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The Fictions of American Capitalism

Working Fictions and the Economic Novel

Edited by
Jacques-Henri Coste · Vincent Dussol



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This volume can be seen as the logical brainchild of nearly 30 years of research on capitalism conducted at CERVEPAS (the acronym for *Centre d'Études et de Recherches sur la Vie Économique des Pays Anglophones*). Based at Université Sorbonne Nouvelle-Paris 3, CERVEPAS is the only research team in France that focuses exclusively on Anglo-Saxon economies and socio-economic regimes. Drawing from a rich variety of fields, the collection enlarges the initial “civilizational approach” to American political economy. It introduces a new transdisciplinary way of thinking about the role of fiction in capitalist dynamics, including but also exceeding the confines of literary fiction. The book results from two conferences held at Sorbonne Nouvelle and Paul Valéry Universities. Its framework is greatly indebted to the pioneering works of Professors Martine Azuelos, Robert Boyer, Jens Beckert, Stephen Shapiro, and Peter Knight. We extend our deepest gratitude to them for their constant support, encouragement, and insightful comments. Our warmest thanks also go to the directors of CERVEPAS/ CREW (Center for Research on the English-speaking World), to Professors Valérie Peyronnel and her successor, Christine Zumello, and to Christine Reynier, director of EMMA (Études Montpelliéraines du Monde Anglophone) (EA741). We thank all the authors in this volume who took part in the adventure. We are grateful to all the reviewers for their feedback, and to the editorial team at Palgrave, including Allie Troyanos and Rachel Jacobe. We hope to contribute to the recognition of “Economic Humanities” as a new academic field and to more fruitful transatlantic conversations.

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CHAPTER 1

The Fictions of American Capitalism: An Introduction

Jacques-Henri Coste and Vincent Dussol

THE 2008 CRISIS AS SEEN THROUGH THE PRISM OF FICTION

Robert E. Lucas, 1995 Nobel laureate, developed a model of “rational expectations,” in which agents are posited as rational actors making predictions, benchmarking their preferences on the information and paradigms at their disposal and acting accordingly. Fictional representations of future states matter in choice-making, hence the need to create make-believe analogues: models of the represented target system which help reduce uncertainty and risk. In “What Economists Do,” Lucas provocatively emphasizes the role of modeling as a form of useful prospective fictionality: conformity with an existing theoretical model fosters a convergence of choices on a common representation of the future to-

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come. He writes about the economist's profession: "but we are basically story-tellers, creators of make-believe economic systems"; and he proceeds to give substance to his words: "Rather than try to explain what this story-telling activity is about and why I think it is a useful—even an essential—activity, I thought I would just tell you a story and let you make of it what you like" (1988). This description of his discipline by a leading economist, acknowledging the part played in it by forms of fiction, takes us to the heart of the present book.

Our purpose is to introduce a new, transdisciplinary, critical way of thinking about fiction in connection with capitalism, particularly American capitalism, in relation to what the credit and banking crisis of 2007–2008 exposed about the "unreal" base of the economy. Marx named stocks and securities *fiktives Kapital* (Marx 1894, III, V, p. 25). The concept (translated as "fictitious capital") gained fresh currency after the crisis and has since been reconsidered from a variety of perspectives.¹

In periods when the logics of finance become pervasive, there is a growing disconnect between production dynamics and capital expansion. Surplus value is primarily reinvested through financial channels rather than through fixed capital. The locus of accumulation shifts to finance capital. Credit, shares, debt or various types of paper money become abstract financial instruments that derive their value from the representation of the future profits that they promise to bring. Speculation outpaces industrial production and consumption. Money turns into a "fictitious commodity" (Polanyi 1944, p. 71) when it demands the mediation of futurity for outcomes in the present. The economy becomes unreal, that is to say fictional. A "free-floating" dimension is then imparted to capital (Jameson 1997; Finch 2015), exempting it from a referential imperative or from fixed geographical locations (Castells 1996; Harvey 2010). Critics coming from the Humanities (Goux 1994; Jameson 2000; Nilges 2014) have described the process as a gradually developing assumption among financial circles that the abstract power of money as an immaterial signifier is bound to make it a reflexive and self-generating form of value. The rules of abstraction (La Berge 2014b) worked hand in hand with the fictions of the market's god-like agency and unlimited reflexivity. Belief in boundless

¹ Its central economic relevance is analyzed by Durand (2017). For its more discursive and literary dimensions, see Shonkwiler (2017) and *Topia* (2017, pp. 30–31) on "the Financial imagination"; Jameson (2010, 2011) on the "financialized imagination"; or Haiven (2011); Haiven and Berland (2014) on "Finance as Capital's Imagination."

growth was adhered to until 2008; the financial bubble burst and all that had seemed solid vanished into thin air.

When governments and financial institutions rescued a threatened capitalist system by taking over bad debts and bailing out a number of hand-picked sinking banks, the semiotic and reflexive substance of economic value turned more political. Massive amounts of money were created and injected into the economy through stabilizing plans, quantitative easing and forward guidance. The exposure of “the fictiveness of fictitious capital” that crystallizes into liquidity (the capitalist dematerialized abstraction of value), and in the power of granting credits and canceling debts, was a shock for the mainstream economists believing in the substantive value of money and for the staunch advocates of a self-regulated financial market. This exposure acted as a reminder that fiat money is devoid of intrinsic value, even though it is the fundamental collective institution and social link in market economies (Aglietta 1976/2016; Orléan and Diaz-Bone 2013; Orléan 2014). The crisis also revealed the hidden market/state nexus presiding over its own invisibility, and uncovered its institutional and political stability (Cossu-Beaumont et al. 2016).

On the theoretical front, the 2008 crisis evidenced the constructivist intentions behind economic models, their rhetorical, political and performative orientations (Morgan 2001; Butler 2010), which were not overly concerned with factual truth. It acted as an epiphany, revealing that “th[e] [e]xisting economic order was no more than the implementation of a utopia” and its “tutelary theory a pure mathematical fiction” (Bourdieu 1998). Had not Milton Friedman (1953) provocatively argued that the realism of assumptions does not matter as long as the predictions derived from them are correct? That was when economics, queen of the more objective social sciences, became an “unrealistic discipline” challenging science’s rational quest for truth, with a contrasting counterfactual approach that turned its models into virtual works of fiction (McCloskey 1990, 1998; Frigg 2010; Boyer, *infra*). Economists’ reliance on a “philosophy of ‘as if’” (Vaihinger 1924; Appiah 2017) was made plain, justifying McCloskey’s description of the profession as “tellers of stories and makers of poems” (1990, p. 5).

WHICH THEORY OF CAPITALISM INFORMS THIS COLLECTION?

Capitalism is a controversial concept and process that has engendered a conflict of paradigms and a long ideological war of words when defining the term as a feature of society or as a socioeconomic totality (Braudel 1977; Boyer 1990; Streeck 2012; Kramer 2016; Piketty 2014; Hodgson 2015; Kocka 2016; Levy 2017; Fraser and Jaeggi 2018). And it can be argued that the 2008 crisis brought fresh relevance to this contested concept. Scholarly debates launched, for example, by the *Journal of American History* (2014, pp. 503–536) have re-legitimized the history of American capitalism as being research worthy. Sven Beckert and Christine Desan’s latest book (2018) is further evidence of the post-2008 renewed interest in the notion of American capitalism, and of its validity in the interdisciplinary fields of history, economic sociology and political economy. The conceptual framework lying behind the present investigation comes mainly from the group of writers in political economy and economics known as the French Regulation School (Aglietta, Boyer and Orléan), whose holistic understanding of capitalism goes beyond the mainstream, neoclassical view of it as a purely economic system.

In *Une théorie du capitalisme est-elle possible?* (2004),² Robert Boyer, a contributor to the present volume, offers a list of defining features of capitalism. They include the recurring alternation of periods of growth and crisis, the equally destructive and creative nature of competition, the simultaneously complementary and competitive character of relations between monetary capital and productive capital and the tendency of economic space to encroach upon political space and to bypass the rules set by the latter as a result of capital accumulation (11).

Building on Polanyi’s idea of the embedding of economies in non-market institutions (1944) and on Granovetter’s work on the influence of pre-existing social ties on “rational” economic exchanges (1985), Boyer’s heterodox view of capitalism is that the system requires a changing mode of regulation to keep it viable, coherent and stable.³ Boyer posits the inseparability of the economic and the social: the paradoxical *conatus* of capitalism makes it both a force constantly “dis-embedding” itself from legal constituencies and national contexts, and a “re-embedding”

² *Is a Theory of Capitalism Possible?*

³ See Boyer (2015); Boltanski and Thévenot (1991); Jessop (2001).

mediating process that stabilizes and institutionalizes a wide array of socio-economic representations. Our heterodox-inspired contention is that each historically specific configuration of the relations between actors, social interests and the state around a temporarily stabilized and accepted “social structure of accumulation” (as defined in Kotz et al. 1994) which we term a “regime of capitalism,”⁴ results from political mediation and a regulating semiotic process of which representations are a part. As representations themselves, fictions in all senses of the term, from paradigmatic theorizing to ideological discourses and even the literary modes/genres, contribute to the regulating process (Shapiro, *infra*). Although they do not use the word “fiction,” Nilges and Sauri are essentially making the same point: “Culture in general and the literary in particular, emerge [...] as the mediation between the social dimension and structure of contemporary capitalism.” Going on to specify the nature of this mediation, they describe it as “the mediation [...] between what the Regulation School identifies as the ‘mode of regulation’ and ‘regime of accumulation’ [and] that [...] assigns formal change within literature a ‘vital function in the suppression of moments of structural crisis [...]’” (*Literary Materialism*, Palgrave, 2013, p. 10).

WHY FOCUS ON AMERICAN CAPITALISM IN RELATION TO FICTION?

Capitalism is transnational by essence and, like neoliberalism, cuts across boundaries. But national determiners—historical ones most obviously—create “varieties of capitalism” (Hall and Soskice 2001; Amable 2013). The American variety is of particular significance because capitalism and the United States are so inextricably linked: “[j]ust as understanding capitalism is essential to understanding the history of the United States, understanding the United States is essential to understanding the history of global capitalism” (Beckert and Desan 2018, p. 3).

At the roots of American capitalism lies the still widespread belief in American exceptionalism. Doing business in America was always backed up by a discursive accompaniment based on changing narratives, or *fiction*s. From inception, the settlers “clothe[d] history as fiction” (Bercovitch 1978, p. xi). The Puritans grounded economic development in Scripture: Man’s works were the way to court divine Providence. Rhetoric—what

⁴See too Eisner (2014), and Boyer (2015).

Bercovitch terms “the American Jeremiad”—bonded together business and the Word of God. This “working fiction”⁵ ensured that “the confluence of the sacred and the secular” (p. 3) was maintained. It constantly informed assessments of America’s and Americans’ performance as a nation. Americans’ question was and remains: is America fulfilling, or not, the expectations of the contemporary dominant fiction? Bercovitch shows how the Constitution gradually took over from Scripture as a self-sufficient sacred benchmark, securing ideological national consensus. The new nation was to fit its writers’ fiction, one that made ample allowances for such questionable economic priorities as the continuation of slavery.⁶ “America” as a symbol became the next fiction under the pen of the major writers of the American Renaissance.

Like a great river irrigating the land, the dominant fiction always depended on tributaries flowing from many sources: the minister’s pulpit, the orator’s stand, the writer’s desk and, just as importantly, the economic agent’s work place, where efficiency was the word and divine election (or destiny) became readable, tangible fact. Within the “city upon a hill,” the unshakably optimistic gospel of success through trying ordeals (inherited from Puritan divines) has been preached and practiced through American economic history by the successive avatars of the American entrepreneur: from craftsman to colonial merchant, industrialist or finance broker. From Benjamin Franklin’s or Andrew Carnegie’s autobiographies to Steve Jobs’s 2005 commencement address at Stanford University, entrepreneurs’ narrativized stories have been so many inducements *supposedly* enabling one and all to hoist themselves by their own bootstraps (See Coste, *infra*). In America, the power of this national fiction of exceptionalism is still enormous. To take a recent and paradoxical example, Ta-Nehisi Coates’s *Between the World and Me* (2015) is one of the strongest recent denunciations from the African-American standpoint of the fictitiousness of the exceptionalist discourse. However, the denunciation comes in the form of a demand not to dismiss the fiction, but to make it come true:

[T]his banality of violence can never excuse America, because America makes no claim to the banal. America believes itself exceptional, the greatest and noblest nation ever to exist, a lone champion standing between the

⁵Initially a form of sermon among the Puritans.

⁶Slave narratives can be read as so many attempts to expose the contradiction in the Constitution and come closer to the truth.

white city of democracy and the terrorists, despots, barbarians, and other enemies of civilization. One cannot, at once, claim to be superhuman and then plead mortal error. I propose to take our countrymen's claims of American exceptionalism seriously, which is to say I propose subjecting our country to an exceptional moral standard. (p. 9)

For the United States, more so than for other countries, fiction and narrative were never the exclusive preserve of literature.

A rapid, standard characterization of American capitalism "proper" would list for its main features the labor/capital opposition; the constant tugs-of-war between free traders and protectionists, the Jeffersonian and Hamiltonian paradigms, actor and institutions (those being ultimately inseparable as a market/state nexus); and so forth. A pioneering work of Regulation Theory (Aglietta 1976/2016), focused on the development of US capitalism from the Civil War to the Carter presidency. Aglietta suggested that the American variety of capitalism actually relies on constraining structures, conventions and mediation mechanisms for its smooth working. We argue that ideological and theoretical fictions, regimes of expectations and to some extent creative fiction (see the third section of the present book) should be counted among these mediation mechanisms.

The invalidation of the pre-2008 dehistoricized globalist vision of a post-national world (with a benign American empire for a leader) proved unacceptable to many Americans, because it amounted to no less than a cultural dismantling. With the end of America's post-war hegemonic governance of the world-system (Wallerstein 2003, 2004; Zakaria 2008), the national myth of exceptionalism was badly frayed.

Although the economic climate in the United States has improved to a substantial extent, since the financial crisis, the short-term and long-term responses to the financial crisis have left their mark: the ruthlessness of the neoliberal system first prompted social movements and a radical critique of a pervasive economic reason extending to all aspects of the social fabric (Duménil and Lévy 2013). In the longer term, the crisis, paradoxically enough, caused the recrudescence of virulent forms of US imperial nationalism and populism. A new fiction was called for: "Make America Great Again" was the one that prevailed in the 2016 presidential election.

What makes the United States special as a testing ground for a study of the special relation between capitalism and fiction has to do with U.S. capitalism's long-lasting romance with finance. Arrighi (1994) famously

theorized the United States as embodying the fourth stage in the development of capitalism⁷. In view of American capitalism's inexorable push toward financialization, Arrighi also predicted its demise: likewise, Braudel remarked that "the stage of financial expansion" is always "a sign of autumn" (quoted in Jameson 1997, p. 6):⁸ The Braudelian "autumn metaphor" characterizes a transfer of hegemony from the West to the East but also points toward joint fictional and epistemic shifts that are instrumental in the transformation of capitalism. In America's case, it is rather the second understanding which applies because financial expansion was never necessarily a harbinger of the country's decline. "[A]t the international level, the United States ascended to superpower status on the basis of its financial system" (Beckert and Desan 2018, p. 3). An overblown financial dimension is a structural feature of American capitalism.⁹ Through an analysis of mostly fictional narratives, Alison Shonkwiler has underlined striking similarities between the Gilded Age and the twentieth century's final two decades. She writes about Dreiser's *The Financier*: "I argue that through its retrospective view of financial creativity in the historical late nineteenth century, the text inaugurates a twentieth-century imagination of capital as a force that exists outside and beyond the ordinary dynamics of history" (2007, p. 79).¹⁰ Both periods considered by Shonkwiler indicate a national inclination to the dehistoricization of capital, and suggest that, in the case of the United States, "late capitalism" should be understood both structurally and historically at the same time (Jameson

⁷ Arrighi (1994) identified four accumulation cycles in the capitalist world-system, each with its associated hegemonic center: Italian cities in the sixteenth century, the Netherlands in the seventeenth century, nineteenth-century Britain, and the United States after 1945.

⁸ In other words, whenever speculation takes over from investment in production as the main source of profit, an era of capitalism is coming to an end and a new one is inventing itself.

⁹ As hinted at by Emerson (1842) who, in "The Transcendentalist," typifies "The sturdy capitalist" with these words: "no matter how deep and square on blocks of Quincy granite he lays the foundations of his banking-house or Exchange, must set it, at last, not on a cube corresponding to the angles of his structure, but on a mass of unknown materials and solidity, red-hot or white-hot, perhaps at the core, which rounds off to an almost perfect sphericity, and lies floating in soft air, and goes spinning away, dragging bank and banker with it at a rate of thousands of miles the hour, he knows not whither,—a bit of bullet, now glimmering, now darkling through a small cubic space on the edge of an unimaginable pit of emptiness" (p. 241).

¹⁰ Shonkwiler's more recent book, *The Financial Imaginary: Economic Mystification and the Limits of Realist Fiction* (2017), develops this theme.

2000). We therefore view American capitalist development as a systemic form of change based on a “regime of uncertainties” (see below) and a periodic switch from material to financial expansion.

The essential link between this more abstract capitalism and fiction is that financialization, just like novels, has to rely on “the willing suspension of disbelief” (Coleridge 1817, p. XIV). Financialization involves faith in fictional wealth, or what Jens Beckert (2016) calls “fictional expectations.” The parallel becomes complete with Lye concurring with Carroll and McClanahan (2015): “interest in the form of finance’s proleptic and analeptic reorganizations of temporal experience leads to a focus on the close fit between financial speculation and speculative fiction’s expertise in what-wasn’t, what-isn’t, what-might-be, what-could-have-been-if” (Lye 2016, p. 349).¹¹ The prominence of finance as a subject across American literature, and in the present collection, is consistent with the characterization of American capitalism as predominantly financial (La Berge 2014a). Could this be the reason why American novelists are paradoxically so obsessed with the real? And isn’t there more than a grain of truth in the view that realism should be regarded as the default mode of American literary fiction because it is such a necessary tool in capitalism’s repair shop? “Realism has long been considered the aesthetic mode most intimate to capitalism. [...] All realism is already capitalist,” La Berge and Shonkwiler write (2014, p. 1), concurring with Jameson’s view that realism is ontologically committed to the status quo as such (La Berge and Shonkwiler 2014, p. 11; Jameson 2013). The late Mark Fisher gave the phrase “capitalist realism” a much more sweeping meaning: “realism,” he argued, is that which capitalism expects of people, what the system demands.

HOW FICTIONS WORK UNDER “UNCERTAINTY REGIMES”¹²

“In dealing with capitalism we are dealing with an evolutionary process and a form or method of economic change,” Schumpeter wrote in 1942. The periodic recurrence of crises is a structural feature of capitalism.¹³ The

¹¹ “Almost all of the developments we associate with modernity—from greater religious toleration to scientific discovery—required the kind of cognitive provisionality one practices in reading fiction, a competence in investing contingent and temporary credit” (Gallagher, p. 347).

¹² A definition of the concept is found in the next pages.

¹³ That is linked to the contradiction between the constant creation, accumulation and valorization of capital—the law of diminishing returns induces an endless quest for boundless

2008 global financial meltdown dispelled the myth of a self-regulating market achieving equilibrium, thus confirming Minsky's financial instability hypothesis (1982a). Both in *Can 'it' happen again?* (1982b) and in the last edition of *Stabilizing an unstable economy* (2008), he theorized the regular return of crises in capitalist development and considered their occurrence and destabilizing impact on business cycles as an intrinsic and endogenous characteristic of the financial system that moves from boom to bust, from stability to fragility because of credit and speculative crises or Ponzi financial schemes.¹⁴ His emphasis on the need to develop regulatory mechanisms and policy reforms echoes the French regulation theory initiated by Aglietta (1976) and Boyer (1990). As Minsky did, Regulation School theorists regard crises as tell-tale moments, positing that the exhaustion of an accumulation regime is bound to metabolize into a crisis, followed by attempts to produce new modes of regulation to stabilize the newly emerging regime.

Observing the periodic crises of the American variety of capitalism confirms our view of the function of fiction within it, as the development of American capitalism is intrinsically Schumpeterian and “fiction-dependent” in its paradoxical reactivation and transformation of economic downturns and financial crises into new political-economic opportunities and sense-making compromises. This supports the Minsky hypothesis and our “defunct fiction” proposition (see below) as possible ways of accounting for the cyclical and the adaptative dimension of American capitalism. Financial crises become important markers and levers of change since they evidence the decline of an existing socioeconomic order and signal the rise of new economic structures and their own remedying fictions.

This book argues that the crises of capitalism are partly the consequence of defunct fictions. When confidence, a prerequisite for capitalism to function, disappears, the capitalist narrative unravels¹⁵: crisis time has come.

growth (See Arnaud, *infra*)—and the struggle over the appropriation/redistribution of surplus value.

¹⁴An early formulation of this view is in Minsky 1974: “the financial system swings between robustness and fragility and these swings are an integral part of the process that generates business cycles.”

¹⁵“Confidence” is like “fiction,” a double-faced signifier, asset or liability: a synonym for “trust or faith in a person or thing,” the reversal of its meaning is inscribed in the compound “confidence man,” “a person who swindles others by means of a confidence game” (*The Free Dictionary*), suggesting that it is of the essence of confidence that it can be betrayed (Vatanpour, *infra*).

Without belief, the system cannot work. As André Orléan (2014) has shown in *The Empire of Value*, any financial and monetary system—when analyzed from a conventionalist and regulationist perspective—has to rely on trust and a shared structure of beliefs within a community. Economic value is not bound up with labor, utility or market exchange ties; it is an extrinsic social force that extends to every aspect of economic life and shapes perceptions and behaviors. Lionel Shriver’s 2016 novel *The Mandibles: A Family, 2029–2047*, with its ironic “In God We Trusted” epigraph, and which features an economist as a character, has this passage that seems straight out of Orléan’s work:

‘Confidence, shmonfidence. What’s it matter if a few rich investors get edgy?’

‘Money is emotional,’ Lowell pronounced. ‘Because all value is subjective, money is worth what people feel it’s worth. They accept it in exchange for goods and services because they have faith in it. Economics is closer to religion than science. Without millions of individual citizens believing in a currency, money is colored paper. Likewise, creditors have to believe that if they extend a loan to the US government, they’ll get their money back or they don’t make a loan in the first place. So, confidence isn’t a side issue. It’s the only issue.’ (p. 29)

That explains Robert Boyer’s and Jens Beckert’s emphasis on the special relationship between capitalism and the future (*infra*). The declining role of banks and the emergence of new financial institutions such as hedge funds freed from national boundaries, the global dynamics of speculation and leverage, have increased economic volatility to a considerable extent. The downturns, recessions and even crashes (in 1974–1975, 1981–1982, 1987, 1989, 2001¹⁶ and 2008) provide sufficient evidence of the heightened risks. Was not the 2008 subprime crash much larger in terms of the loss of wealth from the declines in stock and home prices than the loss of wealth before the Depression? Financial capitalism has exacerbated the openness and uncertainty of the future (Beckert and Bronk 2018). That is why permanent instability has been the hallmark of the finance-led American capitalism, and why its intrinsic dynamic (Boyer 2011; Beckert 2015) is tantamount to a constant search for order.

The concept of “expectations regimes,” created by Boyer (2018), clarifies the way contingencies are reduced by narratives of a new kind. These

¹⁶ Otherwise known as “the dot-com crisis.”

narratives do not solely rely on “rational expectations”: they are not meant to anticipate risks and turn them into a tolerable future predicated on commensurable probabilities. Instead, what characterizes these narratives is the pre-eminence and predominance of imagination and fictional expectations which activate beliefs and possible scripts (Bloch 1985, 1988; Koselleck 2004; Beckert 2013). The search for a successful development path generates counterfactual models, decontextualized abstractions and imagined worlds that help to invent alternative visions of the future: those fictions include theoretical modeling, ideological storytelling and the possible worlds of literature. All three brands of discourse come under Boyer’s term of “anti-uncertainty devices” (2018).

INTERROGATIONS ON TRANSFICTIONALITY: AXIOLOGICAL ISSUES

Our understanding of “fiction” parallels that of “capitalist realism” as set forth by Leigh Claire La Berge and Alison Shonkwiler (2014, pp. 1–25). We want it to be inclusive of both positive and negative uses of it with a shifting but *not* vanishing frontier between them. To borrow from La Berge and Shonkwiler: “it traverses the terrain between the ideological and the critical” (p. 15). This approach, grounded on lexical observation of the contradictions and overlaps of meanings¹⁷ in the “fictive,” “fictitious,” “fictional” gamut of cognates, draws from contemporary scholarship on fictionality (Pavel 1986, 2013; Currie 1990; Schaeffer 1999; Gallagher 2006, 2018; Lavocat 2016; Baetens 2018; Beckert 2011, 2016) which has historicized its axiology and enlarged its scope.¹⁸

To address the question of the worth of the three types of fiction we have identified, starting with epistemic ones, Boyer (*infra*) casts a skeptical eye on epistemic fictions when he stresses how much is fictional and

¹⁷ While dictionaries concur on first defining “fictitious” as “what is false and is intended to deceive people,” no agreement seems to exist about “fictive” which, depending on dictionaries, is given first as a descriptive or a depreciative modifier. Definitions of “fictional” do not include negative features, relating it most clearly to imaginative invention and artistic creation. Despite these differences, all three adjectives can refer to what relates to works of fiction.

¹⁸ Gallagher (2006) shows for instance how the novel is the type of fictional narrative “in which and through which fictionality became manifest, explicit, widely understood, and accepted” “as, over the course of the eighteenth century, readers developed the ability to tell [fiction] apart from both fact and (this is the key) deception” (p. 336; 338).

misleading about (American-dominated) neoclassical economics, and wishes more attention were paid to the empirical world; on the other hand, he factors fiction (as “expectations”) into his own theorizing.

Regarding ideological fictions, we should start by saying that the Marxian view of ideology as necessarily deceptive—casting a veil over exploitation—may be too narrow for the understanding of fiction developed in these pages. It can be argued that the fictions of ideology have a framing force, preventing society from turning into a free-for-all jungle and providing a structure of beliefs essential to the expression of preferences. They channel decision-making within a given society. In fact, no society can do without this fictional cement that keeps its narrative going at very basic but necessary levels (Ricoeur 1981; Williams 2008). That said, assessment of the validity of a specific fiction will depend on the assessor’s premises: powerful American firms at the cutting edge of global capitalism tell stories that may be received as utopian or dystopian (Pauwels, *infra*). In the case of entrepreneurial discourse (Coste, *infra*), accompanying fictions can either be condemned as closed-ended and serving the interests of the few; or they can be deemed helpful because they provide ground on which inventor and entrepreneur can meet; they further action through risk-taking, they make for value creation and result in social progress for the future benefit of all. Similarly, “feel-good” scenarios about, say, the influence of one’s country or boundless opportunities “out there”/ “out west” (Arnaud, *infra*) can be regarded either as criminally deceptive or innocuous and enabling, or even necessary, depending on the assessor’s interests.

Aesthetic criteria outweigh all others when it comes to literary fiction. The question of validation does not apply. Literature is largely beyond proof. Certainly, novelists, like economists, model reality, turning it into plots and characters. If predicting the future in the form of forecasts and/or warnings is routine for an economist, it is not infrequent either for the fiction writer choosing the utopian/dystopian genres to respond to times of upheaval. Novelists, economists and capitalists share an inclination to the counterfactual, do they not? Deciphering change and envisioning the future is of interest to authors and capitalists alike.¹⁹ As the ongoing debate on what constitutes realism shows (Dubey 2011; Lawson 2015; Schumway 2015; Wonham 2015; Esty 2016; Nabers 2016; Duncan 2017), fiction writers have kept chasing truth through a multitude of aesthetic options. The concept of pos-

¹⁹The function of American realism as a buttress of capitalism is a question which critics have repeatedly addressed. See La Berge and Shonkwiler (2014).

sible worlds has been widely researched (Ryan 1991; Ronen 1994; Lavocat 2016; Gallagher 2018). Modes and genres fluctuate, from exhaustive attempts to render reality with photographic accuracy to making do with “reality effects,” or reaching for transcendent *veritas*.

But there are yet other ways in which literature matters. The truth-value of creative fiction lies in its “capaciousness”: unlike epistemic constructions that preclude debate and eliminate dissensus (the very principles of political life), novels make it possible to include diverging points-of-view. Literary fiction does not have to conform to the law of non-contradiction, because different realities or versions of the truth can coexist in a novel (Lewis 1978; Lamarque and Olsen 1994). To that extent, they may then be considered a form of “representative thinking” in the Arendtian sense (Arendt 1961, p. 241) that achieves intersubjective validity. In this view, the truth in literary fiction amounts to “an experience of democracy” (Nussbaum 1995, 2010; Stow 2006; Brook and Jewett 2014), more specifically “a lived experience of the dissolution of the [metaphysical] markers of certainty” (Lefort 1989). Don DeLillo’s view of the novel as a “democratic shout” (1991) confirms its political significance.

Why literary, ideological and economic discourses have come to converge on the question of fiction in the past few years is a point worth exploring. Until not so long ago, we would have said that the phrase “the *critical* function of fiction within (American) capitalism” means either that novelists have performed a useful function in criticizing capitalism *or* that fiction (i.e. invention as imagination or lies) is “of major importance” for the dynamics of capitalism. We gradually came to think that one should not choose between the two interpretations. What does this shift in our perception reveal?

What is involved in pointing out that, like fiction, theorizing in economics (a dedicated servant of capitalism) relies on “as if” models (Mäki 2002; Morgan 2012, 2014)? In a way, it is just a belated recognition of the soundness of the Regulationist approach, to the effect that consideration of things economic should include both hard *and* social sciences and that creative literary fiction can be regarded as a valid form of cognition.

Another interpretation of this convergence of discourses consists in reading it as a manifestation of the neoliberal era (Nealon 2012; Huehls and Greenwald 2017). The now extended understanding of fictionality may coincide with, and express, the decline in legitimacy and political influence

of the literary field as an autonomous, historically powerful aesthetic order.²⁰ By the same token, this broader definition erases nineteenth-century *Belles Lettres* and its world republic of letters (Casanova 1999) as the breeding-ground of political economy, before economics became an institutionalized discipline. Conversely, the independence from philosophical, political and economic discourses declared by literature in Europe and the United States in the eighteenth and nineteenth centuries has been much reduced, and the struggle for influence and dominance between the field of art and those of politics and economics is on again (Bourdieu 1992/1996, 1993, 1998, 2005; Adelman and Packham 2018). In other words, the ever-wider acknowledgment by most social sciences of the relevance of fictionality and fictionalization in their fields (Jameson 1981; Castoriadis 1997; Morgan 2017), and the dispersion and extension of the literary mode into the language and theorizing of economics, can also be considered as an instrumentalization of the original aesthetic and fictional power of literature (Jablonka 2015). Nations once made ample use of their literary capital through history, promoting great works (the value and legitimacy of which they enhanced in so doing) as part of their national myths (Cunningham 2010; Cadle 2014). Today's transfictionality (Saint-Gelais 2005, 2011) amounts to an intrusive—and possibly damaging—exploitation of literature, a colonizing of it, in fact.

²⁰Quantitative economists' current interest in fiction amounts to a return of the suppressed. ("Marx's commodity stems from the Balzacian shop," Rancière reminds us (2010, p. 164).) A striking illustration of this suspect trend is Robert J. Shiller's (2017) Presidential address delivered at the annual meeting of the American Economic Association in January 2017 and entitled "Narrative Economics," a plea for the expansion of the field of economics in the form of the quantitative study of the effect of popular, non-factual narratives on an economy's health. "We economists should not just throw up our hands and decide to ignore this vast literature. We need to understand the narrative basis for macroeconomic fluctuations, and to think about how narrative economics ought to be more informing of policy actions now and in the future," he writes (p. 10). The centerpiece of the article consists in a "reading" of "the 1920–1921 Depression, the Great Depression of the 1930s, the so-called 'Great Recession' of 2007–2009 and the contentious political-economic situation of today, [...] as the results of the popular narratives of their respective times" (p. 10). The modeling of fictions with a view to getting ever closer to zero-error forecasts may be the ultimate quant's (quantitative economist's) fantasy, i.e. actually run against the spirit of political economy with its complex approach of phenomena, by perpetuating the belief that anything boils down to a system of equations (Boyer, *infra*). But Shiller's attempt is certainly in sync with the zeitgeist: his research registers the greater "impact of non-factual narratives" "after the relatively recent advent of modern information technology and social media" (p. 4–5).

Is the power of literature to deliver home truths to capitalism seriously on the wane?

A FICTIONAL TURN TO THE REAL

A capitalist that was an omnivorous reader of American novels would probably agree with a description of the genre as “a creative irritant” (Buell 2014, p. 8). Across the ages, American novelists have found capitalism and its successive transformations to be a rich source of inspiration, a treasure trove indeed for the fiction writer, offering much substance for dramatization. Often, they have made it the target of their criticism. The history of American literature—which, from the outset, kept the door open between fiction and nonfiction (art and journalism, see Dow, *infra*) and continued to do so in the critical years of Transcendentalism—may be the key to understanding why American fiction has been so rich in direct or indirect political-economic considerations.

The context created by Donald Trump’s election seems to have confirmed a “return to the real”²¹ and a suspicion of fictionalization that was mere simulacrum, spectacle or deceitful representation. Such a trend, an antidote to the “post-fact” and “post-truth” discursive regimes to come, first appeared during George W. Bush’s presidency.²² Some American writers abandoned the view of literary fiction as an autotelic and self-referential textual practice and reconnected it with the world. The American novel once again appears as a privileged locus for the exploration and the imaginary re-construction of society, participating in the ongoing general sense-making of which exposing the fictions (that is, untruths) that capitalism perpetuates is a part. The more overtly political novel has returned, a return to a renovated realism to which the writers from racialized, ethnized and gendered groups greatly contributed.

A renewed “hunger for reality” (Shields 2010; Dubey 2011) has been generating numerous hybrid texts that cross genre boundaries and play with the fiction/nonfiction divide. The end of history stopped being fash-

²¹ *Granta* magazine’s 2017 Best of Young American Novelists includes two pieces directly referring to Trump’s election: Mark Doten’s “Trump Sky Alpha” (2019) and Esmé Weijun Wang’s (2017) “What Terrible Thing It Was.” *Trump Sky Alpha* is now a full-length novel published by Graywolf Press.

²² Aspects of Thomas Pynchon’s *Against the Day* (2006) and Cormac McCarthy’s *The Road* (2006) embody modes of this return to the real.

ionable. The return of an old “new” parlance can be observed in American fiction:

At Barnard, having written her honors thesis on “Class, 1945-Present” had seemed daring, because Americans flattered themselves as beyond class. But that was before the fabled economic downturn that fatally coincided with her college graduation. After which, Americans talked about nothing but class. (Shriver 2016, p. 6)

In *Postmodern|Postwar—And After* (Gladstone, Hoberek, Worden eds.), published in 2016, Caren Irr wrote about “The Resurgence of the Political Novel.” Indeed, the twenty-first century has seen an unmistakable turn away from playful “postmodernist” fictional modes (Lesjack 2013; Kelly 2016). This fictional return to the real has included novelists addressing the role of fiction in the economy.²³

TO CONCLUDE, TEMPORARILY

Fiction and fictionality are now common research issues for the social sciences in general, a likely by-product of the unforeseen global financial crisis of 2008 and the Great Recession that followed. In the wake of the global storm that hurt millions of people, economists have talked to other disciplines in the humanities and social sciences, in an attempt to narrow the gap between theory and the real economy. This involved both acknowledging the place of fiction in economic theory and paying greater attention to the role of irrational factors in a country’s economic life. This new attention to the fictional has, maybe not coincidentally, been running parallel with a general dissolving of the fact/fiction dichotomy into pan-fictionalism or post-truth regimes. “Fact-checking” has become part of the common idiom.

With “fiction” increasingly referring to something other than “novels,” literature has also seen its status partly redefined as a “boundary object” (Star and Griesemer 1989) that deserves to be analyzed as “a kind of symptomatology of society” (Rancière 2004, p. 33). Whether or not fiction (literary or otherwise) partly relieves capitalism of its symptoms is a question worth exploring again (Zimmerman writes about nineteenth-

²³See Karl Taro Greenfeld’s *The Subprimes* (2015) to which R. Boyer refers in his chapter, and also Dee (2015).

century “economic reform fiction,” that it “offered middle-class Americans safe passage to the future, tempering the most explosive features of industrial capitalism” (2011, p. 413.) We end up with this view of fiction as prime mover *and* stabilizer of capitalism, and a convergence of research agendas making fresh sense, following in the footsteps of Edmund Wilson who blazed a trail joining literature to economics by writing about *Capital* as both satire and epic (1940).

FACETS OF FICTION IN AMERICAN CAPITALISM: A GUIDED TOUR OF THIS BOOK

Like Beckert and Desan (2018), we favored an inductive approach to capitalism and did not ask our contributors to write from within Regulation Theory’s conceptual framework. The more holistic view embraced by political economists with a Regulation Theory background is nevertheless achieved through the variety of angles chosen by the international groups of political economists, sociologists and literary scholars who convened in two successive workshops held at two French universities (Paris 3 Sorbonne Nouvelle and Paul-Valéry Montpellier 3) six years ago. What follows is the fruit of those explorations.

Three Theoretical Insights

Robert Boyer’s “From Economics as Fiction to Fiction-led Capitalism” logically leads the way into the book because it perfectly embodies the editors’ hoped-for eroding of disciplinary lines. Boyer tracks the invisible presence of fiction in American-influenced economic theorizing, in which historical processes are replaced by simplifying and unrealistic hypotheses that privilege logical, formal and mathematical coherence over economic relevance. More generally, Boyer suggests that contemporary capitalism itself is driven by fiction and that it makes abundant use of storytelling in an attempt to reduce uncertainty and complexity.

Jens Beckert’s contribution, “Capitalism: Anticipating the Future Present,” is one of the early introductions to his concept of “fictional expectations,” which, he contends, are inherent in an economic model based on competition, credit and more generally the belief in an open future. Breaking down “the general tale” of the American Dream, Beckert describes the workings of collective imaginaries regarding investment in

three fields vital to American capitalism: financial markets, human capital and consumer goods.

Lyotard (1979) and Jameson (1991) formulated postmodernism as “incredulity towards metanarratives” resulting in a ‘meltdown of culture into the economy’” (Fisher 2009, p. 45). Beckert’s analysis casts light on the opposite process, re-embedding political economy into the social and cultural context, in the same way as American literary fiction, like no other, has let the economy percolate into it (Shapiro 2008).

Stephen Shapiro’s theoretical proposal consists in subdividing the Marxian category of labor power into fluid and fixed kinds, the latter being the missing counterpart to fixed means of production in *Capital*. Fixed labor power, says Shapiro, refers to all that ensures the long-term (re)production of class relations. He considers genres (literary or otherwise) as “resource fictions,” “a reserve of fixed labor power” part of the array of cultural tools within “structures of feeling” that ensure capitalism’s resilience through its “systemic difficulties.” The book’s later chapters on Frank Norris, Ayn Rand and Philip Roth show how, each in their own way, these authors’ inclusion of epic features into their novels vindicates Shapiro’s analysis of genre.

Non-literary Fictions Bolstering American Capitalism

The chapters in the book’s second part focus on specific American fictional productions relative to capitalism, starting with types of ideological narratives with motive and emotive power, whose rhetorical, political and performative functions are more apt to place them on the side of the fictitious and the fictional than on that of truth-telling: they include the recent practice of storytelling, the fantasy of “boundlessness” and such a narrative-dependent phenomenon as “entrepreneurship.”

In recent years, capitalism has made widespread use of storytelling (McCloskey 1990; Salmon 2007; Austin 2010; Ryan 2001; Currie and Sterelny 2017). Marie-Christine Pauwels explores the forms and the specifically American contents of this new “fog-machine” of late capitalism, meant to cloud issues, lull suspicions and sweet-talk workers and consumers into behaving according to the best interests of capitalist actors. Here again, Shapiro’s concept of fixed labor power seems to be operative in accounting for the calculated intent behind the use of these familiar stories which constantly build or rebuild communities around specific consumer

goods in order to make up for lost faith in the economic system and the neoliberal creed in general.

The belief, informing American capitalism, in the virtual boundlessness of the national economy is, Pierre Arnaud argues, rooted in the initial experiencing of America's space and became a widely shared notion during the conquest of the West, which coincided with "the advent of capitalism." The fiction survived the completion of territorial expansion as the axis of space projected itself onto the axis of time. The future came to stand for limitless promise for the US economy: a view that neoclassical economists' notion of a predictable future had laid the ground for. Despite recurring crises, the past decades show that American economic actors' positive valuation of, and trust in, the future never weakened durably: their reliance on credit endures and a high level of debt remains a positive signal of dynamism rather than a liability.

Complementing the study of capitalism and futurity variously conducted by other contributors, and basing his study on a corpus of now-established and iconic "business heroes," Coste offers a typology of those fictional discourses of US entrepreneurship that mine the riches of the past: they range from best-selling autobiographies (spreading across a "soft epic" spectrum) to more or less sophisticated instruction manuals, or even incursions into the theoretical, when entrepreneurship becomes capitalism's applied science.

Novelists and the Fictions of Capitalism

Julia McLeod's essay on Elizabeth Stuart Phelps Ward's *The Silent Partner* (1870), published at a time when American "women's fiction [was] transitioning from sentimentalism to realism," highlights the possible complementarity between creative fiction and social and economic theory, in this case J.S. Mill's. But, McLeod shows, Phelps's proposition has its blind spots: advocating a democratic form of capitalism that insists on an empathetic and ethical approach to conflicts—and thinking that the excesses of capitalism can be "regulated" by family values, sentiment and culture—is just another fiction.

In his chapter on William Dean Howells, Guillaume Tanguy plots the evolution of the novelist's views on capitalism through four novels written in a little less than a decade (1879–1888). An attentive witness to the cyclical crises in the final quarter of the nineteenth century, Howells came to realize that he had been blinded by the fictions that peddled capitalism

as a vehicle of progress and justice, and his dedication to realism led him to the painful reconsideration of the worth of his ideal, therefore of his work. Howells later imagined utopian alternatives but never radical ones; by and large his oeuvre justifies a view of literary fiction, the “economic novel” in particular, as having worked as a safety-valve for the excesses of capitalism from the end of the Civil War to the start of America’s involvement in World War I.

Like Phelps’s *The Silent Partner*, Frank Norris’s representation of capitalism in *The Octopus* (1901) refers to easily identifiable economic and sociological theorizing of the Progressive era (on monopoly, mechanization and the conflicting dynamics of agricultural/industrial life). Norris saw no hiatus between science and literature and insisted that fiction must be about the pursuit of truth. But his protagonist’s wavering, first between (epic) poetry and partisanship nourished by his reading in political economy, then from denunciation of capitalism to a form of fascination by it, dramatizes Norris’s difficulty in attaining a stabilized truth. Ultimately, Payen-Variéras shows that the theoretical and ideological inconsistencies of *The Octopus* should be regarded both as a true record of the time’s conflicting economic and political theories and an attempt at making sense of it, with fiction being the most appropriate heuristic method to approach such an end.

Economic lessons can be drawn from literary fiction, on condition that no pre-written teleological narrative distorts the textual data. That is the point Jason Douglas makes in his study of Theodore Dreiser’s *The Financier* (1912). More specifically, Douglas suggests that simply equating capitalism with the destructive forces of nature blocks the reception of what *The Financier* most usefully exposes, that is all the parasitic factors that jam the smooth running of a free-market economy when “crony-capitalism” alters the essentials of economic rationality.

William Dow’s chapter on Richard Wright and Ann Petry, two African-American writers, explores the two authors’ methods for “disarticulating [...] a racialized capitalism.” Their passion for truth determines their aesthetic choices, a central aspect of which is their decision to hybridize their writer’s practice by jointly “doing” fiction and journalism, explicitly rejecting—in Petry’s case—generic categories. Neither author plays down the role of fictionality: they see it as part of the rhetorical tools at their disposal. Capitalism creates its own ideological fictions to generate emotional involvement; truth itself is racialized and generally confiscated by the powers that be. So, battling it back can be done through fiction too. Dow’s

chapter keeps a tight focus on the questions of fiction and truth in relation to race and class.

A paean to entrepreneurial capitalism, Ayn Rand's *Atlas Shrugged* (1957) was written and published during the Cold War, as the "Post-War Deal" regime saw the triumph of the large-scale organization and Keynesian planning. Rand imagines a disastrous ending for state-guided capitalism and its toppling by an oligarchy of entrepreneurs. The book remains a best-seller almost 60 years after its first publication despite very unfavorable reviews by literary critics. Exploring the reasons for these dim views of the work, Vincent Dussol shows that Rand's harnessing of the epic and utopian genres contributes to making her novel a stiff and unconvincing praise of laissez-faire capitalism as the embodiment of freedom. The grand exemplary tale of "pure" capitalism that she meant to tell appears as the implausible rendering of an economic system, frozen at an outdated Fordist stage of its history.

Over forty years after its publication (1976), William Gaddis's *JR* remains an unsurpassable rocking of the boat of finance capitalism. Jean-Louis Brunel's reading of the massive novel follows the lead of Buciu-Glucksmann's view of Baroque aesthetics (1994) as "a mimetic of nothingness" that builds a "clutter" of forms and signs around substantial "vacancy." Drawing on this characterization of the Baroque and on Foucault's pairing of the madman with the artist as the western cultural area's bookends, Brunel examines the modes of capitalist insanity represented in *JR*. Like the madman, capitalism does not know difference and disregards limits, turning illusion into presence, which is the perspective of speculation and the principle of the Baroque. The essay goes on to show that the purpose of the artist runs against that of the capitalist: Nietzsche's creative destruction stands poles apart from that of Schumpeter. In *JR*, the untimely movements of style carry the day against the endless fluctuation of stocks.

In his essay on capitalist temporality, Beckert returns to Bourdieu's opposition between a traditional economy, which deals in "direct goods" and operates according to well-identified future aims within real time, and a "detraditionalized" money-based economy which introduces indirection and turns the future into "a vanishing point."

Sina Vatanpour's study of "money narratives" in postmodern works of fiction—Paul Auster's *City of Glass* (1987) and Martin Amis's *Money*

(1984)²⁴—looks at dramatizations of the later stages of the dematerialization process when, in the neoliberal, deregulating 1980s, the still-tangible realities of production capitalism, commodity money, stable identities and meanings have given way to the elusive referents of non-productive finance capitalism, fiat money, floating identities and confidence games. The transatlantic picture of the days of *Fiktives Kapital* is one of general unreliability and instability of all sign-systems, monetary as well as linguistic ones, mirroring the period's capitalistic mirages of easy riches.

Jacques-Henri Coste reads Philip Roth's (1997) *American Pastoral* as a textbook case of economic development in twentieth-century America and the failure of the American business epic in the age of anxiety. There is nostalgia for a Jeffersonian order, Coste says, in this fictional account of the progress of a Jewish family and its glove-manufacturing business, all the way down to the days of globalization. A shared ideal of craftsmanship, workmanship, and a "utopia of rational existence" and industrious life in the Protestant tradition haunt Roth's hero, who strives to maintain/repair his value system comprised of hard work, individual initiative, transmission of generational skills, ownership of property, social cohesion and integration. But the novel demythologizes the fictitious assimilationist tale of shared wealth and national unity, and provides a paradoxical fictional and counterfactual archive to the business historian and the political economist.

Don DeLillo (2001) entitled the essay he wrote in response to the 9/11 attacks "In the Ruins of the Future." It starts with a foreshortened view of the 1990s:

In the past decade the surge of capital markets has dominated discourse and shaped global consciousness. Multinational corporations have come to seem more vital and influential than governments. The dramatic climb of the Dow and the speed of the internet summoned us all to live permanently in the future, in the utopian glow of cyber-capital, because there is no memory there and this is where markets are uncontrolled and investment potential has no limit. All this changed on September 11.

But 9/11 was not a watershed moment for capitalism. Pynchon's 2013 *Bleeding Edge* constructs 2001 as a critical time of its expansion across the World Wide Web. The year 2001 is shown by Pynchon to have been the

²⁴Vatanpour's "excursion" into British literature is justified by the striking thematic similarities the two novels bear to each other. Additionally, Amis's protagonist jets back and forth between the two sides of the Atlantic.

time when the reality of a take-over by corporate and more obscure forces of what had been thought of as a continent of freedom, set in. And, in the same way as the arraignments of capitalism in nineteenth century, economic novels often appealed “to some idea, place, or time seemingly impervious to flux—chivalric love, moral character, gender identity, aesthetic harmony, Christian service, country life, and so on” (Zimmerman 2006, p. 410)—Pynchon’s novel points to the pastoral dream as a space of resistance to stop the bleeding caused by the cutting edges of capitalism. The capitalist economy leaves him no choice as to where to locate such spaces: they are now to be found in refuse, the real and the digital kind, in open-air dumps or the Deep Web—Pynchon’s original extension of the literary treatment of waste in American literature.²⁵ Like Maxine, the fraud investigator and heroine, Bénédicte Chorier-Fryd operates in both worlds to analyze the sites of pastoral resistance.

PROSPECTS

Concluding this book, Peter Knight’s essay establishes the existence of a thriving academic field at “The Interface of Economics and American Literary Studies.” This survey of the representations of the representations of capitalism demonstrates the fertility of Marx’s initial positing of a direct influence between economic infrastructure and ideological superstructure. Generations of academics followed in Marx’s footsteps, variously teasing out different types of cause-and-effect relationships between stages of capitalist development and modes of fictional representation (Lukacs 1916; Goldman 1965; Macherey 1966; Moretti 2013a, b, 2015; Crosthwaite et al. 2018). Knight brings out the historical and ideological specificities of their successive approaches (American studies as a watered-down, acceptable avatar of Marxist-inspired research), and traces the connections between them, assessing their merits but also their limitations as when glittering generalities overreach themselves and finally fail to account for specific literary objects. Homologies should not be pushed too far, Knight insists. However, his review of the research findings confirms the indisput-

²⁵ Pynchon’s digital waste comes after A.R. Ammons’s poem *Garbage* (1993) and Don DeLillo’s *Underworld* (1997), in which waste (its past, present and future, its economics, even its metaphysical meaning) is abundantly theorized and dramatized through various characters.

Politics too produces waste: “we are now in a political landscape littered with what Alex Williams called ‘ideological rubble’” (Fisher, 2009, p. 78).

able existence in American literature of significant echoes between this or that stage of capitalism and novelistic forms or contents, themselves fulfilling diverse functions (explanatory, accommodating, critical or healing in particular) and registering different emotional responses with regard to the economy. Yet Knight admits that those writing fictions or about fiction are not, in fact, badly equipped to understand, contain and possibly counterbalance the fictitious worlds of financial capitalism. He ends his essay with a plea for the recognition of what, after “Medical Humanities,” he proposes to name “Economic Humanities.” Always the pet science of capitalism, economics needs to keep opening up. It should not revert to pre-2007 number-crunching isolation behind watertight partitions. The mirrors held up to capitalism by American fiction and American literary studies may provide useful insights for economists, Knight contends.

Venturing out on a path parallel to his, we hope the triangle of fictional lines sketched out between these covers, materializing the meeting of economic, ideological and literary discourses at work in American capitalism, may appear a worthy effort toward the emergence of the transdisciplinary field outlined by Knight. We are aware of the limitations of our epistemic endeavor toward this conversation between disciplines and fields, and do not regard literature as simply part of an overall political culture; nor do we view political economy as a mere constructivist and fictional discourse looking for disciplinary imperium. Eleven years after the financial crisis, and belatedly echoing the chronicled death of comparative literature as a discipline (Spivak 2003), we take stock of “a twin crisis”²⁶ that questions the legitimacy of economics and humanities and the diminished role played by the humanities and social sciences in building general theories and rigorous transdisciplinary research.

But we also contend that only transdisciplinarity can evolve the multi-dimensional approach required to meet society’s demand for a more holistic understanding of capitalism. Economic humanities, which blends rigorous interdisciplinarity with a measure of indiscipline, provides this heuristic horizon.

²⁶ Gary Saul Morson, Morton Schapiro (2018) *Cents and sensibility: What economics can learn from the humanities*, Princeton, Princeton University Press.

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PART I

Theoretical Overviews



CHAPTER 2

From Economics as Fiction to Fiction-Led Capitalism

Robert Boyer

INTRODUCTION

Economists used to present themselves as the most rigorous social scientists and they were recognized as such by hard sciences. During the Great American Moderation,¹ macroeconomic theory was perceived as quasi-complete, concerning for instance the monitoring of business cycles. America's subprime credit crisis, which went global, falsified this view: mainstream economists were unable to predict the coming crisis, and to this day, they do not agree upon its origins. The present chapter provides a historical analysis of the epistemology and methodology of economics and argues that the reductionism typical of economists has failed: the profession had been proposing a coherent but fictional analysis of contemporary capitalisms. Similarly, mathematical finance went wrong in postulating

¹This is the name given to the early 2000s when the new monetary policy and financial innovations delivered growth and a low inflation rate simultaneously, unlike the previous period when the control of inflation had been associated with growth slowdown (Blanchard 2008).

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that modern statistical techniques could extract accurate forecasts from the past, whereas market-led capitalism is actually moved by storytelling, as an attempt to reduce uncertainty and complexity. What follows develops this general hypothesis.

When English political economy crossed the Atlantic Ocean, it turned into American economic analysis and finally economics, since the hybridization with historical and institutional approaches of the economy was only transitory (Veblen, Mitchell, in some sense Schumpeter and ultimately Galbraith). Thus, the literary and conceptual analyses of leading British economists were replaced by quantification, formalization and modeling, presented as the unique path to economic theory, and implicitly the United States became the core reference in modern theorizing of capitalism. The subsequent intellectual history can be analyzed as the synergy and then the divorce between two research strategies. On one side, Paul Samuelson launched an ambitious and finally successful project: to make economics the social equivalent of physics. This breakthrough set the norm for the economic profession, not only in the United States but also internationally. On the other side, Friedman's famous epistemological stance about the irrelevance of the realist hypothesis initially legitimized this abstraction in the name of a parsimonious and general theory. Nevertheless, today, this dismissal of realism can be interpreted as a confession that economists were inventing fictitious worlds, none of them being representative of real economies.

In the 1960s and 1970s, Smith's fiction of "the invisible hand" was replaced by that of the Walrasian auctioneer coordinating the whole set of economic and financial transactions. Still, mathematicians, however talented, have finally been unable to find reasonable hypotheses that would lead to a self-adjusting pure market economy. Paradoxically, politicians in disarray after the end of the Golden Age embraced the belief in the invisible hand at the very moment when theoreticians had to recognize that they were unable to build a coherent model sustaining such a feature of market economies.

Consequently, economists limited their ambitions to ad hoc modeling of a subset of economic mechanisms, and they recognized that economic processes are too complex to be formalized into a single and simple model. Given the growing number of professional economists and their ever-increasing technical standards, economic fiction became the name of the game: let us just build a fictional world that we can master intellectually, and maybe someday, we will understand really existing economies. Unfortunately, economic theory has been balkanized into a series of

communities sharing the same drastic ad hoc simplifying hypothesis, and they generally deliver contradictory conclusions on the same issue. The success of game theory is the ultimate episode of this totally relativistic approach, according to which “everything goes.” Farewell to a positivist approach and to Popper’s falsification principle.

The primacy of logical coherence over economic relevance is embedded in the Rational Expectations Hypothesis (REH). Each author decides on a dramatic simplification of complex interdependences and then assumes that all economic agents will learn how to behave in such a fictional world, only disturbed by stochastic exogenous shocks. This “power grab” much simplifies coordination among individuals and thus facilitates the existence of an equilibrium in the absence of a Walrasian auctioneer. A second advantage of REH is to be stressed: cinematic time is substituted for historical time,² and this contributes to the closing of the imagined model, whatever the relevance of its founding hypothesis.

With the shift from Fordism to financial innovation-led regimes, the leadership in economics was taken over by modern mathematical finance, led by the inflow of statistical physicists and mathematicians, specialists in probability theory. Fascinated by their technical sophistication, this emerging and powerful intellectual community delivered wonderful tools to traders and financiers to create sophisticated new financial instruments. They pretended to master risk and even uncertainty, since the present and the future were the consequences of the past. These quants³ had totally forgotten that any financial instrument is a promise to pay in an unknown future, and that some radical novelties and innovations are unable to deliver the expected promises to repay, hence a local, national or international crisis. The present turmoil is also a crisis of false and/or conflicting representations.

In fact, mathematical finance seemed totally unaware of the real motives of buyers and sellers of derivatives and options. The name of the game was to restrict the dramatic complexity of the determinants of stock market

²In REH models, cinematic time relates to the formation of expectations in a purely static world in the context of given economic institutions (Dupuy 1989). By contrast, historical time tries to capture the endogenous transformations, typical of a capitalist economy (Robinson 1956).

³This is an abbreviation for quantitative analysts. Usually, these quants came from physics; some of them have shared their experience in books written for the general public (Derman 2007). Some statistical physicists address stern critiques to financial economists for their lack of rigor (Bouchaud 2008).

valuations and to propose a simple story in order to further the convergence of initially heterogeneous expectations. Storytelling became very fashionable in finance as well as in argument over economic issues, political campaigns and everyday economic policy decisions. Hence a wonderful paradox of modern economic theory: the failure of the positivist approaches gives a premium to the analysis of representations, as key factors governing behaviors. Thus, one may detect a fictional turn in social sciences, including economic theorizing and the sociology of finance.

This strategy is quite present in finance, but an increasing number of researchers propose extending it to more typical goods and services, far away from the conventional opposition between an objective conception (labor value theory) and a purely subjectivist and individualistic one (marginal theory of value). Nevertheless, a lot more elaboration is called for before the integration of various social disciplines is arrived at. Achieving it would mean fully taking into account the formation and diffusion of representations and beliefs, including among researcher communities. *Nolens volens*, the focal point of the action is still the United States, still the territory of finance-led capitalism where the more powerful academic and research institutions thrive (Fourcade and Khurana 2013), and where a community originating from all over the world meets and works.

FROM BRITISH POLITICAL ECONOMY TO AMERICAN ECONOMICS

The founding fathers of the discipline tried to discover universal laws governing economic activity, but retrospective and comparative analysis suggests that they were somehow influenced by the junctures and problems of the societies they were living in. This has proved to be the case when comparing British, American and French traditions in political economy (Fourcade 2009).

Comparing Two Epochs via Two Dictionaries

Let us limit the argument to a comparison of two selected dictionaries of economics: the first one was published in the heyday of intellectual British hegemony (*Dictionary of Political Economy*, Palgrave and Inglis 1894) and the second one after the shift of the center of gravity of the profession to the United States (*The New Palgrave*, Eatwell et al. 1987). Comparing the

entry “Profit”—a quite central concept in economic theory—one gets the impression of a complete *aggiornamento* in the style, the vocabulary and the reasoning of economists. The presentation of the older dictionary features quite specific patterns. The discussion is largely conceptual, it proceeds via an exegesis of the major authors, and the reasoning mixes law, political economy, historical references in a quite eclectic manner. One can imagine how political economists were trained in their Oxford or Cambridge colleges and see how this tradition culminated in Keynes. Political economy, then, is part of an overarching analysis of society. By contrast, the more recent dictionary belongs to a different planet: in it, algebraic notations represent the concepts involved in the formation of profits, the review of literature is limited to the confrontation of two opposite analyses of income distribution, respectively post-Keynesian and neoclassical, and the reasoning goes from one equation to another. It seems that any theory has to be embedded into mathematical modeling. This is a very parsimonious method for transmitting knowledge among economists. This is also an incentive for mathematicians to enter the discipline. Formal coherence becomes a key criterion for scientific analysis. Not a single reference is made to historical facts and no econometric data are mobilized. Theory comes first and observations follow—an approach quite at odds with the mixing of inductive and deductive methods that was implicit in the old political economy.

The Aborted American Institutionalism

The contemporary American way of conducting economic analysis only emerged after WWII. In the first half of the twentieth century, American scholars developed genuine theoretical tools in response to the specificity of the New Continent, devoid of all the heavy traditions of Europe. American institutionalism explored the patterns of life style (Veblen 1899) and proposed a whole set of genuine concepts in order to understand the relations between law and economics (Commons 1934). The discrepancy between the North American and British contexts generated a new approach to capitalism, anticipating, in a way, the contemporary variety of capitalisms (Galbraith 1958, 1967). Another typical American pattern is associated with statistical and empirical analyses of business cycles, at odds with purely deductive and theoretical approaches: this tradition starts from Mitchell (1913) and finds an impressive synthesis in Schumpeter (1939). One last American innovation relates to the mixing of the Marxist and

Keynesian traditions in order to deliver an interpretation of the interwar crisis and the transformations after WWII (Baran and Sweezy 1966).

THE TWO FOUNDING PRINCIPLES OF ECONOMICS

The contemporary literature has largely forgotten these American traditions: only a minority of heterodox economists continues to work along these lines. The United States is perceived as a melting pot of contemporary research, in light of the conceptual transformation of the profession after WWII. Three early Nobel Prize winners, Frisch and Tinbergen and then Samuelson, launched economics as a real science, obeying the same principles as the natural sciences.

Physics Modeling in Economics

The first founding principle is to be found in Samuelson's programmatic book (2007). His basic line of argument is that many diverse domains of economic analysis can be formalized by the same tools:

I attempt to show that there do exist meaningful theorems in diverse fields of economic affairs. They are not deduced from thin air or from a priori propositions of universal truth and vacuous applicability. They proceed almost wholly from two types of very general hypotheses. The first is that the conditions of equilibrium are equivalent to the maximization (minimization) of some magnitude.⁴ (Samuelson 2007, p. 5)

The author is simultaneously lucid and highly confident in his methodology. On one hand, he states:

The empirical validity or fruitfulness of the theorem, of course, cannot surpass that of the original hypothesis. Moreover, the stability hypothesis has no teleological or normative significance [...]. The plausibility of such a stability hypothesis is suggested by the consideration that positions of unstable equilibrium, even if they exist, are transient, non-persistent states [...]. How many times has the reader seen an egg standing upon its end? (Samuelson 2007, p. 5)

⁴The second is the Correspondence Principle between comparative statics and dynamics.

Contemporary real cycle models are precisely built upon the shift of a structurally stable equilibrium under exogenous stochastic shocks (Lucas 1980). On the other hand, Samuelson strongly attacks the erroneous methodology of alternative approaches:

The laborious literary working over of essentially simple mathematical concepts such as is characteristics of much modern economic theory is not only unrewarding from the standpoint of advancing the science, but involves as well mental gymnastics of a particularly deprived type. (Samuelson 2007, p. 6)

The self-confidence of contemporary leading neoclassical theoreticians (Fourcade et al. 2015) is traceable to this bold statement: there is no alternative to mainstream economics! The cumulateness of this methodology is interpreted as further evidence of its scientific relevance.

Unrealistic Hypotheses, Generality of the Theory

The second principle of modern theory is proposed by Friedman (1953) in his *Essays in Positive Economics*. Whereas Samuelson insists upon founding principles and analytical tools, Friedman gauges the validity of a theory by its ability to predict: “Economics as a positive science is a body of tentatively accepted generalizations about economic phenomena that can be used to **predict** the consequences of **changes** in circumstances” (p. 25, emphasis added). Friedman goes one step further and makes the following distinction:

The ultimate goal of a positive science is the development of a ‘theory’ or ‘hypothesis’ that yields valid and meaningful (i.e. not truistic) predictions about phenomena not yet observed. Such a theory is, in general, a complex inter mixture of two elements. In part, it is a **‘language’** designed to promote ‘systematic and organized methods of reasoning’. In part, it is a **body of substantive hypotheses** designed to abstract essential features of complex reality. (pp. 3–4, emphasis added)

The objective is especially ambitious. First, the theory should be dynamic and not static. Then, the theory should be so powerful that it can discover phenomena not yet observed, following the example of astronomy for instance. The following section of the present chapter will argue that modern theory has not fulfilled these two criteria.

How to select among alternative substantive hypotheses? Friedman defends a highly paradoxical position: “Truly important and significant hypotheses will be found to have ‘assumptions’ that are wildly inaccurate descriptive representations of reality and, in general, the **more significant the theory, the more unrealistic the assumptions** (in this sense)” (Friedman, p. 8, emphasis added). Most heterodox economists have defended the realism of basic hypothesis as a precondition for a relevant theorizing, an idea that Milton Friedman boldly challenges:

The abstract methodological issues we have been discussing have a direct bearing on the perennial criticism of ‘orthodox’ economic theory as ‘unrealistic’ as well as the attempts that have been made to reformulate theory to meet this charge [...]. Criticism of this type is largely beside the point unless supplemented by evidence that a hypothesis differing in one or another of these respects from the theory being criticized yields **better predictions** for as wide a range of phenomena (Friedman 1953, p. 19, emphasis added)

This is an invitation to confront orthodox and un-orthodox theories, that is, models sophisticated enough to deliver predictions. Formalization has become the necessary step for any new theorizing. In that respect, Samuelson and Friedman are allied, and they are the innovators who blazed the trail for post-WWII academic research in the field.

One has to note Friedman’s cleverness, the Chicago University economist:

Progress in positive economics will require not only the testing and elaboration of existing hypotheses but also the **construction of new hypotheses**. On this problem there is little to say on a formal level. The construction of hypotheses is a creative act of **inspiration, intuition, invention**; its essence is the vision of something new in familiar material. (Friedman 1953, p. 27, emphasis added)

This quotation is especially important: it explains the balkanization of contemporary research into a wide variety of fictional worlds, after the unsuccessful search for a universal model.

THE INVISIBLE HAND: AN UNPROVED FICTION

A specter has been haunting the efforts of economists since the birth of British political economy: are economies structurally stable due to the self-adjusting property of the coordination provided by markets? Even if they share the same tools, the Departments of Economics at the University of Chicago and at MIT differ on this issue: for the former, in the absence of state interventions most markets are self-equilibrating; for the latter, the task of economists is to detect the causes of the discrepancy between a market equilibrium and a Pareto optimum⁵ in order to design adequate public interventions that correct market failure. Nevertheless, both agree that markets should ideally be wide open and competitive, be it spontaneously or by decision of the state.

No Money, No Credit, No Banking

General Equilibrium Theory (GET) was conceived in order to tentatively convert the invisible hand fiction into a scientific result, that is, an intrinsic property of market economies (Arrow and Debreu 1954; Debreu 1954). The demonstration focuses upon the existence of a set of prices that equates the supply and demand for any good and factor of production. The related fixed-point theorem implicitly assumes a locus where net aggregate demand is zero. In a sense, the concept of the Walrasian auctioneer has served as a fictional device in the search for reasons to believe in the existence of an invisible hand. The precision of mathematical language pointed out the numerous conditions required for such an equilibrium to exist. First, money is only a *numéraire* that vanishes once the correct price is set and the exchanges take place. Second, competition has to be atomistic in the sense that no single agent can move the price set by the market: such agents are referred to as price takers.⁶ Third, the list of goods is finite and their quality is agreed upon before the exchange. Fourth, only private goods are exchanged and thus public goods that are frequently the prerequisite for an efficient economy are not taken into

⁵This criterion relates to static efficiency, i.e. the full utilization of resources to better satisfy consumers: improving one individual's situation should not mean making another individual's situation worse (but it does).

⁶By contrast, when some powerful actors have a significant influence upon price formation, they are said to be price makers. Monopoly, i.e. the supply by only one agent or firm is an extreme example.

consideration. Fifth, all technologies are known and constant returns to scale⁷ are necessary in order to warrant that a competitive market price exists. Sixth and still more importantly, all contingent markets⁸ are open in the first period so that any uncertainty is removed from the theory. Seventh, principles of equity have no impact on economic efficiency, and this generates a disconnection between economics and the Rawls's theory of justice.⁹

Stricto sensu, these results are devastating for the fiction of the invisible hand. On the one hand, the formalization actually describes how a benevolent planner could help in finding an economic optimum, since the transactions are *de facto* centralized (Benassy 1982). On the other hand, GET researchers have been unable to introduce money, credit and finance into such a framework, because the only purpose of money is to facilitate exchanges, in a generalized barter economy (Alary 2009). This is a caricature of modern economies, where credit is endogenous and is used to finance production, investment or innovation, a key feature of post-Keynesian macroeconomics (Lavoie 2015).

A Static Theory, No Historical Time

Thus, mathematical economists have been unable to overcome two “black holes” of modern theorizing: the theory of money and the capture of historical time. The existence of a complete set of contingent future markets makes history irrelevant: in the first period, individuals and firms make all their contingent choices that are progressively actualized as the various states of the world are revealed. As soon as these markets stop existing, a lot of economic pathologies emerge: inexistence of an equilibrium, divergence between temporary equilibrium and an optimum, and/or chaotic

⁷This means that the production is strictly proportional to the volume of factors of production involved (by contrast with many productive processes which do exhibit increasing returns to scale, i.e. when output increase exceeds proportional change in inputs).

⁸Transactions take place during each period of time but in the first period actors have to determine what their decisions will be in terms of supply/demand in response to any possible event occurring during the successive period. The theory assumes that the contingent markets are complete for each good. This hypothesis is not fulfilled in contemporary economies in spite of the creation of a significant number of future markets, mainly for natural resources and financial instruments.

⁹This concern is addressed by political and moral philosophy (Rawls 1971) but rarely by neoclassical theory. This may explain the impressive success of Piketty (2013) and his comparative, historical analysis of inequality.

evolutions (Ingrao and Israel 1990). Therefore, money becomes an important instrument for coping with the radical uncertainty associated with the sequential nature of production and consumption decisions. GET is static in another sense: as soon as prices are out of equilibrium, the related trial and error process does not converge toward the equilibrium price unless highly restrictive and unlikely conditions exist. A third limit is associated with the fact that the list of goods is given once and for all, and technological and organizational innovations cannot be introduced into the analytical framework: this is the domain where evolutionary and neo-Schumpeterian theories are especially relevant (Dosi 2000).

This research program leads to a dead end: mathematical economists had the merit of recognizing their inability to sustain the myth of the invisible hand. However rational actors may be at the individual level, the aggregate demand they generate has no reason to behave nicely, that is, to exhibit a negative elasticity with respect to price (Sonnenschein 1973). Another deception relates to the irrelevance of the representative agent hypothesis: when the parameters of the economy change, so do the representative agents. This finding destroys the relevance of nearly all theoretical and applied neoclassical models (Kirman 1992).

Fictional Literature: A More Relevant Representation of Capitalism?

Many novelists, American ones in particular, have engaged with capitalism as a subject matter. And it is quite striking how often credit has been identified by them as both the engine propelling the evolution of capitalism and the main cause of its periodic crises. An almost exact contemporary of Emile Zola, Edward Bellamy regarded credit as

[a] cause [...] which often produced and always terribly aggravated crises, was the machinery of money and credit. [...] Already accustomed to accept money for commodities, the people next accepted promises for money, and ceased to look at all behind the representative for the thing represented. Money was a sign of real commodities, but credit was but the sign of a sign. [...] Under such a system, frequent and periodical crises were necessitated by a law as absolute as that which brings to the ground a structure overhanging its center of gravity. [...] The great extension of the credit system was a characteristic of the latter part of the nineteenth century, and accounts largely for the almost incessant business crises which marked that period.

