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## Culture and Finance Capital

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I want here to report on a book which has not yet received the attention it deserves, partly no doubt because it is substantial and difficult to digest, but also I think, because it purports to be a history of capitalism, whereas, I think, its secret originality is to have given us a new structural understanding of features of capitalism not yet fully elucidated. Giovanni Arrighi's *The Long Twentieth Century*<sup>1</sup> is remarkable, among many other things, for producing a problem we did not know we had, in the very process of crystallizing a solution to it: the problem of finance capital. No doubt it swarmed around our heads in the form of vague perplexities, quizzicalities that never paused long enough to become real questions: Why monetarism? Why are investment and the stock market getting more attention than an industrial production that seems on the point of disappearing anyway? How can you have profit without production in the first place? Where does all this excessive speculation come from? Does the new form of the city (including postmodern architecture) have anything to do with a mutation in the very dynamic of land values (ground rent)? Why should land speculation and the stock market come to the fore as dominant sectors in advanced societies, where 'advanced' certainly has something to do with technology but presumably ought to have something to do with production as well? All of these nagging questions were also secret doubts, about the Marxian model of production, as well as about the turn of history in the 1980s, stimulated by the Reaganite/Thatcherite tax cuts. We seemed to be returning to the most fundamental form of class struggle, one so basic that

it spelled the end of all those Western-Marxist and theoretical subtleties that the Cold War had called forth.

Indeed, during the long period of the Cold War and of Western Marxism – a period one really needs to date from 1917 – a complex analysis of ideology needed to be developed in order to unmask the persistent substitutions of incommensurate dimensions, the passing off of political arguments in the place of economic ones, the appeal to alleged traditions – freedom and democracy, God, manichaeism, the values of the West and of the Judaeo-Christian or Roman-Christian heritage – as answers to new and unpredictable social experiments; in order, as well, to accommodate the new conceptions of the operations of the unconscious discovered by Freud and presumably also at work in the layering of social ideology.

In those days, the theory of ideology constituted the better mousetrap: and every self-respecting theorist felt the obligation to invent a new one, to ephemeral acclaim and momentarily attracting a horde of curious spectators always ready to move on to the next model at a moment's notice, even when that next model meant revamping the very name of ideology itself and substituting episteme, metaphysics, practices, or whatever.

But today many of these complexities seem to have disappeared, and, faced with the Reagan-Kemp and Thatcher utopias of immense investments and increases in production to come, based on the deregulation and privatization and the obligatory opening of markets everywhere, the problems of ideological analysis seem enormously simplified, and the ideologies themselves far more transparent. Now that, following master thinkers like Hayek, it has become customary to identify political freedom with market freedom, the motivations behind ideology no longer seem to need an elaborate machinery of decoding and hermeneutic reinterpretation; and the guiding thread of all contemporary politics seems much easier to grasp: namely, that the rich want their taxes lowered. This means that an older vulgar Marxism may once again be more relevant to our situation than the newer models; but it also poses more objective problems about money itself which had seemed less relevant in the Cold War period.

The rich were certainly doing something with all this new

income that no longer needed to be wasted on social services: but it did not seem to go into new factories, but rather to get invested in the stock market. Whence a second perplexity. The Soviets used to joke about the miracle of their system, whose edifice seemed comparable only to those houses kept standing by the swarm of termites eating away inside them. But some of us had the same feeling about the United States: after the disappearance (or brutal downsizing) of heavy industry, the only thing that seemed to keep it going (besides the two prodigious American industries of food and entertainment) was the stock market. How was this possible, and where did the money keep coming from? And if money itself rested on so fragile a basis, why did 'fiscal responsibility' matter so much in the first place, and on what was the very logic of monetarism itself grounded?

Yet the dawning suspicion that we were in a new period of finance capitalism was not given much theoretical encouragement or nourishment by the tradition. One old book, Hilferding's *Finance Capital* of 1910,<sup>2</sup> seemed to give a historical answer to an economic and structural question: the techniques of the great German trusts of the pre-World War One period, their relations with the banks and eventually the *Flottenbau*, and so forth – the answer seemed to lie in the concept of monopoly, and Lenin appropriated it in this sense for his 1916 pamphlet on *Imperialism: the Highest Stage of Capitalism*, which also seemed to do away with finance capital by changing its name and displacing it on to the power relations and competition between the great capitalist states. But these 'highest stages' now lie well in our own past; imperialism is gone, replaced by neo-colonialism and globalization; the great international financial centres do not (yet) seem the locus of ferocious competition between the nations of the capitalist First World, despite a few complaints about the Bundesbank and its interest policies; imperial Germany meanwhile has been replaced by a Federal Republic which may or may not be more powerful than its predecessor but which is now part of an allegedly united Europe. So these historical descriptions do not seem to do us much good; and here the teleological ('highest stage') does seem fully to merit all the opprobrium called down upon it in recent years.

But where the economist could only give us empirical history,<sup>3</sup> it remained for a historical narrative to give us the structural and economic theory we needed to solve this conundrum: finance capital has to be something like a stage, in the way it distinguishes itself from other moments of the development of capitalism. Arrighi's luminous insight was that this peculiar kind of telos need not lie in a straight line, but might well organize itself in a spiral (a figure which also avoids the mythical overtones of the various cyclical visions).

