Financial Narratives in Crisis

Review of Amin Samman, *History in Financial Times*
Emily Rosamond
Forthcoming in *Finance and Society* 6(2), 2020: 1-6.

As I write this now, it seems difficult to imagine how this moment might one day be seen as *historical*. To arrive at its historicity, a moment such as this must come to be viewed as a juncture at which various potentials, possible courses of action and fields of possibility will have been opened or closed, from the vantage point of another, as-yet-unknown present. Equally, becoming historical demands that a moment comes to be inscribed in a particular narrative of historical change – forming, and falling into step with, some more-or-less cohesive trajectory. Considering how this moment might one day be historical inevitably draws comparisons with the inverse consideration: how this moment conceives of its own futurity. There are, of course, copious accounts of the paucity of the future in the twenty-first century; concern for the "slow cancellation of the future" (Berardi, 2011: 18; Fisher, 2014) echoes through books, conversations and forums, speaking to the collapse of various "mythological temporalization[s]" (Berardi, 2011: 19): cultural imaginaries of progress in science and technology, social welfare and democracy. This evacuation of "futurability" (Berardi, 2019) is ironic, perhaps, given the broadly future-oriented disposition of financialized capitalism and contemporary 'risk societies' (Beck, 1992; Giddens, 1990; see also Ramey, 2016; Amoore, 2013; Harcourt, 2007). Yet it is also inextricably linked with financialized capitalism's many crises of extractivist valuation. Given spiralling debt and the burgeoning climate crisis; pronouncements of both an end to capitalism (Streeck, 2017) and a never-ending need to capitalize on disaster (Klein, 2014); it proves difficult to remain either confident in the viability of financialized forms of valuation, or optimistic about the prospects of the coming century. Equally, it is difficult to see how narratives of past market patterns in fact offer any explanatory power when facing the political impasses of this moment. Narratives of continuity between past and present crises fail to explain the disruptions of the present. In a moment sometimes characterized as 'post-truth' or 'post-fact' (Pomerantsev, 2019; Rose, 2017; Sismondo, 2017), the sense of a profound inability to narrate the historicity of the present prevails.

Amin Samman's ambitious first book, *History in Financial Times,* addresses this paucity of historicity – and the need to develop more nuanced ways to account for history, given that succession, as a model of making history, so clearly falls short. As he puts it in the introduction, "Homo historia does not experience life as a neatly ordered succession of events, but precisely as a mounting senselessness to which the discourse of history offers itself as a solution" (Samman, 2019: 10). Samman speaks to the ways in which the perception of continuity from one financial crisis to another is compensatory – and to the myriad difficulties of reading financial histories into the present. The book offers means to analyse the minutiae of how historical narratives (for instance, analogies between the 2008 financial crisis and the Great Depression) become a short-hand to help explain what is happening in the present: even though these recursive loops, perhaps, more than anything speak to an inability to reckon with what is new in the current financial crises. Samman's emphasis on narrative throughout the book is hugely important at a moment of widespread narrative dysfunctionality – in which the distinction between fact and fiction comes to be widely

contested. This theme points back to important accounts within postmodern theory of the relationship between finance and its representations (notably, those of Frederic Jameson), and on historiographic metafiction (for instance, Hutcheon, 1995). It also invites interesting comparisons with recent work on the importance of fictionality – for instance, two edited books that have recently come out of the Department of Visual Cultures at Goldsmiths, where I work: *Fiction as Method*, edited by Theo Reeves-Evison and Jon K. Shaw (2017); and *Futures and Fictions*, edited by Henriette Gunkel, Ayesha Hameed and Simon O'Sullivan (2017). The introduction of the 'strange loop' (a term Samman adapts from Douglas Hofstader) is salient as a means to conceptualize the unexpected ways that feedback plays into both self-awareness and conceptions of history.

