

# UC Berkeley

## UC Berkeley Electronic Theses and Dissertations

### Title

Salto Mortale: Narrative, Speculation, and the Chance of the Future

### Permalink

<https://escholarship.org/uc/item/4xj2p94x>

### Author

McClanahan, Annie J.

### Publication Date

2010

Peer reviewed|Thesis/dissertation

*Salto Mortale:*  
Narrative, Speculation, and the Chance of the Future

By

Annie J. McClanahan

A dissertation submitted in partial satisfaction of the  
requirements for the degree of

Doctor of Philosophy

in

English

in the

Graduate Division

of the

University of California, Berkeley

Committee in charge:

Professor Colleen Lye, Chair  
Professor Christopher Nealon  
Professor Catherine Gallagher  
Professor Gillian Hart

Spring 2010



Abstract

*Salto Mortale*: Narrative, Speculation, and the Chance of the Future

by

Annie J. McClanahan

Doctor of Philosophy in English

University of California, Berkeley

Professor Colleen Lye, Chair

“*Salto Mortale*: Narrative, Speculation, and the Chance of the Future,” reads contemporary American fiction and contemporary economic form through the act of speculation, the attempt to look into and imagine the uncertain future. The present market crisis has laid bare the fact that the last three decades of American economic life have been dominated by finance capital. But we have not yet realized how profoundly this form of capitalist accumulation has changed our sense of history itself. My dissertation argues that “speculative” finance has transformed how we relate to the past and, ultimately, how we imagine the future.

In a metaphor borrowed from Immanuel Kant’s account of speculative philosophy, Karl Marx describes financial speculation as a *salto mortale*, or fatal leap, into the unknown. Marx’s appropriation makes plain that speculation—as a cognitive as well as a financial act—engineers a future both uncertain and imminent, both risky and foreseeable. In our own moment of volatile finance, the future is commodified by derivatives, quantified by risk management models, and preempted in fiscal policy and military strategy. Brief, knowable, and instrumentalized, the financialized future is no longer connected to the past and no longer promises utopian possibility.

As a mode of linking the present with the to-come, the real with the unreal, speculation is also an imaginative and narrative act. My dissertation considers how speculation has defined contemporary narrative forms and how those narratives challenge finance capital’s historical ideology. In my opening chapter, I look at contemporary apocalyptic fiction and film alongside the exuberant “end of history” discourse of the late 1990s and argue that these narratives derive both their temporality and their politics from financial derivatives. Chapter 2 locates a more critical response to late postmodernity in the increasingly popular genre of counterfactual history. Iraq War counterfactuals like Paul Auster’s *Man in the Dark* and Richard Kelly’s film *Southland Tales* use this speculative form to index the traumas of the first fully privatized war, while post-9/11 counterfactual novels by Michael Chabon and Philip Roth register neo-liberalism’s violent negation of liberal democracy. In Chapter 3, I read the emerging genre of

9/11 fiction alongside the forms of political forecasting created by the RAND Corporation, arguing that both post-9/11 literature and post-9/11 politics struggle to comprehend an event at once familiar and unpredictable. My dissertation concludes by considering the fate of cultural representation in a moment of global financial crisis. I examine the ways that the horror film draws on the temporality of suspense to respond to the credit crisis and to the financialization of risk; connecting these films to terrorism novels by Viken Berberian and Mohsin Hamid and to the 2008 film *The Taking of Pelham 123*, I discover a unique mode of speculative allegory that illuminates the dialectical relationship between finance, violence, and literary form.

For Ted Martin, beloved comrade in all possible futures.

## TABLE OF CONTENTS

Acknowledgments	iii
Introduction: Speculation and the Chance of the Future	1
Chapter 1: Investing in the Future: Finance and Apocalypse	32
Chapter 2: Gaming History: Counterfactual Fiction, Privatized War, and Neoliberal Rationality	77
Chapter 3: Self-Fulfilled Prophecies: Plausibility, Preemption, and the Fiction of 9/11	125
Chapter 4: Genres of the Credit Crisis: Horror, Terror, and Collateral Damage	158

## ACKNOWLEDGMENTS

I wish to thank the American Council of Learned Societies, the Mellon Foundation, the Doreen B. Townsend Center for the Humanities and the UC Berkeley English Department and UC Berkeley Graduate Division for their generous funding of this project.

The constructive skepticism, keen vision, and intellectual energy of Colleen Lye, my chair, are without equivalent: insofar as this project can claim any historical materialism, it is because of her. My readers Catherine Gallagher, Gillian Hart, and Chris Nealon have been generous in their time and unfailing in their support. I am also indebted to Stephen Best, Marcial Gonzalez, Michael Rubenstein, Bryan Wagner, and especially to Neil Larsen, who I am as grateful to have as a friend at the end of this process as I was to have him as a teacher at the beginning.

My experience at Berkeley has been defined most by an amazing group of colleagues, confidants, and co-conspirators. My deepest gratitude first to Steven Blevins, who inspired me nine years ago with his intelligence, wit, and kindness and who continues to be a treasured friend and interlocutor. Cody Marrs is a valued and generous reader as well as a peerless drinking buddy. Margaret Ronda and Tobias Meneley have been the *sine qua non* of life both intellectual and personal. The fearless dissertation group—Swati Rana, Marcelle Maese-Cohen, Andrew Leong, Audrey Wu Clark, Chris Chen, and Tom McEnaney—are models of patience and rigorous attention. The Prison University Project and my students at San Quentin have made it clear to me why access to higher education is worth fighting for, and the Graduate Student Organizing Committee and Solidarity Alliance have been at the barricades for the fighting. Finally, my most profound gratitude go to the many folks who have for the last seven years constituted the Interdisciplinary Marxism Working Group, which will always be my Platonic ideal of collective intellectual endeavor: Tim Kreiner, Joshua Clover, and especially Jasper Bernes are due particular mention for their inimitable critical capacities, their political passion, and their friendship.

This dissertation is dedicated to Ted Martin, whose extraordinary wit and intelligence were clear at first glance, but whose patience and love it has been my incredible fortune to discover anew every day. That not a paragraph of this would be possible without him there will never be sufficient space to express.

I end, then, by thanking my parents, Ed McClanahan and Cia White. Dad, I'm sorry this isn't the Great American Novel but I know you believe in me anyway! Mom, your deep intellectual curiosity and commitment to a life of the mind have always been and will always be a profound inspiration to me, and your love and support have made these long nine years of school possible. Thank you.



## Introduction:

### **Speculation and the Chance of the Future**

“The perpetual fluctuation of prices such as is created by the condition of competition completely deprives trade of its last vestige of morality. It is no longer a question of *value*; the same system which appears to attach such importance to value, which confers on the abstraction of value in money form the honor of having an existence of its own—this very system destroys by means of competition the inherent value of all things, and daily and hourly changes the value relationship of all things to one another. Where is there any possibility remaining in this whirlpool of an exchange based on a moral foundation? In this continuous upanddown, everyone must seek to hit upon the most favorable moment for purchase and sale; everyone must become a speculator—that is to say, must reap where he has not sown; must enrich himself at the expense of others, must calculate on the misfortune of others, or let chance win for him. The speculator always counts on disasters, particularly on bad harvests. He utilizes everything—for instance, the New York fire in its time—and immorality's culminating point is the speculation on the Stock Exchange, where history, and with it mankind, is demoted to a means of gratifying the avarice of the calculating or gambling speculator.”  
--Karl Marx and Friedrich Engels, from the *German-French Yearbook*, 1844

In his justly-famous account of the “different ways in which a political society may order consciousness of its existence in time and of time as the dimension of its existence,” J.G.A. Pocock observed that “Far more than the practice of trade and profit, the growth of public credit obliged capitalist society to develop as an ideology something society had never possessed before, the image of a secular and historical future.”<sup>1</sup> The “open and indefinite” future of credit was a future both certain and radically unknowable, a future dependent on a “confidence in the present” but also a future whose “secular” constitution meant that it was beyond the protection of either a divine or an earthly sovereign, neither providentially-determined nor safeguarded by a worldly “invisible hand.” For Pocock, in other words, “speculation” refers both to an economic process and to the experience of the future which economic speculation simultaneously demands and makes possible.

In what, Pocock went on to ask, was belief in such a future to be rooted? “Not in experience,” he wrote, “since there is no way of experiencing a future; not in reason, since reason based on the perception of nature cannot well predict the exercise of capacities that have not yet been developed; not in Christian faith, since the most apocalyptic of prophecies is not concerned to reveal the future state of the market. There remained imagination, fantasy, or passion [...]” (98). In our own moment of speculative financial accumulation, however, Pocock’s sound reasoning has been strangely overturned: there is now an unprecedented confidence in the capacity of reason, faith, and experience to predict the uncertain future. Rational choice theory claims to make objective predictions based on scientific quantification.

Behavioral finance describes the stock market's relationship to secular faith, while a "prosperity gospel" movement restores the connection between divine providence and worldly fortune. Military futurologists use game theory to create simulations allowing them to "pre-experience" the future.

My dissertation is interested in two questions concerning speculation and the future opened up by Pocock's account: first, in what ways has our "consciousness of [our] existence in time" been transformed by the domination of the late capitalist global economy by speculative finance? And second, if we have in fact become significantly more confident in our capacity to predict the future, then what is the relationship between the instrumental predictions of speculative finance and the complex imaginative capacities of cultural production? If, as Stephen Best puts it in his account of 19<sup>th</sup> century sentimentalism and finance, the 19<sup>th</sup> century novel provided "tropes to figure speculation's traffic in abstract values"; if speculation goes hand-in-hand with the "incoherence" of imagination and fancy; if speculation's "tendency to shuttle between what a thing is and what it is not" allows it to "operate economically with the unmeasurable material of dreams," what is the relationship between *contemporary* imaginative narrative and an economy more thoroughly dominated than ever before by speculative accumulation?<sup>22</sup>

### ***Salto Mortale: Speculation as the structure of capital accumulation***

To be driven by the expectation of unexpected gain is to be subsumed within the logic of risk, the gift that finance's reign has bequeathed to those directed to follow it to glory.  
--Randy Martin, "Whose crisis is that? Thinking finance otherwise"

Although the role of speculative finance in the overall economy has changed dramatically since the 18<sup>th</sup> century of Pocock's account—and although this transformation had to occur precisely to create some value in the absence of a robust productive sector—we are no less likely to describe speculation as a parasite on a "real" economy today than we were in the 18<sup>th</sup> or 19<sup>th</sup> centuries. Indeed, when I first began writing these pages in the summer of 2008, *before* the crash in the housing and credit markets rocked the global economy, newspaper editorials, politicians, and bloggers were engaging in a conversation both familiar and singularly contemporary: an argument as to whether "speculation" can be blamed for economic volatility. In a debate whose relatively limited scope would give it an air of nostalgic innocence mere months later, Congress and others in the Bush administration discussed the relationship between energy futures and the ricocheting prices in the crude oil market. Attorney General Michael Mukasey described participants in futures markets as "international organized criminals" who "corrupt the normal functioning of [the] market"; Senator Joseph Lieberman likewise claimed that "We are not [...] witnessing the ebb and flow of natural market forces at work." As if channeling those 19<sup>th</sup> century economists who described speculation as a kind of alchemical dark magic, Senator Maria Cantwell described the need to "shine a bright light on dark trading practices to stop excessive speculation in the oil markets" while others, like Senators Byron Dorgan and John McCain, used more familiar twenty-first century metaphors, describing the energy futures market as a "casino"

enabling an “orgy of speculation,” a “reckless wagering, unrelated to any kind of productive commerce.”<sup>3</sup>

It does not take extensive analysis to observe that this discourse has a history at least as long as capitalism itself. Even in contemporary theoretical accounts of financial speculation, we see related discursive trends—the tendency to rely either on a normative language which describes finance as “casino capitalism” (as the title of Susan Strange’s seminal 1983 book had it) or on a psychologizing discourse of “irrational exuberance,” referring to the “folly of crowds” on which false booms have been blamed since the South Seas bubble of the 1720s. The former paradoxically marginalizes the very phenomena it wishes to hold up to critique, suggesting that speculative markets are somehow separated from a “real” economy and don’t affect it, drive it, even overpower it. The latter subjectivizes the very real and inherent risks the financial system intentionally creates and exploits. (For instance, it was not uncommon in the wake of the 2008 crash in mortgage-backed securities to hear economists scoldingly describe the “irrational” belief of homeowners that their homes would continue to increase in value. Not only does this description fail to describe the *source* of that irrationality in the claims of bankers and refinancers eager to encourage a fantasy of autochthonous and endless increase in value, but more troublingly it fails to acknowledge that the source of the housing crisis was in fact in the markets themselves, in the failure of the credit rating system to accurately evaluate the debt bundled together and sold to investors and in the failure of the regulatory system to prevent the emergence of doubly, even triply derivative investments.<sup>4</sup>)

Marx himself sometimes dallied in this language, describing the speculator as a “gambler,” as in the lines from Marx and Engels above. And yet even this passage goes on to say: “let not the honest “respectable” merchant rise above the gambling on the Stock Exchange with a Pharisaic ‘I thank thee, O Lord...,’ etc. He is as bad as the speculators in stocks and shares. He speculates just as much as they do. He has to: competition compels him to. And his trading activity therefore implies the same immorality as theirs.” In describing the merchant—or, elsewhere, the landowner or the factory owner—as a speculator, Marx sought precisely to reject the tendency to contrast the “substantial” activity of producers with the “profiteering” of speculators and creditors. Rather, Marx identifies “commercial” capital—so-called “speculative” activity in which one produces surplus value without regard for the content of the mediating commodity and without engagement in the productive process—as the origin of capitalism as such. “Buying in order to sell, or, more accurately, buying in order to sell dearer, M-C-M’, appears certainly to be a form peculiar to one kind of capital alone, namely, merchants’ capital,” Marx writes in *Capital Vol. 1*, “But industrial capital too is money that is changed into commodities, and by the sale of these commodities, is re-converted into more money.”<sup>5</sup>

Part of the confusion about speculation, Marx explains, comes from the early attempts of economists to compare merchant capital to gambling. Merchant capital (or, elsewhere, “commodity dealing capital”) “exploits the difference between production prices in various countries.”<sup>6</sup> Whereas for the mercantilist economist, trade and gambling are the same because both “consist in a mere exchange of money for money,” Marx argues that “the exchange of money for money is the characteristic form of circulation [...] of all capital” (*V. 3*, 435). Indeed, commodity dealing capital “gives production a character oriented more and more towards exchange value,”<sup>7</sup> and the merchant’s wealth “always exists as money wealth and his money

always functions as capital”; thus, it is in commercial capital that we find “the first independent mode of existence of capital in general” (*V. 3*, 455-7).