It is a picture that unites various traditional requirements: capitalism's movement must be seen as discontinuous but expansive. With each crisis, it mutates into a larger sphere of activity and a wider field of penetration, of control, investment and transformation: this doctrine, most forcefully argued by Ernest Mandel in his great book *Late Capitalism*, has the merit of accounting for capitalism's resilience, which Marx himself already posited in the *Grundrisse* (but which is less evident in *Capital* itself), and which has repeatedly unsettled left prognostications (immediately after two World Wars, and then again in the 1980s and 1990s). But the objection to Mandel's positions has turned on the latent teleology of his slogan 'late capitalism', as though this were the last stage conceivable, or as though the process were some uniform historical progression. (My own use of the term is meant as a homage to Mandel, and not particularly as a prophetic forecast; Lenin does say 'highest', as we have seen, while Hilferding, more prudently, simply calls it the 'jüngste', the latest or most recent, which is obviously preferable.)

The cyclical scheme now allows us to co-ordinate these features: if we position discontinuity not only in time but also in space, and if we add back in the historian's perspective, which clearly enough needs to reckon in the national situations and the uniquely idiosyncratic developments within the national states, let alone within the greater regional groupings (Third versus First Worlds, for example), then the local teleologies of the capitalist process can be reconciled with its own spasmodic historical developments and mutations as those leap from geographical space to space.

Thus, the system is better seen as a kind of virus (not Arrighi's

figure), and its development as something like an epidemic (better still, a rash of epidemics, an epidemic of epidemics). The system has its own logic, which powerfully undermines and destroys the logic of more traditional or pre-capitalist societies and economies: Deleuze calls this an axiomatic, as opposed to the older precapitalist, tribal or imperial codes. But epidemics sometimes play themselves out, like a fire for want of oxygen; and they also leap to new and more propitious settings, in which the preconditions are favourable to renewed development. (I hasten to add that Arrighi's complex political and economic articulation of these paradoxical turns, whereby winners lose and losers sometimes win, is far more dialectical than my figures suggest.)

Thus, in the new scheme of *The Long Twentieth Century*, capitalism has known any number of false starts and fresh starts; any number of new beginnings, on an ever larger scale. Bookkeeping in Renaissance Italy, the nascent commerce of the great city states – all this is evidently a Petri dish of modest proportions which does not allow the new thing much in the way of scope, but which offers a still relatively restricted and sheltered environment. The political form, here, the city state itself, stands as an obstacle and a limit to development, although it should not be extrapolated into some more general thesis about the way in which form (the political) restricts content (the economic). Then the process leaps over into Spain, where Arrighi's great insight lies in the analysis of this moment as an essentially symbiotic form: we knew that Spain had an early form of capitalism, of course, which was disastrously undermined by the conquest of the New World and the fleets of silver. But Arrighi stresses the way in which Spanish capitalism is to be understood in close functional and symbiotic relationship to Genoa, which financed the Empire and which was thus a full participant in the new moment. It is a kind of dialectical link to the earlier Italian city-state moment, which will not be reproduced in the later discontinuous history, unless one is also willing to posit a kind of propagation by rivalry and negation: the way in which the enemy is led to take on your own development, to match it, to succeed where you fell short.

For such is the next moment, the leap to Holland and the

Dutch, to a system more resolutely based on the commercialization of the ocean and the waterways. After that, the story becomes more familiar: the limits of the Dutch system pave the way for a more successful English development along the same lines. The United States becomes the centre of capitalist development in the twentieth century; and Arrighi leaves a question mark, fraught with doubts, about the capacity of Japan to constitute yet another cycle and another stage, to replace an American hegemony in full internal contradiction. At this point, perhaps, Arrighi's model has touched the limits of its own representativity, and the complex realities of contemporary globalization perhaps now demand something else of a wholly different synchronic mode.

Yet we have not yet come to the most exciting feature of Arrighi's history, namely the internal stages of the cycle itself, the way in which capitalist development in each of these moments replicates itself and reproduces a series of three moments (this may be taken to be the local teleological content of his new 'universal history').

These are modelled on the famous formula of *Capital*: M-C-M', in which money is transformed into capital, which now generates supplementary money, in an expanding dialectic of accumulation. The first phase of the tripartite process has to do with trade which in one way or another, and often by way of the violence and brutality of primitive accumulation, brings into being a quantity of money for eventual capitalization. In the second classic moment, then, that money becomes capital, and is invested in agriculture and manufacture: it is territorialized, and transforms its associated area into a centre of production. But this second stage knows internal limits: those that weigh on production, distribution and consumption alike; a 'falling rate or profit' endemic to the second stage in general: 'profits are still high, but it is a condition for their maintenance that they should not be invested in further expansion'.<sup>4</sup>

At this point, the third stage begins, which is the moment that primarily interests us here. Arrighi's treatment of this the recurrent moment of a cyclical finance capitalism is inspired by Braudel's remark that 'the stage of financial expansion' is always 'a sign of autumn'.<sup>5</sup> Speculation, the withdrawal of profits from

the home industries, the increasingly feverish search, not so much for new markets (these are also saturated) as for the new kind of profits available in financial transactions themselves and as such – these are the ways in which capitalism now reacts to and compensates for the closing of its productive moment. Capital itself becomes free-floating. It separates from the ‘concrete context’ of its productive geography. Money becomes in a second sense and to a second degree abstract (it always was abstract in the first and basic sense): as though somehow in the national moment money still had a content – it was cotton money, or wheat money, textile money, railway money and the like. Now, like the butterfly stirring within the chrysalis, it separates itself off from that concrete breeding ground and prepares to take flight. We know today only too well (but Arrighi shows us that this contemporary knowledge of ours only replicates the bitter experience of the dead, of disemployed workers in the older moments of capitalism, of local merchants as well, of the dying cities also) that the term is literal. We know that there exists such a thing as capital flight: the disinvestment, the pondered or hasty moving on to greener pastures and higher rates of investment return, and of cheaper labour. Now this free-floating capital, on its frantic search for more profitable investments (a process prophetically described for the US as long ago as Baran and Sweezy’s *Monopoly Capital* of 1965) will begin to live its life in a new context; no longer in the factories and the spaces of extraction and production, but on the floor of the stock market, jostling for more intense profitability, but not as one industry competing with another branch, nor even one productive technology against another more advanced one in the same line of manufacturing, but rather in the form of speculation itself: spectres of value, as Derrida might put it, vying against each other in a vast world-wide disembodied phantasmagoria. This is of course the moment of finance capital as such, and it now becomes clear how on Arrighi’s extraordinary analysis finance capital is not only a kind of ‘highest stage’, but the highest and last stage of every moment of capital itself, as in its cycles it exhausts its returns in the new national and international capitalist zone, and seeks to die and be reborn in some ‘higher’ incarnation, a vaster and immeasur-

