson, professor of economics and philosophy in the Faculty of Economics at the University of Cambridge, the central figure of the Cambridge Social Ontology Group (CSOG), has recently devoted a series of papers (or parts thereof) to the question of the nature of money (cf. Lawson 2012, 2016, 2016b, 2016c, 2018a, 2018b, 2019b, 2019c, 2019d, 2019e, 2022, 2022b).

His comprehension of the concept of money, though, seems to be rather disintegrated or fluid. If in his earlier paper, we could read that he takes money 'to be a system of social relations' (Lawson 2003, p. 71), and in Lawson (2012), with him probably still favouring this definition, we could see him contemplating other options: 'whatever aspects of the overall accounting system to which we may choose to attach the term money' (Lawson 2012, pp. 379–380), we find out that in 2016 Lawson already prefers to employ the term money so that it referred to certain 'items of value' (Lawson 2016, p. 390), or 'positioned form of value' (Lawson 2016b, p. 972), or 'an individual form that is accepted throughout a community as having been positioned as a general form of value' (Lawson 2016c, p.

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433). In 2018 and 2019, on the other hand, Lawson seems to associate money with the concept of legal tender: ‘positioning of a kind of thing as money renders it legal tender’ (Lawson 2018a, p. 854), ‘money or legal tender’ (Lawson 2018b, p. 1166), ‘[w]hatever, then, is positioned as legal tender is money’ (Lawson 2019b, p. 159). Finally, from one of his latest papers we learn that ‘[m]oney is everywhere identified in the first place, of course, as that item that serves throughout any relevant community as a general means of payment’ (Lawson, 2022, p. 25).

With Lawson seemingly shifting among different conceptions of money, does it make any sense to engage with his visions of the nature of money? After all, if Lawson cannot even decide what to call money, why should we trust him to deliver anything consistent on the nature of money, someone might object. In this paper, I will argue that despite the apparent surface diversity, and, indeed, even some contradictions and individual mistakes, there is in fact a consistent vision behind Lawson’s various elaborations of the nature of money question which, moreover, is supported by a rather robust theory of social constitution – Lawson’s social ontology.

The key here is to understand Lawson’s grappling with the question of the nature of money in the context of his broader project in social ontology. For Lawson, the constitution and nature of money is just another example of general principles of social constitution which he studies in the approach to social ontology he keeps developing under the label of *social positioning theory* (cf. e.g. Lawson 1997, 2003, 2012, 2014, 2015, 2016, 2019, 2022, 2023). To appreciate Lawson’s monetary papers, thus, it is necessary both to have a basic orientation in the complex theoretical system that is Lawson’s social positioning theory, as well as be acquainted with the language and terminology he employs.

The structure of the paper is as follows: after providing a brief introduction into Lawson’s social positioning theory, I shall concentrate on the constitution of money through a network of matching rights and obligations, next, I will comment on Lawson’s take on the question of the form of money and its impact on the properties of money, after which I will discuss Lawson’s view of the function(s) of money and their relation to the nature of money. I will end on a short note on some challenges or inspirations the study of the nature of money presents to Lawson’s general approach to social ontology.

A crash course in social positioning theory

Tony Lawson developed his approach to social ontology starting from his 1980’ papers, especially Lawson (1989), through the books *Economics and reality* (1997) and *Reorienting economics* (2003), which established his position as a renowned social ontologist, up to the recent *The Nature and State of Modern Economics* (2015) and *The Nature of Social Reality* (2019). His present position is summarised in Lawson (2022). The papers best capturing the recent developments of his position would be Lawson (2012, 2014, 2016), as well as Lawson and Morgan (2021a, 2021b).

Within the limited space, it is not possible to provide an exhaustive characterisation of Lawson’s approach, nor is it necessary for the task at hand. More comprehensive accounts and applications of the CSOG approach may be found, apart from T. Lawson’s own texts, for instance in Lawson, C., Latsis, Martins (eds.) (2007); Faulkner, Pratten, Runde (2017);

Pratten (ed.) (2015); Pratten (2017, 2020, 2022, 2023); Martins (2020, 2022); Slade-Caffarel (2020, 2022).