The mercantile economist’s “superficial” treatment of commercial capital causes another error in his ideologically-motivated account of capitalist development, one that involves another supposedly “speculative” form: like commercial capital, Marx says, “interest-bearing capital is [also] an age-old form of capital” against which the mercantilist “engage[s] in polemics.” (*V. 3*, 455). Again, the mercantilist’s error is to miss that interest-bearing capital contains within it the basic formula for capital as such: in the circuit of so-called “productive” capital, or M-C-M’, “value [...] becomes value in process, money in process, and, as such, capital. It comes out of circulation, enters into it again, preserves and multiplies itself within its circuit, comes back out of it with expanded bulk, and begins the same round ever afresh”; this same circuit occurs in the “abridged”—but otherwise identical—form of “M-M’ [...] money that is worth more money, value that is greater than itself” (*V. 1*, 247.) This misrecognition of the relationship between productive and interest-bearing capital occurs because interest appears as a magical effect, as a “mysterious and self-creating source [...] of its own increase” or as “self-valorizing value, money breeding money.” Thus “naïve polemic[s] against usury” like Martin Luther’s describe interest as a kind of perversion because the capital appears to accrue value *without* risk, as if “the power of producing surplus value [happens] by way of an inherent secret quality, as a pure automation” (*V. 3*, 516-518). Rather, of course, interest is produced as a portion of the surplus value the capital accrues because of its adventures in the production process. Just as commercial capital makes possible the subjection of production to exchange rather than to use value, interest “expands [money’s] scope, diversifies [it] and renders it cosmopolitan, developing money into world money” and dissolving the old organizations of production (*V. 3*, 448). Thus, interest is the simplest form of surplus value, unmediated by the commodity: interest-accruing money’s use value “consists precisely in [its...] capacity of potential capital”; it is “commodity capital as distinct from a simple commodity because it is already pregnant with surplus value, so that the realization of its value is at the same time the realization of surplus value” (*V. 3*, 461, 463).

In addition to being the origin form of surplus value as such, however, interest is also a part of the surplus value appropriated in production.<sup>8</sup> Interest payments by capitalists are a part of the surplus value they appropriate, and “the commodity of capital [...] has the peculiar property that the consumption of its use value [its ability to produce surplus value] not only maintains its value and use-value but in fact increases it” (*V. 3*, 470). This “peculiar property,” however, is not the same as that declaimed by the polemicist against usury, who claims that interest-bearing capital is autochthonously self-impregnated with value: rather, “It is only in the context of the whole process, where the point of departure appears as simultaneously the point of return [...] that capital emerges in the circulation process as capital”—prior to the moment of its return it is merely barren *money*. It is only “at the point of return, where the capital exists as realized capital, as valorized value” that it becomes *capital* because it is accompanied by its accrued excess (interest—a portion of the profit it was its “use value” to produce) (*V. 3*, 468). The “owner of money can lend it as something which possesses the property of returning to its point of departure and of maintaining and increasing itself *in the movement it undergoes*” not because it is full of surplus value prior to its transformation into capital, but because he knows

that its dalliance with living labor in the production process means it will be pregnant on its return.

The argument against usury is also, then, incorrect about the supposedly “riskless” nature of such valorization. While Marx is insistent that interest is *not* the “wage” due to the capitalist willing to subject his money to risk, there is an inherent instability in the process: because the rate of interest is governed by the rate of profit, movement in or uncertainty of the latter effects the former. Duncan Foley describes this instability this way: “the appropriation of surplus value [...] is far from certain, and the capital faces the prospect of annihilation [...] if it is chronically unable to realize enough surplus value to cover its interest obligations.” While the money capitalist can be reasonably sure that the legal contract he holds with the borrower will entitle him to the return of the money he has loaned, and even to the interest due, in the system as a whole the “annihilated” money has not functioned *as capital*, its use-value has been unrealized, and its repayment must come out of some other fund thereby withdrawn from production.

As Kojin Karatani puts it, “credit and speculation appear to be frivolous, secondary things. However, it is they that regulate the production process in reality.”<sup>10</sup> Karatani, from whose analysis of Marx’s description of the *salto mortale* I take my title, points out first that all capital exchange, whether “productive” or “speculative,” functions solely to produce surplus value (“money that is worth more money”), caring not at all for the particulars of the commodity being capitalized. More critically, Karatani also argues that the very process of commodification itself functions along a logic of credit. According to Marx, the commodity’s price, while on the one hand indicating the amount of labor time contained in the [commodity], namely its value, at the same time signifies the pious wish to convert the [commodity] into gold [...]. If this transformation fails to take place, then the [commodity] ceases to be not only a commodity but also a product [...]. But if the sale actually takes place [...] then this difficulty, the *salto mortale* of the commodity, is surmounted. As a result of this alienation—that is its transfer from the person for whom it is a non-use-value to the person for whom it is a use-value—the [commodity] proves to be in fact a use value and its price is simultaneously realized, and merely imaginary gold is converted into real gold.<sup>11</sup>

There is, in other words, a temporal gap between the production of value and its realization, or between an ideal and its actualization, and value is never immediate but only something that will-have-been. Marx, like the classical economists, saw the commodity as both use and exchange value—however rather than seeing an immediate idealist synthesis between these two values, for Marx any synthesis was necessarily postponed into the future and was visible only *ex ante* facto—thus the necessity of credit, which enables the postponement of the commodity’s self-actualization. Credit is a form of what Marx describes as a “fictitious capital,” a tradeable claim to future wealth: the capitalist borrows money (or pays for labor) to produce the commodity, assuming a value inherent (if not yet realized) in the commodity and granting the creditor a right to some portion of the commodity’s value (in the financial capitalist’s case, the amount borrowed plus interest), once sold. Moreover, the economy constructed on such credit inherently nurtures risk—since “there is no guarantee that the synthesis is realized” there is always, and *necessarily*, the possibility of loss (*V. 1*, 187). As the explanation above of interest described, interest functions because of a *potential* in money to function as capital and thus to accrue value: this potentiality suggests both a postponement to the future, and the knowledge of

that future's constitutive uncertainty.

What the *salto morale* adds to Pocock's "secular and historical future" of financial speculation is thus a sense that the uncertainty—the non-providentiality, the openness, the contingency, the imaginarity—of the speculative future signals both possibility and danger, both profit and catastrophe: to see money-dealing-money as autochthonous is not only to miss its relationship to production generally, but is also to assume that the "magic" of its capacity to produce value is natural and guaranteed, that its pregnant "potentiality" assumes a riskless future. Moreover, Marx's dialectical account suggests that risk and reward are not opposites but are instead mutually constitutive. This, he implies, also allows us to see something larger about capitalism generally: its drive towards destruction; its desire to "utilize everything," especially catastrophe; its tendency to "count on" disaster; its immorality and its absolute disregard, contra centuries of its apologists, for the good of the social totality. But it also reminds us of Marx's own theory of catastrophe—that is, the tendency of capitalism towards a falling rate of profit, a tendency that is at once its engine and its death-knell. To understand speculation through the *salto mortale* is to understand that the uncertain future is both *necessary* for capitalist accumulation—that it is a quality of the money form and commodity form as such; that it is the condition of possibility for speculative capital's dalliance with individual risk and social catastrophe—and is also a figure for its ultimate collapse, for its crisis, for its fatality. As Marx explains "The credit system has a dual character immanent to it: on the one hand it develops the motive of capitalist production [...] into the purest and most colossal system of gambling and swindling [...] on the other hand however it constitutes the form of transition toward a new mode of production. It is this character that gives the principal spokesmen for credit [...] their nicely mixed character of swindler and prophet" (*Vol. 3*, 572-3). The speculative *salto* is likewise both gamble and prophecy, both development and crisis.

To understand capitalism through a moment of crisis like the present is not to read the norm through an exception but to re-theorize the very condition of emergency that capitalism must make its norm. This normalization of uncertainty and of the fatality of the speculative leap becomes all the more necessary as the rate of productive profit falls and as financial capital becomes responsible not simply for enabling the liquidity of currency and the deferral of payment, but for being the very source of surplus value itself. This, as the account below will suggest, is what has increasingly characterized the current stage of late capitalism.

### **Manipulable money: Speculation as postmodern mode of accumulation**

"In a system of production where the entire interconnection of the reproduction process rests on credit, a crisis must evidently break out if credit is suddenly withdrawn and only cash payment is accepted, in the form of a violent scramble for means of payment. At first glance, therefore, the entire crisis presents itself as simply a credit and monetary crisis. [...] The majority of the [past due] bills [of exchange] represent actual purchases and sales, the ultimate basis of the entire crisis being the expansion of these far beyond the social need. On top of this, however,

a tremendous number of these bills represent purely fraudulent deals, which now come to light and explode; as well as unsuccessful speculations conducted with borrowed capital, and finally commodity capitalist that are either devaulted or unsaleable, or returns that are never going to come in. It is clear that this entire artifice system of forced expansion of the reproduction process cannot be cured by now allowing one bank, e.g. the Bank of England, to give all the swindlers the capital they lack in paper money and to buy all the depreciated commodities at their old nominal values.”  
--Karl Marx, *Capital V. 3*

We can find a preliminary definition of “financial capital” in economic historian Peter Gowan’s distinction between “productive capital”—that is, the investment of capital in “machines, raw materials, and employees to produce sellable items”—and “money-dealing capital”—that is, “all forms of credit, savings, and insurances as well as large, diversified markets in titles to future income.” Gowan describes the relationship between these two modes in structural terms: “One might say,” he observes, “that the productive sector is determinant but the financial sector [money-dealing capital] is dominant.”<sup>12</sup> As I have already suggested, this structural explanation can be found in Marx as well, since for Marx something of the nature of financial capital or credit—especially its future-orientation and its quantification of and capitalization on risk—inheres in all capitalist exchanges.

There is also, in both classical and contemporary Marxisms, a description of the relationship between finance capital and productive capital that is historical and diachronic. Rudolf Hilferding’s seminal 1910 *Finance Capital*, on which much of Lenin’s thinking on finance capital was based, describes a newly “intimate” relationship between banks and industrial capitalists consequent on the emergence of the joint stock company: in the early 20<sup>th</sup> century, he says, finance capital was no longer describable as merely a parasitic supplement to productive capital.<sup>13</sup> More recently, Giovanni Arrighi’s *The Long Twentieth Century* historicizes Marx’s famous formula Money-Commodity-Surplus Value (or M-C-M’) in order to describe the recurrent patterns of historical capitalism as a world system. In Arrighi’s oscillatory history, epochs of material expansion (of productive capital, M-C-M’) alternate with phases of financial rebirth and expansion (of money-dealing capital, M-M’). In material expansion money capital “sets into motion” an increasing mass of commodities, whereas in financial expansion, “an increasing mass of money capital ‘sets itself free’ from its commodity form,” and accumulation proceeds through financial deals.<sup>14</sup> Noting the “global fog...[of] uncertainty and unpredictability about the present and foreseeable future” that has marked our entrance into the “third millennium,” Arrighi observes that “the beginning and the end of the twentieth century [specifically, 1870-1930 and 1970-present] are broadly comparable periods, with the centrality of ‘finance capital’ being one of the crucial common denominators between the two periods.”<sup>15</sup> Whereas the decades before and between these two epochs were dominated, he says, by the accumulation of *commodity* capital (those “spectacular” scenes of shopping and consumption central to cultural histories of 19<sup>th</sup> and 20<sup>th</sup> century capitalism), in *money* capital eras accumulation occurs in the realms of high finance, the stock exchange, and the markets in credit and currency.

By bringing contemporary economic historians like Gowan and Arrighi together, then,

we are able to produce an account of the present that is both structural and historical, and that enables us to see that the present dominance of the money form is both a repetition and an acceleration of the tendencies present in earlier epochs. Such historical and theoretical accounts are important for my own analysis largely because they explicitly connect finance to national economic interest. Gowan gives us an important lens for understanding the state-based institutions of capital: he argues that “the power relations between the [money dealing and productive capital] are also crucially affected by institutional design—by the social relations of production” (14). This imperative to connect the emergence of a finance-dominated period to particular actions taken (or not taken) by the state is critical insofar as it allows us to counter the tendency (common to other representations of the present political-economy) to emphasize only a (novel) globalization. Globalization has most often been analyzed in terms of the global traffic of commodities, the expansion of multinational industrial corporations (outsourcing), and the various debates around the fluidity or restriction of human movement across borders; it has thus often been described as heralding a post-national moment. Such narratives have been both necessary and useful, however they risk understating the extent to which the nation continues to play a powerful role in the organization and management of contemporary political economy.

If we begin our history of the present with the decision by Richard Nixon to cancel the Bretton Woods agreement (rather than with the emergence of global corporations or the signing of free trade agreements), we are able to produce a different account. Bretton Woods was an agreement crafted by John Maynard Keynes and Harry Dexter White in 1944 to ensure that domestic and foreign money markets were separated so that the national bank could regulate monetary supply (and thus credit and interest rates) in keeping with domestic economic health and objectives. Under Bretton Woods, credit markets could transfer funds for the purposes of financing trade or for direct productive investment in foreign countries but other forms of financial speculation were forbidden. By the early 1970s, however, transformations had taken place in both economic reality and economic orthodoxy,<sup>16</sup> and by suspending the convertibility of the dollar to gold in 1971, Nixon made it possible for countries to appreciate or depreciate their own currencies at will; the value of the dollar would henceforth “float” according to the ebbs and flows of the market. As a result, historical limits on interest rates and lending and requirements for reserve funds and national liquidity were eliminated, ushering in the way for a decades-long speculative economic boom largely driven by private financing and new forms of credit.<sup>17</sup>

Nixon’s decision to abandon Bretton Woods in 1973 is often seen as inaugurating a new economic (as well as cultural) period, and this is the case for a number of reasons. First, the decision meant that markets, rather than the state, would henceforth determine cross-currency exchange rates. Edward LiPuma and Benjamin Lee (among others) describe this shift as the crucial development of a global “culture of circulation,” suggesting that it “the emergent system [of currency exchange and derivatives...] increasingly determined exchange rates independently of the needs or necessities of any specific nation,” enabling “a transfer of power from the political to the economic system, from the citizen subject to the market.”<sup>18</sup> This description is mostly correct, however LiPuma and Lee’s insistence that the system functioned independently of “*any* specific nation” is a significant overstatement. On the contrary, as Gowan argues in his description of the “Dollar-Wall Street Regime” the liberalization of international financial



markets and the abolition of capital controls led to the emerging centrality of the US dollar as the dominant world currency: what was once a gold-dollar system became a paper-dollar system, in which the US held unlimited dollar reserves and was less vulnerable to shifts in exchange rates.<sup>19</sup> Further, it was the US who had the power to decide what types of regulation international markets should be subject to.