ably more productive one, in which it is fated to live through again the three fundamental stages of its implantation, its productive development, and its financial or speculative final stage.

All of which, as I suggested above, might be dramatically heightened, for our own period, by a reminder of the results of the cybernetic 'revolution', the intensification of communications technology to the point at which capital transfers today abolishes space and time and can be virtually instantaneously effectuated from one national zone to another. The results of these lightning-like movements of immense quantities of money around the globe are incalculable, yet already have clearly produced new kinds of political blockage and also new and unrepresentable symptoms in late-capitalist everyday life.

For the problem of abstraction – of which this one of finance capital is a part – must also be grasped in its cultural expressions. Real abstractions in an older period – the effects of money and number in the big cities of nineteenth-century industrial capitalism, the very phenomena analysed by Hilferding and culturally diagnosed by Georg Simmel in his path-breaking essay 'Metropolis and Mental Life' – had as one significant offshoot the emergence of what we call modernism in all the arts. In this sense, modernism faithfully – even 'realistically' – reproduced and represented the increasing abstraction and deterritorialization of Lenin's 'imperialist stage'. Today, what is called postmodernity articulates the symptomatology of yet another stage of abstraction, qualitatively and structurally distinct from that one, which the preceding pages have drawn on Arrighi to characterize as our own moment of finance capitalism: the finance-capital moment of globalized society, the abstractions brought with it by cybernetic technology (which it is a misnomer to call 'post-industrial' except as a way of distinguishing its dynamic from the older, 'productive' moment). Thus any comprehensive new theory of finance capitalism will need to reach out into the expanded realm of cultural production to map its effects: indeed mass cultural production and consumption themselves – at one with globalization and the new information technology – are as profoundly economic as the other productive areas of late capitalism, and



as fully integrated into the latter's generalized commodity system.

Now I want to speculate on the potential uses of this new theory for cultural and literary interpretation, and in particular for the understanding of the historical or structural sequence of realism, modernism and postmodernism, which has interested many of us in recent years. For better or for worse, only the first of these – realism – has been the object of much serious attention and analysis in the Marxist tradition, the attacks on modernism being on the whole largely negative and contrastive, although not without their occasional local suggestivity (particularly in the work of Lukács). I want to show how Arrighi's work now puts us in a position to frame a better and more global theory of these three cultural stages or moments, it being understood that the analysis will be staged on the level of the mode of production (or in brief, that of the economic) rather than on that of social classes, a level of interpretation which, as I argued in *The Political Unconscious*,<sup>6</sup> we need to separate from the economic frame in order to avoid category mistakes. I hasten to add that the political level, the level of social classes, is an indispensable part of interpretation, whether historical or aesthetic, but it is not part of our work here. Arrighi's work gives us themes and materials to work with in this area; and it is worth vulgarizing that work by suggesting that it offers us a new, or perhaps we should simply say a more complex and satisfying, account of the role of money in these processes.

Indeed, the classical political thinkers of the period, from Hobbes to Locke, and including the Scottish Enlightenment, all identified money far more clearly than we do as the central novelty, the central mystery, at the heart of the transition to modernity, taken in its largest sense as capitalist society (and not merely in narrower cultural terms). In his classic work,<sup>7</sup> C. B. MacPherson has shown how Locke's vision of history turns on the transition to a money economy, while the ambiguous richness of Locke's ideological solution was predicated on the positioning of money in both places, in the modernity that follows the social contract of civilized society, but also in the state of nature itself. Money, MacPherson demonstrates, is what allows Locke his extraordinary dual and superimposed systems,

of nature and of history, of equality and of class conflict at the same time; or, if you prefer, the peculiar nature of money is what allows Locke to operate as a philosopher of human nature and as a historical analyst of social and economic change simultaneously.

Money has continued to play this kind of role in the traditions of a Marxian analysis of culture, where it is less often a purely economic category than a social one. In other words, Marxist literary criticism – to limit ourselves to that – has less often tried to analyse its objects in terms of capital and value, in terms of the system of capitalism itself, than it has in terms of class, and most often of one class in particular, namely the bourgeoisie. This is obviously something of a paradox: one would have expected an engagement of the literary critics with the very centre of Marx's work, the structural account of the historic originality of capitalism – but such efforts seem to have involved too many mediations (no doubt in the spirit in which Oscar Wilde complained that socialism required too many evenings). It was thus much simpler to establish the more direct mediation of a merchant and business class, with its emergent class culture, alongside the forms and texts themselves. Money enters the picture here insofar as only exchange, merchant activity and the like, and later on nascent capitalism, determine the coming into being of some historically original burgher or city merchant, bourgeois class life. (Meanwhile, the aesthetic dilemmas of modern times are for Marxism almost exclusively linked to the problem of imagining some equivalent and parallel class culture and art for that other emergent group which is the industrial working class.)