Associating himself with the label of critical realism in the 1990', and preferring to be simply called a social ontologist in the early 2000', Lawson later started to call his own approach (the) *social position theory*. The general idea behind this approach (as well as behind its name) is that apart from *classifying* external phenomena, arguably without much consequences for their existence and future development, humans collectively also *position* certain people or objects in the way that matters for the future course of social processes.

An obvious example is when individual people are being positioned (allocated, promoted/demoted, accepted/put, ...) into specific *social positions* such as, for instance, judges, government ministers, company directors, teachers, certified public accountants, prisoners, etc., with the (often quite significant) consequences for the ways both the positioned people (may, should, must) behave in respect to others, as well as others (must, should, may) behave in respect to them. Such social positionings clearly matter for the future course of the social process, which, first of all, they assist to organise and order.

It is not only people that could be (and are) socially positioned according to Lawson. If an item (non-human object) is positioned, it is the ways people behave regarding this positioned item that are affected. If, say, certain item becomes a sacred object, a chieftain's throne, or a game token, the behaviour of people coming in contact with the item will change and it will get organised in an appropriate fashion.

Moreover, Lawson also considers the possibility of positioning a whole class of items of a given type in one go, as it were. If we say that, for instance, each child of a British citizen is going to also be considered a British citizen, or that any piece of certain type of water will be regarded as holy water, we have a sort of generic, 'stand-by' positioning in place which automatically ascribes the relevant position to each individual of the given kind, rendering its individual (re-)positioning superfluous.

Processes of social positioning work through continual positioning, re-positioning, and de-positioning of particular human, as well as other, individuals and kinds. The significance of these processes consists in their impact on organising the overall social life. For Lawson, processes of social positioning lie at the heart of social constitution and change.

The central insight of social positioning theory concerns the form in which the various positions are supposed to be defined. According to Lawson, the individual social positions are defined relatively to each other, through a network of *social relations*. Moreover, these social relations consist, he claims, in *rights* and *obligations* which regulate the behaviour of the positioned human individual towards each other as well as towards the (physical) world which surrounds them.

The constitution of money: rights and obligations

With rights and obligations featuring as the ultimate organising principles of any community, for a social positioning theorist, money – such as any other significant institutional aspect of social reality – must be analysed in terms of relevant rights and obligations. Although consistent in searching for the nature of money among the 'monetary' rights and obligations, Lawson's assessment of what exactly these rights and obligations consist of has been developing and, thus, necessarily changing in details. To systematise Lawson's monetary position in face of its evolution is not only an exercise in history of ideas, but also provides an excellent opportunity of detailed analysis of various possible candidates for the crucial monetary rights and obligations.

Inquiring into the nature of cash (and money), Lawson (2012) concentrates essentially on the credit-rights of the money holders and the debt-obligations of the money issuers (Lawson 2012, pp. 377-380). While opening the passage with an interesting story of people going around purchasing against creation of individual IOUs, Lawson proceeds to a much more limited picture describing the way present banks (including the central bank) maintain their debt-credit relations with the cash- or account-holding customers. Missing the opportunity to analyse the general nature of money in terms of the flux of the society-wide credit structure[2], Lawson limits himself to the standard picture of banks as the only issuers of money. Although correct as far as it goes, this account says much more about the present form of money than about the general nature of money. After all, it is not only the debt-credit nature of the relations between a bank and its clients that makes the deposit account balances money: rather it is, first of all, the relations to the other members of the economy that are of significance here. This is one of the reasons why various (even quite liquid) debt-credit relations may exist without being money and why there have been many examples of money which were not (explicit) debt-credit relations.