Nixon's decision to close the Bretton Woods agreement not only allowed the US government to use monetary policy to manipulate currency in the name of US economic and political interests, it also allowed future presidents to conceive of those interests as almost entirely financial: in other words, to prioritize the short-term needs of "money-dealing capital" over those of longer-term productive capital (as well as national economic stability more generally). The closing of Bretton Woods also marked and realized a radical change in economic thought, the shift from mid-century Keynesianism to Milton Friedman's resurrection of 19<sup>th</sup> century liberal economics, newly-minted as "monetarism." Friedman and his followers held that markets were naturally efficient and rational; as a result, they defended the speculator, once a figure of near-universal opprobrium, by arguing that he—like the investor generally—was a rational agent. As Edward Chancellor puts it in his compelling history of financial speculation, Friedman's argument was that "if markets were efficient and in constant equilibrium and if price movements were always random, then the activities of the speculator could be neither irrational in motivation nor destabilizing in effect."<sup>20</sup>

Despite Friedman's confidence, the 1970s and early 1980s were a highly volatile period in the financial markets, yet those willing to take on high risk were able to invest in very lucrative financial instruments, particularly in currency markets. As a result, this period marked the emergence of the "trader" as a highly significant economic actor, a transformation we can track to a number of institutional and legal changes, including new rules allowing brokers to speculate with their own money<sup>21</sup>; the decision by some major banks to go public (and thus to manage much greater capital); advances in communications which encouraged the growth of hedge funds unregulated by the SEC; and the use of leverage and risk-arbitrage to encourage dealing in "junk bonds," made famous in the 1980s by Michael Milken and described by him as "the *industries* of the future" (qtd. in Chancellor, 257, emphasis mine).<sup>22</sup> After the tight years of the "Volcker shock" of 1980-1982, when high interest rates were used to rid the market of inflation<sup>23</sup>, federal interest rates were lowered, enabling a further rush of speculation not limited to daring "risk takers" but extending throughout the market.

Although a series of insider trading scandals rocked the economy in the mid-80s, by January of 1987 hopes for the future of financial markets was high—as Reagan put it in his State of the Union (in terms to which we will return), "The calendar can't measure America because we were meant to be an endless experiment in freedom, with no limit to our reaches, no boundaries to what we can do, no end point to our hopes."<sup>24</sup> Even in the midst of market ricochets, the Fed's downward pressure on interest rates and enabled banks—as well as individuals and companies—to "borrow cheap and lend dear," thus providing a further prop for consumption and for financial investment, and the close of the decade saw more privatization, deregulation, and increased incentives for the creation of highly-leveraged and increasingly complex financial instruments and for the use of public, corporate, and private debt to fund market speculation. Such shifts were understood as essential to the new post-communist world

order; as Chancellor points out, “the opening of new stock markets from Warsaw to Mongolia, the free movement of capital, and the unfettered trade in foreign currencies that characterized the early 1990s were welcomed by economists and Western politicians alike”—he quotes one 1991 history of Wall Street which notes that “speculation has come of age; it can sit quite comfortably with investment, and it is as legitimate and necessary as the securities themselves” (328-9).

Despite other ideological differences between Clinton and the two Republican administrations that preceded his, Clinton’s prioritization of deficit balancing and inflation-control guaranteed continued profit in the banking and financial sectors.<sup>25</sup> Ultimately, indeed, it was Clinton who most decisively shifted US monetary policy in such a way as to allow the interests of financial capital to supercede those of manufacturing: Clinton pushed up the value of the dollar in order to raise equity prices and produce a wave of cheap imports (which in turn kept inflation low).<sup>26</sup> As Brenner puts it, “the Clinton administration was favoring lenders and stock-market speculators at the expense of manufacturers”; the Clinton era thus marked “the true ascendancy of finance in the American economy.”<sup>27</sup> (A resonant example of this sense of the manipulability of the US economy by political actors and in the interests of finance can be seen in Clinton’s frequent use of the phrase “grow the economy.”<sup>28</sup> His reliance on this phraseology can be chalked up to something more than merely awkward jargon if we take seriously Gowan’s notion of the Dollar-Wall Street Regime or follow Robert Brenner’s masterful account of Clinton’s use of Treasury Policy to manipulate the dollar’s value. Clinton’s use of “growth” can thus be seen not as a naturalist economic trope—according to whose logic the economy would be cyclical, its lifespan limited in both time and extent by natural constraints—but rather as a reference to an increasingly commonplace belief that the economy is fully available to fiscal interventions of a Monsanto-like character, interventions which extend the potential of “growth” beyond previously constraining natural limits.<sup>29</sup>)

The result of this newly ascendant financial sector was cheap credit, runaway consumption and, most significantly, rising equity values; the “symbiosis” between these factors produced, in the mid to late 1990s, a skewed relationship between the price of shares and the reality of profit called (if mostly in retrospect) a financial bubble: Robert Shiller, in his *Irrational Exuberance*, points out that the Dow tripled between 1994 and 2000 even while other no other significant economic indicators (personal income, gross domestic production, corporate profits) came close to such expansion.<sup>30</sup> Despite Greenspan’s ostensible warnings against “irrational exuberance” and despite uncertainty as to the continued sustainability of high equity prices, the Fed continued to lower short-term interest rates, growing the money supply approximately five times faster in one year than it had in the previous half-decade—as a result, corporations were able to borrow money cheaply in order to buy back their own stocks, thereby increasing the value of those stocks for speculators.<sup>31</sup>

The political imperative for a “cheap money” policy continued into George W. Bush’s presidency, spurred on not only by the perceived necessity of a “soft landing” from the share bubble that had burst at the end of the 90s but also by the desire to demonstrate, as Robin Blackburn puts it, “that the US powerhouse was unscathed by terrorism.”<sup>32</sup> Much as the fall of communism in the late 80s led politicians to emphasize the power of open capital markets as an ballast for ideological triumphalism, so too did the terrorist attacks of 9/11 produce a sense that

it was it was good national security to increase the purchasing power of US consumers by extending them more cheap credit. As a result, banks became more and more involved in debt of all kinds: as Blackburn describes it, they “sponsored hedge funds and private equity buyouts, packaged their own mortgage-related financial instruments, arranged bond insurance, and furnished lines of credit to their own structured investment vehicles,” bets which were leveraged by such huge amounts of debt that many investment banks and hedge funds bought assets worth up to 30 times the amount of capital actually held by the bank or fund (Blackburn, 66). This “hidden,” or “shadow,” system of banking grew by leaps and bounds during the late 90s and early 2000s, aided by legislation like the 1999 repeal of the Glass-Steagal Act, which had separated the activities of investment and commercial banks. George W. Bush’s ideologically-motivated emphasis on an “ownership society” led to a huge increase in the number of subprime mortgages enabled by the emergence of securities like collateralized debt obligations (CDOs), which nearly quadrupled in value over the first five years of Bush’s presidency, from \$160 to \$600 billion. In his 2007 memoir, Alan Greenspan confidently claimed that though he was warned of the risks of the dramatic loosening of mortgage credit terms for high-risk borrowers, he, “believed [...] that the benefits of broadened home ownership are worth the risk,” a sentiment he has recently recanted.<sup>33</sup>

The emphasis in the above history of finance on political decisions and political motivations is meant to correct two somewhat different tendencies in existing accounts. First, as I have already suggested, the tendency (most thoroughly lambasted by Gowan) to assume that the “globalization” of commodity production and of financial markets signals the end of the power of the state. In fact, as I have attempted to explain, the emergence of “floating currency” has made it *more* rather than less possible for a powerful state to manipulate global currency markets in its own interest, whether by drastically increasing interest rates (as with the Volcker Shock) or by decreasing them (as after 9/11); by reducing the exchange rate of the national currency (as Reagan did in 1985 with the Plaza Accord and as China is presently doing to demands for its exports) or by increasing it (as Clinton did in the 90s with the “Reverse Plaza Accord”). At the same time, however, I am also wary of certain Marxist accounts that seem to place the “political” in “political economy” under a kind of erasure, that treat the short-term and ideological imperatives of electoral politics as a kind of insignificant second-order phenomenon: in what is otherwise a powerful history of the origins of the present economic crisis, for instance, Marxist *wertkritik*-school critic Norbert Trenkle argues that the abandonment of Bretton Woods “was not a willful political act that can be attributed to the influence of particular powerful interest groups” but was rather a consequence of economic developments in the 1950s and 60s; likewise, he says, “It is [...] completely absurd for commentators in every newspaper from left to right to accuse the US central bank of having stimulated property speculation with its policy of low interest rates, and therefore of responsibility for the current financial crisis. The Fed’s actions after the crash of the New Economy were simply to prevent a landslide on the financial markets.”<sup>34</sup> Trenkle’s distinction between “political acts” and “economic developments” not only reifies a fully autonomous economic sphere that appears capable of producing its own ends, it also fails to acknowledge the fact that among the most important historical shifts of the last decade is precisely the collapse of what was once a “firewall” between the Fed and the White House: in fact, a study issued in 2004 using the

Freedom of Information Act revealed that while Fed Chairman Alan Greenspan met with White House officials an average of 3 times a year between 1996 and 2000, he did so an average of 44 times a year between 2001 and 2003; this clearly marks a historic shift in the relationship between the economic and political spheres of government, since the Fed's independence from the executive branch, established in the 1950s, was once considered key to its credibility in financial markets.<sup>35</sup> As my account below of the relationship between financialization and neoliberalism will suggest, I am interested in understanding the overdetermination between economic transformations on the one hand and politics and ideology on the other—for instance, in Chapter One I consider the relationship between the political discourse of “investing in the future” and the emergent dominance of the derivative in contemporary finance: the ideology of the future presumed by this ubiquitous metaphor is, I argue, both an index of financialization and a discourse that serves its dominance (a dominance that must increasingly be guaranteed by and underwritten by political interventions).

However Trenkle's analysis also makes a claim that is crucial to, but perhaps underexplored in, the above account of late 20<sup>th</sup> century financialization. That is, as Trenkle quite succinctly puts it, the fact that the rapid growth and independence of financial markets in the 1970s “was not, as is often asserted now, caused by [...] the influence of neo-liberal think-tanks and powerful economic interest-groups, but by the fact that the long post-war boom fell into a structural crisis, as Fordism ran up against its limits” (2). For Trenkle (as for Robert Brenner, to whose analysis I am also indebted) the financialized period from 1973-2008 was simply a deferral of the crisis of Fordism. Following Arrighi's cyclical account of financial expansion, I likewise take as a given the idea that vast speculative bubbles are not the *cause* of capitalist crises but are rather a consequence of and a stage in what Trenkle calls the “crisis-process,” whose origins actually lie in a failure to valorize capital in the productive economy. This failure is the result of pressure on the rates of profit brought about the exhaustion of productivity in mass-production, by the changing organic composition of capital, and by rising labor costs. As Trenkle puts it, when in the 70s “the OPEC countries raised oil-prices [...] the self-supporting thrust of post-war growth came to an end. There was no increased investment in the means of production, factories, buildings etc., because these could no longer produce sufficient profit; a significant proportion of capital was thus ‘set free’ and found no profitable investment” (2). A crisis of overaccumulation—all that liberated capital needing someplace to go—meant that the financial sector had to make up the difference: capital diverted into the financial markets was initially invested mostly in government bonds (which funded the end of the Vietnam War, for instance) but eventually, seeking higher rates of return, it moved to stock market and eventually security speculation (“money-dealing money”). Not only did this shift of capital towards financial markets function to defer the crisis by stimulating demand and finding a home for excess free capital, it also stabilized what would have otherwise been a (political as well as economic) crisis in the US working class. The slow ruination of the structures of Fordism in the US and elsewhere, and the outsourcing of those aspects of production that could not be automated to developing countries, could only be resolved by a growing “knowledge work” sector to absorb the labor likewise “set free,” a sector largely funded by stock market speculation (“venture capitalism”). And in turn, the likelihood of a crisis of underconsumption (not to mention a political crisis) caused by a steady decline in real wages could be mitigated by the

extension of vast amounts of credit to the working and middle classes as an alternative form of “income” funded by speculative investment in securitized debt (mortgage-backed securities and the like). The extension of credit to the working-class enabled the growth in the “service sector” as well, providing more jobs (typically part-time, precarious, and poverty-waged) in a sector increasingly difficult to unionize. In short, then, it is ludicrous to say, as Benjamin LiPuma and Edward Lee do in their otherwise useful *Financial Derivatives and the Globalization of Risk*, that “Marxist economics” does not “posses the intellectual tools ready to the task of dealing with this new globalizing socioeconomic reality” (83). On the contrary, it is only through a Marxist understanding of the structure of crisis—both historically cyclical within and imminent to capital accumulation itself—that we can understand what is and what is not new about the contemporary crisis.

It is worth saying a bit more on that question of novelty. In the sections below I will explore that from a somewhat more abstract perspective as a question of method; more concretely, each of the chapters to come will address it in more specific ways than I can articulate here. Briefly, however, I want to suggest that there are four perspectives from which we can see that the speculative boom that has taken place between 1973 and the present is not simply a repetition of prior speculative bubbles but is in important (and potentially catastrophic) ways entirely unique.<sup>36</sup> The first two perspectives—one which views contemporary financialization through its effects on everyday life and another which tracks it more technocratically by considering the development of technologies and complex stochastic formulas—have been usefully developed over the last decade by the emerging field of the “sociology of finance,” including scholars in anthropology, geography, cultural studies, and economic history. The second two perspectives, through which financialization is understood as a radical transformation of the money form and as the catalyst for a global crisis of as-yet-unseen proportions, own much to contemporary Marxist theory.

First, then, what I will call throughout this dissertation (following the important work of Randy Martin) the “financialization of daily life”: the penetration of financial logic into everyday existence. From a straightforward historical perspective, this would include everything from the securitization of the home to the shift from defined-benefit to defined-contribution pension plans—the emergence of what Adam Harmes describes as a “mass investment culture” which “has played a critical role in strengthening the hegemonic dominance of finance capital.”<sup>37</sup> Harmes notes that by the 1990s, over 50% of US households had a stake in the stock market, twice as many as in 1987 and massively up from the 3% of households invested prior to the 1929 stock market crash. The presence of this mass investment culture means not only that “stock market speculation” is part of vastly more people’s economic lives than ever before, but also that, as Martin puts it, “the current financial mode is not simply spectacle, an eye-catching economic view, but an invitation to participate in what is on display as a fundamental part of oneself,” and financialization is not “the triumph of a cold calculating reason, but an affair of the heart [...] a kind of embodied faith [...] that will enchant the world of monetary exchange” (16, 97). As I will suggest below, this financialization of daily life is part and parcel of neoliberalism’s application of an economic rationality and utility calculus to every part of human existence.