Perilous as credit was, you could not dispense with its use, for, lacking any national or other public organization of the capital of the country, it was the only means you had for concentrating and directing it upon industrial enterprises. (Bellamy 1887, pp. 100–101)

Very few economic theoreticians have been able to capture such basic mechanisms, certainly not the leading economists who belong to the mainstream. Hence, a striking paradox: economic theory invents fictitious worlds with almost no relevance, whereas fiction literature proposes suggestive analyses of the processes that govern modern economies. This applies to the implicit conception of time by professional economists: at best only cinematic time is considered, rarely historical time. Again, some novelists seem to provide a better understanding of the links between credit and time:

Money makes time. It used to be the other way around. Clock time accelerated the rise of capitalism. People stopped thinking about eternity. [...] It's cyber-capital that creates the future. [...] [T]ime is a corporate asset now. It belongs to the free market system. The present is harder to find. It is being sucked out of the world to make way for the future of uncontrolled markets and huge investment potential. The future becomes insistent. (DeLillo 2003, p. 79)

The same author proposes a telling analysis of the role of money in contemporary economies: “Money has lost its narrative quality the way painting did once upon a time. Money is talking to itself” (DeLillo 2003, p. 77). That is exactly the starting point of modern heterodox analyses that point out the reflexivity of modern finance (Soros 2008) and the inexistence of fundamental values on stock markets (Orléan 1999, 2012).

CONTEMPORARY ECONOMISTS CREATE FICTIONAL WORLDS

To return to our main “narrative,” how did economists react to this unexpected outcome of the GET research program? In two ways, essentially: they abandoned Samuelson’s optimism concerning the access to generic results, valid for a wide scope of analytical models, and they explored the consequences of the relaxation of the core hypotheses of Walrasian models.

A Multiplicity of Ad Hoc Hypotheses

Can rational expectations replace the Walrasian auctioneer? What happens if money is the only asset available to organize intergenerational transfers? How do markets adjust when suppliers have better information than consumers and, more generally, if asymmetric information is a typical feature of product, labor and credit markets? Does macroeconomic volatility decrease when some future markets are introduced? What are the consequences of increasing returns to scale for labor market functioning, the degree of concentration and industrial dynamics? What happens to innovation in the case of imperfect competition? When value judgments become important, how does economic efficiency evolve and what are the consequences for labor market functioning? Each of these issues¹⁰ generated a subdiscipline in the 1990s; since then, specialization has increased further, with the development of the related research agenda in an ever-growing number of domains, countries and periods.

Each innovator finds a new program of research based upon the acceptance of a common basic hypothesis. *Stricto sensu*, these are exercises in economic fiction: let us imagine a world with a specific feature and study its properties: can these properties reproduce some stylized facts related to existing economies? The model becomes a cognitive device in which theoreticians can test the coherence of their hypothesis. Generally, the correspondence with observations is very partial, since all other specificities are absent from the formalization. Economists create an abstract world that is fundamentally associated with the fiction implied by a founding hypothesis.

Never Any Falsification: Anything Goes

According to Friedman's methodology, the predictions of all these models should be compared, and the best-performing one should win against the irrelevant hypotheses. Unfortunately, given the hyper specialization of academia, sub-communities do not interact and each of them sticks to their research agenda, without any confrontation with alternative theorizing. Quite interestingly, two different schools may study the same phenomenon, for instance the impact of securitization on macroeconomic

¹⁰Each of these issues relaxes one of the seven conditions that are required for the existence of an equilibrium in GET.

stability. For mathematical finance, the pricing takes into account a realistic measure of risk, thus securitization diffuses the risk among the better equipped individuals or organizations: volatility should therefore be reduced. For asymmetric information theoreticians, the packaging of credit and conversion into bonds sold to other less informed buyers induces a constant decrease in the control and quality of the underlying credits: securitization is thus making systemic crisis more probable (Boyer 2011). Until the 2008 crisis, these two predictions coexisted without any direct confrontation and paradoxically enough, mathematical finance takes no account of the criticism coming from asymmetric information theory. Economists went wrong not so much because they prefer aesthetics to relevance (Krugman 2009) but because they are not organized as an integrated profession. Rarely does the economic profession organize a direct confrontation between theories offering competing hypotheses. When they do, the methodology is quite shaky indeed. When the causes of the 2009 crisis were investigated (AEA 2010), the outcome looked much more like a survey of the distribution of opinions among economists than a fully-fledged scientific confrontation.

Here comes an intriguing paradox: whereas political and ideological debates recurrently point out free marketers' statements that "*There Is No Alternative (TINA)*," the dramatic anomy in the intellectual division of labor among economists stresses, on the contrary that the blooming of economic fictions is the rule, and in a sense this has been protecting the profession from external critiques. Albeit imperfectly indeed! In replying to questions from Queen Elizabeth II about their failure to anticipate the financial crisis, the British economists' explanation appears more like a confession (Besley and Hennessy 2009). Basically, economists lacked the relevant fiction to understand this crisis and they were too specialized to grasp the overall evolutions:

The failure to foresee the timing, extent and severity of the crisis and to head it off, while it had many causes, was principally a failure of the collective imagination of many bright people, both in this country and internationally to understand the risks to the system as a whole. (Besley and Hennessy 2009)

This incoherence of contemporary economic theorizing is so impressive that it could not escape the novelist's sharp eye for the contemporary: Helen's interest in economics had been eroding drastically over the years. Increasingly, theories attempting to explain economic phenomena, predict

their evolution, appeared to her equally inconsistent and dubious, she was tempted to equate them to a typical quackery. It was even surprising to give a Nobel Prize in economics, as if the discipline could claim the same intellectual rigor as chemistry or physics (Houellebecq 2010, p. 327).¹¹

AN UNEXPECTED ALLY OF ECONOMIC FICTIONS: RATIONAL EXPECTATIONS

The Rational Expectations Hypothesis (REH) is common to all contemporary economic models. Therefore, its counter-intuitive logic must be understood. It was invented in order to capture the fact that in a stationary economy, all agents finally learn the deterministic part of the model that governs their interactions. It was first applied to price formation on a single and isolated market (Muth 1961). Nevertheless, the extension of REH to complete sophisticated macro models raises important methodological issues.

Every Actor Becomes a Walrasian Auctioneer

How to overcome the failure of GET to sustain the invisible hand fiction? By a complete betrayal of a core intuition of Smith: in his view, market equilibrium is the unintended consequence of the interaction of heterogeneous agents who only pursue their own interest without any concern for the society-wide outcomes of their decisions. Contemporary neoclassical economists then make the hypothesis that all agents have an interest in having correct expectations. Consequently, they will deploy the same energy and instruments as a professional statistician who is constantly re-estimating the parameters of his model in the light of the most recent information. Under the hypothesis of a stationary economy, all agents will end up with the exact representation of the deterministic part of the model that governs the economy they belong to. By this sleight-of-hand, economists overcome a major failure of GET: in the name of methodological individualism and rationality, they convert each economic agent into the equivalent of a benevolent planner in charge of organizing a national economy.

¹¹The reference is from the French edition (2010); the translation is the responsibility of the present author.

A Necessary Ingredient for Closing Economic Fiction Models

REH becomes central for any formalization. If expectations were heterogeneous and varied from one social group to another, the economic equilibrium would mechanically depend on their distribution and this would obscure the logic of the models invented by economists. But if agents finally abandon their *ad hoc* expectations in favor of REH, then the theoretician becomes the master of his/her invented world since agents have to comply with his/her vision. The conjuring trick of REH becomes an essential ingredient of any economic fiction because it introduces a *quid pro quo* between the appearance of individualism and the reality of a holistic approach to economics.

Historical Processes Are Replaced by Stochastic Exogenous Shocks

This hypothesis has definite consequences concerning the conceptualization of history. First, in accordance with the principle established by Samuelson, any admissible model has to exhibit a structurally stable equilibrium. Thus, changes can only happen via external shocks, unrelated to the endogenous mechanisms formalized by the model. This is a typical feature of Real Business Cycle (RBC) models: in the absence of productivity shocks, the economy remains stationary (Lucas 1980). The same pattern prevails within the multitude of economic fiction models. Since the economist has imposed the two hypotheses of stationarity and rationality of expectations, the invented world is self-equilibrating and devoid of any endogenous crisis. Here again, anything goes, since many heterogeneous if not contradictory models can then coexist and prosper in different sub-communities of the economic profession.

STORYTELLING VS. MATHEMATICAL FINANCE

Concerning the references to other disciplines, mathematical finance replaced mathematics applied to economics from the 1990s on (Fourcade et al. 2015). An inflow of mathematicians, statisticians and statistical physicists opened new domains in economic research. A novelty should be emphasized: whereas GET had no impact at all on economics, the progress in probability theory and analyses of stochastic processes contributed to inventing new methods for assessing risk and pricing new financial instruments (Merton 1973). Consequently, these instruments were

adopted by financiers and they rapidly spread because they delivered a high, though risky, profitability. This is a rare example of the transformation of a society in response to advances in the theory of mathematical finance (McKenzie 2006).

The Past Informs the Future

Financial markets are generating a large volume of data on an unprecedented scale. With the tremendous increase in the power of computers, the conditions were met to allow the detection of regularities in the formation of the prices of financial assets. Given the professional background of the new entrants, two basic premises seem to have been neglected, probably under the mirage of a highly scientific approach. First, can one assume that the future can be fully deduced from past observations? Second, are financial processes stationary? In fact, statistical regularities are only observed during specific historical periods, and then they vanish. Such an example is related to monetary policy. Back in the 1980s, central bankers were disappointed when they wanted to exploit the stability of money demand. They generated the invention of new liquid assets different from the ones they controlled. Basically, mathematical finance assumes that no innovation takes place and that agents stick to their past strategies even if the context is changing. In a sense, it was a contradiction in terms to try to detect regularities in the pricing of a myriad of financial assets in times of rapid and major financial innovations.

There is a second example of this endogenous change that frequently makes past expertise obsolete. The pricing of securities backed by mortgage credits was made according to the rate of default during the period when such instruments did not exist. As soon as securitization takes place on a large scale, the relaxation of quality control generates an endogenous rise in default rates: such was the process that led to the 2008 subprime crisis that the quants and the best experts in mathematical finance were unable to anticipate. Beneath a seemingly scientific approach, a false estimation of risk took place with major economic, social and political consequences. After all, mathematical finance was not scientific neither is economic theory in general (McCloskey 1990). For instance, the stock market rate of return was represented as a Gaussian distribution whereas it

followed a Student law¹² (Cont 2009). This was pointed out by a minority of specialists, but their voices were not heard because the search for profit had by then replaced scientific rigor (Mandelbrot 1997, 2009).

At the level of everyday functioning of finance, the traders and brokers were largely ignorant of the nature of the financial products they were dealing. A recent novel includes the following description of a representative member of the profession:

[He] was the middleman, buying up the polluter rights of small companies and selling them for a handsome profit to Indian, Chinese, and Brazilian corporations. He would then sell hedges to these same companies so that the credits themselves would not devalue before they were used, and then sell these hedges to investors who were looking to go long in the carbon credit market without actually owning the underlying carbon credits, and then allowing those investors looking to hedge their long positions to issue yet more instruments, the so-called C3DS3s—Carbon Credit Credit Default Swaps. Eventually he was buying and holding instruments the workings of which he had absolutely no understanding. (Greenfeld 2015, pp. 31–32)

The Future Against the Past

The bankruptcy of Long-Term Capital Management (LTCM), the hedge fund run by two Nobel Prize winners who invented the pricing of options, should have warned the community of mathematical finance as early as 1998 about the major flaw of its approach: the future is by nature uncertain and cannot be reduced to the past (Boyer 2008). Many social disciplines converge toward a common understanding of the way finance operates. Data crunching is not the core of financial systems activity, because financial systems are moved by interests and stories invented by Chief Financial Officers during their road show directed at investors (Froud et al. 2012). Financial advisors themselves warn their clients that storytelling is moving financial markets (West and Micht 2000; Thrift 2001). Heterodox economists and sociologists of finance point out that the herd behavior is a rational response to radical uncertainty and this recurring pattern makes the concept of fundamental value irrelevant (Orléan 1990, 2012).

¹²Assuming a Gaussian distribution, the collapse of the Wall Street stock market is only likely to happen once in a century. In the second distribution such a collapse is liable to occur every decade.

This finding was precisely Keynes's analysis: many decisions concerning investment cannot be derived from the solution of a rational choice model because reality is too complex and uncertainty is pervasive. Conventions emerge in financial markets and they are embedded into definite social contexts (Beckert 2013). This message has been obliterated by the drastic simplification of Keynesian macroeconomic theory in terms of IS/LM models,¹³ where uncertainty is totally absent.¹⁴ Recognizing that finance influences not only economic decisions but many social and political processes, some authors see storytelling as a major factor in shaping and structuring public opinion (Salmon 2007). To summarize, there is an interesting parallelism between economic theorizing and mathematical finance: both paradigms have tried to implement and develop a reductionist approach inspired by natural sciences and both have failed due to the reflexivity of economic and financial phenomena (Soros 2008). Thus, representations and fictions do play a role and they have to be taken into account by any theorizing of the contemporary world.

FORECASTING: THE NEED FOR COMMON REFERENCES IN AN UNCERTAIN AND COMPLEX WORLD

Let us address now the following question: why do societies continue to devote time and money to economic forecasting in spite of the quasi systematic errors, repeated from period to period?

The Failure of Sophisticated Statistical Techniques

For Friedman, the criterion for judging the scientific contribution of a given set of hypotheses is the relevance of the resultant predictions.

¹³This famous and long-lasting model was proposed by Hicks (1937) as a pedagogical formalization of some mechanisms pointed out by Keynes. A macroeconomic equilibrium is at the intersection of the investment-saving (IS) and liquidity preference-money supply (LM) curves, where the interest rate is the key variable. Assuming the price level to be constant in the short run, this model explains the evolution of the national income and by extension involuntary unemployment. This tool generated the hope of a complete control of business cycles by monetary and fiscal policy.

¹⁴The reader of *General Theory* is surprised at the variety of mechanisms and potential modeling inspired by the various chapters. It is even difficult to find a coherent justification of the IS/LM models, proposed by Hicks: the macroeconomic equilibrium equalizes investment and saving, demand and supply of money in a totally deterministic framework.

According to this criterion, the RBC¹⁵ and new classical macroeconomic theories have failed. A systematic comparison of the forecasting by leading macroeconomic experts from September 2008 to September 2010 shows that none of them anticipated the slump of 2009; all of them erroneously forecast an early recovery, and experts were unable to imagine the new slowing down of the American economy in the early 2010s (Wieland 2010). Basically, the error had a simple origin: nearly all forecasters used models that imply a return to the mean, that is, the long-run average growth rate. The complex mathematical structure of the theoretical model boils down empirically to a simple extrapolation of past trends. Consequently, mainstream economists and Central Bankers have invoked an exceptional negative shock that should occur only once a century (Greenspan 2013). In fact, according to Cont (2009), it is the direct consequence of the misrepresentation in the distribution of the shocks that affect the economy. On an everyday basis, almost all forecasters who work for prestigious international organizations such as the IMF and the OECD have been systematically proven wrong by the subsequent observations.¹⁶ Economists claim that they are scientific because, unlike other social scientists, they can make quantitative predictions (Fourcade et al. 2015). However, economists must face the challenge of uncertainty that is intrinsic to modern economies.

Representations and Fictions Enable Individual and Collective Actions

Why then do both private firms and public authorities continue to conduct or commission economic forecasts? The conventional answer by economists is rather optimistic: of course, prediction is difficult, but the constant improvement of concepts and technical tools will eventually turn economics into a hard science (d'Autume and Cartelier 1997). Against this vision, the concept of *illusio* means that any social field requires a common belief that shapes the activities and feelings of all its members

¹⁵ Real Business Cycle theory.

¹⁶ From 1984 to 2007, the author opened his doctoral seminar with a comparison of the OECD's *Economic Outlook* forecasts published in June on the basis of data collected until the previous month of January with the observation available by November of the same year. None of the forecasts were able to anticipate a turning point, either a recession or recovery.

(Bourdieu 1994). The economic profession is built upon the *illusio* that their discipline is a hard science.

A micro-sociology proposes a more general and structural interpretation of this paradox. Mainstream economic theory only deals with *risk*, whereas most decisions have to cope with *uncertainty*. By definition, this uncertainty cannot be addressed with the same tools that have been so successful in analyzing risk (Lavoie 2015). Therefore, forecasting is useful not because it is accurate but because it enables individual action: it is a simplifying device in order to reduce basic uncertainty and intrinsic complexity (Beckert 2015). This alternative framework also explains two surprising stylized facts. On one hand, forecasters have developed implicit or explicit forums in order to compare and coordinate their activity. A consensus forecast may emerge, and it is a form of protection against the sanction that recurring erroneous prognoses should trigger: apparently, it is better to be wrong all together than to be right, or wrong, alone. On the other hand, when the post-WWII Golden Age came to an end, all existing models became irrelevant and the forecasts went dramatically wrong. Paradoxically, these failures have been an incentive for newcomers to develop their own, new models. Contrary to conventional micro theory, the deterioration of quality has triggered an increase in the demand for economic analysis, diagnosis and forecasting. A well-conceived fiction looks more attractive than a cumbersome spread sheet simulation!

CAPITALISM AS FICTION-LED

The results discussed above were revealed by the emergence and maturation of a new growth regime, led by financial innovations. In such a context, stock market valuation summarizes not only the long-term expectations that govern firms' strategies, their investments and innovation policies but also households' behavior concerning consumption and portfolio management via their pension funds. Surprisingly enough, such a fiction-led regime was able to deliver growth in the real economy under the specific conditions observed in the United States and the United Kingdom: strong wealth effect on consumption, large impact of demand upon investment and a central banker acting in the interests of financiers (Boyer 2000).

The Need to Overcome Radical Uncertainty

The role of fictions is reaching a climax with finance-led capitalism, but they were present at each of the previous stages, when capitalism was commercial and then industrial. Capital accumulation requires time between production decisions and the supply of the goods to the market. During this period, many surprising events may affect the expected rate of return. Other competitors may overcome the position of a given firm and the macroeconomic context may have changed drastically, and so on. The uncertainty is still higher for productive investment decisions since the time lag is even longer: usually, during booms all firms tend to overinvest and consequently, during recessions, they have to brutally cut back their investments. The related cycle cannot be cured by rational choice, due to the specificities of competition. Historical records confirm the recurrence of such business cycles. A third level of uncertainty is reached in innovation-led capitalism. A large majority of innovation projects fail, and the economic context may change dramatically between the early phase of research and development and the delivery of a profitable product.¹⁷

On a vision of the future, and as the temporal horizon enlarges, uncertainty becomes more and more acute. As rational calculus cannot overcome these uncertainties, firms, individuals, banks, investors and public authorities have to construct ad hoc representations of the future. Fiction is neither an accident nor an irrationality but a requirement of this socio-economic regime (Beckert 2015).

Contemporary Capitalism: Dominated by Fiction-Led Finance

With the progressive deregulation of financial systems and their opening to world competition, financiers have been free to invent a myriad of new financial instruments made possible by the advances in mathematical finance. The degree of uncertainty then reaches unprecedented levels. Not only do quants try to anticipate the price of conventional financial products but they also invent and sell “science-based” new products. For instance, historical experience never made it possible to determine the influence of the securitization of subprime mortgage credits on financial

¹⁷ In the pharmaceutical and biotech industries, between 10 and 15 years are required to go from the discovery to the delivery to the healthcare system and the investments required are higher and higher. This explains the ups and downs of the valuation of biotech start-ups because the time of innovation is far longer than the time of finance (Boyer 2013).

stability, and the challenge was still higher with the invention of derivatives of derivatives. Consequently, to the traditional uncertainty typical of financial markets, contemporary traders add the uncertainty associated with the obscurity of the products they sell to less informed agents: when Lehman brothers went bankrupt, researchers and practitioners discovered the strong non-linearity associated with securitization (Cont 2009). In addition, it was assumed that these new financial products were based on permanent and full liquidity of all financial markets, whatever the macroeconomic context. Similarly, the assumption behind the new classical macroeconomics was well-functioning financial markets. This disconnect between financial theory and macroeconomics has been identified as one of the intellectual origins of the subprime crisis (Boyer 2012). In September 2008, all transactions were frozen because no-one trusted anybody else, leading to the complete collapse of financial asset-pricing theory (Boyer 2011).

When Fiction Becomes Fictional: From Boom to Crisis

Under these circumstances, the representations that helped to channel the production, investment and innovation strategies, and which had been propelling first the internet speculation and then the subprime bubble, appear completely false. These same fictions drive both booms and recessions/depressions. Fiction-led capitalism goes through recurring periods of optimism and pessimism: herd behavior and a high degree of liquidity provided by un-orthodox monetary policy become the rule, and question the efficiency in the allocation of capital. Some consider that Keynes's General Theory (1936) to be still valid, and modern heterodox analysis has formalized and confirmed its basic intuitions (Orléan 1990). In other words, any fiction is bound to fail and to be recognized as fictitious. This theory gives a quite interesting theory of financial crises.

In the American case, this does not mean a reappraisal of past conceptions, especially concerning the superiority of markets over political interventions. In *The Subprimes: A Novel* (Greenfeld 2015), the broker is finally brought to court, found guilty and sent to jail, but this does not prevent a televangelist from defending brokers:

Our Father, dear Lord Jesus Christ, provide us with the strength so that (us) might fight the forces of repression and regulation and socialism and progressivism who would seek to usurp God's will by cutting off the invisible

hand. He will need strength as he goes forth, to stand up to the evil of regulation, to those who would ask that men submit to a power other than their maker. (Greenfeld 2015, p. 86)

THE FICTIONAL TURN OF POLITICAL ECONOMY

Many decades have elapsed since Samuelson and Friedman established their respective paradigms. For one thing, the economic profession has abandoned the belief in the existence of generic mechanisms that transcend epochs. For another, the accuracy of predictions derived from general hypotheses has been challenged by the repetition of major crises unforeseen by the core of the economic profession. The grand theory has been abandoned in favor of highly specialized empirical studies based on the power of econometric techniques, leading to the balkanization of economics.¹⁸

CONCLUSION

This chapter has provided a general analysis of the evolutions of economic theories and mathematical finance.

The United States was and still is both the hegemonic type of capitalism and the melting pot of modern economic theorizing. The implicit territory of these changes in economic theories is not so much that of international academia, but rather the United States where the frontiers of finance-led capitalism are being explored at the same time as advances are being made in economics and the social sciences. When the influence of British political economy declined, American economists were first inspired by the German historical school and they developed a quite original American institutional school. After WWII, modern economic analysis

¹⁸ Assessing the relevance of this contemporary strategy is beyond the scope of the present chapter. The interested can compare the hopes raised by the Cowles Foundations (1952) and the reality of everyday applied econometric research (Ziliak and McCloskey 2007). The reevaluations of the ambitions are quite similar for empirical and theoretical approaches (Boyer 2012). It is interesting to stress the convergence between the sociology of financial markets (MacKenzie 2006), heterodox analyses of financial markets (Orléan 1999) and the search for micro-foundations of capitalism (Beckert 2015). All these approaches are currently applied to the core issue of value and price (Beckert and Aspers 2011; Orléan 2012, 2014). As pointed out by Bourdieu (2005), goods and pricing are social constructions that should be formalized as such.

was invented in the United States and it has since spread across the globe. It appeared very successful until the early 1970s, and then it experienced a long period of trials and errors before it converged toward a new synthesis of neo-Keynesian and neoclassical economics in the early 2000s. Then the subprime crisis broke out: economics was not so scientific after all! The present chapter has proposed a broad interpretation of the success and crisis of contemporary economic theorizing: the project of physics modeling applied to economic phenomena had forgotten about both the radical uncertainty typical of capitalism and the intrinsic and changing complexity of social processes. As soon as the future has to be mastered, representations and fictions are the necessary ingredients of any relevant economic analysis.

Until the 1970s, economic fiction was a heuristic device that helped to produce scientific hypotheses. At the roots of American economic analysis are the contributions of two leading economists. One is Samuelson (2007) who transposed to economics the mathematical tools and reasoning typical of physics. Since individuals maximize their utility and firms their profits, it is interesting to find out when and how an equilibrium might emerge between products and labor markets. This is a dramatic simplification compared with the rich conceptual analyses of political economy. Precisely at the other end of the spectrum, Friedman (1953) proposed a methodology to economists: assumptions that are an inaccurate description of reality are the sources of the better theories: the more significant the theory, the more unrealistic the assumptions. Thus it becomes legitimate to postulate pure and perfect competition, in spite of the domination of contemporary oligopolies, *and* a complete substantive rationality of individuals, provided that the properties of the model fit with the observation of inflation, income and unemployment.

Since the 1990s, most economic fictions have become fictitious. A generation of mathematical economists developed an agenda to give a firm basis to Smith's "Invisible Hand" hypothesis (1776): out of the confrontation of individual interests emerges an unintended economic equilibrium, provided market relations and competition are operating without collective constraint. Unfortunately, General Equilibrium Theory pointed out that very restrictive conditions were necessary to the existence of such equilibria. Furthermore, it required the fiction of an auctioneer, that is, a benevolent planner, at odds with the rather anarchic process of competition. Here comes the divorce between Samuelson and Friedman: the fiction is no longer a contribution to theorizing but the expression of a belief

that cannot be substantiated by an analytical demonstration. Hence the widening gap between theoreticians and applied economic researchers. Yet, they all continue not to challenge the fiction of the “Invisible Hand.” How ironic! The limits of public intervention and Keynesian fine-tuning, and the collapse of Soviet-type regimes, led policy makers and governments to decide to rely on market mechanisms, mechanisms that were supposedly much more efficient than state interventions. Dubious fictions are thus changing world-view in Central and Eastern Europe and justifying “laissez-faire” and austerity policies, for instance in the Euro zone.

Economic theory splits into a series of fictional abstract economies. This is the step taken by the economic profession after the collapse of a unique and universal theory, derived from a generalization of equilibrium approaches. Since all the complexity of existing economies cannot be fitted into a single model, talented economists have invented new subdisciplines built upon a specific mechanism (e.g. increasing return to scale, imperfect competition, impact of social justice upon economic efficiency, endogenous money creation). Economic fictions are tools meant to help work out coherent theoretical models, in line with the basic hypothesis of the profession: full rationality, rational expectations and exclusive reliance upon market mechanisms. Econometric tests can be used in order to detect the existence of such mechanisms, but they generally explain very little of the global economic process that is captured by *ad hoc* instrumental variables. Consequently, a multitude of models embedding different hypotheses do coexist, even when they deliver contradictory prognoses. In a sense, the balkanization of economic fictions protects them from Popper’s falsification principle: each of them delivers small pieces of the puzzle that used to define integrated macroeconomic theory.

The victory of storytelling over modern mathematical finance is a striking feature of the present decade. General Theory approaches suffer from two dramatic shortcomings: they are unable to deliver a theory of money and they cannot formalize historical time. This explains the development of a new discipline devoted to the pricing of sophisticated financial instruments. Analyzing past series with the tools of statistical theory allows risk to be measured and thus price formation of new financial assets to take place. The theory has to assume the existence of a liquid asset, devoid of any risk and remuneration: money. In this vision, the future is the consequence of the past. Conversely, business schools train students to take decisions today in order to shape the future: in a sense, the present is the consequence of a representation of the future and this cannot be formalized

by conventional neoclassical static theory. The related “animal spirits”¹⁹ have to be converted into a convention governing the expectations of traders. For instance, the new economy was announcing a technological revolution, and the securitization of low-quality mortgage credits was heralded as a definite achievement of mathematical finance. That is precisely why the mathematical models of the Nobel Prize winners went totally wrong—first with the 1998 Russian crisis, then with the 2008 Lehman Brothers’ collapse. Understanding the formation and spread of the fictions invented by financiers has proved to be more useful than the (erroneous) pricing of options, futures and derivatives, and derivatives of derivatives! Fictions move financial markets that mathematical finance desperately try to formalize *ex post*.

Fictions are necessary in order to overcome the radical uncertainty typical of capitalism. *De facto*, almost all economic activities have to deal with a discrepancy in temporal horizons: production takes time; firms have to anticipate the level of demand, credit presupposes future reimbursement, productive investment is a bet upon the future, and clearly innovation faces the barrier of radical uncertainty given the long lag between a breakthrough and a profitable activity. Even in the previous regimes governed by industrial activities, a fully rational calculus was out of reach and thus, entrepreneurs and investors had to rely upon *ad hoc*, partial but simple representations. Keynes was the first to propose a macroeconomic theorizing based upon these animal spirits. Their cognitive components can be labeled as fictions: they are the logical response to radical uncertainty, the deep complexity of contemporary economies and the unintended consequence of innovation races, not to mention the growing interdependency of national economies. This analytical framework has the merit of explaining booms, cycles and structural crises. The fictions associated with the new economy and financial innovations have been generating the successive growth periods of the American economy and the present crisis can be interpreted as the accumulation and finally the collapse of a series of false promises: securitization was presented as promoting an indefinite prosperity; financial deregulation was supposed to deliver economic efficiency and

¹⁹This was the term invented by Keynes in order to stress the subjective and contingent formation of pessimistic or optimistic expectations about the future of the economy. “Animal spirits” are presented as an alternative to rational choice theory, unable to deal with radical uncertainty and the emotional component of any economic decision-making (Akerlof and Shiller 2009).

macroeconomic stability, and the Euro was said to be an incentive for institutional reforms and faster innovations. The severity and length of the related systemic crises are a direct consequence of the synchronization of these daring, fiction-led promises.

A new period for socioeconomic research was opened by the simultaneous crises of economics and mathematical finance. An *aggiornamento* in the epistemology and methodology of economic theorizing is required, and it should take into account the equivalent of a “divination turn.” Similarly, since the valuation of financial assets is governed more by storytelling than by big data crunching, this opens the way to search for *a general theory of value* that could be pertinent across various domains of contemporary economies and societies, and would be common to many social subdisciplines.

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Capitalism: Anticipating the Future Present

Jens Beckert

Capitalist economies are in constant pursuit of expansion. Whatever level of consumption has been reached, whatever technological progress has been achieved, whatever profit has been made, all of these are no more than snapshots to be superseded by more consumption, better technologies, and higher profits.

This eternal dynamism of capitalism—which is, to be sure, expressed repeatedly in deep economic crises—has been a topic of much attention for social scientists and historians. Where does the unique dynamism of capitalism as an economic and social formation come from? Scholars of capitalism have alluded to a plethora of factors to explain the spectacular economic growth and the deep crises that have developed since the late eighteenth century.¹

¹These include the division of labor, technological advances, institutional change, commodification processes, exploitation, the increase in production factors, and religious developments. The deep crises capitalism has witnessed again and again are attributed to over-accumulation, political wrongdoing, lack of investment and consumption, psychological factors, and miscalculations of risk.

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In this chapter, I argue that, in order to understand the dynamism of capitalism, one needs to include an aspect which attracts only scant attention in most of the scholarship on capitalism: the temporal dispositions of actors.² By temporal dispositions, I refer to the way in which actors relate their actions to the past, the present, and the future. Of these three temporal forms, it is the relationship to the future that is of special interest to the understanding of economic dynamics. Is the future mostly seen, as is usual in traditional societies, as a repetition of events already known from the past? Is history seen as ending in an apocalypse as medieval eschatology believed? Or is the future seen as open, providing unknown opportunities but also unpredictable risks? It is, I argue, this latter form of temporal orientation that is characteristic of modern economies and nowhere more visible than in American capitalism. The perception of the future as open, and at the same time uncertain in its concrete manifestations, forms a crucial cultural trait of capitalist modernity and should be much more the focus of scholarly attention.

In what follows, I first allude to the historical changes in temporal dispositions accompanying the emergence of modern capitalism. Secondly, I introduce the notion of fictional expectations as a conceptual tool to understand the orientation toward an open and at the same time uncertain future. Finally, I demonstrate, with reference to crucial economic activities and with special reference to American capitalism, how fictional expectations propel the dynamism of capitalist modernity.

THE TEMPORAL DISPOSITIONS OF CAPITALISM

Both historians and sociologists have argued that temporal orientations are not fixed, but historically and socially variable. In his seminal work on this topic, historian Koselleck (2004) showed how, between the Middle Ages to the Enlightenment, perceptions of the future systematically shifted. While the Middle Ages perceived the future as having an historical end point, evident in the apocalyptic prophesying of the time, the early modern period began to understand the future as open, but only within boundaries determined by the existing social and political order. Visions of the future as *transcending* the existing order appeared in the Enlightenment period, with the future then being imagined as an entirely different world. The future was perceived as being open, different from the present, and

²This chapter makes use of material previously published in Beckert (2014, 2016).

uncertain: this was expressed in theories of history and utopian descriptions of society in the future.

Koselleck's work on the transformation of temporal orders coincides with sociological approaches. According to Luhmann, traditional societies see themselves as living in a perpetual or even eternal present. This perception of the future as a continuation of the present shifted in the eighteenth century with the development of bourgeois society. From then on, the future was seen as a "storehouse of possibilities" (Luhmann 1976, p. 131) containing "emergent properties" and unrealized possibilities. The future became an open future. The openness of the future is simultaneously perceived as a loss of control. As one of Luhmann's students, Esposito, wrote: "The indefinite future is a space of promises and hopes, but it is also a space of possible damage and anguish" (Esposito 2011, p. 32). Alongside perceptions of an open future was the development of the term "risk." Dangers stemming from uncontrollable natural or political events had always been perceived; deliberately extending courses of human action into uncharted territories, however, constituted a new form of insecurity regarding the future. Risk became a relevant concept once courses of action came to be based on projections of a counterfactual future—projections that may not come to fruition, and where the resulting damage is attributed to decision and not to fate (2011, p. 32).

While the assessments of Koselleck and Luhmann were mainly concerned with describing the development of modernity in general, using examples of political rather than economic action to put forward their arguments, Bourdieu examined the shifting time dispositions of actors when investigating the unfolding of the capitalist economy. At the heart of his analyses of the transformation processes in the social and economic order of the Kabyle people in French-controlled Algeria during the 1950s are observations on changes in the temporal order (1979). Bourdieu also observed how perceptions of an open future developed, but he went further than Koselleck and Luhmann by seeing this development as being directly linked to the spread of capitalism. As economic transactions came increasingly under the control of money and markets, the traditional Kabyle social order weakened. Money and market exchange brought about attitudes based on calculation of future profits that contradicted and undermined a traditional economy built on solidarity and the "logic of honor."

Bourdieu was not arguing that the traditional Kabyle economy was "future blind." Kabyle farmers were acutely aware of the need for future

planning. However, their concern was for what Bourdieu described as “direct goods”—that is, goods to satisfy concrete needs. Provisions had to be made for failed harvests or illness so as to ensure the survival of the family as well as its social status. In Marx’s terminology, the economy was organized around “simple reproduction.” The capitalist economy, by contrast, operates on the logic of restless accumulation of money, the quintessential “indirect good.” With the use of money came a perception of a future that was distant and abstract, one that was based on calculation and forming “an absent, imaginary vanishing point” (1979, p. 7).

Similar detraditionalization conflict, and the clash between traditional and modern capitalist forms of the economy, have also been extensively documented in the European process of industrialization (Swedberg 2003; Thompson 1967; Weber 1922). Here, the destruction of traditional temporal orders also played a crucial role. Max Weber (2003 [1927]), for example, described how in the nineteenth century, Silesian peasants failed to respond to incentives aimed at raising their productivity. Employers attempted to motivate them to work longer hours and with greater discipline by offering higher wages. But instead of putting in longer hours to enjoy higher living standards in the future, the laborers decided to work less.

Detraditionalization of economic relations in the emerging capitalist order means that actors—whether they are companies, entrepreneurs, investors, employees, or consumers—must orient their activities toward the future. Such a temporal order promises unprecedented opportunities for profit and higher social status for the economically successful, but it also entails hitherto unknown risks. The ways in which temporal orientation in the capitalist economy has asserted itself can be historically traced. Such orientation requires that actors become detached from traditional experience and that they are enticed into making decisions based on an imagined, distant, and abstract future state of the world.

IMAGINED FUTURES

The future-oriented temporal order of capitalism requires both institutional and personal preconditions. *Institutionally*, the increasing organization of economic exchange, via competitive markets and the growing use of credit, compels economic relations to become more dynamic. Competition forces every actor to constantly anticipate being ousted by his competitors and thus pressures entrepreneurs into proactively altering

products, the organization of production, or their own competencies in order to maintain their future competitiveness. Such proactiveness, of course, requires all other actors in the market to act in a similar way.

A second institutional mechanism that compels the future orientation of the capitalist economy comes about through the use of credit for investments. Schumpeter (1934) was entirely correct in seeing the specifics of capitalism residing in financing through credit. But credit, according to Schumpeter, is a right to own goods at a point in time when a “normal claim” (Schumpeter 1934, p. 214) to these goods does not (yet) exist. This claim can be met only with the future production and sale of the goods promised at the outset. Success is only achieved if the value of the goods sold on the market is higher than the invested value, so that the credit plus interest can be repaid. Capitalism as a credit-based economy is therefore dependent on growth. Credit compels a calculative orientation toward a future that *is different* from the present and thus reinforces the restlessness of the economic system.

However, the dynamism of the capitalist system does not only depend on these institutional mechanisms. Activities are not enacted by structural mechanisms as such, but through the activity of agents. Thus, there are also *personal preconditions* of the future orientation of capitalism. And it is precisely these preconditions which are given, at best, only scant attention in the scholarship on capitalism.

What does a temporal disposition toward the future require of actors? Generally speaking, it is the imagination of future states of the world that are different from the present, and a willingness to act in a way that is oriented toward such imagined futures (Beckert 2013). Action takes place on the basis of projections of a new state of the world. This can be the imaginary of the invention of a new product or the imagined profits yet to be made with a financial investment. Before making a decision, actors use projections that take them into an imagined future in which the action will have been completed. In this sense, projecting is anticipating “in the future perfect tense” (Schutz 1962, p. 20).

This ability to imagine future states of the world is universal to human beings. It neither emerged with capitalism nor is it restricted to economic phenomena. The prophesied apocalypses of the Middle Ages or religious belief in an afterlife are also imagined futures. However, they are imagined worlds of a religious nature. With the development of capitalist modernity, imaginaries of the future become directed toward novel *economic* futures. As an encompassing social phenomenon, the capitalist economy can

develop only when increasing numbers of people seek economic opportunities they imagine in anticipation (Swedberg 2003). The open *economic* future is first of all an imagined future of limitless possibilities for individual and social wealth acquisition, but it also includes new types of risk.

Respite under such conditions is impossible. New projections concerning new opportunities and possible risks are constantly required. Capitalism's dynamism can be understood only by taking into account both institutional change and the shifting temporal orientations of actors. Capitalism requires that actors reject traditional orientations toward the past and the present, and that they develop an attraction to a future that is both open and uncertain.

EXPECTATIONS

This, then, places actor expectations at the forefront in explaining economic activity and the dynamics of capitalism. In the social sciences, however, explanatory models are much more oriented toward the past. Sociological explanations, for instance, typically focus on historically established social structures to explain current outcomes. History matters! However, explaining capitalist dynamics by focusing on prevailing structures, the historical past, and the data derived from it, ignores the significance of the actors' perceptions and expectations of the social world.

Up until the early twentieth century, economics had also been a mainly historical discipline. Since then, however, explanatory models that focus on actors' expectations—and thus on their perceptions of the future—have moved to center stage. Economists view rationally calculating actors as making decisions on the basis of a calculated future pay-off that is discounted to its present value. For economists, it is the expectations of future states of the world that explain present-day decision-making. This epistemological stance stands in stark contrast to most of sociology: “While sociologists see present events as a final outcome emerging from the past, economists reason backwards from the future: Decisions are explained by the present value of expected future rewards” (Abbott 2005, p. 406).

The argument presented in this chapter concurs with economic theory in seeing the future as playing a major role in explaining the present. To be precise, of course, it is *expectations* for the future that play such a role. Despite this correspondence with economics in the significance I assign to the future, the approach I pursue criticizes economics for having an

erroneous description of expectations that limits the understanding of capitalist dynamics.

In the dominant microfoundation of modern macroeconomics—that is, rational expectations theory—it is assumed that economic actors make decisions based on all available information and are therefore able, at least in the aggregate, to accurately predict the future. To explain decision-making in this way not only assumes that actors are efficient in processing information, but also that they make statistical extrapolations of future events that are based on what has happened in the past.

The idea of seeing the future as being at least probabilistically foreseeable is not undisputed within economics. Most prominently, this can be seen in Knight's (1985 [1921]) distinction between risk and uncertainty. According to Knight, events are differentiated according to whether they are predictable through probability calculus, or whether they possess a uniqueness that denies such prediction. Knight characterizes the former as risky and the latter as uncertain. It is only in situations characterized by risk that future outcomes can be (probabilistically) calculated.

Knight is in no way the only economist who claims that the future is unforeseeable. Best known among those who share this view is John Maynard Keynes (1964 [1936]), who fully concurred with Knight on this issue. Expectations play a key role in Keynes's theory because he sees investment and consumption decisions as evolving largely from changes in expectations. These, in turn, influence the business cycle—that is, capitalist dynamics. For Keynes, the reason for the indeterminacy of expectations is the uncertainty of the future. Expectations, Keynes asserts, "cannot be uniquely correct, since our existing knowledge does not provide a sufficient basis for a calculated mathematical expectation. In point of fact, all sorts of considerations enter into the market valuation which are in no way relevant to the prospective yield" (1964 [1936], p. 152). The Keynesian economist George Shackle developed these ideas further and made future uncertainty central to the concept of expectations. Because the "content of time-to-come is not merely unknown but nonexistent, and the notion of foreknowledge of human affairs is vacuous" (1983, p. 33), any theory that proceeds from the knowability of the future is misguided. Choice, according to Shackle, takes place "amongst imagined experiences" (1983, p. 12). In a universe of ultimately creative thought, imaginaries have an originating force and cannot be considered to be based on probabilities.

FICTIONAL EXPECTATIONS

Once the idea of rationally forecasting the future is abandoned, it is clear that assessments of the future are contingent, depending on the actors' interpretation of the state of the world and its development. But on what basis do actors actually form their expectations?

I suggest describing expectations under conditions of uncertainty as "fictional." By fictional expectations, I refer to the imaginaries of future states of the world and of causal relations that inform actors' decisions. Under conditions of fundamental uncertainty, as explained in the previous section, expectations regarding the future can never be actual *forecasts* of the future. They are indeterminate, merely projections, whose truth can be verified only once the future has become the present. Moreover, with the term "fictional expectations," I refer to symbolic qualities that actors ascribe to objects and that transcend the objects' empirically observable features. This is crucial for understanding the attraction of consumer goods, but it is also relevant for understanding the operation of money.

The notion of fictional expectations takes uncertainty, as understood by Knight and Keynes, seriously. Expectations are seen as being central to economic activity, but they are not understood in a deterministic manner as in rational expectations theory. "Fictionality" must, at the same time, be distinguished from "falsehood" or "fantasy," although these meanings are indeed also conveyed within the term. In the economy, actors certainly do try to anticipate future developments as well as they possibly can. Under conditions of uncertainty, however, these anticipations correspond only by chance to actual future states of the world. Expectations cannot be predictions of the future: they are mere imaginaries of future states—imaginaries upon which actors base their behavior "as if" these expectations actually do describe future states and causal relations (Beckert 2013).

The notion of acting "as if" indicates that the concept of fictional expectations shares important characteristics with literary fiction; most importantly, they both create a reality of their own by making assertions that go beyond the reporting of empirical facts. Fiction *pretends* a reality in which the readers enmesh *as if* the described reality were true. Coleridge described this attitude as the "willing suspension of disbelief."

That works of literary fiction do more than describe observable truths is, by definition, evident—but expectations regarding economic futures also do the same. This holds true for two reasons. First, because the future is unknown at the moment that expectations regarding the future are

created. The openness of the future, in other words, rules out the possibility of restricting expectations to empirical reality. Second, because transcending qualities become ascribed to goods, with actors behaving *as if* these qualities were real. Thus, both literary fictions and expectations about the economy have a “broken relationship to reality” (Burgdorf 2011). Fictional expectations are representations of a future world whose truthfulness cannot be known. Using Luhmann’s terms (1996), these representations involve a “doubling of reality,” which forms the basis for decision-making and the coordination of economic action.

Fiction is made possible by human beings’ unique ability to evoke images of a counterfactual reality that may be situated in the future or the past, that may take place in any location, and presume any imaginable behavior by actors, objects, and forces of nature. This capability allows humans to plan ahead because they are able to imagine and rank alternative futures (Bloom 2010, p. 163). The imaginative power of the human mind seems unlimited, and humans’ “fiction-ability” (Iser 1993) is as fundamental to the human condition as it is to the dynamics of the capitalist economy. Fictional expectations in the economy, like fiction in literature, “create a space, in which one can, in thought and imagination, experience a different reality which can differ from real reality to any extent” (Bunia 2010, p. 47, my translation). It is this creative dimension of fiction that is important. Fictions can change reality, in the sense that they both invent and discover it, because fictions “do not refer in a ‘reproductive’ way to reality as already given, [rather] they may refer in a ‘productive’ way to reality.” (Ricoeur 1979, p. 126). Ricoeur speaks quite aptly of fiction as *increasing* reality. Fictions have the capacity to open and unfold new dimensions of reality and thereby add new layers to it.

What do fictional expectations have to do with capitalist dynamics? The mechanisms of competition and money demand that actors constantly operate with reference to an uncertain future. Surviving and making profits in the future requires investment and innovation, the acceptance and lending of money, and it requires that consumers perceive new products as possessing utility or conveying social prestige. At the same time, the outcomes associated with concrete decisions are uncertain. Capitalism can develop only when the willingness to act prevails despite the incalculability of the future. Fictional expectations are crucial: actors are motivated by the imagined future and organize their activities based on this depiction.

Keynes warned against assuming that the willingness to take risks in the expectation of future profit or increased social status is a foregone

conclusion. Capitalism is constantly at risk of actors being paralyzed by the uncertain future, leading to the underemployment of production factors, and thus resulting in economic crisis. “Crisis” here means nothing more than a collapse of expectations for future opportunities and a foreshortening of future perspectives. Keynes termed the resulting inactivity of actors “liquidity preference,” which can be understood as the unwillingness of investors to engage in investments that would expose their wealth to unforeseeable risks. It is through fictional expectations that this unwillingness is overcome.

At the level of social interaction, fictional expectations are crucial, both in producing a willingness to act and for coordinating action. Although they are anchored in actors’ perceptions of the situation, they are not purely individual. Expectations do not emerge in an institutional, cultural, or political vacuum. The social basis of expectations is to be found within the economy’s institutional structuring, in norms and cognitive frameworks, in social networks, and within the power structures in which market actors find themselves. Capitalism’s institutions—be they accounting rules or the state’s protection of property rights—can be analyzed according to their contribution to the build-up of expectations that encourage risky engagements by widening temporal perspectives, by encouraging and demanding creative responses, as well as by fostering a willingness to take risks. Explaining capitalist dynamics therefore requires that we take structural factors into account, albeit with reference to their impact on social action. Long-term credit, for instance, is more likely to be granted where property rights are effectively protected.

We should consider the political dimension of fictional expectations—in addition to their institutional basis. The contingent nature of expectations makes them open to interest-based politics. If decisions have distributive consequences, and if decisions are based on expectations, then actors have an interest in the expectations of other actors. Influencing expectations has become a central task of both political regulation and business and is a major part of discourses on business and the economy. Examples of this *politics of expectations* for macroeconomic policy-making are central bank reports on the state of the economy and their suggestions for future monetary policies (Holmes 2009). Examples from business are the marketing activities of firms. Through marketing, economically powerful firms shape the imaginaries of consumers. This communicative creation of value is an important part of the politics of expectations in the economy.

FICTIONAL EXPECTATIONS IN AMERICAN CAPITALISM

Fictional expectations can be found in all fields that constitute the capitalist economy: in investments, in innovation processes, in production process, in the use of money and credit, as well as in consumption (Beckert 2016). They are not limited to specific countries or specific time periods. However, fictional expectations do take specific forms in different countries or among economic subgroups, and they may change over time. In the entrepreneurial capitalism of the nineteenth century, fictions of technological progress were dominant. Since the 1920s in the United States, and somewhat later in Europe, fictional expectations have increasingly involved the domain of mass consumption. And since the 1990s, fictional expectations in the realm of finance have taken special prominence.

In the American context, the broadest cultural representation of fictional expectations is undoubtedly what is known as the *American Dream*. The general imaginary of upward social mobility, an open future that promises a better life for anyone willing to work hard work, and a belief in the American value system are powerful cultural ingredients to the dynamism of American capitalism. As such, it is an important integrating tale for American society, providing a motivating set of ideas for individual striving. However, to influence economic behavior in any concrete sense, this general tale needs to be broken down into concrete projects and goals that direct decisions made by economic agents. I provide three examples from different realms to exemplify how fictional expectations become relevant to the dynamics of the capitalist economy.

Financial Markets

The first of these examples refers to financial markets. Expectations and confidence in financial markets is often established through what have been called motivating *stories*. The intentions of such stories can be seen starkly in certain particularly candid examples of stock market advice. In the now ridiculed book *Dow 36,000: The New Strategy for Profiting from the Coming Rise in the Stock Market*, published in 1999 by journalist James Glassman and economist Kevin Hasset, the authors proclaimed that the Dow Jones Industrial Average (DJIA), then at 10,600 points, would rise to 36,000 points within the next six years. The book's stated intention was to "convince you of the single most important fact about stocks at the dawn of the twenty-first century: They are cheap. [...] Stocks are now in

the midst of a one-time-only rise to much higher ground” (Glassmann and Hassett 1999, p. 4). This projective imaginary was accompanied by a story of how the future development of the index would unfold: “A sensible target date for Dow 36,000 is early 2005, but it could be reached much earlier. After that, stocks will continue to rise, but at a slower pace. This means that stocks, right now, are an extraordinary investment. They are just as safe as bonds over long periods of time, and the returns are significantly higher” (p. 140).

Other financial market prophets of the time predicted the DJIA would climb even higher, to 40,000 points (Elias 1999) or even to 100,000 (Kadlec 1999). The future, however, turned out very differently: in 2005, the year Glassman and Hasset expected the DJIA to reach 36,000 points, the highest value the stock index reached as it rebounded from a loss of 25 percent in the early 2000s was 10,700 points—not even one third of the predicted level.

Narratives of how and why the prices of indexes, stocks, commodities, or bonds develop are the main communicative tools in financial markets and exist in great abundance. They create fictional expectations. Thousands of analysts of individual stocks or classes of financial assets write regular reports in which they assess the current situation and future outlook of companies or states, and draw conclusions about the future prospects of stocks and bonds. These reports are rarely pie-in-the-sky predictions like the ones cited above, which were published in an era of jubilation on Wall Street and were intended for amateur investors. Such reports usually offer a much subtler communicative net of calculations, estimations, interpretations, and judgments, from which individual investors gain an understanding of market sentiment and are invited to make their own judgments and investment decisions. The idea, however, is the same: the fictional expectations pretend to provide foreknowledge of future value development. When large numbers of financial investors believe in them, they become “valuation conventions” (Orléan 2014) that express collective beliefs about how to value a security or a class of securities. Such beliefs appear credible in the moment and create at least partial consensus in that the financial community agrees on certain valuation principles. Such conventions provide orientation in the face of uncertainty, thus helping to create confidence and suspend disbelief. If they are convinced, actors behave *as if* the stories really do anticipate market developments; in this way, the stories may actually drive markets in the direction predicted.

Human Capital

The second example refers to investment in human capital where fictional expectations play just as important a role as in other types of investment. Collective imaginaries on the role of education for the future wellbeing of society justify educational expenditures on the societal level; for example, through a perceived threat of future technological and economic inferiority due to a lack of investment in human capital, as occurred in the United States after the shock of the Sputnik launch in the 1950s. They may also take the form of visions of the enrichment of a given region, as in the European Commission's plan to make Europe the world's most competitive and dynamic knowledge-based economy by 2020. In both cases, public investment in the educational system was justified by imaginaries of the future.

Fictional expectations are also crucial for understanding the educational decisions of individuals: the imagined future life that might be possible through an investment in specific skills motivates efforts in the present. Studies show that educational and career choices are at least partly shaped by idealizing imaginaries. Fictional expectations influence decisions about specific career paths and prompt the sacrifices necessary to complete training programs expected to make possible the realization of that imaginary. Career choices are formed by "a complex set of internalized images related to a person's identity, desires, and capabilities" (Foskett and Hemsley-Brown 2001, p. 179). Such career dreams "serve as a guiding and motivating force that help individuals to reach related, albeit less lofty, heights" (Kinnier et al. 2001, p. 25).

Perhaps the most obvious examples of the role of career dreams are expectations for artistic and sporting careers. These careers demand exceptionally disciplined training, often from a very young age, but offer stable incomes to only a fraction of those who embark upon them. Studies on the labor conditions of musicians show, for instance, that they often lack stable work, have no health or pension benefits, and must pursue commercial activities unrelated to their qualifications to earn a living (Devroop 2012, p. 394; Menger 2009, 2014). This is true also for other markets: art, acting, and athletics are winner-takes-all markets (Frank and Cook 1995; Lutter 2012), in which a tiny number of actors achieve substantial financial rewards and prestige, while the overwhelming majority face unsteady, marginal work and often give up altogether after a few years (Menger 1999). Most movie actors appear in no more than one movie in

the course of their “careers,” and only about 20 percent of them appear in more than two movies. After eight years in the business, about 50 percent quit (Lutter, p. 442). Forty percent of all Hollywood movies are made by only 7 percent of its directors, while two-thirds of all directors make no more than one film in their careers (Faulkner and Anderson 1987, p. 894).

Despite these daunting figures, cultural industries have a permanent oversupply of labor. In a study of 17-year-old Britons, 20 percent expressed aspirations to what the researchers called “lottery jobs” (Foskett and Hemsley-Brown 2001, p. 183), which they defined as jobs with high profiles but limited opportunities for entry, offering high salaries but demanding specialized talents and dependent on being “spotted.” As studies investigating career choices have shown, idealized future projections of “winning” feature prominently in respondents’ choices to invest in “lottery jobs.” Ashley Mears’s study of fashion models (2011) shows, for instance, how young women are attracted to this industry by imaginaries of high income, fame, and privileged lifestyles. Model scouts, agencies, and the mass media encourage these dreams, along with investments in “bodily capital,” distracting women from their tiny chances at success, high levels of underemployment, and the actual working conditions in the industry.

It would, however, be a mistake to see the relevance of fictional expectations as limited to peripheral labor market segments. Students of management, for instance, project themselves into careers at the top of the managerial hierarchy, and these projections are encouraged by business school training methods, which portray firms from the perspective of top management. Using the case method, students investigate strategic decision-making situations in companies by projecting themselves into the role of the company leaders—a role they will most likely never have a chance of filling in real life.

The career dreams of adolescents and young adults and their parents—at least from middle- and upper-middle-class backgrounds—operate as a motivating force in the process of their skill formation and influence outcomes. Occupational aspirations have a direct effect on occupational attainment (Sewell and Hauser 1975). From the perspective of the firm, the motivational effects of imagined futures help to “extract” labor power from the worker. Though many aspirations end in disappointment, the capitalist economy is also propelled forward by imaginaries of the future recompense of investments in skill formation. Capitalist dynamics would slow if beliefs in opportunities for individual social mobility through

strenuous effort, training, and hard work were to fade. Projections of future outcomes stimulate the efforts that underlie the dynamic changes that make capitalism so restless.

Consumption

The third example refers to consumption. Consumption represents the most important sector in the American economy, comprising about two-thirds of the overall economy. Fictional expectations play two roles in the desire for consumer goods. The first parallels their role in investments: imaginaries associated with consumer goods are placeholders to help cope with uncertainty. Consumers considering *new* consumer goods have no clear idea of what satisfaction they will obtain from these products. Imaginaries associated with a product before it is purchased inspire consumers to project a desirable life situation that its acquisition will help them to achieve. In their imaginations, consumers act *as if* they already possess the product they are considering and thus “test” in their imaginations whether it will have brought the desired satisfaction: the possession of goods can be imagined in the future perfect tense (Schutz p. 20). The evocation of future satisfaction itself creates desire.

The second role fictional expectations play in consumption is not related to the future per se, but rather to the *sources of value* of consumer goods. Consumer goods have not only functional but also symbolic qualities, with fictional expectations playing a crucial role in regard to the latter. Goods can carry symbolic meanings that have nothing to do with their material qualities. Symbolic meaning has two different dimensions. First, goods act as symbolic representations of their owners’ economic, cultural, or social capital; they position their owners in relation to other actors within a stratified social field. Second, the possession or consumption of a good can “connect” the owner imaginatively with a desired place, time, person, or ideal. Human imagination has the power to “link” the owners of goods to events from the past, to distant geographic and social spaces, to admired people, and to esteemed social values. Consumer goods have a fictional quality by suggesting a quasi-possession of the intangible object of desire. In this sense, they share characteristics with religious relics.

Studies show that consumers value products that do not yet even exist simply because of their expectations of future satisfaction (see Dahlén 2013). Companies, recognizing the future orientation of consumer desires, exploit it profitably in marketing campaigns, creating expectations

by, for example, announcing the introduction of new technological devices. Marketing is mostly a technology of the imagination applied to create fictional expectations that lead to purchases. *Apple* has probably been most successful in deploying marketing campaigns that create fictional expectations regarding future consumption opportunities. The extraordinary power of the marketing industry to create fictional expectations is evident from the people who queue through the night at computer stores to be among the first to purchase a new device. The film industry also uses this technique to great effect, creating expectation-based desires by releasing film trailers, sometimes more than a year in advance of the actual film. Products appear especially attractive to consumers when their exact details remain vague and the openness of the future can be filled by their imaginaries. These expectations are often not totally fulfilled once consumers own the product. The product is valued more in the imagination than in the actual experience of it.

The expansion of consumer demand, a crucial pillar of capitalist growth, depends increasingly on consumer desire for symbolic value. The production of consumer dreams thus becomes itself a productive force in the economy. At the same time, to create the socially enshrined symbolic meanings that make goods valuable, extensive communicative efforts must be made to establish, reinforce, or alter the meaning of products, as demonstrated by the increasing growth of marketing costs as a percentage of overall production costs (Hirschle 2012, p. 138). Thus, the expansion of capitalist growth is precarious. The fictional expectations associated with consumer goods stand on uncertain ground, since they are largely anchored in the intersubjective recognition of symbolic qualities attached to them, not in the material qualities of the goods themselves. Declining growth rates in affluent consumer societies over the past 40 years may also indicate that the new products being introduced to the market are not sufficiently effective to inspire consumers' imaginaries, and that established products, such as cars, are losing their imaginary attraction.

CONCLUSION

Imagined futures, because of their fragility, require constant underpinning in the face of the inevitable uncertainty surrounding the outcomes of action. The improbability of meeting this challenge is evident in the multitude of failed investments and innovations, the devaluing of financial assets in times of financial crisis, and consumer dissatisfaction with products

they had desired at the time of purchase. Viewed from this perspective, capitalism's extraordinary power—and at the same time its Achilles heel—is its ability to create fictional expectations that motivate actors to take risks despite the uncertainty of achieving desired outcomes and the likelihood of disappointment. For this, actors need to convince themselves—and be convinced by others—that their decisions, despite all the uncertainty, will deliver outcomes that do not disappoint their expectations.

The uncertainty entailed in a situation makes expectations contingent—expectations may differ between actors and may change in unpredictable ways over the course of time. However, this results not only in capitalism's fragility but also in its innovative power. The fundamentals of capitalism's dynamics exist in the relationship between the human ability to imagine and the incalculability of outcomes. Following George Shackle, “imagined experiences” (Shackle 1964, p. 12) which underlie decision-making possess a creative energy precisely as a result of their probabilistically unforeseeable nature.

The reliance on fictional expectations holds true for all capitalist economies, though the fictions take different forms in different places and at different times. The American example seems to be especially good at revealing the role of imaginaries in the operation of its economy.

When investigating the economy, the notion of fictional expectations suggests an approach that differs profoundly from most others in current day economics. While modern economics models itself on deterministic theories from the natural sciences and aims at the discovery of economic laws, the approach presented here sees the economy as based on the construction, diffusion, and dynamics of social meaning. Existing meaning structures are contingent and influenced by the social power of actors, cultural backgrounds, and institutional settings. An approach to the economy that takes this finding seriously is, by necessity, hermeneutic and does not try to emulate physics.

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The Cultural Fix: Capital, Genre, and the Times of American Studies

Stephen Shapiro

In *Graphs, Maps, Trees: Abstract Models for Literary History* (2005), Franco Moretti claims that the narrative forms we call genres have perceivable longevities, due to their relative use and exchange value as cultural commodities. Focusing on the post-1800 European novel, he argues that particular genres have a life cycle of about 25–30 years before their efficacy on the marketplace erodes. Why, though, do genres not only have a wave-like pattern of rise and fall, but also diminish (or reappear) in clusters at inflection points such as the “late 1760s, early 1790s, late 1820s, 1850, early 1870s, and mid-late 1880s (p. 18)”? This group movement means, for Moretti, the presence of a “causal explanation [that] must be *external* to the genres, and *common* to all: like a sudden, total change of their ecosystem. Which is to say: a change of their audience. Books survive if they are read and disappear if they aren’t: and when an entire generic system vanishes at once, the likeliest explanation is that *its readers vanished at once* (p. 20).” The disappearance of aggregated genres marks the lifespan of a “generation,” a duration of readers’ particular “mental climate” (p. 21).

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Moretti's claim raises, at least, three questions. Firstly, if modern genres are market commodities, what is the cultural utility they bear or enact for collective readers at certain historical moments?¹ Secondly, even if the search for a specific genre's meaning is discounted, so that we shrug and say that perhaps every generation *simply* likes its own forms merely as a stylistic means of differentiating themselves from prior ones, then why does the stylization of genres correlate so strongly to dates that would otherwise commonsensically and immediately be recognized as ones of tumultuous political and economic transformation? Does not Moretti's claim for a narrative form's utility and exchangeability still run too closely to the shoals of base-superstructure or reflection theory, as the socio-economic seems to determine the species survival of textual forms? Lastly, does Moretti's search for periodization by extinction overlook analogous generic recurrences that indicate the presence either of longer cultural durations or spirals of nested engagement? For example, can we really claim, as does Moretti, that the "imperial Gothic" of the late nineteenth century is an entirely different object of analysis than the "Gothic novel" of the late eighteenth (p. 19)? We might rather ask, what similar features appear at different times so that they produce familiar generic works, even if each moment has its own particular characteristics?

For American Studies, the question of a genre's life, death, and revival can be captured in the varying history of two attempts to comprehend American culture through the use of recognizable categories. On one hand, many Americanists have been taught to understand a genealogical moment within the discipline's formation with the rise of the so-called "myth and symbol" school, mainly through the 1950s, that sought to discern narrative elements, cultural themes, and rhetorical patterns in order to nomenclate a transhistorical and exceptionalist, nation-state identity (Smith 1950; Feidelson 1953; Ward 1953; Lewis 1955; Marx 1964; Sanford 1961; Trachtenberg 1965). This interpretive project has been persistently delegitimized by ensuing scholars, as one lacking methodological rigor and self-awareness over its confirmation biases. In addition, its writing has itself been taken as an objectifiable cultural "text" that can be read, in turn, as expressing the period's relatively unique (and ostensibly now surpassed) Cold War social tensions and compro-

¹I have elsewhere argued that genres have historically specific, but also recurring features (Shapiro 2008a, 2016, 2017).

mises involving cultural assimilation and the university (Kuklick 1972; Bercovitch and Jehlen 1988; Rogin 1987).

Alternatively, other contemporaneous and not dissimilar modes of criticism are allowed to be recycled as aptly capturing recurring dynamics. Beyond the Founding Father iconography that continually pops back up after periods of obsolescence, such as with the gap between the Broadway musical *1776* (1969) and *Hamilton* (2015), Richard Hofstadter's notion that American politics manifests an elemental "paranoid style" has a Lazarus-like ability to be revived, not least in commentaries on Trump's election (Hofstadter 1954–1955; Davis 1960; Hofstadter 1964a, b).

To position the question in Moretti's terms, is the lost magnetism of the myth and symbol school a case of vanished readers or does the spiraling return of the paranoid style and Founding Father fetishism cast light on the resilience of a set of images and styles (and consequential reading communities) that the myth and symbol school claimed could be found within American cultural production? Momentary or durable?

In what follows, I want to try to answer these questions by redirecting Moretti's discussion about the efflorescence and persistence of cultural forms more pointedly toward cyclical long spirals of capitalist political economy from a new cultural materialist perspective. Rather than choose an abstract, quasi-biological generation whose mentality is knowable only through their receipt-traces of purchasing, we can better explain the pulses of genres through the historical organization of class relations. In particular, genres stand as resource fictions that become more pronounced when new social compromises are required for capital to continue, let alone expand. When bundles of social relations of subordination fray, recognizable genres return as a mode of symbolic communication through which a new composition of stratification (or resistance) emerges. My overall point will be that the appearance and absence of cultural productions belongs to a relational matrix that not only embeds culture within the total circuit of capital, but also makes it constitutive of historical transformation. With this approach, (American) literary and cultural studies may not only move away from the base-superstructure and reflection theory claims that have long bedeviled cultural studies, but also chart a way beyond semiotics and the "linguistic turn" that has dominated and organized post-war criticism. The following also seeks to understand culture as a matter of social registration, not representation. It seeks to surpass long-standing critical frameworks, due to a belief that these are no longer sufficient to handle the

more complex questions of social (or collective) capital and its movement across long histories and the capitalist world-system.

To make this case, we will need new analytical instruments that can avoid the pitfalls of economism and help map historicity to social transformation. I suggest these tools are to be found in the terminology of *fixed labor-power* (or fixed variable capital) and the *cultural fix*. While these terms may initially seem odd, their provenance is an extrapolation of the three volumes of Marx's *Capital*. I will claim genre as a cultural fix, a resource of fixed labor-power, and then suggest a scheme of three valences of cultural production and consumption to overcome linear models, be they vertical (base-superstructure) or horizontal (semiotic chains). To do so, I start, as did the mature Marx, with the commodity-form.

FIXING CAPITAL: THE COMMODITY-FORM

If cultural productions are inescapably commodities as they enter the price-setting marketplace in the form of purchasable objects, let us turn to Marx's lesser-known, but more complete discussion of the commodity-form in the second and third volumes of *Capital*. These later volumes are more useful for treatments of cultural productions since these are the ones in which Marx seeks to understand social capital and capital's expanded reproduction through a wider horizon and with far more numerous entanglements than the highly concentrated and simplified discussion of wage laborer-capitalist conflict that animates volume 1.

As Marx enlarges his perspective, he shifts focus away from the value features of the commodity to examine its price appraisal, since the latter is the medium through which different capitalist actors, and also many of those within capitalist subordination, perceive and respond to capital's competitive ecology. This turn means that Marx will use a different set of analytical tools than the ones he relied on in the first volume of *Capital*. Rather than view the commodity through the features of constant and variable capital, he now considers it in terms of the antecedent commodities purchased for production: Labor-power (LP) and the Means of Production (MP), which includes the materials that still need processing, energy inputs, and all other features of storage and distribution. Rather than seek the commodity's difference as a matter of qualitative utility and quantitative exchangeability, Marx focuses on time, rather than value ratios, since the former is the mechanism through which capitalists experience competition, that is, through the rate of profit, rather than the mass

of surplus-value. To capture this perspective, he separates the Means of Production into two categories: *fixed* capital and “circulating or *fluid capital*” (1978, p. 238).

The distinction depends on whether capital is used over a single turnover circuit or multiple ones, a “shorter or longer period.” Circulating or fluid capital involves all the material components, like “raw materials” or “ancillaries” (mainly energy inputs, like those required to run machinery or light a factory) that will be “completely consumed in each labor process that they enter into, and therefore, with each new labor process, they must be completely replaced by new items of the same kind” (pp. 237–238). This singular metamorphosis highlights the instantaneous as it collapses a momentary aspect, collapsing past and future into the present. For a certain kind of unsympathetic criticism, this is often how generic, mass, or popular culture is perceived, items that are quickly digested, discarded, and without need for durable contemplation. Once consumed, they are quickly forgotten after the initial thrill is gone.

As Marx’s main concern here is to capture the single-use nature of fluid capital, he also insists on something that seems unexpected for his readers. Rather than separate variable capital (labor-power) from constant capital (machinery, etc.), he locates “variable capital, laid out in labor-power” as *part of* fluid capital. Given that wages are paid for immediate and total consumption of labor-power, fluid labor-power only functions “for a certain space of time” to consume entirely this set of the Means of Production. Labor-power, therefore, “must continually be repeated at the customary intervals,” much like the fluid Means of Production (p. 243).

Fixed capital, on the other hand, is not limited to a single turnover circuit. It “serve[s] continuously throughout a greater or smaller number of repetitions of the same production process, and for this reason gives up their value to the product only bit by bit” (p. 133). Its value “circulates... gradually” and “in the degree to which it is transferred, [it] remains distinct from the commodities that it helps produce” (p. 238).

Unlike fluid capital, which only operates in the present, fixed capital involves mixed times, linking the past to the future through amortization and depreciation schedules. Because fixed capital delivers itself incrementally for use as fluid capital, its presence introduces the consideration of capital’s different time scales, not least being that of the distinction between a single turnover circuit and aggregate ones that can last years, if not decades, or even longer. Additionally, fixed capital not only considers longevity, the moment *beyond* the realization of capital in a single turnover

circuit, in ways that fluid capital does not, but it also handles mixed temporalities involving the nested features of repair versus replacement times, or the difference between adjustments made to continue the working of current machinery versus the decision to allow for its complete run down. To use a common example, a fluid consideration might be the evaluation of how far a single tank of petrol might carry a car. A fixed consideration involves thinking about how long before the tires need replacing or when the car is no longer worth putting new parts in at all, due to the increasing rate and cost of repairs. The consideration of these more heterogeneous temporalities of fixed capital leads to a recognition of more complex and complicated relations among various capitalists as they each manage their own capital-labor encounters.

Hence, the matter of fixed capital raises the question of combined temporalities and social capital in ways that the basic formulas of *Capital* Volume I are simply neither equipped, nor intended to handle. The implications of Marx's different emphases between the first and later volumes of *Capital* have only fragmentarily and inconsistently been taken up for literary and cultural studies, which has often tried to answer one question (about cultural composition and duration) with theoretical tools meant for another. For example, the distinction between fixed and fluid could also be considered as that which was sought by Russian Formalists with their categories of narrative and plot, *syuzhet* and *fabula*. The fluid and the fixed, narrative and plot, exist simultaneously, one is not more or less necessary than the other, but each has different implications for our consideration of cultural transmission and transformation. Indeed, these Soviet scholars came closer than others to the problem at hand, but the constraints of Stalinism would not allow them to fully solve the problem, much as Marx indicates that Aristotle's early insights about money were held back by the conditions of the social organization of ancient Athens.

Marx, however, self-admittedly struggled to conceptualize a means for notating capital's prolonged and enlarged sphere of activity. When speaking about "total social capital," he admits that it "requires a different mode of investigation" than the one he used in *Capital* Volume I. "Up till now, mere phrases have been taken as sufficient in this respect, although when they are analyzed more closely, they contain nothing more than indefinite notions [*Vorstellungen*], simply borrowed from the intertwining of metamorphoses that is common to all commodity circulation" (p. 194).

The difficulty that Marx faced in seeking to develop a more concrete analysis is that he failed to produce a category that *ought to be present* in his

scheme, given his familiar method of producing paired terms (like absolute surplus-value and relative surplus-value) but which is not. For alongside the terms of Fixed Means of Production (FMP) and the two figures of fluid capital, Fluid Labor-power (FILP) and Fluid Means of Production (FLMP), there should be a fourth: Fixed Labor-Power (FLP).

Marx may have struggled to realize this category given that he defined a proletarian as one who has the dubious freedom to spontaneously commodify their labor-power outside of the longer-lasting conditions of serf or slave-like subordination. Capitalism is distinguished as a social form by its ability to purchase commodified labor-power in ways that allow the purchaser to bypass responsibility for how the worker maintains her or himself outside of the momentary exchange of wages for labor-power.