This means that Marxian cultural theory has almost exclusively turned on the question of realism, insofar as that is associated with a bourgeois class culture; and for the most part (with some famous and signal exceptions) its analyses of modernism have taken a negative and critical form: how and why does the latter deviate from the realistic path? (It is true that in the hands of a Lukács, this kind of question can produce enlightening and sometimes significant results.) At any rate, I would like briefly to illustrate this traditional Marxian focus on realism by way of Arnold Hauser's *Social History of Art*. I refer

you, for example, to the moment in which Hauser notes the naturalistic tendencies in the Egyptian art of the Middle Kingdom at the moment of Ikhnaton's abortive revolution. These tendencies stand out sharply against the hieratic tradition so familiar to us, and therefore suggest the influence of new factors. Indeed, if one persists in a much older anthropological and philosophical tradition for which it is religion that is determinate of the spirit of a given society, Ikhnaton's abortive attempt to substitute monotheism would probably be explanation enough. Hauser rightly feels that the religious determination requires a further social determination in its turn, and unsurprisingly proposes a heightened influence of commerce and money on social life and on the emergence of new kinds of social relations. But there is a hidden mediation here, which Hauser does not articulate: and that is the matter of the history of perception as such and the emergence of new kinds of perceptions.

Herein lies the unorthodox kernel of these orthodox explanations: for it is tacitly assumed that with the emergence of exchange value a new interest in the physical properties of objects comes into being. Their equivalence by way of the money form (which in standard Marxian economics is grasped as the supersession of concrete use and function by an essentially idealistic and abstract 'fetishism of commodities') here rather leads to a more realistic interest in the body of the world and in the new and more lively human relationships developed by trade. The merchants and their consumers need to take a keener interest in the sensory nature of their wares as well as in the psychological and characterological traits of their interlocutors; and all this may be supposed to develop new kinds of perceptions, both physical and social – new kinds of seeing, new types of behaviour – and in the long run create the conditions in which more realistic art forms are not only possible but desirable, and encouraged by their new publics.

It is an epochal explanation or account, which will not be satisfying for anyone seeking to scrutinize the individual text; the proposition is also subject to radical and unexpected dialectical reversals in the later stages; above all, except for the obviously suggestive implications for plot and character, the

relevance of the account for language itself is less clear. It would be abusive to assimilate the one great theoretician of the relations between realism and language, Erich Auerbach, to this schema, even though a notion of expanding social democratization tactfully underpins Auerbach's work and informs an insistence on the transfer of popular language to writing, which is, however, by no means his central argument. For this is no Wordsworthian emphasis on plain speech and speakers, but rather, I would like to suggest, an immense *Bildungsroman* whose protagonist is Syntax itself, as it develops throughout the Western European languages. He does not cite Mallarmé:

Quel pivot, j'entends, dans ces contrastes,  
à l'intelligibilité? Il faut une garantie –  
La Syntaxe (!)<sup>8</sup>

Yet the adventures of syntax down the ages, from Homer to Proust, is the deeper narrative of *Mimesis*: the gradual unlimbering of hierarchical sentence structure, and the differential evolution of the incidental clauses of the new sentence in such a way that each can now register a hitherto unperceived local complexity of the Real – this is the great narrative and teleological thread of Auerbach's history, whose multiple determinants remain to be worked out, but clearly include many of the social features already mentioned.

It should also be noted that in both these theories of realism, the new artistic and perceptual categories are grasped as being absolutely and fundamentally linked to modernity (if not yet modernism) of which, however, here realism can be seen as a kind of first stage. They also include the great modernist topos of the break and the Novum: for whether it is with the older hieratic conventions of a formulaic art, or the cumbersome inherited syntax of a previous literary period, both insist on the necessarily subversive and critical, destructive, character of their realisms, which must clear away a useless and jumbled monumentality in order to develop their new experimental instruments and laboratories.

This is the point at which, without false modesty, I want to register the two contributions I have felt able to make to some

as yet unformulated and properly Marxian theory of modernism. The first of these proposes a dialectical theory of the paradox we have just encountered: namely realism as modernism, or a realism which is so fundamentally a part of modernity that it demands description in some of the ways we have traditionally reserved for modernism itself – the break, the *Novum*, the emergence of new perceptions, and the like. What I proposed was to see these historically distinct, and seemingly incompatible modes of realism and modernism, as so many stages in a dialectic of reification, which seizes on the properties and the subjectivities, the institutions and the forms, of an older pre-capitalist life world, in order to strip them of their hierarchical or religious content. Realism and secularization are a first Enlightenment moment in that process: what is dialectical about it comes as something like a leap and an overturn from quantity into quality. With the intensification of the forces of reification, and their suffusion through ever greater zones of social life (including individual subjectivity), it is as though the force that generated the first realism now turns against it and devours it in its turn. The ideological and social preconditions of realism – its naive belief in a stable social reality, for example – are now themselves unmasked, demystified and discredited; and modernist forms – generated by the very same pressure of reification – take their place. And in this narrative, the supersession of modernism by the postmodern is predictably enough read in the same way as a further intensification of the forces of reification, which now has utterly unexpected and dialectical results for the now hegemonic modernisms themselves.