A second way to think about the dramatic novelty of the present era of finance capital is through technology and other related developments. As a result of the creation of an interlinked

computer network, trading is now both instantaneous and constant—this has made possible arbitrage (the ability to capitalize on very short-term errors of value, often by buying and then selling within minutes or even seconds), and has also drastically increased the volatility of financial markets. It also means that toxicity or panic can spread globally with incredible speed—exponentially faster than the capacity of those with some control over markets (national and international reserve banks, for instance) to make decisions and slow down a panic. Digitization has increased the liquidity of currency to an extraordinary degree, making it possible to transfer ownership and swap currencies with ease and thus further enabling the globalization of production and consumption as well as financialization. At an ideological level, the network as a model of capital exchange produces the sense, as Rita Raley puts it, that capital itself is “given to mutation and flexibility, not to self-destruction, but to autotelic reproduction and regeneration.”<sup>38</sup>

The other radical shift consequent on new computing technologies was the development, in 1973, of the mathematical algorithm known as the Black-Scholes-Merton options pricing model: by the end of 1973, over a million option contracts were already being traded on the largest exchange in Chicago. Black-Scholes-Merton privileges volatility as a characteristic of the underlying stock and defines economic value in terms of “statistical, mathematical formulas”; as such, it relies “on a range of computational hardware and software capable of rapidly computing the algorithmic values of particular derivatives under changing market conditions.”<sup>39</sup> As Donald McKenzie points out in his thoroughgoing analysis of the history of Black-Scholes-Merton, the algorithm served to validate the legitimacy of derivatives markets and sustained a belief in the capacity of the formula to generate accurate prices “not just for what soon came to be called the ‘vanilla’ options analyzed by Black, Scholes and Merton but for a wide range of often exotic derivatives”—Black-Scholes-Merton made possible a radical departure in the economic understanding of risk and thus “played a vital role in the emergence of the modern derivatives markets,” including the growth of the non-public, non-regulated, over-the-counter markets which as early as 2002 accounted for 86% of the value of all outstanding global derivatives contracts.<sup>40</sup> Black-Scholes not only made this market bigger, McKenzie argues, it made it *possible*. “Option pricing theory,” he says, “did not simply describe a pre-existing world, but helped create a world of which the theory was a truer reflection”—by creating an astonishingly efficient performative loop in markets, the model “helped make the world embodied in the [formula] [...] more real. The [...] analysis itself assisted this process by helping to legitimize options trading and thus helping to create the efficient, liquid markets posited by the model” (835). Moreover, the fate of the creators of Black-Scholes-Merton, as Dick Bryan and Michael Rafferty point out, reveals much about the fate of derivatives markets after the development of the formula: after being awarded the Noble Prize, Myron Scholes and Robert Merton went on to found a private investment partnership (what would now be known as a hedge fund) called Long-Term Capital Management; LTCM sought to seek out options and other assets that were mispriced. They were soon not simply “protecting” other investors by taking on risk but were engaged in incredibly risky speculation of their own: because LTCM’s equity capital was leveraged by nearly 1000 times, their collapse, which by 1998 was a growing threat, threatened to set off a wave of bankruptcies. Thus despite the fact that LTCM was highly invested in products and markets outside of state regulation, in 1998 the Fed pressured the

major banks and financial houses to fund a bailout. As Bryan and Rafferty put it, “this one short corporate history encapsulates much of what is fascinating [and novel] about today’s financial derivatives [...] First, derivatives [...] can turn into massive risks. Second, those who theorize the mathematics of risk management fail to appreciate the wider social processes of which derivatives are part and which are themselves transformed by derivatives. [...] Derivatives are not significant just because of their attachment to some spectacular failures, but because *they are transforming the system of calculation under capitalism*” (4-5, emphasis mine). Stochastic models developed with the aid of new data-analysis tools made possible the objectification of abstract risk, risk itself often catalyzed by changes in law and policy ostensibly made to reduce volatility: most of LTCM’s investments were in the currency-exchange and interest rates whose rapid fluctuations were the result of Nixon’s closure of the gold standard. They also made it possible for risk to become systemic, for the investments of one highly-leveraged fund to threaten the entire global market in a historically unprecedented manner. The models’ performative loops and ability to “transform” social processes meant that they often had a self-fulfilling role in the global economy, actually *effecting*, rather than simply expressing, the value of something as basic as the value of an entire nation’s currency.

This technological and formalist analysis of the derivative leads us to a somewhat larger point concerning the transformation of the money form itself. Chancellor points out that 1971 (the year of the suspension of Bretton Woods) also marked the 300<sup>th</sup> anniversary of the birth of John Law, whose Mississippi Bubble wrecked havoc in an earlier speculative moment: this historical coincidence is significant, he argues, because Law’s theory rested on the observation that all money, including gold, rested on consensus and credibility, an idea which was actually only realized in 1971 with the end of the pegged gold-dollar exchange. “After the end of the Bretton Woods system,” Chancellor writes, “money became only a figment of the imagination [...] Henceforth all currency values would be a reflection of their *perceived* future values: the present would be as much determined by the future as the future by the present” (243, emphasis mine). This sense of value as determined by its possible future state is entirely the purview of the derivative.

Investment in derivatives is quite different even from investment in the stock market: whereas the latter is an investment in a company’s future profits, the former is a speculative investment at (minimally) one remove from the real economy. As Gowan puts it, secondary markets in derivatives “have [nothing] directly to do with capital investment” but rather are ways of “trading on royalties on future production or about businesses engaging in various kinds of insurance against risk” (11, 25). And yet despite descriptions of derivative securities as “Frankenstein’s monsters” threatening “real money,” the derivative is not a perversion of the money form; rather, as Bryan and Rafferty argue, it is the perfection of the money form as described by Marx. By being “abstract from a ‘natural relationship with other commodities’—derivatives are “‘lifted above’ direct commodity relations by ‘losing’ the [concrete] characteristics of other commodities”; in them, the social relationship of capital “are not contaminated by the particularities of the chosen money commodity” (160-1). They resolve the classical problem faced by theories of value: how to handle space and time. Indeed, “valuation across space, time, and between different asset forms is the stuff of derivatives”—they are “the way in which the market judges or perceives fundamental value” (36-7). Today’s derivatives are highly speculative

investments in things like the volatility of the market index, in the value of a currency or an interest rate, in the future price of an asset—derivatives, in short, enable investors to put a price on the uncertain future itself. I will explore the effect of derivatives—described by Robin Blackburn as contemporary financialization’s most characteristic and most “temporalized” instrument—on our sense of time and of history in much greater detail in Chapter One.<sup>41</sup> There, I will argue that derivatives monetize time itself in such a way that we are no longer able to imagine it as an axis of politics or ethics. Dependent on the arbitrage made possible by the digitization of trading, the derivative creates a sense of profound historical compression and immediacy, a sense that both history and all that is yet-to-come is available to our present manipulations.

The final way to understand the novelty of contemporary financial dominance is, I think, by way of crisis: to understand the ongoing economic crisis as different than the cyclical crises which have temporarily rocked national and even multinational economies but which have at the same time enabled a kind of “purge” and made way for both new forms of production and new national and imperial hegemony. And yet the current crisis is global rather than national or multinational: private spending by production-deficit countries like the US has for decades funded consumption of goods from production-surplus countries like China and Germany; when the credit available for that private spending dries up, then, those economies dependent on US consumption will be as endangered as the indebted US itself. Current levels of national and private indebtedness are unsustainable, and will continue to raise the specter of a cascading crisis spreading from nations to economic zones to the entire global economy (as today appears likely in Greece, Portugal, Spain, and Ireland): as Christian Marazzi argues, “there is no sufficient private capital to absorb the present and foreseeable losses and reconstruct bank assets [...] it is a question, no more and no less, of an insolvency crisis of the banking system as a whole.”<sup>42</sup> Marazzi also points to the way the “financialization of daily life” has made the crisis more like to be a catastrophic one: “the financial economy today is pervasive,” he points out, “[because] it spreads across the entire economic cycle, co-existing with it, so to speak, from start to finish. Today one is in the finances, to speak figuratively, even when one goes shopping at the supermarket, at the moment when one pays with a credit card” (28).

Furthermore, as Marxist economists like Trenkle and Brenner have persuasively argued, economic profitability for at least the past fifteen years (longer in Trenkle’s account) has been solely based on financial accumulation—not the kinds of direct investment that drove European imperial finance in previous eras, but, as our analysis of derivatives suggests, in a purely speculative form of investment that gambles on and encourages volatility. Whereas as recently as two decades ago the vast majority of banks were content to just receive interest on loans and make safe investments in things like Treasury bills, the failure to create profitability in the productive economy led to an integration of the “speculator” into the real economy. The incredible degree of leverage made possible by instantaneous trading of derivatives allows investors to “control” astonishingly large portions of the global economy with relatively little reserves, as if I could bet on a million dollar poker hand with only ten dollars in cash; the interconnection of markets and the belief that some institutions are “too big to fail” has meant that when calls on those reserves have been made—when my bet goes awry and the full million dollars is owed but I only have the ten dollars in my pocket—federal governments have been



forced to bail-out the risk-taking institution. As a result, the nature of risk and the place of risk in economic exchanges has been fundamentally transformed: whereas once risk was the purview of speculators—figures of moral approbrium even in earlier speculative booms—and a danger to be insured against or hedged, in recent decades, risk has been sought-out, exploited, and even intentionally created: Chapter Four, for instance, will explore the ways in which the riskiest loans increasingly became the most desirable for investors seeking to profit off of securitized debt. As a result of speculation even in so-called “hedging” instruments like Credit Default Swaps, and as a result of the increasing interdependence of the global economic system, systemic and counterparty risk have made global crisis more likely than it has ever been. And, as Trenkle argues, this crisis would not be “a ‘purifying crisis’ in which the foundations for a new self-supporting surge of accumulation could be created through the sweeping away of surplus capacity and bad credit” since this kind of crisis would not eliminate its actual original cause, “the displacement of living labour power through the relocation of productive capacity from immediate production [...] and the ensuing destabilization of the production of value” (9). Rather, he says, “the contradictions of the current crisis-process would be reproduced under substantially worse economic and social conditions”—he points in particular to the specter of a new speculative bubble in natural resources and food (8). In other words, whereas in Arrighi’s account of cyclical crisis emerging economies and imperial powers have always been standing in the wings to take the reins from the fading national hegemon of each financial boom, there is no state or economy today capable of restabilizing value-production, and the current crisis thus seems poised to be something other than merely a repetition of past tendencies.

Crisis is more than merely the historical argument of this dissertation—it is in fact its methodology: the very question of novelty versus continuity, of which periodizations or characterizations are arbitrary and which productive, of the residual versus the emergent, of what is qualitatively “new” in a given period as read against another are questions that emerge explicitly in moments of profound economic and political crisis. As Fredric Jameson argues, the crisis-driven nature of *all* historical development under capitalism is particularly apparent in periods of transition, which reveal history’s “*permanent* cultural revolution.”<sup>43</sup> I want in the section that follows to further explore this relationship between crisis, periodization, and the financial—or, as we will begin to call it, the *speculative*—philosophy of history.

### **The tendency of the tendency: Speculation as philosophy of history**

“Because free peoples believe in the future, free peoples will own the future.”  
--George H.W. Bush, 2005, speech at the Ronald Reagan Library

“Insofar as the future that was to be brought about was announced as the imperative of objective history, one’s own intentions assume an impulsive force which is all the greater by virtue of its simultaneous supply of the guarantee of one’s innocence. Future history whose outcome is foreseen serves in this way as a relief [...]. In precise terms, history constructed in this way becomes a means of strengthening the will to hurry the advent of the planned future. [...] The association of

history with one's planning obscures the potential for the surplus and surprise characteristic of all history.”

--Reinhart Kosellek, “On the Disposability of History”

I suggested above that the transformations of and within the financial economy during the 1970s, 80s and (especially) the 90s formed the conditions of possibility for and the ideological coordinates of the decades that would follow, the George W. Bush years of 2001-2008. Thus while my project (which focuses on the post-9/11 21<sup>st</sup> century) may appear to presuppose an epochal “break”—between the neoliberal policies of the Clinton administration and the neoconservative policies of G.W. Bush, between the relatively peaceful interregnum after 1989 and the seemingly endless “war on terror” of the first millennial decade, between the financial successes of the 90s and the financial turmoil of the late 00s, and most importantly between the pre- and the post-9/11 periods—I ultimately want to think about continuities between these two periods, continuities whose complexity makes a simple yes-or-no answer to the question of 9/11's status as a historical, political, epistemological or ideological “break” usefully difficult.<sup>44</sup> I want to suggest, for instance, that there is a continuity between the financial logic of the neoliberal 90s and the ideology underwriting the imperialist wars of the 2000s.<sup>45</sup> As Wendy Brown writes, while it is commonplace to speak of the George W. Bush regime as “neo-conservative,” and “to cast [neoconservatism] as a consolidated [...] religious-political project,” even the neo-con agenda has been articulated in the terms of “a neo-liberal political rationality, a rationality that exceeds particular positions on particular issues, and one that undergirds important features of the Clinton decade as well as the Reagan-Bush years.”<sup>46</sup> A consideration of this period as almost unrelentingly neo-liberal allows us to prioritize both economic transformations and, more importantly, the role of an economic ideology—what I have identified as the pervasive dominance of financialization as a hegemonic logic of daily life, of culture, and of history itself—in shaping even those aspects of the political and cultural sphere that are not immediately registered as economic. For this reason, I want to attend not only to the structural or historically-specific conjunctures of financial capital and post- or neo-imperialism, but also to the *logic* of financialization, and specifically to the modes of futurity that it depends on and produces. The temporality produced by and constitutive of new financial forms, for instance, reappears in the temporal compressions and language of immediacy and expediency that characterized political discourse leading up the Iraq war, and in turn, the belief (endemic to both the doctrine of preemption and the financial futures market) in the future's availability to intervention crackles as an anxiety in the proleptic mechanics of 9/11 novels.

As will become obvious, however, I also think it remains useful to consider the post-millennial or post-9/11 period as somewhat distinct from what came before it. Here too, perhaps surprisingly, Brown's periodization is useful: “the post-9/11 period,” she notes, “has brought the ramifications of neo-liberal rationality clearly into focus” (47). Brown herself focuses primarily on the way in which after 9/11, neo-liberal policies were able to “tak[e] shape under the legitimating cloth of a liberal democratic discourse increasingly void of substance”—here, by contrast, I want to consider the way in which 9/11 made manifest a previously-latent neoliberal sense of history and a financial instrumentalization of the future (47). Brown observes that

Neoliberalism *looks forward* to a global order contoured by a universalized market rationality [...] while American neoconservatism *looks backward* to a national and nationalist order contoured by a set of moral and political attachments [...]. More generally, *neoliberalism confidently identifies itself with the future*, and in producing itself as normal rather than adversarial does not acknowledge any alternative futures.