Lawson (2016), while still mentioning 'credit-rights internally related to the debt-obligations of the issuer of the cash' (Lawson 2016, p. 390), already moves to a more substantial 'monetary right' – that of being able to cancel one's own debts with money. Although it seems that he too inclusively associates it with all banks' (commercial as well as central) money, Lawson invokes the relevant concept of *legal tender*: the legally sanctioned medium which anyone may use to redeem their personal debts, a property usually limited to the central bank-issued cash. Against the 'rights of the creditor (the cash holder) to use that government debt to cancel personal debts occurred in acquiring goods or that accrue as a tax payer', Lawson now sets the 'obligations of the issuer, ultimately the state, to ensure that conditions are maintained which allow the government debt to serve the latter's intended functions' (Lawson 2016, p. 390). The key obligations matching the rights to redeem personal debts, however, lie elsewhere, and Lawson acknowledges this in his 2018 papers.

When analysing the rights and obligations connected with 'positioning a kind of thing as money', Lawson (2018a, p. 854) observes that the rights 'of using this positioned kind of thing ... to liberate her- or himself from any debt held with others' are matched by recip-

[2]It was already J. S. Mill (1965 [1848], book III, chpt. XI, XII) who explained how credits (in the sense of credibility) represent individuals' purchasing powers and how a viable payment system could be organised based on purchases accomplished using the credits of the purchasers. In the present situation of companies regularly purchasing on credit ('on invoice'), as well as utilising their lines of credit, and households using their credit cards and overdrafts, the picture is much more tangible. The conception of the world of flexible credit where everybody, when purchasing, uses their own credit, arguably, presents a more promising entrance point into the analysis of the nature of money than the old picture of money as some kind of objects circulating around.

rocal obligations of ‘any party to whom a holder of this positioned stuff is in debt (including the state) ... to accept it ... where … it is offered, for the discharging of that debt’. Reminding that formally it corresponds to the concept of legal tender, Lawson summarises that ‘positioning of a kind of thing as money renders it legal tender’ (cf. also Lawson 2018a, p. 862; Lawson 2019b, p. 1165).

The view that it is the possibility to use money in discharging one’s debts which lies at the heart of the constitution of money, Lawson holds more or less up till the present. Though, he has been slowly relaxing the role that explicit legal tender laws should play in this. In Lawson (2018b, p. 1165 and 2019c, p. 166) it is not always, but only ‘usually’ (or ‘in practice’ – Lawson 2019d, p. 112) that these rights and obligations are ‘laid down in legal tender laws’; instead of saying that ‘money is legal tender’, Lawson (2019b, p. 159), changing the direction of the implication, says that ‘legal tender is money’; and finally, in 2022, Lawson rectifies the error of binding money too closely with legal tender: ‘money at any point tends to be both wider and different than items previously declared by the state to be legal tender’ (Lawson, 2022, p. 26).

Indeed, if we regard as money the balances at current accounts with commercial banks, they are neither juridically sanctioned legal tender, nor a form of asset the central government would accept in collecting taxes. It is the obligation of an individual commercial bank to accomplish the tax payments for its depositors – and it is their right to demand that of the bank. However, demand deposits, being convertible into legal tender at the customer’s request (another right-obligation pair associated with the credit-deposit relation between the bank and its customer), form a close substitute to legal tender.[3]

Lawson, obviously, understands that people do not only repay their debts and pay their taxes with money, but also use money to purchase goods. The way he handles this feature of money is, however, rather roundabout and, I will argue, not entirely fortunate. Lawson (2016, pp. 390-391; 2016b, p. 978) argues that whenever somebody is buying a good, as they receive the good, there is originally ‘incurred a debt’ which is, however, almost im-