As for my other contribution, it posited a specific formal process in the modern which seemed to me much less significantly influential in either realism or postmodernism, but which can be linked dialectically to both. For this ‘theory’ of modernist formal processes I wanted to follow Lukács (and others) in seeing modernist reification in terms of analysis, decomposition, but above all of internal differentiation. Thus, in the course of hypothesizing modernism in various contexts, I also found it interesting and productive to see this particular process in terms of ‘autonomization’, of the becoming independent and self-sufficient of what were formerly parts of a whole. It is something

that can be observed in the chapters and sub-episodes in *Ulysses*, and also in the Proustian sentence. I wanted to establish a kinship here, not so much with the sciences (as is customarily done when people talk about the sources of modernity) as rather with the labour process itself: and here the great phenomenon of Taylorization (contemporaneous with modernism) slowly imposes itself; a division of labour (theorized as long ago as Adam Smith) now becoming a method of mass production in its own right, by way of the separation of different stages and their reorganization around principles of 'efficiency' (to use the ideological word for it). Harry Braverman's classic *Labor and Monopoly Capital*<sup>9</sup> remains the cornerstone of any approach to that labour process, and seems to me full of suggestions for the cultural and structural analysis of modernism as such.

But now, in what some people like to call post-Fordism, this particular logic no longer seems to obtain; just as in the cultural sphere, forms of abstraction which in the modern period seemed ugly, dissonant, scandalous, indecent or repulsive, have also entered the mainstream of cultural consumption (in the largest sense, from advertising to commodity styling, from visual decoration to artistic production) and no longer shock anyone; rather, our entire system of commodity production and consumption today is based on those older, once anti-social modernist, forms. Nor does the conventional notion of abstraction seem very appropriate in the postmodern context; and yet, as Arrighi teaches us, nothing is quite so abstract as the finance capital which underpins and sustains postmodernity as such.

At the same time, it also seems clear that if autonomization – the becoming independent of the parts or fragments – characterizes the modern, it is still very much with us in postmodernity: the Europeans were the first, for example, to be struck by the rapidity of the editing and the sequence of shots that characterized classical American film – it is a process that has everywhere intensified in television editing, where an advertisement lasting only half a minute can today include an extraordinary number of distinct shots or images, without in the least provoking the modernist estrangement and bewilderment of the work of a great modernist independent filmmaker like Stan Brakhage, for example. So a process and a logic of extreme fragmentation still

seems to obtain here, but without any of its earlier effects. Is one then to imagine, with Deleuze, that we here confront a 'recoding' of hitherto decoded or axiomatic materials – something he posits as an operation inseparable from late capitalism, whose intolerable axiomatics are everywhere locally turned back into private gardens, private religions, vestiges of older or even archaic local coding systems? This is, however, an interpretation that raises embarrassing questions: and, in particular, how different this opposition Deleuze and Guattari develop between the axiomatic and the code really is from classical existentialism – the loss of meaning everywhere in the modern world, followed by the attempt locally to re-endow it, either by regressing to religion or making an absolute out of the private and the contingent.

What also militates against the concept of 'recoding' here is that it is not a local but a general process: the languages of postmodernity are universal, in the sense in which they are media languages. They are thus very different from the solitary obsessions and private thematic hobbies of the great moderns, which selectively achieved their universalization, indeed their very socialization, only through a process of collective commentary and canonization. Unless entertainment and visual consumption are to be thought of as essentially religious practices, then, the notion of recoding seems to lose its force here. Put another (more existential) way, it can be said that the scandal of the death of god and the end of religion and metaphysics placed the moderns in a situation of anxiety and crisis, which now seems to have been fully absorbed by a more fully humanized and socialized, culturalized society: its voids have been saturated and neutralized, not by new values, but by the visual culture of consumerism as such. So the anxieties of the absurd, to take only one example, are themselves recaptured and recontained by a new and postmodern cultural logic, which offers them for consumption fully as much as its other seemingly more anodyne exhibits.

It is thus to this new break that we must turn our attention, and it is in its theorization that Arrighi's analysis of finance capitalism makes a signal contribution, which I first propose to examine in terms of the category of abstraction itself and in

particular of that peculiar form of abstraction which is money itself. Worringer's pathbreaking essay on abstraction<sup>10</sup> linked it to distinct cultural impulses, and finally drew its force from the intensifying assimilation, into the West's 'imaginary museum', of more ancient and non-figurative visual materials, which he associates with a kind of death drive. But the crucial intervention for our purposes is Georg Simmel's great essay, 'Metropolis and Mental Life', in which the processes of the new industrial city, very much including the abstract flows of money, determine a whole new and more abstract way of thinking and perceiving, radically different from the object world of the older merchant cities and countryside. What is at stake here is dialectical transformation of the effects of exchange value and monetary equivalence: if the latter had once announced and provoked a new interest in the properties of objects, now, in this new stage, equivalence has as its result a withdrawal from older notions of stable substances and their unifying identifications. Thus, if all these objects have become equivalent as commodities, if money has levelled their intrinsic differences as individual things, one may now purchase as it were their various, henceforth semi-autonomous, qualities or perceptual features; and both colour and shape free themselves from their former vehicles and come to live independent existences as fields of perception and as artistic raw materials. This is then a first stage, but only a first one, in the onset of an abstraction which becomes identified as aesthetic modernism, but which in hindsight should be limited to the historical period of the second stage of capitalist industrialization – that of oil and electricity, that of the combustion engine and the new velocities and technologies of the motorcar, the steamship liner and the flying machine – in the decades immediately preceding and following the turn of the century.

But before continuing this dialectical narrative, we need to return to Arrighi for a moment. We have already spoken of the imaginative way in which Arrighi exfoliates Marx's famous formula,  $M-C-M'$ , into a supple and cyclical historical narrative. Marx began, as will be remembered, with an inversion of another formula,  $C-M-C$ , which characterizes commerce as such: 'the simple circulation of commodities begins with a sale and ends with a purchase'. The merchant sells  $C$  and with the



M(oney) received, buys another C: 'the whole process begins when money is received in return for commodities, and comes to an end when money is given up in return for commodities'. It is not, as one can readily imagine, a very profitable trajectory, except in those instances between trading regions in which very special commodities such as salt or spice can be transformed into money as exceptions to the general law of equivalence. Besides this, as has already been said, the centrality of the physical commodities themselves determines a kind of perceptual attention, along with the philosophical categories of the substance, that can only lead to a more realistic aesthetic.