Neoconservatism, on the other hand, identifies itself as the guardian and advocate of a potentially vanishing past and present, and a righteous bulwark against loss.<sup>47</sup>

Clinton's almost obsessive use of the metaphor of "investing in the future" clearly exemplifies that neoliberal futural confidence, as does Francis Fukuyama's 1992 description of the "end of history." While Bush's post-9/11 political rhetoric, in which the hoary "clash of civilizations" thesis returns with a vengeance, seems to present a very different philosophy of history (indeed, a "return" of history as such), his language is entirely free of Regan-era nostalgia for a vanished past: instead, as in the epigraph above, "Because free peoples believe in the future, free peoples will own the future."<sup>48</sup>

Yet at the same time, it worth wondering exactly how the post-9/11 sense of futural *uncertainty* was accommodated by neo-liberalism, given that the latter is characterized by futural *confidence*. I argue here that such accommodation required a subtle shift from a discourse of uncertainty-as-hazard to uncertainty-as-opportunity, or as financialized, profitable risk: the fact that the future appeared newly up for grabs meant that the doctrine of preemption could presume our capacity to intervene in the future in advance of its arrival. By imagining the "rupture" in history produced by the events of 9/11 as "a moment" to "seize," political discourse not only represented trauma as possibility, it compressed time and history itself, foreclosing historical explanation for the attack on American neo-imperialism and presenting a new manner of understanding American hegemony: the 21<sup>st</sup> century would not be America's century, but America's moment. Understanding America simply as "tomorrow," this discourse produced a temporal compression capable of closing off the possibility of even the most minimal political change (which takes place in the slower, longer time of democratic deliberation) and evacuating the future of political content while still retaining a sense that "adversaries" to the neoliberal global regime were ever-present threats.

This compressed and immediate future was, moreover, entirely consonant with the new regime of financialization, which began increasingly to rely not simply on the probabilistic forms of mathematical risk-analysis that had made financial instruments possible but also on fantastic forms of "plausibilistic" prediction. If the future is just on the horizon, and if it (and its consequences) are always only short-term, then it is available not simply to numerical calculation but equally to the imagination. As I describe in Chapter Two, these new forms of forecasting draw on the instrumentalism and "rationalism" of probabilistic quantitative analysis and on its sense of a multiplicity of possible future events. Yet they also leave room for the "paranoid" imagination of those like "Dr. Strangelove"-inspirer and RAND Corporation-hero Herman Kahn and, in their anti-historicist bias, present a future entirely available to present manipulations. What I began this introduction by describing as a shift, in other words, from Pocock's fanciful, speculative, financial imagination to late finance capital's use of supposedly objective forms of risk management and forecasting can now be understood as a dialectical transformation, where new forms of probabilistic analysis act on and transform the imagination,

rendering it applicable to a neoliberal “rationality” of efficiency maximization and profitability. Thus mid-20<sup>th</sup> century economic theorists developed models to analyze economic decisions made under uncertainty, and these models were taken up in the 1970s by military strategists to predict possible military events but with a more affectively “paranoid” sense of the range of possible futures. In the 80s, corporations like Shell Oil took back those forms of prediction and made them more open-ended, more sensitive to the business strategist’s belief in the complete makeability of the future; after 9/11, then, the Pentagon adopted the subjective forecasting models developed by corporate planners and used them to evaluate the uncertain geo-political landscape of the 21<sup>st</sup> century.

The travels of these predictive forms from economic theory to military strategy to corporate planning and back to geo-political forecasting thus reveals not only the fact that an economy increasingly dominated and driven by finance necessitated a fundamentally transformed relationship to the future as a conceptual category and as the location of ideological (not to mention literal) investment, but also that this conception of the future was not limited to the realm of finance alone. In describing our contemporary relationship to the future as dominated by a speculative philosophy of history, I mean here to bring together financial speculation and military speculation (in Chapter Two, novel forms of forecasting and strategy and in Chapter Three the military and legal doctrine of preemption, dependent as it is on a representation and an account of future “threats”) to examine their related accounts of the uncertainty and unknowability of the future. The speculative or financialized future is uncertain, but its very uncertainty is the basis for profitability, and this uncertainty may even be sought out or produced by speculative investments. It is also brief, resembling nothing so much as a repetition of the present, albeit one just slightly rosier and more optimistic. It is entirely free of political (or any other) content: if its prediction relies on an instrumentalized imagination, it nonetheless is presented as viewable only through a rational calculus of utility. It is also entirely unmoored from the historical past: as an event persistently described as “like no other” before it, 9/11 made manifest a tendency already latent in our contemporary sense of history’s irrelevance, an irrelevance assumed both by statistics and by the freewheeling imagination of neoliberal speculation.

Although the description of 9/11 as historical rupture deserves scrutiny, in other words, the persistence and pervasiveness of this representation also offers a kind of thought-experiment for considering the period’s discourse on itself—the symptom, after all, gives the analyst access to the internal workings of the pathology, even if the it reverses (that old *camera obscura!*) the very thing it projects. The discourse of the symptomatic may also get us closer to the method of the historical account that takes up much of this chapter. I am less interested in narrowly historical or periodizing questions (e.g. does 9/11 conclude what we have called postmodernity? does the present crisis actually herald a lasting transformation of the structures of capitalism?) than in providing a kind of “thick description” of the present conjuncture that is attentive to the latent and the tendential. By latent I mean those deep cultural undercurrents which affect and are affected by the tides of historical sea-change; by tendential I mean a historical method attuned to processual (rather than merely ruptural) logics of transition, a method that can, as my discussion of the various Marxist accounts of finance above suggested, mediate or oscillate between the synchronic and the diachronic. The imperative to attend to the tendential is also crucially

connected to the ideological critique leveled herein, since I am attempting to model an understanding of history which is different from the discourses and representations of history and time symptomatic of the present moment, a philosophy of history that refuses the treatment of the present as *sui generis* and brief and the future as transformable in and available to that foreshortened and free-floating present. Instead, by speaking of tendencies (and not of deterministic laws or, on the other hand, of radical unpredictability) I want to understand the future to be, like history, available to our making but not under conditions of our choosing.<sup>49</sup>

Access to this tendential logic is, in this project, made possible through both cultural discourse and cultural production: through presidential speeches and economic journalism; through public discourse, advertising, and political rhetoric, and particularly through imaginative narrative—through contemporary fiction and film. In the final section below, I want to describe not only the content of the following chapters, but also say a few brief words about their method.

## Speculation and Narrative

The symbolic act begins by generating and producing its own context in the same moment of emergence in which it steps back from it, taking its measure with a view toward its own projects of transformation. [...] [T]he literary work or cultural object, as though for the first time, brings into being that very situation to which it is also, at once and the same time, a reaction.

--Fredric Jameson, *The Political Unconscious*

The relationship between financial speculation and narrative speculation is, I argue, a dialectical one. On the one hand, despite the drive towards objective quantification, speculative finance and speculative military strategy both increasingly rely on “narrative” forms of forecasting, as well as on access to entirely subjective affects—from the indexed “confidence” of consumers, one of the many economic indicators on which modern derivatives can be based, to the fear and uncertainty whose psychological tolerability is said to determine one’s tolerance for economic risk. On the other hand, however, I argue that the complex forms and modes of narrative read here reveal and refract the contradictions immanent to a financialized futurity. Literary representations of financial violence show that “managing” global risk also means creating it; narrative prolepsis lays bare the perversity of preempting the future in advance of its arrival; the eschatology of apocalyptic fiction reveals the tension between a political ideology of the end of history and a financial logic of uneven and endless expansion.

Seeking a “modern” form of mediation, Fredric Jameson describes a process he calls “transcoding”: that is, “the strategic choice of a particular code or language, such that the same terminology can be used to analyze and articulate two quite distinct types of objects or ‘texts,’ or two very different structural levels of analysis.”<sup>50</sup> This process of “transcoding” partially describes the principle of selection behind the genres included in this dissertation, each of which are themselves in some sense “speculative.” The speculative forms of literary narrative, in other words, both open up the analysis on the speculative forms of finance and military planning, *and* pose a kind of dialectical counterpoint to them. I argue that narrative’s complex chronologies

(its use of foreshadowing, for instance), its uncanny causalities (its capacity to register contingency, its willingness to dally in the subjunctive propositions of counterfactualism and futural speculation), and its self-conscious attention to its own formal and epistemological mechanisms (whether the production of fear or the construction of complex allegorical registers) exceed financial speculation's instrumentalized temporality and bring to the surface the contradictions that political and economic discourses frantically repress.

The first two chapters of the dissertation consider recognizably speculative genres: the apocalyptic narrative and the historical counterfactual. Apocalyptic narrative has conventionally been read, by Jameson as well as by a host of other postmodern literary critics, as the most politically radical contemporary form: for Jameson, apocalyptic narrative performs a kind of dialectical operation on the ideological discourse of the "end of history" and thus is uniquely able to burst through the presentism of postmodernity and to produce both a historical and a transformative sense of the future. Contrary to this consensus, I argue that contemporary apocalyptic narratives are *symptomatic* of finance capital's instrumentalization of the future. I read post-9/11 apocalyptic novels by Cormac McCarthy and Jim Crace, as well as Alfonse Cuarón's critically-acclaimed film *Children of Men*, alongside the emergence of the metaphor of "investing in the future," an ideological construction that I argue reveals the latent logic of futurity on which financial instruments depend. Far from countering this logic, I suggest, these post-9/11 apocalyptic narratives provide characterological figures for it: their shared use of redemptive images of children index a financial ideology in which the future is merely the historically innocent reproduction of the present, something to be not only secured but securitized.

And yet this is not meant to "de-dialecticize" Jameson's description of the capacity of the postmodern "political unconscious" to find its critical expression in cultural texts. Rather, I argue that if we are to find in the literary imagination a mode of thinking that exceeds and resists this speculative philosophy of the future, we will find it in texts that deploy uncertainty in self-reflexive and refractory ways. In the second chapter, then, I turn to a different "speculative" genre, the historical counterfactual. I read recent Iraq War counterfactual histories—Paul Auster's *Man in the Dark*, Ken Kalfus' *A Disorder Peculiar to the Country*, and Richard Kelly's film *Southland Tales*—alongside the speculative war games developed by the RAND Corporation over the last three decades, comparing both to the long tradition of military counterfactual history. By emphasizing the restricted account of historical agency inherent to game theory, these imaginative texts represent the unique traumas that result when war is fought for profit by private corporate armies. These texts also, I claim, register the horrors of a dominant neoliberal rationality; in the second half of the chapter, then, I turn to two other recent counterfactual historical novels, Michael Chabon's *The Yiddish Policeman's Union* and Philip Roth's *The Plot Against America*. By thinking about the relationship between these novels and two key historical events of the emerging neoliberal period, the 2001 election and 9/11, I read counterfactual histories of the present as an expression of what Wendy Brown describes as an ambivalently melancholic relationship to the death of liberal democracy, a ideology "toward which [the left] is, at best, openly ambivalent, at worst, hostile, resentful, rebellious."<sup>51</sup>

These first two chapters consider recognizable genres conventionally identified as "speculative" in some way. The two chapters that follow, by contrast, consider groups of texts that are barely recognizable as genres at all: the 9/11 novel and what I call, drawing on Mary

Poovey's important work on the 18<sup>th</sup> century credit economy, the "genres of credit crisis." I am interested in these barely-generic forms precisely because they perform what Jameson describes, in the epigraph above, as an act of "generating and producing [their] own context in the same moment of emergence in which [they] step back from it, taking its measure with a view toward [their] own projects of transformation"—as my description in Chapter Three of the "fictions of 9/11" suggests, these narratives "bring into being" the social and political situation to which they are "also, at once and the same time, a reaction." Genre as a category is typically understood to be a dialectical unity between form and content (thus the historical novel, for instance, is recognizable for its use of "typifying" characters and its historical setting, and for its realism and its concessions to certain novelistic conventions). To consider these intensely contemporary non-generic groups of texts is to view this dialectic before its solidification, to view the very process by which a particular content becomes linked to a certain narrative form or apparatus: while the consistency with which these links repeat in different narratives (as in, for instance, the frequent use of ironic foreshadowing in 9/11 novels) makes the association seem almost natural or necessary, the ability to see the "genre" in the process of its emergence and thus to watch naturalization as it is occurring enables a more critical perspective. Because the "content" here is contemporary historical events (9/11, the Iraq War, the 2000 election, the credit crisis of 2008), this process also gives us a view on the way the form is often drawn from—but is never reducible to—the instruments and ideologies that surround the events themselves: 9/11 novels' use of foreshadowing thus echoes the discourse of 9/11 as an unpredictable event as well as the predictive perversity of the doctrine of preemption, while the "genres of the credit crisis" draw on the affective and systemic experience of financial risk by formalizing it in horror narratives and thrillers.

The "speculative" nature of these texts is thus not as straightforward as in the counterfactual or the apocalyptic narrative, but rather lies in the immediacy of their content (a narrative whose historical diegesis ends almost precisely at the moment of its writing must have a kind of futural uncertainty built in to it by necessity) and in the narratives' resulting tendency to draw on future-oriented narrative mechanisms, whether foreshadowing, suspense, or the speculative deferrals of postmodern allegory. Chapter Three considers the "fictions of 9/11" (Claire Messud's *The Emperor's Children*, Jonathan Safran Foer's *Extremely Loud and Incredibly Close*, Joshua Ferris' *Then We Came to the End*, Deborah Eisenberg's "Twilight of the Superheroes," and David Foster Wallace's "The Suffering Channel") in order to understand the emergence of the doctrine of preemption, in which a speculative "possibility" becomes evidentiary certainty and sufficient grounds for military intervention. Chapter Four concludes the dissertation by considering the fate of cultural representation in a moment of global financial crisis. It begins by considering the ways that Sam Raimi's 2009 horror film *Drag Me to Hell* draws on the temporality of suspense to respond to the credit crisis and to the financialization of risk; connecting this formal tendency to terrorism novels by Viken Berberian and Mohsin Hamid, I discover a unique mode of speculative allegory that illuminates the dialectical relationship between finance, violence, and literary form.

To understand our financialized moment, it is imperative to understand how speculation's instrumental logic shapes our politics, our sense of history, and our cultural imagination. My title, "Salto Mortale," is borrowed from Marx's description of the "fatal leap"

made by speculative capital into risk and uncertainty. But Marx himself borrowed the metaphor, taking it from Kant's characterization of the *salto mortale* that speculative philosophy takes into the unknown. My use of the phrase is meant, then, to draw our attention to the implication of Marx's appropriation. Financial speculation does not simply gaze into the future. Rather, it produces the future it requires, a future that can be neither historically realized nor politically confronted, a future that is unmoored from the past and that refuses the contingency of the yet-to-come. This project as a whole is driven by a belief in Marx's deceptively simple axiom, in *The 18<sup>th</sup> Brumaire*: "Men make their own history, but they do not make it as they please; they do not make it under self-selected circumstances, but under circumstances existing already, given and transmitted from the past."<sup>52</sup> Financialization anxiously affirms the endless makeability of the future, but only so long as the future we desire—the future we "invest" in, the future we so confidently risk with each of those investments—is a future immediately visible from, and thus little more than a repetition of, the present. A critical and imaginative historicism, by contrast, must understand the possibilities of real transformation and must shoulder the weight of the past—as Walter Benjamin puts it, it must recall enslaved ancestors as much as it anticipates liberated grandchildren. If such a historicism is to prove capable of offering utopian alternative to a speculative financial futurity, it must be willing to take imaginative leaps of a different kind.