[3] In history, there has appeared various forms of regulations states used to support the circulation of their own, often paper or base-metal, currencies. Declaring it a medium acceptable when collecting taxes is one of them. It does not have to always also entail the legal tender property of being accepted by courts as a legitimate means of settlement of private debts. Still another possible regulation is forced circulation of currency discussed below. These regulations have been implemented in various countries in various times to various extents, and they are, in principle, independent of each other, as well as they are independent of the fact that some kind of money existed in the given society. Lawson (2022, p. 26) is right in spotting that these regulations were usually put in place in moments of monetary changes, when governments wanted to promote some new monetary arrangements. Usually, it was an introduction of a less attractive form of money – such as paper or inconvertible currency – which they, using the force of the law, strived to make equivalent to the old one. Both the forced circulation and the legal tender meant that someone was burdened by an obligation to accept the new money as if they were equivalent to the old one: something they, obviously, did not want to do on their own accord – otherwise such a regulation would have been superfluous. Some authors claim, that the preference of the state to collect taxes in a given form of money is, due to the sheer volume of taxes collected annually, such a kick-start for this particular form of money, that it not only secures this form permanent value, but also basically drives out of circulation all other forms of money which cannot be swiftly converted into the form beloved by the tax offices.

mediately, settled in money, using the legal tender capacity of money. To repeat, the ownership of the good is supposed to be passed in step one, thus creating a temporary credit/debt relation between the seller and the buyer, which is to be settled by the buyer in step two, using money in its capacity to 'cancel the debt' (Lawson 2016, pp. 390-391). In this sense the capacity of money to settle debts would be primary and the capacity to be used in payments for goods would just be one of its consequences.

This story sounds rather contrived to me. It supposes the buyer to first secure the possession of the goods without paying for them, thus entering into a debt/credit relation vis-à-vis the seller, so they could, next, exploit their legal right to pay off their debt using the recognised legal tender. I do not think this to be a particularly accurate description of what happens when a good is being sold – neither legally nor ontologically. In usual ('spot') purchases, the customer is not allowed to take possession of the good prior to the payment, and no (genuine or imaginary) debt/credit relation is entered into. Moving goods around a supermarket in the shopping trolley does not make one owner of the goods, only paying for them at the counter does.

If ordinary selling of goods really required entering into credit/debit relations with one's customers, any seller would have many additional worries apart from the question of the selling price. Lawson, possibly recognising it, since 2018, tries to partially rectify the account by moving his attention to 'successful money' which he defines as money in terms of which anybody is 'continually prepared to enter relations in which they accept the indebtedness of others' (Lawson, 2018a, p. 854) (Cf. also Lawson, 2019b, pp. 159, 163).

The medium of settlement, however, is not the only, and not even the major, concern when entering a debt/credit relation, the credibility of the opposite party is. And it is exactly in order not to trouble oneself with the credibility of the other party that, instead of opening a credit/debit relation, a seller prefers in exchange of goods to receive ready money.

The feature of money on which the ordinary sale of goods is based seems to me much more straightforward than the Lawson's roundabout temporarily entering into debit/credit relations and the invocation of legal tender to cancel them soon after. As I have already mentioned, instead of legal tender, some countries (such as Czech Republic) have known legally sanctioned 'forced circulation' of currency imposing on the sellers the obligation to accept, in payments for goods, the given currency. Even without such explicit regulations in place, however, it is generally understood that by exhibiting goods for sale, the seller is implicitly signalling the readiness to accept in payment the usual medium recognised as standard in the given community. Thus, the 'right to buy' the goods on offer for sale is attached to the locally established money even if the 'right' is not legally enforceable. This right has also always historically been attached to money even in economies where, due to lack of trust, credit/debit relations were scarce and seldom entered into.

Lawson is quite explicit that there may exist various ways social positioning theory could be employed in investigating the nature of money (Lawson 2022, p. 36). When considering the nature of money in line with Lawson's general account, the rights and obligations lying at the root of money seems to me to be rather those connected with the access to goods on offer for sale than those related to the legal tender laws concerning the form of medium to be used in redeeming outstanding debts.[4]

Indeed, even Lawson in one of his recent papers admits that:

> Money is simply something that, as buyers, they typically have a right to use in payment and, as sellers, they typically have a community accepted obligation to accept. That is all that community participants basically need to comprehend. (Lawson, 2019d, p. 122)

The form and the properties of money

As we have seen, Lawson conceptualises money as a positioned kind of item. There are different ways how to approach the question of the nature of money while still employing the general framework that is the social positioning theory. Personally, I prefer to conceptualise money in terms of a process of continual promoting and demoting human individuals into social positions with different, quantitatively given, monetary rights and obligations (Menšík 2023). Lawson's position of conceptualising money as a positioned kind of stuff, though understandable and consistent, carries with itself some unnecessary ontological baggage.