It is, however, the other formula that interests us, for that reversal of this one, which has now become M-C-M, will be the dialectical space in which commerce (or if you prefer merchant capital) is transformed into capital *tout court*. I abridge Marx's explanation (in chapter 4 of *Capital*, Volume I), and merely observe the gradual imposition of the prime on the second M: the moment in which the focus of the operation is no longer on the commodity but on money, and in which its impulse now lies in the investment of money in commodity production, not for its own sake, but to increase the return of M, now M': in other words, the transformation of riches into capital itself, the autonomization of the process of capital accumulation, which asserts its own logic over that of the production and consumption of goods as such, as well as over the individual entrepreneur and the individual worker.

Now I want to introduce a Deleuzian neologism which is this time very relevant (his most famous and successful, I believe) and which seems to me dramatically to enhance our sense of what is at stake in this momentous transformation: this is the word 'deterritorialization', and I think it will immensely clarify the meaning of Arrighi's story. It is a term which has been very widely used for all kinds of different phenomena; but I wish to assert that its first and as it were foundational meaning lies in this very emergence of capitalism itself, as any patient reconstruction of the central role of Marx in the Deleuze-Guattari *Capitalism and Schizophrenia* would demonstrate.<sup>11</sup> The first and most fateful deterritorialization is then this one, in which what Deleuze and Guattari call the axiomatic of capitalism

decodes the terms of the older precapitalist coding systems and 'liberates' them for new and more functional combinations. The resonance of the new terms can be measured against an altogether more frivolous and even more successful current media word, 'decontextualization': a term which not improperly suggests that anything wrenched out of its original context (if you can imagine one) will always be recontextualized in new areas and situations. But deterritorialization is far more absolute than that (although its results can indeed be recaptured and even occasionally 'recoded' in new historical situations): for it rather implies a new ontological and free-floating state, one in which the content (to revert to Hegelian language) has definitively been suppressed in favour of the form, in which the inherent nature of the product becomes insignificant, a mere marketing pretext, while the goal of production no longer lies in any specific market, any specific set of consumers or social and individual needs, but rather in its transformation into that element which by definition has no content or territory and indeed no use-value as such, namely money. So it is that in any specific region of production, as Arrighi shows us, there comes a moment in which the logic of capitalism – faced with the saturation of local and even foreign markets – determines an abandonment of that kind of specific production, along with its factories and trained workforce, and, leaving them behind in ruins, takes its flight to other more profitable ventures.

Or, rather, that moment is a dual one: and it is in this demonstration of the two stages of deterritorialization that I see Arrighi's most fundamental originality, and also his most suggestive contribution for cultural analysis today. For one moment is a deterritorialization in which capital shifts to other and more profitable forms of production, often enough in new geographical regions. Another is the grimmer conjuncture, in which the capital of an entire centre or region abandons production altogether in order to seek maximization in those non-productive spaces, which, as we have seen, are those of speculation, the money market, and finance capital in general. Of course, here the word 'deterritorialization' can celebrate its own kinds of ironies: for one of the privileged forms of speculation today is that of land and city space: the new

postmodern informational or global cities (as they have been called) thus result very specifically from the ultimate deterritorialization, that of territory as such – the becoming abstract of land and the earth, the transformation of the very background or context of commodity exchange into a commodity in its own right. Land speculation is therefore one face of a process whose other one lies in the ultimate deterritorialization of globalization itself,<sup>12</sup> where it would be a great mistake to imagine something like ‘the globe’ as yet a new and larger space replacing the older national or imperial ones. Globalization is rather a kind of cyberspace in which money capital has reached its ultimate dematerialization, as messages which pass instantaneously from one nodal point to another across the former globe, the former material world.

I now want to offer some speculations as to the way in which this new logic of finance capital – its radically new forms of abstraction, in particular, which are sharply to be distinguished from those of modernism as such – can be observed to operate in cultural production today, or in what people have come to call postmodernity. What is wanted is an account of abstraction in which the new deterritorialized postmodern contents are to an older modernist autonomization as global financial speculation is to an older kind of banking and credit; or as the stock market frenzies of the eighties are to the Great Depression. I don’t particularly want to introduce the theme of the gold standard here, which fatally tends to suggest a really solid and tangible kind of value as opposed to various forms of paper and plastic (or information on your computer). Or perhaps, the theme of gold would become relevant again only to the degree that it was also grasped as an artificial and contradictory system in its own right. What we want to be able to theorize is a modification in the very nature of cultural tokens, and the systems they operate in. If modernism is a kind of cancelled realism, as I have suggested, one which segments and differentiates some initial mimetic starting point, then it might be likened to a largely accepted paper money, whose inflationary ups and downs suddenly leads to the introduction of new and historically original financial and speculative instruments and vehicles.