## Endnotes

---

<sup>1</sup> John Greville Agard Pocock, *Virtue, Commerce, and History* (Cambridge: Cambridge U Press, 1985), 98, 92.

<sup>2</sup> Steven Best, *The Fugitive's Properties: Law and the Poetics of Possession*. (U. Chicago Press, 2004), 103, 156.

<sup>3</sup> Mukasey: James Galbraith, "How to burn the speculators," *Mother Jones*, September/October, 2008. <http://www.motherjones.com/news/feature/2008/09/exit-strategy-how-to-burn-the-speculators.html>. Cantwell: Laura Mandaro, "Lieberman Bill Aims to Curb Funds' Energy Speculation," [marketwatch.com](http://www.marketwatch.com) (June 13, 2008). Accessed August 2008 at <http://www.marketwatch.com/news/story/lieberman-bills-aim-curb-funds/story.aspx>. Lieberman: Editorial, "Oil Markets Need Policing," *The Columbian* (August 7, 2008). Accessed August 2008 <http://www.columbian.com/article/20080807/BLOGS02/105493/-1/businessblogarchive>. Dorgan: Byron Dorgan, "Burst the Oil Bubble," *USAToday.com* (June 2008). Accessed August 2008 at <http://blogs.usatoday.com/oped/2008/06/opposing-view-9.html>. McCain: Robert Barnes and Michael Shear, "John McCain Blasts Wall Street," [washingtonpost.com](http://www.washingtonpost.com) "The Trail" blog (September 16, 2008). Accessed August 2008 at [http://voices.washingtonpost.com/the-trail/2008/09/16/mccain\\_blasts\\_wall\\_streets\\_rec.html](http://voices.washingtonpost.com/the-trail/2008/09/16/mccain_blasts_wall_streets_rec.html).

<sup>4</sup> Similarly, the tendency to describe speculative capital as "immaterial," while sometimes effective as a way to describe its virtuality, changeability, and speed, pose two potentially large problems for careful analysis. First, the term "immaterial" threatens to discount the extent to which, "though...cloistered and complex, their character matters because they inform the course of capital that informs the course of people's lives world wide" (Edward Lipuma and Benjamin Lee, *Financial Derivatives and the Globalization of Risk* (Durham: Duke U. Press, 2004), 8). Second, by dislocating the supposed "immateriality" of derivatives from some other "material" economy, this characterization implies that the two realms can be separated; rather, of course, they are inextricably linked.

<sup>5</sup> Karl Marx, *Capital Volume 1*. (New York: Penguin Classics, 1990), 200-1.

<sup>6</sup> Karl Marx, *Capital Volume 3*. (New York: Penguin Classics, 1991), 448.

<sup>7</sup> Because eventually the difference between values, mediated by the merchant (and by money as medium of exchange) is abolished precisely *because* of the merchant's movements.

<sup>8</sup> Marx rejects what would later be called by economists the "time preference" theory of interest, according to which interest accrues as a result of some subjective factor in human behavior, the preference for present over future benefits (this, of course, would be a version of the "so-called" theory of primitive accumulation which Marx rejects in Volume 1 of *Capital*, according to which the origins of accumulation are in the willingness of some virtuous souls to save rather than spend).

<sup>9</sup> Duncan Foley, *Understanding Capital: Marx's Economic Theory* (Cambridge: Harvard U. Press, 1986), 113-116.

Foley is extending Marx's account of interest into 20<sup>th</sup> century economic conditions: Marx assumes a commodity money system in which gold can be held securely at low cost rather than "loaned" to a bank or to the State in exchange for currency or commodities. His point about

---

the uncertainty in the production and realization of value, however, seems equally apt to Marx's analysis, since it is the uncertainty of the production process which enables the difference between the rate of profit and the rate of interest (as otherwise the rate of profit would always exceed the interest rate, producing no incentive to lend).

<sup>10</sup> Kojin Karatani, *Transcritique*, Trans. Sabu Kohso (Cambridge: MIT Press, 2005), 156.

<sup>11</sup> Karl Marx, *A Contribution to the Critique of Political Economy*, Ed. Maurice Dobbs (New York: International Publishers, 1970), 88-9.

<sup>12</sup> Peter Gowan, *The Global Gamble* (New York: Verso, 1999), 8-13.

<sup>13</sup> For Hilferding, finance capital increasingly became a sector of capital accumulation in its own right: “[F]inance-capital develops with the development of the joint-stock companies and reaches its height with the monopolization of industry [...]. The power of the bank-capital to invest in industry gains ever further extension [...and] with the increasing concentration of property, the owners of the fictive capital, which gives power over the banks, and of that which gives power over industry, are becoming more and more identical [...]. Just as [...] capital itself, on reaching its highest stage, becomes finance-capital, so the magnate of capital, the finance capitalist, comes more and more to unite the disposal over the total national capital by ruling over the bank-capital.” Hilferding, and after him Vladimir Lenin, described finance not only as capitalism's condition of possibility and point of historical origin, but also as its apotheosis (Lenin, of course, would also describe it as its point of transition, since monopolization and centralization would, he thought, inevitably lead to socialism).

Rudolf Hilferding, *Finance Capital: A Study of the Latest Phase of Capital Development*, Ed. and Trans. Tom Bottomore (London: Routledge, 1981).

<sup>14</sup> Giovanni Arrighi, *The Long Twentieth Century* (London: Verso, 1994), 8-14 and 213-216.

<sup>15</sup> Giovanni Arrighi and Beverly Silver. “Capitalism and World Disorder,” *Review of International Studies* 27 (2001): 257-279, 257.

<sup>16</sup> Large productivity gains and trading surpluses in growing industrial nations like Germany and Japan were leading to greater dollar surpluses in those countries, surpluses unmatched by US gold reserves, and President Lydon Johnson was forced into a tight monetary policy in an attempt to keep dollar exchange rates low even while spending large sums to fund the Vietnam War—for Johnson, foreign markets were enemies of the dollar. For Nixon, on the other hand, it was apparent that these markets could be allies with the US.

<sup>17</sup> John Eatwell and Lance Taylor, *Global Finance at Risk* (New York: New Press, 2000), 37-8.

This historical account is also taken from Gowan, LiPuma and Lee, and Brenner.

<sup>18</sup> Edward LiPuma and Benjamin Lee, *Financial Derivatives and the Globalization of Risk* (Durham, NC: Duke U. Press, 2004), 73-4.

<sup>19</sup> Gowan *passim* but especially pages 19-39.

<sup>20</sup> Edward Chancellor, *Devil Take the Hindmost: A History of Financial Speculation* (New York: Plume, 2000), 243.

<sup>21</sup> This was the result of the abolition of fixed commissions, a legal change intended to prevent price-fixing but which wound up encouraged brokerages to enter into new realms of financial business, particularly the art of speculating with their own money. Thus the new young “Masters

---

of the Universe” described in Tom Wolfe’s *Bonfire of the Vanities* were encouraged to enter into opaque trades completely beyond the ken of their ostensible senior overseers and were rewarded with hitherto-unheard-of compensation packages to keep them from jumping ship to the brokerage’s competitors. For more on this change, see Justin Fox’s article “Forget Glass-Steagall Repeal,” *Time* blog (December 2008). Accessed January 2009 at [http://time-blog.com/curious\\_capitalist/2008/10/forget\\_glasssteagall\\_repeal\\_it.html](http://time-blog.com/curious_capitalist/2008/10/forget_glasssteagall_repeal_it.html).

<sup>22</sup> For Milken and his ilk, risky bonds from low-rated companies were perfect investment opportunities, since high risk meant even higher yield, and since leverage allowed the manipulation of a great deal more money than the investor actually possessed.

<sup>23</sup> And, of course, to bankrupt or destroy the currency of several developing nations—thus necessitating the intervention of the IMF and World Bank and, consequently enabling the US and other creditor nations to enforce privatization and deregulation in those economies—and to drive up US unemployment levels (and goods prices) so high that Reagan’s attack on the unions could take place with relatively little effective resistance.

<sup>24</sup> Accessed at Hein Online Presidential Papers database.

<sup>25</sup> The following account comes primarily from Robert Brenner, Robin Blackburn, Michael Greenberger, Doug Henwood, Edward LiPuma, Benjamin Lee, and Robert Schiller, all of whom are cited elsewhere.

<sup>26</sup> The Plaza Accord of 1985, a treaty that would not have been possible before the cancellation of Bretton Woods, had produced an agreement among the G5 powers to reduce the exchange rate of the dollar (especially against the yen and Deutschmark) so that US manufacturing could grow even when financial markets struggled in the late 1980s. This cooperation between the financial and manufacturing sectors was not to last under Clinton, however; the rising likelihood of financial meltdown in Japan—a meltdown whose drastic international effects were prefigured by the unexpected Mexican peso crisis—led to Clinton’s decision, in 1995, to reverse the ’85 agreement. As the value of the dollar was pushed up—and as the Japanese and Germans, who as the US’s major manufacturing competitors had been most hurt by the previously low prices for US currency, were encouraged to purchase dollars—the US lost its advantage in manufacturing but gained a gigantic increase in funds which produced the effects described above.

<sup>27</sup> Brenner, Robert. “The Boom and the Bubble,” *New Left Review* 6 (2000): 15-16. See also Brenner, *The Boom and the Bubble* (London: Verso, 2002), Chapters 2-5.

<sup>28</sup> Whereas George H.W. Bush used the phrase once—and for the first time by a president, so far as I can ascertain—Clinton, astonishingly, referred to the need to “grow the economy” at least 560 times during the eight years of his presidency (and this is not even counting possible variations like “growing the economy” and “grow our economy”). Thanks to Colleen Lye for drawing my attention to this discursive phenomenon. Search done through U.S. Presidential Library accessed through HeinOnline.org.

<sup>29</sup> While George W. Bush did not use Clinton’s favored phrase, he has almost certainly continued and extended Clinton’s policy of governmental involvement in supposedly neutral Treasury policy, as I explain below.

---

<sup>30</sup> Robert Shiller, *Irrational Exuberance* (New York: Broadway Books, 2006), 2-4. Brenner puts this in terms of “Tobin’s q”, the ratio between the price of corporate shares and the cost of replacing all their assets (material, technology, and sustaining capital), and says that by the end of Clinton’s administration it was 50% above its previous peak in 1929. See Brenner *The Boom and the Bubble*, 182.

<sup>31</sup> While the Fed embarked on some credit tightening in March of 1997, towards the middle of the year it called off plans for further raises in interest rates, suggesting a restored confidence in the sustainability of impossibly high equity values. In fact, Greenspan’s June 1998 speech about the end of history was meant to address fears of a burgeoning crisis—the decline of manufacturing profits had caused a drop off in corporate share prices in early ‘98 and business confidence became increasingly shaky. Greenspan’s remarks, then, should be seen as an attempt to reassure concerned investors. By September of the same year, however, the crisis appeared to have deepened, as a “flight to quality” caused major damage to the hedge fund market—that is, the market in high-risk, high-yield debt instruments: in a speech given at UC Berkeley in September, Greenspan appeared to renege on his remarks to Congress from June, noting that “most of the future can be expected to rest on a continuum from the past” (though even here, he notes that it is “human nature” rather than some more empirical law of cyclicity with regard to the specific nature of the world markets that “inextricably ties our future to our past”) (qtd. in David Sicillia and Jeffrey Cruikshank, *The Greenspan Effect: Words That Move Markets* (New York: McGraw Hill, 2001), 193). However again, despite his cautionary language, his actions were anything but: not only did the Fed decide in fall 1998 to bailout hedge-fund giant Long Term Capital Management, whose failure threatened to turn Greenspan’s “virtuous cycle” into what the New York Fed President William McDonough called a “vicious cycle” (qtd. in Brenner, *The Boom and the Bubble*, 172), it further expressed its belief in the sustainability of high equity prices by making *three* successive rate cuts, despite the fact that interest rates had been at record lows for almost four years at that point.

<sup>32</sup> Robin Blackburn, “The Subprime Crisis,” *New Left Review* 50 (March-April 2008: 63-106), 66.

<sup>33</sup> Alan Greenspan, *The Age of Turbulence* (New York: Penguin Press, 2007).

<sup>34</sup> Norbert Trenkle, “Tremors on the World Market,” trans. Josh Robinson, published online at <http://www.krisis.org/2009/tremors-on-the-global-market/print/>. Accessed May 2010.

<sup>35</sup> See Donald Kettl, *The Politics of the Administrative Process* (New York: CQ Press, 2008).