Yet capital cannot depend on the exceptional or momentary appearance of exploitable workers. It must prepare the conditions for this labor resource to be called upon beyond the duration of a single cycle or encounter between capital and worker, such as that presented in *Capital* Volume I. “Capitalist production produces not only commodities and surplus-value; it reproduces and on an ever extended scale, the class of wage-laborers and transforms the immense majority of direct producers into wage laborers...the first precondition of M-C...P...C'-M' [the total circuit of capital] is the continuous availability of wage-laborers” (p. 117–118). Much as “the means of production must be sufficient in mass to absorb the mass of labor which is to be turned into products through them” (p. 111), so, too, must the mass of labor be sufficiently present and ready to be absorbed into the Means of Production. For that long-standing relation to exist, capital must not only produce the conditions for capitalist production and exchange through the exploitative exchange of wages for labor-power, but it must also reproduce the conditions for capitalist class differentiation.

Consequently, any understanding of *Capital* must include a category like fixed labor-power or fixed variable capital that can account for exploitation over the long run. Yet for such a category to make sense it must, in turn, be subdivided into the categories of absolute and relative fixed labor-power. Absolute fixed-labor-power covers that which Marx rules out as belonging to the category of fluid capital, all that which laborers require to exist beyond the singular moment of wages for labor-power exchanges: food, clothing, housing, hygiene, shelter, healthcare, basic education (literacy, numeracy), and vocational training. Relative labor-power is less immediate, but more comprehensive.

Relative fixed labor-power involves all that shapes class subjectivity as understood in all its ethnic, racial, religious, gendered, and sexual aspects, the composition of class relations and the social infrastructure of institutions and parainstitutions that make proletarian subordination and resistance possible. More broadly, relative fixed labor-power is the *realm of the social, cultural, and political*, encompassing the customs and institutions shaping the historically variable social relationships of class struggle and continuity over a longer period of time than a single turnover cycle, including, but not limited to, inter-generational class reproduction, and the attendant reformations of gender and sexual roles. Relative fixed labor-power refers to the existence of persistent social and cultural forms, realignments, and modes of expression that creates both simple and expanded reproduction, *the sociality that is required for the production and expanded production of capital* (Shapiro 2020) (Illustrations 4.1 and 4.2).

Once the term of fixed labor-power comes into sight, we have a new means of understanding the constituent components of a commodity and their inter-relation. These four fields construct what can be called a commodity cloverleaf.

While these leaves may seem distant and balanced on the page, they actually operate in constantly dynamic interchanges among each other. The fixed and the fluid are not binary oppositions, but relational poles as the fixed metamorphoses into the fluid and back again. As such, the four categories of fixed labor-power and means of production and fluid labor-power and means of production form an interweaving nexus in which the fields have intricate substitutions for each other. Indeed, it is the whirring of the cloverleaf’s various shapes that pulses the quantum of value through

Illustration 4.1 The composition of the commodity

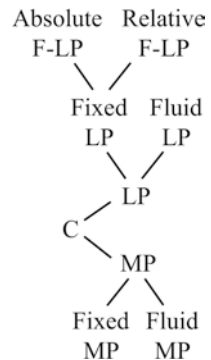
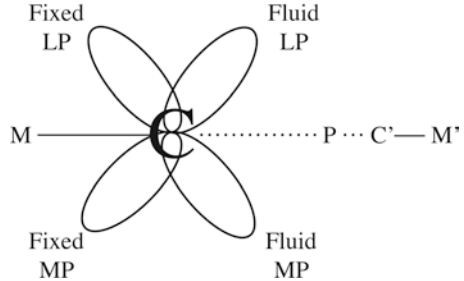


Illustration 4.2 The commodity-form's cloverleaf through the total circuit of capital



the circuit of capital realization. Just as Marx indicated that money is only capital when placed in a relational constellation within the total circuit of capital, so, too, each aspect of the commodity cloverleaf operates within a flexible field shaped by the others' configuration in social space. This field sometimes repels leaves and sometimes attracts and overlaps them. Not only does fixed labor-power become fluid labor-power, but it also impacts the means of production. For this reason, Marx often treated fluid labor-power as interchangeable with fluid means of production from the capitalist's perspective. Hence, a term like *petroculture* can be understood as locating such a historical configuration of the commodity cloverleaf, where fixed labor-power is relationally activated with regards to an energy resource, a means of production that has forms of fixity (in the extraction industry) and fluidity (in the car's gas tank).

No two commodity cloverleaves are identical, as each has a shape that is contoured by its particular historical and social location within total capital. For my purposes, the commodity cloverleaf's variable shape makes a secondary elaboration possible that leads to a new understanding of the culture of capital.

THE CULTURAL FIX

As Marx fastens (fluid) labor-power to the means of production in his terminology, he argues that one form of crisis within capitalism lies with its need to ensure the optimal relation between the two, the proper absorption of labor-power by the means of production. If the ratio is imbalanced, then the "material" of human resources drops out of value production: it becomes useless and unable to replace the cost of its investment, let alone generate profit. Thus, fluid capital, as containing both labor-power and

the means of production, requires a fix, a fix of the means of production, which can act as a regulating pool that may either release or withdraw materials as needed for the moment.

David Harvey has written extensively about the “spatial fix” wherein social capital creates large-scale projects of fixed means of production as a mechanism to absorb the over-production of capital and unused labor-power, raw materials, and energy inputs (Harvey 1982). Typically, he returns to nineteenth-century Paris as his exemplary illustration of how the built environment is fundamentally shaped by the implantation of capital into large-scale projects that bind different groups of capitalists (State, financial, engineering) together in order to dampen system-threatening competition by shunting capital into less profitable avenues, but ones that ideally also carry less risk. Capital is placed into a depreciating spatial fix not because it is the most attractive option, but because it is the most tactical one, involving less threat of total devaluation or loss of investment. Furthermore, the spatial fix’s creation of a new temporality and urban geography results in a new cultural experience, that of the “urban,” as new modes of mass transportation and information allow individuals to circulate more easily through the metropolis and understand its processes (Harvey 1982, 2003). As this metropolitan experience arises, the city is felt to be an autonomous entity, a self-making *moloch*.

While Harvey has been noteworthy for his willingness to investigate cultural features of the spatial fix, his examples have often been held back by the absence of the category that the concept of relative fixed labor-power provides, the consequential creation of a *cultural fix* (Illustration 4.3).

A cultural fix operates analogously to a spatial fix and the two usually intertwine. A cultural fix seeks to consolidate class interests within a formal and informal composition for the purposes of capital accumulation over time through a more durable set of cultural and social institutions and parainstitutions.²

A cultural fix enables capitalism’s coherence in ways that also allow the social and cultural to have a dynamic historicity and slow transformation through capital’s circulation of value and expanded reproduction. If

²“The difference between an institution and a parainstitution is that an institution has named agents who administer routinized social acts, often within a paid-for, enclosed architecture that houses the enactment of conventional beliefs and practices. A parainstitution is modernized customary behavior; it is decentralized, unauthorized, and highly mutable because it lacks a stable mechanism for self-regulation” (Shapiro 2008a, p. 59).

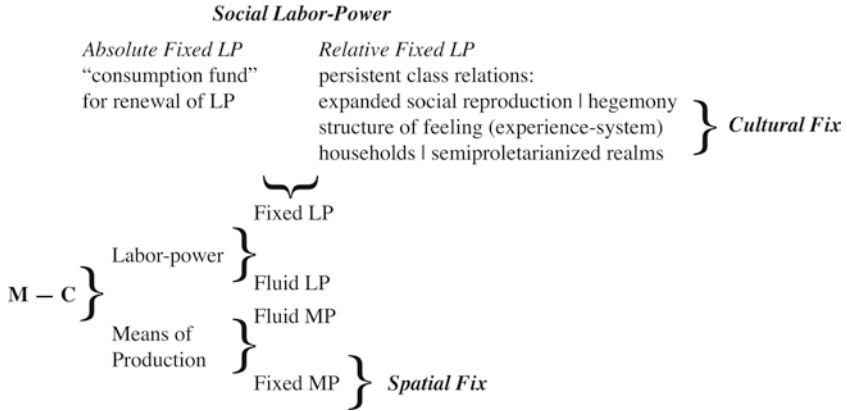


Illustration 4.3 The commodity and its fixes

Gramsci's notion of a historic bloc of interests brought together through hegemony involves the construction of mixed social elements that are often contradictory, this is also the work of a cultural fix. Similarly, in his discussion of the centaur of coercion and consensus, the linkage of fixed consensus and fluid, momentary force no longer has to be conceptualized as an abstract ratio, but as an inter-relational dynamic, producing an array of different configurations (Gramsci 1971, p. 170). The advantage of reading Gramsci in this way is how it allows us to conceptualize hegemony *within* the time and space of capital circulation. In essence, it allows Gramsci to be more than a left version of Machiavelli, and more of an interlocutor with Rosa Luxemburg on *The Accumulation of Capital* (Gramsci 1971; Luxemburg 1951).

Likewise, Raymond Williams's evocative concept of the structure of feeling, what I have elsewhere called *experience-system*, can be given a more precise deployment within the array of capital (Shapiro and Barnard 2017). Williams, when discussing a structure of feeling, often likened it to generations, but this quasi-biological referent is better understood as a kind of cultural fix that may or may not surpass or fall short of an age cohort's time span. Michael Denning's account of the left cultural formations throughout the 1930s and 1940s provides a useful illustration here. Rather than deliver an absolute periodization of what he calls the Cultural Front, Denning suggests it be relatively understood through three nesting units of time (Denning 2011). Firstly, he considers passages of 2–3

years length. These conjunctural units appear relatively self-contained and fluid as they seem to nearly deplete their particular social energies in their usage. Covering multiple conjunctures is a length of time he calls “generational,” which is emblematic of a “structure of feeling,” akin to memory, through which experiential frames and symbolic conventions are more durable, even though they do dissolve over time. The eventual loss of this fixture is marked finally by the replacement of one long-wave regime of accumulation based on a mode of production for another; for instance, Post-Fordism’s supersession of Fordism. Through Denning, we might see the conjunctural as the making fluid of a fixed structure of feeling and then this relation’s disappearance as many temporal turnover circuits lead eventually to a new phase or era of capitalism. The “structure” of a “feeling” (the experience-system) is not a structuralist matrix, but a dynamic space of relations in the form of the commodity cloverleaf, twirling through the circuit of capital accumulation. With this concept we may now rethink the nature and work of *genre*.

GENRE AS CULTURAL FIX

A spatial fix combines varied social interests as a means of cementing a solution to conjunctural appearances of systemic contradictions, and does so in ways that are put into use, and depreciate, over time. Understanding genre as a cultural fix, operating likewise and in relation to spatial fixes, helps to reconceptualize our understanding and deployment of genre theory in several ways, which, in turn, impacts the production and reception of American writing and culture.

At its most fundamental level, generic fiction acts as a controlled release mechanism of long-held narrative constructions and social presuppositions, often from pre- or weakly capitalized lifeworlds, in the modern form of commodified capitalist communications. The fairy tale or agrarian (folk, backcountry) narrative metamorphosed into genre fiction, through a process of combined and uneven development.³ Even the residues of feudal cultural hierarchies, once weakened, become open for appropriation and recodification. The medieval romance becomes noir when Lancelot’s erotic *tristesse* turns into the loneliness of the hard-boiled detective’s search for the unavailable femme fatale. Conversely, the emergent new also

³For discussions of the culture of combined and uneven development, see Shapiro and Barnard (2017), WReC, (2016), and Davidson (2019).

becomes introduced and diffused through genre, which helps provide a narrative introduction to and accommodation with modern technologies and exploitative labor conditions.

As cultural texts that intertwine past formations with modern ones, genre works stand as a chief medium for the social incorporation. For instance, nearly all introductory Film Studies textbooks assigned to students today yoke their pedagogy of formal screen techniques with a rehearsal and restaging of the importance of genre (the Western, the romance comedy, etc.). Academic treatments of genre often seek to differentiate one genre from another by ascertaining the formal devices or characteristics that allow for a line of separation and particularity as the primary means to understand the structure of the discipline. This search for purity has it all wrong, since genre's social function is not divergence, but convergence. The lack of narrative originality and individual stylistic uniqueness is not a fault in genre, since the purpose of genre is to consolidate heterogeneous social audiences and readers by "fixing" them through symbolic conventions (and their invocation of memory) as generic works can accommodate multiple tensions and contradictions due to the looseness of genre. Generic works can thus cement a narrative entanglement of social expectations through their composition of relations of privilege and subordination that may persist over time, even if this narrative constellation is differentially empowering or constraining to various groups, depending on their position within current hierarchies. Thus, generic works tend to become more prevalent, noticeable, and deployed at moments of transformation, at moments of crisis with social capital, when the total set of class relations is undergoing de- and re-composition. The appearance of generics tends to cluster, as Moretti has described, since they emerge and become more noticeable in times that require a new social complex, a task that can rarely be achieved through a single narrative style associated with a highly consecrated named individual.

Much as the capitalist world intertwines commodities arising from different modes of production through their translation into monetary equivalents, manifold cultural concerns can best be brought together within genre as a form of narrative equivalence, a money-form of communication, which can house together otherwise incommensurate elements. Although a generic tale may superficially seem homogeneous, it has multiple meanings within its expression.⁴ Genre tales thus often

⁴For a similar account of textual heterogeneity, see Denning (1987).

combine utopian longings with reified social containment because a new social compound or complex is in the process of being established.⁵

The perceived tiredness or obsolescence of a genre comes as its grip loosens through its use over many cycles of capital realization. It is not a generation of readers that disappears over time, but the entire compound shape of class relations that had become operable through that narrative commodity cloverleaf. The individuals remain “alive,” but the force that held them together as a mass has lost its magnetism as the shape of social capital necessarily changes its contours through a greater pull of other factors. These alterations may have different longevities than the perceived period that Moretti suggests. Indeed, Moretti’s conclusion about the average lifetime of a genre may be due to data smoothing as a result of his *a priori* decision that a text may belong to *only one* genre, thus ruling out mixed texts that overlap genres, as a kind of repair of social interests, rather than its replacement.

Another feature of the cultural fix lies in its ability to move beyond questions of cultural reflection. Marx depended on a simplified model of capitalist exchange (M-C-M′) for the purposes of elucidating the creation of surplus-value, one without any of the three figures (or subcircuits) of capital. With this simplified formula, the language of culture’s reflection of the economic may have seemed possible. Yet the later volumes of *Capital*, with their expanded formula (M-C .P. .C′-M′), have a more intricate three-dimensionality and nested time frames. Because of this complexity, a simple model of base-superstructure is no longer possible.

Similarly, the use of representation in its more familiar semiotic logic has become insufficient. Because of the constant condensing and expanding of the commodity cloverleaf, where elements of one leaf sometimes act as if they were the others, it no longer becomes feasible to understand the place of culture as either reflective or simply representational. A more apt approach would be that cultural productions *register* social and political and economic matters. This registration cannot be seen as representational because fixed labor-power, or social labor-power, is integrated within the production of value, not outside or reflective of it. For this reason, Marx emphasized in later editions that the more complete understanding of capital’s organic composition was that in which value compositions were

⁵ I have previously argued this generally in relation to gothic, see Shapiro (2008b). For the tangle of reification and utopia, see Jameson (1979).

dependent on the technical or material composition of fixed and fluid capital (Marx 1978, pp. 762–763).

Just as the combinatory and complex compound features of genre mean that they are rarely homogeneous in their readership or intention, so, too, are they heterogeneous in their characteristics. Instead, texts, generic or not, operate through different valences of shells or communication, much as do electrons around the nucleus of an atom. The integral valences may momentarily be separated as to how they thematize, theorize, or transform social conditions and relations (Table 4.1).

It is often the case, and perhaps mainly so, that texts raise and discuss issues mainly as a thematic concern or problem. These treatments are mainly descriptive, often affective in their mode of address, and themselves symptomatic of the issue, where a text’s appearance and manifestation can itself be used as evidentiary material for a critical claim about how to constitute a periodizing nomenclature (i.e. the Romantic, the postmodern). Arguably, and perhaps ungenerously, the bulk of cultural texts and scholarly treatment of these texts resides in this valence. A less common action happens when texts seek to theorize the thematic. In this analytic approach, rather than openly acknowledge the superficial symptoms of a problem, its etiology is diagnosed, thus turning an often isolated and unsystematically conceptualized problem into a “problematic,” a cognitive approach to charting the systemic features of sociality. The consideration of communication as itself a mode of critique understands it to be as using a rhetoric that is more informative about its object rather than predominately using affective address. A literary and cultural study of theory-enacting texts seeks to listen and learn more from them, as critics see them as unsettling the hierarchy of reader and text. Some texts, however, implement their art of theorizing to become themselves active in the process-making of social transformation. In this gesture, their consumption alters existing relations

Table 4.1 The valences of cultural production and consumption

<i>Thematize</i>	<i>Theorize</i>	<i>Transform (reader/cultural fix)</i>
Describe	Analyze	Strategize/Counter-hegemonize
Symptomatic	Diagnostic	Constitutive
Problem	Problematic	Process-making
Affective	Informative	Promotive
“The economy is bad”	“The economy is bad because capitalism creates crisis.”	“The economy is bad because of capitalism. Let’s smash it together.”

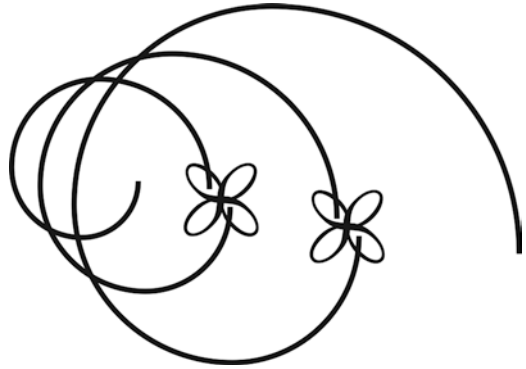
of power and subordination as its diagnosis is itself constitutive. These are strategic texts that seek to create a counter-hegemony, a new way of thinking. Their promotive rhetoric seeks to change the reader or viewer and position them to as belonging within a different social compound, and in doing so become iconic markers of a different cultural geology. Rather than reflect or investigate cultural periods, they help instantiate them.

Because the spectrum from the thematic through the theoretical to the transformative is imbricated within the processional relation between the culturally fluid and the culturally fixed, it would be an error to see a text as *simply* homogeneous in its action. More often than not, a text slips and shifts at varying points among these valences. Rather than consider these varying registrations in terms of connotation or denotation, we might contemplate their shape in terms of the historicity of its shape. It would be a mistake to see these valences as like a pyramid for two reasons. Firstly, no text is homogeneous and operates simply through one valence. Instead, texts often flicker between the valences, or, more correctly, contain dynamic ratios of aspects of these valences within their frame. Secondly, it is often that case that (generic) texts fuse the thematic and the transformative to a greater degree without having to achieve or go through the analytic valence. While academic studies tend to highlight and celebrate the more “analytical” texts, since the academy is itself an analytic apparatus, it is often the case that thematic-transformative texts have a more significant role to play in social transformation.

One difficulty for our consideration of the role of culture within capitalist history is that Marx never illustrated how a single turnover circuit, conveyed in abstraction, may lead to the overall construction of transformations over longer historical phases of capital. Nor did he extensively comment on the ways in which the expanded reproduction of capital both maintains the fundamental logistics of capital while also creating a different operational space. This question of resilience and renovation belongs to the question of how capitalist activity creates long spirals of particular conditions within a general tendency or a logistic. The typographical limits of Marx’s time have not helped, because it may appear that the circuit of capital has a two-dimensional waveform when it is instead a three-dimensional one.

Additionally, Marx’s Anglophone readers have been misdirected from seeing the possibilities for crisis hidden within the need to renew capital after many accumulated cycles of expanded reproduction because English translations of *Capital* have led readers to assume automaticity in the

Illustration 4.4 The commodity cloverleaf hooks for the expanded reproduction of capital



process. Marx described these refluxes as moments of “defective circulation” [*fehlerhaften Kreislauf*] (Marx 1991, p. 641). His indication of capital’s intrinsic mismatches has been given nearly the opposite meaning because the phrase was translated by Fowkes as “never-ending circle” (and in seemingly moralizing tones by Aveling and Moore’s “vicious circle”) (Marx 1978, p. 873; 1967, p. 704; 1993, p. 803; 1963, p. 715).⁶ These English translations both suggest a lack of interruption whereas Marx clearly indicates a systemic difficulty in cementing expanded reproduction without new actions.

Here is a key function of the commodity cloverleaf’s variable shape as the link between an abstract formula and concrete historical transformation. For the cloverleaf is that which “hooks” together one spiraling turn-over circuit with another, acting as the enabling connection that links to create historical phases (Illustration 4.4).

These various hooks over time facilitate a new means of understanding history, not in the sequential method of isolating one period from another, but of recognizing analogical similarities of moments *across* time, while also recognizing the different and particular shape of each moment’s cloverleaf and their tangled, expanded relationships.⁷

Each ensuing moment of analogous location within the long spiral looks to prior ones as touchstones by which to navigate their own current moment. This cross-sectional viewpoint means a transversal line can be

⁶The standard French translation by Roy is also unhelpful, duplicated later by Jean-Pierre Lefebvre’s Social Edition version: “un cercle vicieux”: Marx (1963).

⁷See the discussion of periodicity in Deckard and Shapiro (2019).

drawn through multiple circuits, in ways that mean no one moment is more authentic than another. Hence Marx was wrong to declare that history occurs twice, initially as tragedy and then as farce. Marx mistakenly saw this as degradation, whereas it actually stands as the way in which social actors search for ways to recognize their own historicity by looking for past similarities to their own condition. At the formal level, one moment is not a *metaphor* for another, but functions more as a *simile*, especially as simile's "like" quality not only captures the bringing together of different features within historic blocs of hegemony, but also more aptly handles the operation of cultural valences.

Such an analogical view of similarities of generic cloverleaves across time finally allows me to attempt to answer the question of American writing and culture's weak or strong recurrences. What if the myth and symbol critics were more correct than they have been later judged? Perhaps their error was to assume that such symbolic conventions of the antebellum period that they focused on were transhistorical, always present and operational, rather than being more discernible at similar moments across multiple long spirals? When the myth and symbol school became the target of critical denunciations, perhaps this was a move made possible only because these critiques came at a moment that was asynchronous to that within which the myth and symbol scholars wrote. As we are also not (yet) in an analogous moment, it is difficult to attempt a serious revival of their claims. One cannot make texts electric when the contact points are so misaligned. On the other hand, Hofstadter's paranoid style reappears more frequently in contemporary discussions because the social conditions and constellations of Hofstadter's moment are more frequently renewed or in alignment with those of the myth and symbol school. The search for a cultural fix in our time has features like that of his own moment.

What is suggested here is a model for handling and perceiving the patterns of American literature in ways other than sequential periodization, representational semiotics, or longitudinal stage development. Instead, an approach using spiral periodicity, cultural registration through the commodity cloverleaf, and analogical recurrences is proposed. In this way, Moretti's claims are revised. A genre disappears not because of the loss of market conditions as represented by purchasing readers, but due to the erosion of the cultural fix that both housed and registered social conditions and crises. These relations can be mapped, but only when *Capital* is approached as a usable text, not one left on the library shelf.

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PART II

Non-Literary Fictions of American
Capitalism



“Tell Me a Story”: How American Capitalism Reinvents Itself Through Storytelling

Marie-Christine Pauwels

The relationship between capitalism and fiction in the United States is usually depicted in antagonistic terms. As Henry Miller once wrote: “the dreamer whose dreams are non-utilitarian has no place in this world. Whatever does not lend itself to being bought and sold, whether in the realm of things, ideas, principles, dreams or hopes, is debarred. In this world the poet is anathema, the thinker a fool, the artist an escapist, the man of vision a criminal” (Miller 1945, p. 24). Echoing Miller’s dour vision, in the early 1960s, the poet Robert Duncan (1968) likewise equated capitalism with a materialist, disenchanting culture.

And yet, American capitalism is reinventing itself today by putting “soul in the machine” (Bloom 2015), infiltrating the realm of emotions through the increased use of fictional narrative. Due in part to the “narrative turn” taken in the 1990s in the human sciences, and mostly to *storytelling management*, a trend that took off in the mid-1980s in corporate America, the business world is (re)discovering the power of a good story. Quintessential American myths and heroic figures—the Frontier epic, the rags-to-riches success stories, the common man as hero, the pursuit of happiness, the

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American Dream, and so on—are being revisited by brands eager to portray themselves in a flattering light, to rebuild loyalty among fickle consumers and to rekindle trust among disillusioned employees. Storytelling—the art of creating meaningful folktales or spinning good yarns with inspiring characters and well-carved plots—has become common practice at all major firms and is coming to the rescue of a capitalist model searching for justification and meaning. Disney, McDonald’s, Coca-Cola, IBM, Microsoft, Amazon and others have all jumped onto the storytelling bandwagon.

In our hyper-information age, where individuals are submitted to a daily dose of what author Christian Salmon (2006) calls “textual harassment,” storytelling is also acknowledged in the American business world today as one of the most efficient tools for getting a message across.

The famous 2005 Commencement Address, delivered at the University of Stanford by Steve Jobs, is a good example of how corporations now use the power of fiction and its narrative techniques to craft their own media-friendly identities. Jobs was able to capture his audience’s imagination by describing his career in the form of “three stories”: first the call to greatness; then the banishment from the kingdom; and finally, the triumphant return to the throne.

In this chapter we shall take stock of this seemingly improbable development in the history of American capitalism in which poets, thinkers, artists and men of vision are now glorified and instrumentalized by an economic system that has understood how the world of fiction can be reappropriated to capture consumers’ attention, fight disenchantment and build legitimacy.

WHAT IS STORYTELLING?

In the United States, storytelling started being taken seriously by the business and political world in the 1980s and 1990s, under the influence of European authors, like Mikhail Bakhtin, Roland Barthes, Umberto Eco and Paul Ricoeur, who stressed the philosophical and political importance of narratives. At the same time, social sciences in the United States was undergoing a “narrative revival,” revealing the deep interconnection between reasoning and narration. Under the rising influence of “soft” sciences like psychology in economics (“happiness economics” is now a respectable field of research), scholars like Walter Fisher (1987) saw reasoning and narration as intricately related, perhaps inseparable, thus refut-

ing the predominance of the rational-world paradigm which only values argumentation and devalues narration. The narrative paradigm, he argued throughout his body of work, is just as important as argumentation since humans are essentially storytellers. Economist and history professor Deirdre McCloskey also reminded readers in her classic 1998 book that economics, like other sciences, works with metaphors and stories. The storytelling management school was born.

Once considered as frivolous and ephemeral, relevant mainly for entertainment and children, storytelling has become a serious topic in management literature, advertised by management gurus like Stephen Denning (2002, 2004; Denning, Dietz & Silverman, 2011), taught in universities and explained to dummies in the famous eponymous collection Dietz & Silverman (2014).

Christian Salmon, a French author who wrote a seminal book on the topic in 2007, demonstrates the importance of this new narrative technique in political communication, management and marketing. To him, storytelling is nothing short of a cultural revolution: “the success of storytelling is not limited to management or marketing. It has established itself inside all institutions over the past ten years, so that it now appears as the paradigm of the cultural revolution of capitalism—a new narrative norm which nourishes and formats all kinds of sectors” (2006, p. 19).

In a world where, every day, one is bombarded by information and saturated by white noise, it is becoming increasingly obvious that fiction is more effective than arguments and hard evidence at getting messages across, simply because it engages and creates an emotional bond with the target audience. We have entered the era of emotional capitalism, in which the narrative form takes precedence over the rational, argumentative form. We all know the power of a good story. Facts tell but stories sell.

On Amazon’s website (2015) for example, users are entertained with the many success stories of third-party sellers whose business took off thanks to the well-known platform.

In one such story, we learn about Barry Davis, a former engineer for a telecom company who dropped his job to embrace a new career as a writer at the age of forty, finding new meaning to his life:

Barry C. Davis took a ribbing from his fellow engineering majors when he squeezed a writing class into his schedule. He loved crafting stories, but he also cared about fitting in. This prestigious campus could feel very far away from the west Philadelphia house where he grew up, sometimes witnessing gang fights out his front window.

So Barry focused. He finished his engineering degree, earned an MBA, got married, became a dad, and put in his first 18 years as an engineer for a telecommunications company. What he didn't do was write. Then he turned 40.

'I really thought about the paths not taken, the things I should have done,' Barry says. He decided to make time for writing. And he stuck with it.

Or we can read about third-generation Iranian immigrant Hadi Irvani, whose family fled the Iranian Revolution in 1979, found sanctuary in the United States, and started a shoemaking activity that turned out to be so popular he couldn't follow up on his orders until he partnered with Amazon to power his website, eventually "finding the American Dream online."

In another example, American Express, which advertises itself as "a global service company, providing customers with exceptional access to products, insights and experiences that enrich lives [sic] and build business success" launched, in 2013, its "passion project," through which card members can support individuals trying to fund meaningful life-enriching projects: "we are all on journeys. The visionaries. The underdogs. The artists. The long shots. The homegrown heroes who make every day a little better. Join us as we follow the stories that will inspire your journey."

In line with Boltanski and Chiapello's masterful essay, *The New Spirit of Capitalism* (1999), in which they demonstrate how capitalism constantly regenerates itself by incorporating and digesting dissenting voices, we can argue that contemporary capitalism is renewing itself once more, by infiltrating the sphere of the artistic—in this particular case, that of fiction and narrative.

Storytelling is but one aspect of this new form of "artistic capitalism" that feeds off beauty through images, styles, design, shows, art and entertainment, with a view to profit-making and conquering new markets—"the aesthetic trick of commercial reason" (Lipovetsky and Serroy 2013, p. 34).

Yet while fiction has no other goal than to make us dream, storytelling aims at selling or convincing—instrumentalizing narratives for management or control purposes: "storytelling gets narrative cycles into motion and gets individuals to identify with certain models and submit to certain protocols" (Salmon 2006, p. 17). Storytelling "puts shackles on our imaginations" and creates a new heuristic (Salmon 2006, p. 20).

It is used to sell, and also as a management tool.

LEGITIMIZING THE POST-FORDIST MODEL

Modern-day capitalism has moved away from the predictability of the Fordist model into a less familiar territory, where flexible and precarious work patterns predominate. Together with the rising unpredictability and instability that have now become the norm for a growing part of the workforce, we are witnessing the emergence of a rhetoric that seeks to legitimize this post-Fordist model by arguing that flexible, deregulated and globalized corporations provide a model of freedom for individuals, liberating them from what Max Weber (1905) referred to as the “iron cage.”

Businesses are turning to the narrative form to manufacture consent (or, as Coleridge wrote (1817), to achieve “the willing suspension of disbelief”), to re-motivate, mobilize and build loyalty among workers by captivating them through storytelling and transforming them into consenting actors in an ever-changing narrative. Instead of triggering anxiety, change is glossed over and put forward as desirable, exciting, part of an unfolding plot with its everyday heroes, drama, hostile forces and enemies that bar the hero’s path but that he will eventually conquer before the happy ending. Narrative archetypes and techniques are called upon to help the story unfold. Fiction is used as a means of coping with a fragmented identity, creating content and meaning.

Storytelling is appearing in organizations precisely at a time when they are becoming ever more nimble, organized in fluid, hyperconnected network patterns. Workers are sent on “missions,” belong to “project management” teams and are increasingly valued for their ability to be flexible, mobile and contingent.

The narrative form is pleasurable, easy to understand and energizing. Stories help employees cope and make sense of an increasingly ruthless world. They reaffirm the power of human beings at a time when human capital matters less and less. Many consider storytelling skills as essential to twenty-first-century leadership.

Again, Amazon provides a good example of how this strategy is put into practice. As well as the vignettes describing third-party sellers, carefully crafted stories of the employees who work there can also be found on its website. Most talk of their “passion to serve,” some express a bewildered “Alice in Wonderland” feeling when walking through the aisles of the warehouse picking orders for clients. The choice in this Aladdin’s cave even gives them ideas for Christmas presents for children and friends. This fantasy tale narrative contrasts with the grim depiction in a 2013 BBC

documentary which highlighted the poor working conditions, miserable wages and pressure put upon workers who sometimes walk some 10 miles a day when filling orders.

Not all storytelling intent is negative, however. Narrative can also be a genuinely empowering tool, useful in conflict resolution. For example, researcher Daphne Jameson (2001), who analyzed narrative discourse and management action, describes how line managers in a chain restaurant, caught between irreconcilable demands, were able to defuse Catch-22 situations by using convincing storytelling techniques.

Storytelling becomes the discursive form of mutant organizations. It recreates predictability in a world governed by inconsistency, and speaks of empowered, self-fulfilled individuals and of benevolent businesses acting as facilitators.

This focus on the freedom of the individual, and more precisely today on the power of entrepreneurs who are touted as new capitalist role models and presented as the current driving force behind America's economic leadership (Audretsch, 2007), is probably one of the aspects of storytelling that is the most embedded in American culture.

To illustrate this point, we shall examine one of the recent advertising strategies devised by another market leader, McDonald's. In 2012, it launched a campaign called "supplier stories," showing the farms, orchards, fisheries and ranches where its ingredients come from, to promote both the quality of its "home-made" products and the friendly proximity the brand maintains with small farmers and growers. Several short YouTube videos featured characters like potato supplier Frank Martinez of Saddle View Farms in Warden, Washington, assuring viewers that "only the best potatoes in the world can make world famous fries. Mine always make the cut." Like all the others, Martinez's story unfolds to soothing violin music and has all the ingredients of a rags-to-riches tearjerker: starting poor, working hard to buy his own farm, paying tribute to his immigrant parents, making it big and finally reaching the ultimate proof of success: selling his potatoes to the fast-food giant. Similar stories of wholesome and trustful-looking fishermen, apple growers, beef and lettuce suppliers can be found on the site, all of them variations on the same theme. Like Amazon's third-party sellers, McDonald's individual supplier success stories serve a common marketing purpose, by distancing the company from the negative images too often associated with the fast-food sector, by creating intimacy with viewers, and by manufacturing a reality though a style and a content that build upon America's most potent cultural myths.

At businesses such as Amazon or McDonald’s, all the stories tell the same, formatted tale of success enabled by the free-market entrepreneurial model: they all glorify the small (sometimes immigrant) entrepreneur: an entrepreneur with a vision and a conquering spirit, a strong work ethic, willing to take risks and endure hardships, fully in control of their own life.

The American Dream or rags-to-riches myth is thus repackaged for the twenty-first-century neoliberal capitalist model: anyone can succeed—with a little help from your (business) friend. Big Business comes across as a sort of *Deus ex Machina*, endowed with a benevolent aura, while customers reading the online stories of these empowered individuals are invited to live the dream by proxy. Storytelling acts as a tool to get this new message across, and all these artificial, fabricated stories give flesh and blood to the message. They elicit empathy, sugarcoating a dehumanized reality.

This paradigmatic glorification of the individual entrepreneur is a recurring strategy. It glosses over the existing power structure and plays down its exploitative nature by upholding the supposedly liberating values of being one’s own boss. Uber, the famous car-driving service available via a mobile app, has a promotional video in which its drivers enthuse about their deep sense of empowerment, their freedom. Like Amazon, McDonald’s or Amex, Uber promotes itself as a benevolent enabler.

Corporations large and small have thus become eager to deliver a rhetoric that portrays them as both helpful and socially committed. Revisiting the Corporate Social Responsibility mantra, their promotional strategies emphasize their empowerment of individuals and resonate with the myth of the self-made man.

Storytelling also helps businesses to build self-glorified mission statements, in which they clearly state their ambitions to make the world a better place and bring happiness to all—Manifest Destiny and the pursuit of happiness rolled into one. Here also, the emotional register is sought out, as in the Coca-Cola Happiness Factory ads, churned out since 2006, building a fantasy world in which the story evolves.

WHO TELLS THE STORIES? A POLYPHONIC NARRATIVE

An interesting development in this new communication technique is the increasing multiplicity of narrative voices.

In traditional fiction, the flow is one-way, as a single storyteller (the writer) feeds the story to a crowd of readers or listeners; but in a world of

social media and peer-to-peer networks, businesses are no longer the only source of the story. They must now anticipate the ways their story is likely to unfold by being proactive and encouraging (in order to shape) user participation. One-way storytelling is being transformed into interactive, dynamic storydoing/storymaking, a collective conversation in which everyone can pitch in, thus challenging the previously hegemonic storyteller. With new web usage, the master narrative has become polyphonic.

The upside of this evolution is a profound democratization of information. The downside is fragmentation, the erosion of authority and, for corporations, a new challenge to meet in order not to lose control over their master narrative, which can either be enriched or subverted.

Coca-Cola, the classic example of a business that fully masters emotional brand building, now tells us that it wants to *create a unified and coordinated brand experience* and build *brand communities*.¹ The brand's media outlet, "Coca-Cola Journey," launched in 2012 to replace old-fashioned PR releases, is an interactive digital magazine featuring stories ranging from company news to universally important topics. The company's mission statement remains the same, but its implementation strategies have changed significantly. By courting users, it captures their stories, then acts like *a ruthless content editor* in order to calibrate, streamline, tweak and coax the content into a format that befits the company. A strategy which is implicitly suggested in their current corporate video, "Content 2020": *our brand stories must show commitment to making the world a better place*.

And preferably with stories that are inspiring and witty: Ashley Brown, group director of digital communications and social media at Coca-Cola says: "We also realized that people like to smile. Stories that are bright, fun, and brilliant are hits." Coca-Cola has become a master narrator: nothing is authentic or genuine, the whole process is totally controlled and edited.

A similar strategy can be found with the 2014 Apple iPad video ad that invites users to share their experience in a lyrical, poetic fashion: the ad, called "what will your verse be?," is directly inspired by Walt Whitman's poem *Leaves of Grass* and its "O Me, O Life" version, read by Robin Williams in the 1989 movie *Dead Poets Society*. The (not so subtle) message is clear: we are all potential creators of dreams, the iPad is not a product, it is your creative partner. Apple has always pushed the idea that its

¹ All emphasized quotations in this paragraph are from the "Content 2020" video.

products do not merely improve individual lives; they improve society, culture and the world. They are not for the passive masses, but for innovative and creative mavericks:

We don't read and write poetry because it's cute. We read and write poetry because we are members of the human race. And the human race is filled with passion. And medicine, law, business, engineering—these are noble pursuits and necessary to sustain life. But poetry, beauty, romance, love—these are what we stay alive for.

To quote from Whitman,

‘O me, O life of the questions of these recurring. Of the endless trains of the faithless. Of cities filled with the foolish. What good amid these, O me, O life? Answer: that you are here. That life exists, and identity. That the powerful play goes on, and you may contribute a verse.’ ‘That the powerful play goes on, and you may contribute a verse.’

What will your verse be?

This evolution had been pointed out by researchers as early as 1995: “because of the opportunity for multiple interpretation, much of management is about judging stories and storytellers and capturing story characters in a panoptic, interconnected network of interpretative-disciplinary relationships” according to David M. Boje, one of the pioneers of organizational storytelling (1995).

CONCLUSION

While fiction has always been interested in depicting and generally denouncing or decrying the capitalist model, the relationship was until recently thought to be asymmetrical and one-sided. With the advent of the storytelling movement and the many different uses of storytelling in the economic sphere, we see that new avenues of research are opening up, shifting the perspective around. The spirit of capitalism renews itself once more by coopting the artistic sphere, opening onto what Gilles Lipovetsky and Jean Serroy call a pure “aesthetic world” (Lipovetsky and Serroy 2013, p. 34).

But does storytelling always work? Can artistic/narrative creation really be repackaged for commercial or management purposes? Is the consumer/prosumer always tricked/manipulated? Or does the subversive power of fiction win out over attempts at commodification?

To achieve the “willing suspension of disbelief” that one experiences when reading or listening to a good story, messages must sound authentic. Online comments about Apple’s iPad advertisement raise suspicions about this. One journalist speaks about how corny he thought it was: “I wouldn’t be surprised next time I’m at the Apple store to see some fanboy stand up on a desk and say, ‘O iPad, my iPad’ (in a parody of *Dead Poets Society*’s famous scene ‘O Captain, My Captain’), while others humorously contrast the wonderful uses advertised for the iPad with the more likely, mundane ones most of us will use it for.”

Storytelling may also, unwittingly, escape the original intent. Glass manufacturer Corning’s sleek 2011 video is a case in point: “A day made of glass” depicts a happy family gliding through its daytime activities in a futuristic-looking environment in which highly engineered specialty glass transforms everyday products into the magical. The day ends with Dad using an e-reader to read a classic novel—which turns out to be H.G. Wells’s *The Time Machine*—an ironical twist, since far from depicting a wonderful tomorrow, the book tells of a Morlock-invaded dystopian future, where humankind has degenerated because of capitalist exploitation.

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CHAPTER 6

The Boundless Economy: An Enduring Performative American Fiction?

Pierre Arnaud

This chapter explores the enduring discursive power of the boundlessness paradigm as a master narrative of the American political economy. To this end, it considers the connections between historical landmarks, the cultural myths of natural space and the Frontier, and the notion of economic expansion and growth for its own sake. These fictional representations have translated into an endless individual and national quest for an open future and unlimited economic growth. They have affected economists' and the general public's understanding of capitalism. They have fostered the propagation of ideological values, political principles, and utopian metaphors that have defined national identity and visions of Americanness, including the ethos referred to as the American Dream. The fiction-led boundlessness paradigm with its narratives of an ideal past and its promises of everlasting opportunities has been a major performative driver of the capitalist economy and its American variety.

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THE GRAND NARRATIVE OF SPACE

The importance of space in the American culture is a fact that raises little controversy. Poet Charles Olson registers it in memorable fashion as an opening to *Call me Ishmael* (1947), his ground-breaking essay on Melville: “I take SPACE to be the central fact to man born in America, from Folsom cave to now. I spell it large because it comes large here. Large, and without mercy. It is geography at bottom, a hell of wide land from the beginning” (Olson, p. 11). Olson’s superficially rough language gives away a sense of the sublime. It may indeed have been the awe inspired by the size of the land combined with the founding project of the early settlers from Europe which gave birth to a *vision*: the “enduring vision” of the seemingly boundless territory as both a wealth of opportunities and a threat that could be tamed only through the rapid spreading of western-style civilization through its wilderness.

The postulate reformulated in this chapter is that the American geographical space initiated and shaped a specific perspective on the economy conceived as an unlimited open field (Turner 1920; Higham 1969; Kennedy 2007), promising infinite possibilities and entailing a dynamic process of economic growth and social transformation. This vision contrasted with the stationary state of the European economy that John Stuart Mill envisaged as a desirable goal for a balanced political economy (Mill 1848).

This perception of space as constantly expanding not only depended on individual experience but also on cultural representations of the changing importance of place, space, and scale under capitalism (Harvey 1982). Such is the performative role of accompanying narratives that are major vectors of rapid change in culture, and, ultimately, in economic behavior. They may be considered as “causative innovations” (Shiller 2017) communicating visions of an ideal past and of a desired future. America’s development has relied heavily on such narratives, “etiological” or otherwise. The historically constructed experience of the country’s unprecedented and unstoppable expansion has constantly been textualized into evolving paradigmatic discourses and stylized in hybrid narratives borrowing the “eutopic” form of ideological discourse. These euphoric narratives range from the Jeffersonian agrarian myth to the Frontier thesis (Turner 1920) via the libertarian Wild West mythology. Their later versions, as the pervasive economic and cultural discourse of unlimited growth, have come in various forms: the concept of “creative destruction” (Schumpeter 1942);

techno-optimism that reads technological progress, financial innovations, future-oriented abstractions and expectations as premised on the positive and innovative function of agency and individual desire, that is the capacity to act out of the institutional box and ascribed status; and, last but not least, a common social imaginary that privileges futurity but channels, orients, guides, and legitimizes expectations and behaviors according to common principles and rules (Castoriadis 1997; Taylor 2003).

These narratives all symbolically tackle “Keynesian uncertainty” and try to meet Hayekian expectations by providing actionable “fictional expectations” (Beckert 2013) that have performative value.¹ As Butler contends (2010, p. 147), “performativity has become a way to think about ‘effects,’ in particular, to supply an alternative to causal frameworks for thinking about effects.” Fictional representations carry a self-fulfilling quality. Those attached to America not only encourage entrepreneurial boldness but also shape a specific relation to space and time and, more specifically, to consumption, money, and credit. They are grounded in a discursive and constructivist justification of limitless individual desire within unlimited national development.

The advent of American capitalism coincided with a unique phase of territorial, demographic, and economic expansion. In colonial times, the population grew regularly. Land supply was in abundance and remained largely untended. The colonists were never poor. On the eve of the American Revolution, per capita income had multiplied by three (Atack and Passell 1994, p. 4). Transatlantic trade also prospered after 1790, as a consequence of the exploitation of abundant natural resources that drew settlers west and boosted the business activity of an emerging class of merchants and wholesalers that served as transatlantic and regional intermediaries. Successive technological inventions, such as the cotton gin, the telegraph, and the railways generated new production methods, opened continental distribution outlets, and pressed the US into accelerated industrial modernity. The Americans enjoyed an unusual situation of *increasing* rather than decreasing returns. The general public’s perception was reinforced by the relative predominance of a labor model of independent workers who formed the nucleus of an early middle class, while wealthy merchants and plantation

¹ Keynes in *The General Theory of Employment* (1936, p. 214) stresses that economic future means radical uncertainty that eludes a probabilistic representation. Hayek considers that human beings form expectations based on their cognitive systems, the system of rules to which they adhere. Frames provide regularities which preserve social order over time.

owners lived lives of luxury. Interestingly, in the US, the vision of the independent freeholder, the small-scale Jeffersonian laborer owning his own tract of land and on his way to relative wealth, survived long after salaried work had become the norm. From 1848 to 1860, the economy went through an important transition with the transformation of open space into a stabilized national territory and a continentalized economy. This vast expanse of land had to be exploited to create endogenous growth for a nation still in the making, which in turn led to the emergence of “a culture with a very indistinct sense of limits, a culture characterized by a spirit of boundlessness” (Higham 1969, p. 6). In 1862, the Homestead Act encouraged massive Western migration by promising ownership of 160 acres of public land to each new settler; it also sounded like the institutional promise of a new beginning in the West. A land market was created that stimulated the American economy. The vast amount of natural resources was the primary ingredient of an economic system. It was “God given” for the Puritans and apparently fixed and given by nature to newcomers, as Locke (1690) had once claimed when he described America as a *tabula rasa* whose property depended on who tilled its soil. Yet, the uniqueness of the vast open spaces of the US—once the indigenous people had been violently expelled from their territories—was not enough. As Engerman and Sokoloff (2002) and Costa and Lamoreaux (2011) have shown, factor endowments like land and favorable natural environments had to be complemented by institutional decisions, property rights institutions, social structures, and political discourses that redefined economic and political development.

FROM HISTORY TO MYTHOLOGY AND BACK

The History of American Capitalism: A Growth Story

The assumption that “[t]he economy of the United States is a success story, one of tremendous growth and development” (Atack and Passell 1994, p. 1) has been vindicated by generations of economists (Kuznets 1965; North 1961; Temin 1975; Romer 1986; Solow 1988, 2007). This idea(1) is still a national cause and the world’s mantra in many policy spheres, as well as for those many actors who govern actions and representations, not only through quantitative mathematical models but also through more qualitative storying and storytelling. Growth continues to be viewed as an “imperative” (Rogoff 2012), and the “one best way” to

wealth creation: the political horizon of an open democratic society (Popper 1945; Hayes 2009; Schmelzer 2016; Yarrow 2010). Still, history does not always show the progress of American capitalism as a straight, ascending, line.

In its early stage, American capitalism developed in a context of vast and partially unchartered territories, producing a unique experience of increasing returns in spite of initial labor scarcity (Habakkuk 1962). A dual model of free and bound labor, largely based on individual agency and small-scale entrepreneurship, first emerged in the Northern colonies (with its slave plantation corollary in the South). There were high levels of migration and rapid population growth, so that total output in the colonies grew at high rates. With the official closure of the American frontier by the US Census in 1890, land availability waned. The agrarian democratic system, consisting of a community of self-sufficient, valiant yeomen exploiting family farms as a dominant economic model vanished, while the “peculiar institution” of chattel-slavery was abolished. After the Civil War, an industrial and urban society quickly developed, and the US was on its way to becoming the leading industrial power. Industrial firms grew into trusts, going on to develop into powerful corporations (Chandler 1977) that disciplined, subordinated, and “Americanized” free laborers and immigrants in factories. In the twentieth century, industrialists, in order to obtain “the consent of the governed” and avoid social conflicts, had to turn their large-scale, army-like organizations into more “inclusive,” social institutions. The New Deal marked a necessity to revamp growth and elaborate a social compromise that was to become fully operational after the Second World War. In exchange for lost autonomy and gained loyalty, managers and government joined forces to develop a new substitutive model of growth whose organizational dynamics gave the masses access to consumption, and brought about a stabilized reconfiguration of social and societal relations around a re-legitimized wage-system that was exempt from “socialist” claims (Fordism). In the post-WWII era, the interest of capital seemed to equate to the common good. A form of “people’s capitalism” was geared toward a consensual quest for unlimited wealth and a glorious national identity that excluded diversity and class differences as well as the resolution of contradictions.

The original idea of economic expansion that was premised on the mercantilist and the Smithian paradigm (both approaches involving the brutal appropriation of open space and exploitation of bountiful resources) morphed into the enticing and consensual discourse of economic growth

without limits. The belief in progress as a linear, necessary, and “natural” process translated into society’s and individuals’ joint overriding goal, producing a new hegemonic political discourse that hid its ideological slant behind a veil of mathematized rationality and managerial efficiency. Yet its core preserved the original ideal of boundlessness, transferred its early spatial dynamics to the national level, and launched the quest for a unified political territory of growth and world dominance. In spite of ecological limits and recurring debates, pursuing unlimited growth seemed a perfect socioeconomic development path to tread for many nations eager to replicate the exceptional economic growth of the US (Solow 1988). The triumph of the post-WWII liberal consensus produced an avalanche of jobs and consumer goods that progressively raised the standards of living of many Americans. It extended the modernist “grand narrative” of boundless national progress and individual prosperity into a unified meta-theory of quantitative endogenous growth and shared affluence, legitimizing a common horizon of expectations around the exceptional development of the nation and the wellbeing of its citizens. Old political discourses coalesced with the new macro-economic canon to paint and promote a bright and rosy economic future and justify the “development” of other nations under US hegemony.

A long social and economic crisis at the end of the 1960s discontinued the growth process and the prevailing Golden Age cultural optimism, but did not fully dent the faith or the search for a rejuvenated future. A few decades later, a neoliberal financial and knowledge variety of American capitalism would, in turn, supersede an ailing and unproductive Fordist regime. The previous nation-centric growth paradigm was reconfigured into a normative neoliberal TINA (there is no alternative) discourse and a postmodern, transnational, growth ethos. This ethos was based on a narrative of globalized America and a more abstract and virtual “financial imaginary” (Shonkwiler 2017) disembedded from the original agrarian (Jeffersonian) and industrial (Hamiltonian) divide and their respective historical developments. The capitalist boundlessness paradigm, previously anchored in physical and economic realities, had bounced back into discursive performativity and reinvented a more virtual and fictional trajectory, writing a new discursive rationale about the self-regulating power of financial markets and the atomistic but harmonious competition of interests and financial flows between hidden economic agents. Boundlessness, as the systemic driver of capitalism 2.0, obtained a renewed lease of political legitimacy, until the 2008 crisis that provisionally damaged its fictitious

myth and rebalanced its monolithic dogma with re-emerging state re-regulating mechanisms.

However, American political economy discourses had continually relied on the metaphor of boundlessness, unlimited growth, and progress (Mokyr 2016). The initial principle of the quintessentially boundless frontier economy was exalted (while the negative dimension of crises, and the intrinsic disruptive character of an open-ended future that cyclically triggers not only adventurous or chaotic change but also economic catastrophes, were ignored). Dystopic narratives were brushed aside, in spite of the literary resistance of many fiction writers that found critical refuge in their work to disclose the perils of a wild form of capitalism and commodified order. The illusion of an “achieved utopia” (Baudrillard 1989) prevailed.

*A Vision with Blind Spots: Boundlessness as Abstract Space
and Fictitious “Make-Believe”*

Economically speaking, there is no such thing as limitless resources, but simply a state of favorable imbalance between the needs and the amount of resources physically available. And, even in a very favorable geographical context, conflicts over scarcity and property rights may still occur, as the ideal-typical story about Wyoming’s 1892 cattlemen-homesteaders conflict over land and the open-range system showcases. To recall, the historical events of Johnson County resulted in a conflict between wealthy landowners and newly arrived European immigrants over the use and ownership of vast grazing lands. Analyses show that the Johnson County war was about resources and the lack of endogenous regulations concerning “commons” or propertied land. Belgrad (2002) suggests that the violence was the result of the overexploitation of the public grazing range, as an ill-conceived response to falling livestock prices, combined with adverse weather conditions. McFerrin and Wills (2007) expand on this explanation using a mathematical model to predict conflicts over land usage. They maintain that a decrease in the marginal productivity of land in Kansas and Nebraska caused a corresponding relative increase in marginal productivity of land in Wyoming, thus leading to an increase of the value of land there. This raised the stakes of land ownership and usage between two communities practicing incompatible property rights: the ranchers committed to usufruct rights for land and private rights for cattle, while homesteaders relied on a more conventional form of property rights. These mainstream economic explanations show that resource-driven con-

flicts over the founding institutions of economic activity (here, the absence of shared property rights or agreed practice) may well happen in a state of relative abundance. It also reveals that absolute abundance does not preclude relative scarcity when institutional regulations are non-existent and political discourses are no longer conducive to growth nor to shared beliefs in common systems of values.

In view of the above, the concept of spatial limitlessness appears as an abstraction and a fiction (in the sense of a generic representation and a misconception): as soon as specific cases (such as the Johnson County War) are examined, boundlessness cannot exist. The boundlessness of the American West belongs in the realm of performative make-believes. And it seems this judgment can be expanded to the perception of the American territory as a whole. For Boorstin (2000a, b) and other “historians of the consensus” (Hartz 1955; Hofstadter 1968; Higham 1969), the American territory was essentially “invented” before it was “discovered” and explored, yielding the illusion that the nation would grow as its many potentialities were tapped. Hartz talked of an “immaculate conception.” The space was supposed vacant of all natives and the territories were seen as “commons,” pools of resources that would be tragically lost if the settlers did not appropriate and exploit them as their own personal property.

In fact, the “vagueness of the land” (Boorstin 2000a, p. 221) was conducive to all kinds of physical violence and to excesses of the imagination, with little regard for geographical accuracy, facts, or even people. Boorstin concludes that the Americans might not have been infused with the same level of vitality and enthusiasm, had their land not been fogged by such vagueness in the early years of the nation: a convenient veil of ignorance and sin by omission were also very ambiguous excuses for the violent conquest of the West.

The imaginary representations inspired by the unknown part of the US territory were stylized in the Western genre, but mostly from the point of view of the pioneer, the settler, and the appropriator endowed by nature and the government with new proprietary and political rights. In other words, the relationship between the concept of the boundless economy and the real, historical circumstances that favored the emergence of this concept in the American psyche, was strongly mediated and distorted by the myth of the Frontier and that of the Wild West. The widely accepted Frontier thesis overlooked two major factors: (a) that the land was neither vacant nor free; (b) that labor had to be brought from outside regions and countries by force or out of mere necessity (Walsh 2005).

TEMPORAL SHIFTS OF BOUNDLESSNESS: NARRATIVES
OF “ACHIEVED UTOPIA” AND US CAPITALISM’S SPECIAL
RELATIONSHIP WITH THE FUTURE

After the American territory had been fully explored, mapped, and structured within the political and institutional frame of the nation, the vision shifted from space to time. The unlimited is expressed in the belief that tomorrow has to be bigger than today. From the spatial, “new-found-land” vision, we move to a dynamic, temporal vision; “the forward dream”: a movement toward “the new” and the “not-yet” (Bloch 1986, p. 4), as engines of consumerism.

The American Dream: Objections to Boundlessness Overruled

One of the most powerful visions of America as a promised land, and the most symbolic cultural representation, is undoubtedly what is known as the American Dream. This myth of the boundless economy operates among the general public, as well as in the entrepreneurial sphere or in economic circles. The general imaginary of upward social mobility, an open future that promises a better life for anyone willing to work hard, to play by the rules, and have a belief in the American value system, are powerful cultural ingredients of the dynamism of American capitalism and political economy (Cullen 2003).

Originally, America’s attractiveness, which came later to be named “the American Dream,” was embodied in the myth of the self-made man and his rags-to-riches quest. In an economy developing at a fast pace throughout a territory the size of a continent, numerous individual opportunities existed, and being successful meant establishing one’s own lucrative independent activity. The imagined futures of successful business opportunities were associated with imagined spaces of rich land full of promises. As such, those fictions were probably a driving force in the westward movement of the American population of European origin. With the maturing of the economy, industrialization, and the emergence of increasingly large, dominant corporations at the beginning of the twentieth century, individual opportunities dwindled, and the US became a nation of salaried employees. Being a successful self-made businessman was no longer within the reach of most citizens. The American Dream shifted toward a new, consumerist definition, where success and social achievement was identified

with the acquisition of goods previously only available to the happy few (Arnaud 2016).

The phrase “American Dream” was coined by James Truslow Adams in *The Epic of America* (1932, p. 404). He defined its tenets as follows: “it is not a dream of motor cars and high wages merely, but a dream of social order in which each man and each woman shall be able to attain to the fullest stature of which they are innately capable, and be recognized by others for what they are, regardless of the fortuitous circumstances of birth or position.”

So, the definition of the American Dream as mere consumption ran against core Calvinist values which stigmatized the search for personal pleasures and required asceticism and self-discipline, foreshadowing an ethos of accountancy and management (Weber 1904). But the myth of the boundless economy gave legitimacy to the principle of unlimited desire and social advancement. Being insatiable is socially acceptable because there is no risk of infringing on someone else’s similarly insatiable desire. Probably this perception played a role in the acceptance of consumerism—allowing its promotion in the 1950s, not just as a social norm but also as a patriotic duty serving the national effort toward a brilliant, ever-improving economic future. The obsession with material accumulation was mitigated by the notion of success as a central individual and civic virtue that strengthened not only the economy but also the body politic of the postwar order and the individual soul.

Behind the spell of the dream, there were deep cultural structures referring to rugged individualism, equal opportunity, upward mobility, and “the pursuit of happiness.” They loomed large behind an increasingly contested concept, if not a “lived lie” (Žižek 2010, p. 10). The notion hid discriminatory practices and class conflicts when material success did not meet initial expectations or when there were downturns in the growth cycles (Hochschild 1996). Yet, the vision of a fruitful and expanding country, open to all and rewarding its citizens and workers with a high purchasing power or easy credit facilities, was to remain anchored in the American Dream as a shimmering and seductive vision of an “achieved utopia” that had done away with both inequalities and socialism.

Specifics of American Capitalism’s Relation to the Future

To conceive of the economy as an unlimited field does not mean that the field today is boundless, but that it is bound to endlessly grow in the

future. To some extent, this is the exact transposition by mainstream economists of Boorstin's teleological view, that the Americans expected their territory to grow as it was explored. This linear perspective underlies the optimistic prediction formulated in 1929, a few months before the crash, by Herbert Hoover's Committee on Recent Economic Changes: "The survey has proved conclusively what has long been held theoretically to be true, that wants are insatiable; that one want satisfied makes way for another. The conclusion is that economically we have a boundless field before us" (quoted in Rifkin 1995, p. 23). The concept of the boundless economy can be equated to a particular disposition toward the future, fundamentally conceived as an economic and a democratic promise.

Desires, in essence, imply a vision of the future when desires can be fulfilled. If we accept the fact that the future is unknowable, then this vision is imaginary. Jens Beckert calls these imaginary visions "fictional expectations": "imaginaries of future states of the world and of causal relations that inform actors' decisions" (2013, p. 62). In *Future Matters* (2007), Adam and Groves (2007) provide a useful typology to understand how the future is subject to human actions and discourses. It is not simply imagined but also made. The authors identify a series of historically distinct approaches to the understanding of futurity: The "future as fortune" or sources of opportunities found, shaped, and exploited by individuals and communities; the "future told" as "fate"—pre-existing and available to be discovered and projected onto the sacred realm, as Puritans did when reading the Bible in the natural space or when the US was thought to be "destined to be the Great Nation of futurity" because of its claimed "Manifest Destiny" (O'Sullivan 1839); the future as "fact" or free resource for present use; and the future as "fiction" or extended present in the future through representations of constant progress.

In the case of the Western myth, we can see how specific historical conditions are reinterpreted as a multidimensional myth and a multi-layered discourse which supports a view of the economy as an ever-growing field, and also as a paradigmatic model predicated on staunch individual agency and the maximization of utilities. This view obviously produces a bias as to how the future is perceived. In other words, the myth of the boundless economy affects the outcome of the test of practical credibility in the US, as it resonates with the intrinsic "agentic" disposition of the Frontier spirit and the forward temporal dimension of American capitalism. The future is presented as open, decontextualized, and "emptied" of content, thus available for instant use by actors, inevitable in its course and orientation.

It may be commodified and shaped at will. The future is seen as an inescapable aspect of individual action and the end-result of the cumulated micro-economic quests of individuals, an aggregation of actions that precondition the existence of a social life. The constant shift of the dividing line between space and time generates perspectives that can be anticipated (future presents) or enacted (present futures). Fictional expectations that are based on this horizon principle acquire transformative and performative powers, as was the case with the boundlessness paradigm arising from the Frontier experience. The perception of the future as an indefinite space, full of promises and anguish, parallels that of the unlimited territory, full of opportunities and threats.

Fundamentally, the myth of the boundless economy operates as an enduring convention which validates optimistic representations of the future where the physical or practical boundaries experienced in the present can be deemed overcome, reinforcing the fundamental dynamics of capitalism and the operative qualities of fictional expectations. This may impart a utopian and political flavor to some of the fictional expectations formulated in the US. The development of a neoliberal regime of financial capitalism has, for example, revealed the growing power of abstract monetary signs that has led to “time-space compression” (Harvey 2008), helped cross boundaries between facts and fictions, and produced a new growth regime, extending the original boundlessness model.

*Credit as an Expression of Unlimited Desire Within
the US Economy*

The concept of unlimited desire goes beyond consumption. Orléan (2014) and Lordon (2014) show that money is the cardinal object of desire as it is a condensed form of all goods. Orléan defines the market economy as an economy where actors are in search of money. This is because money is the highest form of power in the market order. It is what economic actors are looking for. Consequently, only the desire for money can really be unlimited, as it is a meta-desire of all other desires. In this perspective, the concept of unlimited desire is best expressed in credit, understood as the production of monetary signs traded as promises of future revenues. Simply put, in the context of unlimited future prospects, to take on debt today is in the end expressing the belief in an ever-improving future which will dissolve the weight of the debt in increasing wealth. From the very beginning, credit was at the heart of American consumerism. As early as

1925, more than three quarters of the purchases of products and appliances were financed through installment plans (Arnaud 2016; Cross 2000, p. 29). To take on debt means to seek one's future life in the present and hope to live today in the way we could afford twenty years from now. Debt becomes the life principle of a civilization of futurity which does not live off already acquired revenues, but entirely in the anticipation of future possibilities.

There is an element of self-fulfilling prophecy in this process. Debt taken today will stimulate the economy, hence causing, to a certain extent, the conditions deemed plausible in the fictional expectations of those going into debt. More generally, we can assume that debt and fictional expectations operate in a positive feedback loop. As debt taken today is proof of confidence in the future, the level of debt of other actors may be one criterion used by one given actor in the process of validating their own fictional expectations. This process is bijective, of course. Each actor looks at the debt behavior of other actors in an effort to determine the disposition of the rest of the group toward the future. What we are looking at is a situation somewhat similar to the mimetic dynamics that Orléan (2014) borrows from Girard to apply in the social field, in an effort to better model behavior in consumer and financial markets, as well as to discern the fundamental mechanisms of fiat money. The myth of the unlimited economy in the US tends to partially disqualify the past, and the present, as valid criteria of assessment. If the future is bound to grow endlessly, then it stands to reason that the current state of the world is a very imperfect model with which to determine the future state of the world. Assessing the credibility of the fictional expectations then takes place in a context of greater uncertainty (Knight 1921). In that case, the opinions of others will become of greater value as criteria of assessment, leading to a higher weight of the endogenous mimetic dynamics in the establishment of dominant fictional expectations. The role of debt levels in this is that they are good observable evidence of the degree of confidence that other economic actors have in the future. To some extent, debt will measure the quality of others' fictional expectations.

Orléan (2014) explains that endogenous mimetic processes are much less stable than their exogenous counterparts, as they are prone to positive feedback. In the case we are dealing with here, it is clear that optimistic, fictional expectations, producing higher debt levels, will translate into even more optimistic fictional expectations, in an endlessly ascending spiral, further reinforced by the self-fulfilling mechanism described above.

The opposite dynamics can also be assumed. In essence, fictional expectations based on a higher measure of endogenous criteria produce the conditions for a more dynamic, less stable system.

This lays the ground for crises. But much in the same way that the immigrant endures an initial crisis—the adverse events which push him away from his homeland—which leads him to the promises of a new land of boundless opportunities, the lessons drawn from history in the US, combining the myth of the Frontier with the good fortune of the pioneer and the general logic of hope driving his actions, are that crises are founding events leading to a world of new promises and opportunities that must not go to waste. Without this specific understanding of crises, the transposition of the myth of the Frontier into that of the boundless economy would not have been possible. The cyclical nature of the economy would have prevented this mythical vision from becoming a form of civil religion (Wilsey 2015) in contemporary America: as a set of imaginaries, myths, and reinterpretations of historical events participate in a shared understanding and vision of the world and of the community.

This fiction is performative in the sense that it does not just shape the collective identity of the US; it also shapes collective behaviors, as well as the emergence of institutional arrangements (Orléan 2004). One of the most operative effects of the myth of the boundless economy as a form of political “romance” is to disqualify the realistic issue of sharing and redistribution and downplay the racial, gender, and class divides. In a world of unlimited resources, success (acquiring material wealth) is essentially a matter of individual disposition. It is not a social issue.

CONCLUSION: CURRENT DOUBTS ABOUT THE BOUNDLESSNESS OF THE AMERICAN ECONOMY

What happens when this belief is challenged by facts to the point of being discredited and when the dream becomes selective and offers limited hopes of future growth and mobility?

Carol Graham (2017) raises these issues and shows that the optimum gap between rich and poor is creating a divided society and accumulating hidden costs in the form of stress, a shortage of hope, a scarcity of positive expectations, and overall insecurity. What happened to Horatio Alger, she asks? Research has shown that fewer people believe in the American Dream because of rising inequalities (Piketty 2015). The hiatus between

the contemporary US reality and the civil religion may challenge the founding myths of upward mobility. The election of Donald Trump may be understood in that perspective. In her sociological analysis of Trump voters, Hochschild (2016) describes a “deep story” which they identify with: they are waiting in line to enter the American Dream, and they see newcomers cutting in in front of them. This story negates the concept of the boundless economy. In an unlimited field, there is no waiting line. But one way to understand this contradiction is that these people are stuck between the end of the American Dream and a remaining belief in the fact that success is essentially a non-social issue, rather it is a matter of individual resolve. From that perspective, Trump’s arguments have had some appeal. What he promises to do is to close the open field to those who are trying to cut in, thus making it again an open field for those who are already in. This of course is a contradiction in terms, but it allows solving the other, more fundamental contradiction: that which exists between the socioeconomic reality of the US today and the promises of the boundless economy.

Growth narratives anchored in the longstanding paradigm of boundlessness have tended to extol the exceptional dimension of the US variety of capitalism and its original and vibrant socioeconomic regime. But if the US is to remain a “forward dream,” “the primitive society of the future,” and the global technology frontier, if it is to continue to depict itself as a people of exceptional innovators and change makers, then it must strive to reinvent a more balanced and democratic compact, and create new eulogies of an open future that also integrate the dystopic. “I Dwell in Possibility,” Emily Dickinson (1998) once wrote.

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American Entrepreneurship as Action Translated into Heuristic Discourse

Jacques-Henri Coste

This chapter focuses on the American variety of entrepreneurial capitalism; Entrepreneurship in the United States is seen as a positive socioeconomic process of value creation through innovative action and performative fictions that is a key driver of capitalist dynamics. Individual entrepreneurs tell stories, use discourses, and write, producing non-literary fictions to objectify, project, and share their representations of past and future actions in the present (Beckert 2016). Entrepreneurial narratives “read” entrepreneurs and entrepreneurship as performative texts (Butler 2010). Such discursive configurations often take the forms of hybrid fictions akin to their literary counterparts and serve as stabilizing frameworks, problem-solving material, and learning processes. Entrepreneurial action requires examples, “theories-in-use,” accompanying paradigms, and persuasive narratives that have both intrinsic fictional and performative functions.

Many texts produced by entrepreneurs assume the exploratory and explanatory functions fulfilled by researchers’ epistemological models, which *are* also fictional hypotheses that depend “on a lot of crossings

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between facts and fictions just as games of fictions do” (Morgan 2014, p. 264). The “as if” assumptions characteristic of scientific, economic model building are not so far removed from the entrepreneur’s imagined successful goals or from policymakers’ objectives advocating a generalization of entrepreneurship practices. Both endeavors resort to abstraction and images of one sort or another, as well as extra-textual legitimizing instances. They proceed *ex-ante* as if they were true, and *ex-post* as uncontested evidence. Entrepreneurship is therefore fiction-led, and its accompanying narratives work as a form of action and cognition.

The present chapter examines how entrepreneurial action is translated into a series of interrelated knowledge narratives. These make up a variegated paradigm enacting stories of entrepreneurship that have exemplary, experiential, cognitive, and performative value for individual entrepreneurs and a wide variety of external stakeholders.

American entrepreneurship materializes as a discursive formation drawing its examples, hypotheses, and successive models from “raw action” and situational experience. It is geared toward the constant production and usage of “actionable” knowledge in present and future conditions. It is made up of a set of heterogeneous narrative texts endowed with two temporal characteristics (a retrospective/prospective orientation), and it is embedded in former fictional text genres and modes (autobiography, realist description, analeptic, proleptic, and metaleptic narratives), as well as specific enunciative and actualization contexts. Such a reading helps to trace the configuration and genealogy of the American entrepreneurship paradigm as the gradual building of a more unified *episteme* through narrative fictions and a narrative of theories. The interrelated discourse of American entrepreneurship is founded on three complementary approaches to knowledge: *phronesis* (practical reasoning regarding impact of action on future change), *technè* (technical know-how, skills, and crafts oriented toward production), and *episteme* (universal, context-independent, generic knowledge based on analytical rationality and scientific enquiry).