It is a point of historical change which I want to examine in terms of the fragment and its destiny throughout these various cultural moments. The rhetoric of the fragment has been with us since the dawn of what will later retroactively be identified as modernism, namely with the Schlegels. It will be understood that I think it is something of a misnomer, since the image contents in question are the result, not of breakage, incompleteness or extreme wear or tear, but rather of analysis ('to divide each of the difficulties I want to examine into as many smaller parts as possible and as needed in order to solve them' – Descartes). But the word is convenient for want of a better one, and I'll go on using it in this brief discussion. I want to begin by recalling Ken Russell's seemingly jocular remark, that in the twenty-first century, all fiction films will last no longer than fifteen minutes apiece: the implication being that in a Late Show culture like our own, the elaborate preparations we used to require in order to apprehend a series of images as a story of some kind will be, for whatever reason, unnecessary. But actually I think this can be documented by our own experience. Everyone who still visits movie theatres has become aware of the way in which intensified competition by the film industry for now inveterate television viewers has led to a transformation in the very structure of the preview. The latter has had to be developed and expanded, becoming a far more comprehensive teaser for the film in store for us. Now the preview is obliged, not merely to exhibit a few images of the stars and a few samples of the high points, but virtually to recapitulate all the plot's twists and turns, and to preview the entire plot in advance. At length, the inveterate viewer of these enforced coming attractions (five or six of them preceding every feature presentation, and replacing the older kinds of shorts) is led to make a momentous discovery: namely, that the preview is really all you need. You no longer need to see the 'full' two-hour version (unless the object is to kill time, which it so often is). Nor is this something that has to do with the quality of the film (although it may have something to do with the quality of the preview, the better ones being cunningly arranged in such a way that the story they seem to tell is not the same as the 'real story' in the 'real film'). Nor does this new development have much to do

with knowing the plot or the story – for, in any case, in contemporary action film, the former story has become little more than a pretext on which to suspend a perpetual present of thrills and explosions. It is thus the images of these which is provided in the seemingly brief anthology of shots and highlights offered by the preview, and they are fully satisfying in themselves, without the benefit of the laborious threads and connections of the former plot. At that point it would seem that the preview, as a structure and a work in its own right, bears something of the same relationship to its supposed final product as those novelized films, written after the fact of the movie and published later on as a kind of xeroxed reminder, is to the filmic original it replicates. The difference is that, in the case of the feature film and its book version, we have to do with completed narrative structures of a similar type, structures both equally antiquated by these new developments. Whereas the preview is a new form, a new kind of minimalism, whose generic satisfactions are distinct from the older kind. It would thus seem that Ken Russell was imperfectly prophetic in his forecast: not in the twenty-first century, but already in this one; and not fifteen minutes, but only two or three!

Of course, what he had in mind was something rather different, for he was evoking MTV, whose imaginative representations of music in visual analogues find their immediate predecessors less in Disney and in music animation than in television commercials as such, which can, at their best, achieve an aesthetic quality of great intensity. Thus, in a sequence purporting to celebrate the transportation conglomerate Norfolk Southern, there erupts upon the screen a horse in full career, shot from below in such a way that its distended body in flight spans swiftly scudding clouds against an omnipresent sky; the sky itself, by metonymy, comes to stand for a movement whose ominous menace is not the least mystery of this visual artifact and seeps into the metamorphoses that follow immediately upon it: the horse now together with its background evolving into an Arcimbaldo assemblage of gadget parts that gallop through an early-industrial background, before entering a mine shaft in which, in the style of Giacometti or Dubuffet, it becomes a mineralized mass of limbs, a form of 'inorganic life' (Deleuze)

that strangely echoes the rock surface behind it, before returning to the organic as a composite being made up of corn ears and kernels – Arcimbaldo again! – that races across a field of grain to reach a final metamorphosis as wooden assemblage of joints and prostheses traversing a wood of stripped and smooth tree trunks: the whole sequence no doubt activating some system of the senses at the same time that it emits messages about its cargoes, from the industrial to the agricultural in some peculiar reversal of the normal evolutionary chronology from agriculture and extraction to heavy industry. What kind of a perpetual present is this, and how to disentwine an attention to the persistencies of the Same from that shock of visual difference alone entitled to certify temporal novelty? Metamorphosis – as violent and convulsive, yet static, variation – certainly offers a means of holding on to the thread of narrative time while allowing us to disregard it and to consume a visual plenitude in the present instant; yet it also stands as the abstract monetary container, the empty universal tirelessly refilled with new and shifting content. Yet that content is little more than a fullness of images and stereotypes: the creative transformation not of riches into dead leaves, but rather of banalities into elegant visuals self-consciously offered for the eye's consumption. This particular commercial advertisement, it is worth noting, is regularly screened during an hour-long programme of financial news, where, unlike the accompanying automobile and hotel promotions, it is clearly meant to designate an investment opportunity – investment of images promoting investment of capital.

But it also seems appropriate to turn in a more familiar direction and to juxtapose an explicitly aesthetic practice of the fragment with some emergent postmodern one. It thus seems instructive to contrast the full currency of Buñuel's surrealist films, *An Andalusian Dog* (1928) or *The Golden Age* (1930), or of the very different experimental film-making of Stan Brakhage's *Dog Star Man* (1965), with the junk bonds of Derek Jarman's epic *Last of England* (1987).

As a matter of fact, we ought to note in passing that Jarman also expressed the same formal interest in the innovations of MTV as Russell, but, unlike him, deplored the temporal restrictions of the new mode and dreamed of immense epic-length

deployment of this image language, something he was to put into practice in just such a work as this ninety-minute film from 1987 (the longer films by Buñuel and Brakhage run some sixty-two and seventy-five minutes respectively, but it is the comparative quality of their interminabilities that is here in question). Yet, even in the modern, the practice of the fragment resulted in two distinct and antithetical tendencies or strategies: the minimalism of a Webern or a Beckett on the one hand, as opposed to the infinite temporal expansion of Mahler or Proust. Here, in what some people call the postmodern, we might want to juxtapose the brevity of the Russell conception of MTV with the epic temptations of a Jarman or the literal interminability of a text like *Gravity's Rainbow*.