<sup>36</sup> In fact, of course, there are many other ways to understand the novelty of the present. Not least of these is from the perspective of the forms of activism and political organization that have emerged in the absence of a powerful labor movement and under the conditions of increasing neoliberal privatization. Regretably, this analysis remains far beyond the scope of this dissertation, but there have been many trenchant, powerful, articulations of its immediate necessity, beginning with the work of Michael Hardt and Toni Negri in *Multitude* but taking manifesto form in texts like *The Coming Insurrection*, first published in France in 2007, and *We Are an Image of the Future* on the Greek revolts of 2008. More locally, Jasper Bernes has written powerfully of the relationship between financialization, the declining working class, and the student movement as represented at the University of California, in a description it is worth quoting at length: “Essentially, what we see in the advanced capitalist countries [...] is a growth

---

of industries related to the circulation or realization of commodities, or industries designed to manage the encounter between capital and labor. Capital depends more and more on erstwhile *unproductive* spheres that accelerate and direct flows of capital and labor from site to site, quickening their turnover and reproduction. The expansion of finance is the central manifestation of this shift, but even the supposedly miraculous effects of information technology seem to have mattered less as a way to increase productivity than as a way to decrease the costs of circulation and administration. [...] The “hidden abode of production” is not so much invisible as inaccessible – covered by a glass floor. And in the “noisy sphere of circulation” the noises we hear are those of the riot. Separated from its being qua worker, the insurrectionary proletarian consciousness erupts into the only possible site of contestation left for it. The restructuring under discussion here is neutralizing for two kinds of struggle. On the one hand, the progressivist or social democratic stream which imagines a better wage-share, better working conditions, and a diminution of the vicissitudes of exploitation and domination meets its match here, in the expansion of difficult-to-organize jobs in the service sector, part-time work, and the speed at which complex forms of circulation can shift capitals from place to place, decimating the slower, localized forms of resistance. [...] The notion that one might maintain the basic forms of capitalist production as use-value with a different form of distribution—and consequently, the assumption of a certain political neutrality to productive forces and capitalist technology—was always erroneous, and often disastrous (in the case of Russia, for instance) but today the impossibility of separating some non-capitalist set of use-values from the value-form itself is rendered completely impossible in the advanced capitalist countries. The project of the ‘seizure of the means of production’ finds itself blocked or faced with the absurd prospect of collectivizing Wal-Mart or Apple, workplaces so penetrated to their very core by the commodity-form that they solicit nothing less than total destruction or total transformation.” In this absence of a classically working-class or proletarian movement, Bernes writes, the emergence of a student-driven movement is both provocative and revealing: “The peripherality of the student to value-production [...] is part and parcel of her power, a weakness which is also a strength. Because the object of sabotage or interruption is something she has paid for – or gone into debt for, or something to which she has devoted unpaid hours (unpaid job training, in other words) – the militant action is, at the level of immediacy, always self-abolishing, whatever the demands for future integration might say. In a sense, this peripherality of the student, her inability to speak for herself or win something for herself – and her dependence upon a value or good produced elsewhere – is the truth of the subjection of the working class as a whole in an era of falling profits and rising unemployment [...]. The fact that she finds, nowhere, the means of self-reproduction [...] is a condition increasingly generalized among the working class as manufacturing declines and service-industries grow. Along with the unemployed and the marginally employed and the lumpen-proletariat, the students hold the truth of the working-class’s subjection to capital: their inability to do anything other than destroy that on which they depend, given the conditions of capitalist production in both value and use-value terms.” Jasper Bernes, “The Double Barricade and the Glass Floor,” *Reclamations Journal* (Spring 2010). Accessed online in May 2010 at [http://www.reclamationsjournal.org/issue02\\_jasper\\_bernes.html](http://www.reclamationsjournal.org/issue02_jasper_bernes.html).

- 
- <sup>37</sup> Adam Harmes, "Mass Investment Culture," *New Left Review* 9 (May-June 2001): 103-124, 103.
- <sup>38</sup> Rita Raley, "e-Empires," *Cultural Critique* 57 (Spring 2004): 111-150, 134.
- <sup>39</sup> Charles W. Smith, "Markets as Definitional Practices," *Canadian Journal of Sociology* 37.1 (2007): 1-39, 27.
- <sup>40</sup> Donald Mackenzie, "An Equation and its World: Bricolage, Exemplars, Disunity, and Performativity in Financial Economics," *Social Studies of Science* 33.6 (December 2003): 831-869, 855.
- <sup>41</sup> Robin Blackburn, "Finance and the Fourth Dimension," *New Left Review* 39 (May-June 2006): 39-70.
- <sup>42</sup> Christian Marazzi, *The Violence of Financial Capitalism* (Cambridge: Semiotext(e), 2010), 25.
- <sup>43</sup> Jameson's definition of "cultural revolution" is a mostly structuralist one: "that moment in which the coexistence of various modes of production becomes visibly antagonistic" (97). Thus on the one hand, during transitional moments "social formations dominated by one mode of production undergo a radical restructuring in the course of which a different 'dominant' emerges," yet on the other hand, these "overtly 'transitional' moments of cultural revolution are themselves but the passage to the surface of a permanent process in human societies, of a permanent struggle between the various coexisting modes of production," modes of production which are internally heterogenous and overlapping (97-99). Fredric Jameson, *Political Unconscious: Narrative as a Socially Symbolic Act* (Ithaca: Cornell U. Press, 1982).
- <sup>44</sup> Or, to put it slightly otherwise, the question, as participants in a 2007 symposium with Perry Anderson posed it, of whether the years of the Bush administration are (in Anderson's phrasing) "structurally, if not rhetorically continuous" with the policies of the prior two decades of American hegemony, or, as Robert Brenner argued, "conceptually discontinuous," a rupture with the post-Cold War policies of a neoliberal police state and even a return to the precisely kind of imperial conflicts they sought to consign to the dustbin of history.
- <sup>45</sup> Indeed, one of my many intellectual investments here is in making an explicit detour around what I have felt is an overly-fetishistic focus, in academic work on the G.W. Bush years, on the religious overtones of Bush's discourse; while much of this work is interesting, important, and usefully critical, it has nonetheless seemed to me to enable an insufficiently historical fascination with the oddity of this turn in American politics while marginalizing the very historically familiar secular interests that discourse underwrites (and often conceals).
- <sup>46</sup> Wendy Brown, *Edgework: Critical Essays on Knowledge and Politics* (Princeton: Princeton U. Press, 2005), 37.
- <sup>47</sup> Wendy Brown, "American Nightmare: Neoliberalism, Neoconservatism, and De-Democratization," *Political Theory* 34.6 (December 2006): 690-714, 699.
- <sup>48</sup> And as Brown and others have pointed out, the policies of the post-9/11 period were undoubtedly neo-liberal in nature: Brown focuses mostly on foreign policy and transformations in the national security apparatus, but we could also consider the relationship between that confidence in our "ownership" of the future and Bush's strategic support of an "ownership society" encouraged by the spread of ever-freer (because increasingly securitized) credit.

---

<sup>49</sup> Somewhat speculatively, I would also suggest that the method of my literary analysis could be described in similar terms: I am interested both in those structuralist accounts of narrative form which assume a trajectory towards closure, and completion, which understand narrative as a closed structure with its own internally coherent (even if historically contingent) systems of causality and order, and in more poststructuralist emphasis on aporia, impossibility, and deferral.

<sup>50</sup> Fredric Jameson, *The Political Unconscious* (New York: Routledge, 1983), 40.

<sup>51</sup> Wendy Brown, *Edgework: Critical Essays on Knowledge and Politics* (Princeton, NJ: Princeton U. Press), 53-4.

<sup>52</sup> Karl Marx, *The Eighteenth Brumaire of Louis Bonaparte* (New York: International Publishers, 1963), 15.

## Chapter One

### **Investing in the Future: Finance and Apocalypse**

“The difference between an American and any other person is that the American lives in anticipation of the future because he knows what a great place it will be.”  
--Ronald Reagan

As we have already begun to see, speculative capital is profoundly futural, even—indeed especially—when the future is uncertain: hence Marx’s metaphor of the *salto mortale*, or fatal leap, which credit and finance must take into an unknown and risky future. Speculation thus refers not only to an economic process but also to the very form of conjectural thought that enables us to think imaginatively and hypothetically about the uncertain and unguaranteed future: as J.G.A. Pocock famously claimed, the non-providentially-determined “secular future is the child of capitalist investment.”<sup>1</sup> In our own moment of volatile finance, the future’s uncertainty is hedged by novel forms of investment, quantified by risk management models, and preempted in fiscal policy and military strategy: we seem, in other words, ever-more willing to leap across that abyss between the known present and the unknown future, and ever-more confident that we can minimize the likelihood of mortal danger. As Pocock puts it, in “perpetually gambling on [our] own wish fulfillments,” we must also perpetually “give [ourselves] credit for attaining levels of wealth, power, and satisfaction which [we] ha[ve] not yet achieved....to transform [ourselves] by actualizing the imaginable but not predictable” (98-9).

Our faith in our ability to “actualize” that imagined future has also become ever-more firm as our sense of what is “predictable” has likewise become ever-more nuanced. According to practitioners of the late 20<sup>th</sup> century art of risk management, risk can be priced, distributed, and minimized; it can even be efficiently and eternally deferred. And yet if risk is “uncertainty commodified,” it must have both buyers and producers: thus speculative investments typically exploit rather than allay risk, and risk is more often engineered than hedged (or, as is often the case, the ostensible risk-hedging mechanisms turn out to be risk-producing, as participants chose to place social nature of markets into an epistemological black box). The possible fatality of the *salto mortale* remains as unrationalizable as before, but we are all Evil Kneivls now, aware that the more dangerous the jump, the higher the precipice, the more spectacular our financial “performance” will be. In the bull financial markets of the 90s and 2000s, this daredevilry was not just the domain of rogue traders and financial pirates: as “risk-averse” increasingly became a dirty word, formerly conservative commercial banks, pension plans, municipal governments and individual investors all got into the game as well, building what Adam Harmes has called a “mass investment culture.”<sup>2</sup> More importantly, the self-reflexivity of markets, and particularly the increasingly interdependent systems through which liquid risk circulated like blood, meant that risk became increasingly systemic and increasingly dangerous. In fact, contrary to the claim that risk management has led to increased stability and rationalization, the system grows riskier by the day: economist Stephen Green observes that “as floating exchange rates and regular



economic shocks are now normal conditions [...] the amount of volatility and uncertainty has increased.”<sup>3</sup> If it has taken a financial crisis to make those of us on the margins of the financial markets see how a financial state of emergency has increasingly become the “normal condition,” this volatility and hazard is nonetheless a precondition of the speculative economy, and its leaps become more and more likely to end catastrophically—crisis is the means, and not only the end, of this economic order.

In this chapter, then, I want to focus on the form of futurity most appropriate to that sense of catastrophe, the imagination of an imminent apocalypse. The central concern of this chapter will be to think about why this imaginative form has been described (dialectically) as both singularly symptomatic and singularly critical of late postmodernity, and to ask whether that critical tendency still characterizes the genre of apocalyptic writing. I want to argue to the contrary that the very economic transformation described above—the dominance of an economic system in which risk is no longer minimized or distributed but is rather encouraged, manipulated, and sought-out—has led to an evacuation of the apocalyptic genre’s critical capacities. No longer the radically speculative dialectical *opposite* of a postmodern, late-Cold-War social order concerned with existential risks, contemporary apocalyptic fiction is instead simply the *obverse* of financial speculation, the complement of an ideological discourse according to which the future is free of any content other than the “wish fulfillments” of the speculative investor.

## Dialectical apocalypse

Of course despite being seen as an exemplary postmodern way of thinking about the future, the apocalyptic tendency is not new, particularly as a distinctly American phenomenon. Mid-century cultural and literary critics Robert Alter, Martin Buber, and Saul Bellow saw in the long history of American apocalypticism an attempt to avoid history and its responsibilities. The obsession in American literature with imagining cataclysmic endings, they argued, limited our capacity to make ethical or political injunctions. With the Holocaust firmly in mind, Alter famously wrote that “things are grim enough without these shivery games,” while Buber asserted, “whereas the apocalyptic despairs of an earth which it considers to be hopelessly doomed.”<sup>4</sup>

Responding to this tradition, however, more recent critics have attempted to redeem the American “apocalyptic temper,” finding in it not escapism and avoidance but rather a way to “accept the full implications of living in history.”<sup>5</sup> According to this argument, the power of apocalyptic thought lies in its capacity to explode history from within, enabling (rather than disabling) the self-reflexivity that makes critical thought possible—as Douglas Robinson puts it, “The image of the end of the world in American literature is an image of desire that seeks not to point beyond itself to some definite paradise but to embody the very mediatory locus that makes speculation about temporal and spatial transitions possible.”<sup>6</sup>

The imperative to re-read the apocalyptic tendency in American thought is perhaps most pressing in accounts of postmodern literature; this is the case not only because postmodernism might be read as definitively post-atomic, but also because critiques of postmodern nihilism (the sense that postmodernism is also post-political, post-humanist, post-historical) bear much in

common with Alter, Buber, and Bellow's mid-century critiques of a generalized American escapism, quietism, and historical naivety. In an attempt to retheorize these tendencies in the postmodern, critic Elizabeth Rosen argues that "in the very act of deconstructing apocalypse, postmodern artists are being *constructive*"—by "adapting the traditional apocalyptic myth with its promise of a new heaven on earth," she says, postmodern writers "insinuate that we might seek less combustible creeds in which to place our hope."<sup>7</sup> Because Rosen treats "postmodernism" mainly as a set of (fairly familiar) aesthetic or linguistic characteristics ("pluralism, opposition to closure, the absence of plot, indeterminacy and parody and pastiche in place of a unified or organic style"), she has less to say about history—neither about postmodernity's historical content nor about its engagement with historical temporality—but a number of other critics have claimed that postmodern apocalyptic fiction's "constructive" deconstructions make possible a transformative and engaged philosophy of history (177-8, 175). As David Ketterer puts it in his consideration of postmodern science-fiction, apocalyptic texts both describe "a world clearly and radically discontinuous with the world we know," and "return to confront that known world in some cognitive way."<sup>8</sup> Writing of the postmodern British apocalyptic novel, likewise, Steven Connor argues that apocalyptic literature's capacity to produce *temporal* rupture makes it both engaged and critical: "the temporal contortions introduced by the very notion of representing the end of representation," he says, produce dramatic "changes in our historical sense."<sup>9</sup>

Other critics have gone even further by arguing for an understanding of the postmodern apocalyptic as paradoxically hopeful, libratory, or utopian. In this vein, Dewey reads postmodern American apocalyptic narratives as "investigations into the edge, the boundary, the interface between radically different realms," as a kind of "unveiling"; in post-atomic apocalyptic literature, he finds more than just the fulfillment or ultimate secularization of an existing American apocalyptic tendency (pace Kermode), but also "the possibility of hope" (41). He claims that postmodern novelists like Kurt Vonnegut, Robert Coover, and Thomas Pynchon "hold out ways to sustain time in a century [in which] time's own extinction has become possible" and describes the work of these writers as an "example of the affirmation possible in the sure confrontation with history," of "that resistance that marks this literature's brave affirmation, its commitment to its community, its ministering to a critical moment in history" (237). Marianne DeKoven, likewise, argues that Toni Morrison's *Beloved* incorporates an apocalyptic "excess" that is actually *utopian*: the novel's "anti-conventional writing" signifies for her "the persistence of utopianism as modernist form within the reconfigured formal conventionality of postmodernism"; for DeKoven, apocalyptic thought is not the symptom of postmodernity, but rather is what can save the postmodern from itself, what can return it to what she understands as the utopian tendency of modernism.<sup>10</sup> David Robson, in an essay on Pynchon in *Postmodern Apocalypse*, argues, "It is [the] revelatory or irreducibly prophetic dimension of apocalyptic discourse that prevents its perfect coalescence with any particular historical, political, or institutional manifestation. Apocalyptic discourse is usually profoundly hostile to the status quo. Its meanings and reference always exceed what 'is' and point towards what is 'other' that what is, and this other dimension can be a source of prophetic hope of liberation."<sup>11</sup> Even Jacques Derrida, despite titling an earlier essay "No Apocalypse, Not Now," argued that apocalyptic discourse makes it possible for new political desires to emerge: "in

dislocating destinations,” he writes, “apocalyptic discourse can dismantle the dominant contract.”<sup>12</sup>

It has been argued, in other words, that postmodern apocalyptic literature responds to the sense that there is no other *space* outside of the dominant order—to the sense, symptomatic of the late 20<sup>th</sup> century, that capitalism holds the entire globe in the grip of its invisible hand—with an attempt to imagine a *time* outside the time of the present, a time whose very futural uncertainty might enable a rupture capable of thrusting us critically back into history, rupturing the immediacy and identity of an endless present by installing a sense of the “state of emergency” which has become the norm. This criticism has suggested that the postmodern apocalyptic imagination offers the kind of determinate negation of the existing present that is the condition of possibility for revolutionary historical thought.