NARRATING THE ENTREPRENEUR’S QUEST OR THE TEXTUALIZATION OF PAST EXPERIENCE AS *PHRONESIS*

American entrepreneurs are prone to using stories to tell how their projects went and why their business developed into successful firms. Their “real” experience is turned into biographical vignettes and fictional *exempla* to highlight the intrinsic positive attributes of their character and imply

the idea of a reproducibility of their personal entrepreneurial journeys. The rhetoric of exemplum uses frequent tropes linked to characterization. It serves as a more widely used narrative device and method of argument supposed to have more emotional impact and a contagious, knock-on effect on aspiring entrepreneurs than a general abstract principle or a rational statement. The performativity of these fictionalized narratives relies on a psychological process of identification with idealized images whereby a subject introjects an entrepreneur's salient feature or a property and duplicates the development path of a reference model entrepreneur. Imitating previous trajectories thus links a past experience to the future and may help make seemingly harmless decisions. Life stories and self-narratives have both a retrospective and prospective orientation, and very often adopt a simplified linear quest pattern in order to present a unified perspective on a business leader's self-identity and the unique value of his business endeavors. Such narratives reconstruct original entrepreneurial actions and "plot" them into prolific, hagiographic, and identificatory narratives. They smooth the discontinuities of entrepreneurial life into a coherent narrative of identity, singling out dominant entrepreneurial "traits" so as to offer reassuring examples and instrumental types. The fictive recreation of entrepreneurial narratives also provides the listener with *èthos* and *éthos*, a recommended disposition and moral values¹ that must be imitated and emulated by the would-be entrepreneurs. Such a behavioral and ethical formula perpetuates the Christian tradition of the *Imitatio Christi* and homiletic writings and stories in sermons intended to guide audiences. It is part and parcel of the Puritan tradition of hard work, morality, and success, and reinforces the cultural embeddedness and legitimacy of all entrepreneurial experience. These *useful fictions* (Austin 2011) are "cognitive scaffolds" and forms of prospective management of uncertainty and anxiety erected on rudimentary narratives of practical reason, common-sense knowledge, and "the Way to Wealth" in Benjamin Franklin's understanding of it. This literary tradition goes back to the *Autobiography* (1771) of the 79-year-old Franklin in which he reflects on the "bold and arduous project of arriving at moral perfection" (p. 38) and on the set of moral virtues that made him successful through *habitude* and repetition.

¹Emerson (1844) considers that "[c]haracter is this moral order seen through the medium of an individual nature."

In the United States, the writing and publishing of business autobiographies and biographies has always been a lucrative industry and a popular genre equated with the entrepreneurial adventure of a whole nation and with the mythology of the Frontier and the American Dream (Adams 1933; Cullen 2003; Gill 2013). Rags-to-riches stories *by* entrepreneurs and *on* entrepreneurs abound in magazines, on websites, and in books. The entrepreneurs are repeatedly eulogized as “Masters,” “Giants” of enterprises that have “transformed ideas into industries” and “mega-bucks,” “Whiz kids,” “Change Makers” that “invent the rules,” “[c]reate Modern Capitalism,” simply by sheer force of will and a somewhat unruly spirit of entrepreneurship (what Keynes referred to as “animal spirits”). A case in point in recent capitalist folklore is Oprah Winfrey, a woman, American entrepreneur, TV show host, actress, producer, philanthropist, and CEO who has become the only female African-American billionaire. *Oprah Winfrey; A Rags to Riches Story, How to Overcome obstacles and achieve financial success* (Brooks 2016) recounts her ethnicity, gender, and class odyssey and of how she overcame discrimination, emerging from the shadows into the limelight. These “built from scratch” stories, narratives of fame, wealth, and successful business creation tell a wonderful linear tale of unlimited growth and fast-paced upward mobility to the top. “Entrepreneurial tales” (Smith and Anderson 2004) are lived examples that serve as inspirational and imitation patterns. They make uncertainty less complex and generalize the particular into more “standardized” entrepreneurial journeys. They communicate moral values and teach “lessons from the edge”: a sort of common-sense knowledge as an alternative to a more managerial, rational approach. The stories highlight a form of practical wisdom (*phronesis*) based on the ability to achieve objectives, reflect judgments on “good goals,” and demonstrate savvy, acumen, and *mètis*, a quality that combines intuition and cunning.

These epic tales of creation circulate as storied patterns, role models, “personal theories” of the entrepreneur’s learning experience. *Phronesis* narratives contain information, opinions, and beliefs that can be easily understood and replicated. They become self-fulfilling prophecies for the myriad readers in quest of an easy and reassuring fix.

Tales of entrepreneurial experience can themselves be divided into subgenres which can tentatively be named “life stories,” “‘how I did it’ stories,” and “war stories.” The next section examines these subgenres.

*The Success Life Story of the Heroic Entrepreneur as the Standard,
Hagiographic “Vita” Tale*

Sam Walton’s biography, titled *Sam Walton, Made in America* (1993), is a very representative example of personal advancement and business development that is “the lengthening shadow of a man” (Emerson 1844), and the Nation. The founder of the Wal-Mart stores, like many of his counterparts, storytells his experience mostly through anecdotes. He inscribes them in the old Yankee humor tradition of American common sense. Simple family values and business values go hand in hand with the implementation of innovative ideas and an unflinching religious work ethic that helps him rise from a single dime store in Bentonville, Oklahoma, to billionaire, owner, and manager of the biggest retail store chain in the world. In the same *Bildungsroman* and rags-to-riches vein, but published much earlier, in 1957, is Conrad Hilton’s autobiography, *Be my Guest*, in which he equates the story of his life with the legend of the world-famous hospitality chain. His company expanded from an obscure hotel in a dusty Texas oil town to become a world leader in hotel management. In these archetypal foundational and “way to wealth” stories, the reader is expected to empathize with a character type and to follow his American identity and moral quest. More recently, Steve Jobs, the Californian “hippy entrepreneur,” son of a Syrian immigrant and political refugee, the demoted and reinstated founder/CEO of Apple, goes from high to low fortune. He is given a second chance when he founds Pixar (Levy 2017), then revamps an ailing Apple company with colorful repackaged machines, and commercializes the iPod and iPhone that soon serve as integrated multimedia devices and cultural icons of the Internet Age. Mark Zuckerberg, now one of the youngest billionaires on the planet, created Facebook in a Harvard dormitory in 2004—the social network now has one billion monthly active users. He has not yet written his autobiography but is already eulogized in over forty biographies as a revolutionary hero and a role model for the young. He currently stands, along with “The Google Guys,” as the ideal start-upper and the icon of the renewal of American capitalism and its new, big-data industry.

These highly contextualized and personalized texts form a narrative of the American “enterprising self” and offer readers a view on what Foucault calls the “technologies of the selves” (Martin 1988, pp. 16–17). Identification with the protagonist’s quest is presupposed as an incentive to action in conformity with optimistic national values. These narratives

are ways of understanding and articulating experience to a common entrepreneurial culture and a societal value system. Success stories are not only raw narratives of personal upward mobility: they construct common entrepreneurial identities and a shared work ethic. Autobiographies and biographies are powerful discourses that transfer and generalize, through emblematic cases, entrepreneurial experience and culture in society. They provide an empirical generalization about patterns of action that facilitates future action. The characters in such tales tie events together in a story and order them into a plot. Stories and narratives are a universal approach to explaining the relationships between events in any entrepreneurial process. They describe the temporal process or sequence of events that connects cause and effect in non-technical terms. These archetypal stories are used to explain patterns of lives and to make sense of the entrepreneurial sphere using common social terms and cultural values. Narratives are more than *data* because they designate “possible worlds” that help envisage alternatives and desired outcomes. They serve as windows into the values of a character and a cultural group. The entrepreneur or the autobiographer does not just tell a story, he enacts it into a storied life (Linde 1993).

“How I Did It” Stories or the Personal Trajectory, Firm Foundation, and/or Strategic Development Story

Michael Dell’s narrative (2000), *Direct from Dell, Strategies that Revolutionize an Industry*, is less an autobiography than the description of the successive steps that led to quick-paced entrepreneurial growth and global scale. The story is written like a tale of strategic opportunity and systematic organizational development that unfolds logically. A successful start-up quickly grows into a world giant thanks to a combination of personal *phronesis* and universal *technè*. Such success is explained by sound judgment, direct marketing, and innovative global supply-chain management. The computer entrepreneur uses his eponymous company as the paradigm for all successful fast-growth organizations. He portrays himself as an entrepreneur turned arbitrager, efficient decision-maker, and alert management strategist who explains how to get to the front of the pack—without denying, however, the personal challenge of his transformation from business creator into monopolist and financier. More recently, Phil Knight wrote *Shoe Dog, A Memoir of the Creator of Nike*. It reads as a vivid memoir of his early years in business, when he used to import Japanese sports shoes, and of his subsequent perilous and chaotic experiences—intent as he was on

leaving a mark on the world by chasing crazy ideas while wishing to pursue a prodigious, improbable dream. *Inc. Magazine*, one of the most popular entrepreneurship magazines, regularly publishes “How I Did It” stories supported with interviews. These feature leading *Inc 500* entrepreneurs, who talk about their personal trajectories and choices. Clearly, the hope is that the reader will choose one of the stories and put it into practice. Thus, he can model his own entrepreneurial trajectory on idealized, heroic entrepreneurs in the mold of Horatio Algiers.

*“War Stories” or the Lonesome and Paranoid Quest
of the Entrepreneur as Maverick and Rebel*

A less positive, dystopian type of narrative written by bolder characters tells entrepreneurship tales of bureaucratic resistance, personal resilience, and radical change, or evokes “second chance” stories with redeeming qualities that help a fallen entrepreneur to bounce back. They showcase the entrepreneur’s epic quest, in a hostile environment, as a struggle-for-life and survival-of-the-fittest type of journey. They always offer scripts of opportunities and praise the indomitable self-control and unwavering self-efficacy of such determined heroes. If you resist and surf the wave and spot its breaking point, you are reborn into American Adamic entrepreneurship and join the pantheon of resilient egotistical heroes. “Character is all” and “Animal spirits” are understood to mean that low uncertainty aversion and genuine confidence are necessary conditions for such entrepreneurs.

Andy Grove, former Intel CEO, in *Only the Paranoid Survive* (1999) and Larry Ellison (founder of Oracle), in *Soft War* (Symonds and Ellison 2004), both tell of their personal blitzkriegs against foes and turbulent environments. They explain their turnaround strategies and how they developed their enduring theories-in-use. Carly Fiorina, in *Tough Choices, A Memoir* (2006), narrates her difficult gender experience at Hewlett Packard as a female CEO. Lee Iacocca, (1984), the archetypal entrepreneur and 80s CEO, recounts his fall at Ford and his redemption with the miraculous rebirth of Chrysler. Starbucks founder and CEO Howard Schultz describes the beanstalk-like growth of his small Seattle coffee shop in *Pour Your Heart into It, How Starbucks built a Company One Cup at a Time* (1997). In a second saga-like narrative, *Onward: How Starbucks Fought for Its Life without Losing Its Soul* (2012), he tells the story of his agonies over the company’s overstretch and decline before the 2008 financial crisis, and then of his triumphant comeback at the helm of the brand.

Donald Trump is another maverick case in point: a rule-breaking, rebellious, sexist, heroic male entrepreneur. He inherited his initial fortune from his wealthy father but has grown into a billionaire real estate mogul, television personality, and populist New Yorker politician who won the 2016 presidential election: establishing himself as the “ordinary American,” capitalist folk hero, and prototypical, vocal, American business man claiming to give voice to “the people.” He rallied voters around his narcissistic and hyperbolic character with the promise of restoring a WASP, nativist identity, national pride, and American exceptionalism. Similarly to J. P. Morgan (1912), the Gilded Age banker and “Robber Baron,” who claimed “the first thing is character, before money or property or anything else,” Trump is an aggressive political entrepreneur who uses autocratic leadership and provocative discourses to promote a violent narrative of “us” equated with his own identity. To build his egotistical legend and popular legitimacy (i.e. to develop his overwhelming economic and social capital into political capital), he depicts himself and his entrepreneurial skills as the all-important solution for America. He has “co-authored” many books² in which he tells his personal success story, referring to his “art of survival,” his “art of comeback,” and he advises his readers on “How to get rich,” have “the Midas touch,” find “the way to the top,” and “think like a billionaire” to boot. More recently, he has developed a new form of “American Jeremiad” (Bercovitch 1978), a traditional narrative genre with a vision of the future as past restored, in order to save America from decline and “make it great again.”

THE *TECHNÈ* NARRATIVE OR THE TEXTUALIZATION OF KNOW-HOW THROUGH TIPS AND METHODS

Entrepreneurs not only textualize *ex-post* their personal trajectory or fictionalize their experience as retrospective evidence of their effectiveness they also try to draw lessons and design practical methodologies. They can present successful achievement but find it more difficult to translate their experiential knowledge into explicit knowledge and transferable tools. Firstly, the trajectories of entrepreneurs are highly activity- and context-dependent. They can neither be easily decontextualized from their local

² *Wikipedia* has an entry titled “Bibliography of Donald Trump” listing 19 autobiographic narratives today. <https://en.wikipedia.org/wiki/BibliographyofDonaldTrump>. Accessed 4/9/2018.

environments, nor can they be separated from the singular experience of their initiators, hence their difficulty in defining entrepreneurship in more generic terms. Secondly, they know more than they can tell or want to tell. Their skills may often defy articulation, or require trade-secret strategies. However, there has often been an abundance of pragmatically oriented discourses of “the how.” Descriptive forms manifesting the use of skills have resulted in more procedural knowledge. These are transitional experiential/cognitive narratives in which reflexive entrepreneurs bank on their legitimate experience to give “tips” and quick-fix advice that appear under universal headings. Practitioners’ books are written mostly as *how-to* guides which are supposed to shorten the transfer of experience and simplify implementation into ready-to-use methods. A millionaire entrepreneur turns coach and reveals the critical steps to business success (Sugars 2005), another gives insights from an entrepreneur’s life of business success, making deals, and creating a fortune from scratch. Building theories of practice from what the entrepreneur does and what happens inside his mind are metaphors for desired knowledge rather than a real journey into the entrepreneur’s cognitive map. Many texts turn a blind eye to existing scholarship and degenerate into simple recipes. However, scripts of entrepreneurial development (Osterwalder and Pigneur 2010), cases of best practices, lessons in the law of start-ups or how to write the most “Bankable Business Plan” are major fictional devices and also enticing publishing themes that offer common-sense understanding and an easily actionable command of the entrepreneurial process. Such discourse focuses mostly on helping and advising the inexperienced. Popularized and simplified knowledge for “dummies” appears in recent books. Authors who pitch their advice at the general public (Baehr and Loomis 2015) offer a quick typology and promise systematic happy-endings and inevitable wealth creation. Some go as far as to provide standardized stories and strategic plans (Denning and Durham 2010; Blank and Dorf 2012).

The analysis and transfer of entrepreneurial experience and knowing-in-action often takes place informally through storytelling (Boje 1995; Garud et al. 2014a, b; Salmon 2017), on-the-job tool transfer, or through mentors’ guidance. Reflexive comments and method implementation are attempts at representing entrepreneurial experience more abstractly by stripping it of its context and translating it into instrumental knowledge.

The emergence of a new action text, like the business plan that is geared toward futurity and common accord, has also engaged entrepreneurs in the writing and the public presentation of entrepreneurial fictions palatable

to investors. Such texts are cultural artifacts, discursive methods produced by the imagination. They retain a high degree of verisimilitude in order to anticipate and depict the successful actualization of a future business venture (that does not yet exist). They blend fictiveness and factuality as a precondition of their effectuation. They need to rely on shared beliefs and a strong persuasive and legitimacy-building structure if they are to elicit agreement. The business plan is a make-believe fiction and a cataphoric narrative designed to produce favorable responses: it takes place in the practical present and the near future. Its adoption generalizes a technical narrative of things to come, presented in common, codified language. Using all of these methods, the consultant/expert narrative helps to legitimize and propagate both a larger social and economic interest in entrepreneurship and a common worldview. It launches a first discursive conceptualization of the entrepreneurship process that would otherwise have remained more anecdotal. It is, indeed, the first step before the production of a more scientific discourse that examines entrepreneurship retrospectively and prospectively as a state and process of knowing.

THE *GNOSIS* NARRATIVE: DESCRIBING ENTREPRENEURSHIP
AS THE TEXTUALIZATION OF *EPISTEME*

*The Gradual Building of a Unified Entrepreneurship
Research Episteme*

Economists, sociologists, and political scientists are other categories of external stakeholders and scholarly mediators who have tried to make epistemic sense of entrepreneurial action by generating explanatory theories and performative frameworks that rest on more solid paradigmatic foundations, rather than a miscellany of eclectic discourses.

To turn a professional “world” into a scientific “field” and produce a discipline-based scholarship, they have traced the origins and evolutions of entrepreneurship and reformulated the arguments of past authors into modern concepts, either to support existing knowledge or to contest current theories. In their quest for theoretical ascendancy and alternatives, they write a conceptual history of entrepreneurial thought (Murphy et al. 2006). The narrative of retrospective entrepreneurial theory becomes a historical narrative that reconstructs a lineage of intellectual innovation. Telling such a story of scientific progress is based on a rational exegesis and

the application of history to unify wide-ranging concepts into a coherent and structured *episteme*. Writing entrepreneurial theory using a retrospective narrative blends conceptual knowledge with historical knowledge and produces a kind of literary genre: “the narrative of theory” (Czarniawska 2004). The exploration of past theories brings about the existence of a field by legitimating its genealogy. The historical narrative of entrepreneurial thought may be termed an “epistemic fiction,” since it is the fictional reconstruction of the development path of a field within a larger history of economic thought. Thus, the segmented discourses of entrepreneurial thought are transformed into an institutional narrative on how a field came to be unified into a coherent *episteme*.

How has the entrepreneurial field moved from the historical knowledge of past authors’ theories to a more paradigmatic-scientific type of discipline?

The early European economic entrepreneurship matrix that dates back to Cantillon, Say, and Marshall was quickly acclimatized in the United States by Schumpeter (1934), who first held a heroic conception of the entrepreneur portrayed as an innovator and activator of the economic cycle: an agent-centric perspective. The entrepreneurial function that recombined factors of production in its cultural setting was later analyzed by Cole (1959) with a more context-centric perspective. Both professors taught at Harvard in the interwar and postwar periods. Knight, in Chicago, as of 1921, had already developed his uncertainty/risk distinction and positioned the entrepreneur’s alertness for opportunity and profits as a return for putting up with uncertainty. It was, however, Schumpeter (1942) who pointed out the obsolescence of the heroic entrepreneur when innovation was internalized in managerial firms. The triumph of large-scale firms and Fordist “organizational hierarchies” relegated the entrepreneurial research question to the background for three decades. It resurfaced in the works of Baumol (1968), Drucker (1993), and Kirzner (1997) when Hayek’s “spontaneous order” was seen as a relevant metaphor and the engine of an open society. The Chicago school of economics, notably Milton Friedman and Robert Lucas, paved the way for a vision of future expectations as an economic variable that was no longer based on past value but on imagined predictions considered as rational postulates.

Originally based on Schumpeterian creative destruction and Knightian uncertainty, the economic paradigm that had given birth to entrepreneurship as a destabilizing process activating business cycles turned more sociological and cultural in the 1950s and 1960s. The new paradigm emphasized its rebalancing role. A societal approach based on the cultural

need for achievement highlighted the role of psychological traits, stable norms, and values as vital for the development of entrepreneurship (McClelland 1961). It was only when small businesses became “beautiful” (Schumacher 1973) and, above all, when entrepreneurship was equated with the creation of jobs in America (Birch 1987), that the original macroeconomic and cultural dimension of entrepreneurship research discourse was reinstilled into microeconomic perspectives. It became part and parcel of the post-Fordist order and the emerging neoliberal regime. Who the entrepreneur was, was the wrong question (Gartner 1989). What mattered most were the ins and outs of the process and how to implement more entrepreneurial actions.

Initiated by volumes of quick-fix consulting methods and practitioners’ books, the new performative turn aroused paradigmatic interest in the institutional community of management research. A stream of entrepreneurial studies partly reintegrated the dominant management research canon. An “Entrepreneurship division” was created in the Academy of Management in 1987. To establish their independence and think outside the economic, sociological, and managerial paradigms, transdisciplinary researchers joined forces with policymakers who valued unfettered individual initiative and unrestrained market logic. The comeback of the entrepreneurial function on the political scene as an indispensable driver of economic growth allowed the emergence of a multiplicity of “commonsense” narratives and policy discourses destined to depict entrepreneurship as a virtuous economic, democratic, and social integration practice.

The political influence of external stakeholders (including entrepreneurship foundations such as the Kansas City-based Ewing Marion Kauffman foundation, the Californian Skoll Foundation, or the Florida University-based Global Entrepreneurship Monitor that provides financial resources, support for key actors, and studies analyzing the level of entrepreneurship) has also accelerated the legitimization and institutionalization of the field. Elite universities, foundations, and donors have helped birth institutional infrastructures and issued discourses promoting a neoliberal ideology that redefines interfield dynamics and civil society. Entrepreneurship has gained momentum since the 2000s and grown beyond the boundaries of the professional sphere. More recently, it has extended its initial economic scope and methods to all sectors and actors of social life, including community organizers or radical protesters. These actors have appropriated the logics, practices, and discourses of pre-existing fields in order to construct the new field legitimacy (Spicer et al.

2019). The increased visibility of entrepreneurship has shed light on two contrasting enunciators. Firstly, influential private and public organizations have kept promoting a normalized culture of entrepreneurial action often expressed in very ideological, assertive texts (entrepreneurialism). Many narratives have focused on entrepreneurial growth and societal development and praised the socioeconomic role of organizations like lean start-ups, fast-growing “unicorn” companies, philanthropic entrepreneurs, and benevolent “social enterprises.” Secondly, vocal social and political actors have advocated a more aggressive entrepreneurship mindset and a new “disruptive” political culture. Both approaches use the pervasive rhetoric of storytelling. Even social movements have been analyzed as coalitions of “extra-institutional” entrepreneurs that reconfigure meanings and systems of authority. Discourses emanating from the context and its various groups of stakeholders have recombined with the original stories and narratives of the entrepreneur-creator, and enlarged its process to create a system of interrelated texts (interdiscourse) that constructs both the legitimacy of the entrepreneurship object and the field itself through incessant discursive actions aiming at shared sense- and change-making (Weick 1995).

Once the contextual legitimization of the entrepreneur’s achievement had been accomplished, entrepreneurship found itself in a position to be considered not only as a necessary socioeconomic function but also an analyzable and transferable process worthy of scientific attention. It has become not only a more explicit actionable knowledge but also an objectified text. Because action only becomes an object for science if it becomes fixed and transformed into a text (Ricoeur 1991). Entrepreneurship discourse could now become a more coherent paradigm and turn into an institutionalized academic field and a fast-developing discipline.

Entrepreneurship is now considered a legitimate construct capable of begetting economic value and social change. As a result, entrepreneurship education is now considered a key implementation strategy to transform and renew society at large. As seen above, a new institutionalized academic field has been created that was first a subfield of management before acquiring full academic visibility and greater autonomy at the turn of the twenty-first century (Berglund and Bengt 2017).

*The Emergence of a Field of Research and the Institutionalization
of a Discipline Through Cognitive Fictions and “Fictions
de Méthode”*

The emergence of entrepreneurship as an autonomous and legitimate scientific field and a research-based source of texts was quite a slow process because of its persisting fictional narrative roots, the historical fragmentation and eclectic nature of its scholarly contribution, and the lack of legitimacy among the management sciences that long considered entrepreneurship as a narrative mode of knowing, insufficiently cut off from its referential singularity and literary styles.

The field was torn between other long-established paradigms, such as economics, sociology, and psychology, and dominant subdisciplines such as management (Landström, 2010). The absence of a widely agreed definition of entrepreneurship, the search for a distinct theory and domain definition, the lack of dedicated research fora, and the proliferation of colorful but colonizing narratives on entrepreneurship (exotexts) slowed the legitimization and institutionalization of the field until the turn of the millennium. There was little room for a new academic voice within the mathematized economic field modeled on hard science. And scientific discursive legitimacy was low until the early 1990s. It took a decade for university-level entrepreneurship courses to thrive, and they appear in their thousands today (CFEE 2014). The pressure exerted by civil society through the media, the impact of the entrepreneurship-fostering discourse enthused by government agencies, and entrepreneurial communities gathered in innovation clusters like Silicon Valley have placed entrepreneurship at the top of the scientific and political agendas. The demands of the context have constrained epistemic research to follow an ambivalent path between the literary model, on the one hand, and scientific experimental investigation, on the other. Raw action and fictional representations of the entrepreneurial process have paradoxically survived in the case-study methods that include literary modes of representation close to the realist novel. Standardized narrative structures have recombined with abstract cognitive contents to renew scientific focus on entrepreneurship as a legitimate academic subject and discipline, in spite of its fictional roots.

Conditions of production, dissemination, and consumption of scientific discourse have affected demand for more epistemic knowledge. In order to cross disciplinary and genre boundaries, academics and practitioners have continued playing with the divide between fact and fiction, action

and theory, basic research and applied research, and thus produced a mixed model of scientificity.

Scientific, theoretical, and actionable discourses on entrepreneurship form a growing corpus of texts, mostly written by academics in coherence with the demands of the external context. Research papers and journals endeavor to conceptualize the notion further and to decontextualize, partly by eliminating any identifiable narrative voice or stereotypic vision of the function. We call these discourses *why texts*, since they are questions raised and probed-for-answers relating to the function and process of entrepreneurship. The validity of these texts is “warranted,” legitimized by the research community, contrary to narratives like autobiographies or *how-to texts* that are only validated by the assertions of the author, the action of being published, and being used by the buyer. Another category of texts are handbooks of entrepreneurship that are essential methods of propagation for the discipline. They serve as field enlargers and promote a legitimate vision of the field to students and society.

Entrepreneurship research discourse is often presented as a strongly intertextual and multiparadigmatic archive, one still in progress. Many scholars allude to the field of entrepreneurship as a border zone and a cross-disciplinary field. They consider it as a transdisciplinary discourse that is both a textual and a contextual approach, since it takes place on the frontier and around the frontier. They contend that it is a meso-discipline or a “discipline to come,” since it looks beyond field boundaries, combines various categories of knowledge, hybridizes fiction and non-fiction genres, and “jumps” from the word to the world.

There may not be fully fledged conceptual convergence between the three types of texts explored that construct entrepreneurship action as narrated *phronesis* (common-sense knowledge), *technè* (instrumental praxis), or *episteme/gnosis* (state of knowing and process of knowing). But there is a strong, common, “transfictional,” “narrative identity” (Ricoeur 1991). It rests on a paradigmatic *and* fictional form of complementarity between these various discursive practices. These texts are used and invoked by others as bisecting representations and shared possible worlds to define and shape not only policy but also contexts.

THE BIGGER PICTURE

The past three decades currently subsumed under the term “neoliberal era” (Hall 2011; Harvey 2011; Peck 2011; Dardot and Laval 2017) have seen the dominance of a multifaceted configuration of power (ideational, institutional, and cultural) that has exacerbated the cognitive and performative dynamics of the entrepreneurial paradigm (Blyth 2003; Carstensen and Schmidt 2016). Entrepreneurship discourse has played a major reconfiguring role in the transformation of a historically specific form of American capitalism and assumed new governance powers. The constant emergence of new forms of practical knowledge in the entrepreneurial praxis and the incessant interplay of experience and ideas that translate actions into texts have helped recombine concepts and notions into an influential paradigm. In turn, entrepreneurial ideas and policies have reshaped values, aspirations, and socioeconomic practices in a new constructivist, way, conceptualizing entrepreneurship as a performative method and even a “science of the artificial” (Gartner 2007; Venkataraman et al. 2013, p. 1, 65)

Political entrepreneurs who are active in the field of business and politics have become political influencers and “change makers,” privileging new forms of radical interventions aimed at dramatically impacting the process of institutional change by either exploiting or creating disequilibria. To illustrate the trend, two characters, two businessmen, who have both turned political entrepreneurs, intent on seizing crises as economic and political opportunities, come to mind: George Soros and Donald Trump. Soros, a former financial entrepreneur, who successfully speculated against the bank of England, has turned into a liberal political entrepreneur. Through his foundations, books, and global political think tanks, he wants to take part in the democratic political debate and invest important resources to define problems, influence agendas, and promote open policies. Trump is known as a rent-seeker who has now acquired presidential status. He is using uncertainty, creative destruction strategies, and populist rhetoric to restore ideological cohesion and a phantasized nativist identity. He wants to confront the nagging fear that America is in decline and no longer the start-up nation it once was and, consequently, lost the entrepreneurial verve that made the country an economic success story and a model for the world. Inequalities of gender, race, and class between citizens are increasing and the egalitarian nature of the American Dream is fading. Hence, the emergence of a new political process of narration which

is more affect-based and dissensus-oriented than expertise- or fact-based. President Trump banks on economic nationalism and the monological agenda of white, male, heroic, and utopian entrepreneurship envisaged not only as a mere market-based and individualist phenomenon but also as a unifying national story: a narrative of America First. The emphasis is on money making, the national interest, and a populist regime of beliefs. He develops a provocative posture that revives the American tradition of the prototypical ordinary individual protesting against state intervention, while he indirectly confers greater socioeconomic governance to established business entrepreneurs. Paradoxically enough, Trump's vulgarity and gaslighting tactics elicit a reactive form of collective agency by antagonizing civic and community movements, which are intent on resisting Trump's post-truth politics and his demagogic, racialized, and sexist policies. This counter-trend may prefigure postcapitalist alternatives that redefine their own rules (Ogbor 2002; Fayolle and Riot 2016; Essers et al. 2017). Their counter-narratives and more plurivocal narrative genres may be a tentative response to the global authoritarian paradigmatic shift and crisis of value, and an attempt at reconstructing entrepreneurship as a democratic practice that may help redistribute economic and political power and question the hegemonic performativity of more recent coercive and divisive neoliberal practices.

CONCLUSION

We have explored how entrepreneurial action was textualized into variegated discourses and how narratives gained great performative power and societal impact during the neoliberal era and the American, finance-led regime of capitalism. Entrepreneurial action operates through fictional representations and artful narratives and reveals the constructivist nature of economic action and social reality. We have seen how a wide array of texts emanating from the entrepreneurs' world and a predominantly American context coalesced into a fluid but interrelated configuration forming a newly reemerging grand narrative of global entrepreneurial capitalism. It remains strongly embedded in an enduring American culture which favors narratives of agency and opportunity.

Entrepreneurial narratives remain artful fictions that draw from literary and epistemic discourses to write an epic identity narrative. The literary genres of political utopia and the endless *gnosis* narrative are indeed two

important vehicles of American entrepreneurial ideology and together act as a dynamo of its constant cultural renewal.

If the dialectic and spiral of ideology and utopia are not to be engulfed in post-truth vagaries, entrepreneurship must remain indissociably action and language: praxis and poesis reconciled by fiction and dialogue. Language in action and action in language that have produced democratic selves and institutions might not “shape the waves,” as phantasized by start-uppers and libertarian entrepreneurs, but may continue to open creative and fictional spaces in order to maintain their intrinsic deliberative and democratic qualities through unlimited semiosis as well as the willing suspension of disbelief. Hannah Arendt aptly states in *The Human Condition* (p. 178): “To act in its most general sense means to take an initiative, to begin, as the Greek word *archein* indicates, or to set something into motion, which is the original meaning of the word *agere*.” For all these reasons, the sense-making and the sense-sharing quest of entrepreneurial actors and enterprising agencies will remain an open process that has to be democratically achieved at both the individual and the institutional levels. For, “With words and deeds, we insert ourselves into the human world, and this insertion is like a second birth [...] (Arendt, p. 178).

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PART III

Literary Representations of Capitalism



CHAPTER 8

The Woman Proprietor in Elizabeth Stuart Phelps's *The Silent Partner*: Social Reform Novel as Paradigm of John Stuart Mill's Liberal Political Economy

Julia P. McLeod

In 1870, Elizabeth Stuart Phelps published her industrial reform novel, *The Silent Partner*, to educate her middle-class readers about the growing evils of industrial capitalism and to propose opportunities for women's intervention based on the political and economic writings of John Stuart Mill. Phelps's prolific career in the latter half of the nineteenth century directly addresses questions of women's professionalization and economic engagement in Reconstruction-era America, and her novel responds to a cultural shift in which women were increasingly drawn to the individualism and satisfaction available in the public, rather than the domestic, workplace. American women's fiction of the time, transitioning from sentimentalism to realism, offered conflicting representations of women in

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business.¹ Phelps's novel portrays a woman business owner who engages directly with contemporary political economic theories in order to question the prevailing laissez-faire conditions of American industrialism. As such, Phelps's novel serves as a first step toward the development of an American "liberal" paradigm, offering an original worldview and a moral and ethical vindication of potential new roles for women caught between conflicting gender roles of the time. The novel expresses the contradictions of an American form of industrial capitalism transitioning between a proprietary to a more managerial and disciplinary model. But it does not solve those contradictions. Instead, Phelps offers a sort of "third way" based on John Stuart Mill's political economy that anticipates the late-nineteenth-century Social Gospel movement introduced by Henry George and Edward Bellamy and the future Progressive movements of the early twentieth century.

Phelps's novel, with its business-minded heroine, seeks to educate readers in the injustices and problems of industrial capitalism in order to assert a belief in Mill's democratic paradigm as a possible alternative to wilder forms of capitalism and socialist change. Phelps admired the work of Mill, who was seen, on both sides of the Atlantic in the mid-nineteenth century, as the leading economic and social philosopher. His work offered several arguments that Phelps used to support her project of advancing intellectual and economic opportunities for women. Phelps wrote to George Eliot that Mill's *The Subjection of Women* "partly expresses" her own "views" of women's enfranchisement and of the need to reform social structures—particularly marriage systems—that suppress women's capacity for self-determination (Griffith 2006, p. 126). In an 1871 essay published in *The Independent* entitled "Unhappy Girls," Phelps quoted from both *The Subjection of Women* and *On Liberty* to support her argument for increased opportunities for women's education and employment outside of the home (1871a, p. 1).

MILL'S PROGRESSIVE POLITICAL ECONOMY

In *On Liberty*, Mill outlines a plan for society that emphasizes complete liberty of individual opinion and action—so long as it caused no harm to anyone else—to counteract the ill effects of laissez-faire capitalist greed,

¹ See, for example, Phelps's *The Story of Avis* (1877) and *Doctor Zay* (1882) and Louisa May Alcott's *Work* (1873).

overly invasive government control, and essentialist Utilitarian ideas about human capacity. Mill's conception of liberty created conditions that developed dignified "thinking beings" capable of forming a progressive society in which all could flourish (Mill 1991a, p. 40). As the nineteenth century brought rapid changes in transportation, technology, population distribution, and industrial production, Mill espoused a belief in the unlimited progressive potential of humanity, and his arguments about individuality, intellectual growth, persons of genius, and technology provide an important historical and philosophical framework for investigating the social reform novels of mid-nineteenth-century American literature. Mill's humanist idealism maintained that the improvement of individual citizens would lead to general social advancement, a progression that he saw culminating in a voluntary socialism characterized by cooperation between the working class and the upper class. This benign view of American industrial capitalism which Phelps advances in her novel is offered at a time when textile mill work was done mostly by working class women and while early craft unions were still being formed. Such a view differs from the more violent seizures of power by the working class that Karl Marx and other more radical European activists advocated and that led to the emergence of the union movement, strikes, and violent social movements in the late 1870s.²

Mill's arguments were particularly applicable to the emergence of American liberal ideals of democracy and liberty that drive the capitalist narrative in *The Silent Partner*. In *Principles of Political Economy*, he calls for a system based on the "co-operative principle" in which individual efforts ultimately produce collective good, and Mill emphasizes prosperity and social advancement for any individuals who, through diligent work and "improved intelligence,"³ under the jurisdiction of "just laws," could

²In *Why Is There No Socialism in the United States?*, originally published in 1907, Werner Sombart explains that the failure of socialism in America is due to workers' investment in the capitalist ideals of competition and material acquisition: "If there is anywhere in America where the restless striving after profit, the complete fruition of the commercial drive and the passion for business are indigenous, it is in the worker, who wants to earn as much as his strength will allow, and to be as unrestrained as possible" (p. 20). Phelps shares this commitment to capitalism, though she seeks a way to mediate the ills that accompany such unrestrained competition.

³Mill emphasized the role of education, either through formal schooling or self-learning, in conjunction with the ongoing processes of experience, discussion, and dissent as methods of developing higher order thinking skills. The working classes, Mill argued, could "be made rational beings" by learning business theory and practice from reading newspapers and political tracts, attending lectures, and participating in discussion and "collective deliberation" (1878, p. 339).

take hold of opportunities for social and economic advancement, a concept that was crucial to those laboring “in a new country, rapidly increasing in wealth and population, like America” (Mill 1878, p. 374, 342). Mill saw Americans as already advancing toward a prosperity that capitalized on the country’s unlimited natural resources, technological advancements, and rapidly growing work force.

MILL’S PARADIGM AT WORK IN *THE SILENT PARTNER*

On Liberty especially appealed to Phelps because Mill emphasized individual agency—not just men’s, but also women’s—as the source of social progress and the realization of full human potential. The acts of reform at play in *The Silent Partner*—examining the real working conditions in the textile industry, taking the reader into the homes and the minds of women who struggled to define themselves, exploring the possibilities and limits of individual opinion and action in industrial-age America—do the work that Mill proposes in *On Liberty*: “To discover to the world something which deeply concerns it, and of which it was previously ignorant ... is as important a service as a human being can render to his fellow creatures” (Mill 1991a, p. 32). Phelps answers this call to service in *The Silent Partner* by featuring a middle-class woman who pushes against gender restrictions in the business sphere, whose experiments in social reform test Mill’s assertion that nurturing individual human potential can produce social progress, and who demonstrates that listening to marginalized voices exposes how the “tyranny of the majority” prohibits society’s progression (Mill 1991a, p. 8). The novel, then, serves as a cognitive and pragmatic device through which Phelps leads her readers to experimentation with political economy and social reform (Ludwig 2002). In Perley Kelso, the not-so-silent businesswoman, Phelps attempts to weave the warp and weft of business and domestic spheres into a new design that fully incorporates women. To do so also requires that she successfully navigate the changing order of the textile factory system, a system transitioning from paternal patterns of management that Phelps had witnessed in mid-century Lowell, Massachusetts, to an organizational order that increasingly depends upon subordinating, disciplining, and exploiting workers. She demonstrates that women can learn and speak the language of business, even as she reappropriates domestic spaces as sites of business and social reform and redefines standards of respectable behavior for women. Phelps’s

businesswoman offers a form of democratic capitalism that insists on an empathetic approach to conflicts.

Perley Kelso inherits her father's holdings in the Hayle and Kelso textile mill, but because she is a woman, she can only serve as a silent partner in the business. With no official voice in the mill's management, Perley is nevertheless determined to "look after" her vested interests (Phelps 1983, p. 68). She learns the business's operations by touring the mills and getting to know the workers, simultaneously breaking the partition between home and the professional world and crossing class boundaries. Her inquiry into the workers' lives is a means of gaining entry into a separate sphere and also provides a narrative device to depict the industrial workplace and its contradictions. Perley's new understanding of the deplorable living and working conditions of her employees drives her to engage in philanthropic work in a discursive move that legitimizes the social and democratic quest of women. But Perley's actions also assert her individual agency in the industrial marketplace. To become a successful woman of business, she must be aware of the conditions of the labor force at her mill. However, she is in training to be a capitalist, not a factory worker, and the genuine sympathy she feels toward the workers' plight is always tempered by her own position as a middle-class woman. Her involvement in alleviating workers' suffering is financed out of her share of the mill's profits, which must continue at sufficient levels to allow her continued assistance without changing her standard of living.

What Perley brings to the business is compassion that seeks to ameliorate the workers' suffering and keep the peace without asking for seismic shifts in policy. Her sympathy for the plight of the workers leads her to relieve some of their very real suffering—she provides food, medical care, uplifting entertainment, and a chance to express their frustrations to a sympathetic ear. In so doing, she creates a sense of community between herself and the workers. The other partners are aware of Perley's assets (not only her valuable qualities—sympathy and care for others—but also her financial resources), even if they are reluctant to acknowledge them publicly. When Bub Mell dies in a mill accident, it is "swift, strong, helpful" Perley who goes to break the news to his dying mother when none of the male partners has the courage to do so (Phelps 1983, p. 217). Perley learns that if she can gain the workers' trust and convince them of her confidence in them and their abilities, they will be more responsive to her demands as a mill owner. Her compassion, then, becomes both an ameliorative tonic and a business skill.

Perley also designs to educate and improve the living conditions of mill workers in her employ by implementing the theories of liberal political economy and individualism that Mill outlines in *On Liberty* and *Political Economy*. In an effort to elevate the workers and to do something about the “exorbitant waste” of talent and intellect that she sees in mill workers, Perley educates them in what Mill calls the “higher pleasures” of fiction, art, and music during evening entertainments at her home (Phelps 1983, p. 197; Mill 1863, p. 14). She also funds a library for the workers and personally delivers a copy of *On Liberty* for them to read. This *mise en abyme* interconnecting Mill’s paradigm, Phelps’s reflective text, and the referential world makes this reform novel a didactic tool, an epistemic and political piece of fiction endowed with educational power to bring about social change. Perley’s experiment in reform seeks to put into practice Mill’s directive for social advancement: “Human beings [...] should be forever stimulating each other to increased exercise of their higher faculties, and increased direction of their feelings and aims towards wise instead of foolish, elevating instead of degrading, objects and contemplations” (Mill 1991a, p. 84). By teaching the workers about art, literature, and music, Perley introduces them to the higher ideals of culture, which she feels will develop their intellect, raise them out of the “mud” of ignorance, and counteract the dehumanizing effects of their tedious and relentless factory work (Phelps 1983, p. 146). The workers do respond to Perley’s parlor evenings with “an air of really enjoying themselves,” and Perley’s “benevolent, democratic” evenings also challenge her Society friends to interact with the workers as fellow human beings (Phelps 1983, pp. 225–226, 222). However, Perley fails to realize that her program of reform requires the working class to transform themselves into something unrecognizable and disingenuous; by educating them in middle-class mores and making them more aesthetically pleasing, she actually suppresses their individual agency and working-class consciousness in the name of a supposed common feminine ethos. Perley’s Millian experiment fails to create the fellow-feeling among its participants, and her maternalistic approach to the problems of industrialism (through offers of sympathy, food, education, and good manners) demonstrates the restrictions that True Woman ideology placed on women who tried to move from the domestic sphere into the world of business. Sympathy alone cannot rectify the social and economic conflicts of the community, nor can ladylike entertainments necessarily develop higher thinking among the working class. As Laura A. Smith notes, Perley’s plan for reform is an “inchoate model of ‘service

work” (2009, p. 186). Ultimately, learning about the higher pleasures of art does little to affect the workers’ material conditions or to change the way that her partners run the mill.

In the climactic strike scene of the novel, Perley is carrying a copy of John Stuart Mill’s *On Liberty* to the library that she has established for mill workers when she comes upon an angry crowd of “hands” threatening to strike (Phelps 1983, p. 64).⁴ Mill’s volume—which champions individual liberty, including the right to one’s own opinions, the freedom to express these opinions in the public sphere, and the power of the individual for effecting social progress—has yet to be read by the restless and oppressed workers. Perley has read Mill’s volume and deemed it important for the workers as part of her program to improve their lives and to help them become Mill’s “thinking beings” (Mill 1991a, p. 40). Until the strike occurs, Perley has positioned herself as champion of the workers’ rights, and she has worked tirelessly to improve their living conditions both through philanthropic action and education in art and literature. However, when tensions mount and the workers threaten to strike over reduced wages, Perley sides not with the workers but with her business partners. She takes the position of capitalist and unapologetically explains to the workers why market conditions necessitate a reduction in wages. Miraculously, a “sudden tide of respectability” washes over the crowd, and they back down, choosing to take the word of the “young leddy” and call off the strike—at least until the next payday, by which time the factory manager hopes to have gotten the business back on its feet (Phelps 1983, p. 251, 250).

Perley’s apparent about-face seems sudden, given the importance she has placed on sympathy for the plight of the working class until this point in the novel. Why the change? And why does Phelps introduce Mill into the very scene where Perley’s philanthropy turns into economic self-preservation? Many critics of Phelps’s novel find this strike scene to be problematic and inconsistent with the rest of the novel because Perley’s actions seemingly negate any advances she has made with regard to addressing industrial reform or to navigating gender and class barriers in

⁴Jill Bergman compares Perley Kelso to Margaret Hale in Elizabeth Gaskell’s *North and South*, arguing that Phelps’s heroine rejects outdated Victorian tenets of domesticity to claim female agency in the business world (2005). Unlike Gaskell’s heroine who remains silent during a crucial strike scene, Phelps’s Perley Kelso offers a new paradigm for women by refusing to stay silent or to marry.

the novel.⁵ Phelps's text itself declares the strike scene is no final solution to the problems of "millions and mills," that Perley is an "experimenter"—one who learns by trying (and sometimes failing)—and that this episode is "valuable [...] rather as a hint rather than as history" because it is "fragmentary and incomplete" (1983, Note, p. 243). What this scene demonstrates is the focus of the novel's experiment: to explore possibilities for female participation in the American industrial enterprise. In the economy of the United States in 1871, women's full entry into the business sphere is not an accomplished, historical feat; rather, as this novel shows, the paradigm is being formed, is still fragmentary, and Perley's actions indicate that the women's place in the business world is at this moment being written. Phelps—and her heroine Perley—have their work cut out for them.

In their afterword to the 1975 Feminist Press reprinting of *The Silent Partner*, Mari Jo Buhle and Florence Howe emphasize that *The Silent Partner* is the rare novel of the 1870s "in which the silence of women finds voice in public places" (1983, p. 382). Phelps had a vision of women who could not be contained or completed at home, and whose energy and capacity compelled them into the workplace. Susan Albertine notes that "Phelps writes her book to inspire young middle-class women to work," affirming women's desire for gainful employment and demonstrating the author's "practical awareness of what women could do" (1990, p. 241). The novel investigates the many issues surrounding female capitalism in late-nineteenth-century America, including the role of the individual in a capitalist political economy, access to business knowledge across gender and class barriers, paradigms for women's work in the public rather than the domestic sphere, and the role of sympathy in industrial reform. What is important for Phelps is demonstrating women's capacity for business and influencing nineteenth-century intellectual and economic discourse surrounding women and work.

⁵Judith Fetterley argues that Perley uses the language of the capitalist but becomes "complicit in her own silencing" (1986, p. 29). William Lynn Watson finds that Perley is a "cultural missionary" who uses her influence to silence the workers' efforts to help themselves (2002, pp. 12–15). Amy Schragger Lang asserts that in the strike scene, Perley functions as the True Woman whose identification with the capitalist middle class negates any "shared womanhood" she has established with working-class women (2003, pp. 13–15). Sylvia Jenkins Cook notes that Phelps fails to comment on the irony of Perley's naive (or hypocritical) actions because the ultimate goal of the novel was to demonstrate that class unity could only be accomplished on a spiritual plane (2008, pp. 204–205).

As a strike looms at Hayle and Kelso, following a sudden reduction in the demand for cotton fabric, Phelps reminds readers that the incident is “valuable chiefly as indicative of the experimenter,” and in this scene, Perley tests the Millian philosophy of individualism against the demands of capitalist enterprise (1983, p. 243). The novel demonstrates what Perley the businesswoman has learned: that a strike can offer several benefits to owners, including time to accumulate stock, to create a quickening market for goods, to repair machinery, and to amuse themselves for a season. Meanwhile, hunger—something that does not affect the owners—keeps workers “under [their] finger, empty handed,” and eventually so desperate that they will return to work rather than starve (Phelps 1983, p. 245). Perley, however, wants a resolution to the crisis that will not rely on starving the workers into submission; she has seen the effects of that course of action and does not want to be responsible for increasing the workers’ suffering.

Perley can call down the strike because of the special knowledge she has amassed through her personal interactions with the workers. Her plan is to explain to the workers why the changes are necessary. Such a move will demonstrate trust and confidence in the workers, make them feel invested in the source of their income, tap into their reason and intelligence, and affirm their value as human beings. Perley’s plan reflects Mill’s arguments about individual agency as the basis for social change. Win the workers with reason and affirmation, Perley asserts, and they will behave nicely and agree to lower wages. However, the strike also offers the chance for Perley to demonstrate the language and actions of a capitalist. Because of her investigations and interactions with workers, Perley has a better understanding of what motivates the workers, whereas the mill’s other, male partners only count on hungry stomachs to break the strike because they see the workers only as hired hands, not as individuals. Perley understands that the workers are human beings and tries to treat them that way. She leaves the office and stands in the rain and mud among the workers, where she is womanly, clean, and “shining”—but she also demonstrates masculine force as she “blaze[s] out” at them and disperses the crowd (Phelps 1983, p. 251). She ultimately accomplishes the capitalist’s goals: keep production moving, meet the demands of the market, and maintain the cash flow. She does this in a kinder, gentler way, based on the relationship that she has established with the workers, but ultimately her goal is to demonstrate capability as a businesswoman, even if that means convincing the workers to submit to reduced wages and food.

Despite her aims for elevating and improving the lives of individual workers—and so to ultimately improve society as a whole—Phelps bumps up against the problems inherent in Mill’s philosophy, issues that she was too much of a realist to ignore at the end of the novel. Mill’s philosophy was based on the belief that the full development of individual agency would stimulate universal human progress because he believed that rational people, acting upon the higher principles that they learned through experience and active debate, would ultimately pursue paths that would benefit society at large. The problem with such a view, as E. K. Hunt and Mark Lautzenheiser note, is that Mill’s utilitarian social ethic “requires unanimity or it is nonexistent” (2011, p. 198). People who are granted individual liberty may choose what will ultimately benefit others, but they may also (and as Phelps demonstrates, most often will) choose what will be personally desirable and in their own best interest. Mill’s philosophy equated individual happiness with the general happiness, a concept that failed to stand up to the economic forces that propelled capitalism. Rarely would workers and capitalists share equal viewpoints in a system in which wage increases directly conflicted with owner profits.⁶ As the strike scene in Phelps’s novel demonstrates, the clashes that are integral to the industrial systems of production are bigger than can be solved with sympathy between owners and workers and the “higher pleasures” of art. Despite the sympathy that Phelps’s thought-provoking realism produces, *The Silent Partner* falls short of promoting effective reforms to counteract the dehumanizing effects of life in a textile mill.

PHELPS’S CAPABLE WORKING WOMAN

Phelps’s real work in the novel is to change attitudes about the movement of middle-class women into the world of business. She wants reform that will allow a “superior woman” such as Perley, who possesses intelligence,

⁶Mill himself had trouble resolving this conflict between the social and economic implications of his theories. As Hunt and Lautzenheiser point out, Mill’s arguments noted that wage systems of capitalism perpetuated “a competitive struggle between laborers and capitalists” because “the limit [of wages] was the total profits of capitalists minus what the capitalists needed to maintain their lifestyles” (2011, p. 191). In *On Liberty*, Mill admitted that his vision of voluntary socialism, in which the rich would be willing to give up some of their wealth in order to produce a society that was beneficial for all, would not manifest “until a time in the future” (1991a, p. 63).

compassion, and energy, to develop her capacity for economic enterprise, and this would require greater opportunities for education, work, and individual development than Phelps could see in mid-nineteenth-century America (1983, p. 163). Perley, after all, cannot make substantial reforms to the business practices of Hayle and Kelso, since her partners assert she is “a young lady” who “*cannot* understand the ins and outs of the thousand and one questions which perplex a business man” (Phelps 1983, pp. 66, 135–136; emphasis in original). In “Women and Money,” an essay Phelps published in *The Independent* in 1871, the same year as her novel, she asserts that “[i]t is not business ‘qualities’ which women lack. It is business ‘opportunities.’ As long as men monopolize the conduct of trade, they monopolize women” (1871b, p. 1). Phelps’s novel dares to ask for ownership positions for women in industry, as fully participating partners with men, and to claim, as Mill did in *The Subjection of Women*, the necessity for “the widening of the sphere of action for women” (Mill 1991b, p. 562). Women, she argues, demonstrate both aspiration and capacity for business activity, and their unique contributions and womanly perspective are needed to counteract the increasingly dehumanizing conditions of the workplace.

Phelps’s novel also explores the increasing power of money in the social culture of America. Perley wants to take full advantage of the pecuniary opportunities in the growing American marketplace, yet she also learns that her wealth is exacted from the labor of those in her employ. Her efforts to relieve the suffering of the workers are simultaneously charitable and inoculating. She relieves their hunger and suffering while at the same time she removes their agency to act on their own behalf, and this is a dilemma that Phelps can only partially resolve at the end of the novel through a working-class woman’s sermon about a future hope. The hard fact is that Perley needs the workers’ labor in order to support her own social and economic position. Phelps also questions the movement away from Mill’s definition of success as a fully developed individual agency toward the coming Gilded Age’s definition of success as the accumulation of material wealth. In doing so, she anticipates the critique of capitalism and conspicuous consumption in the late nineteenth century in Thorstein Veblen’s *The Theory of the Leisure Class* (1998).

Phelps and her protagonist, then, are early pioneers of the social and industrial inquiries that will be launched by the Progressive movement and

the sociological studies during the early twentieth century. This forward-looking novel could be read as a feminist contribution to current capitalist realism studies by Alison Shonkwiler and Leigh Clare La Berge.⁷ As editors of *Reading Capitalist Realism*, Shonkwiler and La Berge note the role of Gilded Age texts in shaping the political and economic ideologies that persist in the twenty-first century's global economy. Arguing that the twenty-first-century political climate promotes an "austerity in the name of getting one's house in order" that, if left unchecked, could lead to "the veritable collapse of the social sphere," their capitalist realism studies emphasize earlier fiction's "contest of representation [which] is open to potential transformation" in order to discover what else can and must be attempted to change the inequities of capitalism (2014, p. 1, 2, 7). Phelps's novel offers insight into potential alternatives by advocating that the "house" can be more effectively ordered through strategic investments in employee welfare.

Noting that the important causes of her day "often thrust in my study door and dragged me out into their forays, if not upon their battlefields," Phelps responded by using her authorship as a platform to advocate change in the opportunities for women who would cross the line from the domestic into the public sphere (1896, p. 249). In *The Silent Partner*, she reworks True Womanhood's ideals of virtue, piety, and sympathy into a paradigm for the professional New Woman: diligence, respectability, and benevolence, tested against the ideals of individual agency, enlightened development, and community responsibility proposed in the works of John Stuart Mill. As a cognitive and pragmatic device, the novel also serves as a locus for paradigm experimentation in social reform, but also as a genteel version of industrial management that sugar-coats the capitalist pill and makes it easier to swallow. Adopting a gender-based rather than a class-conscious approach appropriate to her middle-class readership, Phelps's novel serves "as a hint" of what can be, "rather [...] than as history" of what has already taken place, and she calls for a future in which educated, innovative, and sympathetic professional women can fully participate as thriving members of the business world (1983, p. 243).

⁷See also Shonkwiler's 2017 *The Financial Imaginary: Economic Mystification and the Limits of Realist Fiction*, which bases a critique of the representations of capitalism in the economic fiction of William Dean Howells, Henry James, Frank Norris, and Theodore Dreiser.

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William Dean Howells and the Economic Novel: Heteronomy and Autonomy

Guillaume Tanguy

In 1861, Howells was appointed consul to Venice. He lived in Italy for four years, an experience he describes in *Italian Journeys*. In this book, Howells describes his surprise when he noted the discrepancy between the costly elegance of the Genoese and their modest means. “But I [...] look at many in this crowd with the eyes of the economist, and wonder how people practicing even so great denial can contrive to make so much display on their little means,—how those clerks of public offices [...] can dress with such peerless gorgeousness” (1867, p. 35). After Venice, Howells returned to New England, becoming a successful editor and novelist, thus fulfilling the aim he had set himself: “Alas for me! I am proud, vain, and poor. I want to make money, and be rich and grand. [...] I want to succeed, yet I am of too indolent a nature to begin,” as he wrote his sister in 1857 (Howells 1928, p. 14). This statement is ambivalent, expressing both a yearning for material success and an implicit wariness of it, as if the aim he had set himself did not express a genuinely personal goal. The aim of this chapter is to show that Howells’s economic vision

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informs his fiction, through the study of four novels, *The Lady of the Aroostook*, *A Modern Instance*, *The Rise of Silas Lapham*, and *A Hazard of New Fortunes*, with especial focus on the first and third. The contention of this chapter is that Howells's complex economic vision pervades his fiction. Howells's initially optimistic discourse on capitalism led him to an impasse by alienating the realist writer from the representation of social reality. This impasse can be interpreted as the result of heteronomy—a discourse which invests an external ideology, in this case capitalism, with authority. Ultimately, Howells succeeded in redefining his vision and aesthetic, which led to *A Hazard of New Fortunes*, his most “vital” fiction. The novel illustrates a quest for autonomy, understood not in terms of disengagement from social issues, but in the sense defined by Cornelius Castoriadis, that is to say, the attempt to institute one's own norms.

Howells's economic vision needs to be related to a wider social discourse on American capitalism. From the origins of American history, moneymaking was presented as a religion in colonial America. It was a “duty” to become rich. In *A Christian at His Calling* (1701), Cotton Mather claimed that man had two callings, one to serve God and another to have a gainful occupation (Greenfeld 2001, p. 375). Later, with Benjamin Franklin, capitalism became secular but kept its moral justification. In the nineteenth century, when the first factories appeared, they were initially not seen as a threat. The factory system, as exemplified by the mills of Lowell, Massachusetts, promised “to resolve the social conflict between the desire for industrial progress and the fear of a debased and disorderly proletariat” (Nye 1994, p. 112). “By 1828 the [capitalist] system had achieved the status of a dominant creed in the country,” and in 1860 Emerson was writing a panegyric to “Wealth,” praising “the men of the mine, telegraph, mill, map, and survey—the monomaniacs, who talk up their project in marts, and offices, and entreat men to subscribe” (Greenfeld, pp. 420–424). The perception of industrialization changed in the 1850s when water power was replaced by steam power. “The idyllic vision of a new kind of factory [...] was fading” (Nye, p. 116). The criticism gathered momentum after the Civil War as a result of corruption and financial panic. Discontent came to a head in the 1886 Chicago Riots, indicating that the Gospel of Wealth was being challenged by a counter-discourse, the Social Gospel. The views of W. D. Howells follow a similar pattern, which makes him very representative of his age. Indeed, his questioning of capitalism was part of a transnational anxiety inspired by modernity. The year 1889, as Marc Angenot has shown in his study of the French

social discourse, can be regarded as a historical landmark when a collective skepticism emerged from “the sense of demise of an old society, coupled with an agonizing uncertainty as to what the forms of the new society might prove to be” (Hughes, qtd. in Angenot 1989, p. 42).¹ At first Howells shared a confident view of capitalism, praising the steam engine at the 1876 Centennial Exposition. However, after 1886, he voiced his distrust of capitalism and technology, and turned toward utopian fiction. This shift is reflected in his fiction: the first two novels in this chapter, *The Lady of the Aroostook* (1879) and *The Rise of Silas Lapham* (1885), illustrate Howells’s optimism, while the third novel, *A Modern Instance* (1882), which in fact predates *The Rise of Silas Lapham*, indicates a profound pessimism, and the fourth one, *A Hazard of New Fortunes* (1890), expresses a new outlook.

The Lady of the Aroostook is both an international episode and a courtship novel. The main setting is the eponymous *Aroostook*, a merchant ship sailing from Boston to Europe. On that ship, Lydia Blood, a young girl from a small town in Massachusetts, meets Miles Staniford, a haughty Bostonian who at first despises her, but eventually marries her when he realizes she is a natural aristocrat. However, *The Lady of the Aroostook* should also be read as an economic parable expressing the author’s initial faith in capitalism. The erotic transaction which occurs on the ship symbolizes an economic conversion. Irked by his status as impoverished aristocrat, Staniford sails east to visit Europe before going west, to California, to fulfill his dream of success: “It’s a duty I owe to the general frame of things to make money. [D]o you think it altogether ridiculous that I should feel there was something sacred in the money?” (1879, p. 64). Lydia is the economic muse bringing about Staniford’s conversion from dilettante to entrepreneur. Her ability to defeat aristocratic prejudice forces Staniford to renegotiate her status and to regard her as an equal. The spirit of capitalism is conducive to democratic egalitarianism. Central to this vision is the ship, which functions as the master trope:

The stately vessel stood high from the water, for Captain Jenness’s cargo was light, and he was going out chiefly for a return freight. Sharp jibs and stay-

¹Theodore Dreiser’s *Sister Carrie* (1900) can be regarded as another illustration of this shift: “Celebrating and questioning the dream of self-fulfillment, *Sister Carrie* [...] occupies a historically pivotal position, looking back towards the success myths of Horatio Alger, and anticipating some of the modernist tropes found in the works of such writers as Richard Wright and Henry Miller” (Davies 2011, p. 381).

sails cut their white outlines keenly against the afternoon blue of the summer heaven; the topsails and courses dripped, half-furled, from the yards stretching across the yellow masts that sprang so far aloft; the hull glistened black with new paint. When Lydia mounted to the deck, she found it as clean as her aunt's kitchen floor. Her glance of admiration was not lost on Captain Jenness. "Yes, Miss Blood," said he, "one difference between an American ship and any other sort is dirt. [...]" Everything was in perfect trim [...]. (1879, p. 18)

Named after a New England county, the *Aroostook* suggests that America embodies the spirit of capitalism. Its purity is part of a patriotic discourse praising the virtue of the young Republic. The description also eroticizes the ship, indicating that Lydia *is* the *Aroostook*. The rigging resembles her long hair, and the black hull her black dress. Both the ship and Lydia are *vessels*, containers meant to be filled with cargo or, in Lydia's case, with sexual fluid, after the final wedding in Venice (the city is mispronounced "Venus" by her grandfather). Lydia and the ship must be used in order to fructify. The *Aroostook* also illustrates the asceticism described by Max Weber in his study of Protestantism. The "scrupulous abstinence" (1879, p. 94) imposed by the Captain is targeted at Mr. Hicks, who as the name indicates is the ship's alcoholic. When Hicks breaks the rule, becomes inebriated, and squanders his money, confirming his status as economic misfit, he is sent away, becoming the story's *pharmakon*.

The economic meaning is also linked to the symbolic treatment of geography. Lydia's hometown is an oppressive backwater, where exchange is inhibited by her grandparents' archaic miserliness. Her potential can only come to fruition if she is taken west, after an eastward journey to Europe, a journey of sentimental initiation for her and of economic conversion for Staniford. Lydia is the American promise according to Howells, the very antithesis of James's Daisy Miller.

Another symbol in this parable is color. Because of the miserliness of her grandfather who won't pay for a cab, Lydia must walk from the center of Boston to the harbor, which exhausts her. "Grandfather, do I look pale?" she worries. Lydia, whose surname is Blood, mustn't lose her color, the symbol of her sexual and economic value. Captain Jenness also wears quasi-allegorical colors (blue flannel, a red handkerchief, purple tattoos on his hairy arms, and a gold watch), suggesting his prosperity, morality, and virility. Also noteworthy are the ship's immaculate milk-white decks, with "some modest touches of gilding here and there" (1879, p. 19). All these

symbolic strategies confirm the equation between moral character and success: Lydia and Staniford stand out as the Adamic couple in an economic fable which, to paraphrase George Bataille on Franklin's *Autobiography*, expresses "the spirit of capitalism with a quasi-classical purity" (1949, p. 162, my translation). These strategies are also consistent with what Frederic Jameson calls "allegorical" realism—the urge to impose meaning on described reality, at the risk of "inauthenticity" (pp. 33–34).

Howells's best-known economic novel is undeniably *The Rise of Silas Lapham*, a text often acknowledged as the first in-depth representation of the businessman in American letters. Silas is a paint manufacturer turned self-made man. His economic rise takes place within the framework of the preindustrial domestic economy. The paint that made him rich was invented on the ancestral "farm" by his father and himself between 1835 and 1860, thus belonging to antebellum America—"the day of small things" (1885, p. 873)—and is described by the adjective "mineral," never "industrial." Silas's rags-to-riches story precedes the *diegesis* proper, since it is summarized in the initial interview between Silas and Bartley Hubbard. This narrative strategy enables Howells to distance himself self-consciously from the formulaic success tale—"regulation thing?" [...] "Regulation thing?" (1885, p. 862). The ensuing narrative depicts Silas's response to the forces of the market economy, thus dramatizing the dividing line between the spirit of capitalism, described by Weber as a "philosophy of avarice" (p. 51), and industrial capitalism, an "economy of desire" according to Walter Benn Michaels (1987, p. 48). The opening chapter describes how, in Lapham's hometown, most buildings have been covered with Silas's paint, as have the rocks themselves, which according to the manufacturer are not "so very sacred." "I say the landscape was made for man, and not man for the landscape" (1885, p. 872). This disdain for the landscape indicates the protagonist's shift toward industrial capitalism. It coincides with his decision to build on Beacon Street, on a plot of land described by some as "unhealthy," which is confirmed by the simultaneous revelation of Silas's speculative activities. Silas's "sterling morality" has been contaminated by Gilded Age greed—"financialized," to use Shonkwiler's term (p. 29):

"And how came you to have so much more money than you know what to do with, Silas Lapham?" [his wife] added.

"Oh, I've made a very good thing in stocks lately."

"In stocks? When did you take up gambling for a living?" (1885, p. 979)

The decision to build on Beacon Street is inseparable from conspicuous consumption and from the rhetoric reminiscent of the industrial sublime. Silas “let[s] out” his mare along a fashionable road on a busy day in order to impress both his wife and the passers-by:

Nothing in *the immutable iron of Lapham’s face* betrayed his sense of triumph as the mare left everything behind her on the road. [*T*]he muscles of her back and thighs worked more and more swiftly, like some mechanism responding to an alien force, and she shot to the end of the course, grazing a hundred [...] rival sledges in her passage. (1885, p. 892, emphasis added)

In the same way as Silas looks upon the landscape as a means to self-aggrandizement, he is thrilled by the speed of his mare, which his perception reduces to a lifeless mechanism, but the critical distance implicit in the image suggests that the narrator does not subscribe to this amoral vision.

Silas eventually loses money on the stock market, but rises morally by refusing to use dishonest means in order to avoid bankruptcy. By returning to his ancestral farm in Vermont he reverts to the essence of the capitalist spirit. His is an ethical decision, based on “prudence,” “good sense,” and “sincerity” (1885, p. 1190), qualities which are reminiscent of the virtues listed in Franklin’s *Autobiography*. Silas resumes his activity on a humble scale, producing only the “Persis brand,” named after his wife. This brand, whose “fine grades” his competitors cannot imitate, symbolizes the combination of domestic and economic virtue, central to the American Dream. Such a resolution confirms Edwin Cady’s remark that, though the novel criticizes modern business, it is not “a novel against business” (1956, p. 240). Though Lapham has been humbled, he hopes that his company will start “paying dividends again” (1885, p. 1085). Moreover, by stressing the importance of faith—Lapham mixes his paint with “Faith” and his moral struggle is compared to Jacob’s struggle with the Angel—the narrative illustrates the connection between capitalism and religious ideas demonstrated by Max Weber (1905, p. 53). As a result, the novel belongs to a wider process of storytelling which promotes capitalism. It bolsters the American Dream by casting Silas into the mythical pattern of the hero transfigured by his ordeal.²

A similar discourse informs the subplot—which involves the sentimental triangle between Tom Corey and Silas’s two daughters. Suffice it to say

²For an alternative reading, see Shonkwiler 2007, pp. 37–45.

that the subplot is ruled by the “economy of pain,” articulated by the Reverend Sewell—the narrator’s mouthpiece—which conflates the economic and the spiritual. Sewell’s maxim is a utilitarian transposition of business principles to the matters of the heart: it is better to let “one suffer instead of three [...]. That’s sense, and that’s justice. It’s the economy of pain which naturally suggests itself, [...] if we were not perverted by [...] the figments of the shallowest sentimentality” (1885, p. 1085). The fact that Tom loves Penelope (Pen) and not Irene, as everyone thought, does not mean that Pen should sacrifice herself by giving up Tom. The subplot shows that Pen’s sentimental ideals lead to more pain than is necessary, while Irene pragmatically makes the best of a bad situation by turning her mind to business, becoming a prototype of the New Woman.

Finally, the concept of economy also informs the question of genre and style. In the literary discussions of the book, Sewell decries sentimental novels which, because of their “monstrous disproportion,” produce “figments.” Sewell calls for a type of fiction representing life in its “true proportion” (1885, p. 1044). This connection between realism and proportion anticipates W. B. Michaels’s contention that the function of realism is to minimize excess (p. 38). Howells’s aesthetic is thoroughly in keeping with his subject matter. In fact, the whole plot lends itself to a metaliterary reading, making Silas’s honest paint business a trope for the good management of style. By the same token, the narrative voice seeks to imitate a technical discourse presented as the yardstick of objectivity. Just like the expert, who analyzes Silas’s paint precisely and reliably—“every word he said was gospel” (1885, p. 869)—the narrator claims to represent life “as it is.” Thus, the novel can be interpreted as a literary manifesto advocating stylistic economy.

Another sign of the stylistic economy is the dearth of metaphors, which makes Howells’s style so different from that of Henry James, where metaphors are ubiquitous. Metaphors are rare because they are regarded as a stylistic extravagance, and as such are incompatible with the aesthetic of the commonplace.³ Virtually the only character using metaphors is Bromfield Corey, the idle aesthete. His sophisticated speech shows how out of place he is in a utilitarian society. In Chapter XX Corey describes his aversion for Lapham’s vulgarity:

³For a detailed analysis of the “commonplace,” see Brandt 2018, pp. 35–38.

“[Lapham’s] conversation was terrible. [When he] got me in the library, *he poured mineral paint all over me*, till I could have been safely warranted *not to crack or scale in any climate*. I suppose we shall have to see a good deal of them. They will probably come here every Sunday night to tea. *It’s a perspective without a vanishing-point.*” (1885, p. 1111, emphasis added)

As an amateur painter, Corey is familiar with the concept of vanishing-point. In the same way as he opposes the paint trade and the art of painting, he contrasts Silas’s lack of style and his own refined style, indicated by the flowery language. Thus, the narrator correlates Corey’s professional deficiency with his use of metaphor. By contrast, the narrator rids his own language of tropes, aiming for what Ricœur might have called the degree zero of rhetoric. Metaphors are rare and technical descriptions frequent, a strategy designed to confer “authority” upon realist writing (Tanguy 2010, pp. 219–222).

Undeniably, *The Lady of the Aroostook* and *The Rise of Silas Lapham* are momentous texts in the Howells canon. They show how the author’s imagination drew on the theme of business, but gradually became constrained by it. Defining reality primarily in economic terms within an optimistic framework was bound to raise problems in terms of realism. Frederic Jameson’s remark is enlightening here:

Certainly the attacks on realism [...] are based on the idea that the literature of realism has the ideological function of adapting its readers to bourgeois society as it currently exists, with its premium on comfort and inwardness, on individualism, on the acceptance of money as an ultimate reality [...]. I myself argue [...] that the realistic novelist has a vested interest, an ontological stake, in the solidity of reality in that sense [...]. (p. 5)

One is struck by the extent to which both novels gloss over a difficult social context, overshadowed by economic tensions, such as the railroad strike of 1877. Compared to the growing body of literature which criticized business, both fiction and non-fiction (*Life in the Iron Mills*, *The Silent Partner*, *The Gilded Age*, *Poverty and Progress*, to cite but a few), the two novels seem highly idealized. The *Aroostook* and its passengers seem to exist in a social vacuum, and the hills of Vermont to which Silas returns seem decidedly *un-real*. In other words, the “equation” (Zimmerman 2011, pp. 419–420) between capitalism and moral character which Howells was trying to posit was becoming increasingly untenable.