But what I want to bring out, for this speculative discussion of the cultural impact of finance capital, is a rather different property of such image-fragments. It seems appropriate to characterize those of Buñuel, working at the very centre of the classical modern movement, as a practice of the symptom. Deleuze has indeed thus brilliantly described them, in his only apparently idiosyncratic classification of Buñuel (along with Stroheim) under what he calls naturalism: 'The naturalist image, *l'image-pulsion* (the image as drive or libido), knows in fact two kinds of signs: symptoms and idols or fetishes'.<sup>13</sup> The image-fragments in Buñuel are thus forever incomplete, markers of incomprehensible psychic catastrophe, abrupt upshoulderings, obsessions and eruptions, the symptom in its pure form as an incomprehensible language which cannot be translated into any other. Brakhage's practice is completely different from this one, as befits a different historical period and also virtually a different medium, that of experimental film (which I have elsewhere suggested is to be inserted into a kind of ideal genealogy of experimental video rather than of mainstream cinema). This could be described, in analogy with music, as a deployment of quarter tones, of analytic segments of the image which are somehow visually incomplete to eyes still trained for and habituated to our Western visual languages: something like an art of the phoneme rather than of the morpheme or the syllable. Both of these practices, however, share the will to confront us with the structurally incomplete, which, however, dialectically

affirms its constitutive relationship with an absence, with something else that is not given and perhaps never can be.

In Jarman's *Last of England*, however, about which words like surrealist have loosely been bandied, what we really confront is the commonplace, the cliché. A feeling tone is certainly developed here: the impotent rage of its punk heroes smiting about themselves with lead pipes, the disgust with the royal family and with traditional trappings of an official English life: but these feelings are themselves clichés and disembodied ones at that. One can certainly speak of the death of the subject here, if by that is meant the substitution for some agonizing personal subjectivity (as in Buñuel) or some organizing aesthetic direction (as in Brakhage) a Flaubertian autonomous life of banal media entities floating through the empty public realm of a galactic Objective Spirit. But everything here is impersonal on the mode of the stereotype, including the rage itself; the most familiar and hackneyed features of a dystopian future: terrorists, canned music classical and popular, along with Hitler's speeches, a predictable parody of the royal wedding, all of this is processed by a painterly eye in order to generate mesmerizing sequences which alternate between black-and-white and colour for purely visual reasons. The narrative or pseudo-narrative segments are certainly longer than anything in Buñuel or Brakhage, yet they sometimes alternate and oscillate, overprint each other as in *Dog Star Man*, while generating an oneiric feeling which is a kind of cliché in its own right and radically different from the obsessive precision of a Buñuel.

How to account for these qualitative differences, which surely themselves imply structural ones? I find myself reverting to Roland Barthes' extraordinary insights in *Mythologies*: Jarman's fragments are meaningful or intelligible, Buñuel's or Brakhage's are not. Barthes' great dictum, that in the contemporary world there is an incompatibility between meaning and experience or the existential, was richly exercised in his *Mythologies*, which denounce the excess of meaning in clichés and ideologies, and the nausea that sheer meaning brings with itself. Authentic language- or image-practice then tries to keep faith with some more fundamental contingency or meaninglessness – a proposition that holds either from an existential or a semiotic



perspective. Barthes meanwhile tried to account for the overdose of meaning in the stereotypical by way of the notion of connotation as a kind of second-degree meaning built up provisionally on more literal ones. It is a theoretical tool he was later to abandon, but that we have every interest in revisiting, particularly in the present context.

For I want to suggest that in the modern moment, of both Buñuel and Brakhage, the play of autonomized fragments remains meaningless: the Buñuel symptom is no doubt meaningful as such, but only at a distance and not for us, meaningful no doubt as another side of the carpet we will never see. Brakhage's descent into the fractional states of the image is also meaningless, although in a different way. But Jarman's total flow is only too meaningful, for in him the fragments have been re-endowed with a cultural and mediatic meaning; and here I think we need a concept of the renarrativization of these fragments to complement Barthes' diagnosis of connotation at an earlier stage of mass culture.<sup>14</sup> What happens here is that each former fragment of a narrative, that was once incomprehensible without the narrative context as a whole, has now become capable of emitting a complete narrative message in its own right. It has become autonomous, but not in the formal sense I attributed to modernist processes, and rather in its newly acquired capacity to soak up content and to project it in a kind of instant reflex. Whence the vanishing away of affect in the postmodern: the situation of contingency or meaninglessness, of alienation, has been superseded by this cultural renarrativization of the broken pieces of the image world.

What does all this have to do with finance capital, you may well want to inquire? Modernist abstraction, I believe, is less a function of capital accumulation as such, than rather of money itself in a situation of capital accumulation. Money is here both abstract (making everything equivalent) and empty and uninteresting, since its interest lies outside itself: it is thus incomplete like the modernist images I have been evoking, it directs attention elsewhere, beyond itself, towards what is supposed to complete (and also abolish) it, namely production and value. It knows a semi-autonomy, certainly, but not a full autonomy in which it would constitute a language or a dimension in its own

right. But that is precisely what finance capital brings into being: a play of monetary entities which needs neither production (as capital does) nor consumption (as money does): which supremely, like cyberspace, can live on its own internal metabolism and circulate without any reference to an older type of content. But so do the narrativized image-fragments of a stereotypical postmodern language: suggesting a new cultural realm or dimension which is independent of the former real world, not because, as in the modern (or even the romantic) period, culture withdrew from that real world into an autonomous space of art, but rather because the real world has already been suffused with it and colonized by it, so that it has no outside in terms of which it could be found lacking. Stereotypes are never lacking in that sense, and neither is the total flow of the circuits of financial speculation. That each of these also steers unwittingly towards a crash I must leave for another book and another time.