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[4]The view that the primary property of money is the capacity to secure command over (at least consumption) goods is closely related to the so called 'credit theory of money' or 'claim approach to money'. This approach has a long tradition. In fact, it was already Aristotle (Eth. Nic., V.v.14, p. 287) who maintained that 'money serves us as a guarantee of exchange in the future: supposing we need nothing at the moment, it ensures that exchange shall be possible when a need arises, for it meets the requirement of something we can produce in payment so as to obtain the thing we need'; John Locke (1691) saw money as 'pledges to procure, what one wants or desires'; similar ideas in one way or another expressed also other 17–18th century figures – Pierre Boisguillebert, George Berkeley and Ferdinando Galiani – and many later authors, such as Frédéric Bastiat, John Stuart Mill, Friedrich Bendixen, Henry Dunning Macleod, Ernest Solvay, Friedrich Wieser, Knut Wicksell, George Simmel, Joseph Schumpeter. For example, Simmel says simply: 'This is the core of truth in the theory that money is only a claim [voucher] upon society.' (Simmel 1978 [1900], 2.III., p. 177) (In original it reads 'Hierauf beruht der Kern von Wahrheit in der Theorie, daß alles Geld nur eine Anweisung auf die Gesellschaft ist[.]', the word 'Anweisung' was translated as 'claim' in the English edition.); while Wicksell, more elaborately, explaining also how the money appeared in someone's possession in the first place – through the sale of their goods or services – maintains that: 'A certain interval will, however, elapse between the sale of one lot of goods and the purchase of another equivalent lot. During this time, the sellers are in reality extending credit to buyers to the amount of the sum in question (or a part of it), although on the surface the payment has the appearance of being immediate.' (Wicksell 1965 [1898], p. 72); 'In reality the seller is seldom transformed into a buyer; rather he remains a seller and leaves the market without buying anything himself. The money he has acquired then remains in his hands both as ready money for anticipated future purchases or payments, and as a reserve for unforeseen liabilities. His money thus becomes his means of storing value (though usually only for a shorter period), his potential purchasing power, or future medium of exchange. In other words, it becomes a pledge or guarantee – de facto not de jure – for the future performance of contra-services to which he is economically entitled by virtue of the services he has performed.' (Wicksell, 1935 [1901–6], Vol. II, I.3, p. 23). In this version, when money is supposed to effectively account for individuals' contributions to the economic process and for individuals' participations at consumption of its results, the approach may also be labelled 'the social accounting system approach to money'. A recent application of a similar approach, formulated in the context of social positioning theory, can be found in Jonáš (2023).

Any actual social process takes place in actual (physical) reality and is thus influenced by its features. If money is a positioned kind of objects or stuff, (some) properties of money will necessarily depend on what stuff has been thus positioned. When studying money, especially ‘successful money’, Lawson is concerned with the stability of value of the items positioned as money.

Tying some kind of stuff closely with money brings one back to the kinds of questions contemplated by the theorists once studying the systems of full bodied metallic (say gold) money. Though the ‘stuff’ which is presently positioned as money, or so he claims, being (commercial or central) bank debt, Lawson is still concerned with it being of stable value, perhaps even prior to being positioned as money. The main reason is that he is afraid that people would not be ready to enter into debts in terms of unstable money with the consequence of, due to his roundabout construction of ordinary purchases as invoking the legal tender property, money losing its property to secure access to goods (Lawson 2016b, pp. 965–969, 972; 2018a, pp. 853–862; 2018b, pp. 1165–1166, 1180; 2019c, p. 166; 2019e; 2022, p. 27).