The self-divisions at the core of Howells's realism between 1879 and 1885 can be attributed to what Cornelius Castoriadis calls heteronomy. Howells's realist discourse in the early 1880s was located within a wider capitalist discourse whose norms it did not question. In *The Imaginary Institution of Society* (published in France in 1975 under the title *L'Institution imaginaire de la société*), Castoriadis criticizes Marx's theory of history, which reduces history to economic forces: materialist determinism postulates that man's motivations are essentially utilitarian, and productive work is regarded as the touchstone of reality. According to Castoriadis, to claim that reality can be explained away by economics is misleading, just as it is misleading to rely on any external dogmas, such as religious ones. It produces heteronomy, a form of alienation in which the subject is defined by "the discourse of the Other." The individual is not autonomous but is dominated by "a principle of de-reality," by an ideological construction invested with imaginary authority.⁴ What is particularly enlightening here is the idea that relying on a discourse which magnifies the power of the economic produces an alienated fiction. The two novels I have focused on illustrate this phenomenon: they are vehicles for an external ideology, a capitalist *doxa*, a "discourse of the Other." Their logic is more ideological than mimetic: it is governed by "an

⁴"Nothing allows us to assert that the framework of gestures comprising productive labor in the narrow sense is 'truer' or 'more real' than the ensemble of meanings in which these gestures have been interwoven by those who perform them. [...] [*E*]conomic determinism [...] is just as unacceptable in that it is pure and simple *determinism*, that is to say inasmuch as it claims that one can reduce history to the effects of a system of forces [...]" (Castoriadis 1975, p. 28).

"If, to autonomy, that is to self-legislation or self-regulation, one opposes heteronomy, that is legislation or regulation by another, then autonomy is my law opposed to the regulation by [...] another law, the law of another, other than myself. [...] The essential characteristic of the discourse of the Other, from the point of view that interests us here, is its relation to the *imaginary*. It has to do with the fact that, ruled by this discourse, the subject takes himself or herself to be something he or she is not (or is not necessarily) and that for him or her, others and the entire world undergo a corresponding misrepresentation. [...] The subject is ruled by an imaginary, lived as even more real than the real, yet not known as such, precisely *because* it is not known as such. What is essential to heteronomy—or to alienation in the general sense of the term—on the level of the individual, is the domination of an autonomized imaginary which has assumed the function of defining for the subject both reality and desire. The 'repression of drives' as such, the conflict between the 'pleasure principle' and the 'reality principle' do not constitute individual alienation, which is finally the almost unlimited reign of a principle of *de-reality*" (Castoriadis 1975, pp. 102–103).

autonomized imaginary which has assumed the function of defining for the subject both reality and desire” (p. 103).

A Modern Instance is a crucial text insofar as it brings these self-divisions to the surface. In the mid-1880s, Howells was facing an aporia. He was writing after the Civil War, but relied on a pre-Civil War paradigm—“the day of small things”—from which neither he nor his protagonists could extricate himself or themselves. Silas’s decision to sacrifice his fortune may be a moral victory, but it was highly unrepresentative of the Gilded Age. This contradiction explains the psychic agony which beset the author in the 1880s, during which he suffered two major breakdowns. His optimism had led to what he himself described as a sense of “unreality” against which he was trying to “revolt” (in Moddelmog 2000, p. 31). In an oft-quoted letter to James written in 1888, he declared that “[...] after fifty years of optimistic content with ‘civilization’ and its ability to come out right in the end, I now abhor it and feel that it is coming out all wrong in the end [...]” (Howells 1928, p. 417). This self-division corresponds to Castoriadis’s analysis of heteronomy.

Howells voiced his doubts about the Gospel of Wealth as early as 1882, in *A Modern Instance*, a novel which shows how an unscrupulous journalist is destroyed by a commercial society: his marriage breaks down, he becomes an alcoholic, and dies. If the goal of realism is to minimize excess, the novel departs from that agenda, portraying the shift toward a culture of desire. In order to do so, Howells uses techniques that foreshadow naturalist texts such as Stephen Crane’s *Maggie*. In Chapter XXVIII, the inebriety of the protagonist affects both his behavior and the narrator’s technique, that is, speech representation (Bartley Hubbard’s slurred diction questions the representability of speech), point of view, and style, producing an aesthetic of fragmentation (see Tanguy 2005). Drunkenness is the trope for economic excess, seen as a new cultural paradigm. What should be borne in mind is that the novel was written three years before *The Rise of Silas Lapham*. Bartley Hubbard reappears at the beginning of the 1885 novel, but is only given a minor part, which de-emphasizes the plot of degeneration. Thus, *The Rise of Silas Lapham* can be seen as a last-ditch attempt to articulate a beleaguered vision of virtuous capitalism. It is as though the paint symbolism betrayed Howells’s unconscious motivation, which instead of representing it sought to idealize it and cover it with “allegorical” meaning. Seen from the vantage point of *A Modern Instance*, therefore, the realism of *The Aroostook* and *Silas Lapham* appears to be heteronomous—rooted in unreality.

Howells's internal conflicts and growing sense of unreality triggered a nervous breakdown. Fortunately, between 1885 and 1888, a combination of factors—his discovery of Tolstoy, his defense of the Chicago Anarchists, and his relocation to New York—enabled him to overcome his anxiety. This rupture with his previous existence widened his horizons and led to an aesthetic renewal which culminated in *A Hazard of New Fortunes*. The novel bears witness both to Howells's resilience as an individual and to his ability to reinvent himself as a writer, a liberating process which in several respects is consistent with Castoriadis's analysis of autonomy. Castoriadis defines autonomy—"self-legislation or self-regulation" (p. 102)—as the result of a two-fold process, one of rupture with heteronomy and one of construction. The former consists in questioning pre-established norms, the latter in defining new, self-created norms. "Philosophy must be able, [Castoriadis] argued, to break through institutional and collective closure of society and individuals in order to make possible a deliberative attitude concerning the very goals, ends, and capacities of society and individuals themselves. [...] The creativity of the human means that humans cannot not posit norms" (<http://www.iep.utm.edu/castoria/>).

A Hazard of New Fortunes successfully breaks with the equation between success and virtue, ushering in critical realism, which exposes "the economic chance-world in which we live" (1890, p. 436). However, it does not abandon the theme of business altogether, which is consistent with Castoriadis, for whom autonomy does not consist in erasing the discourse of the Other, but in attempting to establish a new rapport with it (Castoriadis 1975, p. 104). The attempt to define "humaner economics" lies in the author's concept of "complicity" (1890, p. 4, 306), which means social involvement. Complicity refers to Howells's synthesis of socialist ideas, which he largely depoliticizes, producing an "innocuous altruism" (Crowley 1999, p. 13). Complicity is not a pre-established given—an external authority—but a self-created concept, developed by the protagonist, Basil March, as a result of his discovery of social reality. Basil March embodies the quest for autonomy. He stands half-way between Dryfoos, the Midwestern millionaire, and Lindau, the German socialist. He refuses to bow to Dryfoos's "pecuniary interests" (1890, p. 356) and chooses to stand up for Lindau, whose radical ideas he nevertheless objects to. He occupies the complex position of the man of letters, who is "in a transition state" (Cheyfitz 1982, p. 45), neither a man of business nor a working-man. Basil March struggles to define a new relationship with business. He is caught between the need for financial security—a "basis"—and

his growing social awareness—"complicity." *Every Other Week*, the magazine he is editor of, is the institution, in the sense defined by Castoriadis, which enables him and his partner, Fulkerson, to assert their independence from Dryfoos.

Because Basil March functions as the connecting link between capital and labor, he also occupies the unstable position of the liberal, who as Lionel Trilling has shown is always in between.⁵ March's struggle to establish a dialog between capital and labor leads to irony, which is directed sometimes at others (at Lindau, or at the cab driver who takes Basil and Isabel across New York) and sometimes at himself. This self-irony, as Barrish argues, results from the conflict between March's bourgeois yearning for financial security and his social conscience (see Barrish 2001, pp. 32–34). The project of autonomy is inseparable from this instability, which is the hallmark of Howells's critical realism in *A Hazard of New Fortunes*. Thus, Howells's new outlook also affects his stylistic economy, as the novel embraces the modernist notions of openness, uncertainty, and plurality. For example, the unreliability of language—the parlance of estate agents—is pointed out during the flat hunt. Another instance is the motif of the collage, which is introduced during the episode of the house hunt, in which Isabel March cuts up ads for places to rent and makes a collage which is described as a sea serpent, as a "monstrous articulate" (1890, p. 62). Howells's style is no longer defined in terms of efficiency, as in *The Rise of Silas Lapham*, but of non-productive expenditure. The endless flat hunt of the opening chapters takes up an inordinate amount of time. The Marches visit "ten thousand" flats, as Isabel hyperbolically puts it, but eventually choose the first one they had visited—clearly a non-utilitarian use of textual space.

As the analysis of these novels has shown, the evolution of Howells's economic fiction can be seen as an effort to negotiate the rise of capitalist values. This evolution culminates in *A Hazard of New Fortunes*, an admonition against the excesses of what Shonkwiler calls the "financialization" of late-nineteenth-century America. Shonkwiler's enlightening term, "financialization," refers to capitalism's impact on the individual and society at large, while the concept of "totality" stresses its ability to "reproduce itself incessantly [...] in the different enclaves of the social totality" (Zayani 1999, quoted in Shonkwiler 2007, p. 12). Indeed, one may argue that the specificity of the phenomenon can be captured in the following

⁵ "Between is the only honest place to be" (Rodden 1999, p. 19).

equation: *financialization* plus *totality* equals *American capitalism*, which can be regarded as “a total social fact,” to paraphrase Marcel Mauss’s definition of the gift in archaic societies (Mauss 1954, p. 30, 102).

By initially allowing his imagination to articulate “the discourse of the Other,” that is, to become almost totally “financialized,” W. D. Howells in the 1870s and 1880s produced a brand of realism which became increasingly heteronomous—divorced from reality.

However, by resisting the hegemony of this discourse in the next decade, he successfully redefined his craft in a more autonomous fashion. Clearly then, one needs to take a broad, diachronic view of Howellsian realism in order to appreciate its complexity. To a great extent, its internal tensions can be accounted for by the “antinomies of realism” theorized by Frederic Jameson. The shift from heteronomy to autonomy may be construed as a transition from what Jameson calls “allegorical” realism, in which the storytelling impulse imposes meaning in a sometimes inauthentic way, to an emphasis on the contingency of experience in an eternal present leading to a “dissolution of genre” and to “a more modernist impulse” (Jameson 2013, pp. 33–42; 150–161; 4–5): *A Hazard of New Fortunes* is characterized by a distancing of the formulaic plot (the success story), of its ideologemes (the self-made man), and by a fragmentation of point of view. Howells’s effort to redefine his themes and techniques and to adjust them to the changing face of capitalism is one of his most notable achievements.

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The Theory of Monopoly and the Crafting of the Modern Epic: Frank Norris's *The Octopus* as Populist Drama?

Evelyne Payen-Variéras

“Frank” Norris intended *The Octopus* to be the first volume in a trilogy that would be devoted to the production, the distribution, and the consumption of wheat. The “octopus” in the 1901 novel is the Pacific and Southwestern Railroad, a large railroad company, which wreaks havoc in Bonneville, a fictitious farming and ranching community set in the San Joaquin Valley in California. The wheat-grower Magnus Derrick and his friends suffer both from high transportation rates and from the low prices commanded by agricultural commodities on urban markets. They get organized into a League that seeks to capture the California Railroad Commission, but they repeatedly fail in their attempts to secure lower transportation rates for their wheat. As a recipient of huge land grants as government subsidy to railroad construction, the Pacific and Southwestern Railroad owns the ranchers’ land and is ultimately able to evict them. The story is told in part from the point of view of a young writer, Presley, who

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has committed himself to “giving true, absolutely true poetical expression to the life of the ranch.” Although Presley is initially annoyed by the “eternal, fierce bickerings between the farmers of the San Joaquin with the Pacific and Southwestern Railroad,” he gets to understand the grievances of the farmers, their resentment of high short-haul rates, and their outrage at the unearned benefits, which the railroad corporation expects to reap from its ownership of the land.¹

The pervasiveness of economic themes in the novel invites a reflection on the relation between social science and literary craftsmanship. Scholars have turned to the various forms of social Darwinism in vogue in Norris’s time to explore the intellectual context and the general philosophy of the novel, but they have not paid much attention to the way novelists have appropriated economic theory. The proponents of “new historicism” have highlighted the highly ambiguous character of ideological statements in naturalist novels (Pizer 1966, 2002; Michaels 1987). Indeed, it is difficult to pin down the ideological message of *The Octopus*. In this chapter I propose to consider the theory of monopoly as a problematic intellectual framework rather than as an ideology or a coherent argument about the US economy. Discrepancies and contradictions in the intellectual landscape of the novel stemmed in part from the tensions inherent in Norris’s literary project, that is, his plan to reconcile the realist novel with the epic genre, but they also reflected the growing confusion of the intellectual and political debates on monopoly in the Progressive Era. For Norris, economic concepts were prime literary material insofar as they made sense of the basic conditions of the American people’s lives, which held up promising prospects for the kind of high-grade popular novel that he sought to write. In the end, however, *The Octopus* paid an ambiguous homage to agrarian political economy: the theory of monopoly essentially performed dramatic and aesthetic functions, thus appearing rather ineffective as a didactic tool.

THE INTELLECTUAL CHALLENGES OF THE MODERN EPIC

Norris’s interest in political economy was shaped by his plan to write what he called the “Great American novel.” In a letter written around January 1897 to the literary editor of the San Francisco *Examiner* Frank Bailey

¹ Frank Norris. *Novels and Essays*, New York: Literary Classics of the United States, 1987, p. 586. All quotations from the text of *The Octopus* as well as from Norris’s essays are taken from this edition.

Millard, Norris commended *A Modern Instance*, a novel published in 1882 by William Dean Howells, for being closest to this ideal, although somewhat lacking in dramatic action. The cultural and social tensions of late-nineteenth-century American society figured prominently in the story of *A Modern Instance*, as they undermined and ended up ruining a loving marriage. Norris thought the novel “[was] great because it [was] true, relentlessly and remorselessly true to American life” (Norris, *Collected Letters*, 1986, pp. 39–40). *McTeague*, the first of Norris’s major novels, first published in 1899, tackled social degradation, wife abuse and murder. Describing the incipient project of *The Octopus* to his friend Harry Manville Wright in April 1899, Norris explained that he set out to “say the last word in the R.R. question in California.” He “[meant] to study the whole question as faithfully as [he could] and then write a hair lifting story” (pp. 74–75). Norris’s ambition was to reconcile the description of social reality with the epic genre, which held the prospect of colorful and effective drama.

While scholars like Daniel H. Borus have highlighted the naturalist writers’ ambivalent sympathy for the people, they have neglected the analysis of the intellectual challenges of their “literary populism.” The novel alludes to these challenges through the figure of Presley, who intends his “Song of the West” to offer a synthesis of social life, to capture the idiosyncrasies of a specific time and place and thus to rise above realism. He strives for “the diapason, the great song that should embrace in itself a whole epoch, a complete era, the voice of an entire people, wherein all people should be included” (1989, p. 584). His musings about the beautiful landscape of the San Joaquin Valley bolster his resolve to craft a poetic account of social life and rise above a mere observation of reality, which would only yield what he calls “a mass of irrelevant details” (p. 613).

Both the novel itself and the critical essays written by the novelist before or in the aftermath of the publication of *The Octopus* shed light on the difficulties inherent in Norris’s project. First, the novelist had to sort out the typical features of social life from the merely anecdotal ones. In 1897, Norris devoted a whole essay to this question, entitled “Fiction is Selection,” which was published in the literary magazine *The Wave*. The essay compared literary craftsmanship with the work of the mosaicist: both had to select and combine his material with a design in mind. A critical essay published in the *Boston Evening Transcript* on January 8, 1902, included a more extensive discussion of the intellectual challenges of literary craftsmanship: “... in the fictitious representation of an epoch of a

people, the writer must search for the idiosyncrasy, the characteristic, that thing, that feature, element or person that distinguishes the times or place treated of from all other times and all other places.”² Even if novel-writing was very different from theorizing, abstract concepts could help the novelist in the difficult task of selecting what was relevant and typical in the material drawn from both imagination and observation.

Norris’s plan to renew the epic genre also led him to reflect on what literature could contribute to social progress and how the aesthetic and the didactic purposes of literature could be reconciled. As Presley’s literary project matures in the course of the novel, the poet increasingly feels that his work should be useful to the people. This aspiration leads him to embrace the cause of the farmers and to write a poem celebrating labor, significantly entitled “The Toilers.” The poem turns him into a successful author, although it is not a great work of art. Norris’s critical essays confirm his conviction that the novel should convey a universal message or at least make a general point. This is what he called the “larger view,” or the pursuit of “truth in fiction.” In several essays written in the wake of *The Octopus*, Norris depicted literary craftsmanship as a quest for truth and highlighted the existence of a common ground between science and literature. Novelists should not let their sympathy for the people lead them to write mere propaganda, but they should not make light of the didactic purposes of literature either. In “The Novel with a Purpose,” an essay published in the magazine *World’s Work* in May 1902, Norris argued that the ambitious novelist should strive to reconcile the specific tools and devices of his trade with higher forms of didacticism. He concluded that “the muse is a teacher rather than a trickster. Her rightful place is with the leaders, but in the last analysis that place is to be attained and maintained not by cap-and-bells but because of a serious and sincere interest, such as inspires the great teachers, the great divines, the great philosophers, a well-defined, well-seen, courageously sought-for purpose” (p. 1200).

THE OCTOPUS AND AGRARIAN THEORIES OF MONOPOLY

Even if Norris’s ideals appear as rather vague and contradictory, reading *The Octopus* in light of this agenda helps explain how economic theory could bolster both the epic and the didactic dimensions of the novel.

²“Fiction Is Selection,” cited in *Novels and Essays*, p. 1116. “The Literature of the West,” cited in *Novels and Essays*, p. 1176.

Science could assist the novelist in his search for the most important facts and for the most relevant interpretations of these facts. After an extended stay with the farmers of Bonneville, Presley overcomes his repugnance toward the material aspects of the people's lives and turns to political economy to learn about the roots of social problems: "he flung aside his books of poems—Milton, Tennyson, Browning, even Homer—and addressed himself to Mill, Malthus, Young, Pushkin, Henry George, Schopenhauer. He attacked the subject of Social Inequality with unbounded enthusiasm" (p. 821). Here Norris significantly included the self-taught American political economist Henry George in a company of prestigious European philosophers and writers. According to his biographers, Norris had read George's *Progress and Poverty*, an immensely popular treatise of political economy published in 1879 (McElrath Jr. and Crisler 2006, p. 342). The main argument of the book was that monopolies confiscated land and other natural resources, thus depriving both farmers and industrial workers of the fruit of their labor and increasing the gap between rich and poor. Norris was also familiar with the theories of agrarian reformers through the speeches and manifestoes of the Populists, who created America's most influential third party of the late-nineteenth century. The preamble of the 1892 platform of the People's Party, written by the journalist—and occasional novelist—Ignatius Donnelly, echoed the title of Henry George's book, depicting the United States as "a nation brought to the verge of moral, political, and material ruin" and increasingly divided into two classes of "tramps and millionaires" (Hicks 1931, pp. 227–228).

Parts of Norris's 1901 novel seem to embrace the views of Henry George on monopoly—especially monopoly in land—as the main cause of pauperism: "Just as removal to cheaper land becomes difficult or impossible, laborers, no matter what they produce, will be reduced to a bare living, and the free competition among them, where land is monopolized, will force them to a condition which, though they may be mocked with the titles and insignia of freedom, will be virtually that of slavery" (George 1879, p. 348). According to George, access to cheap land helped sustain industrial wages and maintain harmony in social relations. Conversely, land rents cut into the profits that people could derive from the sale of their labor and compelled manufacturers and craftsmen to pay low wages to workers. Monopoly in land thus cancelled the benefits that could have been derived from improvements in the form of more efficient production methods. George meant to refute both Malthus's theories and the more

recent doctrines that turned the survival of the fittest into the leading principle of progress. On the contrary, he claimed that “association in equality [was] the law of human progress” (p. 508). George and the few academic political economists who tackled the problem of social inequality used the notion of monopoly to account for the discrepancy between society as it was and society as it ought to be, a level-playing field for all economic actors. Institutional economist Richard Ely, who published *Monopolies and Trusts* in 1900, argued that the combinations formed to control prices fostered “a privileged class of monopolists in the community who, in the general struggle for existence and economic well-being, perpetually have at least a slight advantage on their side” (Ely 1900, p. 225).

In *The Octopus*, the theories of agrarian reformers are mostly represented through the remarkable character of Annixter, who embodies the right balance between city and country life, between East and West, and between manual and intellectual labor. Annixter is depicted as an accomplished American, a modern version of the gentleman farmer, well versed in “finance, political economy and scientific agriculture.” A “ferocious worker,” he holds both an engineering degree and a law degree, and even reads the novels of Charles Dickens in his spare time. Like other farmers in Bonneville, Annixter is a squatter on land owned by the Pacific and Southwestern Railroad. The directors of the railroad company depart from their previous policy of tolerating squatter occupation of their land, and when the land department of the company is rumored to put up the land for sale, Annixter exclaims: “And my improvements! I made the land valuable by improving it, irrigating it, draining it and cultivating it” (p. 707). This passage reads like a short lesson in the labor theory of value put forward by agrarian reformers and embraced by the social movements of the Gilded Age, including the People’s Party whose Omaha platform stated that “wealth belongs to him who creates it, and every dollar taken from industry without an equivalent is robbery,” and further proclaimed: “If any will not work, neither shall he eat” (Hicks, p. 442).

In contrast with Annixter, who puts up a heroic fight against the railroad company, the railroad engineer Dyke and the German tenant Hooven and his family embody the dark side of Henry George’s theory of monopoly, the specter of social discord and moral degradation. The railroad combines control of land and transportation with the control of credit, which makes it impossible for both farmers and workers to escape its grip. At the beginning of the novel, we learn that a downturn in the railroad company’s business has just prompted a series of wage cuts, which, as a loyal and

proud employee, the railroad engineer Dyke refuses to accept. He is laid off and tries to become a hop farmer, even if it means asking the banker and railroad agent S. Behrman for a mortgage to buy his farm. Dyke rejoices at the prospect of his impending independence: “he was no longer a subordinate, an employee. He was his own man, a proprietor, an owner of land, furthering a successful enterprise” (p. 850). However, his profits vanish as a result of a sudden rise in the railroad rates for transporting hops. Unable to pay his debts, he has to relinquish his farm to the holder of the mortgage and is utterly ruined. Dyke lapses into alcoholism, holds up a train and is finally arrested for robbery and murder. At the end of *The Octopus*, the description of the banquet offered by a San Francisco railroad magnate to his guests, which alternates with the story of Mrs. Hooven, who starves to death in the streets of the same city, reads like a parable illustrating George’s theory of social inequality: monopoly in land breeds industrial depressions, poverty and moral chaos.

POLITICAL ECONOMY AS A “JUMBLE OF CONFLICTING NOTIONS”

However, the novel also blurred the line that Henry George and other agrarian reformers had drawn between monopoly and labor. Magnus Derrick and the rest of the ranchers are depicted as gamblers and speculators, investing their money wherever it may prove most profitable, trying to turn the ups and downs of prices to their advantage without much regard for improving economic processes (p. 599, 814). The question of railroad transportation rates figures more prominently in their concerns than the issue of social equality. The manufacturer Cedarquist, an intriguing character who maintains good relations with both the railroad magnates and the Derricks, argues that old-style, production-centered capitalism is on its way out: the San Francisco elites make money from investments in government bonds and real estate while enterprising men like himself are finding new ways of circumventing the influence of the monopolists. Cedarquist, originally an iron-master, is on his way to becoming a rival of the railroad: he is about to sell his plant to invest in the making of steel ships, which will allow him to take part in the wheat trade with Asia (pp. 815–819). Magnus Derrick himself is enthralled by the prospect of farmers “organising into one gigantic trust, themselves, sending their agents to all the entry ports of China” (p. 830). Instead of trying

to destroy monopolies, both manufacturers and farmers contemplate the forming of their own trusts as the solution to their problems.

In *The Octopus*, Norris actually highlighted the ambiguities of anti-monopoly rhetoric in a period—the 1880s and 1890s—when many manufacturers, taking their cue from railroad companies, set up large business entities through holding companies, while farmers and various groups of self-proclaimed anti-monopolists combined political action with immediate steps to raise and stabilize their revenue, especially through marketing associations and cooperatives. As historian Charles Postel (2007) has shown, although the California cooperatives were part of the social movements that revolved around the Populists, they also spearheaded the shift toward modern “agri-business.” Neither the Interstate Commerce Act of 1887, which inaugurated federal regulation of the railroads, nor the Sherman Antitrust Act of 1890 specified what kind of business associations and agreements would be considered as unlawful. Among academic political economists, Richard Ely remained relatively isolated in his efforts to define the notion of monopoly as “*that substantial unity of action on the part of one or more persons engaged in some kind of business which gives exclusive control, more particularly, although not solely, with respect to prices*” (Ely, p. 14).³

Unlike Ely, most political economists either took up the defense of large-scale business organizations or tackled the technical issues raised by railroad rates. The “railroad intellectuals”—Richard White coined this term in 2011 to highlight the ties between academic economists and business executives—argued that railroads were natural monopolies that could be most efficiently and cheaply operated through large corporations (White 2011, pp. 326–365). The creation of state and federal agencies in charge of regulating the railroad industry spawned a wide array of works on the respective roles of cost and value as the main basis for rate regulation by government agencies. Within the newer generation of economists, Edwin R. A. Seligman demonstrated that the setting up of intangible indicators of cost and distance as the basis of fair railroad rates was an impossible task: “The attempt to base rates solely in cost is pure chimera” (Seligman 1887, p. 229). In his view, regulatory commissions should supervise and streamline the actual practices of the railroad industry, which took the value of service to the shipper, rather than the cost of transportation to the carrier, as the basis for railroad rates. A perusal of leading

³The italics are in the original text.

economic journals, such as the *Quarterly Journal of Economics* and the *Annals of the American Academy of Political and Social Science*, shows that there was no consensus on this subject, nor more generally on whether the notion of marginal utility as the basis of value meant that costs—the costs of labor in particular—were irrelevant to the setting of prices (Hadley 1903, Macvane 1893; Patten 1893).

There is no reason to assume that Norris was acquainted with the most technical aspects of this academic literature, but as a journalist he was familiar with the extensive coverage in newspapers and magazines of the activities and decisions of both the railroad commissions and the courts. Norris also had an opportunity to delve into the intricacies of the railroad question when he conducted his field research for *The Octopus* in San Francisco in April 1899, reading newspaper clippings and interviewing leading businessmen and politicians. Indeed, the novel proposed a very precise account of the disputes over railroad rates. Instead of a comprehensive theory, it depicted irreconcilable points of view: the railroad agent S. Behrman repeatedly asserts that the policy of the railroad is to charge “what the traffic will bear,” which justifies discrimination between short hauls and long hauls, as well as sudden changes in rate schedules. The railroad executives embrace the marginal utility principle, insofar as railroad rates do not rely on any calculation of cost but on an estimate of how much the clients are willing to pay before giving up their plan to ship goods by rail. For the farmers, this definition of value amounts to justifying the methods of highwaymen robbing the producers of the fruits of their labor (p. 633, 639). After Dyke discovers that the Pacific and Southwestern Railroad has taken advantage of the rise in the price of hops, due to poor crops in Germany and in the East, to increase the local rate on hops between Bonneville and San Francisco from 2 cents to 5 cents a pound, he keeps shouting “What’s your basis of applying freight rates ...,” “what’s your rule?” while Behrman repeats “All-the-traffic-will-bear” (p. 854).

The main characters’ perception of demand-based theories of railroad rates is that they justify arbitrary decisions. Interestingly, this is also the view of Lyman Derrick, the opportunistic lawyer who thinks that the rules governing the setting of rates have become too complex for judges and government regulators, thus making the definition of fair rates impossible:

The man who, even after twenty years’ training in the operation of railroads, can draw an equitable, smoothly working schedule of freight rates between

shipping point and common point, is capable of governing the United States. What with main lines, and leased lines, and points of transfer, and the laws governing common carriers, and the rulings of the Inter-State Commerce Commission, the whole matter has become so confused that Vanderbilt himself could not straighten it out. (p. 212)

As depicted by Lyman Derrick, government and courts are faced with a set of contradictory rules. The lack of consensus on the definition of value turns State regulation of the railroads into a bureaucratic nightmare and an entirely futile undertaking.

In the end, economic theories are caught in a general free-for-all and unable to produce meaningful knowledge and relevant guidelines to both social actors and novelists, thus turning the pursuit of “truth in fiction” into an impossible task. In *The Octopus*, Presley’s infatuation with political economy is short-lived: “He devoured, rather than read, and emerged from the affair, his mind a confused jumble of conflicting notions, sick with over-effort, raging against injustice and oppression, and with not one sane suggestion as to remedy or redress” (p. 821). From this moment onward, Presley explores various alternatives to theorizing. He first embraces a new role as champion of the people: his anger becomes a source of inspiration, and he is even tempted to join the ranks of the anarchists. After the terrible shootout between the farmers and the railroad henchmen, Presley delivers a great populist speech (pp. 1016–1017), but he feels that his impassionate attack on the trusts has missed the mark. The audience perceives the speech merely as good oratory: “Instinctively as he made his way out, Presley knew that, after all, he had not once held the hearts of his audience” (p. 1018). These remarks highlight the gap between intellectuals and the masses, but they also tend to discredit, as irrelevant, the whole critique of the trusts. Antitrust literature becomes a staple of political rhetoric that does not truly address the people’s concerns. The writer’s didactic ambition turns into an elusive quest for usefulness. As Presley hesitates between giving a more impartial account of the war of the classes and following his friend Vanamee in an attitude of quasi-religious or aesthetic detachment from economic and social disputes, the ideological “message” of *The Octopus* becomes very unclear.

THE OCTOPUS AS AMBIGUOUS EPIC

Although the novel's title suggests an organized whole, the political and intellectual landscape of the late-nineteenth century made it impossible for Norris to propose a coherent thesis about the problem of monopoly. Instead, he exploited the ambiguities of hyperbole and the dramatic power of stylistic contrasts. The trust appeared through metaphors which did not tell very much about the underpinnings and the nature of monopoly power. The first presentation of the president of the Pacific and Southwestern Railroad, Shelgrim, mostly enumerates the larger-than-life qualities of the financier: Shelgrim is

a giant figure in the end-of the century finance, a product of circumstance, an inevitable result of conditions, characteristic, typical, symbolic of ungovernable forces. In the New Movement, the New Finance, the reorganisation of capital, the amalgamation of powers, the consolidation of enormous enterprises—no one individual was more constantly in the eyes of the world; no one was more hated, more dreaded, no one more compelling of unwilling tribute to his commanding genius, to the colossal intellect operating the width of an entire continent than the president and owner of the Pacific and Southwestern. (p. 659)

The passage includes only a fleeting allusion to the role of financiers in the organization of mergers and industrial combinations. At the end of the novel, however, Presley's rage against the trust gives way to curiosity for the point of view of the railroad executives. When Presley finally meets Shelgrim, the financier invites the writer to "blame conditions, not men" (p. 1037). He almost convinces Presley to reconcile himself to a form of economic determinism in which the forces of demand take primacy over the forces of supply: "Where there is a demand sooner or later there will be a supply. [...] You are dealing with forces, young man, when you speak of Wheat and the Railroads, not with men" (pp. 1036–1037). It remains unclear whether the people are crushed by an identifiable class of greedy capitalists or by impersonal economic forces.

The portrait of the corporation itself was shaped by similar stylistic and logical discrepancies between the hyperbolic passages about the "colossal" or "cyclopean" power of the "iron-monster" and those written in a more realistic or journalistic vein. The depiction of the frail Annie Derrick's fears for her husband and son is a pretext for stylistic experiments with anti-monopoly rhetoric:

[She] trembled at the thought of her husband and son engaging in so desperate a grapple with the railroad—that great monster, iron-hearted, relentless, infinitely powerful [...]; failure meant ruin in all directions, financial ruin, moral ruin, ruin of prestige, ruin of character.

However, it is not clear whether the corporation is a device created and used by monopolists or the child of the locomotive, a powerful, new technology vested with a life of its own:

At such moments she saw very plainly the galloping terror of steam and steel, with its single eye, cyclopean, red, shooting from horizon to horizon [...] the leviathan with tentacles of steel. (p. 7, 19)

Such aesthetic experiments dramatized the power of the trusts without defining them. Likewise, Presley's sense that "all over the country a family of cyclops was growing" (p. 891) appeared as a creation of his confused mind.

The more journalistic parts of the narrative did not yield a coherent image of the problem of monopoly either. As reported in the novel, the decisions issued by the American courts and by the California Railroad commission vindicated Ely's warnings against public control of private corporations, which according to him could only result in "a struggle of interests, with consequent political corruption and class arrayed against class" (Ely, p. 258). But Norris also highlighted the limits of his knowledge of the inner workings of the railroad's business organization and political machine. S. Behrman, the banker and local agent of the railroad, stands somewhere between the employee and the associate, and his ties with Shelgrim remain rather mysterious: "the position he occupied on the salary list of the Pacific and Southwestern could not readily be defined, for he was neither freight agent, passenger agent, attorney, real-estate broker, nor political servant, though his influence in all these offices was undoubted and enormous" (p. 630). Norris even had Annixter state in a passing remark that the corporation "did not act as a unit either. There was always a party in it that opposed spending too much money" (p. 665). Through such comments, the novelist cast a skeptical glance at Ely's definition of monopoly as "*that substantial unity of action on the part of one or more persons engaged in some kind of business which gives exclusive control, more*

particularly, although not solely, with respect to prices" (Ely, p. 14).⁴ Norris alluded to the plurality of business actors and management principles within US capitalism, evincing curiosity for the sociology of the corporation. The new generation of institutional economists coming of age in the Progressive Era were indeed increasingly interested in this line of inquiry. Thorstein Veblen's *Theory of Business Enterprise* was first published in 1904. A pioneering work of US economic sociology, it did not so much discuss the concentration of economic resources as analyze the tensions between the logic of industrial efficiency and the pursuit of commercial profit within US capitalism.

Instead of illustrating the concept of monopoly, *The Octopus* thus explored the multifaceted effects of the defeat and transformation of agrarian ideals and theories in the late-nineteenth-century United States. The representations of monopoly in the novel resulted from a genuine investigation of the trust problem, which Norris had described in his 1901 essay "On the Need of a Literary Conscience" as the "conscientious study of [a] subject and the fair presentation of results" (p. 1158). The novelist did not find a coherent account of the railroad question either in the work of economists or in the newspapers. Instead of illustrating the theory of monopoly, he treated it as sentiment, rhetoric and style. As the final ode to wheat in the last pages of the novel suggests, the author of *The Octopus* perhaps concluded that after all, novelists had more affinities with preachers and poets than with social scientists. However, Norris did not entirely give up on the didactic purpose of the novel and managed to spur the reader's curiosity about how the early-twentieth century US economy really worked. Indeed, *The Octopus* remains a fascinating effort to map the common grounds between literary naturalism and social science.

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Naturalism and Economic Calculability

Jason Douglas

It has, by now, become rather banal to claim that the fires that ravage Chicago and destroy Frank Cowperwood's fortune are as much a part of Theodore Dreiser's portrayal of the economy as his descriptions of the stock market trading floor. *The Financier* (1912) seems to link the volatility of finance capitalism to the destructive power of a raging fire as a force of nature. And yet, as Walter Benn Michaels has pointed out in *The Gold Standard and the Logic of Naturalism* (1988), despite Dreiser's "susceptibility to Spencerian 'physicochemical' explanations of human behavior" (Michaels 1989, p. 76), it would be a mistake to say that this characterizes the economy as a Darwinian meritocracy of strength. The destructive potential of the economy as a kind of natural phenomenon does not derive from any underlying order or predictable laws of nature. The reversal of Cowperwood's fortunes suggests, more than anything, that the economy is "not primarily dedicated to the survival of the fittest but as the ultimate measure of life's instability" (Michaels, p. 76), of "nature's ability (and propensity) to be unnatural" (Michaels, p. 77). In an era of growing faith in the comprehensibility of the material world through the physical sciences, Cowperwood's assessment of his financial world as it begins to crumble around him identifies the essential "insecurity and uncertainty of

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life” (Dreiser 1912, p. 360). As the spreading destruction caused by the fire eliminates his options for financial self-preservation, he begins to see the world, like Edward Butler, as “unsolvable,” “incomprehensible,” and “mystic” (p. 360). If we read Dreiser as likening capitalism to nature as an arbitrary and capricious force, it doesn’t tell us anything about navigating the modern economy. It tells us that, in some way, the economy is not something that can be navigated.

Cowperwood’s inability, during the crisis, to exert the kind of financial mastery and control that seemed to allow him to build his fortune in the first place, creates two important but unrecognized forms of tension for *The Financier*. As a work of naturalist fiction, the novel offers two competing answers to the question posed by young Cowperwood: “How is life organized?” (p. 13). The fact that, as a boy, Cowperwood “answered” this question to his own satisfaction by observing the oft-cited but, as I will argue, generally misunderstood, struggle between the squid and the lobster seems to support a reading of the novel that relies on, as Mohamed Zayani puts it in *Reading the Symptom* (1998), “the classical view of naturalism as a biological determinism” (p. 14). Cowperwood’s financial failure and his eventual recovery are not, however, some strange and convoluted way of affirming the inevitability of his place at the top of the economic food chain because of some inherent characteristics or qualities he possesses. The novel’s naturalism is far better explained as simultaneously evoking and undermining belief in this kind of determinism. Closely linked to the tension arising from the possibility of a nondeterministic naturalism are the two competing answers that *The Financier*, as an economic novel, offers to the parallel question, how is the economy organized? Because of the conventional relationship between naturalism and determinism, the tacit assumption has been that the novel accepts some form of determinism, either biological or economic. But I argue that there are overlooked features of Cowperwood’s success, failure, and return to success that represent the conditions under which the economy is a radically nondeterministic system. Crucial to both of these tensions is the possibility that within the novel, Cowperwood’s understanding of both life and the economy are forms of misunderstanding.

Seeing the effect but not necessarily the substance of the tensions I have described, many critics read the economic account in *The Financier* as subject to internal contradictions. But many of these contradictions do not necessarily arise from the tensions within the text itself. They arise, instead, from two different ways in which our critical understanding of *The*

Financier as an economic novel generally falls short. Understanding *The Financier* as an economic novel requires a more specific context within the history of economic thought and within the history of the businessman as a literary character.

Although literary critics have, since the emergence of what Mark Osteen and Martha Woodmansee called the “new economic criticism,” vastly expanded their familiarity with economic theory, there are still little-known but highly influential schools of heterodox economic thought that provide an essential conceptual history for literary representation of the economy. Critics have rightly recognized the way that the reliance of “dominant paradigms of neoclassicism” (Osteen and Woodmansee 2005, p. 3) on mathematical, equilibrium models creates a necessarily deterministic view of the economy. While it is true, however, that both neoclassicism and determinism dominate modern economics, it is not true that neoclassicism and determinism amount to the same thing. The branch of the neoclassical school of economic thought that has come to comprise mainstream economic theory is the branch of neoclassicism that understands the economy deterministically; but since at least the 1871 Marginal Revolution, there has been important resistance to economic determinism from within neoclassical economics. Because, however, resistance has primarily been intradisciplinary and because orthodox neoclassicism pairs so nicely with other popular deterministic theories (e.g. natural selection and survival of the fittest), critics have developed a necessarily limited conception of the available theories of economic determinism, which becomes particularly visible and acute when it comes to naturalism.

There is no doubt that Darwinian notions of biological determinism have played an important role in both scientific and cultural representations of the world. But when it comes to theories of the economy, during the first three decades of the twentieth century, there was an especially important debate among economists over the nature of economic determinism. Arguments over the nature of economic science and, indeed, the economy itself, known as the socialist or economic calculation debates, gave rise to a theory of spontaneous order, most famously described by Adam Ferguson in 1767, and later by F. A. Hayek in the immediate aftermath of the calculation debates, as economic outcomes “which are indeed the result of human action, but not the execution of any human design” (p. 205). Despite the apparent parallels between the idea of order as spontaneous and something like the process of natural selection, the economic calculation debates emphasized the conditions under which an economy is

or is not an ordered yet nondeterministic system. Because equilibrium theories more favorable to determinism have come to dominate much of contemporary economics, theories of economic calculation that describe the possibility of an ordered but uncertain and unpredictable system are little known to anyone outside of economics, and even then are most often familiar only to heterodox economists and historians of economic thought. The idea of an ordered, nondeterministic economy as described by Ludwig von Mises in the 1920s is a far better explanation of the economy as it appears in *The Financier*, not because it does away with tensions within the text, but because it makes the specific characteristics of those tensions more visible.

In addition to an insufficiently detailed account of the history of economic thought, our readings of *The Financier* also suffer from an insufficiently detailed account of the specific characteristics of the businessman as he appears in American fiction. There has been some insightful work in the last decade to more fully periodize and catalog the businessman in his numerous varieties, but even the best efforts have not gone quite far enough. We have generally come to recognize in studies of the Gilded Age that, during most of the last three decades of the nineteenth century, the businessman appeared as a wealthy, aristocratically tinged capitalist, involved, for better or for worse, in the struggle between capital and labor made acute by industrialization. *The Financier* emerged in the immediately subsequent era that critics such as David A. Zimmerman have described as a period when novels of the late nineteenth and early twentieth century began to turn their attention to “capitalist titans” (p. 419). In the face of massive corporate consolidation and the corresponding concern for monopoly power that is marked by the various anti-trust laws of the Progressive Era, the businessman as a “captain of industry” became the dominant mode of representation. Numerous novels from the late 1890s through the 1920s presented businessmen as captains of money, industry, conflict, and even the world. Cowperwood, as a financier who controls wealth and property that can influence the direction of the economy, certainly belongs among businessmen like those described in Will Payne’s *The Money Captain* (1898) or in Upton Sinclair’s *A Captain of Industry* (1906), to name just two, representative novels. *The Financier* is, in fact, the novel that Zimmerman very plausibly dubs “the most famous titan novel” (Zimmerman 2011, p. 421).

There are, however, important ways in which Cowperwood does not quite fit the characteristics of the captain of industry as he appears in most

novels. In “Novels of American Business, Industry, and Consumerism” (2011), Zimmerman catalogs different variations of business novels in general and two different versions of the larger-than-life businessman in particular. According to Zimmerman’s account, “captains of finance and industry” (Zimmerman, p. 419) appear as “organizers, and diviners of formal order beneath the surface flux of commercial life” or “as [...] trustee[s] of American civilization and progress” (p. 419). Zimmerman emphasizes characteristics of the businessman that arise from his role in a deterministic economy, finding order and providing reliable leadership. Despite the fact, however, that these characteristics describe the majority of American novels from the early twentieth century, where businessmen appear as captains of industry, Cowperwood differs from this description in important, albeit subtle ways. Cowperwood seems to occupy a conventional position in business narratives, displaying particular characteristics that have been documented in other novels, but he does not quite fit that position or fill the role that Zimmerman describes.

Identifying the way that Cowperwood is not a conventional captain of industry is essential for both how we read *The Financier* and how we read representations of capitalism more generally. Although critics like Zimmerman and Alison R. Shonkwiler have noted the importance of differentiating between the late nineteenth-century “economic novel” (Shonkwiler 2007, p. 9) or “economic reform novels” (Zimmerman, p. 409) and the later, captain of industry novel that Zimmerman classifies as a “success tale” (p. 419), they mistakenly attribute the important differences between these two kinds of novels as a movement toward “representations of capitalism’s social effects that do not focus primarily on class conflict or class status” (Shonkwiler, p. 9). While it is true that there were a great many novels that were, in some way, deeply committed to demonstrating the effect of class difference, the primary use of the term “economic novel” as synonymous with novels about class difference is a much more recent invention. The term “economic novel” was rarely used even up through the first few decades of the twentieth century. Authors and critics at that time were much more likely to describe novels that focus on class difference as novels of “purpose” or social reform novels, rather than economic novels. The distinction is critical for us because, both for Gilded Age representations of wealthy businessmen and for captain of industry novels during the Progressive Era, the whole point of categorizing them as economic novels is that they are not primarily concerned with class or class difference. Nineteenth-century accounts of class certainly presented

class difference as closely connected to wealth, but not in “economic” terms, as we have come to understand the word. The degree to which novels are able to represent characters according to their economic rather than class position is precisely what makes them economic novels. In that sense, Shonkwiler is right in saying that, even when considered as a “loose category,” the economic novel “quickly runs into confusion” (Shonkwiler, p. 9); but that is precisely why we need to read figures like Cowperwood with more particular attention to variations in how they are characterized as businessmen.

Understanding how Cowperwood does not fit the role of the conventional captain of industry, and what difference that makes, is more difficult than it might seem because it requires undoing fundamental assumptions about how we read the businessmen in American literature. Critics have extensively debated which of Cowperwood’s characteristics make him a capitalist “superman” or at least “the eponymous hero of such a race” (Hughson 1984, p. 52), but they haven’t spent much time asking whether or not he should be read as representative of capitalism at all. I argue that the most important thing to understand about Cowperwood is the possibility that he is not, in any simple way, representative of what we might call the capitalist businessman. He is not representative of the conventional businessman, in one sense, because of how we generally tend to define capitalism and, in another sense, because of how Dreiser describes Cowperwood’s business model.

One of the most difficult things about discussing the representation of capitalism is that the word itself is used so broadly, variously, and often, vaguely, that you can ascribe any benefit, fault, or contradiction to it. I wish I could say, as Deirdre McCloskey does, that “I don’t much care how ‘capitalism’ is defined, so long as it is not defined a priori to mean vice incarnate” (McCloskey 2006, p. 2), but I think the term “capitalism” is so closely aligned with traditional, deterministic notions of business and the businessman that we are better served, at least initially, by finding a different term when describing what it is that Cowperwood does or does not represent. A much more apt term for talking about the economy in relation to naturalism in general, and to *The Financier* in particular, is “free market.” The relationship between individuals as economic actors and the naturally arising competitive constraints they face as central to the idea of a free market is a much more precise parallel to questions of determinism and to how Dreiser characterizes Cowperwood as a businessman.

The point of attempting to disrupt assumptions about what kind of businessman Cowperwood represents is not, however, to make some fine distinction between capitalism and the free market. When it comes to my claim that Cowperwood's financial failure is a way of representing "insecurity and uncertainty" (Dreiser, p. 360), it is not immediately apparent, in itself, what difference it makes to talk about *The Financier* in relation to the free market rather than capitalism. Although questioning our assumptions about the essential nature of a market economy can be important, the point of thinking about Cowperwood in relation to the free market is that conventional business narratives expose our understanding of and assumptions about the economy as a market. Why, for example, do we assume that the economic uncertainty Cowperwood describes is a feature of the market? Why do we assume that his rise and fall is a function of a free-market economy? Certainly, the stock market and the trading floor have become major features of finance capitalism both practically and symbolically, but is the trading of shares or loans an activity that only takes place within, and therefore must represent, the free market? The assumption that the important disagreement is found in "competing critical views on the relation of naturalism to capitalism" (Shonkwiler, p. 11) overlooks the possibility that Dreiser might be representing something that is related to, but is not reducible to, capitalism as we have come to understand it.

I argue that there are certain features of Cowperwood's business model which indicate that Dreiser is describing an economic problem that does not reside within or, at the very least, is not unique to capitalism or the free market. At most, we could say that Dreiser is describing a problem that exists in a mixed economy. If we look at how Cowperwood's business operates, we will see that, even though the free market is the appropriate frame of reference, the point is precisely not to make him an example of a free-market businessman; and therefore, it does not make much sense to read his failure as either an indictment or celebration of the market or, in fact, as any kind of statement about the free market at all. Most of his actions actually run counter to some of the most basic institutional requirements of a market economy, including private property rights, legal accounting standards, and principles of representative management. Understanding narrative representations of business and the economy, especially naturalistic accounts, requires that we are able to distinguish between descriptions of economic activity that arise naturally and those that are shaped by the institutional environment. Reading Cowperwood's business operations as a representation of particular economic practices

within an institutional framework, and not only as a set of symbols, shows that, rather than embracing the constraints of a market economy, he tries to operate outside those constraints. Despite the fact that Cowperwood works on the trading floor, the stock and credit markets are not the basis for his business. His operating capital mostly comes from loans of municipal funds at nominal rates. In other words, his business relies on access to taxpayer money at essentially no-cost. The funds he uses to try and build a stable base of streetcar stocks come from the profits he makes from an ongoing series of loans of city money. The fact that he is dealing in the redistribution of public money should already raise a red flag for thinking of him as a free-market businessman, especially because he is not even really doing any business with the city. Cowperwood is only able to get free loans of taxpayer money because these funds were supposed to be held in reserve. The money he borrows and invests is explicitly not investment funds because that would require that they have a structural or contractual connection to a rate of return on the loan; nor are these payments for goods or services. Cowperwood's arrangement with the city treasurer cannot be defended as necessary government spending since he gets the money precisely because it is money that was not supposed to have been spent yet. The core of his business is securing the loan of free taxpayer money that is not supposed to be loaned to anyone at any price.

Even if we set aside his reliance on taxpayer money, Cowperwood also violates basic principles of accounting, which are part of the framework necessary for legally enforceable, contractual obligations that are an essential part of a market economy. Because these city funds are not for investment, they are supposed to be held without interest and they should never be traded at less than their face value. And yet Cowperwood does just that by making loans at less than par. In order to simultaneously hide the fact that he is trading at less than par and to drive up the prices of the loans he makes, "the law concerning selling only at par" had "to be abrogated" (Dreiser, p. 178). He passes the money through a series of sales and purchases, but defers recording any of these transactions as sales until the price has reached par: "the wash sales and preliminary sales would have to be considered no sales until par was reached" (Dreiser, p. 178). Cowperwood does not *hide* his profits through accounting tricks. He *makes* his profits through falsified accounting tricks. In other words, his business model requires that he falsify his accounting records.

This manipulation of what counts as a sale is more than a matter of standard practices or technical classifications. It is a violation of the basic

assumptions of modern business structure. As part of manipulating the books, Cowperwood chains his transactions so that the proceeds of one sale or loan are immediately used to make new purchases. After, for example, buying stock with city money and then selling it, he will turn around and buy more stock rather than repaying the city. Cowperwood uses income to extend his purchasing power rather than satisfy debts created in generating that income. The problem is not that such growth is risky or unsustainable (although it is); the problem is that it runs counter to the principle of hypothecation, which is the only legitimate basis for his borrowing public funds in the first place. The dominant form of modern business organization, through hierarchies of professional management and corporations, rests on the notion that individuals can be entrusted with and be held legally responsible for managing funds in the interest of those they represent. Even though there was no specific contractual requirement that Cowperwood use that money for public benefit (there could not be because borrowing from these particular funds is a rather murky area of law in the first place), financial markets depend on the notion that someone can be employed to use money on behalf of someone else. The whole point of public money is that it is supposed to be used in the interest of the public. This is exactly what Cowperwood does not do when he invests city money in his own interests.

However you look at it, Frank Cowperwood is no paragon of free-market virtues. The logic of free markets is opposed to the kind of government intervention that funds private investment through forms of redistributive taxation. Free markets depend on a reliable system of private property, private investment, and contract law, which includes rules of accounting and standards for the representative management of collective or third-party assets. It is not just that Cowperwood is involved with public money, accounting fraud, and the misuse of someone else's money; rather, these are essential features of his business model. He does not enhance his profits through a few questionable decisions. His profit model is designed around operating outside the principles on which the market is supposed to operate. Of course, free money and rewriting the rules of what counts as buying, selling, and price makes it easier to profit, but none of these has ever been part of how a free-market is supposed to work. Whatever we learn from the consequences of how Cowperwood conducts his business, it is not about the free market.

It is, of course, possible to claim that this kind of rent-seeking and shady dealing is exactly how economies that call themselves capitalist

actually operate. But that is quite different than criticizing the logic of free-market capitalism. Criticizing Cowperwood for the violation of these principles can just as easily be an argument *for* free-markets as it can be *against* them. The failure of an economy to follow through on its purported capitalist principles does not automatically or necessarily produce a critique of those principles. Pessimism about the state of the business world and certain market practices is not the same as a critique of free markets: there is a lot of professional dependence on public money, there is a lot of rent-seeking, there is plenty of willingness to privatize profit and socialize loss. Far be it from me to deny or defend such practices. But identifying these practices as essential parts of how businesses operate also identifies the ways in which they have stopped operating as free-market enterprises. Pointing out that Cowperwood fails to live by free-market rules does not tell us about the economic outcomes of living by free-market rules. In this sense, Shonkwiler is half-right in claiming that “*The Financier* has less to do with financial ethics than with the expansion of American capitalism” (Shonkwiler, p. 77). Dreiser is far less concerned with the ethical aspects of Cowperwood’s behavior than the economic aspects, but it is not at all clear that we can unproblematically call those economic aspects “capitalism.”

What, then, is Dreiser critiquing if not capitalism or the free market? Rather than looking for ways that Dreiser’s naturalism can be read as a symbol of the market, we need to look at the problems that arise from Cowperwood’s business practices. Cowperwood’s troubles do not arise from the market as such. The operations of the market, the ebb and flow or even the reversal of fortunes is not what troubles Cowperwood (or the novel) so much as the fact that such movements are irrational and unfathomable. The economic problem that Dreiser describes is not the loss of Cowperwood’s money per se, but that he cannot understand *why* it happens or, what is worse, that perhaps there is no reason. Whether or not Cowperwood has his personal fortune is a problem for him, but is of very little importance to the economy. Whether or not it is even possible for someone to understand how fortunes are obtained or lost does make a difference in the economy. From Cowperwood’s perspective, the loss of his fortune poses a question about whether or not the economy is comprehensible. Up until the fires threaten his fortunes, Cowperwood assumes that his success is owing to his superior understanding of the economy as a deterministic system. Financial failure leads him to confront the possibility

that his understanding was an illusion because the economy is not deterministic.

This question about the fundamental comprehensibility of the economy is central for *The Financier* and was one of the central questions in the aforementioned economic calculation debate that arose among economists during this same time period. Less than a decade after Dreiser published *The Financier*, Ludwig von Mises wrote *Economic Calculation in the Socialist Common Wealth* (1920). Although Mises examines the outcomes of certain economic practices using “socialism,” socialism is an example of a particular kind of institutional framework that is supposed to support broader conclusions about the nature and possibility of economic value as something that can be rationally and scientifically determined under conditions of collective or public ownership. The central claim of Mises’s argument is that communal or public ownership of the means of production preempts the possibility of certain kinds of economic data that are necessary for rationally determining economic value. He claims that collective ownership makes it impossible to evaluate economic value, in turn, making the economy incomprehensible. Once the public or state owns a significant share of property or the means of production, you no longer have relative values about the cost of production to determine how much it really takes to make something or, to put it another way, to understand what something is really worth.

In describing the conditions under which an economy becomes irrational and arbitrary, Mises seems to be examining the same kind of problem as Dreiser. If we think about the role that ownership of the means of production plays in determining economic value as described by Mises, it changes the nature of Cowperwood’s problem. In the wake of the Chicago fire, he still has some hope of holding the market and avoiding his total, financial collapse. The fire in and of itself does not necessitate his financial ruin. The real fight is won or lost over who can control the city treasurer, George Stener. Cowperwood and all of the other major political and business figures want to control city funds through Stener. These public funds are, to a certain degree, equivalent to the kind of thing that Mises calls the means of production. When the commodity in question is investment capital in the form of a loan or a share, then what is bought and sold is essentially the price of borrowing the money and nothing else. Shares of stock are usually traded, not because they give access to what a company produces; rather, they are most often traded because of their price. This is even more true of loans. Access to large sums of public money at no cost

becomes, in *The Financier*, a way to control the funds that produce market prices. Cowperwood's whole business is controlling the flow of a certain kind of money into the market in order to control other prices on the market.

By building a business model around controlling public funds that are legally restricted from functioning as a normal part of the market, however, Cowperwood also destroys his own ability to understand how the economy works. He simply tries to set prices the way he wants, without any regard for what things might actually be worth or what they cost in any other sense. There are numerous ways in which this disconnects him from any real sense of economic value: when he starts manipulating his books, he begins to change very basic tools for calculating value; when he marks the sale of stocks or a loan as something other than a sale in order to disguise the fact that he is dealing on the wrong side of par, he is refusing to recognize the price that it actually trades for. It is not just that he ignores prices, rather it is that his profits require the price of a sale to not be the actual price of a sale. This is effective in driving prices up for a while, but—and this is a point Mises makes explicitly—you can only ignore the actual cost of production for “comparatively short periods of time” (Mises 1990, p. 11). At some point, the desire to produce something at a certain price will run up against some kind of limit that is beyond control. This limit could arise from natural resources constraints, changes in demand, the development of new forms of production, or even a natural disaster. In *The Financier*, the market reaction to the fires presents a combination of these factors. In terms of Cowperwood's business, this means he can only afford to trade below par with loans from the city so long as he keeps getting new loans from the city. Absent those loans, however, his business will, and in fact does, collapse. The belief that he can control prices by controlling municipal reserve funds preempts his ability to effectively respond to these limitations.

During the midst of the crisis, when Cowperwood has fully committed himself to controlling market prices by getting hold of more city funds, he further loses the ability to see the importance of very simple and seemingly indispensable things like arithmetic difference. Although Cowperwood's last efforts to influence Stener make a certain kind of sense—after all, why lose everything when spending more could get it all back and more—they also indicate the degree to which he has lost touch with a certain kind of economic information. “You can't be any worse off loaning me three hundred thousand more than you are right now. What difference does it

make—five hundred thousand or eight hundred thousand? It’s all one and the same thing, if you’re going to be tried for it” (Dreiser, p. 394). On the one hand, this is a very reasonable kind of logic because a jail sentence might not increase correspondingly with a higher dollar amount. But on the other hand, it also completely disregards the value attached to any of this. There is, at least potentially, a very big difference between half and over three quarters of a million dollars. Certainly, the loss of an extra 300,000 tax dollars will have important effects somewhere. But for Cowperwood, it does not matter how much money he borrows as long as he can get more whenever he wants. In Misesian terms, Cowperwood has put himself in a position where the “means of determining what was rational” (Mises, p. 18) no longer exist. Given access to more funds, Cowperwood might have been able to hold the market, but with unlimited funds most anyone could find a way to turn a profit eventually. When limitless funds make the amount irrelevant, however, it also makes the value they are supposed to represent irrelevant. Once you have arrived at a point where you do not have to consider funds as limited, “rational conduct” is “divorced from the very ground which is its proper domain” (Mises, p. 18). If the only way to make money is to have access to a free money supply, there does not seem to be much point in making more money in the first place. And if there is no cost of production, how do you determine any subsequent meaning of value? Alison Shonkwiler has correctly described this aspect of *The Financier* as interrogating “the question of what capital can or cannot do” (Shonkwiler, p. 78), but Mises’s theory of economic calculation exposes the possibility that the limitations of capital that Dreiser describes are less the function of “particular historical circumstances” (Shonkwiler, p. 78) and more the function of a particular kind of economic activity.

Cowperwood’s financial failure is, then, the moment when he runs up against the limit of his business practices to sustain his belief in the economy, not as a particular stage of historical development, but as a knowable, deterministic system. But it is his subsequent return to financial success that begins to reveal the importance of *The Financier* as a narrative account of the economy. Dreiser represents the market through both the causal effects of certain kinds of business practices and through the characterization of Cowperwood. Dreiser uses Cowperwood’s specific traits as a businessman to, somewhat counterintuitively, illustrate that his inability to understand the economy is the natural result of his actions and not an idiosyncratic problem arising from Cowperwood’s personal abilities to

navigate the economy. The novel accomplishes this by demonstrating Cowperwood operating under two different sets of economic conditions. Time and time again, Cowperwood is shown to be intelligent and capable enough to assess large, complex market situations. Although he misunderstands a fundamental feature of the economy, he understands the particulars well enough to see and negotiate access to city funds in a way that others hadn't before. But perhaps the best example of his personal abilities and understanding comes after he is released from jail. Even with severely diminished resources and a tarnished reputation, Cowperwood is able to understand the market and at the right moment wins back the fortune that he maintains through the end of the novel. Crucially, however, the difference is that his ultimate triumph comes when he has returned to working entirely with private funds. Using judgment and skill, and his own money, he is capable of amassing a large fortune through the market.

If the Cowperwood on the trading floor during the panic induced by the Chicago fires is the same kind of economic figure as the ex-convict Cowperwood, operating under the same conditions, then the economy really is capricious and unsolvable. But if his reliance on public money makes him different than when he is operating only with private money, we actually have one character representing two different kinds of economic actor who only look like they are doing the same thing. The economic difference between someone tasked with distributing private resources versus someone tasked with distributing public resources is the central difference that Mises takes up when he examines the possibility of deterministic calculation under conditions of public ownership. Mises argues that managers of public and private resources will respond to economic information in a fundamentally different manner. What Cowperwood does as a private investor may look, but is not the same, as what he does when he is operating with hypothecated funds. The possibility of Cowperwood representing two different roles in two different kinds of economic activity is, perhaps, best explained by Shonkwiler's assessment of "recent analyses" that treat "the novel as a study of character" (Shonkwiler, p. 82). Cowperwood's economic failure and success only "becomes meaningful [...] to the extent that we recognize the character as an index of the forces he represents" subject to "the means by which abstract and systemic imperatives are registered at a subjective level" (Shonkwiler, pp. 82–83). The tension arising from "Cowperwood as expressive of the logic of the system within which he is constituted" is not entirely a function of internal, logical contradiction of the system as such.

Cowperwood's financial fortunes are far better understood when we see him misunderstanding his original subject position, but also as occupying two different subject positions at different points in the novel.

As a narrative representation of a certain kind of economic problem, the important thing to read in *The Financier* is not an endorsement or repudiation of the free market or any particular economic system; in fact, it does not even matter whether you think either or both Mises and Dreiser get it completely right or wrong. What matters is that two authors from very different backgrounds, and who I am sure had wildly divergent economic views, are actually thinking through the same kind of economic problem. They are both describing institutional arrangements, through reliance on systems of public ownership, that make it impossible to understand the economy. To some degree they both ask, what is the basis for economic value and what prevents us from determining it? They evaluate this under different conditions, Dreiser under something we might call a kind of crony-capitalism and Mises under socialism, but the similarities can help us see that one of the difficulties of reading the economic aspect of narratives is determining what is and is not economic. When does something stop being an economic problem and start being some other kind of problem?

Trying to differentiate between economic and narrative concerns is where Dreiser's naturalism becomes especially important. The very subtle distinction between Cowperwood's subject position as a businessman trading with public funds and his position as a businessman trading with private funds can be difficult to see in the absence of a detailed knowledge of theories of economic calculation. But perhaps the best way to tease out this difference is to turn to what I alluded to earlier as the most noted moment in the novel that is also one of its most obvious naturalistic moments. Among the many critics who have commented on the struggle between the squid and the lobster, Lois Hughson is one of the only critics to note that, properly understood, the framing device for this struggle is not nature, but a tank controlled by human hands. In "Dreiser's Cowperwood and the Dynamics of Naturalism," Hughson points out that the struggle does not take place "in a natural environment but confined in unnaturally close quarters by humans" (Hughson, p. 11). But even Hughson does not assign much importance to that fact besides suggesting that this passage is primarily "a measure of how far Dreiser is from Emerson" on philosophical grounds (Hughson, p. 11). Whatever the tank

scene tells us about the distance between Dreiser and Emerson, it is far more revealing of Cowperwood.

It is hard to overstate the importance of the tank scene on Cowperwood. Even though this event takes place in the novel's opening pages, the narrator describes the scene in a pseudo-retrospective mode that both describes and emphasizes the long-term influence the experience has on Cowperwood. "It had a great impression on him" (Dreiser, p. 13). "For days and weeks Frank thought of this" (pp. 14–15). What Frank learns from watching the struggles "stayed with him all his life and cleared things up considerably intellectually" (p. 11). This repeated emphasis makes clear how entirely Cowperwood accepts this lesson and, consequently, understands the world as a natural meritocracy of strength, where the conditions that determine who is fittest to survive are observable and knowable.

Even more important than the depth and strength of the impression that this lesson has on Cowperwood "all his life" is the fact that he utterly fails to note the defining feature of the struggle. The irony for Cowperwood is that the very thing that allows him to view these conditions so clearly is the same thing that makes these conditions anything but natural. The only reason to look at the fight between these animals as a representation of nature is by overlooking the most important and the most invisible factor: the tank itself. These two creatures were removed from their natural habitat and placed within a confined environment that completely changed the conditions that determine the outcome. Of course, the squid's ink seems feeble and futile when trapped in such close proximity that the lobster does not need its senses to randomly reach out and snip away. Letting hunters loose in a zoo won't tell you much about their hunting skills. Young Cowperwood is completely oblivious to the fact that the control exerted to produce the conflict makes it entirely meaningless as a study of natural conditions. Cowperwood fails to understand the difference between the natural characteristics of these creatures and the conditions that bring them in contact with one another. There are consequences for both kinds of information, but mistaking one for the other is what produces incoherency. The novel presents Cowperwood's beliefs about how the economy and the world operate as, crucially, mistaken beliefs.

The irony for *The Financier* is that critics have generally failed to recognize Cowperwood's beliefs as mistaken, accepting the artificial conditions of the tank as the novel's representation of natural conditions. All of the efforts to link the novel's understanding of the economy to some sort of naturalistic determinism accept as true what the novel itself presents as

false. Accepting Cowperwood's mistaken beliefs as true is a way of misunderstanding the differences between competing economic theories, but equally important is the way it misunderstands literary representations of the economy. The assumption that naturalistic representations of the economy must be linked to some form of determinism is closely linked to the assumption that representations of the economy are necessarily historical. The problem of the economic novel, as critics read it, is best exemplified by the work of Shonkwiler on Dreiser when she describes "history as, itself, a *prima facie* problem of representation" (Shonkwiler, p. 85). For Shonkwiler and others, the fundamental tension in economic narratives is between narrative and history, where history is understood, not as just the particular situation and context for a given moment in time, but as the identification of particular moments as a certain, naturally arising "stage of development" (p. 85). In these terms, history has a logical, discernible, and determinable direction. Shonkwiler describes a kind of forward-looking "historical omniscience" (p. 86) in *The Financier* that defines finance, not as "what the financier does with capital," but as "a means to fulfill what capital always already was" (p. 87). At least as important as Shonkwiler's failure to correctly identify this deterministic, historical perspective as part of what the novel presents as Cowperwood's misunderstanding of the economy, is that it is not at all clear why this poses a problem for narrative. Despite the very good work that Shonkwiler does to identify the tension in *The Financier* arising from the narrator's "double point of view in time" that is "facing backward and forward at once" (p. 86), it is nevertheless difficult to see why "on its very surface, history poses a challenge to the formal narrative techniques of description, perspective, and characterization" (p. 85). Is not the kind of deterministic, "historical omniscience" that Shonkwiler describes nearly identical to the kind of omniscience we grant, in many cases, to the narrator and, in all cases, to the author when it comes to narrative? The novel in all but its most radical forms is deeply beholden to narrative that is historical in precisely the sense that Shonkwiler describes. It is hard to imagine a novel that is written as the progression of events toward a specific, appropriate, and already determined ending, as anything but compatible with an historical perspective.

The problem for narrative representations of the economy, at the most general level, is not found in the tension between history and the narrative; it is not even found, at a more particular level, between narrative and deterministic, historical accounts of the economy. The problem for

narrative is, rather, in a much more specific and narrow form of tension between narrative and nondeterministic accounts of the economy. How do you write a novel that has enough order to make it a coherent narrative, but which also arrives at an outcome that is not predetermined? Can you write a novel in such a way that you are not merely producing the “past required to re-produce it as history” (Shonkwiler, p. 86)? If Shonkwiler is right, that for *The Financier*, “‘the genius’ or ‘financial individuality’ of the individual cannot entirely yield to historical analysis without a corresponding account of what—or who—makes history” (p. 85), the tension does not lie with Cowperwood, but with Dreiser as the person “who [...] makes history” (p. 85) in the novel.

The problem for *The Financier*, as a narrative representation of the economy, is that it is easy to produce Cowperwood’s historical understanding of the economy. But producing that historical understanding as mistaken is far more difficult because the alternative—an ordered but nondeterministic account—is, to some degree, incompatible with the novel. *The Financier* is best understood as a novel that attempts to represent competing accounts of the economy by putting Cowperwood in two different subject positions within two different institutional frameworks. The novel first uses naturalistic elements to represent Cowperwood’s belief in a deterministic economy where economic calculation is possible, before undermining those beliefs. The most essential tensions in the text arise from the difficulty of producing an alternative account of the economy in narrative form. Whether or not Dreiser actually had a complete and coherent, alternative account of the economy in contrast to Cowperwood is less important than recognizing the difficulty of producing such an account in narrative form. The difficulty should not, at least initially, be ascribed to any internal contradictions within a particular account of the economy. While it is very tempting to draw easy parallels between capitalism and naturalism as a kind of “familiar tragedy” (Dreiser, p. 11), the relationship between particular ways of understanding the economy and the limits of representing that understanding in narrative must be identified first; otherwise we risk failing to fully situate narratives within their literary history and the history of economic thought. If we do not recognize the possibility that novels like *The Financier* engage multiple, competing accounts of the economy, each with potentially different narrative and representational limits, then we, like young Cowperwood staring at the tank, will fail to understand the difference between the limits of a struggle as it plays out within a set of transparent but artificial barriers and the struggle that plays out in the larger system within which those barriers exist.

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Living on Paper: Disarticulating a Racialized Capitalism in Works by Richard Wright and Ann Petry

William E. Dow

This chapter traces the desire of two African American writers, Richard Wright and Ann Petry, in pre- and post-World War II America, to move beyond the fictional charge of the African American novel and to capture most convincingly the effects of a racialized capitalism.¹ Wright's articles for the *New Masses* (1937–1938) and the *Daily Worker* (1937–1938); his book *12 Million Black Voices* (1945); and Ann Petry's novel *The Street* (1946) are historical examples that chronicle the narrative resistances to the

¹Following Nancy Leong's definition of *racial capitalism*, *racialized capitalism* here should be understood as both "the process of deriving social or economic value from the racial identity of another person" (p. 2151) and in Joan Acker's sense that "conceptual and material practices that construct capitalist production and markets, as well as beliefs supporting those practices are deeply shaped through gender and race divisions of labor and power" (2006, p. 111). I would add that my meaning of racialized capitalism is inseparable from the narrative forms that Wright and Petry employ and how the modes of literature, journalism, literary journalism, and literary realism fuse and function in their works.

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destructive forces of this capitalism. Depicting the tension between nonfiction and fiction, journalism and literary realism, Wright and Petry epitomize the imbrications of fact and fiction that represent the periods in which they wrote (Connery 1992, pp. 151–249; Underwood 2008, pp. 135–184; *Literary Journalism Studies* 2013, pp. 135–184).² By doing so, they significantly contributed to the terms of realism/the realist novel with its emphasis on human agency and its need to change existing social orders.

Considering the two writers as committed to chronicling the ravages of American capitalism on black communities makes visible an important debt that US literary realism has toward such narratives: the literary and nonfictional realism of Wright and Petry is infused with literary-journalistic and documentary devices and cast in the spirit of W. E. B. Du Bois's argument that art's beauty is contingent upon its ability to tell the truth "or otherwise widen the expanse of what [the reader] considered truthful or real" (Dickson-Carr 2011, p. 288). Conventional accounts of American literary history have failed to uncover the full story of US literary realism—how in African American literature and nonfiction, it came to be and why it continues to hold such an important place in US literary history. The goal of this chapter is to provide a suggestive set of descriptions for the specific literary landscape of an African American realism dependent on narrative elements that can both "withstand the scrutiny of average readers and social scientists alike" (Jarrett 2007, p. 131). But, even more important for my argument, I want to resist the tendency that realists should be united thematically and interpreted primarily in sociological ways; instead, I wish to emphasize how the narrative genres Wright and Petry employed can be seen as determining influences on canonical realism, specifically in disarticulating the racial claims of American capitalism.