The forward grounds Samman's project autobiographically, as a teenager growing up in Hong Kong and experiencing the East Asian crisis of 1997-8. Though briefly mentioned, this strikes me as quite important to the range of approaches taken in the book – grounding the enquiry in situated narrative, and complementing the approach to the proper names of situated (and often fictional) characters as bearers of financial history taken later in the book. Further use of first-person narratives (as opposed to global narratives – say, of 'the Great Depression' referred to as a shorthand, as if it were a monolithic thing) would seem to be quite promising avenues for future work in this area. Equally, the site of Hong Kong (though not returned to within this book) is promising, speaking to the potential to complicate the often West-centric narratives of financial crisis that (as becomes very clear as a subtext in Samman's chapter on the Great Depression) are obsessively returned to in the press. This predilection arguably reiterates and perpetuates a colonial narrative disposition, which depends on narrating 'the West' as a site of financial crisis (thereby sidelining other, far more long-term forms of marginalization, impoverishment, crisis and financial servitude), even as 'the West's' own wealth has depended on continually expropriating wealth from both the global south and racialized populations (see, for instance, Robinson, 2000). Samman presents a helpful distinction between 'crisis' and 'cycle' as motifs through which history is narrated and understood, drawing on critical literature on crises by Janet Roitman and others. I particularly like his term 'quasi-historical processes', to account for the importance of recursive loops that occur between pasts, narrations of pasts, and the incursions of these narrations in the present moment. Although Samman does not refer to the so-called 'post-truth' moment in this book, it seems promising to think of inroads, whereby the conceptual framework of the quasi-historical process is placed in dialogue with emergent 'post-truth' discourses – even as I would prefer to problematize the latter term's apparent claim to novelty, as if to imply that massive disinformation campaigns have not existed before, or that the scale of informational uncertainty is simply greater than some imagined 'before'. A tougher reading of this concept would need to problematize such assumptions often baked into the prefix 'post' – a problematization to which Samman's careful unpicking of quasi-historical processes seems well placed to contribute.

In chapter 3, Samman provides a very detailed account of how analogies to the Great Depression in accounts of the 2008 financial crisis within journalism shift from 2007, to 2008, to 2009. This mode of analysis seems quite promising as a methodology: to trace the subtle historiographic shifts that occur within and between moments narrated as 'crises'. This method allows Samman to speak to how imagined affinities between different crises subtly reshape understandings of the past as said crises wax and wane, and articulate a crescendo and decrescendo in the pressure placed on the past to in some way help us understand the (perhaps unfathomable) crises in the present. This chapter also raised a number of questions for me around the role of finance or financiality in the argument.

The first of these questions has to do with narrating financial histories themselves. This chapter offers up a detailed analysis of how narratives of the Great Depression shifted from the pre- to post-2008 financial crisis. Yet, in many ways, the analysis begins and ends with two key observations: firstly, about the role that the Great Depression plays in allowing journalists to *quantify* the extent of the damage of the sub-prime crisis (as an index to just *how bad* a particular journalist thought the current crisis might be); and secondly, as a site of reflexive contemplation, in which journalists grant themselves a level of willingness to partake of this broad comparison, which seems almost to be 'in the air' in a time narrated as crisis-bound. Notably absent from this account are any details as to how, in fact, the conditions that led to the Great Depression and the 2008 sub-prime crisis might be understood as similar to or different from one another. Of course, this is not to suggest that Samman should have given a definitive account of how the financialization of the 2000s (with its sub-prime mortgages packaged into collateralized debt obligations [CDOs], whose tranches were valued far too highly, and whose riskiness was grossly underestimated, finally failing on a massive scale) relates to the 1929 stock market crash which led to the Great Depression; surely, to ask such a thing of this book would be to miss the subtleties of its questioning of narrations of history in the first place. Nonetheless, the difficulties of conceptualizing the relationship between the 1930s and 2008 crashes seem quite significant for pinpointing why this book's argument needs to be *financial,* in particular – and also given that these two events are separated by a period that many narrations of financialization have focused on to delineate key shifts in the turn toward ever-greater emphasis on financial practices and processes. Here, we might think of the Reagan-Thatcher 1980s as a watershed moment for the expansion of the credit economy; and, prior to that, 1970s developments that set the stage for the ballooning of financial instruments and markets, such as the collapse of the Bretton-Woods system (established in 1944) in 1971 when the United States terminated the convertibility of currency into gold; or the discovery and pricing of volatility with the development of the Black-Scholes pricing model that is so key to derivative finance (see, for instance, Lee and Martin, 2016; MacKenzie, 2006). Many of the accounts of financialization that I've found most fascinating lately problematize the narrative that finance has *only* become a major force since the 1970s – for instance, Justin Leroy's work on the American slave trade as a key site for financial experimentation (see Kish and Leroy, 2015). Nonetheless, given the importance of the 1970s-1980s in so many narratives of financialization, it seems that the Great Depression's re-emergence as an explanatory force in 2007-9 would merit analysis of the ways in which financialization itself has been narrated and understood, and how the collapse of Bretton-Woods has reshaped both the market and the money-form.