Strictly speaking, if the change in the value of money is predictable, nothing prevents the contract parties from incorporating the changes in values into the terms of the debt contracts, rendering them no less attractive than before. Moreover, though the dreaded ‘flight from money’ (‘flight to real values’) really has happened in history, it only did so during hyperinflations of (at present) unimaginable proportions.

To summarise, debt contracts are regularly being entered into even in inflationary economies, and, what is more important, goods are being bought in these economies with payments in ready money on the spot. Inflation does disrupt trade, that is true, but it does so, I claim, through different considerations than by the fear of sellers to open new credit/debt relations with their customers in regular selling of goods. I repeat, no (actual or imaginary) credit/debt relations between the sellers and their customers are being opened when goods are being sold for money.

Lawson is quite right that the form of money influences its properties. Money, even ‘successful money’ in Lawson’s terminology, however, does not equal perfect money. Even money with fluctuating value are known to have existed and fulfilled the main role of allowing the money users to buy goods offered at markets by the sellers.

If we harness the social positioning theory to conceptualise money differently, for instance as a dynamic network of monetary rights and obligations that change in consequence of the course of the economic process, we do not have to tie the quantitative content of these rights and obligations to any other ‘external’ item. Money is simply the rights and obligations. Their real values change, that is true, but not in the consequence of the fluctuations in value of some other stuff introduced into the monetary system from outside – there being none such.

To put it differently, I find Lawson’s social positioning theory a suitable framework for grounding and carrying an exposition of the social accounting system approach to money. When this is done, only the relevant rights and obligations will be highlighted when speaking about the nature of money. All the physical and accidental will play its role only when considering the properties of money, not its nature. Moreover, if I am not reading to much into an already mentioned formulation from his 2012 paper, I can even hear

Lawson proposing the same when he speaks of money as an 'aspects of the overall accounting system' (Lawson 2012, pp. 379–380).

To rephrase it differently still, I do not think it is necessary to search for a kind of stuff to be positioned as money if we want to harness social positioning theory to study the nature of money: we can do with people and the human-occupied positions, as I have tried to explain elsewhere (Menšík 2023). The main advantage of this alternative approach being its exclusive concentration on the money nature as expressed in terms of rights and obligations, as contrasted to the considerations in which the form of money may play an unnecessary part in the story. Money, or so I claim in that paper, would be here even without any stuff being positioned into a social 'money position'.

The nature of money and the functions of money

In social positioning theory, the central aspect of any positioning process are the assigned rights and obligations which further help to organise the future social processes. In case of money, in the sense Lawson conceptualises it, it is not people or individual objects which are being positioned, but a whole kind. It follows, that the relevant rights and obligations regulate the ways people behave not only towards each other, but also in regards of the individual exemplars of this kind, positioned in a given community as money. It is these 'monetary' rights and obligations (and the necessary trust that accompanies their functioning)[5] that constitute the *nature*, or '*real essence*' of money.

While these rights and obligations constitute the nature of money, money being in place, in turn, exhibit certain systemic features. As a part of the overall (socio-)economic system, money may be considered in context of – and in relation to – other parts of the system. Such systemic features, or *functions*, of money Lawson calls the '*nominal essence*' of money.

In contrast to the 'real essence', which consists in the rights and obligations people are aware of, or, at least, behave according to, the systemic features of money need not be obvious to the individual money users. Being grounded in the 'micro-level' rights and obligations, the functions of money represent its systemic 'macro-aspects' operative at the level of the whole (socio-)economic system.

The main function of money, according to Lawson, is a *general means of payments* (Lawson 2016b, pp. 969, 972–973; 2016c, p. 433; 2022, p. 26). The most recent formulation of the relation between the nature ('real essence') and the functions ('nominal essence') of money is captured in the following quotation (cf. also Lawson 2018a, pp. 862–863; 2019b, p. 163; 2019c, p. 166; 2019e).

> In other words, the function of being a general means of payment has nothing whatsoever to do with any money things, whether they be precious metals, commodities, forms of debt, markers of debt, or whatever, and everything to do with those aspects of a community's organising structure comprising sets of rights and obligations that bear on the community accepted/sanctioned uses of money. In essence, the rights and obligations that bear on money's legitimate use have the function of money built into them in that

[5]Lawson associates trust also with people not running away from money and thus rendering them to be 'successful' (cf. e.g. Lawson 2019b, p. 163).