Importantly, the realist narrative tradition that Wright, Petry, and many other African American writers participated in and helped to create is intimately tied to the history of slave narratives and abolitionist writings. In her recent study, *Truth Stranger Than Fiction: Race, Realism, and the U.S. Literary Marketplace*, Augusta Rohrbach argues that abolition is perhaps the most important foundation for literary realism: "Considering abolition as a central context for literary realism helps us understand the bond that unites an otherwise disparate group of writers. United by an ethos rather than a literary aesthetic, realist texts hold much in common with abolitionist writings" (Rohrbach 2002, p. xiv). As Rohrbach suggests, the

²See also *The Routledge Companion to American Literary Journalism* (eds. William E. Dow and Roberta S. Maguire, New York and London, Routledge), forthcoming.

later nineteenth-century realists had many similarities to the abolitionists because both considered their writing as “a political tool and as an emissary of social justice” (Rohrbach 2014, p. 108). Slave narratives drew on the life stories of real people whose sufferings and tribulations had real-life consequences. Thus, in Rohrbach’s account, Frederick Douglass’s *Narrative of the Life of Frederick Douglass* (1845), by incorporating various forms of documentation, demonstrates a “literary mimesis” (Rohrbach 2014, p. 104) that attests to its authenticity and verifiable descriptions. Similarly, with the intention of altering social orders, Harriet Beecher Stowe’s *Uncle Tom’s Cabin* (1852) and *Key to Uncle Tom’s Cabin* (1853) embody “the intertwining of fact and fiction that characterized the period and forecast the terms of the realist novel with its impulse to document foundational details” (Rohrbach 2014, p. 104). This reliance on historical fact underscores the enormous debt that literary realism has—politically and artistically—to slave narratives and abolitionist writings.

But as this chapter will demonstrate, although the literary genealogy of the slave narrative was important to Wright and Petry, they not only make use of the slave narrative’s documentary mimesis but go far beyond it as well. For Wright, his combinatory and hybridic narrative forms serve to resist the actual workings and driving forces of a racially defined society. Socially and critically parallel to Petry’s journalism for the *People’s Voice* and *Amsterdam News* is her novel, *The Street*, which presents the underlying economic and social reasons for the tragic fate of her protagonist, Lutie Johnson.³ Wright wished to move beyond the charge of the documentary narrative and explore the combinations of literature and journalism to make his writings at once artistic and political. In a similar vein, Petry’s *The Street* wants to defend the novel as a form of social criticism based on factual occurrences and lived experiences. Her fiction regularly defers to the authority of extra-literary elements, including mass-cultural forms, to bolster its claims for narrative “truth” and authenticity. To be clear, marshaling historical fact and authenticating documentation locates the narratives of these two writers in a distinctly liminal relation to the worlds of fiction and nonfiction. In this context, I contend that Wright and Petry, through their various realisms, both altered and flouted literary convention as an implicit commentary on the devastating effects of racialized capitalism.⁴

³For Petry’s involvement as a journalist for the *People’s Voice* and the *Daily Worker*, see Alan M. Wald’s astute discussion in *Trinity of Passion* (pp. 118–126).

⁴In what follows, some of my ideas on the forms and ontologies of Wright’s literary journalism draw on the arguments I presented in previous articles (Dow 2013, 2016).

THE *DAILY WORKER*, THE *NEW MASSES*, *12 MILLION*
BLACK VOICES: RICHARD WRIGHT'S PERSPECTIVE

In many ways, Wright's work as a journalist and literary journalist, presented through his distinct narrative *perspective*, contains some of his most incisive views on racialized capitalism. Wright's literary journalism in the *Daily Worker*, the *New Masses*, and *Black Voices*, relies on a cohesively distinct cultural (and cross-cultural) role. In functional terms, Wright wants his narratives to matter; he always *presumes* a cultural, economic, and racial relevance. In formal and aesthetic terms, he wants to explore new rhetorical ground, centering, most importantly, on the power and effect of his literary journalism. For Wright, fictionality is a rhetorical source integral to the direct and pragmatic use of language within a real-world urgency and context.⁵

Wright's time at the *Daily Worker* provided an invaluable platform for his perspective. As Earl E. Bryant has recently argued, "Since he was a writer with a proven track record...as well as a card-carrying party member, a position at the *Daily Worker* was a natural fit for him and the newspaper" (Bryant 2015, p. 7). But I would add that it was Wright's creation of perspective that contributed to his success as a journalist and provided for his own theory of narrative journalism and literary realism. One source of this perspective, as Toru Kiuchi and Yoshinobu Hakutani have suggested, comes from Wright's 1937 essay, "Blueprint for Negro Writing," published in *New Challenges* while Wright was working as a journalist in Harlem: "[Wright's] attempt to establish perspective and provide it with intellectual space accounts for his lifelong commitment to a narrative by which he is able to convey the facts and truths of African American life from an impersonal, objective point of view" (Kiuchi and Hakutani 2013, p. 3).

A seminal Marxist-inflected manifesto, Wright's "Blueprint" can be considered as *the* blueprint of literary composition that he himself applied throughout his career. But this perspective is also aimed at the repressive forces of a global racialized capitalism and must be conceived accordingly: "Perspective for Negro writers will come when they have looked and brooded so hard and long upon the harsh lot of their race and compared it with the hopes and struggles of minority peoples everywhere that the

⁵ I am indebted here to Richard Walsh's (2008) conception of fictional discourse and narrative pragmatics.

cold facts have begun to tell them something” (Wright 1937, p. 104). Such is Wright’s injunction to confront the harsh realities of race, class, and capitalism in the spirit of an internationalist vision. Furthermore, the perspective does not solely depend on journalistic objectivity. Rather, Wright relied on an emotional expressiveness alongside his use of social fact in composing such narratives: “I try to float these facts,” Wright contends, “on a sea of emotion, to drive them home with some degree of artistic power, as much as humanly possible, to the level of seriousness which characterizes science” (Cayton 1945, p. 263).

While evoking his version of literary realism and inveighing against a racialized capitalism, Wright amplifies these ideas in his early journalism and in *Black Voices*. Three of his most important early literary-journalistic pieces, covering the fights of the African American heavyweight boxing champion, Joe Louis, are “Joe Louis Uncovers Dynamite” (*New Masses*, October 8, 1935); “Why the Eyes of the People Turn to the Ring for the Title Bout at Yankee Stadium Tonight” (the *Daily Worker*, June 22, 1938); and “How He Did It, and Oh—Where Were Hitler’s Pagan Gods?” (the *Daily Worker*, June 24, 1938). These articles mark the beginning of Wright’s long trajectory into the currents of a literary-journalistic expressiveness and ontology as well as his resistance to a dominant unified realist aesthetic.

The narrative strategy that Wright uses in the first of these pieces, “Joe Louis Uncovers Dynamite,” is a metaphorical confrontation of racial forces in which the narrator’s sensibility focuses on representative reactions to Louis’s 1935 victory over the white champion, Max Baer. As opposed to focusing on the fight itself, Wright depicts its joyful after-effects for Chicago’s South Side working-class population: “Negroes poured out of beer taverns, pool rooms, barber shops, rooming houses and dingy flats and flooded the streets” (Bryant, p. 166). Indeed, Wright presents the celebration as a momentary black victory over the “slights, and discriminations and insults [African Americans] had suffered” (Bryant, p. 167) at the hands of their white oppressors. Joe Louis becomes the “consciously-felt symbol. Joe was the concentrated essence of black triumph over white” (Bryant, p. 168). As in the later *12 Million Black Voices*, Wright describes the African American community as both a victim of white racism and a potential force of resistance against white hegemony and oppression: “[...] no less than twenty-five thousand Negroes, joy-mad and moving to they didn’t know where. Clapping hands, they formed long writhing snake-lines and wove in and out of traffic. They seeped out of

doorways, oozed from alleys, trickled out of tenements, and flowed down the street; a fluid mass of joy” (Bryant, p. 166) Wright continues this feeling of “sweet fear” (Bryant, 168) and racial unification caused by Louis’s victory by shifting to direct address, a technique he also uses in *12 Million Black Voices*:

You stand on the borderline, wondering what’s beyond. Then you take one step and you feel a strange, sweet tingling. You take two steps and the feeling becomes keener. You want to feel some more. You break into a run. You know it’s dangerous, but you’re impelled in spite of yourself. (Bryant, p. 168)

But at the end of the article, the spell of Louis’s victory is broken. The “feeling” that Chicago’s South Side blacks tried to preserve has “ebbed, seeping home—flowing back to the beer tavern, the poolroom, the café, the barbershop, the dingy flat. Like a sullen river it ran back to its muddy channel, carrying a confused and sentimental memory on its surface” (Bryant, p. 169). Even so, Wright offers a potential Marxist-inflected resistance in the image of “the wild river that’s got to be harnessed and directed” (Bryant, p. 169). The dynamite that Louis has uncovered should embolden and inspire the black community to racially and culturally unite and resist. On a narrative level, like Agnes Smedley, Jack Conroy, Meridel Le Sueur, Mike Gold, Langston Hughes, and other radical writers from the 1930s, Wright repurposes journalism and reader responses to it by at once subverting conventions of realism and pushing it toward a greater consonance to a lived experience, everyday vernacular, and the bleak material conditions that a racialized capitalism produces.

Published in the *Daily Worker*, “Why the Eyes of the People Turn to the Ring for the Title Bout at Yankee Stadium Tonight,” was devoted to the upcoming Louis-Schmeling fight. Like “Joe Louis Uncovers Dynamite,” the article foreshadows Wright’s intersection of realism with radicalism and his use of Marxism to develop a more pragmatic cultural nexus with the African American community. As demonstrated in “Why the Eyes,” to say the least, Wright was aware of “the black cultural opportunities afforded by radicalism, and the importance of pragmatic collaborations between writers and the ‘people’” (Jarrett, p. 118). To these ends, he focuses on the symbolic importance of the two fighters: Louis, with his origins as a working-class black from Alabama; Schmeling, a white supremacist, representative of Hitler’s Nazi Germany.

But, as in all his articles on Louis, his most important concern involves “the simple heart of the masses of people” with their “great capacity for loyalty, devotion and exultation, all of which can be channeled toward meaningful historic ends” (Bryant, p. 156). This solemn pronouncement echoes Wright’s call for a renewed connection with black folklore in “Blueprint” and his claims that the values of a liberal democratic state are contradicted by the daily existence of African Americans. “Negro folklore contains,” Wright contends, “the collective sense of Negro life in America. Let those who shy at the nationalist implications of Negro life look at this body of folklore, living and powerful, which rose out of a unified sense of a common life and a common fate” (Wright 1937, p. 102). As made clear in “Joe Louis Uncovers Dynamite” and “Why the Eyes,” Wright’s literary journalism not only brings into sharp focus the contradictions under capitalism but also implies that race should always be linked to its material infrastructure.

Perhaps Wright’s most aesthetically accomplished piece on Joe Louis is “How He Did It, and Oh—Where Were Hitler’s Pagan Gods?” (the *Daily Worker*, June 24, 1938) in which he balances a blow-by-blow description of the Louis-Schmeling fight with a political and racial assessment: “Schmeling’s bluff was as thoroughly called and exposed as was Hitler’s during the recent Czechoslovakian crisis. Never in all of his fights has Joe appeared more (according to capitalist standards) deadly and invincible” (Bryant, p. 164). As in “Why the Eye,” Wright’s final focus is on the significance of Louis’s victory for Harlem (and by extension, for all African Americans):

But if the spectators did not respond quickly, Harlem did. The quarter of a million Negroes who lived within those narrow confines knew in terms of their daily American life what this fight meant and they gave vent to it in a demonstration, wholly political in character, such as Harlem has never seen. (Bryant, p. 165)

As Wright suggests here and in “Blueprint,” a Marxist conception of cultural and racial events might express the feelings of the masses: “yet for the Negro writer, Marxism is but the starting point. No theory of life can take the place of life. After Marxism has laid bare the skeleton of society, there remains the task of the writer to plant the flesh upon those bones out of his will to live” (Wright 1937, p. 102). Wright thus warns against a too-easily acquired collective perspective: “but in whatever social voice [the

writer] chooses to speak, whether positive or negative, there should always be heard or *over*-heard his faith, his necessity, his judgement” (Wright 1937, p. 102).

Wright’s resistance to racialized capitalism required a literary-journalistic narrative independence. Accordingly, from the very inception of his journalistic period in Chicago and New York, he was intent on subverting traditional journalistic and fictional discourses. In effect, he could only adhere to a form of writing based on a response to dominant (realist, naturalist, modernist) modes and founded on personal perception: “the artist must bow to the monitor of his own imagination: must be led by the sovereignty of his own impressions and perceptions; must be guided by the tyranny of what troubles and concerns him personally” (Fabre 1985, p. 67). While depending on writerly independence and integrity, Wright reinforces the notions that “race and class” were “the central concerns for African American creative expression during the 1930s” (Morgan 2004, p. 7) but does so through his distinctive forms of nonfictional realism.

Wright carries this perspective even further in his first long work adopting literary-journalistic techniques, the photo essay, *12 Million Black Voices*.⁶ Accompanied by photographs that the photographer, Edward Rosskam, had selected from the files of the Farm Security Administration (FSA) during the Depression, *Black Voices* presents itself as a “true-life” story based on the techniques of Horace J. Cayton and the “Chicago School” of sociology. The Chicago School chronicled social patterns of urbanization, juvenile delinquency, and ethnic groups during the 1930s and 1940s (Dolinar 2009, p. 85). *Black Voices* signals Wright’s experiment to develop a stylistics that would mark his purchase on the social data he wanted to transform into fiction, the result of which is, in broad terms, literary journalism. It also shows his alliance with a kind of lyric poetry that would take his literary career full circle and dominate, in the form of Haiku, the last years of his writing life.

But Wright’s most effective narrative devices in *Black Voices* are not purely expository or sociological per se but are used in combination with his literary or literary journalistic techniques. To gain such an effect in

⁶Just months after the publication of his landmark novel, *Native Son* (1940), *Black Voices* (1941) marks Wright’s distinctive shift from a fiction inflected by a sociological sensibility (*Native Son*) to a sociological discourse trading off with fictional forms (*Black Voices*)—resulting in one of the most undervalued literary-journalistic texts of the American 1940s.

Black Voices, Wright employs a kind of emotionally evocative direct address to implore the reader to enter into a specific situation of distress:

Each day when *you* see us black folk upon the dusty land of the farms or upon the hard pavement of the city streets, *you* usually take us for granted and think *you* know us, but our history is far stranger than *you* suspect.... We had our own civilization in Africa before we were captured and carried off to this land. *You* may smile when we call the way of life we live in Africa's "civilization," but in numerous respects the culture of many of our tribes was equal to that of the lands from which they come. (my emphasis) (Wright 1941, p. 10, 13)

Wright's use of direct address is self-analytical, closely associated with a discovery of the "we" and a placing of the reader on the same plane of reality—or irreality—he occupies. Wright hopes to make the bridge between the "we" and "you" a most conscious relationship, wishing to inspire actual readers with the "you" in the text.⁷ The dismay and doubts the narrator expresses are an acknowledgment that his vision is subjective but grounded in actual historical fact. By placing his reader in a variety of identifications and positions of receptions (through his use of "we" and "you"), the narrator hopes to create a social and racial interdependence. Indeed, it can even be said that *Black Voices*, as a literary journalistic text, serves *several* functions at the same time: it is self-reflective and objective, literary and reportorial, detached and engaged.

It also represents one of Wright's most powerful invectives against racialized capitalism. The narrator of *Black Voices* describes the forces of this capitalism thus:

⁷Examinations of the discursive formations of the "we" and "you" in African American literature and African American literary journalism are oddly lacking in the criticism on narrative address and in African American Studies in general. Although this is not the place for such a study, Wright's use of the we and direct address in *Black Voices* is certainly part of a narrative tradition beginning with the authors of slave narratives (Harriet Jacobs, Frederick Douglass), abolitionist writing (George W. Clark), anti-slavery publications (William Wells Brown) and extending to such fictional and nonfictional writers as Du Bois, Jean Toomer, Nella Larsen, Jessie Fauset, and James Baldwin. Toomer's *Cane* (1923) is an especially interesting case of how a narrator wishes to inspire actual readers with the "you" in the text. *Cane's* narrator, by directly addressing a witnessing community, prepares a participation that not only intensifies his voice in the community, but also allows him to become the community's spokesperson and storyteller.

In general there are three classes of men above us: the Lords of the Land—operators of the plantations; the Bosses of the Buildings—the owners of industry; and the vast numbers of poor white workers—our immediate competitors in the daily struggle for bread. (Wright 1941, p. 35)

Through his economic symbolism (“Lords of the Land”; “Bosses of the Buildings”; “the laws of Queen Cotton” (Wright 1941, p. 38), Wright argues here for the “constructed-ness” of prevailing economic structures: the dominant decisive modes of production create African American oppression and exploitation within the cultural tradition of US capitalism. Such a condition is neither a “natural state” nor a “psychological reaction” (Wright 1941, p. 41) but realized and enacted by exploitive economic arrangements. As Robert Young has argued, “race is an economic category that simultaneously designates and legitimates a subordinated positionality within the relations of production, thereby maintaining asymmetrical access to resources” (Young 2001, p. 345). *12 Million Black Voices* asserts the significance of race through an interrogation of economic hierarchy while implying a more sophisticated way of thinking about the connections of racial history to the tradition of US literary and journalistic realism.

THE *PEOPLE'S VOICE* AND *THE STREET*: ANN PETRY'S SENSORIAL SOCIAL CRITICISM

Paralleling Richard Wright in terms of her devotion to a critical realistic aesthetic and the importance she places on an autonomous, independent narrative voice, Ann Petry works to expose the fallacies of a racialized capitalism, class mobility, and racial superiority. Like Wright's work for the *New Masses* and the *Daily Worker*, Petry's journalism for the leftist-oriented *People's Voice* (1942–1948) resulted in a contempt for racial and economic inequalities and a dedication to social activism.⁸ In several of her pieces for the *People's Voice* (e.g., “Harlem Women Wax Indignant Over Latest ‘Crime Campaign,’” August 15, 1942), Petry contests the mainstream

⁸ As Alan Wald notes in *Trinity of Passion*, “At the climax of its six-year run, the *People's Voice* was looking pretty Red [...]. On any given Wednesday, when the *People's Voice* appeared, one might find an article by Paul Robeson, a poem by Langston Hughes, an excerpt from a work by Richard Wright, an essay by Alain Locke, or a theatre review by Owen Dodson (1913-83), all of whom appeared in the *New Masses* and sometimes in the *Daily Worker*,” (pp. 112, 111).

media's coverage of racial relations and conditions in Harlem. She particularly objects to the sensationalism of a scandal-oriented popular media, which, as Rachel Peterson argues, Petry directly links "to the avarice and ruthlessness capitalism requires and shows the destructive effects of an absence of a social movement to contest exploitation" (Peterson, p. 79). In its depictions of a racially based service economy and the suffering of black domestic workers, *The Street* would take up the very kinds of capitalistic exploitation that she exposes in her journalism.

While Petry was the "women's editor" of the *People's Voice* in the early 1940s, she wrote a column called "The Lighter Side" in which she combated racial stereotypes and focused on social activism and charitable work by Harlem's elites and activists (Peterson 2007, p. 79). In one of her "Lighter Side" columns (Petry 1942, p. 20), for example, she strongly condemns the capitalistically motivated forces of poverty and racial injustice in the American South. In this particular account—the execution of a sharecropper, Odel Walker, for the murder of his landlord—Petry makes a personal and political appeal: "I would have no respect for myself if I wrote about the trivia that cropped up in this week's news and no respect for the persons who would want to read it" (Petry 1942, p. 20). As Peterson contends, "The stylistic relationship of Petry's journalistic work to her novels rests in part in the political potential of reportage" (Peterson, p. 81). But I would add that Petry, while stressing in her writing that American capitalism is explicitly racialized and gendered, shows how certain racial and economic political realities require new narrative forms and perspectives. As with Wright, in Petry's journalism and fiction, social and racial observation must find their most appropriate discursive expressions.

Petry's journalistic work for the *People's Voice* forcefully surfaces in *The Street*. An underlying theme of her journalism and fiction was to incite the reader, in the spirit of Wright, to resist the notion that social forces are immutable laws of nature. Rather, she "wished to move [her] audience to a clear critical consciousness that apprehended the class basis of institutional poverty and racism" (Wald 2007, p. 126); but she wanted to do so, as *The Street* makes clear, by pinpointing the causes of a racialized capitalism.

One of her principal responses to this capitalism was to make a case for the necessity of social criticism in her fiction. Petry's essay, "The Novel as Social Criticism," published in *The Writers Book* (1950), can be seen as both an aesthetic pillar for *The Street* and a subtext of her journalism:

The novel, like all other forms of art, will always reflect the political, economic, and social structure of the period in which it was created. I think I could make out a fairly good case for the idea that the finest novels are basically novels of social criticism, some obviously and intentionally, others less obviously, unintentionally.... (Petry 1950, p. 33)

Even so, Petry also makes clear in this essay her rejection of generic categories. As Alex Lubin has argued, “Petry attempted to undermine critics’ assumptions that in order to be political, the novel had to be sociological. According to Petry, all great fiction was about individuals overcoming obstacles, and in this way, whether sociological or not, good literature was inherently political” (Lubin 2007, p. 10).

From this perspective, it can be seen that Petry’s most severe social criticism in *The Street*, amid the novel’s portrayals of racial and sexual violence, is against a racialized capitalism. Because of economic necessity, Lutie Johnson, the novel’s protagonist, is forced to work as a maid for the Chandlers, a rich white family in Connecticut. In doing so, she must leave her young son, Bub, and husband, Jim, behind in Harlem. At the Chandlers, Lutie is immediately exposed to their obsession with wealth and the vicissitudes of market capitalism:

It was a world of strange values where the price of something called Tell and Tell and American Nickel and United States Steel had a direct effect on emotions. When the price went up everybody’s spirits soared; if it went down they were plunged in gloom. (Petry 1946, p. 43)

Along with a misguided notion of self-advancement (i.e., “The belief that anybody could be rich if he wanted to and worked hard enough and figured it out carefully enough” [Petry 1946, p. 43]), it is this kind of emotional, sensory capitalism, based on an individualistic faith in meritocracy, that Lutie internalizes. These illusions later lead to her suffering as a single mother in Harlem, and her murder in self-defense of an exploitive band leader, Boots Smith. For Petry, the constrictions of a racialized capitalism make African American existence suffocating and intolerable, inducing hate among whites and blacks. As Lutie says to Bub: “It must be hate that made [whites] wrap all Negroes up in a neat package labeled ‘colored’; a package that called for certain kinds of jobs and a special kind of treatment” (Petry 1946, p. 72). Undoubtedly, the African American char-

acters in *The Street* are trapped “in a suffering that fills them with meanness and hatred, that diminishes their humanity” (Gross 1980, p. 45).

As an impoverished woman, Lutie is relegated to a marginalized status, pressed upon, and actually invaded physically by Jones, the “Super” of her apartment building, and Boots. Indeed, poverty in *The Street* is a corollary to the novel’s environmental images of isolation, alienation, suffocation, and deprivation. “Petry’s major concern in the novel,” Barbara Christian argues, “was most emphatically the hostile environment of Harlem and its effect on the people who must endure it” (Christian 1980, p. 63). This environment, however, extends beyond Harlem: “it wasn’t just this city,” Lutie proclaims. “It was any city where they set up a line and say black folks stay on this side and white folks on this side”; it is “any place where people were so damn poor they didn’t have time to do anything but work, and their bodies were the only source of relief from the pressure under which they lived; and where the crowding together made young girls wise beyond their years” (Petry 1946, p. 206).

Congruent to the African American naturalist tradition that portrays the racial repression of Harlem as an inexorable force, Lutie reflects on the unrelenting grip of a racialized capitalism:

Her thoughts were like a chorus chanting inside her head. The men stood around and the women worked. The men left the women and the women went on working, and the kids were left alone. The kid burned lights all night because they were afraid. Alone always alone....And the street reached out and sucked them up. (Petry 1946, p. 388).

Petry describes these effects as a force that appears unalterable:

For a brief moment [Lutie] tried to look into the future. She still couldn’t see anything—couldn’t see anything at all but 116th Street and a job that paid barely enough for food and rent and a handful of clothes. Year after year like that. (Petry 1946, p. 147)

When Lutie goes to the Children’s Shelter to see Bub, who is incarcerated there for mail fraud, she conceives of this force as an economic inevitability:

Perhaps, she thought, we’re all here because we’re all poor. Maybe it doesn’t have anything to do with color....Because we’re all like animals trying to pull all the soft quivering tissue deep inside of us away from the danger that lurks in a room like this, and the silence helps build up the threat of danger. (Petry 1946, p. 149)

What Lutie internalizes here—and throughout *The Street*—is that “material wealth and whiteness enjoy a normative status of ‘truth’ that racial others can only labor futilely to realize” (Hicks 2002, p. 95). But she comes to this conclusion only because her marginalized position, in a racist and segregated society, allows her to do so. Through Lutie’s self-conscious observing and interpreting of her environment, Petry’s aesthetic vision of critiquing and re-creating a realist practice and epistemology comes into focus.

Merging her version of realism with naturalistic elements, Petry formulates an alternative to the preponderance of racial stereotypes and the criminalization of black bodies depicted in the conventional (white) press. *The Street* attacks such news values by providing a fictional alternative to the kind of newspaper journalism that is unreliable and misrepresents social and racial relations. For example, in contrast to the Chandlers’ interpretation of a newspaper report of a poor black man stabbed by a white store owner (“a burly negro’ [who] had failed in his effort to hold up a bakery shop, for the proprietor had surprised him by resisting and stabbed him with a bread knife” [Petry 1946, p. 198]), Lutie provides her version of the “facts” (Petry 1946, p. 198)⁹:

The reporter saw a dead Negro who had attempted to hold up a store, and so he couldn’t really see what the man lying on the sidewalk looked like. He couldn’t see the ragged shoes, the thin, starved body. He saw, instead, the picture he already had in his mind: a huge, brawny, blustering, ignorant, criminally disposed black man who had run amok with a knife on a spring afternoon in Harlem and who had in turn been knifed. (Petry 1946, p. 199)

Lutie’s interpretation of this incident easily elides into her own difficulties as a black woman trying to support herself and her family. Under a racialized capitalism, the truth of her own life story, like that of the indigent black man in the newspaper article, will remain publicly unknown, irrecoverable.

Nevertheless, his story will be reflected in Lutie’s own fate. At the end of *The Street*, after accidentally killing Boots, then stealing some of his money, Lutie is convinced that she must abandon Bub, so that he will never “know that his mother is a murderer” (Petry 1946, p. 433). Far

⁹According to a Petry biographer, Hazel Arnett Ervin, Petry actually witnessed a stabbing at a delicatessen that inspired the scene she describes in *The Street* (Ervin 1991, p. 35).

from her initial commitment not to be influenced by the street but to “fight against it” (Petry 1946, 56) she ultimately succumbs to its forces. At Pennsylvania Station, she buys a one-way ticket to Chicago:

And as the train roared into the darkness, Lutie tried to figure out by what twists and turns of fate she had landed on this train. Her mind balked at the task. All she could think was, It was that street. It was the goddamned street. (Petry 1946, p. 436)

Like Wright’s “emotional expressiveness” and “floating of the facts,” Petry employs a social criticism based on the personal sensory responses and accounts of her narrator and protagonist. Like many of the black writers of the 1930s and 1940s, she is most concerned with the experience of individual subjectivity (which invariably elides into a collective subjectivity) within social relations produced by economic and racial stratification. Foremost about and for the nation’s poor and working classes, *The Street*, in making a case that a novel’s social criticism does matter, is an essential literary and extra-literary achievement.

CONCLUSION

The works of Wright and Petry discussed in this chapter fit quite differently into the broader narrative of US literary realism. Committed to capturing America’s shared racial reality, their *realisms* define both the effects of a literary style and the “reality” or the “real” that their journalism and nonfiction describes. In effect, they position their texts among an array of literary and extra-literary possibilities for narrative. The impressions their realistic texts give is that the social world and characters’ and narrators’ experiences are produced by forces that are themselves social. But at the same time, these texts always result in political claims. As Madhu Dubey argues, “political claims about African-American literature have always depended on realist aesthetics, from the documentary impulse of the slave narratives to the reflectionist principles prescribed by the cultural nationalist program. Black literature could best fulfill its political purpose of bettering the collective condition of the race by telling the truth about black experience” (Dubey 2003, p. 44). In this connection, the realism of Wright and Petry is designed to provide reliable political knowledge inseparable from social knowledge. It follows, then, that their narrative authority can and does carry social authority; at the same time, this authority

allows them to present their personal visions of life and how this life was experienced within themselves.¹⁰

To be clear, Wright and Petry wanted to give their readers a surfeit of truths, in real and imaginary forms. Their literary journalism and fiction make us think about what it means to read ourselves into history. Tracking the conditions of their narrative journeys constitutes a certain historical enterprise: “one that does not mitigate historical fact but persuades us of its inextricability from aesthetic articulateness” (Singer 2016, p. 59). Accordingly, Wright and Petry resist “the simplifications of realism that modernist/postmodernist studies have sometimes participated in—the reduction of realism to a servant of the status quo that represents the hegemonic version of reality under the guise of objectivity or the characterization of realism as a cultural function that serves to contain the social contradictions of the society it depicts” (Knoper 2008, p. 414). Their affinities with literary realism assume a radically new importance, most notably because of their reflections on the historical, cultural, and formal qualities specific to an African American experience, particularly as this experience confronts a racialized capitalism. While engaging with realism’s underdetermination of race and fusing the form’s propensity for the sociological to the psychological study of the individual, Wright and Petry show that the boundaries and limitations of realism are far from established. They give realism a crucial contemporary relevance for us.

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¹⁰As Nancy Glazener has pointed out, “It is probably significant [...] that the first more-or-less realist novel making use of an African American narrator and therefore inviting identification with a complex African American subjectivity was not written until 1912: James Weldon Johnson’s *The Autobiography of an Ex-Coloured Man*” (2009, p. 29).

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Ayn Rand's *Atlas Shrugged*: “Laissez-Faire” Fiction?

Vincent Dussol

INTRODUCING AYN RAND'S VIEWS ON FICTION,
ROMANTICISM, THE NOVEL AND WHY *ATLAS SHRUGGED*
MAKES A PROBLEMATIC PLEA FOR CAPITALISM
AS THE VECTOR OF FREEDOM

Since its publication in 1957, *Atlas Shrugged* has been a huge best-seller in the United States despite its general panning by literary critics. Written in the post-World War II (WW2) years, the novel clearly appears today as a defense of capitalism at a time when the West's dominant economic system was fragilized by its Communist nemesis.¹ As recently as the early

¹The story is simple. Major industrialists/inventors vital to the United States' economy go on strike. One by one, they appear to vanish from the surface of the earth. Their efforts to keep things going have long been thwarted by the government. It takes a few hundred pages for the reader to find out that they have in fact been convinced to let go of their businesses by an active propagandist named John Galt. He directs them to the refuge of a valley in the mountains of Colorado which his scientist friends have made undetectable to radar.

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2010s, the novel enjoyed a significant revival of popularity, the surge in sales probably resulting from Tea-Party Libertarians' influence at the time. In the country that has most identified with capitalism, it can, therefore, legitimately be said that this book has had a successful career both as an energizer and a reflection of faith in free enterprise.

Rand theorized her views on art in essays written after she had published her major novels: they are gathered in *The Romantic Manifesto* (1971). Her highly idiosyncratic definition of Romanticism is bound up with her view of representation: it should always go with the creation and the championing of values. She dismisses as "Naturalism" all art showing and advocating dedication to reality. Art, and fiction, in particular, must be free to stray from reality in order to remain inspirational, that is, to help model and correct reality. What makes fiction superior to history, she writes, quoting Aristotle, is that "history represents things as they are, while fiction represents them as they might be and ought to be" (Rand 1971, p. 71).

Value-creation is a conscious choice. What characterizes Romanticism, according to Rand's definition, is the acknowledgment of the primacy of volition as the faculty most necessary to artistic creation. Only in the nineteenth century, Rand argues, were the conditions created for volition to express itself fully: with the advent of "capitalism, which gave man's mind the freedom to translate ideas into practice" (Rand 1971, p. 95). Rand posits this, to her, perfect equation between freedom and capitalism even more clearly in "What is Capitalism?": "The basic issue is only: Is man free? In mankind's history, capitalism is the only system that answers: 'Yes'" (Rand 1967, p. 10).

According to Rand, the novel is the "proper literary form" for man "as a being able to choose his values, to achieve his goals, to control his own existence" (Rand 1971, p. 116). This, to Rand, accounts for the flowering of the novel in the nineteenth century and explains why such literary forms as tragedy, which emphasizes determinism, prevailed until capitalism became the dominant economic system.

Meanwhile, America goes to the dogs. But Galt has not turned his back on the United States. He is just waiting for the crisis to ripen. Not until the country is on the brink of collapse, and the events have made the federal government totally powerless, does he decide it is time the rebels all went back to "the world." They will now be able to start from scratch, holding all the cards. The novel's title refers to Atlas, the Titan forced to carry the Heavens on his shoulders. Rand imagines him having grown tired of enduring punishment and deciding to shake the load off his back. The Titan stands for all the valorous human engines of the US economy who choose to withdraw from the competition, having been convinced of this by the excessively adversarial circumstances resulting from constant interference by the government.

Despite Rand's constant praise of, and professed dedication to, freedom (both in fiction and in human life), I contend that *Atlas Shrugged* offers unconvincing evidence of her commitment. What exactly may account for this impression? As I hope to make clear, the answer is largely found in the form of the novel: there is no "laissez-faire," no open-ended fiction to be found here. That impression is strengthened by the high degree of intransigence found in the way Rand presents, in the novel and outside it, the "variety of capitalism" that she favors as the purest form of this economic system, in contrast to what she considers to be debased versions of it. The pursuit of this mirage of purity makes Rand's laissez-faire capitalism a reductionist authoritarian fiction.² Paradoxically, she claims that one of the defining features of capitalism is that it makes no use of force to achieve what it regards as the good (Rand 1967, p. 15). Here again, such an assertion does a lot to invalidate anything else Rand may say about capitalism. The long history of labor conflicts in the United States is rich in episodes when capitalists' only answer to workers' dissent consisted in crushing it.³

The following pages aim to explore the various points mentioned above.

THE CONSISTENCY IMPERATIVE CREATES A BUBBLE, "TRIMMING" LIFE OF ITS COMPLEXITY

Successful fiction, Rand argues, demands absolute consistency. Even Romanticism, she maintains, "in spite of the abundance of Romantic writers at the time of its dominance, [...] has produced very few pure, consistent Romantics of the top rank" (Rand 1971, p. 99). She singles out

² Doubtless, Rand would have dismissed a question considered central by Robert Boyer and regulation theory adepts concerning the kind of institutions called for by a capitalist economy. Boyer argues that "it is [...] indisputable that financial, monetary and economic history concur in showing how important the part played by politics in developing institutional compromises and social forms of capitalism has been [...]. To take but one example, firms will 'kill' competition and form oligopolies out of a natural inclination to corner the market. It is then up to external watchdogs to enforce the safeguarding of this cardinal principle of capitalism: competition. [...] And if politics does play a part, then there are bound to be different forms of capitalism, according to each country's own social history [...]. That is why the contemporary capitalist system purports to be innovative on different fronts: technologically, organizationally and institutionally." Author's translation from Boyer.

³ "But when the country on cracked shoes, in frayed trousers, belts tightened over hollow bellies, / idle hands cracked and chapped in the cold of that coldest March day of 1932, / started marching from Detroit to Dearborn, asking for work and the American Plan, all they could think of at Ford's was machineguns. / The country was sound, but they mowed the marchers down. / They shot four of them dead" (Dos Passos 1936, p. 775).

Hugo and Dostoevsky as the greatest among them and names *The Scarlet Letter* as a novel matching her criteria of consistency, unlike Hawthorne's other works of fiction.

More so than previous “holdalls” for language-based artistic human expression—like epics for instance—the novel as a genre has made openness one of its defining features: loose threads left hanging are tolerated in the plot and character development alike; the exploration of new forms has often tended toward accepting more uncertainty, calling for increased reader participation. The exploratory qualities of creative fiction have been especially developed in the case of the American novel—often hailed as the vehicle of America's best homespun philosophy, a situation resulting from “the long-standing American distrust of philosophical speculation” (Chodat 2011, p. 653). In *The Romantic Manifesto*, Rand seems to be fully aware of this power of the novel: “A novel is *the* major literary form—in respect to its scope, its inexhaustible potentiality, its almost unlimited freedom” (Rand 1971, p. 72, Rand's emphasis). However, while *Atlas Shrugged* is made out by its author to be the epitome of a novel, in many respects it matches the more rigid, that is, didactic, versions of other genres, and these generic intents working at cross purposes may account for the book's partial literary failure, most notably as regards the characters' lack of complexity. “The ambivalence of the novel as a form” (Chodat, p. 665) is badly tested by this didactic drift. The engagement with what Rand calls “philosophy” entails “sacrificing the heteroglossia and irony that have long been associated with the novel as a genre” (Chodat, p. 656). In *Atlas Shrugged*, the variety of speech genres and accents that usually succeed in “pulling [a novel] away from assertion and argument” are conspicuously absent (Chodat, p. 665). So are the “forgiving fullness of view, obligations of understanding and compassion” required by the polyphony of the genre (DeMott, quoted in Chodat p. 664). Novelistic openness is marred by harangues and tirades meant to relentlessly enforce the “uncontaminated capitalism” gospel.

The shrillness of the anti-state discourse in the novel is almost scary, as if the imperative of complete *laissez-faire* might easily amount to *laissez-fairing* the imperative of an oxymoronic free-police-state. It seems that in *Atlas Shrugged*, Rand intended to dramatize the title of Mises's 1944 opus, *Omnipotent Government. The Rise of the Total State and Total War*, uncritically applying the Austrian economist's analyses of dictatorships to post-WW2 America. Such stridence cannot but lead one to ask where the original meaning of “*laissez-faire*” has gone: could it be that everyone should be granted the freedom to seek their own interests?

In his review of Karl Taro Greenfeld's anti-capitalist dystopia, *The Subprimes*, Jonathan Dee asks: "How do you make invented characters operate as symbols or stand-ins without turning your work into a moralistic puppet show?" Commenting on the characters' insufficient roundness,⁴ he concludes: "No cause is served by turning the oppressed into saints; in the end all that does is trivialize their humanity" (Dee 2015). In *Atlas Shrugged*, the "Goodies" and the "Baddies" are too consistently good or bad. The virtuous unflinchingly put their shoulders to the wheel of economic recovery. Bosses are dedicated leaders and they elicit immense respect among the rank and file. When the female head of a huge railroad company sends out a call for applications for the first, and possibly hazardous, run of a train that is to cross a bridge made of controversial new metal, not a single engineer fails to apply. Such a unanimous response is suspect. Most workers are portrayed in a manner that calls to mind as much Alexey Grigoryevich Stakhanov, *Hero of Soviet Labor*, as Rosie the Riveter. Verisimilitude is stretched to breaking point, as in socialist realist novels: "the irony of socialist realism was that its 'real' was so highly idealized that it forfeited its mimetic and indexical coordination altogether" (Shonkwiler and La Berge 2014, p. 14). Like present-day populist politicians, "nevertheless, [socialist realism] represented itself as splitting off from the elitism and decadence of modernism, and as reshaping literary values for the benefit of the 'ordinary' worker" (Shonkwiler and La Berge 2014, p. 14).

THE DOUBLE-EDGED RESORT TO DYSTOPIA

Rand's intention to convey a message for freedom through her portrayal of virtuous capitalists hamstrung by an invasive government is further defeated by the circumstances and channels she picks, to convey the novel's ideas—a trial and a marathon speech on the national radio—both of which recall the methods of an authoritarian regime.

So does the way Rand uses internal focalization which, in *Atlas Shrugged*, is reserved for the invisible narrator's spokespersons, making said narrator's presence feel overbearing. Rand may have been a militant atheist who distrusted invisible powers, but in this case, she let her guard

⁴The distinction between round and flat characters was introduced by E.M. Forster. "Flat characters are two-dimensional in that they are relatively uncomplicated and do not change throughout the course of a work. By contrast, round characters are complex and undergo development, sometimes sufficiently to surprise the reader" (*Encyclopedia Britannica*).

down and failed to apply her distrust of the Invisible to her narrative economy: her Invisible Hand weighs a ton. There is no laissez-faire to this narrative system.⁵

The same feeling of being forced into an ideological Procrustean bed holds true for Rand's choice of a dystopia to convince her audience that laissez-faire is the better option. Like most dystopias, *Atlas Shrugged* contains generous glimpses of its author's vision of an exact opposite, and the pages devoted to the dreamt-of utopia verify the experimental truth that utopias and dystopias are often two sides of the same coin.

The place that is still nowhere to be found is envisioned as a valley in the mountains of Colorado where not just the major industrialists but all "the men of justice, of independence, of reason, of wealth, of self-esteem" (p. 924) retire to (one woman, the novel's heroine, finally joining them). Paradisiacal and peaceful as the descriptions of that haven may seem, suspicions about the actual freedom of expression existing in this oasis cannot fail to be aroused on reading that it is a place from which contradiction has vanished absolutely. The three parts of the novel are entitled respectively "Non-Contradiction," "Either-Or," and "A is A." By the final two pages, tautology has won the day. Such is the kind of freedom that Rand assumes is required for American entrepreneurship to flourish.⁶

Atlas Shrugged is set in the near future. "The purpose of this book is to prevent itself from becoming prophetic," whistleblower Rand said (Rand 1967, p. 64).⁷ Like nineteenth Century economic novels, it "dramatizes threats to the nation's future" (Zimmerman 2011, p. 417). But the suspension of disbelief required from the reader in any uchronia is overly tested by the historically inconsistent technological and industrial landscape presented in the story. Experiments much resembling the testing of nuclear weaponry during the Cold War coexist with a Gilded Age ubiquity of the most basic industries: steelmaking, oil, mining, the railroad and all related sectors. The American economy that is celebrated recalls that

⁵The French word synonymous with economic non-interventionism is either spelt "laissez-faire" or "laissez-faire," the latter form an imperative, the former a milder infinitive. Unsurprisingly, Rand chooses the imperative form.

⁶As Francisco d'Anconia, the Argentinian member of the male triumvirate of virtuous entrepreneurs puts it: "Contradictions do not exist. Whenever you think that you're facing a contradiction, check your premises. You will find that one of them is wrong" (p. 188).

⁷Rand's trust in the effectiveness of the counterfactual to indicate the right direction to follow (and her reciprocal lambasting of naturalism) recalls Milton Friedman's view of economic theory as not interested in "truistic predictions" (See Boyer's chapter in this book).

which, in the glory days of snail mail, authoritarian regimes tended to exhibit on their postage stamps.⁸ The raw celebration of motive power and technology is reminiscent of post-World War I's Italian Futurists' fascination with energy that led many of them to embrace Fascism. In this case, Rand is hoist by her own petard in that the fictional departure from reality is at the same time not bold enough and excessive, with, as a result, uchronia reinforcing the impression that the representation of the economy is either strictly ideological or indicates a misinformed author.

A DIDACTIC EPIC MEANS A FAILED GREAT AMERICAN NOVEL

Not all epics are narrowly didactic, but the genre *is* deeply political. That is why both authoritarian regimes *and* their opponents have often marshaled the epic, its larger-than-life figures and bellicose hosts, as vehicles for their ideas and ideologies. Conversely, the novel's small congregations have fitted democracies better.

To develop the view of *Atlas Shrugged* as an unconvincing eulogy to freedom, the generic collision between the novel and the epic that takes place in it needs to be explored in greater depth, firstly by providing unambiguous evidence of Rand's epic purpose.

Her wish to both match and deride Frank Norris's *The Octopus* is one element among many others in *Atlas Shrugged* that testifies to the epic intent of her novel. Norris made no secret of his ambitions with his three-volume project of an epic which he was prevented from completing by his death.⁹ Rand was responding to Frank Norris when she chose to make the fate of a railroad company the heart of *Atlas Shrugged*. The railroad is central to both novels. In Norris's, it stands for the evils of capitalism. In Rand's, it stands for the last rampart against the enemies of capitalism. And to drive the point home, she devised the very minor character of a despicable second-rate writer, protected by Washington, who edits a magazine called *The Future*, and writes a piece for it entitled "The Octopus" about one of the novel's protagonists, Hank Rearden, the heroic steel tycoon. Rearden's response might well be Rand's indirect assessment of Norris's novel:

⁸ Confined to an episode involving the wheat harvest in the northern states (Dakota and Minnesota), Rand's representation of farming in *Atlas Shrugged* is also very limited and borrows from clichéd versions of it coming from the Eastern bloc during the Cold War.

⁹ See Payen-Variéras's chapter in this volume.

He saw the article, “The Octopus,” by Bertram Scudder, which was not an expression of ideas, but a bucket of slime emptied in public—an article that did not contain a single fact, not even an invented one, but poured a stream of sneers and adjectives in which nothing was clear except the filthy malice of denouncing without considering proof necessary. (p. 134)

In Rand’s opinion, one of Norris’s unforgiveable sins in *The Octopus* must have been that Presley, the poet character, regards the epic as attuned to “the song of the People” (Norris, p. 609) pitted against the hydra of capitalism, while Rand herself insisted that heroism was on the side of capitalism.

If only by its massive scale—1067 pages, almost matching the 1184 of Dos Passos’s *USA* trilogy—*Atlas Shrugged* betrays the scope of Rand’s purpose. She wanted her novel to achieve national significance, as epics will. In his long radio address, John Galt, one of her main representatives in the “novopic,”¹⁰ expresses deep-felt concern about the nation’s destiny, taking the government to task for failing to acknowledge its “soul and hero: the industrialist” (p. 972).¹¹

Still, *Atlas Shrugged* also features long drawn-out, and rather corny, emotional passages devoted to the love relationships between the main and otherwise heroic characters—one woman and three men—and those scenes sit oddly beside the tales of glorious feats or the didactic moments typical of epics. Rand tries to have it both ways and, to this reader, fails. The scales tip too much the way of an epic for the sentimental scenes not to sound like *scènes à faire*.

A softer version of the totalizing thrust of the epic is indigenous to America, with writers’ often self-confessed pursuit of the elusive Great American Novel. “[O]nly after 1865 did the dream of ‘the great American novel’ displace the dream of a national epic,” Buell writes (Buell 2011, p. 322). The definition and the writing of it were always-already in progress. They still are. Lawrence Buell’s recent attempt at mapping the outlines of the concept helps one see why, say, *Moby-Dick* qualifies as a Great American Novel when *Atlas Shrugged* does not: “a Great American Novel

¹⁰ Our coinage, in reference to “Novlangue,” the French translation of Orwell’s “Newspeak” in *Nineteen Eighty-Four*.

¹¹ The subject is dealt with in more detail in Vincent Dussol, “Views of worlds ending: Ayn Rand’s *Atlas Shrugged*, Cormac McCarthy’s *The Road*.” In *Carrying the Fire: Cormac McCarthy’s The Road and Apocalyptic Literature*, eds. Rick Wallach, and Scott Yarbrough, Miami: The Cormac McCarthy Society. Forthcoming.

must not limit itself to rehearsing particular lives and events but provide, at least implicitly, some consequential reflection on U.S. history and culture and its defining institutions—democracy, individualism, capitalism, sectionalism, immigration, expansionism, signature landscapes, demographic mix” (Buell, p. 29). Out of the eight themes listed here as defining the United States, only the first three are dramatized by the plot of *Atlas Shrugged*. Conspicuously absent are those reflecting the ethnic, cultural and social diversity of the nation.

Rand's world is one of healthy and educated white Anglo-Saxon grown-ups. It can certainly be argued that the entrepreneurs and inventors portrayed by Rand are representative figures of American society. Like Henry K. Webster and Samuel Merwin, co-authors of her favorite novel, the 1901 best-seller *Calumet K*, she portrays “the capitalist titan as a trustee of American civilization and progress” (Zimmerman, p. 419). But her model capitalists' unawareness of major issues in the national community, their existence in a kind of vacuum, makes their representativeness insufficient for the story in which they appear to be considered eligible as a Great American Novel.¹² One of these captains of industry, Francisco d'Anconia, is a living incarnation of the Monroe Doctrine, which envisioned Latin America as an extension of America (with its raw materials at US capitalists' disposal.) So, in these four respects, Rand's novel suffers from a democratic deficit.

RAND'S POPULIST FICTION OF LAISSEZ-FAIRE: CAPITALISM BEYOND ECONOMICS?

“We are useless, according to your economics [...]. We are dangerous and to be shackled, according to your politics. We have chosen [...] not to wear the shackles any longer” (925). John Galt's words, taken from his

¹²Buell refers to a more general connection between the novel and nationhood: “The novel has been ‘bound up with the idea of nationhood,’ as Ralph Ellison claimed [...]. In recent critical theory, nation making itself has been metaphorically described as a kind of narrative creation” (Buell, p. 10). He reads the idea of the Great American Novel as a symptom of “cultural legitimization anxiety” (Buell, p. 12) and links it with capitalism: “The United States as an unprecedented experiment in republican democracy forever trying to make good on the promises of the Declaration. The United States as a culture of enterprise forever innovating and casting old technologies behind. Maybe it's too jaded, but it's not altogether off base to consider the G[reat] A[merican] N[ovel] a characteristic expression of the ethos of perpetual obsolescence inherent in capitalist democracy U.S. style” (Buell, p. 14).

State of the Union-like address close to the end of *Atlas Shrugged*, can lead one to believe that economics is a top priority for Rand. Transparent allusions to the theories of prominent economists are occasionally found in the novel.¹³ But her writings consistently show that she does not think very highly of economists.

At first sight, her criticism of them is not very different from Robert Boyer's assessment that the profession has kept deluding itself in entertaining the dream that their field is a hard science:¹⁴ "[t]heir attitude, in effect, amounts to the unstated, implicit postulate: 'Man is that which fits economic equations.' Since he obviously does not, this leads to the curious fact that, in spite of the practical nature of their science, political economists are oddly unable to relate their abstractions to the concretes of actual existence" (Rand 1967, p. 6). In a similar gesture of distrust of hard data, she dismisses Naturalism as a merely statistical form of art: "Naturalism [...] substitut[ed] *statistics* for a standard of value" (Rand 1971, p. 117).

But she is poles apart from Boyer when, like a demagogue populist, she would have her readers believe that one's view of capitalism need not rest upon economic considerations. Since there simply is no acceptable alternative to laissez-faire capitalism, adhesion to it should be a philosophical decision guided by sheer rationality. A precocious advocate of the fundamentalist version of capitalism that denies any validity to mixed forms of it,¹⁵ Rand demands faith from her readers. This accounts for a quasi-dismissal of economics which places "pure" capitalism beyond figures and theoretical frameworks. What kind of rationality is this that lets itself be governed by *a priori* choices?

Yet, Rand rallied support from top-rank economists. Three essays by the former President of the Federal Reserve, Alan Greenspan, are included in her non-fiction volume *Capitalism: The Unknown Ideal*. Proof of her recognition by the laissez-faire apostles of the Austrian school of econom-

¹³To take but two examples, one of the novel's arch-villains deplors the Schumpeterian drift of the economy: "We can't help it if we're up against destructive competition of that kind" (p. 18). Another "baddie" meant to embody the worst kind of statism, sounds vaguely Keynesian in his refusal to believe in the total predictability of events: "Nobody can tell what the course of a country's future may be. It is not a matter of calculable trends, but a chaos subject to the rule of the moment, in which anything is possible" (p. 177). Keynes's and other economists' insistence on the impossible disregard of uncertainty in economic theorizing is discussed by Jens Beckert in his contribution to this volume.

¹⁴For more on this point, see Chap. 2, in this volume.

¹⁵And has enjoyed regained popularity with Tea-Partyites.

ics was Ludwig Mises's invitation for her to come and address his privately financed seminar at the University of Vienna. Browsing through the online archives of the Mises Institute makes the reader of *Atlas Shrugged* feel on very familiar ground: free-market economics is the gospel truth; the state is the arch-villain, and so forth. The Austrian economist's interest in literary fiction was genuine; he "wrote back" to anticapitalist novelists: "They fail to realize that the shocking circumstances they describe are the outcome of the absence of capitalism, the remnants of the precapitalistic past or the effects of policies sabotaging the operation of capitalism" (Mises 1954, pp. 67–68). That realization is the starting point of *Atlas Shrugged*. However, to repeat, Rand maintained that her defense of capitalism was not primarily based on economic grounds, but on philosophical ones. How philosophical is her philosophy?

In truth, Rand's use of the word "philosophy" involves a semantic appropriation close to a hijacking, if only because, in her understanding of it, it looks like doubt is ruled out. Her work provides several significant instances of this. Rand's own form of Newspeak, conspicuous in *Atlas Shrugged*,¹⁶ ties into her wish to make the writing of fiction quasi-synonymous with a creation of values that amounts to a narrowing-down of meaning and scope for interpretation. That is another reason why her eulogizing of freedom rings false.

What she does with the name "John Galt" is part of her wish to set things right as, "[w]hat existed in practice, in the nineteenth century, was not pure capitalism, but various mixed economies.¹⁷ Since controls necessitate and breed further controls, it was the statist element of the mixtures that wrecked them; it was the free capitalist element that took the blame" (Rand 1967, p. 24). Galt, the inspirer of the great minds' strike in *Atlas Shrugged*, was named by Ayn Rand after a Scottish novelist (1779–1839),

¹⁶Unlike the original Newspeak, the language devised by the authoritarian rulers of Oceania in Orwell's *Nineteen Eighty-Four*, Rand's variety does not involve the coining of new signifiers. It consists of a limited and strategically chosen handful of them, including proper names, whose signifieds have become the opposite of what they originally were. For a brief inventory of Randian Newspeak in *Atlas Shrugged*, see Vincent Dussol, "Views of worlds ending: Ayn Rand's *Atlas Shrugged*, Cormac McCarthy's *The Road*." In *Carrying the Fire: Cormac McCarthy's The Road and Apocalyptic Literature*, eds. Rick Wallach, and Scott Yarbrough, Miami: The Cormac McCarthy Society. Forthcoming.

¹⁷More recently, this positing of a "pure" capitalism, "a capitalism which is only inhibited and blocked by *extrinsic*, rather than internal elements" resurfaced in Accelerationist scenarios (Fisher 2009, p. 46).

who was also an entrepreneur and political and social commentator, who referred to the body of his work (mostly fiction) as “theoretical history.”¹⁸ “He was Coleridge’s favorite novelist,” Andrew O’Hagan recalls, “the first of his kind to draw on the industrial revolution” (O’Hagan 2017). Lawrence Buell describes Galt’s most famous novel, *Annals of the Parish* (1821), as a “narrative of community” taking place in an “archaic counter-space to society at large” (Buell 2014, p. 352). While the description fits that of life in the happy mountain valley in *Atlas Shrugged*, the real John Galt’s social concerns were very far from Rand’s loathing of anything resembling a welfare economy. Still, an entrepreneur novelist would have been to her liking. In the same way as she was tempted to entitle *Atlas Shrugged*, “*The Strike*,” she turned the social-minded figure of the real John Galt on its head and made him a fictional eulogist of do-it-alone and laissez-faire, in keeping with her fictitious rationality.

THE AMERICAN NOVEL: FROM THE PULPIT TO THE HUSTINGS

The relation between “art [and] advocacy” (Buell 2011, p. 325) belongs to an American tradition. Possibly due to the importance of preaching in American history—from the early days of colonization down to the present day—several American novels feature ministers and include sermons. These make perfect channels for an author to throw their voice or, conversely, a stump from which views adverse to their own are offered to readers’ judgment. In Edward Bellamy’s *Looking Backward*, a shortcut to some of the author’s essential views is taken by exposing Mr. West, the protagonist, to Mr. Barton’s sermon. And, West is informed, Mr. Barton “preaches only by telephone, and to audiences often reaching 150,000,” surely an image for the audience Bellamy intended to reach.¹⁹ In *Atlas Shrugged*, a 56-page long radio broadcast in a chapter entitled “This is John Galt Speaking,” strategically placed toward the end of the novel, fulfills the same purpose of directly channeling the author’s mind.²⁰ In other words, there seems to be a history of American fiction writers includ-

¹⁸ Did this anticipate Rand’s awkward cobbling of genres in *Atlas Shrugged*?

¹⁹ See also the working-class woman’s sermon about future hope in Phelps’s *The Silent Partner*.

²⁰ Note how in both cases, the story’s near-future setting leads to technology-enhanced preaching.

ing ideological expository discourse in their novels. This may give some perspective on Rand's didacticism. She would not really let her fiction simply speak for itself, instead presenting her book on *Capitalism* as "a nonfiction footnote to *Atlas Shrugged*" intended to clarify for young readers the political aspects of the novel in an age of "epistemological chaos" (Rand 1967, p. IX). One of the essays in it, "Is Atlas Shrugging?," indeed offers very specific guidance to read her work of fiction. Conversely, she makes frequent use of the novel in her essays on capitalism.

CONCLUSION

As a novel meant to cast capitalism in the favorable light of freedom, Ayn Rand's *Atlas Shrugged* can be deemed a failure. As I hope to have shown, this has to do as much with strictly literary reasons as with the novel's content proper. The obvious nation-(re)building ambitions of Rand's novel account for its borrowings from more didactic genres—the epic and the utopia—and those do not sit well with the more romantic aspects of the plot. Consequently, the mimetic power of the novel is diminished, and its characters often feel awkwardly rigid. Their space is cramped and the reader's relation to them hampered.

Technically, what permits the association of capitalism with freedom is based on economics. What capitalism guarantees, its advocates say, is freedom of enterprise, laissez-faire. But Rand's partisanship leads her to dismiss even economics, and just hammer home the message.

Undoubtedly, Rand would have disapproved of the subject of the present book, which intends to bring out contact zones between capitalism and fiction via political economy and economics and therefore contributes to blurring the lines, a blurring that she fiercely denounced. As part of an exploration of the representations of capitalism in the United States, it seemed necessary not to dismiss Ayn Rand's mega-novel as a second-rate object, but rather to attempt to puzzle out the discrepancy between negative critical reception and readers' continued favor. While the former point has been explored at length through Progressive-tinted glasses, the reader may rightly point out that very little has been said on the latter. But, surely to simplify, does not the main appeal of *Atlas Shrugged* continue to lie in its celebration of the capitalist as a hero in a country (and a world) where faith in free enterprise still abides? Rand was certainly right in assuming that a function of art is to be a refuge. A believer may then receive her

novel “like a beacon raised over the dark crossroads of the world, saying: ‘*This is possible*’” (Rand 1971, p. 164).

In ways opposite to what Rand meant, but of interest to Progressive readers, *Atlas Shrugged* is indeed prophetic of current irresponsible options taken by American capitalism:

He pointed west. “The Buena Esperanza Pass. Five miles from here. Everybody’s wondering what I’m doing with it. Oil shale. How many years ago was it that they gave up trying to get oil from shale, because it was too expensive? Wait, wait till you see the process I’ve developed. It will be the cheapest oil ever to splash in their faces, and an unlimited supply of it, an untapped supply that will make the biggest oil pool look like a mud puddle?” (p. 233)

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“Building the Clutter, Widening the Vacancy”: Capitalism and Baroque in William Gaddis’s *JR*

Jean-Louis Brunel

PREAMBULAR SENTENCES

Fredric Jameson, in *Marxism and Form* (1971), proclaims the necessity for “any description of a literary or philosophical phenomenon [...] to come to terms with the shape of individual sentences themselves” (p. xii). Twenty years later, in *Postmodernism or, The Cultural Logic of Late Capitalism* (1991), Jameson points at the salience of Taylorized economic procedures in literary and syntactic assemblage, from what Luhmann calls “a process of growth by internal disjunction” (p. 140)—a process out of which arises “one immense shaggy dog story which leads us firmly toward the completion of an incomplete thing” (p. 153).

Though the sentence applies to Claude Simon’s *Les corps conducteurs*, it might help as a key to William Gaddis’s *JR*—“this book about success and like free enterprise and all hey?” (1975, p. 726)—provided we are invited (or not) to understand this “completion” as “a meaningless interruption

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as any other termini randomly chosen” (Jameson 1991, p. 153). For “a meaningless interruption” denies the possibility of completion—a thing is complete in the ratio of its meaning. And completion is the question, equally relevant for literature and capitalism since “the limit [in the latter] is never met but reproduced by always displacing it” (Deleuze and Guattari, p. 274); since “the thing and the world [represented in the former] are concatenation of perspectives [...], temporal and incomplete” (Merleau-Ponty 1945, p. 402).

What is that all about?

ABOUT THE BAROQUE

Liz has been talking in broken French with Mme Socrate, the cleaning lady: a dialogue of the deaf now left suspended when “her gaze fallen vacant” is caught by words on General Motors’ record loss, featuring “yesterday’s headline or the day before, of no more relevance than now in their blunt demand to be read.”

Only to be read then. Lost words about a loss, shaping, in the irresolution and duplicity of free indirect speech, Liz’s formula for a text “building the clutter, widening the vacancy.”

We are in *Carpenter’s Gothic* (Gaddis 1985, p. 28) but no doubt the formula proceeds from the economy and poetic of *JR*, the novel it may have surfaced from,¹ after some 10 years of silence—the silence of a suspended answer to the phony² rattle of capitalist, snot-nosed JR on the phone.

¹Though there are in *Carpenter’s Gothic* some names taken up from *JR*, like Teakell or Ude, or that “snot nosed sixth grader,” characterizing Paul Booth (p. 209), or places like the Bast’s house “with little pointed windows” (*JR*, p. 58), “ravined with gingerbread” (p. 18) reminiscent of McCandless’s carpenter gothic house, the filiation appears as much less factual than formal since what Gaddis tells about *JR* can well be applied, though less radically, to *Carpenter’s Gothic*: “certainly the style, that still is true, that I did not want to write another book like *The Recognitions*, with that same ... well, the whole business of authorial access, to get the author out” (Chénétier and Félix 1993). “So this authorial absence [...] is the sense that the book is collaboration between the reader and what is on the pages” (Abádi Nagy 1987, p. 80).

²“The readers of the New York *Evening Telegram* were told in 1904: ‘Phony implies that a thing so qualified has no more substance than a telephone talk with a supposititious friend’” (McLuhan 1964, p. 265).

And that might be the formula of the Baroque, if we follow Christine Buci-Glucksmann who asserts that "making the signifier proliferate in its pure state in the vertigo of a lost sense, [...] the Baroque constructs *a mimetic of nothingness* [whose form] displays in its fullness the quasi-spiraling movement of the void which animates it" (2002, p. 105).³

Therefore, for what reason might sense be lost in *JR*, which starts off proliferation? What does that mean for literature and capitalism, its now supposedly Baroque object? How dare equate from a Baroque perspective literature and capitalism? But has not literature from the beginning, like capitalism, prospered on and cluttered vacancies?—that "hollow" in Rip's Kaatskill Mountains (Irving 1820, pp. 34–35); that "canon hole surrounded by steel" the poetic structure is analogous to, in Leiris's *L'âge d'homme* (1939, p. 57). And much attention will be paid to holes in *JR*. What does it all signify? Just signs of literature on signs of "litureture" (p. 303; 517; 556): capitalism as the littered content of its lettered contest. So that, giving the lie to Edward Bast shouting at JR who "ruin[s] everything [he] touch[es]," there might be, "one flower [blossoming] out here in this mud and weeds and broken toilet" (p. 659): the text of *JR*.

A LOST SENSE TO START

It all starts with the Bast sisters confusingly relating the death of "Father," who used to teach the piano and get money for it, initiating that "ungodly" collusion between business and the arts that will lead to the General Roll Company, manufacturing player pianos.⁴ For unfortunately, the sound, textually attached to "Father" is not produced by his music as expected, but by his pocket change: "he jingled when he walked" (p. 3). Like a specter, should we say. Or, equally, like the sophist in Plato's eponymous dialogue where the Eleatic stranger draws the portrait of "our wonderful sophist" as the teacher of "a sort of conjectural or apparent knowledge, which is not the truth" (*Sophist* 233c-e), and the maker of "all things which he sells for a few pence" (233e-234-b).

³ John Leverence may be the first to have related Gaddis's prose to the Baroque. In an essay entitled "Gaddis Anagnorisis," he defines the form and design of *The Recognitions* (1955), as "loose Baroque and postmodern" (Kuehl and Moore 1984, p. 32).

⁴ That will lead to a "sudden iron nakedness of a piano frame in the mud" (p. 663), and that "operatic suite" (p. 70), shrunk to "a piece from the unaccompanied cello" saved from the trash (p. 675). Because "Man you keep saying you write this music but like everything I see you say it's some business you're in" (p. 369).

Like a specter or a sophist, Bast the father ends up as a bust, with the potency of the paronomasia which infects the name of the living—BAST—with the image of the dead—BUST. With the grotesque of this situation in which his “hollow” bust, still floating on the waters of Vancouver’s harbor where he was to be sunk, might be seen as the ultimate triumph of surface over depth, reflecting the disavowal of vertical hierarchies for unanchored horizons—a triumph consequential of what Buci-Glucksmann calls for the Baroque: “the systematic decoupling of what has been united from Greek, Thomist and classical philosophy: form and substance” (p. 105).

A “MIMETIC OF NOTHINGNESS”

It is during the Baroque period and its obscure regions of confusion, to paraphrase Foucault (1966, p. 65), that forms started to wander off on their own, disburdened of that substance which secured their sense, as such, breaking down the terms and times of Aristotelian finalist construction to rush along “the infinite series” which, the Stagirite warned us, “eliminates the Good [and] reason in the world” (*The Metaphysics*, II, 2, 994b).

And that’s the way it goes in Wall Street, a way where no stop can be made—“just stop [...] instead of this more! more!” Bast desperately tells JR (p. 647). But how could he?—caught as he is in a game the purpose of which can neither be good nor reasonable (p. 171, 656), so long as “even when you win you have to keep playing” (p. 647). Without “the ultimate ‘why’ as cause and principle” (*The Metaphysics*, I, 3, 983a), which conditions the “infinite series,” chance reigns supreme.⁵

⁵JR’s “Paper Empire” (p. 651) started off with Eagle Mills acquisition because he was “playing with the telephone” (p. 34), because “somebody just wrote [his] name on [“that eagle thing”]” (p. 170) and it turned out that he was “more surprised than anybody” by his “surprise coup” (p. 656). But, had he understood what founded the rules of the game, as Jack Black Cates sketched them out in Typhon International boys’ room (p. 109), he wouldn’t have been, since what Crawley calls “childish nonsense” (p. 199)—though he, the man of the “jungle” (p. 82), is in many ways part of it and keeps it going (p. 206)—happens to be led by child-like characters: Stamper, Crawley’s associate, is a “big overgrown kid” (p. 522), Cates, director of Typhon International, coincidentally blowing his nose when meeting JR (p. 109) or talking about his empire, can be seen as some grown-up snot-nosed JR, at least related to him through nose and handkerchief (p. 433), just as Jack Gibbs *aka* Grynspan/Greenspan, critic and accomplice of capitalist fakery, being “in the way” (p. 247) or putting his feet into “seat hinges” (p. 76, 476) like JR. Childish nonsense, that’s also Julia

"Is it my fault?" (p. 659) JR keeps repeating. How could he be held responsible for capitalist wheeling and dealing and the mess it's left? How could he respond, be the cause of it all? He, the sad Arlequin (p. 35) in that "stone comedy" (p. 81) of Wall Street, phoning his way up to some "elusive organization" (p. 433) with no inside (p. 644), aptly epitomizing, like Governor Cates—that Empedoclean creature⁶—the "motley painting" (Deleuze and Guattari 1972, p. 42) capitalism looks like, in its variegated processes emerging out of no cause or reason but of "great accidents" (Deleuze and Guattari, p. 163), following a relentless movement of abstraction, things and people and places driven away and written off⁷ in fluxes and cataracts that make Walter Benjamin declare that "the Baroque knows no eschatology" (1985, p. 66).⁸

Bast's point of view on her nephew's business with JR *via* Crawley precisely: "It all just sounds like nonsense Anne I don't know where Edward finds these people, bought spelled b o t indeed" (p. 234). But one can't fail to remark that if the nonsense of the child can't but be related to innocence and therefore reach back to the Nietzschean notion of chance (*Zarathustra*, III, "On the Mount of Olives"), it is nonetheless true that with Julia it is the misspelling which metonymically refers to the child and to JR's "liture" and, as it were, attesting that: "Writing has never been the thing of capitalism. Capitalism is profoundly illiterate" (Deleuze and Guattari, p. 285).

⁶ Gall, a writer of sort, can't read the Greek-lettered Marxist motto at the entrance of Whiteback's school (p. 20). Gibbs leads him to believe with tongue in cheek that it might be a fragment from Empedocles's "second generation of his cosmogony" (p. 45). Being granted that "[communism] historically develops from capitalism" (Lenin 1917, p. 75), with the deliberately misattributed quote, capitalism in *JR* might be suspected to proceed from and produce Empedocleism, as attested by Cates whose countless transplant surgeries have morphed him into "a lot of old parts stuck together," so that for Zona he should be "declared null void nonexistent" (p. 708). Or as attested by JR who plans to open up "different kind of banks like this regular bank and these blood banks these eye banks these bone what..." (p. 654). Moreover, as one needs the phone and the other his quotron (p. 85, 694), they both are figures of the Baroque, prosthetic and Protean.

As a side remark and joining Gibbs's game, considering then Whiteback's school, where education and bank and the military are pieced together, as monstrous as these Empedoclean "creatures with breasts and faces looking in different directions" (Fragment 61); considering therefore that the economy of Gaddis's text is more Empedoclean than Marxian, more deconstructive than dialectical, one shouldn't wonder why Gaddis in general and *JR* in particular are most surprisingly ignored in Jameson's essays: is completion the question? As Joseph Tabbi puts it in his seminal *Postmodern Sublime* (1995), "Jameson is [...] not content to rest in confusion. He is ideologically committed to resolving the signifying process in a dialectical totality" (p. 24; see also pp. 213–214).

⁷ For "the thing is just, the whole place there's nothing real about any of it" (p. 408).

⁸ Benjamin's criticism of what he calls "the phantasmagoria of capitalist civilization" may be said to draw down on Baroque aesthetics, from the "illusions" of the citizen's home inte-

PR-wise David Davidoff explains all this to Amy Joubert's pupils on a field trip to Wall Street:

Now if you are selling something, something *definite* ... He shaped the space before him with *empty hands* into—a basket, baskets let's say. You may have a tough time finding somebody that wants to buy exactly your *kind* of baskets. But if you own stock in a company that makes baskets, you can sell it in a minute". (p. 84) (Italics mine)

A "mimetic of nothingness" in which the gesture matches the words, in which the thing itself, "definite" and in "kind," is to be abstracted and converted into a stock, "as general" as press statements (p. 104), in which the thing itself is emptied out of its innate properties, disembodied from the start by its metaphorization in the phrase "basket of stocks." Davidoff, serving Governor Cates, "the immaculate specter" (p. 90), fails to find something idiotically real and, under the narrative "dictates of labored metaphor" (p. 90), promotes, along this wavy grandiloquence⁹ of his, what Derrida calls, after the Marxian analogy, the "phantomalization of the proper" (1993, p. 75).