The second question has to do with temporalities of finance. Notably absent from Samman's book are accounts of the vast literature focusing on the future-oriented disposition of late (or, in some accounts, financialized) capitalism: from accounts of risk societies mentioned above (Beck, 1992; Giddens, 1990) to security studies (Amoore, 2013) to accounts of the "actuarial age" (Harcourt, 2007), or the derivative form and the limits of knowledge (Martin, 2015). In many ways, Samman's focus on the past stands out as original and unusual in comparison with this already crowded field that focuses on the predictive predilections of financial capital. Even a passing reference to the above literature would have made this quite viable claim to originality stronger, clarifying that Samman's approach might be read as counter to the oft-repeated emphasis on financial futurity. Equally, within this literature there are a few works that stand out as having particularly strong resonances with Samman's argument, even though they are focused on temporal flows from present to future, rather than from present to

past. In particular, I think of Joshua Ramey's *Politics of Divination* (2016), which argues that the neoliberal endgame involves a harnessing of divination practices (in other words, those which seek to make meaning in relation to chance) in a lessened form, which in fact precludes the possibility that the future could be radically different from the present, refashioning it instead as a sort of blank repetition of the demands of the present. Just as Ramey draws attention to financial futurity as a blank repetition of the present, Samman draws a parallel sort of attention to financial history as a kind of blank repetition of places, tropes and times, uncoupled from situated analysis or nuanced understanding.

A third line of questioning emerged for me, particularly in response to Chapter 5, "Names of History." This chapter is something of a departure from the modes of analysis presented earlier in the book, focusing on the role of proper names associated with finance, both real and fictive (Gordon Gekko, Michael Douglas' character in *Wall Street*; Jordan Belfort, the Gekko-esque former stockbroker immortalized in Martin Scorsese's *Wolf of Wall Street*; and Eric Packer from Don DeLillo's *Cosmopolis*). Drawing from Deleuze and Guattari's writings on conceptual personae (among others), Samman considers how these names associated with financial history create strange loops between fact and fiction, and carry attitudes and dispositions associated with financial markets from one moment to the next. One thinks, here, of Gabriel Tarde's "imitative rays of behaviour" in *Economic Psychology* (2007/1902) as an alternate framework which could well explain the type of weight that Samman gives to the proper name – itself a means of describing how any field of work is also a field of behaviours, whose propagation depends on the constant imitation of others. (Names, seen thus, become a shorthand for the transmission of packets of behaviour, so to speak – financial styles of being.) Insofar as Samman draws attention to how these famous financial figures 'game' markets (Samman, 2019: 125) – and thus draw attention to markets themselves *as* game – I also found parallels between this chapter and S. M. Amadae's analysis of neoliberalism through the lens of non-cooperative game theory (2016). To draw out yet another minor theme in the chapter, the mention of Packer performing some kind of divination (Samman, 2019: 131) draws interesting potential parallels with Ramey's *Politics of Divination* (2016) – a book which speaks to neoliberalism's disastrous capture of prophetic practices.