> they orient those involved to its fulfilment. That, in outline, is the whole theory of the constitution and nature of money, as defended from the perspective of social positioning theory. Money's function is being a general means of payment; and a money possesses this function in virtue of a community wide accepted, usually a state-imposed, set of rights and obligations bearing on how in the given community it can and should be used. The state, of course, may also impose obligations on community participants in the form of compulsory tax payments and the like. (Lawson, 2022b, p. 8)

The distinction between the constitution (nature) and the systemic properties (functions) is a reasonable one. Constitution is in social positioning theory generated by the relevant rights and obligations, and the systemic properties will be dependent on them: are ‘grounded in’ them. Since, in the case of money, the systemic features (‘a general means of payment’) are simply a general restatement of the individual rights and obligations (viz. ‘to accept money in payments’), the distinction between nature and function might seem only subtle. In general, however, it does not have to be so – especially when some form of emergence is in play between the level of the individual and the level of the systemic.

What I do not find quite persuasive is the tone of normativity Lawson sometimes employs when speaking about function. To define function teleologically, such as it sounds in his latest definition: ‘A function of an entity is roughly what it is supposed to do’ (Lawson 2022, p. 12), requires we knew the goal the overall system is aiming at and we were able to assess the proper way the given component should be harnessed in helping to fulfil it. Neither is obvious, and, moreover, it is rather questionable whether any such exist. Assigning aims and functions to social entities was characteristic of the long-abandoned approach of functionalists, who were thinking about social systems in terms of biological analogies. If Lawson really wants to reinvigorate this approach, he should give it much more support. As it stands, the normative tone sometimes attached by Lawson to the concept of function sounds to me like a too careless crossing from the realm of ‘what is’ to the realm of ‘what should be’.

Conclusion: learning some general from the particular

At the beginning, I proposed to read the story of Lawson’s ontological elaborations of money in the context of his social ontology. At this moment, I propose to reverse the direction and consider whether the studying of Lawson’s monetary texts may shed some new light on Lawson’s general ontological framework. Picking up Lawson’s Aristotelian spirit, we may perhaps even expect Lawson’s general ontology to exist best in its particular applications on various specific phenomena.

During the entire paper, I have been taking Lawson’s social positioning framework as given. All the various suggestions I made on the way (except for the discussion of the concept of ‘function’) were concerned with differently applying the same framework to the problem of the constitution and nature of money: searching for the monetary rights and obligations which best account for it. The observation I want to make presently does not concern my own partial suggestions, but it is rather related to one aspect of Lawson’s own treatment of the nature of money.

I was struck, and at first perplexed, by the relaxed manner in which Lawson treats what he calls ‘the money position’. ‘The creation of money involves the community acceptance of a money position within the community’s value accounting system and the allocation of a certain kind of thing (currently, typically, it is bank debt – see below) to the money position, producing money as a system component', says Lawson (2019e). There simply is a 'money position' available in the social system, which, when occupied, renders money.

The backbone of Lawson's social ontology is constituted by the network of mutually complementary rights and obligations which relationally determine various social positions occupied by actual human individuals. The 'money position', too, is 'constituted in terms of rights and obligations' (Lawson 2022, p. 26). Where does it 'sit', then? Within the network of rights and obligations connecting together human-occupied social positions, next to the position of the prime minister, to the right of the position of the professor in the Faculty of Economics at the University of Cambridge? Obviously not. Yet, if it is to be 'constituted in terms of rights and obligations', it must be somewhere in this network – which is exactly the network of these rights and obligations. To localise the 'money position' within this network I consider a particularly fruitful exercise in the approach to social ontology which is Lawson's social positioning theory. My solution to this puzzle, however, I reserve to a paper I am preparing on the concept of structure in Cambridge social ontology.

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