But if things are spirited away by prestigious Wall Street, so are beings, necessarily stricken with invisibility, as confirmed by Davidoff who argues: "there's always a buyer waiting somewhere, maybe five thousand miles away, somebody you don't know and never even have to see" (p. 84).¹⁰ And were you to see him you would only get an image, conjured up by Wall Street, in which invisibility is only consequential of this flow of signs, as such specular and speculative, Circean, so to speak, being granted that, with capitalism, "the universe loses its unity, the earth its stability, the beings their identity; everything decomposes to recompose, carried away as they are in a game of appearances ever fleeting before other appearances" (Rousset 1954, p. 16).

rior to the universe pervaded by "commodity-character" (p. 55-56), exemplified in *JR* by JR who "thinks there's a millionaire behind everything he sees" (p. 497), included "that round white thing" or "this icecream cone thing" which is "this here moon coming up" (p. 661).

⁹ Grandiloquence is to be understood in Clement Rosset's perspective, that is, "an accident of language [...] whose effect is to render the real with words that have obviously lost every relationship with it" (1977, p. 82).

¹⁰ Which gives in JR-speak: "I mean this here bond and stock stuff you don't see anybody you don't know anybody only in the mail and the telephone because that's how they do it nobody has to see anybody, you can be this here funny lookingest person that lives in a toilet some place how do they know" (p. 172).

For that is the effect of Circea's presence on the Baroque stage, according to Jean Rousset (p. 16), which can be transposed to the movements induced by capitalism as well. Its universe is the city or the town in the center of which "all allusion of permanence had disappeared" (p. 18),¹¹ and the Stock Exchange, above all, which is presented from the start as a visual field.

PRESTIGIOUS WALL STREET

Her gaze [...] rose to rest on the magnificent chandelier glittering serene through the lazy drift of the full American flag, reflected from the fortress behind them rising, falling back on gentle billows, shifting planes of reflection and reality where the still points of light pierced the engulfing warmth of the sun (p. 82).

Or when the holy of holies of capitalism is represented according to a Baroque aesthetic. The setting originates in Amy's gaze and, as such, unfolds from the modalities of point of view at the end of which the real ceases to be a given, centered and settled, but a construction, since "one can say *ad libitum* that to see is to construct, or that to construct is to see, that vision is analyzed as an architecture" (Serres 1968, p. 168). A Baroque architecture, so to speak, in the perspective of which should be understood what Buci-Glucksmann considers as "the great axiom of the Baroque [i.e.] *to be is to see*" (p. 92, emphasis in original). And, should we dare add, to be without recourse against sight¹²—"that most immediate sense [and] most easily deceived" (Gaddis 1955, p. 798), conceiving lures and creating illusion.

This incipient scene is bathed in the undulations of the American flag flying outside and "drift[ing]" its way inside, under the guise of "gentle

¹¹ One may listen to what the strangler in *The Recognitions* has to say of "people in cities": "They lose the beginning and the end of the day, and nothing grows but their bank accounts. Life in the city is just all middle [taken up in *JR*, p. 486], nothing is born and nothing dies. Things appear, and things are killed, but nothing begins and nothing ends" (Gaddis 1955, p. 418).

¹² Without recourse to the very first sentence of Gaddis's first text since the one is dead, who was able to recognize the devilry and saraband of sight: "Even Camilla had enjoyed masquerade, of the safe sort where the mask may be dropped at that critical moment it presumes itself as reality" (1955, p. 3). And the ultimate irony is that just a few lines further down, analeptic Puritan Camilla is said to have been processioned to the cemetery in a funeral carriage, "which resembled a Baroque confectionery stand."

billows” on the wall, blurring the lines and contours of masses and forms discriminating the outside from the inside. This effacement of expected limits is *the* characteristic of the Baroque (and of capitalism, our subject) from Wöfflin *via* Rousset to Deleuze for whom it holds in the notion of fold—“this infinite fold [which] disseminates on either side: the fold develops into folds which permeate the inside and spill onto the outside” (1988, p. 49).

Which results in “shifting planes of reflection and reality,” that is, in movements adrift between them both. In-between movements which design a zone of confusion made explicit by the serenity of the glitter despite the drift of the reflexion—a textbook example of a truistic construction, were we not at the Stock Exchange. For it brings out obliquely the possibility for the real inside to be affected by the fictions billowing in from the outside—a mostly unexpected causal relationship that only fools and poets (and capitalists maybe)¹³ can envision and this being all the easier when the next line sees reflection *and* reality conjoined and put on the same *plane*.

What of the real, then, when it is infected by fiction? As in any architecture of vision—especially when the question is explicitly that of light—the potency of the artifact prevails over the fact and reveals itself as an artifice: chandelier *v.* sun.

It is of course an uneven fight if we remember what befalls the sun right from the first page, “pocketed” in a cloud and “spilled [...] across the

¹³One may still have in mind the question of capitalism and nonsense, only intimated in note 5, which could be developed up to the question of capitalism and madness, provided we have in mind Foucault for whom the madman, as “depicted in the novels and plays of the Baroque age,” and contrary to the poet who “rediscovers the buried kinship of things beneath the named and expected differences,” [gets] “alienated in analogy [...]. He sees nothing but resemblances and signs of resemblance everywhere; for him all signs resemble one another, and all resemblances have the value of signs” (Foucault, p. 63). Which shines a singular light on JR in particular and capitalism in general, especially if we remember what Bast tells him before losing his head: “you didn’t even know what X-L made when you had to buy it you asked me what’s a lithograph” (p. 656). The thing that matters is the exchange, the selling, whatever is sold. The only thing which is worth a thing is the sign. This “negative” of the ways of the world may have led JR to that unnatural moment of sudden and soon forgotten clear-sightedness: “I’m just finding out everything’s like just the opposite of how I thought” (p. 662). Which allows us to wonder whether here is not surfacing the portrait of the capitalist as a madman who erases Bast’s homeplace to erect a shopping center (pp. 664–665) for a business profitable rationalization which sends Bast to Bellevue for a time mad ... (pp. 664–665).

floor," monetized, as it were, by the unfavorable context of the metaphors, and downgraded to the status of pocket change or junk papers such as those JR keeps spilling (p. 167, *et passim*). While at the center hangs "the magnificent chandelier," as such doing great, with its still points of light outshining the sun as they pierce what should have been a ringed and impassable frame: that "engulfing warmth," that all-encompassing light that used to tell cosmic time, cyclical and closed, measuring the movements of the universe. It has been broken through by the glitter of the chandelier, by that artifact which, through its victory over the fact of the sun, becomes the relentless artifice of "most unnatural" exchanges (Aristotle, *Politics*, I, x) that makes Wall Street work: no longer gold or money but "value" glitters on screens, which "presents itself as an independent substance, endowed with a motion of its own" (Deleuze and Guattari 1972, p. 269), glowing and flowing along "the infinite series" of speculation.

That Amy Joubert feels "a little dizzy" after this introduction to the Stock Exchange shouldn't come as a surprise. "Her gaze, shifting" like, or because of, these "billows, shifting planes of reflection and reality," might be lost and assigned by the repetition to grapple on nothingness, on these metaphors of light and liquid running across the place, to be credited to Capital processes as well as to Baroque paradigms,¹⁴ both thriving on the

¹⁴For Rousset, "the earth [has lost] its stability" (p. 13). In *JR*, as just pointed out with semes such as "billows" and "engulfing," the loss of stability or "the drift" is conveyed through the isotopy of the sea that permeates the whole text: from the "shipwreck" the Bast family sounds like to Coen (p. 7) to that "vessel under construction" and in "damaged condition" belonging to JR Shipping Corp (p. 710) *via* Rhoda living through a "shipwreck" in the 96th St. apartment after a coke-snort (p. 610, 613), and Davidoff, the man "on deck" (p. 90, *et passim*) in whose wake Typhon premises transmogrify into seascapes (pp. 90, 196)—to say nothing of Whiteback and the Melvillian "swinging sign" over the ever-swinging door (p. 51) of his office (p. 21), first seen waving (p. 18) like Davidoff (p. 81), which leads us back to the Bast homeplace, where Coen keeps waving his waiver in front of Ann and Julia (p. 6) ... Moreover, being granted that Circea (who has led us to Wall Street) is known for transforming men into animals, no surprise if the NYSE is taken for the Museum of Natural History (p. 81, 82), that Crawley is this "real live stock broker" (p. 83) teamed up with Stamper in business and big-game hunting, for whom National Parks should be changed into game reserves (p. 205) to shoot some hippos the "typographical error" (but not only [p. 205]) identifies to hippies (p. 436), that Zona is this "furred croup of ursine magnitude emerging from the cavernous shelter of the limousine" (p. 415). And the same Zona who predicts that Governor Cates, hybrid character and quasi artifact and in that respect the archetypical figure of a Baroque capitalism, will "end up with a dog's brain" (p. 708). But this "becoming-animal," to use Deleuze and Guattari's notion (1980, sect. 10) of the capi-

irreverence and “irreference” (Derrida 1967, p. 432) of unrelated contiguities, becoming other while remaining the same—“what’s the difference it’s just numbers isn’t it? Just numbers on paper,” says Bast (p. 639). Or words which have “nothing to do with anything,” says Amy (p. 208). Signs of things which no longer are but which now become since their substance *is* their value, formless or taking all forms: stocks traveling through “relations of quasi causality, unreal and ghostly” (Deleuze 1969, p. 46); stocks which are to Wall Street what stucco is to the Baroque.¹⁵

CAPITALIST BAROQUE ASSEMBLAGE

Or “ramifications,” which is the term used by Coen with Angel (p. 357) or with Bast (p. 681) or by Crawley with the same Bast (p. 442), though it may not strictly fit in the never-ending acquisition and cession and fusion movements of Capitalism which, to keep up with the vegetable—and “it is the vegetable image that bears witness of the Baroque” (Barthes 1964, p. 111)—is much more reminiscent of the rhizome than of the branch, especially when we see what befalls the trees in *JR*.¹⁶

talist pack, might well be intimated in the emblematic echo between “the lofty pediment” of the NYSE building and the “portal plaqued Crawley & Bro.” inside. If echo there is, “the stone comedy of labor yoked” might signify the metamorphosis operated from the start, of the laborer into a beast of burden (“yoked”) down into a beast of the jungle the Stock Exchange is (p. 82). Being the jungle after being the Museum after being “the cradle of American history” (p. 82) after being “round the corner into Broad” (p. 81), that is, unnamed and irretrievable, were it not the synecdoche of its pediment; threatened in its truth by the dramatic inconsistency of its “comedy.” Therefore, with the Baroque process of men changed into or disguised as or behaving like animals does appear the figure of the palimpsest which, like the *mise-en-abyme*, illustrates the variations and vertigoes of Baroque aesthetics and capitalist sophistries—“a game of appearances ever fleeting before other appearances,” to quote Rousset again.

¹⁵ “In the churches and palaces stucco is wed to all forms, imitates everything—velvet curtains, wooden corniches, charnel swelling of the flesh. Stucco exorcizes the unlikely confusion of matter into a single new substance, a sort of *general equivalent* of all the others, and is prestigious theatrically because it is itself a representative substance, a mirror of all the others” (Baudrillard 1976, p. 80) (Italics mine).

¹⁶ Be they knocked down by Ace Development Company for mineral exploration (p. 171), or “slaughtered” (p. 53) by Erinyes-like saws in Burgoyne Street (p. 72), or gone with Bast’s place (p. 664) under Catania Paving Company’s “two-inch pressed blacktop, indestructible, no grass to grow” (p. 325, 714), they open up smooth trajectories toward a horizon, “dromoscopic” (Virilio 1984, p. 3) and chrematistic, martial so to speak, the end of which is Teletavel’s transmission. (pp. 704–705)

Starting with General Roll, the Bast family's company and the first to be referred to (p. 5), though we could have started with Eagle Mills, for being JR's first unexpected acquisition and for the most foreboding name of the place it is based at: Union Falls, "a ghost town only ratable left's the damn cemetery" (p. 702). Yet, without trying vainly to get into too many details, the ramifications will extend far beyond the Bast family's expectations, to be, momentarily at least (p. 719), part of what Eagle Mills acquisition initiated, that is, JR Family of Companies (p. 536).

Starting with General Roll¹⁷ (p. 19) then, which manufactures player pianos the mechanism of which uses sheep membranes (p. 532), also used by Nathan Wise instead of rubber for the condoms they produce and for that reason hit by the pill (p. 355); used again, these said membranes, by Wonder Beer in the filtration process (p. 433). General Roll, which is provided paper for its rolls by Triangle Product (p. 153), a firm held by Schramm's family with Gibbs and Eigen as joint executors (p. 387) of the estate for the benefit of Mrs Schramm, the mother-in-law of their friend the writer found hanged, and future lover of Eigen, the "graverobber" (p. 616).

As for Gibbs, he is last seen in Schramm's room reading Broch's *Sleepwalkers* after he "help[ed] untangle the whole damn thing" (p. 711) by dint of debt write-offs and tax returns with Triangle (p. 395), of dumping, lowered book value and tax credits with Erebus Productions (p. 572). And then there is Ray X for whom he sells the whole catalogue without any idea of what it is: plastic toys instead of real weapons (pp. 571–572) and "the whole damn Malwi labor force decimated" (p. 709). Burlesque is the conclusion of the deal, and so are JR's schemes and Cates's, and

¹⁷Right from the start, though it belongs to one among many of Julia's misunderstandings, "the military" (p. 5) lurks in the corporate world. There's no General called Roll in JR's roll call, but there's a General Box (p. 93), head of Typhon International and General Blaufinger (p. 427), once World War II enemies, now teamed up for cobalt exploitation in Gandia (pp. 96–97). As if there was already in the name of the Bast family's firm, the beginning and the end of what capitalism is all about, from JR selling picnic forks to the Department of Defense (p. 169) to the Teletravel experiment (p. 705), without forgetting Major Hyde at Endo Appliance and at the school, his fallout shelter, and its waste disposal—"what America is all about" (p. 25). All about "the focus of acute military interest" (p. 674), provided by these here derided and dangerous "task forces of scientists in laboratories and testing fields," to use Eisenhower's own words ("Farewell Address to the Nation," January 17, 1961), in whose martial metaphors surfaces the military-industrial complex, that is, "these here other generals and colonels which are still at Washington buying all this stuff for like the Pentagon" (p. 465).

Capitalism's. Provided we have in mind Fielding's Preface to *Joseph Andrews* where he asserts: "what Caricatura is in painting, Burlesque is in writing" having considered first that, "in the Caricatura we allow all licence—its aim is to exhibit monsters and all distortions and exaggerations whatever are within its proper province" (Fielding, p. iii).

With the difference that there is no such thing as a "proper province," for there is no such thing as property or territory:

If capitalism is the exterior limit of all societies, this is because capitalism for its part has no exterior limit, but only an interior limit that is capital itself, which is never met but always reproduced by always displacing it. (Deleuze and Guattari 1972, p. 274)

The genius [of the Baroque] is syncretism, its order is openness, its property is to have nothing in proper and to push to their extremes characteristics which, erratically, belong to all places and times. (Genette 1969, p. 222)

From Eagle Mills's tax loss carry-forward (p. 337) to Wonder Beer's unpaid dividends to X-L Lithography taken over for debt settlement by Duncan and Co. Publishers, experts in novels with columns of advertising inside *via* Triangle to Duncan and Co., a wall paper firm not to be confused with its homonym leading to Ace Development merged through stock swap (p. 344) with Alberta and Western, timber firms with mineral claim, with Endo Appliance stepping in to calm down the Indians, back to Wonder Beer for the promise of cobalt reserves jeopardizing its "romance,"¹⁸ calling Typhon International and Ray-X its R & D being

¹⁸ PR-wise Davidoff is on deck to tell the story of what is typographically presented as the title of what will be "The Romance of Cobalt" (p. 104)—while the contract between Typhon International and the US government on its extraction and processing in Africa hasn't yet been signed and sealed (p. 96). A title and yet no story at all, which is to be written by this topflight name writer who can handle the whole ... (p. 104); a rhematic title which not simply opens up onto nothing but sets the precellence of romance over cobalt: it is a romance before being about cobalt, with the risk that the matter it is to be obfuscated by the manners it will become; a title, moreover, which invests the present with the sense of the past—a romance is retrospective. Nothing but an effect of the past, since it never was, to substantiate a future that strategically is, negatively nested in a present consequently drained out of its substance. It is the romance of what will have been Cobalt. The present in its presence has disappeared. It is in "the future perfect tense," Louis Marin could have said, that the corporate world conjugates" (Marin 1984, p. 60). Not so perfect, this future ... haunted by Capitalist "liture" defacing in fancies Coleridge's "suspension of disbelief" (see Beckert 2016, p. 64).

granted by DOD (p. 689) cost overruns (p. 510) to be able to conceive Frigicom and Teletravel—for “the more you spend the more you get, see?” (p. 465)—and Mr. Ten Forty, the new diCephalis celebrated in Whiteback’s school for the punched holes of his “computerized scoring” (p. 23), in line with “the whole punched tape industry” (p. 694), especially General Roll whose process has grown out of “the Jacquard loom approach” (p. 683) and as such intersects with Eagle Mills—its looms “sold off at South America” (sic) (p. 525), to get a “tax dodge” (p. 702) from the “depreciated acceleration” method (sic) (p. 296) to ...

To disappearance, to fictions, to holes ... To Ten Forty, spirited away somewhere in Texas, or dismembered as there are “severe difficulties with the reconstitution” (p. 705). To the Bast family’s home place erased for a shopping center to be built, dominated by an “arbitrary” steel sculpture of “Mandible Art” (p. 672) in which a fourth-grader is trapped—Empedocles has been there from the start. To these vacant fictions spread around by advertisements, cluttering books and novels, or by these narratives on romantic cobalt or Indian past (p. 637) staging nothing but stone-cold comedies. To all these holes ... in the literal and figurative sense of the word.

(CREATIVE) DESTRUCTION

As if inherited from the hollow bust of “Father,” they go disseminating among the capitalist instances of its atopic universe: Angel to Coen: “Holes is what it is, a lawsuit over a lot of God damn holes” (p. 356).

Whiteback, school principal and banker, his speech holed with compulsory and affected “ahms,” can’t step inside without the door of his office being described as “hollow.” Grandiloquent Davidoff, at Typhon International, is repeatedly caught with his hands “opening and grasping closed on nothing” (p. 85). Holes are what Dan diCephalis does, and what General Roll, *JR*’s representation of capitalism, started from, making piano rolls, the holes of which, with the air passing through, actuates the keys of the player piano. And the piano player is pushed aside: “that way get the God damned artist out of the arts,” Gibbs thunders (p. 288), at war with the mechanization and the arts in his 16-year-old invalid of a text *Agapē Agape* (p. 603), like Gaddis some 24 years later with his last opus so entitled.

But to understand the obfuscation of man—and keeping in mind the bust of Bast the Father—diCephalis must be called back, he whose son is “plugged” (p. 166), he “who thinks himself as a vehicle sometimes”

(p. 348), “drowning his own voice with the roar of the engine” (p. 52) and “afraid of anything that lives and grows” (p. 54) and, as such, wants to “key the individual to technology” (p. 224). In his Warholian fantasy,¹⁹ he is simply pushed aside nature, celebrating these artifacts, from money—“lifeless” for Ann Bast (p. 3)—to stock—“so lifeless” for Amy Joubert—capitalism machinery is to avoid the real, in Amy’s sense of “avoidance,” that is, what results from the act of voiding: “there aren’t any emotions it’s all just reinvested dividends and tax avoidance that’s what all of it is, *avoidance*” (p. 212) (*Italics mine*). That’s what JR family of Companies is: “there isn’t any inside” (p. 645).

“Widening the vacancy,” that’s what capitalism does, and “building the clutter,” that’s what inevitably goes with it.

Duncan to Coen: “On the hole business is very good”. (p. 681)

For JR, the first lesson on capitalism is given in the toilets of Typhon International by Governor Cates (p. 109), running counter to what he has been taught by Amy Joubert, the one who loves and is loved (pp. 501–507).²⁰ It culminates with this totem-like “big water tower painted to look like a giant roll of toilet paper” (p. 515), the rhythm of the procession to it being given by JR punctuating his sentences with that formulaic “holy shit” of his: “and stop saying holy shit! It’s all you, you want to hear holy you’re going to hear it wind the tape back” p. 655). And the dialogue between the Soul and Jesus in Bach’s Cantata 21 (n° 8), will be misheard and most simply twisted into “this here lady starts singing up yours up yours so then this man starts singing up mine up mine [...]” (p. 658). No eschatology: the glorious body of Christ and the sanctity of the soul are lost in scatology.²¹

¹⁹ “The reason I’m painting this way is that I want to be a machine, and I feel that whatever I do and do machinelike is what I want to do” (Swenson 1963, p. 26). Technology and the machine have always been part and parcel of the Baroque aesthetic: metamorphoses and monstrosities now belong to “virtual technologies” (Buci-Glucksmann, p. 236).

²⁰ For that reason—and forgetting her marriage of convenience at the end—she stands poles apart from capitalist “avoidance.” Let’s listen to the voice of *Agapē Agape*, Gaddis’s last opus: “The natural merging of created life in this creation in love that transcends it, a celebration of the love that created it they called agape” (2003, p. 37).

²¹ What can that snot-nosed capitalist of JR hear in Bach’s Cantata 21 but the obscene? When Bast makes him stop and listen to it, “this sort of a dialogue” just follows and, as such, might have helped them out of their impossible talk about the notion of “goodwill” (pp. 654–655). Goodwill, consubstantial with love or charity, the word for *agape* in the King

That’s how it ends up or doesn’t, that’s how it started or didn’t, with the “formless,” this notion which goes against or without that ideal form the Creature was supposed to be, though degraded, in the Thomist perspective: “Then *formless* is not only an adjective having a given meaning, but a term that serves to bring things down, generally requiring that each thing have its form” (Bataille 2017, p. 93).

“you, everything you ruin everything you touch!” (p. 658)

ONE FLOWER

Yet, around and beyond and in between that “creative destruction” capitalism works on,²² there lies and thrives the creative destruction of literature and the arts, which is for Nietzsche, the unseen event of “the untimely,” that is, what happens in “a little vortex of life in a dead sea of

James Bible (1 Cor. 13), is enclosed in the renewed promise of Jesus’s love to the soul, that is, that “goodwill toward men” the angel proclaimed the first day (Luke 2:14). What can tone-deaf JR hear, he for whom there is no Messiah in “goodwill” but the promise of intangible asset and no charity either but tax avoidance (p. 212) in “phony” agape, elsewhere juxtaposed to and damaged by Rhoda “want[ing] to ball” (p. 605). As if the defacement of the cantata’s ultimate sense marked the textual apex of that capitalist endeavor, since the Rhinegold robbery (p. 37), to hole the holy of that three-purpose word, and leave it agape. So that, paraphrasing Bernard Maris, “money [would be] the inverted image of Christ, [...] perhaps the Satan that Luther, long before Freud, compared to the excrement” (2012, p. 48). Like credit shrinkage and enema administration, parallel and alike as they both syntactically result in ‘forcing a, a mass, massive outflow of...’ (p. 685).

²² That’s “what America is all about” (pp. 19, 23, *et passim*), and it started with Benjamin Franklin (p. 85) and “this bank at Nevada” rewarding JR’s first steps in business with a clock (168). The time of usage has set, to rise anew as a time of exchange thrust forward by “[t]his process of Creative Destruction [which] is the essential fact of capitalism” (Schumpeter 1975, p. 83). And the Bastis’ property is destroyed as part of a “zoning change” (p. 58) where “all allusion to permanence” (p. 15) [will have] disappeared once created the “Cultural Plaza” with its shopping center (p. 665) and its “Mandible Art” steel structure (p. 672). More friends than foes, they together epitomize mass-consumer culture—Whiteback’s way (p. 19)—and its corollary, the “throwaway society,” as Harvey calls it after Toffler: “it mean[s] more than just throwing away produced goods [...] but also being able to throw away values [...], places, people and received ways of doings and beings” (Harvey 1990, p. 286). At JR Family of Companies, as they try “to combine their image of the parent and the profit motif” (p. 536), there is no pork butt and beans “simmering overnight” (p. 233) but Campbell Soup (p. 234), no 1-hour symphony but “this other crap taking three minutes each, I mean what do I care what they play there” (p. 659) in “the racket of American industrial strife” (Gaddis, 2003, p. 42).

darkness and oblivion: and yet this condition, unhistorical, anti-historical through and through is the womb [...] of the artist” (Nietzsche 1990, p. 99).

JR in between, made up of these moments to be found, in the zones, in these passages between two scenes, two situations or two places, narrated or not, which seem to be losing their singularities in that indiscernible move from one to the other, pushed ever forward by the dynamics of prepositions and of nouns having the power of verbs, in “this infinite line of inflexion” which characterizes the Baroque for Deleuze (1988, p. 49), exemplified by the organic movements of that garden and presided over by that “Laocoön of honeysuckle” (p. 68), a simile in which the vehicle takes precedence over the tenor, the manner over the matter until there won’t be any matter anymore when it is the metaphor of a “marionette in a tangle of strings,” in the 96th Street apartment which has almost become *JR* family of companies’ provisional warehouse—“laocoön in the small” (p. 618), figure of the Baroque, “graceless” in Liz’s garden (Gaddis 1985, p. 36).

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Money Narratives in Postmodern Fictions by Paul Auster and Martin Amis

Sina Vatanpour

The evolution from gold coins to electronic money coincided with the development of humanity and the different phases of our economic and social organization. If capitalism may be defined as profit-making and the accumulation of wealth in the hands of private owners, consequently its development remains inextricably commingled with money, the instrument that has facilitated commercial exchange and storage of wealth through the ages.

My aim in this chapter is not to discuss capitalism at large but to study a particular moment in the history of American capitalism marked by significant monetary development in order to examine the affiliation between money symbols and words. My approach to the subject will be to read money, indispensable to accumulation of capital, as an emblem of the mutation of American society and writing.

I will argue that in the postmodern era, writers' perceptions of money—and postmodernism—are entrenched in the far-reaching economic and financial transformations that took place in the 1970s and 1980s. These changes fostered the intensification of finance capitalism and the new

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social and economic patterns that went hand in hand with the postmodern trend. I intend to show that money, confirmed in its status of mere sign, calls into question the relationship between language and meaning, personal identity and economic and social values. For this purpose, I have chosen to examine two major texts of the 1980s, Martin Amis's "American" novel *Money* (1984), which may well be categorized as an economic novel,¹ and Paul Auster's *City of Glass* (1985), in which money is a recurrent theme although the text suggests no intention of dealing with the economy or finance.

The invention of money in its metallic form dates back to 700 BC (Servet, p. 30), whereas the origins of capitalism may be traced to thirteenth-century Italy and Holland with the development of banking and joint stock companies. While capitalism has a global history, the United States with its particular historical and cultural characteristics has played an important role in its development. The Protestant imagination and work ethic as articulated in Max Weber's monumental work, combined with the mythology of discovery and colonization that promotes individual business undertaking and success, gave American capitalism its drive and determination. Benjamin Franklin's dismissal of idleness as described in his autobiography, his praise of "industry" and "frugality" in "Advice to a Young Tradesman," in which he conceptualized the notorious expression "time is money," brought more grist to the mill of American capitalism. Later, consistent with the model advanced by Franklin, Carnegie glorified the industrious individual in his "Gospel of Wealth."

It is hardly surprising that American capitalism should have had a remarkable bearing on American literature and films, not only in economic or financial novels but also as a persistent leitmotif in American literature in general. American capitalism creates a master narrative about society and human relations that unfolds throughout history, and while it retains and keeps circulating certain fundamental values, the narrative evolves with time, thereby redefining the nature of capitalism. Lyn A. Parker in *Capitalism in Early American Literature* has traced the socioeconomic interest in the work of major American writers from the colonial period, such as Charles Brockden Brown, to the Jacksonian era. American Renaissance writers such as Melville and Poe also took a particular interest in money as metaphor in conjunction with writing and the American identity. In 1900, Frank Baum published his children's story, *The Wonderful Wizard of Oz*, which was an allegory of the monetary debates of the 1890s

¹ See Tanguy's chapter *infra*.

and the question of bimetallic standard (Rockoff, 1995). Throughout American literary history, money has been a recurrent theme in relation to political and economic changes in society. Walter Benn Michaels, in *The Gold Standard and the Logic of Naturalism*, has extensively discussed the rapid development of the American industry and finance in the Gilded Age and its impact on the work of American naturalist writers.

History reveals that major phases of monetary development correspond to the human mind's growing power of abstraction and the gradual ascendancy of the sign over money with inherent value. The first major change took place with the occurrence of letters of exchange in Holland in the thirteenth century. The promise to pay, guaranteed with a person's signature, privatized money since it was not issued by the state. The piece of paper that promised to pay was a major step toward the creation of paper money.

The second important change followed with the advent of paper money in the eighteenth century and the loss of inherent value, as a result of which precious metal was no longer used as money, even though, in principle, it remained exchangeable with paper. The third and decisive development occurred when, in 1971, Richard Nixon took the dollar off the Gold Standard, and thus money lost all reference to any material value outside of itself. Before that, the treasury was obliged to convert a \$1 bill to its exchange value of 1/35th of an ounce of gold if the bearer requested it. The shift finalized the earlier move from gold or silver coins to paper money. As a result, the banknote became self-referential, words on a piece of paper that drew its value from itself. Electronic or virtual money, such as Bitcoin, may be considered as the latest development of currency.

The rise of neoliberal finance capitalism in the nineteen-seventies radically transformed the economic landscape. Major changes took place in financial practices of lending, investing, trading of bonds, stocks and futures. The main characteristic of this neoliberal capitalist model was the subordination of industry and production in general to financial institutions.² Thus, with the 1980s began a period of great monetary instability that has continued to the present time. Money, the value of which was now determined neither by an inherent nor an external substance but by its purchasing power on a day-to-day basis, began to be transacted on an

²Hollywood cinema has brought to screen the rogue financial practices of this era with films such as *Wall Street* (1978), *Working Girl* (1978), *Bonfire of the Vanities* (1978), and *Pretty Woman* (1978).

unprecedented scale (Rotman, p. 88). It became a product, an object, which was bought, sold and multiplied.

It is perhaps not by mere chance that the development of postmodernism coincided with two historical changes that took place in the 1970s. First the abolition of the Gold Standard and second the development of information technology, both of which have radically transformed our perception of reality.

Authors such as David Harvey in *The Condition of Postmodernity*, Fredric Jameson in *Postmodernism, or the Cultural Logic of Late Capitalism* and Mark Currie in *Postmodern Narrative Theory* have shown the nexus between capitalism and various aspects of postmodernism. They have connected cultural and aesthetic forms to economic factors operating in an era of global capitalism. A major connection is that of self-referentiality, present as a theme in relation to the loss of representativeness of money in works by such postmodern writers as Don DeLillo, Jane Smiley, William Gaddis, Dave Eggers and Paul Auster.

Following Ernest Mandel, Jameson identifies three distinct periods in the development of capitalism (that he names “competitive capitalism,” “monopoly capitalism” and “late capitalism”) of multinational corporations and globalized markets that emerged after the Second World War (p. 35). He argues that these periods correspond to different modes of cultural representations—that is, realism, modernism and postmodernism. He maintains that postmodernism is the dominant cultural force in our society and that, like capitalism, it tries to bring all artistic process under its control. In Jameson’s perception, the past has been transformed into two-dimensional images that have become commodified. Signs and simulacra, or what he names “pastiche,” dominate our world and there is no reality that they refer to. Self-referent signs circulate and relate to one another so that meaning becomes irrelevant (Jameson, p. 25).³ Similarly, Jean Baudrillard has emphasized the importance of simulation and simulacra, as the copy without an original, to the understanding of postmodernism (p. 1). Furthermore, Currie has commented that postmodern novels “reflect a world in which simulations are increasingly inseparable from the things they copy, and that the condition of inseparability is inherent in the process of commodification” (p. 11). However, as Adam Kelly has argued, “New Sincerity” writers such as David Foster

³ M. Augé comments on the predominance of images as a new register of fiction that penetrates and contaminates social life to the point of bringing us to doubt reality and its meaning (p. 11).

Wallace have made attempts to break away from a strict postmodern approach and its self-conscious irony by reviving the theoretical conception of sincerity.

The issue of (non)-exchangeability between reality and fiction is at the core of how Paul Auster and Martin Amis approach the subject of money as a way of contemplating the contemporary world. Money that does not refer to any material value outside itself parallels fictional worlds that dramatize their supposed association with the realm of the real. From this perspective, the relationship between language and meaning becomes as questionable as the value of script money that has no material referent (Shell, p. 19). Moreover, writing the novel as a business undertaking that allows the writer to earn a living becomes comparable to script money at a symbolic level—that is, writing on paper that promises to pay. Michael T. Gilmore in *American Romanticism and the Marketplace* has extensively discussed the resistance and complicity of the American Renaissance writers with the marketplace (p. 15).

Auster's *City of Glass* provides us with a noteworthy example; the protagonist of the novel, Daniel Quinn, an ex-poet and writer of detective stories, adopts the identity of a detective named Paul Auster after receiving a mysterious phone call. He receives a check for \$500 from his clients, Mr. and Mrs. Stillman, that he cannot cash since it is written out to the name of someone that he is not. Later in the story he meets a writer also named Paul Auster who offers to cash the check for him, however the money never materializes because the check bounces.

In this process, the check evokes several issues simultaneously. First, it is a promise to pay that in the end does not materialize. Second, it muddies the boundaries of fiction and reality through the name of the check's recipient, the fictional Paul Auster, whose wife and son in the novel bear the names of the characters in the real world. The illusion of the intrusion of reality into fiction, and vice versa, insinuates and simultaneously revokes the fantastic idea of equivalence between the real-life author and the fictional Paul Auster. Third, the check, writing that is an order to pay but does not, accommodates the theme of language that corresponds to no meaning.

Peter Stillman Sr.'s existence and activities focus on language. He locked up his son in a dark room with no windows for nine years in order to discover whether language is God's endowment or acquired through learning. Later, his wanderings in the streets of New York trace an itinerary whose shape spells the words "The Tower of Babel" (p. 84). His "work" is to walk around the streets of New York and "collect objects that

seem worthy of investigation” and invent new names for them. He believes that a damaged object such as an umbrella that does not perform its function anymore should not be called by the same name. Stillman’s tactics recall the ideas expressed in his book about the fall of man and language, *The Garden and the Tower: Early Visions of the New World*. He claims that in Adam’s prelapsarian language “a thing and its name were interchangeable” but after the Fall language became corrupted: “Names became detached from things; words devolved into a collection of arbitrary signs; language had been severed from God. The story of the Garden, therefore, records not only the fall of man, but the fall of language” (p. 52).

Stillman’s theory of the fall of language stands parallel to the check that cannot be cashed, suggesting the “fall of money.” The breakdown of correspondence between language and the object that it designates, similarly to fiat money that has no material equivalence, announces a rupture with reality and reinforces the self-referentiality of fiction.⁴ As Alison Shonkwiler has remarked, “speculative language can be understood as a function of global finance capitalism, in language’s withdrawal from the process of production by which it once referred to something outside itself” (p. 150). In this perspective, Daniel Quinn’s assertion, “My name is Paul Auster. That is not my real name,” becomes significant since it calls into question the correspondence between the name and the person, the signifier and the signified (p. 49).

Auster’s *Travels in the Scriptorium* centers on the idea of writing as existence. The old man, named Mr. Blank, awakes in a room with white walls and handwritten words that label the objects. He realizes that the people who visit him are characters out of the novels he wrote, and that he himself is a character in a book. As the unnamed narrator comments, “Mr. Blank is old and enfeebled, but as long as he remains in the room with the shuttered window and the locked door, he can never die, never disappear, never be anything but words I am writing on this page” (p. 130). The personal pronoun “I” and whom exactly it designates remains ambiguous. The writer crafts the characters and their roles in the novel; in this sense, fictional characters are nothing but words on a page of the book. The word “character” refers both to the person in the novel and the typescript, and as we reach the end of *City of Glass*, major characters such as Daniel

⁴As Mark Currie has remarked writers such as Paul Auster and Martin Amis, as graduates of English departments, are “writer-critics in the sense that they import academic criticism into the novel” (p. 60).

Quinn or Peter Stillman disappear one after the other. Ironically, the moment Quinn comes “to the end of himself” corresponds to the moment when he runs out of money and learns that the check written out to the name of Paul Auster has bounced (p. 149).

Martin Amis’s novel *Money*, published one year before it, bears striking similarities to *City of Glass*. John Self, the protagonist, meets a writer called Martin Amis and commissions him to write a script for the film he is making in New York—also entitled *Money*. He manages to convince the fictional Martin Amis to accept the contract only by offering him a substantial check for the job, a check that Amis does not cash and offers to return. From the beginning, the two men engage in a conflictual relationship that finally brings them into open physical confrontation during which Martin Amis beats John Self unconscious.

At the end of the novel the chess game that they play for money becomes a metaphor for their relationship. John Self refers to the chess game as a “meeting of the minds,” which suggests confrontation, stratagem and maneuvering and recalls the confidence game that will deprive John Self of his capital (Amis, p. 373). The chess game, between John Self and the fictional Martin Amis, points to the author, Martin Amis, who fashioned the story and plotted the confidence game with all its actors who embezzled the fictional John Self out of his money. In the end, John Self loses the chess game and £64,000 to Martin Amis. However, he does not have any money and the bet does not result in the payment of hard money.

Critics have often described Amis’s novel as a text of its era, meaning that *Money* echoes the neoliberalism and finance capitalism of the 1980s that transformed human interactions, as well as the individual and collective imagination. Like a philosopher’s stone, the invisible hand of the market turned ordinary fellows into overnight wealthy golden boys of Wall Street.⁵ John Self at the age of thirty-five is one of the top advertisers summoned by Fielding Goodney, an American film producer, to direct a movie in the United States entitled *Money*. John Self jets back and forth between Margaret Thatcher’s Britain and Ronald Reagan’s United States, giddy with greed and in step with the developing economic transformations.

From the beginning of the novel, moneymaking becomes associated with fiction and the virtual world through cinema, television and

⁵Nicky Marsh argues that *Money* pictures the “divergence within late capitalism” that is finance capital’s attack on industrial capital (pp. 115–133).

advertising.⁶ John Self, a producer of dreams and illusions, is an anti-hero, overweight and ugly, a compulsive consumer of alcohol, fast food and pornography, a woman beater who likes to fight. He is the driver and the driven, the advertiser that encourages consumption and a possessed consumer out of control. Thus, he serves the two handmaidens of capitalism simultaneously, like Ouroboros, the devouring serpent that bites its own tail.

Jameson has discussed the parallel between the media and the market in the postmodern world; in his words,

The analogy between media and the market is in fact cemented by this mechanism: it is not because the media is like a market that the two things are comparable; rather it is because the “market” is as unlike its “concept” (or Platonic idea) as the media is unlike its own concept that the two things are comparable. The media offers free programs in whose content and assortment the consumer has no choice whatsoever but whose selection is then rebaptized “free choice.” (Jameson, p. 275)

In a sense, John Self’s reckless libidinal economy and corporeal functions—his routine vomiting after excessive consumption of fast food and alcohol—caricature the frantic mass consumption and throwaway capitalism so closely affiliated with death (Dostaler and Maris, 2009, pp. 33–57). Money commands and regulates John Self’s relationships with the other characters and with society in general. His father, Barry Self, submits a bill demanding repayment of the money he spent on his upbringing.⁷ His girlfriend Selina Street, a name that clearly connotes prostitution, walks around in “full brothel gear” and presents her “self” as a consumer product. John Self describes her as “efficient, [...] practical” and “cost-effective” (pp. 171–172). Similarly, his father’s new girlfriend Veronica, who proudly displays her nude pictures published in a pornographic magazine and seduces John, also acts as a prostitute (p. 146).

Everything is subordinated to the law of the market, which is no longer confined to the plaza in front of the church but has expanded to include the public and private spaces. New York City is described as: “Everything was on offer outside. Boylesk, assisted showers, live sex, we-never-close

⁶Amis began working on *Money* when he was writing the script for a Hollywood science fiction film called *Saturn 3* (1980).

⁷Margaret Atwood writes about Ernest Thompson Seton, the Canadian nature writer, whose father presented him with a bill of expenses at his 21st birthday (p. 1).

porno emporium bristling in its static. They even had the real thing out there, in prostitute form” (p. 10).

In this limitless market where everything is for sale, men and women are recurrently associated with hedonistic and nonproductive sexual practices such as prostitution and masturbation. Selina expresses her desire to have a child, but her actions clearly drive her in the opposite direction and the couple remains nonproductive. Finally, she has a child with John Self’s “double,” Osborne, who does not marry her but bequeaths money and a house. Gaduta Massi, one of John’s future actresses has little “crèches” in Rome and Paris. She surrounds herself with kids like “some kind of a superwomb” to produce the illusion of female fertility.

The barrenness of these women stands for the antagonism between production capitalism and finance capitalism, still an ongoing debate today. A celebrated film of the 1990s, *Pretty Woman*, directed by Garry Marshall, expresses such infertility through the love affair between a call girl and a financier who specializes in buying companies in difficulty only to dismantle and resell the fragments at a profit. In a sense, the businessman’s and the prostitute’s approach are one of a kind, since their work is nonproductive and directed solely at moneymaking. As Le Goff has argued, the primacy of trade over production seriously questions economic ethics and becomes a social issue comparable to usury in the Middle Ages.⁸

John Self incarnates the stereotype of the Golden Boy of the 1980s with a particular lifestyle—excessive money, alcohol, sex and drugs. He has all the money he wants, all expenses paid. Fielding seems pleased to provide him with credit cards, travelers’ checks and cash; he encourages him to spend more money and travel first class to supposedly suit his position of film director (Amis, p. 191).

However, after an apex of euphoria and spending sprees, the entire setup collapses like a house of cards. Selina Street leaves him, the banks refuse his credit cards and he discovers that his producer Fielding Goodney is, de facto, a trickster. The documents that John Self has been signing without reading are in fact IOUs and acknowledgments of debt.⁹ He has been bankrolling his own luscious lifestyle, paying for the sham film project and

⁸ Even though it is not identical, the same moral prerogative applies in both cases because money multiplies itself disjointedly from any factual production.

⁹ The subject of debt is particularly important in Amis’s *Money* and in Auster’s work in general.

for the actors with borrowed money. He has been feeding his personal illusions by drawing huge amounts of money from his own accounts. In this perspective, John Self—like his name—is self-referent; he is the payee and the payer, the creditor and the debtor. The pattern matches his being both an uncontrolled consumer and an advertiser who promotes sales.

Fielding's financial operation represents the speculative business ventures and fraudulent financial projects of the nineteen-eighties. He evokes the stereotype of confidence man in American culture and simultaneously raises the issue of personal and gender identity, since he disguises himself as a woman and a transvestite. At the end of the novel, John Self discovers that Fielding is one and the same with the red-haired prostitute and Frank the Phone who has been threatening him on the phone almost every night. In the final confrontation with John Self in a back alley, Frank/Fielding appears dressed as a woman in order to mask his true identity.

Fielding's character brings together all of the different features of capitalism in the postmodern era and incarnates what Jameson refers to as "the culture of simulacrum." According to Jameson,

The culture of simulacrum comes to life in a society where exchange value has been generalized to the point at which the very memory of use value is effaced, a society of which Guy Debord has observed, in an extraordinary phrase, that in it "the image has become the final form of commodity reification." (p. 18)

Fielding, in his manifold disguises with multiple voices, connotes a mask, a "self" that is multiple and thus empty simultaneously. His confidence game becomes possible on account of his staging a public appearance as a wealthy film producer, a superficial exterior that does not correspond to reality. His art lies precisely in the mastery of the superficial socioeconomic codes. He is continuously associated with two-dimensional images; he produces pictures for the screen and plays different roles in life, like an actor on the screen. Furthermore, Fielding becomes associated with F. Scott Fitzgerald's novel, *The Great Gatsby*, through the names of the places and characters. He sets up his appointments in "Caraway Hotel" and his mother wears a badge that says "DAISY'S: RETIREMENT LIVING DOESN'T COME ANY FINER" (p. 352).

Amis places money and moneymaking in a historical perspective both in the United States and Great Britain. Thus, on the one hand, Fielding's financial operation recalls the archetypal trickster, his strategies of masking

and beguiling, which has historically been an integral part of American folklore (Lenz 1985, Smith 1997). On the other hand, Frank's disguise as a drag queen and his confidence trick echo Shakespeare's *The Merchant of Venice* and *Timon of Athens*. John Self refers to both plays, and comments on the swinging sign with Shakespeare's image that hangs over the entrance to his father's pub. Both plays use money as a central theme and use it to construct the storyline and define the characters. *The Merchant of Venice* is particularly significant in this context since in the final scene Portia disguises herself as a man of law in order to plead in favor of Antonio who risks losing a pound of flesh to Shylock the moneylender for the debt that he has been unable to pay. Thus, *Money* puts forward the historical cruelty and manipulative nature of finance and moneylending and draws a parallel between Antonio and John Self, the modern victim of the credit system (Graeber, p. 77).

By referring to Shakespeare and to well-known American writers such as Melville and Fitzgerald, Amis establishes a double cultural register consistent with John Self, who is both English and American and travels back and forth between London and New York. Amis establishes two different cultural ancestries for money, and in both cases, money becomes—directly or indirectly—associated with trickery and simulacrum.

The issue of false identity and absence of origin interrelate with money and deceit at several levels. John Self's downfall coincides with the disclosure of truth about the true identity of his biological father. When Self returns to London, his alleged father Barry Self admits that he is not his real father. Shortly after, John Self explicitly associates counterfeiting with his false paternal lineage: "It's in me all this. My father's father was an oft-busted counterfeiter. One of his sweated fivers still stands framed above the bar in Shakespeare" (p. 253). John Self explains his bewilderment about his identity and lack of confidence in himself by his false ancestry. The absence of progenitor and origin has made him self-referential, comparable to fiat money with no anchor to reality:

If you're a girl, then you are your mum and your mum is you. If you're a boy, then you are your dad and your dad is you. So how can you live seriously if you don't know who you are? (...) I supplied it all. The confidence trick would have ended in five minutes if it hadn't been for John Self. I was the key. I wanted to believe. I wanted that money so bad. Me, and my no-confidence trick (pp. 392–393).

The disclosure of John Self's true father, who is Fat Vince the barman at the Shakespeare pub, leads to a change in his obsessive way of life. Reality takes over; he reduces his consumption of pornography and alcohol that accompanied the illusion of wealth and power. In the last paragraph of the novel, John Self sits on the ground waiting for his girlfriend Georgina to arrive. A female passerby mistakes him for a bum and throws a ten-penny coin into his lap. This is significant since the metallic coin with real substance represents the opposite of script money. The coin with a tangible body that weighs on his lap becomes a metaphor for a return to reality, in contrast to fiat money.

In his analysis of Andre Gide's *Counterfeiters* (1925), Jean-Joseph Goux examines the correspondences between the paternal register of values, money, language and the phallus. He points to the crisis of realism in literature after World War I and interprets the elimination of gold coins and the failure of guarantees as the cause of crisis of convertibility that brings all values into question (p. 21).

To illustrate how money evokes the patriarchal register, it is essential to distinguish the seal from the substance of the coin. In ancient Greece coins were called *sema*, or signs (Schacht, p. 74). The king's seal gave form to the metal, sealed up the spiritual in the material and fixed the permanent nominal value of the coin (p. 95). The stamp evokes the masculine register of values through its association with the monarch's authority, which guarantees money within a determined territory. The father represents the same paternalistic order. Moreover, he is the progenitor and through his conception gives form to the child, which is metaphorically comparable to stamping a coin. The father represents the seal and the mother the material; the father's seal is the idea of the child to which the mother gives a body (Goux, p. 59).

There seems to be some kind of return to reality at the end of the novel in the sense that John Self discovers the identity of his biological father, and, simultaneously, the craze for moneymaking and overconsumption of food, drink and sex leaves him. Curiously, he also leaves behind the world of advertising and filmmaking.

The preamble to the novel calls it a "suicide note" and claims that when the reader has laid the book aside, John Self will no longer exist. John Self commits suicide at the end of the novel but does not die. Nevertheless, the final chapter of the book does suggest a transition in his existence. First, because the passage to the New Year implies a new beginning and second because the final chapter is the only subdivision in the book besides the

preamble that is printed in italics and has a title—"December, January. 1981, 1982." The date links the last chapter with the preamble that was written in September 1981:

This is a suicide note. (...) Usually the note is the thing. You complete it, and then resume your travel time. It is the note and not the life that is cancelled out. Or the other way round. Or death. You never can tell, though, can you, with suicide notes. To whom is the note addressed? To Martina, to Fielding, to Vera, to Alec, to Selina, to Barry—to John Self? No. It is meant for you out there, the dear, the gentle. M. A. London, September 1981 (Amis, preamble to the novel)

The suicide note, in nexus with the final chapter, bears Martin Amis's initials "M. A." and is addressed to the Reader. It questions the identity of the narrator and suggests that John Self and Martin Amis are one and the same person; sameness that is further explained by the significance of the name "Self." The equivocal suicide note that declares that either the suicide "note" or the life is cancelled out, toys with the illusion that reality and fiction are one and the same, since it insinuates some kind of equivalence between life and words.

Furthermore, John Self claims that "Dollar bills, pound notes, they're suicide notes. Money is a suicide note" (p. 116). The statement points to the destructive nature of money but also to *Money*, the novel, that is a suicide note. The pun on the word "note" makes money at one with language and writing.

Both Amis and Auster use this illusion-breaking scheme of doubling the author as a fictional character to create the impression of crossing the boundaries of fiction. As with most postmodern writers they seem to be obsessed with the idea that the world and its representations are interchangeable (Smethurst, p. 3). Postmodern structural characteristics, such as the loss of linear time, placelessness, fragmentation of discourse or intertextuality, are strategies that allow the author to play on the fine line between fiction and reality. The process often gives the illusion of referring to a reality outside the novel, but it announces a *rupture* with reality and reinforces the self-referentiality of fiction, the characters and things within the fictional sphere. Thus, fiat money, which no longer refers to any material value outside of itself, becomes a metaphor for the affiliation between reality and fiction, word and meaning, and the currency of the postmodern game that authors such as Martin Amis and Paul Auster stage in their novels in order to question language and the meaning of the fictional text.

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Revisiting Business History Through Capitalist Fiction: The Glove-Making Industry in Philip Roth's *American Pastoral*

Jacques-Henri Coste

This chapter explores Philip Roth's (1997) novel, *American Pastoral*, to investigate the relationship between economics and literature and the dynamic interaction between history, political economy, and narrative fictions at the heart of the American model of capitalism and its metamorphosis. The novel revisits business history and the American glove-making industry, mostly during the Golden Age of twentieth-century capitalism, through the fictional history of a family business and its trade. It reads as a fictitious romance of American unity and stability, and an original form of "capitalist fiction" feeding a national narrative of entrepreneurship and identity strongly embedded in free enterprise, socioeconomic development, and a political economy. The novel shows that literary fiction can take account of the real, and have mimetic, narrative, experiential, and cognitive value (Auerbach 1953; Ricoeur 1979). As "fictional methods" (Jablonka and Bracher 2018), novels "think representatively" (Arendt 1958) and are

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heuristic artifacts that use “as if” assumptions specific to the social sciences. They produce narrative ordering in order to explain how and when things happened (Morgan 2013). When it comes to writing history (Veyne 1984; De Certeau 1986; White 1999; Fulda 2009), literary fiction, as a research text, provides an imagined but counterfactual form of archive and historiography that has economic significance, historical relevance, and critical validity.

“THINKING REPRESENTATIVELY” THROUGH CAPITALIST FICTION

American Pastoral relies on literary imagination, *and* on historical causal explanation to describe and analyze the transformations of American capitalism and the complex interaction between the contradictory forces of agency, market, and cultures. The novel can be seen as a narrative search for the central role of agency, and a historiographic quest for a greater understanding of both socioeconomic changes in American society and past events impacting the lives of emblematic characters. To read and write “others’ lives” (Roth 2018) implies collecting memories and correlating them to situations of the external world. To that end, the narrator assumes a multidimensional point of view and juxtaposes different interpretations that provide contextualized and representative knowledge. He immerses the reader in biographical micro stories and representative social scenes that have exemplarity or mimetic validity. But he always reinserts them into macrohistory and wider political economy frames. When traces are lacking, when memory fails or is carried away by a form of biographical fallacy or ideological storytelling, the narrator/historiographer does not simply rely on the usual suspension of disbelief or mimetic representations. He humorously questions his historiographical quest for facts and truth and uses his critical distancing method to debunk “American-style philistinism” and the American Dream. The novel as a fictional “structure of rationality” (Rancière 2019) apprehends the sociocultural changes of a destabilized society and helps the reader to come to terms with the unpredictability of political economic and personal events. Thus, in a regime of uncertainty, capitalist fiction remedies representatively and critically the “judgment crises” and the “epistemic anxieties” that usually follow disruptive periods.

*Approaching American Capitalism Through the Fictional History
of a Family Glove Business and Its Trade*

American Pastoral has a strong economic and historical dimension that, in light of its unique referential and cognitive significance, has not been sufficiently assessed by critics. The story writes the fictional biography of a character and traces the development path of his family business and trade. It frequently refers to the evolutions of American entrepreneurship and underlines the lasting quality of a past business culture in the development of a glove business. Through numerous monographic descriptions and the imagined chronicles of Zuckerman, Roth's narrator, we learn about glove-making and its labor-intensive activity, and about the primacy of human agency: the capacity of enterprising individuals to act and disclose who they are in entrepreneurial action.

An "ideal-typical" form of glove-manufacturing based on craft, workmanship, and company loyalty is reconstructed and fictionalized into vignettes, testimonies, and vivid scenes, informed by past industrial realities and changing social identities. This singular business enterprise is minutely described in its transformations as a family venture creation emanating from energetic upwardly mobile individuals. They have made up a long dynasty of American entrepreneurs and successful business leaders until the protagonist's personal and professional downfall.

*Reconstructing and Re-embedding the Entrepreneurial
Adventure of a Family and Its Glove Business into American
Political Economy*

*The Emblematic Vita Tale of an American Post-war Entrepreneur:
From High to Low Fortune*

We first learn of the long-term success and the sudden personal and professional catastrophe of "the last of the Mohicans" (p. 130): Seymour Levov. The fair-haired, Kennedy-like entrepreneur and "flawlessly Americanized" business protagonist is in love with glove-making. He clings to nostalgic beliefs in the professional ideals of his father's outmoded glove-making craft. He tries to rebalance his Jewish family's heritage with the current postwar managerial business culture that has replaced the old Jeffersonian entrepreneurial culture. He does his utmost to remain in complete adherence with the ethics and craft mentality of his forebears and the Cold War conformist values of a White Anglo-Saxon Protestant Nation. He has faith

in the melting-pot and genuinely embraces decency principles, continuing to promote them in his own firm, even when they come under violent attack in the 1960s and 1970s. His professional and personal dreams are shattered by his daughter-activist's criminal actions. In order to show her opposition to the war in Vietnam, Merry places a bomb in the local post office, killing a young doctor, and goes underground to join a Jain sect. Meanwhile, "the laws of motion of capitalism" (Boyer 2011) have generated fast-paced transformations of industry, changes in consumption tastes and fashion, and relegated the Levov's luxury glove product into a more banal and industrial commodity. Despite an organizational struggle to maintain old standards during the downward spiral of the Newark glove factory, production is finally transferred to foreign subsidiaries. In the end, the Swede (Levov) fails to keep the Newark Maid glove factory within the family patrimony and ends up on the brink of bankruptcy. These momentous changes and destructive events ruin Seymour's former entrepreneurial spirit, his business, and hasten his personal demise.

The Swede is fully shocked neither into self-recognition nor into a larger understanding of history. He remains caught in doubts, misunderstandings, or obvious denials about the real causes for the decline and destruction of his business enterprise, his family, and the collapse of his former national identity. In order to please Dawn, his Irish Catholic and ex-Miss New Jersey of a wife, he moves out of Newark and builds a magnificent house in the idyllic hamlet of Old Rimrock in rural New Jersey. He shuts himself away in a fictitious de-ethnicized personal paradise, far from the derelict districts of Newark, a suburban city where his family leather business had originally been started, then passed on to him by his father Lou. His flight back to a pastoral place cuts him off from the harshness of the de-industrializing Newark and prevents him from comprehending the conflicts, contradictions, and uncertainty inherent in a newly emerging neoliberal market brand of capitalism. The rebellious anti-capitalist 1960s, with their equal rights claims, have created socioeconomic unrest and major paradigm shifts. They disrupt an institutionalized form of racial capitalism and crack up the stable identities of a complacent Fordist compromise. The sound and the fury of social change cause great distress for the Swede, who does not recognize "what this country's all about." To boot, he can no longer relate to his Jewish repressed self nor make sense of his daughter's rebellion and final incarnation as a fanatic of nonviolence. A broken man, he cannot grasp the newly emerging socioeconomic regime and becomes the plaything of history and events to come, before eventually dying of cancer.

*Tracing and Explaining the Development Path of the Levov Dynasty
and Its Glove Business: From Heroic Entrepreneurship
to Managerial Decline*

To understand Seymour's dramatic plight, the narrator retraces his protagonist's genealogy and goes in search of the set of family, social, economic, and environment variables that may have shaped his behaviors and choices. He tries to figure out what made him so enmeshed in his family's entrepreneurial culture and why he turned into the symbol of the contradictions and vulnerabilities of the "democratic liberal consensus" that manifested themselves between World War II and the Vietnam War.

The family glove business saga, which reads as an epic of entrepreneurial growth with its intergenerational heroes, is at the heart of the plot. The "hagiographic" narrative celebrates successful enterprising agency, managerial determination, and economic expansion. The story is set in the professional and urban context of Newark. In the first part of the novel, entitled "Paradise remembered," Roth's narrator, Zuckerman, begins his retrospective anamnesis with an enthusiastic rags-to-riches story of Swede Levov's family. Zuckerman's family lived close to the Levovs. He knew how Seymour's parents had initially toiled in the tanneries then developed their own glove business into an incorporated company after World War II. He remembers that the young Seymour, even before inheriting a large firm in the mid-1950s, seemed to have accumulated all the visible signs of American success and created a vision of his personality embodying the American Dream of the time. Swede shone as a smooth icon as euphoric as a Norman Rockwell print. His life seemed to fit like a glove and to be the natural development of "the anticipated American future that was simply to have unrolled out of the solid American past, out of each generation's getting smarter" (p. 85).

Tracing the development path of the Levov male dynasty and placing its gallery of entrepreneurs as part of the larger picture of American business history and national growth is the historical method used by the narrator to understand both the protagonist's downfall and America's identity crisis. He shows that industrial decline had been held in check if not transformed by the energy of "[l]imited men with illimited energy" (p. 11), the like of Lou, Seymour's father, who was the real initiator and developer of the family's first entrepreneurial ventures.

*From Immigrant/Ethnic Entrepreneurship to “Break-out”
and “Breakthrough” Entrepreneurial Strategies*

The Swede’s grandfather, whose personal story is mentioned early in the novel, came to America “from the old country in 1890” (at a time when pogrom persecutions in his native Poland were frequent), to find “lots of wet, smelly, crushing work” in one of the local tycoons’ tanning manufactures of leather goods (p. 11). He is sketched as one of those nineteenth-century Yiddish-speaking immigrants that labored as unskilled worker with many others, fleshing sheepskins six or seven days a week in the local Nuttman tannery, “a filthy, stinking place” (p. 11) described as a Dantean hell. The job helped him eke out a wage, which, though meager, nevertheless enabled his son Lou to attend school until the age of 14. The Swede’s grandfather is not described as an immigrant entrepreneur developing his business in the margin of ethnic enclaves that usually give access to ethnic markets. Rather, he resembles those “brutish working men,” “driven like animals” (p. 12) that the narrator typifies in his description of one of the horrendous tanneries. Roth does not invent places nor forge names but rather refers to real companies like T. P. Howell, a company started in 1840. The grandfather probably introduced his son to the leather business there, partly to help him climb up the tannery hierarchy faster. This was Lou’s “Yale college,” where he learned the dyeing techniques and other skills in the leather value chain by sorting and grading skins. In turn, Lou was to later mentor the Swede and teach him the ins-and-outs of leather work as a form of family apprenticeship and initiation ritual.

Jerry, the Swede’s brother, portrays Lou Levov, as the arch-heroic Schumpeterian entrepreneur (1934). Lou is always on the alert: he is the tyrannical father founder and a staunch supporter of free enterprise. He is the egotistical, anti-communist self-made man: “one impossible bastard. ‘Overbearing. Omnipresent’” (Roth, p. 66). An alert seeker of opportunities, he becomes an autocratic business leader after establishing his company. His “animal spirits,” uncompromising strong instincts, and personal proclivities, ostensibly guide his decisions. Constantly looking for new ways, always mixing his early workmanship knowledge with strong salesmanship skills and business acumen, he develops his business from scratch and grows it into a leading American glove business.

The story of Lou Levov’s business enterprise and of the company’s growth is very informed, and it describes the historical development of

small business in the United States in a singular and symbolic way. It all started with his bold decision to start a small handbag outfit with two of his three brothers, but the business venture came to a halt because of the Great Depression. Bankrupted but undeterred, he rebounds, starts a new leather business on his own and taps the market of freshly settled immigrants to gain immediate acceptance and take advantage of the low-entry barriers in terms of required capital. He becomes a small street merchant, buying and selling secondhand leather goods on weekends and peddling door-to-door at night. Equipped with cultural features such as dedication to hard work, resilience, acceptance of risk, and flexible compliance with rules and social values, he quickly engages in leather trade with people inside and outside his Jewish community. He becomes a small wholesaler when he supplies Italian glovers with stolen skins that he buys illegally from a fellow Pole trafficking out of his garage. He becomes a distributor when he has Italian cottage industry workers to do piecework for him. Without forgetting his Jewish roots, he cuts across class, ethnic culture, and race when it comes to the business of glove-making and craftsmanship. His business really picks up when, in 1942, thanks to his ability to connect with local influential people, he lands two major contracts. The first is with the Women's Army Corps—a war-related order; the second, with the Bamberger department store in Newark, is the result of an unlikely encounter at a ceremonial dinner in honor of Newark's first Jewish mayor. Roth suggests, in a few lines, the joint importance of initiative, opportunity, chance, and social capital for rapid entrepreneurial growth. This “opportunity of a lifetime” makes him no longer dependent on fluctuating demand and allows him to rent four-story premises on Central Avenue. He becomes a manufacturer with a dedicated plant. He will also leave “the poor end of Wainright street” and the ethnic quarter where he was living by the synagogue, and move to “white” and assimilated Keer Avenue (Royal 2001). By the end of the war, he has created Newark Maid, his own brand of gloves, and partly monopolized the glove market in the New York region. As an entrepreneur and owner, he can now turn his small business into a more efficient, larger organization to turn out gloves in larger quantities. He will recruit highly experienced cutters from his old acquaintances and use the services of Vicky, the elderly black forelady, who manages the army of women that assemble and stitch the gloves. Like an army general, the father founder entrepreneur has his desk erected at the very center of the shop floor among his “hands.” The corporate culture of control that he genuinely instills is based on his past family experience and his patriarchal frame of mind. It ties

a paternalist leadership modeled on family values, thrift, subordination, discipline, and company loyalty to a culture of craftsmanship that entails total devotion to the skills necessary to performing the task. The transformation of free labor, into subordinated and supervised wage-labor within the confines of a factory and along the lines of a hierarchical organization, is then complete. The glove factory becomes a business organization and directly connects to a neo-Hamiltonian vision of manufactures. Time and leather mean money. Processes matter and need to be managed in a more scientific way. Work is soon specialized, fragmented into tasks and specific functions that remain very gendered.

*From Triumphant Corporate Entrepreneurship to Inadequate
Welfare Capitalism*

When the Swede succeeds his father at the end of the 1950s, the situation has been totally transformed. He does not inherit a glove workshop or factory but a thriving company that has recently been incorporated to grow in scale and in scope at home and abroad. The United States is going through a new upward business cycle and ten years of prosperity. Two minor depressions have been weathered. The “Age of anxiety” has morphed into national confidence and pride. And a new Samuelson economic mix is opening onto a promising Golden Age of expansion. There are general motion, common goals, and finalized action as Zuckerman’s imagined but undelivered speech testifies at the beginning of Chap. 2: “Let’s remember the energy. (...). Everything was in motion, the lid was off” (p. 40). Exit Lou, the inward-looking tyrannical entrepreneur, solely focused on his glove craft and his national market gains. Enter the Swede, the “adroit businessman” (p. 67), the persuasive, charming, young, manager of all trade, “glover of glovers,” keen on compromises and peaceful industrial relations within and on smooth public relations without. A new management, marketing, and sales mystique becomes the Swede’s and company’s hallmark. His liberal management leadership attempts to reconcile a former elite craft culture with an enlarged workmanship corporate culture that rests on training, motivation, charisma, and more civic and participatory ways. The Swede relentlessly keeps his business of glove-making geared to quality and craft excellence in spite of the changing conditions in Newark. He continues to value the old “pride of craftsmanship,” emphasizing fairness, and social responsibility in a desperate attempt at retaining a dwindling skilled and loyal staff, those who “were born into

the glove industry” (p. 127). In the end, Seymour must hire and train low-skilled employees. Yet his Newark company must remain a harmonious family-like, socialized pastoral utopia: he will keep it within the confines of the US consensus ideology that celebrates business enterprise as a community, and also as a social institution. However, the “moral efficacy of the profit motive” (p. 240), the generous manifestations of a virtuous form of integrative capitalism and corporate citizenship, do not stand the test of time nor the stern logic of industrial needs that places a premium on financial rather than industrial and community values. Intensified global competition makes the task of management more difficult. Economic decisions are more determined by the changing wishes of the consumers than by the top-down logic of pushing products to consumers or pulling consumers to the glove. Luxury gloves which are less in fashion are still very complex, costly, and time consuming to produce. Newark Maid and its high-quality gloves reached maturity stage immediately after World War II, and they are already in decline when the Swede becomes “the young President of the company” (p. 14) in 1958. To stop the downward path, he begins internationalizing production and opens a plant in Costa Rica in order to continue making a profit for his product that has already reached the decline stage of the product life-cycle. The novice manager first tries to resist soaring labor costs, falling demand, and reduced profits by cutting labor costs and dividing work between his own factory in the Caribbean and a subcontractor in Czechoslovakia. Once out of business, he cannot but realize that “the whole industry had gone from Gloversville to the Philippines” (p. 27) and on to China in the 1980s. Cheaper production is preferred to cheaper market outlets for sales. The multinational strategic option will not reverse the decline nor prevent product withdrawal and termination of business activity. The death knell tolls for Newark Maid as a result of the Swede’s glove-craft obsession that jeopardizes his entrepreneurial spirit and confines his business venture to the celebration of the repetitious process of assembling a glove.

*The Fall of the House of Levov: From Entrepreneurship
Obsolescence, Old Craft Nostalgia, to Personal Petrification*

Out of “[w]ell-intentioned liberal goodwill” (p. 88), he, artificially and schizophrenically, maintains the Levovs’ historical plant in Newark, against all odds and his father’s infuriated advice to “get the hell out of there” (p. 163). He cannot submit to his old man’s argument, in spite of the

1967 riots, high local taxes, local corruption, and union strife. But he does not fail to notice that quality is fading away. It gets even worse with the unskilled black workers hired later to fill the thinning ranks of skilled cutters. They have particular allegiance neither with the company corporate culture nor with the Swede's philanthropic and civic commitments, but are only interested in their pay checks.

The Swede is neurotically fixated on the old factory, its craft culture, its glove-making rituals. He constantly develops a "romance of the glove trade" that entraps him in "the mouth of the past" and lures him toward fictitious representations of business reality and his own very self. The factory becomes a paradoxical place for nostalgia where glove-making rites are celebrated in the enclosed garden of his family memory. It is the locus and the marker of his own petrified identity over time: "What the glove factory had to do with his being a man anybody could understand—just about everything (p. 314). [...] The factory was a place where I wanted to be from the time I was a boy" (p. 315).

Preserving the glove business, its gestures, its culture, and saving the plant itself from the 1967 Newark rioters, means rescuing, from oblivion, the values of an industrial form of capitalism imbued with family traditions, artisan skills, and his father's legacy. When he returns to the old factory during the riots, he is desperately trying to reactivate a former family *raison de vivre*, and engages in regressive and outmoded patterns of behavior. He now seems oblivious to the crux of the postindustrial society, predicated on tailored mass consumption and constant innovation. Although the spirit of free enterprise initially served as an ideological incentive at Newark Maid, the Swede was always traditionally inclined. He relishes in describing the elaborate process of glove-making to students and visitors, as he does with Rita Cohen, his daughter's mentor in revolution, in the famous scene in Chap. 4. The glove factory tour, with the accompanying trade talk, reads as a quasi-ethnographic report and an anthology scene of the old glove cutting ways. The relics of one of the oldest industries are kept alive in the factory that looks like a Preservation Hall or a museum of crafts. The various steps and gestures of the glove process trigger an anamnesis of family and childhood remembrances akin to Proust's madeleine cake but without the bliss. Memory works as a schizophrenic and sentimental mechanism that ensnares the hero in repetition, and a renewed sense of duty and faithfulness to his lost family workmanship identity that even his father considers as the "old-style world" (p. 348). He laments the disappearance of a culture that he cherishes: "Most of the glove businesses have been family business from father to

son. Very traditional business. A product is a product to most manufacturers. The guy who makes them doesn't know anything about them. The glove isn't like that. This business has a long, long history" (p. 130).

He is no longer "[a]t the vanguard of the vanguard" of business leaders and he has forgotten the rough lessons in economic value creation taught by his father who had once cried out: "I'm not here to play games, I'm here like you are—to make money" (p. 224). The Swede has lost the "animal spirits" that usually drive the entrepreneur's behavior. He will not listen, caught as he is in a small business mentality, Jeffersonian pastoral ideals and his social welfare contradictions. In times of crisis, there is little room for a transitional socially responsible business system. Obsessed with his glove-making trade inherited from his father, the Swede is more and more blinded by his mania for quality leather gloves "Made in America." The benign form of welfare capitalism that the Swede considered to be integrative and socially responsible for his employees comes to nothing with the riots of Newark and "the total vandalization of their world" (p. 237).

The illusions of an end of history, unlimited economic growth, and bottomless potentialities entailed by the Post-war Deal are finally dispelled with the termination of the entrepreneurial adventure of the Levovs. The final tale of entrepreneurial failure and the allegory of the loss of innocence parallel the demise of a preordained, stable, social, and economic harmony and illustrate a major crisis of beliefs.

This is the reason why the novel turns a wider-angled camera lens on the new American reality and adopts a more historiographic turn to make sense of the unforeseen and the unpredictable and to read the signs of a newly emerging political economy that is denting the grand narrative of American integration and national unity.

*AMERICAN PASTORAL AS A HISTORIOGRAPHIC RESEARCH
AND A CRITICAL COGNITIVE METHOD FOR UNDERSTANDING
AMERICAN CAPITALISM*

*A Fictional Research Text to Inquire into American Political
Economy and Its Changing Regimes from Business History
to Political Economy Historiography*

Nathan Zuckerman, Philip Roth's self-proclaimed alter-ego, acts like a biographer, a historian, and a political economist, when he imagines and stories the past lives of generations of entrepreneurs, re-embedding them in a world irretrievably lost and destroyed by the new forces of history. He

investigates the evolutions of capitalism in imagination by “dreaming a realistic chronicle” (p. 89). He writes a fictional but factual type of historiography that provides deep reading insights into business and social changes (Pozorski 2011). He explores the complex trajectory of American capitalism and the new political economy regime in the making. In large sections of the novel, Zuckerman travels back along the long and winding road of American development through business history and industrial economics. He pieces together/reconstructs the Swede’s life within its local and larger industrial context. He first explores the arcane world of leather working and the unstoppable decline of a craft and its cohesive professional environment. Factories animated and disciplined by a spirit of family entrepreneurship, workmanship, and industrial rationality, and long united around national values of hard work, have come under strain in the post-Fordist and globalizing era. Gone are the glory days for national production and stability, social success, and blind faith in every aspect of the American Dream (Barta 2018). The tale of boundless growth and constant upward mobility turns into the chronicled fall of the Levovs, as the story will later show: “All that normalcy interrupted by murder” (p. 85).