There is much promising material in this chapter; but still, the question arises as to why this treatment of the proper name must necessarily be *financial*. Accounts of the relationships between finance, fiction and form unfold in an already crowded field of works (Sherman, 1996; LaBerge, 2015; Roxburgh, 2016; McClanahan, 2017; Martin, 2012) which grapple with the recursions between finance, subjectivity, and representations or navigations of each within literature, dance and other expressive forms. What, one might ask, does a reading of the proper name add to this discourse in particular – and how does the form of the novels, news articles and films explored matter to the financialized context in which the transmission of these names unfolds? There could be many ways to link the proper name more directly with financial valuation – for instance, by exploring the proper name as a reputational apparatus in a moment in which financialized valuation itself has become ever more imbricated with reputation. Equally, there might have been an opportunity for a closer analysis of the temporalities of the works explored – something along the lines of, for instance, Peter Rawlings' wonderfully complex analysis of "grammars of time" in Henry James' late writings (2003). However, my sense is that a proper name such as 'Jordan Belfort,' in Samman's reading, is rather like 'The Great Depression', read as a journalistic trope in Chapter 3: something that, by virtue of its having travelled so extensively (in a way that perhaps parallels some of the phenomena described in Edward Said's wonderful

'Traveling Theory', 1983: 226-247) approaches a certain emptiness of signification. Becoming more and more decontextualized and general as they travel, these names (The Great Depression, Gordon Gekko, Jordan Belfort) speak to the erasure of nuanced financial histories, by virtue of the very propagation of a *shorthand* meant to speak for them. Through their constant travel, these cherished proper names express an inability to know financial history – carried out as a gradual loss, through repetition, of a place from which to narrate that history – which is embedded in the very discourses that establish and express these names' status as privileged tropes.

In all of the above lines of enquiry, I was seeking ways to locate the importance of finance within the book's argumentation. However, I come away with the sense that finance and financialization may not be quite as central to Sammin's argument as they initially seemed – or at least, not in the ways that I would have thought. The approach Samman has taken seems rather more aligned with certain characteristics of the present that post-truth discourses are also grappling with (albeit differently): an inability to know financial history – precisely through the propagation of narratives meant to carry its past forces and configurations into the present. On the 12th December, 2019, I took part in a *History in Financial Times* panel at Intersections of Finance and Society conference at City, University of London. Shortly after the panel ended, the UK election exit polls began to come in, indicating the huge Conservative majority that was, indeed, about to descend on Westminster. Yet again, I was overcome with the strange sense of a paucity of means to narrate the situation: a sense that, while all the usual electoral and parliamentary procedures were nominally still in place, something had dramatically shifted, while escaping the need of (or means for) a narrative shift to coincide with the palpable hollowing out of parliamentary procedure, carried out in the name of finance. Samman's book seemed all the more *à propos* in that moment: almost a "*hauntology"* for finance (Derrida, 2012: 10; Fisher, 2014) – or perhaps a lament for a certain style of not-knowing, that speaks to a lack of narrative tools to navigate the present. As Samman himself puts it (2019: 140): "In many ways this is the ultimate paradox of our times: that the historical imagination lags behind the developments it helps produce."

References

Amadae, S. M. (2016) *Prisoners of Reason: Game Theory and Political Economy.* Cambridge: Cambridge University Press.

Amoore, Louise (2013) *The Politics of Possibility: Risk and Security Beyond Probability.* Durham: Duke University Press.

Beck, Ulrich (1992) *Risk Society: Towards a New Modernity.* Trans. Mark Ritter. London: Sage Publications.

Berardi, Franco 'Bifo' (2019) *Futurability: The Age of Impotence and the Horizon of Possibility.* London: Verso.

Berardi, Franco 'Bifo' (2011) *After the Future.* Chico, CA: AK Press.