American Pastoral reads as a paean and an elegy for a lost form of craft and family type of capitalism based on workmanship and heroic entrepreneurship. The novel also appears as the anticipatory and realistic prefiguration of a more market-led socioeconomic regime that will soon send the glove fashion and its business into the dustbin of gentile history and former proto-industries. It tells the story of the inevitable decline of a late variety of petrified managerial capitalism challenged by foreign competition and unexpected social changes. More radical transformations, a wilder form of agency, ethnicity, and salesmanship, rather than a spirit of workmanship, community and national identity, now prevail.

Past forms of production such as the cottage industry and the putting-out system coalesced and merged first into a paternalist factory system. Then “scaling up” the Levovs’ original small family business meant turning it into a bigger managerial firm (Chandler 1977). Finally, the luxury glove brand had to internationalize and offshore all its production to resist competition, corruption, and riots, until business was finally, in desperation, discontinued. The downward trend reveals the obsolescence of the entrepreneurial function (Schumpeter 1942) that comes from the lack of innovation and the *aporiae* of a static organization decoupled from the realities of the international market. It signals the ongoing transformation

of capitalism in the first part of the twentieth century and accounts for the structural crisis the American production system went through in the 1970s and 1980s. *American Pastoral* realistically highlights the swift evolutions of its dual business system (from small to big business) and the inadequacy of a form of nostalgic management and welfare capitalism.

Historicizing American Capitalism Development Through Fiction

The novel historicizes the narrative of American capitalism and its evolving business system in the 1960s and 1970s when the Fordist regime of mass production, social integration, and compromise between capital and labor that had existed since the New Deal crumbles, a process that is accelerated by the urban crisis, racial tensions, and loose employment relations. Its fall undermines a former stable industrial order and a social system anchored in the strong ties of paternalism, quality workmanship, and uncontested hierarchy. The tale of national unity and “oneness with America” which “leaves stretch hidden in the width” (p. 132) appears as a fictitious narrative—all the more so now that the business of Newark Maid is no longer the business of the local community and that a dispirited Swede will one day contemplate, alone, in his empty Newark premises why “everything now is ‘was’” (p. 348). High-craft glove-making, corporate entrepreneurship, and the old industrial order are no longer the local drivers of economic prosperity and social integration, but rather seen as “all-American crime” by protesters and by his own daughter. The moral efficacy of the business enterprise system no longer goes hand in hand with community involvement and corporate social responsibilities.

The novel accommodates economic and business history into political economy fiction to show the advent of a new type of capitalism foreshadowing the emergence of a neoliberal financial regime that is epitomized by the Swede’s brother, Jerry, an uncompromising, vocal but successful surgeon whose analytical skills are as potent as his father’s foresight. *American Pastoral* heralds the downward trajectory of a US variety of capitalism that thrived first on family entrepreneurship then on more bureaucratized managerial organizations staffed by corporate company men unable to understand that mysterious, “troubling extraordinary historical transition” (p. 88) and “the dissolution of the markers of certainty that characterized the Ancien Regime” (Lefort 1989).

*How Novels Think: A Fictional Method to Read and Write
American Capitalism*

The Novel as a Cognitive Quest for Truth

American Pastoral demythologizes the fictitious tale of shared wealth and national unity in times of socioeconomic turmoil and offers a rich but paradoxical “fictional archive” and truer-than-life source for the historian and the political economist. Mixing the fictive and the truth-telling in a form of counterfactual story, the novel raises questions about truth in fiction rather than providing final answers. Yet, it offers a heuristic, cognitive, and experiential contribution to the understanding of the complex trajectory of American capitalism as an original socioeconomic regime and a singular business civilization. It immerses the reader in the contextualized experience of a character while exposing the narrator’s workshop and his quest to write a new, historical and historiographical type of fiction: “a fiction of the real,” able to explore, capture, and render reality and capitalism in their complexity.

Zuckerman questions facts, re-orders events, “make[s] them intelligible by unfolding the story which connects their significance” to larger trends (Mink 1970, p. 545). He reconfigures his material to generate a meaningful semiotic order (Ricoeur 1979). He does not, however, differentiate between the two ways in which history usually plays a part in novels. What Kundera referred to as “the historical dimension of human existence” as opposed to “the description of a society at a given moment, a novelized historiography” (1988, p. 36). On the contrary, Zuckerman/Roth juxtaposes and connects irreconcilable subjectivities, conflicting worlds, and contradictory interpretations. They all eventually cohere into a polyphonic narrative that attempts to “reconcile research with creation, invent new forms for embodying knowledge, and take on the challenge of a creative history” (Jablonka and Bracher 2018, p. VII). He constantly draws a series of homologies and fluctuating correspondences between the Swede’s personal and managerial predicament and an ailing American economy with its crumbling liberal consensus.

The text always remains “fettered to history” and to the narrator’s quest for approaching truth through “narrative ordering” and “exemplary possibilities” (Kimmage 2012). The initial chronicle, which involved just time sequencing, turns into a more complex, fragmented narrative form of explanation through hypotheses, conjectures, and refutable interpretations. Fictional narrative genres held to be incompatible with the epis-

temic modes for history and political economy, or for hard sciences, are put to work in the novel to create an original “methodological fiction” or “fiction of method” (Jablonka and Bracher 2018, p. 202). This fiction is roomy enough to register, contextualize, question, and re-script the narrator’s reflections on conflicting “subjectivities,” and on the evolutions of the agency/institution nexus: it constantly periodizes American capitalism and scans its psychological and socioeconomic impacts. As a literary fiction, the novel does not just rely here on “effects of reality.”¹ With its complex annotations and “reconfigurations” of the historical, Roth’s narrative preserves a reference to factual truth beyond the fictional text. It delineates the contours of individual and collective beliefs and contributes to a “history of mentalities” that is too often kept on the edges of representation.

American Pastoral is a very open text that toys with the uncertainty of the times and the undecidability of the relevant causes. Yet it always singles out the major variables and likely interpretations. It weaves motifs, voices, genres, and facts into a possible world that draws its validity, coherence, and efficacy from its robust contextualization *and* from its constant questioning of the fact/fiction and truth/reality dilemma, an intractable but highly productive predicament in narrator Zuckerman’s view. The narrator solves the contradiction of the representation of past events by occasionally returning to a set of literary conventions borrowed from the realist novel and the economic novel in particular. The novel is partly “told as true” (Lewis 1978) but also regularly subverted by the narrator’s doubts and qualifications that question the inherent reliability of his own historiographic narrative. In his “research text,” Zuckerman never hides the artful dimension of his chronicle nor does he shun the genre dilemmas he is confronted with (Ansu 2008; Zipfel 2011). Rather, he alternates realistic fiction with historiography and balances his search for a relevant philosophy of history with the apparent validity of historical description. Junctures between facts and fiction are explored through hints of isomorphism and homology, continuities and correspondences, and metonymy and metaphor. The boundaries between cultural forms and business mentalities, genres and worldviews, and characters and their actions are

¹ Roland Barthes in *The Rustle of Language*, 1989, puts forth the concept of “effect of reality,” which is created by realistic details mentioned in the text and by the use of *ekphrasis* or description. The reality of the past is an effect created by a textual device establishing an extratextual relationship, an “illusory” correspondence, between a description in the text and a state of affairs in the past.

redrawn but never abolished. The words of the text and the external referential world are interwoven and “trapped” in the deeper structure of narrativity, with its unique ontological, assertive, and uncontested axiological and political perspectives.

The Novel’s Quest for “Fictional Factuality” and Political “Allegories”

The novel exceeds the confines of standard realism and postmodern self-reflexivity. It factually and fictionally accounts for the slow but ineluctable political economy shift that turns the static, national, Fordist variety of capitalism, and its institutionalized societal compromise, into a fragmented imaginary. Representing the silent transformations of cumulative change and the upsurge in violence, which impacts individuals following shifts in the current capitalist order, requires mobilizing and intertwining multiple modes of realism and narrative devices. Those are largely invented and found in the writing process of historiography itself (White 1999).

For example, “The hunger for realism” and for a realist mode of representation is not simply decorum or local color but part and parcel of the plot and the novel’s intrinsic project for narrative complexity and truth in fiction (Ankersmit 2010). It finds one of its dominant expressions in Roth’s personal strong sense of place and time and in the critical and political stances he takes against American allegories and ideological symbols like the glove story and the American Dream. Place, in the novel, is a major locus and focus of the narrative of economic growth, integration, and social change. The city of Newark’s industrial boom is, notably, described as fueled by the successive waves of immigrants moving in and manning the numerous leather workshops, factories, and plants. They first brought along their traditions, and languages but soon acquired, in exchange, a “white” working-class identity and a relative culture of unity. The manufacturing city first served as a melting-pot that Americanized its citizens through factory work. In the 1920s and the 1930s, African Americans arrived; the black community making up 54% of the population by 1970. They altered the city structure and culture and found jobs in great numbers. Segregated in factories and relegated in zoned districts, they vainly fought for a voice and equal rights and better housing before riots erupted in 1967. Upward mobility was, indeed, regulated by race, gender, and class for them.

At the turn of the twentieth century, gloves had become an indispensable part of public dress, class, and gentility on both sides of the Atlantic. A culture of glove and conspicuous consumption (Veblen 1918) had

developed and was kept relatively intact until the mid-1960s. It had made glove production a special type of trade because of its long history and the great demand for the various uses and purposes these gloves served. Gloves also reflected an image of good taste, refinement, and femininity. Yet, in the novel, the glove artifact is more than a gentele fashionable commodity. It becomes the extended metaphor of national unity and seamless consensus with its *e pluribus unum* dream. It will not fit anymore the hands and the hearts of the younger generation nor will it survive the coming dissensus, plurality, and contestation of the next era. The new critical and anti-capitalist paradigm that is emerging is not able to cloak the American Dream into a counter-epic of solidarity. *American Pastoral* is indeed a novel in transition between narrative modes that try to represent the transition between one stable type of coordinated capitalism to a more disembedded and deregulated one.

This paradoxical mode of historical and historiographical fictionality captures the dual role of representation that reflects and constructs that which is supposed to be reality (Ricoeur 1979; Pavel 1986). The novel uses figura and motifs that are mostly mimetic and allegorical, as well as narrative methods that can be termed “historiographical” and “hermeneutical” so as to finally “emplot” a story of innocence and loss, and embed it in a wider historical becoming. Reading capitalism through fiction lays bare the cracks and gaps of culture and capital. The text provides a realistic form of hermeneutics that historicizes an economic situation and dramatizes the disappearance of the glove trade and its related socio-economic regime.

Fiction as a Research Method or “The Rationality of Literature”

If “History is a true novel,” as historian Paul Veyne (1984) once put it, novels are also “truth procedures” (Badiou 2005). American fiction writers have often dramatized the American economy of their times and translated implicit economic and business paradigms into literary fictions.² They have contributed to a deeper understanding of capitalism through the *potentia* and *vis formae* of fiction, thus achieving “fictional truth.” However, they have mostly delineated their working definition of

²A list might include Melville, Howells, Phelps, Dreiser, Norris, Lewis, Dos Passos, Fitzgerald, Roth, and Don DeLillo.

capitalism as a larger natural phenomenon, an abstract force, a *conatus* that impels and renegotiates the conditions of existence and the instincts and passions of individual characters and sweeps them away into the grand epic of America's development or into the limitless expanse of immaterial financial imaginaries.

American Pastoral is a different case in point. It reveals Roth's pioneering effort at finding new formal strategies after the postmodern general retreat of authors from realism and the advent of new "evidentiary" genres. The author is not concerned with the autotelic representation of capitalism as an intangible postmodern phenomenon of late capitalism (Jameson 1991) but rather with the antinomies of realism (Jameson 2013). He focuses on "the grander and political phenomenon of our times" (Roth 1961). He turns outward and embeds his plot and characters into mid-twentieth-century imaginaries to retrace their changing cultural milieus. He shows the complex structural interdependence linking actors, institutions, and conflicting values that explain the tragic fall of an entrepreneur and the demise of an obsolete version of the American Dream. He accounts for the moments of perceived historical rupture in the cultural evolution of capitalism and derides the grand narrative of integration and assimilation. Readers are led to realize that the forces of context and historical becoming may have sculpted the fate of the hero's projects, shaped America's institutions and its collective values—the mystery of agency remains in spite of the irony of history.

A Political Economy Novel with a Strong Epistemic and Critical Intent

And yet, Roth is not "doing theory," and his political economy novel does not theorize on the emergence of a "late" stage of capitalism. He holds no abstract vision, nor does he "naturalize" the spectacular nature of capitalism's metamorphosis or his characters' *hamartia*. When looking at the business world, the American Dream, or the social identities of his characters, he rather thinks critically. In order to explore contingent truths about the world, he rewrites hegemonic forms of narration into a polyphony of discourses, including letters, speeches, and testimonies. *American Pastoral* appears as a modeling device and a diagnostic tool. It opens up a space of existential and political possibilities that undermines the idea of a fixed reality or a single pattern of interpretation. It becomes a meditation in

progress on history and the meaning of life and social identity under the changing regimes of capitalism.

The issue is not to reduce history to a fictional narrative but to show the historical and political potential of literature as a form of historiography and a cognitive tool (Mink 1978) based on narration (as an act) and narrative (as a structure). Fiction is—like theory—a constructed and intentional discourse that revolves around the enactment of truth, a truth within the present reality of the reading process. “The American writer in the middle of the 20th century has his hands full in trying to understand, and then render, and then make credible, much of the American reality,” Roth writes in his “Essay on the Novel” (1961), a view close enough to the Ricoeurian notion that “Truth is more a matter of manifestation than of coherence or correspondence with what is assumed to be external reality” (*Stanford*). Literary fictions are unique experiments in truth and moments of experienced truth, and we can endorse Zuckerman’s insightful remark: “Instead of recapturing time past, I’d been captured by it in the present, so that passing seemingly out of the world of time I was, in fact, rocketing through to its secret core” (45).

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Thomas Pynchon's *Dumps*: Subversive Developments

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How does contemporary American fiction approach the development of new economic structures and the social evolutions they bring about? How does it deal with the most recent developments of capitalism, which were prompted around the turn of the century by the growth of information technology? In the concert of fiction writers addressing economic and political issues, what makes Thomas Pynchon's voice stand out is that it is not the bearer of unequivocal dismissals—either of the capitalist impulse or of the pitfalls of technological innovation.¹ Ever since his first novel, *V.* (1963), Pynchon's historical fictions have entertained forms of ambiguity that curtail definitive pronouncements: any indictment of the systems of oppression is undermined by the collapse of dialectic oppositions (e.g.

¹Pynchon's politics are the object of much critical appraisal; in Pynchon Notes 54–55, one will read with interest Inger Dalsgaard's review of a volume of studies on Pynchon's place among the postmodernists.

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human/inanimate, good/evil, progress/stasis, collective/individual).² This ambiguity is fostered, not only by complex forms of characterization (often mistaken for a lack of psychological realism, due to the instability of character definition) and by generic uncertainty, but most fundamentally by his use of expanded metaphors, one of which will be examined here, that of the world as a “wasteland”—a trope that has run through twentieth-century Western fiction ever since T.S. Eliot.³ Pynchon’s particular take on this motif revitalizes it by taking “waste” also in the more mundane sense of “refuse” or “garbage,” making the waste land a fertile ground for subversion.

Like most of Thomas Pynchon’s other works, his most recent novel, *Bleeding Edge* (2013), addresses a specific moment in history when individuals or groups have resisted their enclosure into an “Iron Cage” of capitalist development, as Weber would have it. Here is how the plot is introduced on the front flap of the book’s jacket:

It is 2001 in New York City, in the lull between the collapse of the dot-com boom and the terrible events of September 11th. Silicon Alley is a ghost town, Web 1.0 is having adolescent angst, Google has yet to IPO, Microsoft is still considered the Evil Empire. There may not be quite as much money around as there was at the height of the tech bubble, but there’s no shortage of swindlers looking to grab a piece of what’s left.

The wish to appropriate wealth is clearly what motivates the novel’s complex plot and subplots, and Pynchon playfully takes on the challenges of staging yet another instance of the fight between big capital and American counter-culture—a motif he developed in his three “Californian novels,” *The Crying of Lot 49*, *Vineland* and *Inherent Vice*. Resistance to the encroachment of individual and collective freedom is perhaps a fitter notion than that of a fight, since Pynchon’s plots favor the more anarchic, multi-faceted expressions of the anti-capitalist impulse, be it in America or in Europe.

In the early days of industrial development in Europe, Luddite frame-bashing was one of these expressions of resistance. The operational mode of Luddites and the complex underpinnings of the ensuing developments of the Luddite spirit in Western culture are focal points for Pynchon, as he makes clear in his 1984 essay “Is It OK to Be a Luddite?” Luddite actions

²For a comprehensive study of ambiguity in Pynchon’s works, see the founding work by Thomas Schaub, *Pynchon: The Voice of Ambiguity* (Urbana: University of Illinois Press, 1981). Many thanks to him for his insightful comments on this article, which prompted a number of reformulations and additions.

³T.S. Eliot borrowed the notion from Jesse Weston’s *From Ritual to Romance* (1922).

are perpetrated in various forms and scales throughout his fictions, some of which are in clear reference to historically attested post-luddite movements. For instance, frame-bashing gives way to bomb-throwing in *Against the Day* (2006), where anarchists launch attacks against the mining industry. A more passive form of resistance to the encroachment of capitalist power over individual and collective consciousness is at work in *Bleeding Edge*, which is set in New York City in the fall of 2001. In this era of cutting-edge technology, there are no more iron frames to break, and the capitalist system runs on almost completely de-materialized means. Pynchon's novel stages an unstable phase in the growth of information technology, at a point when networks have not yet been recuperated by global indexing systems and corporate developers. As the consolidation of the World Wide Web is on its way, its surface increasingly controlled by soon-to-be economic giants, a Deep Web thrives on—a New Frontier for the American entrepreneurial adventure in the twenty-first century, still open to all kinds of ventures, legal and otherwise.

In *Bleeding Edge*, Pynchon fully develops the metaphor of the World Wide Web as a continent, an open space on its way to being fully appropriated and controlled by economic forces. The progressive buying-out of virtual space and the concentration of economic power in the hands of those that own most data and control its flows are paralleled with the process of land development. Just as developers buy out entire stretches of land or urban plots, with tax authorities watching their profits, in the digital economy of the Internet, developers will take over virtual space and appropriate data—again under the taxman's watchful eye. Like actual space ("meatspace"), the World Wide Web has its depths and its margins, and within this virtual space lies a dark continent, the Deep Web. The Deep Web is a kind of dump, in a third, digital, sense of "dump." Pynchon elaborates on this metaphor, which introduces another dimension into the spatial representation of information technology: from the flat, two-dimensional surface of the official "web" and its legal activities, deep down into the hidden world of illegal or informal Internet sites—yet another ocean swarming with its own sharks.

Pynchon's excursions into this Deep Web are in direct continuity with his other forays into the margins of the capitalist world: looming especially large is the recurring *topos* of the "dump." In Pynchon's fictions, the dump is a space full of potentialities, where resistance to the powers-that-be can operate in various forms. "Low Lands," one of the stories in *Slow Learner*, is the earliest example: the hero retreats to the town-dump, which Pynchon

portrays as a maze with its own internal structure. In *Bleeding Edge*, the metaphor of the Deep Web as a dump (“an endless junkyard”) ties into the longstanding motif of resistance or “counterforce” in Pynchon’s fiction.⁴ The dump becomes the model for a virtual space, a space of resistance to the capitalist appropriation of the Net.⁵ Both actual and virtual spaces—the space of the city and that of the Internet—partake in this metaphor, and at one point, it is the physical world of suburban New York that becomes the metaphorical counterpart to one of the Deep Web’s most hidden recesses. These spaces are compared with the American Frontier, and as we shall see, a virtual game called DeepArcher—a hidden spot in the Deep Web—plays an integral part in the general resistance to capitalist appropriation, as a space open to the ambiguous games of fiction.

The metaphor of the Deep Web as a dump is explicitly set up in this presentation:

The Deep Web is supposed to be mostly obsolete sites and broken links, an endless junkyard. Like in *The Mummy* (1999), adventurers will come here someday to dig up relics of remote and exotic dynasties. “But it only looks that way, [...] behind it is a whole invisible maze of constraints, engineered in, lets you go some places, keeps you out of others. This hidden code of behavior you have to learn and obey. A dump, with structure.” (Pynchon 2013, p. 226)

It is the chaotic mass produced by our most recent technology’s discarded waste (“obsolete sites and broken links”). But waste, as we know from *CL49*,⁶ has a self-organizing capacity (a “hidden code of behavior”) and down in the dump, a “structure” grows out of the refuse.

One of Pynchon’s early stories, “Low Lands,” features a lawyer escaping the demands of work and marriage (two institutions that ensure the permanence of capitalist structures) thanks to the mediation of an outcast (a drunken sailor) who takes him to the town-dump—a space with its own

⁴ *Gravity’s Rainbow* (1973) develops the motif of a “Counterforce” at work in the “Zone”—the waste land of Germany in the aftermath of World War II (*Gravity’s Rainbow*, part 4). For discussions of the complexities of the Zone, see the chapters by Steven Weisenburger and Amy J. Elias in *The Cambridge Companion to Thomas Pynchon*.

⁵ The dump is one of the heterotopic spaces in Pynchon’s fictions, as might be argued following Daan Schreiber’s paper on “Heterotopic Spaces in Thomas Pynchon’s *Bleeding Edge* and *The Crying of Lot 49*” given at the 2015 *International Pynchon Week* in Athens.

⁶ In *CL49*, WASTE is an acronym for an underground postal organization (*We Await Silent Tristero’s Empire*).

internal structure, certainly not free from economic constraints or power games, but where uncertainty reigns and life sustains itself by re-processing the waste of the surface world, as well as creating its own parasitic circuits. This underworld is ruled by the towering figure of Bolingbroke and structured by both physical and social networks (underground pathways and walls delineating the territories of the ruler of the place and a Gypsy community). Likewise, the Deep Web in *Bleeding Edge* is far from shapeless or lawless, yet it fosters enterprises (businesses or other, namely nonprofit entities such as collaborative sites or games) that can function under the radar, as it were, and allow those that are in on its codes to thrive in a parallel world.

In *Bleeding Edge*, Pynchon exploits the parallels between the real and the virtual worlds in such a way that the metaphor works in more ways than one: while the Deep Web is the junkyard of the latest development of capitalist economy, it becomes the Last Frontier for “entrepreneurds”; at the same time, a pastoral retreat up in “meatspace” (the physical world in computerease) becomes the metaphor for a virtual collaborative game developed in the Deep Web: DeepArcher.

The novel’s heroine, Maxine Tarnow, a private fraud investigator, is one such “adventurer” in this virtual space. As she follows the trail of a scam involving a computer security firm, she notices, upon inspection of their accounts, large payments going to a defunct website, upon which she launches into an exploration of their financial activities in the Deep Web. Their shady business operating both in the digital and in the material worlds, Maxine conducts her search alternately in the virtual space of the Deep Web and the actual space of New York City and its immediate surroundings. At one point, as she is driving back from New Jersey to Manhattan, she comes across a place that offers a physical model of the virtual space she has begun to explore. It is situated in the outskirts of the city, a landfill zone spreading partially under a bridge whose arching frame, to readers of Pynchon, echoes that of *Gravity’s Rainbow*. This landfill is a Wild West of sorts:

Under the high-arching openwork of the Bayonne bridge. Oil-storage tanks, tanker traffic forever unsleeping. Addiction to oil gradually converging with the other national bad habit, inability to deal with refuse. Maxine has been smelling garbage for a while, and now it intensifies as they approach a lofty mountain range of waste. Neglected little creeks, strangely luminous canyon walls of garbage, smells of methane, death and decay, chemicals

unpronounceable as the names of God, the heaps of landfill bigger than Maxine imagines they'd be, reaching close to 200 feet overhead according to Sid, higher than a typical residential building on the Yupper West Side. (Pynchon 2013, p. 166)

This is a highly charged Pynchonesque type of landscape, whose very topography takes on its signification through intra-textual echoes: aside from bringing to mind the Weberian “Iron Cage,” the “high-arching” truss work of the Bayonne bridge echoes the arc of *Gravity's Rainbow* (1973), which holds a structural function in the novel, whose 760 pages are poised between the two ends of the curved trajectory of a V2 rocket—from its launching to its crashing points. This arching structure is materialized in the incipit of the novel in the “girders old as an iron queen” of the carriage taking refugees out of the City.⁷ This over-arching structure determines those that live within its bounds just as the laws of gravity will make the rocket fall from the sky once it has reached the apogee of its fuel-burning ascent. In this passage from *Bleeding Edge*, the rainbow-shaped, all-encompassing curve is scaled down to the scope of a typically American landscape: the bridge arches over an expanse of water dedicated to oil—its transport and storage, the preludes to its consumption, inevitably followed by the production of waste, industrial and domestic. Under the same arc, next to the water, stretches “a lofty mountain range of waste.” The American wilderness—from its most sublime (“strangely luminous canyon walls”) to its pastoral nooks (“little creeks”)—re-emerges from the very heart of an economy running on oil.

The “national bad habit” of oil consumption has cast aside its refuse, reorganized into this huge pile of waste standing across the water from Manhattan—it is its replica gone wild (“higher than a typical residential building on the Yupper West Side”): the city’s refuse has morphed into a natural landscape, both foul and sublime (“strangely luminous canyons”) and chemical processes are rife with metaphysical implications (“unpronounceable as the names of God”).

This site of creative decay surrounds another natural space: the Isle of Meadows

[...] behind the Isle of Meadows, [...] toxicity central, the dark focus of Big Apple waste disposal, everything the city has rejected so it can keep on

⁷ *Gravity's Rainbow*, Viking, p. 3.

pretending to be itself, and here unexpectedly at the heart of it is this 100 acres of untouched marshland, directly underneath the North Atlantic flyway, sequestered by law from development and dumping, marsh birds sleeping in safety. Which, given the real-estate imperatives running this town, is really, if you want to know, fucking depressing, because, how long can it last? How long can any of these innocent critters depend on finding safety around here? It's exactly the sort of patch that makes a developer's heart sing—typically, “This Land is My Land, This Land Also Is My Land.” (Pynchon 2013, p. 166)

The landfill and the Isle of Meadows are actual places, yet their topography has been changed, better to foreground their metaphorical import: while in real space they are contiguous, their fictional representation encloses the Isle into the dump. The enclosure is also textual, and this passage is typical of the mimetic potential of syntax: the natural, virgin space lies at the core of the sentence as it nests in the middle of the actual dump (“marsh birds sleeping in safety”).

The passage evinces nostalgia for a pastoral ideal—that of a land promised to all and spared by capitalist development and private appropriation, two looming threats voiced by the cynical variation on Woody Guthrie's lyrics (“This land is your land, this land is my land...”).⁸

In Maxine's eyes, this physical space is the counterpart of the virtual space she has begun to explore, and the isotopy of the two is made clear in a highly metaphorical passage:

This little island reminds her of something, and it takes her a minute to see what. As if you could reach into the looming and prophetic landfill, that perfect negative of the city in its seething foul incoherence, and find a set of invisible links to click on and be crossfaded at last to unexpected refuge, a piece of the ancient estuary exempt from what happened, what has gone on happening, to the rest of it. Like the Island of Meadows, DeepArcher also has developers after it. Whatever migratory visitors are still down there trusting its inviolability will some morning all too soon be rudely surprised by the whispering descent of corporate Web crawlers itching to index and corrupt another patch of sanctuary for their own far-from-selfless ends. (Pynchon 2013, pp. 166, 167)

⁸ In his recorded versions of the song (1940–49), Woody Guthrie changed the last line in each verse from “God blessed America for me” to “this land was made for you and me.”

The New York City dump faces the city with the prophetic presence of its own demise. Its surface lies before Maxine's eyes like a computer screen, and in fact this passage inscribes the virtual nature of both meat space and cyber space by using for one the terms specific to the other: the "links" to "click on" to explore the landfill, and the "migratory visitors" (the virtual counterparts to the marsh birds, the "innocent critters" above) threatened by predators ("developers") in their game, their "sanctuary." The two spaces are fused into the perspective of their future appropriation by developers using the same weapon: "crawlers," a term used to signify both a rock crawler (a vehicle used on building sites) and a program that visits websites and reads their pages and other information in order to create entries for a search engine index (also called a web spider).⁹

At the heart of the waste land lies a space where life resists, refuse turns into "refuge," a space that is "exempt from what happened." Exemption—a longstanding motif in Pynchon's fiction—is to be read within the framework of the Calvinist belief in predestination, which provides for the possibility of Exemption (a form of oblivion) aside from the initial divine decree to either Election or Damnation—ultimately to no avail for those Exempt since they are doomed by default, yet giving them an intermediate lapse of time in which to romp about, a space for subversion.¹⁰

The last remains of the Hudson estuary's natural environment, as well as the collaborative game of DeepArcher, are under the threat of corporate capitalism looking to appropriate their space: land development and web development are but two faces of the same dollar. The Web is a space to conquer, the new frontier; the horizontal expanse of the prairie has shifted into the abyss of the Deep Web. And like in the Wild West of old, the Deep Web is an open space for the outcast of the system:

It surprises Maxine how populated it is down here in sub-spider country. Adventurers, pilgrims, remittance folks, lovers on the run, claim jumpers, fugue cases, and a high number of inquisitive entrepreneurds, among them Promoman [...].

⁹Source: <http://blog.alexa.com/full-glossary-web-analytics-terms-know/>. Accessed 7 August 2018.

¹⁰See Tony Tanner, *Thomas Pynchon*, Chap. 5, Methuen, London & New York, 1982. Exemption goes along with preterition, a major notion in Pynchon's works, which there is no time to discuss here. To quote one major study on the topic, Pierre-Yves Pétillon offers a most comprehensive discussion of Pynchon's Preterites in *Gravity's Rainbow* in *La Grand-Route. Espace et écriture en Amérique*.

“Deep Web advertising, wave of the future [...]. Thing is to get in position now, be in place, already up and running when the crawlers show up here, which’ll be any minute. [...]

It’s still unmessed-with country. You like to think it goes on forever, but the colonizers are coming. The suits and tenderfeet. You can hear the blue-eyed soul music over the ridgeline. [...] once they get down here, everything’ll be suburbanized faster than you can say ‘late capitalism.’ [...] Link by link, they’ll bring it all under control, safe and respectable.” (Pynchon 2013, p. 241)

Here again, virtual space is under the same threat as actual space. Later on in the novel, in the wake of 9–11, real estate developers at Ground Zero see its “future as real estate” (*BE* 328). Suburban America has long been the butt of Pynchonian satire: “What is the modern state, [...] but a suburban house-lot taken up to a large scale?” (Pynchon 2006, p. 165).

But the Deep Web is still “unmessed-with country,” it has not been completely cut up into lots—yet. In this open wilderness, this vast, amorphous zone, there are criminals of all sorts, Federal agents tracking them, and gamers out to experiment with their own codes (not those of the official, commercial games). One of these experimental games is DeepArcher (departure; “arc” and “arch-”), an immersive, interactive open-source simulation game designed by associates Justin and Lucas; it is the virtual replica of the NY dump, with its wildlife sanctuary in the Isle of Meadows:

Originally the guys [...] had it in mind to create a virtual sanctuary to escape from the many varieties of real-world discomfort. A grand-scale motel for the afflicted, a destination reachable by virtual midnight express from anyplace with a keyboard. Creative Differences arose, to be sure, but went strangely unacknowledged. Justin wanted to go back in time, to a California that had never existed, safe, sunny all the time, where in fact the sun never set unless somebody wanted to see a romantic sunset. Lucas was searching for someplace, you could say, a little darker, where it rains a lot and great silences sweep like wind, holding inside them forces of destruction. What came out as synthesis was DeepArcher. (Pynchon 2013, p. 74)

This complex synthesis of pastoral nostalgia and apocalyptic doom is typical of Pynchon’s modes of resistance to lethal forces of determination: they are properly subversive in that they operate from within, and the dump is precisely this ambivalent space where decay breeds new life and

where chaos finds its own internal structure. There is no meadow without a dump. As Maxine first launches into this virtual game, she finds herself in a new kind of wilderness, an ambivalent space:

The screen begins to shimmer and she is abruptly, you could say roughly, taken into a region of permanent dusk, outer-urban somehow, no longer aboard the train, no more jolly engineer or bodacious waitstaff, underpopulated streets increasingly unlit, as if public lamps are allowed to burn out one by one and the realm of night to be restored by attrition. Above those somber streets, impossibly fractal towers feel their way like forest growth toward light that reaches this level only indirectly... (Pynchon 2013, p. 77)

This “outer-urban” (which is not the same as “suburban”) cityscape is under the law of “attrition,” which is both a principle of thermodynamics—it is exhausting its own resources—and a theological notion—attrition is sorrow for one’s sins that arises from fear of punishment instead of sincere repentance. And the towers that grow out of this gamers’ city stand in ominous prophecy of the Twin Towers’ fate: they are “fractal,” the word heralding the fracture to come. This intimation of the fall is blended with a vision of their virtual elevation (“like forest growth toward light”)—a tug-and-pull between damnation and salvation.

There is nothing to guide those that venture in the virtual space of the game, no more than in actual wilderness:

[Maxine]’s lost. There is no map. It isn’t like being lost in any of the romantic tourist destinations back in meatspace. Serendipities here are unlikely to be in the cards, only a feeling she recognizes from dreams, a sense of something not necessarily pleasant just about to happen. (Pynchon 2013, p. 77)

Yet this unmapped territory also provides a refuge: like the Isle of Meadows, DeepArcher (Departure) lies at its pastoral core, thriving with all kinds of fictional adventures and variations on the real world. Pynchon’s criticism is not leveled at virtual reality per se but at its appropriation by the capitalist system. DeepArcher also opens a different time to escape to—time travel is another form of anti-capitalist adventure in Pynchon’s fictions, and it parallels the shift of capitalist expansion from space into time, which has become increasingly vital to it.¹¹ The virtual game offers a

¹¹This theme is explored much further in *Against the Day* (2006); here is an encounter with one of the “visiting dead” from the future (cf. the Thanatoids in *Vineland*), who explains:

kind of new utopia for the rejects of the city, only in a very fleeting, unstable space/time, where encounters between gamers' avatars are poised between anticipation and regret.¹²

Within the World Wide Web a counterforce is at work, notably in the world of computer games, referred to in the novel as "Post-late capitalism¹³ run amok, 'United Space Corporation,' moons of Mars, gateways to hell, zombies and demons [...]" (Pynchon 2013, p. 139).¹⁴ The virtual space/time of Deep Web games offers those who venture there the possibility of running amok, an effective, albeit violent way of resisting control. This goes back to one of Pynchon's earliest fictions, "Mortality and Mercy in Vienna," where Irving Loon goes wild and wreaks havoc on a college party. The motif appears in numerous other instances in Pynchon's works, notably in the following lines from a song in *Against the Day*:

We are here among you as seekers of refuge from our present—your future—a time of worldwide famine, exhausted fuel supplies, terminal poverty—the end of the capitalist experiment. [Capitalism is not the natural state of the economic reality, but a moment in history, an "experiment," which implies a theory, hypotheses, implementation, subjects...]. Once we came to understand the simple thermodynamic truth that Earth's resources were limited, in fact soon to run out, the whole capitalist illusion fell to pieces. Those of us who spoke this truth aloud were denounced as heretics, as enemies of the prevailing economic faith. Like religious Dissenters of an earlier day, we were forced to migrate, with little choice but to set forth upon that dark fourth-dimensional Atlantic known as Time. (Pynchon, 2006, p. 415)

The dead always escape control, into the dimension of time; this ties in with the motif of the underworld (with the figure of Proserpine looming, as she has been, behind many of Pynchon's characters) as a subversive space.

¹²At the 2015 *International Pynchon Week* in Athens, Frank Palmeri discussed utopian perspectives in Pynchon's works, introducing the idea of "small, incomplete utopias," always "too brief," hence never threatening to evolve into totalitarian systems. He quoted DeepArcher as an instance of such utopias ("Labor, History and Utopia in News from Nowhere and Against the Day").

¹³Possibly a tongue-in-cheek reference to Fredric Jameson's famous essay on late-capitalism.

¹⁴Note that United Space Corporation is the playful hybridization of two actual corporations, one Russian and one American:

United Space Alliance, a US private venture established in 1995 [<http://www.unitedspacealliance.com/>], and the United Rocket and Space Corporation, a Russian joint-stock corporation re-nationalized in 2013 [<http://www.rosorkk.ru/>].

African Antics

When those na-tives, run amuck!

When your life-ain't, worth a buck!

Eyes all poppin, goin ber-serk,

Might even make you late for work [...] (Pynchon 2006, p. 163)

Semantic logic brings together the forces of capitalism (“buck,” “work”) on the one hand, and the counterforces of uncontrollable primitivism (“amuck,” “berserk”) on the other. Poetic structure, however, unites contraries into rhyming couplets (“amuck” / “buck”; “berserk” / “work”). These lines exemplify Pynchon’s conception of human nature—no idealism, but a deep-grounded pessimism that meets some of the theological premises of his Puritan forefathers. A corrupt nature (run amok/amuck: to muck; dust to dust) is always on the verge of sinning (“late for work”). The fourth line sounds like both a threat and a tongue-in-cheek promise, from the author of an apology of sloth: “Nearer, My Couch, To Thee” (*The New York Times*, June 6, 1993):

[In America in the XIXth century] Sloth was no longer so much a sin against God or spiritual good as against a particular sort of time, uniform, one-way, in general not reversible—that is, against clock time, which got everybody early to bed and early to rise.

[Now, acedia = sloth] has only retreated from its long-familiar venue, television, and is seeking other, more shadowy environments—who knows? computer games, cult religions, obscure trading floors in faraway cities—ready to pop up again in some new form to offer us cosmic despair on the cheap.

In Pynchon’s fiction, in its metaphorical correspondences, there is no straight path away from structures of domination, but a complex network of ambiguous spaces where openness does not preclude control, pastoral nostalgia is tainted with prophetic irony, the violence of the outcast meets that of the system, and subversive action culminates in sloth.

Bleeding Edge ends on a familiar scene in meatspace: Maxine’s two boys leaving for school. They are running late, while their father, instead of overseeing their morning preparations, is enjoying having his brains fried by television in true couch-potato fashion. The boys themselves have just pulled away from their own slothful enjoyment in the Deep Web, to start their day in the actual world. Yet we know that they, like Maxine, will return to the “shadowy environments” of this century’s subversive spaces.

Notwithstanding the threat of losing one's life to the berserk fantasies of the games of fiction, there will always be time to be late for work—and a place to waste time.

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PART IV

Coda



CHAPTER 18

Economic Humanities: Literature, Culture and Capitalism

Peter Knight

INTRODUCTION

In the wake of the global financial crisis that began to unfold in 2007, Rowan Williams, then Archbishop of Canterbury, insisted that “economics is too important to be left to economists” (Batty 2009). Williams was arguing for a more democratic approach to economic matters, with the hope of introducing a humane dimension to a discipline that had become dominated by a technocratic obsession with number-crunching on the one hand, and an ideological faith in the “myth of the rational market” (Fox 2009) on the other. Although critical commentators—and even some economists—hoped to transform popular discussions of economics by bringing in insights from other realms such as politics, history, religion and psychology, few thought of literature as an obvious source of alternative economic wisdom. Zoe Williams, a columnist for the British broadsheet newspaper *The Guardian*, berated herself in the wake of the financial crisis for what she now saw as her inexcusable financial illiteracy (Williams 2011).

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As she explained it, while the global financial system was crashing around her, she was too busy reading novels, and so out of a sense of guilt she vowed to read only serious works of financial history that she hoped would explain how we got into this mess.

It can seem therefore that literature and economics make odd bedfellows. Indeed, many critics and artists since the nineteenth century have pointedly made a claim for literature's ability to transcend the material conditions in which it is produced, insisting that its aesthetic experiments and affective pleasures offer a space for critique that is outside the logic of the market. In this overview of the field, however, I want to sketch out the interface between literature and economics by tracing the various critical traditions that have engaged with the issue, with a focus primarily on Americanist literary criticism. The conclusion will map out some possible future directions for scholarship in this area, under the rubric of the Economic Humanities.

ECONOMIC WRITING

Literature and economics have not always been strangers, operating in mutually exclusive or antagonistic realms. As Mary Poovey (2008) argues, in the eighteenth century, there was a two-way trade between economic and imaginative writing about value, with fiction writers drawing on financial plot lines, while "writers on the economic side of the divide borrowed tropes and narrative conventions from imaginative writers when they encountered economic phenomena that defied the discipline's ordinary explanatory paradigms" (p. 9). Other cultural historians (e.g. Agnew 1986; Gallagher 2009; Gagnier 2000; Bronk 2009) have investigated the origins of economic writing, reconnecting economics to wider cultural and intellectual currents from the sixteenth to the nineteenth century, joining other investigations (e.g. Gilmore 1985) into the way that, for example, the writers of the American Renaissance were deeply engaged with the social and economic questions of their day. While eighteenth-century political economy—in both factual and fictional form—endeavored to prevent the slippage of meaning inherent in a credit economy by naturalizing the market and its financial operations, British and American Romantic writers of the first half of the nineteenth century laid claim to a realm of intrinsic aesthetic value distinct from the market. Conversely, later in the nineteenth century, more technical theories of economics began to slowly monopolize claims to factual knowledge about the market. In effect, literature and economics began to pull apart on twin tracks,

and for Poovey (2008), this was unfortunate first because it meant that literature's explanatory powers were ignored, and second because economics became increasingly mathematical, denying its reliance on metaphors and framing narratives.

The project of revealing the hidden literary nature of economic writing has been taken up by the subfield known as Rhetorical Economics, developed mainly by renegade economists. Deirdre McCloskey (1998), for example, has argued that the increasingly narrow and mathematical forms of economics have suppressed their reliance on foundational metaphors, narratives and tropes. Related to McCloskey's project is the work of Philip Mirowski (1989, 2002), who has produced an intellectual and institutional history of the surprising origins of economic ideas in other disciplines such as physics, and practices such as Cold War nuclear deterrence. The purpose of these studies is to challenge the claims of neoclassical economics that its mathematical modeling provides an objective and politically neutral account of how the world works. Some of the strongest attacks on neoliberal economic orthodoxy have come from student movements (led by the Post-Crash Economics Society in the UK, and now gathered under the international umbrella organization Rethinking Economics) that have demanded a pluralist approach to economics education. Critics of mainstream economics have argued that it has become so divorced from the real world that it resembles formalist poetry, an entirely fictional and self-referring realm of symbols and suppositions.

THE SEARCH FOR A CAPITALIST HERO

Although the discipline of economics has made strenuous efforts to suppress any connection it might have with more literary ideas, it has long had a tradition of using parables and foundational stories. Economics textbooks, for example, have returned repeatedly to *Robinson Crusoe* to naturalize the myth—and there is an increasing amount of anthropological evidence that it is a myth—that money was invented as an improvement on barter exchange (Graeber 2011). Although economics and business studies tend to eschew narrative in favor of graphs and equations, some practitioners have advocated using examples from literature to teach their discipline. For example, Younkins (2014, p. xiii) insists that “imaginative literature can enrich business teaching materials”; Brawer (1998, p. 223) observes that “fictions of business prompt us to examine and to re-examine the values, biases, and preconceptions that underline the tasks we undertake

as professional managers”; and, as for economics, Watts (2003, p. xxi) notes that “literary works often describe human behavior and motivations more eloquently, powerfully, or humorously than economists typically do, even when dealing with economic subjects.” These studies of “What Literature Can Teach Us About Capitalism” tend to be written by free market apologists who have no training in literary studies, and they merely mine literature for the character traits, plots and morals that fit their pre-existing conclusions, with little concern for the formal qualities of the works. Taken to the extreme, there is the fantasy that literature can even provide investment advice: one recent blog, for example, informs readers “How Charles Dickens Changed My Investment Life” (McAleenan 2013). (Some more recent works, however, have tried to find some common ground between the “two cultures” [e.g. Desai 2017; Morson and Shapiro 2017].)

In “The Search for a Capitalist Hero” (1964), Henry Nash Smith observed that American culture had produced predominantly negative portrayals of capitalism, when it had actually addressed the subject at all (see also Kavesh 1955). More recent studies (e.g. Watts 1982; Thompson 2004; Clare 2014) have argued that American literature since the 1960s has been more centrally concerned with capitalism than it had been in the past, albeit in more ambivalent ways. One exception to the critical tendency to view American literature as essentially antithetical to capitalism is the work of Paul Cantor and Stephen Cox (e.g. 2009), a literary historian and self-avowed follower of the Austrian economist Ludwig von Mises. Cantor has attempted to produce an alternative genealogy of American literature that identifies works that engage more optimistically—mainly through their championing of individual liberty—with the ideals of the free market. However, in both negative and positive accounts, “capitalism” is equated in most of these studies mainly with industrial production, especially in bureaucratic corporations, and the “capitalist” with the businessman. More recently though, as will be discussed below, critics have focused on finance rather than industry.

ECONOMICS IN/OF LITERATURE

With the turn to the Left in the 1930s, many Anglo-American literary critics (e.g. Hicks 1933) were influenced by Marxism, and sought to understand the relationship between literature and the wider social and economic forces it emerges out of and talks back to. Some argued that literature is

always shaped by its historical horizon, with the cultural superstructure determined by the economic base. A few literary historians (e.g. Flory 1937; Taylor 1942) provided exhaustive surveys of the “economic novel,” although they tended to view the engagement of literature with capitalism merely at the level of theme, plot and character. Others championed a distinctively American radical literary tradition, which they saw as providing a home-grown critique of the brutalities of industrial capitalism and the unfolding class struggle, with no need for a slavish adherence to Marxist orthodoxy. A faith in American exceptionalism—not least the idea that the history of the United States did not fit into the standard teleological account of the triumph of the proletariat—instilled an implicit nationalism into the incipient project of American Studies. After the turn against Communism with the revelations about Stalin’s atrocities in the 1940s and 1950s, many former left-leaning critics rejected Marxist historicism in favor of a formalist approach that praised the timeless nature of great works of literature (although a few exceptions, e.g. Rideout 1956, continued to identify a radical tradition of American writing that engaged more directly with capitalism). Like the Modernist writers they lauded, the New Critics regarded literature as inherently opposed to the values of crass consumerism, but only by operating in an aesthetic realm far removed from the mundane realities of capitalism.

Although traditional Marxist accents of culture as an epiphenomenal reflection of the material economic base have long since been overtaken by studies of culture as itself a site of political struggle, another important strand of literary history has focused on the economic relations among authors as producers, readers as consumers and the book trade as an industry. Recent works have examined, for instance, the writer as celebrity (e.g. Blake 2008), and the institutional underpinnings of literary prizes and writing programs (McGurl 2009). While this strand of materialist historical research has provided much needed insights into the economic realities of literature, at times it has ignored the formal features that make the works interesting as literature in the first place.

NEW ECONOMIC CRITICISM

Aside from the materialist investigations of the production and consumption of literature, most studies investigating the interplay between culture and economics have continued to provide interpretations of the works themselves, albeit no longer focused merely on the level of content.

Following Louis Althusser's work in the 1970s, many structuralist Marxists revised the standard model of economic determinism. They started from the assumption that literature is not merely a reflection of the social and economic conditions that produced it, but occupies a semi-autonomous zone that enables it to provide a more critical position in society.

Since the 1980s many critics have explored the theoretical and historical intersections between literature and economics. The French poststructuralist philosopher Jean-Joseph Goux (1994), for example, argued that it was no coincidence that modernist art and literature emerged at the same moment as the end of gold-backed paper money in France in the years following World War I. For Goux, the crisis in realism in literature and art was a parallel to the loss of faith in gold as an intrinsically valuable metal that could store value and create a universal medium of exchange and unit of measurement. In the same way that gold specie gave way to gold-backed paper currencies which in turn were replaced by inconvertible fiat money, Goux finds a similar loss of faith in formerly reliable epistemological foundations with, for instance, the erosion of essentialist ideas of masculinity and patriarchal authority, or the undermining of a naïve traditional faith in the correspondence between signs and their referents in the Saussurian revolution in linguistics (see also Germana 2009). Like other poststructuralist critics (e.g. Shell 1978, 1982), Goux's claims for a *homology* between finance and culture is based on the idea that money, like language, is an arbitrary system of representation. This idea, in the accounts of some critics, finds its fullest historical expression in Nixon's final ending of the gold standard in 1971, after which the world's major currencies become free-floating signifiers, no longer anchored to the supposed intrinsic value of gold (for a development of this argument see Taylor 2004).

We might begin to be suspicious, however, about the precise historical causation assumed to be operating in these various claims about the fictionality of finance. Goux (1994), for example, focuses on the 1920s as the key historical moment of the coincident demise of the gold standard and the rise of modernism, when traditional philosophical and religious foundations of value began to subside. However, in a different essay (Goux 1997), he makes a similar claim about the slipperiness of finance in reading for Pierre-Joseph Proudhon's 1857 treatise on the Parisian Bourse. Goux argues that the emergent French stock market in Proudhon's account is "hypermodern" *avant la lettre*: the logic of the mobile share value, and of the speculation upon it, *practically* deconstructs all the grand oppositions. One suspects that it constitutes the socio-symbolic basis of their *theoretical*

deconstruction in the era of the hegemony of financial capital (Goux 1997, p. 176, emphasis in original).

For Goux, it is Proudhon in his guide to the stock market rather than Marx's writings on political economy that constitutes the true intellectual forebear of deconstructionist attacks on traditional categories and forms of value. Goux thus finds, in *both* a modernist novel of 1925 *and* a manual for stock speculators from 1857, a revelatory exposure of the fictitiousness at the heart of finance. We might therefore wonder about the claims for historical causation being made in his talk of homologies and coincidences in these two very different historical forerunners of antifoundationalist philosophy. Is Goux re-reading financial history through the lens of post-structuralism, and finding the same story of the slippage of sign and signifier everywhere? Or is he only able to recognize these anticipatory moments of cultural awareness because he is reading history in the light of a contemporary moment in which financialization has come to dominate everything? Is Goux telling the story of a slow chipping away at old certainties of value (from the Victoria era to the 1920s), or is the primal scene of the demystification of finance repeated afresh each time, in the same way that the business cycle of booms and busts creates a circular logic of delusional confidence followed by a catastrophic clarity of vision?

Goux's work has been influential in the scholarly movement of the last two decades that has come to be known as the "New Economic Criticism" (Woodmansee and Osteen 1999), alongside the work of other French poststructuralist theorists such as Bataille and Derrida that explores alternative ideas of economics, in particular the notion of the gift. The New Economic Criticism has investigated the commonalities between literature and economics as systems of symbolic representation, and has made important contributions to the fields of literary, cultural and historical studies. However, the key homological insight animating much of this work—that metaphors and money function as twin forms of the "general equivalent" of economic exchange—has at times become merely an ahistorical truism that loses critical purchase on the varied moments of representational and/or financial crisis, and is in danger of creating an uncomfortable connection between postmodern theory and financialization itself (see Tratner 2004; Clover 2012). Instead, we need to recognize that fears and fantasies about, say, the market floating free from its material moorings are not solely the result of an anticipatory turn to postmodern antifoundationalism, but are deeply embedded in particular moments of social, cultural and financial flux.

Some varieties of the New Economic Criticism were more closely related to the New Historicism, which, in the 1980s, began to produce sophisticated studies of the relationship between a text and its context, starting from the belief that not only did each shape the other, but that what we normally think of as the historical context was itself a text. Walter Benn Michaels (1987), for example, studied the affinities between American literary naturalism and the logic of the gold standard around the turn of the twentieth century. He argued that naturalism did not provide a radical critique of the emergence of industrial capitalism in nineteenth-century America, as many had supposed. Instead, naturalism was ultimately far more in tune with the market than critics might imagine, with the ultimate conclusion that the logic of naturalism and the logic of the gold standard rely on similarly conservative assumptions about essential value. Yet Michaels's brilliant New Historicist readings of nineteenth-century American literature have two problems. First, they do not always get the detailed history right (see Thomas 1991), tending instead to find striking homologies that reveal more about philosophy than history. Second, in their reliance on a Foucauldian model of the ability of hegemonic discourses to co-opt resistance, they are also very much a reflection of the pessimism of the Left in the 1980s in America, seeming to capitulate to the neoliberal mantra that there is nothing outside of the market.

CONTENT OF THE FORM

While the New Economic Criticism and New Historicism tended to produce rather formalist accounts of the metaphoric circuits of exchange in literary works, other critics have pursued a different Marxist tradition, building on the work of the Frankfurt School (e.g. Lukács and Benjamin). In contrast to earlier studies that had interpreted literature's engagement with capitalism merely at the level of content, or New Economic Criticism that focused on the formal parallels between literary and monetary semiotics, the work inspired by the Frankfurt school pays attention to the ideological content of literary forms such as tragedy, epic and the classic realist novel. The most prominent exponent of this approach has been the neo-Marxist critic Fredric Jameson, whose pioneering work on the "content of the form" and the "political unconscious" (1981) of literary works has influenced a generation of scholars working in this area. His investigations of the affinities between postmodern cultural forms and contemporary economic processes such as globalization and financialization (e.g. 1991,

1997) have set the terms for the debate about the relationship between economics and literature in postmodernity. Jameson's method is to identify the correlations between structures of capital and cultural forms, and to read the latter as a distorted but often uniquely insightful allegory of the former. For example, "the total flow of the circuits of financial speculation" are likened to the "narrativized image-fragments of a stereotypical postmodern language" (1997, p. 261; 265). Certain cultural texts can thus provide us with a "cognitive mapping" (1991) of the impossible complexity of multinational capitalism that cannot be apprehended directly.

Other scholars have returned to the beginnings of the Financial Revolution in the eighteenth century (e.g. Gallagher 1995; Lynch 1998). They have documented how the emerging genre of the novel did not merely represent everyday life being transformed by market interactions, but instead made the mysteries of capitalist exchange intelligible for its middle-class readers. The novel did this, for example, by instructing readers how to make sense of some of the strangers encountered in the rapidly expanding market: reading them as instances of conventional literary "characters" made the dissolving social hierarchies of class more manageable. Like the broader credit economy, literature also worked by creating trust in forms of value that were products of collective imagination (e.g. paper money, share certificates, bills of exchange and even the national debt itself). In effect, the novel works by persuading readers to suspend their disbelief in a risky and uncertain future. It deals in "fictional expectations" rather than the rational expectations of *Homo economicus* as conceived in orthodox economic theory (Beckert 2016). On this line of argument, literature in general and the novel in particular thus helped naturalize the credit economy, as both relied on imaginative "projections" (Hamilton and Parker 2016). The wider contention of the scholarship on literature and economics in the early eighteenth century is that cultural forms such as the novel do not merely provide epiphenomenal reflections of a pre-existing market, but through their imaginative work help shape the very structures of capitalism they narrate.

Scholars have demonstrated that this is the case not just for British literature in the formative years of the emergence of the novel, but also in the development of specifically American literary traditions of writing in the nineteenth century. In her study of colonial and early republican texts, Jennifer Baker (2005), for example, shows how these forms of American literature helped imagine into existence the institutional fictions of a credit

economy (paper currency, bills of exchange, bonds, etc.). Through her analysis of writings by Cotton Mather, Benjamin Franklin, Royall Tyler, Charles Brockden Brown and Judith Sargent Murray, Baker identifies a mode of thinking in eighteenth-century America about debt, credit, speculation and paper money that runs contrary to more orthodox economic views at the time. In place of the familiar fears about both private and public indebtedness as a form of effeminizing slavery, and speculation as a form of irresponsible castle-building, Baker teases out a strand of argument that saw debt (and the paper bills that create it) as a positive social good because it could foster national development, cohesion and trust, all the while reinforcing the bonds of sympathy between individuals.

Another fascinating example of a literary analysis that shows the mutually constitutive relationship between literary form and economic structures is Andrew Lawson's revisionist account (Lawson 2012) of the development of American realism in the nineteenth century. Lawson challenges the poststructuralist tendency to dismiss classic nineteenth-century realism as conceptually naïve at best and ideologically misleading at worst, with its supposed bourgeois fetish for the world of consumable goods and its insistence that reality is reliable and dependable. He argues instead that American realism developed not in the late nineteenth century but in the antebellum period, as a fantasy counterweight to the sense of instability and immateriality created by repeated financial panics. Lawson also sees realism not as a simpleminded and duplicitous illusion of verisimilitude, but as an on-going dialogue with the very question of what constitutes reality in a capitalist economy, in which the world is neither stable nor comprehensible. He shows how the repeated financial panics of the nineteenth century—in particular the Panic of 1837—led some Americans to question the very nature of social reality. Lawson returns to Marx's notion of "fictitious capital," along with his famous image of all that is solid melting into air. As Lawson demonstrates, however, the emergence of realism in the United States anticipates Marx, who sought in vain to reground the phantasmagorical nature of money and credit in the seemingly material value of labor. For Lawson, then, realism fulfills a similar function: it is a "fiction that seeks to counter the malign magic of the market revolution by creating a world in which things and people are legible, tangible, enduring and real" (p. 4).

Lawson argues that the fear of the illusory nature of a credit economy in antebellum America drew on the established political tradition of republicanism, with its values of plain-speaking self-sufficiency and distrust of

the loss of independence through indebtedness. Attacks on the abstractions of the “paper economy” (p. 5) and the blurring of the boundary between reality and fantasy were thus not merely metaphysical or aesthetic, but were thoroughly political. It is no surprise, Lawson suggests, that “the first literary genre to adopt an embryonic but recognizably realist aesthetic should emerge from the household economy in the troubled period of the transition to capitalism” (p. 7). Lawson’s book is therefore not just another addition to the project of the New Economic Criticism, but in fact a significant rewriting of literary history, with its insistence that realism in the United States emerged far earlier than is commonly believed (usually the 1880s). Furthermore, Lawson argues that realism emerged not as a mere epiphenomenal reflection of broad economic changes, but as an imaginative counter-reaction to the repeated shocks of finance experienced in the formative years of a range of writers who began to write from the 1850s onward. Lawson’s close readings of Rose Terry Cooke, Rebecca Harding Davis, William Dean Howells, Henry James and Hamlin Garland rely on a historical materialist attention to the specific class origins of the authors, a method which produces a rethinking of an older, discredited tradition of biographical criticism.

In doing so, Lawson is building on Richard Godden’s historical materialist approach to the relationship between capitalism and culture. Godden starts from the premise that “economic structures may be read as the generative source of fictional forms” (2007, p. 2), in the sense that the social and political relations that underpin economic organization shape what stories can and cannot be told at any given time. For Godden, the deep contradictions that inhere in particular historical moments create psychic disturbances that reveal themselves in literature at the level of formal complexities and incongruities. For example, in the works of William Faulkner, with their odd metaphors and uneasy puns, the contradictory need for but fear of black laboring bodies in the Southern plantation economy generates linguistic ruptures. For Godden, then, the task of the critic, then, is to pursue intensely detailed analysis of literary forms in order to understand the underlying contradictions in the capitalist modes of production that give rise to them, and thereby to tap into the deeper emotional sources of anxiety and inchoate utopian yearnings they encode in their structural contortions.

Other scholars have argued that the cultural work of literature is more ambiguous still. For example, Michael Clune (2009) examines how an eclectic range of post-World War II American literature engages

imaginatively with the idea of the free market, often in quite subliminal ways. He analyzes how “economic fiction” makes “the idea of a purely economic world” an “object of cultural fascination” (Clune 2009, p. 4). He shows how, in the work of writers such as Frank O’Hara, William Burroughs and Kathy Acker and cultural forms such as gangsta rap, an obsession with a purely economic understanding of value teaches its readers to embrace a postsocial form of subjectivity, in which all the traditional identities, desires, histories and attachments that ground individuals in their social world are shorn away by the abstractions of economic exchange. Clune never makes entirely clear, however, whether this a tragedy or a potentially utopian possibility opened up by the free market. His analysis is thus strangely ahistorical, abstract and aestheticized, divorced from the significant material and intellectual contexts of neoliberalism.

FICTIONS OF FINANCE

As with the work of Baker and Lawson, recent studies of the intersections between literature and economics have come to focus more specifically on finance and the “financialization of daily life” (Martin 2002). On the one hand, scholars have analyzed the ways that literature can simplify and even normalize the operations of finance; while on the other, they have explored how literature can provide a unique insight into the “paper fictions” that are at heart of financial capitalism. For example, David Zimmerman (2006) explores a wide range of fictional attempts to make sense of financial panics in late nineteenth-century America, from conspiracy plots to melodramas. He argues that fiction—both popular and literary—played a unique role in helping people to read the market at the turn of the twentieth century, but in the process began to reach the in-built limits of the novel to narrate the dizzying, impersonal interactions of capital. Zimmerman focuses on the period 1890 to 1907 during which a huge number of novels tried to make sense of the turbulent market and the role of emotion in its activities. This Wall Street fiction sought to control the seemingly uncontrollable financial crises by inserting the periodic convulsions into the generic conventions of sentimentalism, sensationalism, melodrama and naturalism. As Zimmerman demonstrates, financial writers and the mass reading public were alive to the power of the written word as a form of speculation that—in the case of the stock promoter-turned-novelist Thomas Lawson—could quite literally create fictitious capital in the stock market. Zimmerman provides readings of obscure

writers and more familiar ones such as Frank Norris, Theodore Dreiser and Upton Sinclair. In Norris's *The Pit*, for example, the speculator Curtis Jadwin fails to control the market, with the market being figured in a dense and shifting set of metaphors as an ungovernable machine whose invisible hand acts to mesmerize its victims. Likewise, the chapter on Dreiser's *The Financier* offers an interpretation of the novel as a fictionalized biography not of Charles Yerkes, but of the impersonal abstraction of capital itself. In a similar vein, we learn how Sinclair turns to the plot device of conspiracy to account for the problem of apportioning blame, causality and responsibility in the endlessly connected impersonal networks of financial capitalism. Zimmerman concludes that "whatever their ideological names, all of these [texts] imagined or suggested ways to *remedy* financial crises and *contain* the social trauma they produced" (p. 13, emphasis added).

Other recent works explore the ways in which contemporary literature, film and visual culture engage with finance. For example, in her analysis of works by Don DeLillo, Brett Easton Ellis, Tom Wolfe and Oliver Stone, Leigh Claire La Berge (2015, p. 4) examines how "finance came to stand in metonymically for 'the economy'" since the 1980s. La Berge argues that the emergence of postmodernism as an aesthetic form is intimately connected to the development of finance capital in general and to the dense texture of everyday financial print culture in particular. Other studies of the "fictions of fictitious capital" (Godden 2011) include monographs by Paul Crosthwaite, Annie McClanahan, Katy Shaw, Alison Shonkwiler and Joseph Vogl.

What these recent studies have in common is an awareness that financialized capitalism often deals in "paper fictions." In the wake of the financial crash of 2008 many commentators are now beginning to ask whether finance has broken loose from its moorings in the so-called real economy of manufacturing. Like modernist art, finance seems to have become entirely self-referential, a fiction of value creation that attempts to hoist itself up by its own bootstraps. It creates value out of "mere ideas, concepts, fictions, and consensual hallucinations" (Taylor 2004, p. 163). The idea of "the market" that is constructed by the discourses and practices of finance (in both the first Gilded Age and our own current Gilded Age) is increasingly autopoietic, a self-referential hall of mirrors in which the quoted prices no longer seem to refer to real-world economic conditions, but increasingly respond and refer to patterns that are peculiar to the market itself. In Vogl's account, for example, contemporary finance has come

to resemble literature because it is increasingly composed of “semiotic events” and “the play of economic signs” such as price fluctuations that demand “to be read and interpreted” (Vogl 2015, pp. 12–13). With Nixon’s closing of the gold window in 1973, currencies were forced to float freely in relation to one another, rather than being ultimately tethered to the value of gold. In this situation, capital seems to have become increasingly self-referential and reflexive, a “regime of free-floating signifiers” that produces a “crisis of representation” (2015, pp. 59–61). On this way of thinking, finance has strange similarities to poststructuralist theories of semiotics, which raises the worrying possibility that the New Economic Criticism might be more a symptom of the logic of financialization than a critical diagnosis of it.

This view of finance as uncannily postmodern is, however, in contrast to the Efficient Market Hypothesis (EMH) that has come to dominate academic financial economics since the 1970s. The EMH insists that stock market prices reflect all knowable information, and are by definition always accurate representations of the underlying value of assets. The “wisdom of crowds” means that the aggregate of countless individual subjective efforts to assess the value of an asset produces an aggregate objective determination that is then encoded in the current price. The logical consequence of this theory is that the market is by definition always right, and that no individual can ever reliably beat the market. That conclusion leads to the sensible advice that the best investment decision an individual can make is to choose a low-cost index fund that merely tracks the market (Malkiel 1973). But the insistence that the prices created by the market always provide a true reflection of fundamental value also leads to the conviction that bubbles and panics, strictly speaking, can never happen. Despite the potential problems outlined above, accounts that emphasize the self-referential, free-floating nature of finance therefore provide an important corrective to the myth of the rational market and the “realism” that supposedly underpins it.

Fears about the fictitiousness of finance are not necessarily new, however. In late nineteenth-century America, for example, Populist critics of the emerging market in futures and options complained bitterly that, unlike the farmers who grew the produce, speculators were making profits from the trade in paper claims to crops not yet harvested. These virtual exchanges of produce far exceeded the actual, physical amount that was grown each year, with only 3 percent of futures contracts resulting in the delivery of the actual commodity. For these critics, the “fictitious dealing”

in what they termed “wind wheat” undermined the true source of value, namely the labor that had transmuted nature into commodity (Cowing 1965, p. 14). However, the scale and intensity of derivatives trading today operates at a level that would have been unimaginable to the agrarian populists of the Gilded Age: by 2007, a quadrillion dollars’ worth of derivatives were being traded per year, which is more than ten times the total value of the entire production of global manufacturing over the last century (Stewart 2012). The current global financial crisis thus produces a new urgency to the analysis of the fictions of finance, as we confront seemingly unimaginable realms of virtual money. It is therefore not surprising that there has been a rekindled interest in Marx’s brief comments about “fictitious capital,” the problem of the feigning nature of speculative finance in which money begets money (cf. Kornbluh 2013; Haiven 2014).

CONCLUSION: ECONOMIC HUMANITIES

One of the central contributions that literary studies can make to the project of “cultural economy” (Du Gay and Pryke 2002) is thus to historicize—and hence to demystify—the categories of economic knowledge that are all too often taken as natural (cf. de Goede 2005). Central to this project is an investigation on the one hand of the ways that economic wisdom is framed in seemingly incontestable narratives, and on the other of the fictionality of financial forms. The task, then, is not just to examine the immediate technical contents of the “black box” of finance (as the subfield of the Social Studies of Finance [SSF] has attempted to do), but to consider the narratives, tropes and foundational metaphors—as well as the institutional contexts and technologies—that have made particular modes of economic knowledge and discourse dominant in different historical moments (e.g. Preda 2009). Rather than merely dissecting the technical assumptions within the black box, or focusing on literature’s imperfect reflections of economic ideas and practices, this kind of interdisciplinary work requires an attention to the broader historical imaginary through an anatomy of the necessary fictions that underpin financial innovations.

The key idea that conjoins the Social Studies of Finance (SSF) and forms of literary/cultural analysis that move beyond the New Economic criticism is *performativity*. SSF scholars have begun to examine the rhetorical and performative construction of financial markets. They have attacked the value-neutral claims of orthodox economic theory, arguing

that economic theories are not merely reflections of what is already out there, but that they legitimate and even actively create the economy they supposedly describe. Donald Mackenzie (2006), for example, has demonstrated how technical financial models, such as the Black-Scholes formula for pricing options, are performative technologies that reshape the very financial markets that they seem to neutrally observe: the more traders use the model, the more prices converge on what the model predicts. The genres of financial capitalism explored in the recent literary studies considered above do not merely provide a detailed accounting, whether financial or moral, of the stock market, but instead constitute technologies of representation that actively shape the market they seem so naturally to depict. Financial journalism and financial fiction can also be understood as performative representational technologies that help reshape the market they seem so naturally to describe, akin to literal devices for recording market data such as the stock ticker. As literary studies and cultural history have begun to demonstrate, it is not merely the detailed models of financial theory that performatively create the market, but also a much broader range of discursive practices and modes of representation, as well as the historical development of particular institutions and regulations. Following the work of Judith Butler (e.g. 2010), however, we also need to recognize that the “performance” created by those market representations is not inevitable and final (as some of the SSF work tends to suggest), but is open to wider cultural contestation.

There has already been a good deal of impressive research into the interface of economics and literature. In our current financially dominated era, this research becomes especially relevant. There has also been a surge of important new creative work exploring this territory, as novelists, cartoonists, essayists, playwrights, poets, artists, photographers, documentary makers and filmmakers have grappled with the complex formal and conceptual difficulties of representing finance. In most cases, however, this critical and creative work is completely off the radar of the economics profession. It is also usually ignored by other critical theory in the social sciences, with which it has much in common. In the wake of the 2008 crash there was a brief moment when the mainstream economics profession was willing to consider the possibility that its fundamental approach was flawed and that it therefore needed to listen to other voices. But now it is very hard to get orthodox economists to engage with the work that is being done in the humanities.

There are, however, some encouraging signs of a willingness on the part of economists to listen to other forms of analysis. Andy Haldane, Chief Economist at the Bank of England, has urged economists to explore other disciplines that might provide alternative ways of making sense of money, finance and capitalism. Likewise, the student-run Rethinking Economics movement, for example, has led the call around the world for an economic education, both within economics departments but also in the wider community, that is alive to pluralist and heterodox approaches. There are also interesting examples of an interaction between disciplines to provide fresh insights into the nature of capitalism. One notable recent example is the work of the economic sociologist Jens Beckert that makes a compelling case for the necessity of literary theory for understanding economics. Beckert (2016) argues that economic activity proceeds not by calculation but through the realm of the imaginary, the speculative conjuring up of future riches in a world that does not (yet) exist. Literature is therefore uniquely well placed to help us make sense of the “fictional expectations” of future-oriented finance. This is a stirring challenge to mainstream economic theory that highlights the role that literary theory can play.

In order to bring the insights from literary and cultural studies into the broader discussion of economics in both the academy and society at large, we need to develop the Economic Humanities, along the lines of the Medical Humanities and the Environmental Humanities, two projects that have really taken off in the last two decades in Britain and America. The idea of the Medical Humanities and the Environmental Humanities is that research and teaching in these areas will be much stronger and less narrowly technological if they are able to bring in other ideas and approaches, particularly history, culture and ethics. The Economic Humanities would therefore offer a suitably robust response to our present challenges. The project would bring together historians and literary studies scholars, as well as economic sociologists and economic anthropologists, to provide an analysis of the representational practices, ideologies, languages and values of finance and economics. But to be taken seriously by those within economics, finance and business studies, the Economic Humanities would have to be familiar with the research in those disciplines, which is a daunting task. We need therefore to collaborate with people from those disciplines in order to explore the very specific cultural and historical meanings of key economic and financial concepts and causal assumptions, such as risk and accountability, rational choice and free

competition, knowledge and agency. The Economic Humanities would need to produce new scholarly reflection on what constitutes economic and financial culture in the broadest sense. Bringing the humanities back into economics is also needed to remedy the “tunnel vision” (Tett 2009) that has beset both professional and academic economics.

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