Derrida, Jacques (2012) *Specters of Marx: The State of the Debt, the Work of Mourning and the New International.* London: Routledge.

Fisher, Mark (2014) *Ghosts of My Life: Writings on Depression, Hauntology and Lost Futures.* London: John Hunt Publishing.

Giddens, Anthony (1990) *The Consequenses of Modernity.* Cambridge: Polity.

Gunkel, Henriette, Hameed, Ayesha and O'Sullivan, Simon (2017) *Futures and Fictions.* London: Repeater Books.

Harcourt, Bernard (2007) *Against Prediction: Profiling, Policing and Punishing in an Actuarial Age.* Chicago: University of Chicago Press.

Hutcheon, Linda. (1995) "Historiographic metafiction". In *Metafiction*, edited by: Currie, M. 71–91. London and New York: Longman.

Kish, Zenia and Justin Leroy (2015) "Bonded Life: Technologies of Racial Finance from Slave Insurance to Philanthrocapital." *Cultural Studies* 29(5/6): 630-651.

Klein, Naomi (2014) *The Shock Doctrine: The Rise of Disaster Capitalism.* London: Penguin.

LaBerge, Leigh Claire (2015) *Scandals and Abstraction: Financial Fiction in the Long 1980s.* Oxford: Oxford University Press.

Lee, Benjamin and Martin, Randy (eds) (2016) *Derivatives and the Wealth of Societies.* Chicago: University of Chicago Press.

MacKenzie, Donald (2006) *An Engine, Not a Camera: How Financial Models Shape Markets.* Cambridge, MA: MIT Press.

Martin, Randy (2012) "A Precarious Dance, A Derivative Sociality". *TDR/The Drama Review* 56(4): 64-79.

Martin, Randy (2015) *Knowledge, LTD: Toward a Social Logic of the Derivative.* Philadelphia: Temple University Press.

McClanahan, Annie (2017) Dead Pledges: Debt, Crisis, and Twenty-First-Century Culture. Stanford: Stanford University Press.

Pomerantsev, Peter. *This is Not Propaganda: Adventures in the War Against Reality.* London: Faber & Faber, 2019.

Poovey, Mary (2008) *Genres of the Credit Economy: Mediating Value in Eighteenth- and Nineteenth-Century Britain.* Chicago: University of Chicago Press.

Ramey, Joshua (2016) *Politics of Divination: Neoliberal Endgame and the Religion of Contingency.* London: Rowan & Littlefield International.

Rawlings, Peter (2003) “Grammars of Time in Late James.” *The Modern Language Review* 98(2): 273-284.

Robinson, Cedric (2000) *Black Marxism: The Making of the Black Radical Tradition.* Chapel Hill: University of North Carolina Press.

Rose, Jonathan. “Brexit, Trump, and Post-Truth Politics.” *Public Integrity* 19, no. 6 (2017): 555-558.

Roxburgh, Natalie (2016) *Representing Public Credit: Credible Commitment, Fiction, and the Rise of the Financial Subject*. London: Routledge.

Said, Edward (1983) *The World, the Text, and the Critic.* Cambridge, MA: Harvard University Press.

Samman, Amin (2019) *History in Financial Times.* Stanford: Stanford University Press.

Shaw, Jon K and Reeves-Evison, Theo (Eds) (2017) *Fiction As Method.* Berlin: Sternberg Press.

Sherman, Sandra (1996) *Finance and Fictionality in the Early Eighteenth Century: Accounting for Defoe*. Cambridge: Cambridge University Press.

Sismondo, Sergio. “Post-Truth?” *Social Studies of Science* 47, no. 1 (2017): 3-6.

Streeck, Wolfgang (2017) *How Will Capitalism End? Essays on a Failing System.* London: Verso.

Tarde, Gabriel (2007[1902]) ‘Economic Psychology’, trans. Alberto Toscano. *Economy and Society*, 36(4): 614-643.