If, however, we consider the reappearance of the apocalyptic novel in the wake of the dramatic economic transformations that reached their apotheosis in the 90s and became visible as a result of an emerging post-9/11 discourse about history and the future, we are forced to acknowledge a very different mode of contemporary apocalypticism. By reading two recent apocalyptic novels—Jim Crace’s 2007 novel *The Pesthouse* and Cormac McCarthy’s award-winning 2006 novel *The Road*—I will claim that contrary to the conventional account of postmodern apocalyptic fiction, in these novels any sense of the future as rupture is evacuated. Their thematization of apocalypse is rendered secondary to their production of an ideology of history and futurity that is distinct from—indeed, in contradiction with—their apocalyptic content: in the novels’ conclusions the cataclysmic narrative to which they have been committed falls away, and in its place is installed a representation of futural continuity—specifically of historical reproduction and redemption—that thereby ultimately fails to be either apocalyptic or transformative. If, as Frederic Jameson describes it, the apocalyptic novel has the singular capacity to transmit legible “signals of time, of otherness, of change, of Utopia,” why do these texts conclude with a vision neither of continuity nor of rupture, but rather of the repetition of the same? I argue that the exhausted, contentless, ahistorical future imagined by these apocalyptic novels mirrors the fully financialized mode of futurity symptomatic of our speculative late capitalist moment. The financialized future is unbound from the past and constituted instead as the expectations of an endless present; its alternative possibilities are entirely foreclosed and its limitations, those constraints hitherto derived from a sense of history, are imagined to be a thing of the past.

To understand the modes of time that characterize this future, I turn to the most “temporalized” instruments of that financial economy, those novel forms of speculative capital known as derivatives. Derivatives, I argue, monetize time itself in such a way that we are no longer able to imagine it as an axis of politics or ethics. In enabling profit off of the briefest of temporal horizons they create a sense of profound historical compression and immediacy, a sense that both history and all that is yet-to-come is available to our present manipulations. The derivative abbreviates, abstracts, and monetizes time, and thus produces a self-reflexive relationship to a newly controllable financialized future.

This financial philosophy of history permeates culture and politics as well and its ideological character is particularly visible, I will argue, in a ubiquitous discourse metaphorically conjoining the (political, personal, social) future and speculative investment. The experience of

the future produced by this trope is succinctly summed up by this description in Michael Lewis' article "The New New Panic" of how new economy internet startups in the 90s described themselves to investors: "our future will look nothing like our past; ergo, you cannot determine our value by looking at the present...Look to the future! The future is bright!"<sup>13</sup> The modes of historical thought enabled by this sense of "investing in the future" present the future as unbound from the past and as constituted instead around the unlimited expectations of a present that we thus cannot imagine radically transforming. A recent Charles Schwab investment bank campaign, for instance, attempted to speak to investors fearful of the consequences of the economic downturn on their portfolios: "*I want my future back,*" the anonymous consumer says on the billboard, to which the company responds, *So do something about it!* The ad invokes a figure of speech that has become ubiquitous in recent decades, the metaphor of "investing in the future." This metaphor is now so commonplace in non-financial contexts that the advertisement can return it to its financial source while retaining the symbolic aura produced by the figurative conflation of investment and futurity. It insists not only that we invest *for* our future (e.g. in a retirement account), but also that we think of the future as synonymous with, and dependent on, the investments we make *in* it. The future, like a stock in a portfolio, is perceived as something we can want and something affected by our wanting it; if we invest in it, it will come. The future is a property ("*my* future") that can be taken away. And ultimately, as a result of its contingency and its capacity to be owned, the future in which we invest is fundamentally manipulable: "So do something about it."

The treatment of the future as the site of investment runs through and brings together economics, politics, and cultural production. As I have already suggested in the introduction to this dissertation, the state continues to manipulate the economy in the name of various national interests even in an age of "global capitalism," and, in turn, ideological nationalist discourse eventually takes up the rhetoric and the logic of a financialized futurity. Indeed I will argue here that it is only in the post-millennial moment—the period which will be the focus of the remainder of this project—that the previously latent logics of futurity characteristic of finance capital become manifest in the political rhetoric of a risky future that emerged after the attacks of September 11, 2001. While the post 9/11 moment produces a new sense of the future's uncertainty, in other words, that uncertainty is refunctioned by an extant logic of finance, so that the riskiness of the future does not suggest the possibility for cataclysm, but rather the potentially profitable relationship between uncertainty and opportunity—the future is thus perceived to be in need of our present "investment" in both security (homeland defense) and securities (financial instruments). And it is precisely this sense of the future-as-investment that takes the place of any experience of historical rupture or transformative future possibility in the apocalyptic novels with which I will begin.

### **Apocalypse now and then**

Jim Grace's 2007 novel *The Pesthouse* and Cormac McCarthy's award-winning 2006 *The Road* are both set in a post-apocalyptic US that appears to have regressed into a state of historical backwardness. In *The Pesthouse* this historical regression is satirized as well as thematized. Not only is the landscape of the future barren and lawless, it appears distinctly

*colonia*: as Franklin, one of the novel's two central characters, enters the hometown of Margaret, who will become his companion, we are told that

He had taken a liking to the modest town, with its smoke and smells and the clamor of voices, livestock, and tools. Even though he had arrived at the boundary fences a little after dark, a few trading stalls were still set up, warmed and lit by braziers and lanterns, where he was greeted by dogs, his palms and tongue inspected for infection by gatekeepers...He would be welcomed as a guest if his face was free of rashes, if he didn't try to win the short-term favors of a local woman, and if he put any weapons—and any bad language—into their safekeeping as he traveled on.<sup>14</sup>

This representation of an America that has reverted back to its pre-industrial origins is explicitly parodic: describing the aftermath of a water-borne pestilence that casually wipes out the population of a town, the narrator remarks “This used to be America, this river crossing in the ten-month stretch of land, this sea-to-sea. It used to be the safest place on earth” (7). Crace somewhat gleefully describes the irrational beliefs of the inhabitants of this imagined future America—Franklin, finding Margaret ill with “the flux,” observes with certainty that “Diseases depart from the body through the soles of the feet. That's why, when pigeons were so plentiful and decent meat was served with every meal, the people of his parent's generation had strapped a living pigeon to a sick child's feet” (47). In other words, not only the landscape but also the population has regressed to a primitive state of ignorance and superstition.

*The Road* is as different in tone from *The Pesthouse* as possible, but it too is set in a kind of regressive future, in a “cauterized terrain” where the “mummified dead [are] everywhere.”<sup>15</sup> In this brutal, unforgiving, and barren post-apocalyptic landscape, human life is reduced to the most primitive survivalism as well as to primitive barbarism:

The wall beyond held a frieze of human heads, all faced alike, dried and caved with their taut grins and shrunken eyes. They wore gold rings in their leather ears and in the wind their sparse and ratty hair twisted about on their skulls. The teeth in their sockets like dental molds, the crude tattoos etched in some homebrewed woad faded in the beggared sunlight. Spiders, swords, targets. A dragon. Runic slogans, creeds misspelled. Old scars with old motifs stitched along their borders. The heads not truncheoned shapeless had been flayed of their skins. (76)<sup>16</sup>

While the setting of McCarthy's novel seems to be much more recent—within the lifetime of the narrator, a father who is tramping across the brutal landscape with his young son, who was born just after the destruction—the descriptions take us back to a far more ancient past (the heads of victims “flayed” and “truncheoned,” tattoos depicting “runic slogans” and made of “woad,” a dye used before the discovery of indigo).

The representation of a future that looks like the past is a convention of apocalyptic fiction after the horrors of Hiroshima, of course. However as Dewey has argued, most contemporary nuclear novels are characterized either by a resilient abundance that “point[s] the reader's vision [...] to a better world emerging steadily from radioactive ruin,” or by an “unflinching realism”—a “fictional voice that adopted the studied cadence of the evening news and developed plot lines that could emerge as credible headlines” (137). Both Crace and McCarthy clearly eschew the former: in *The Pesthouse*, the post-apocalyptic world is ludicrously backwards; in *The Road*, it is a mass grave. More significantly, however, neither novel represents

with any clarity the very event that is the cause of such destruction: in *The Pesthouse*, the privations of the future are the result of an unknown catastrophe of the distant past, a catastrophe not even remembered by the “grandfathers’ and grandmothers’ grandfathers and grandmothers” (16). In *The Road*, the single description of cataclysm suggests something nuclear—“The clocks stopped at 1:17. A long shear of light and then a series of low concussions.”—but the novel’s primary interest is in representing the hand-to-mouth immediacy of survival and not at all in the specific historical origin of the ruin that necessitates it (indeed, even the specificity of the time has been taken by many readers to be allegorical rather than historical, to refer to Revelations 1:17 in which John falls at the feet of Christ, who tells him “Fear not; I am the first and the last”) (52). While both novels’ apocalyptic content could be contemporarily resonant (ecological devastation, water-borne pestilence, nuclear attack), these events are represented as vague, unremembered, or as only the circumstantial instantiations of a judgment figured as divine and thus nonhistorical: America (in Crace) or humanity as such (in McCarthy) is divinely punished for its hubris—for assuming that anywhere is safe, let alone that there is such a thing as “the safest place on earth.” McCarthy’s novel, for instance, suggests again and again the tribulations of Job, crying to God, “Are you there?...Will I see you at last? Have you a heart?” such that here apocalypse appears only as a punishment for sin and pride (10).

In other words, what Jameson describes as the unique capacity of the apocalyptic novel to represent a sense of “time, of otherness, of change” is entirely evacuated here. In *The Pesthouse*, the “otherness” of the imagined future—its similarity to the past—is the source only of a kind of empty parody—the historical ignorance of the future’s inhabitants as to the content of their past (our present) deprives the account of any sense of loss, and the fact that they don’t know what caused the destruction of their life-world is among the sources of the novel’s black humor, an ignorance as ridiculous as the belief that disease departs through the feet. In McCarthy’s parable, in turn, the past is only present as the object of nostalgic recollections, in the narrator’s reminiscences of a prelapsarian/natural or an ancient/sacred world. Despite its spare language—and despite the narrator’s claim that “The last instance of a thing takes the class with it” (28)—the book has an astonishing number of odd comparative similes, almost all of which refer either to images of an exotic natural life long since vanished (“like a molten rose,” “like a thing being called out of long hibernation,” “like squid ink uncoiling along the deep sea floor,” “like apes fishing with sticks in an anthill” (52, 209, 181, 214)) or to scenes from some distant, sacred past (“like pilgrims of some common order,” “like the last host of christendom,” “like stands of heathen candles,” “like some ancient anointing,” “like mendicant friars,” “like a starved Buddha,” “like some storybook peddler from an antique time,” “like a troll come in from the night,” “as unremarked as any nameless sisterworld in the ancient dark beyond” (16, 48, 74, 126, 168, 174, 208, 181)). What we are left with, then, is not an account of time that enables us to experience or index temporal otherness, what Jameson describes as an “anxiety about losing the future,”<sup>17</sup> but rather a kind of messianic time in which the distance between the “ancient” and the (post)modern present—the time of history as such—is erased, rendered irrelevant. As the world “unmakes” itself, what is reversed is not the trajectory of human events but a divine world-creation, as the Lord taketh away what he hath given: “Perhaps in the world’s destruction it would be possible at last to see how it was made. Oceans, mountains. The

ponderous counterspectacle of things ceasing to be” (274).<sup>18</sup> A sense of quasi-religious endism, of a time beyond reckoning and a divine fatedness implacable to change, replaces any sense of temporal transformation or “otherness.”

More important, therefore, than *The Pesthouse* and *The Road*'s representations of an apocalyptic history, is in the way they move towards their own ideology of futurity—I want to suggest, in fact, that the latter is at odds with their dark (or darkly humorous) thematic content. Curiously, indeed, a very *non*-apocalyptic sense of the future reveals itself in the final pages of both novels, in passages that reveal that what becomes of the apocalyptic imagination when it fails to imagine a dislocation of historical time. To further explore this, let me turn first to what I earlier described as *The Pesthouse*'s parodic account of historical repetition.

*The Pesthouse* begins by ironizing the distinctly American narratives of manifest destiny that have historically been seen as the source of our ostensible national optimism. It does so precisely by presenting the narrative of the founding of American and of westward expansion in reverse. As the pestilence spreads, the inhabitants of America travel *east*, hoping to board ships for what appears to be England, a place where, they believe, “there is land enough for everyone, and buildings made of decorated stone, and palaces and courts and gardens planted for their beauty, not for food. Because there is abundance in those places. Their harvests never fail. Three crops a year! Three meals a day!” (47). Where once the fortunes of former Europeans were to be made in the hills of California, bursting with gold and brimming with the elixirs of immortality, now migration to the east (and ultimately *back* to Europe) becomes the locus of hope, though of course the Americans of this future do not even know that they are effectively reversing their own national history. Recalling that American fantasies of manifest destiny were tied to American millenarian religious traditions, we can further observe that Margaret spends some of her travels living with the mysterious “Finger Baptists,” a religious sect that lives in isolation from the destruction around them and that forbids the use of any metal implements, believing that metal's elimination will bring the promised land—the leaders of the Finger Baptists are “The Helpless Gentlemen,” men forbidden to use their own hands whose “greatest marks of holiness [are] their flaccid arms and lifeless hands” (164). The novel thus further derides the futurist fantasies of American culture by sending-up American religious groups like Mennonites and Adventists, sects whose millenarian theologies were consonant with (and often placed in the service of) narratives of spatial manifest destiny.

So far, the parody seems complete: not only does Crace present a history that, once repeated, moves from tragedy into farce, he also satirizes precisely those fantasies of America as prophetic fulfillment to which the postmodern apocalyptic novel has been seen as the critical (and dialectical) counterpart. Yet the conclusion of the novel suggests something very different. In the final paragraph we learn that Franklin and Meg have decided to remain where they are, with their baby daughter:

The spring advanced itself. The girl began to walk with sturdy legs and say her first words, *Ma* and *Pa* and *Stop*. The winter cold retreated, holding sway only at night. And thunderclouds came eastward, throwing shade across the lake at Ferrytown and delivering the rain that had been lifted from the plains and prairies, from the hopes and promises, from the thicknesses and substances that used to be America and would be theirs. The couple knew they only had to find their strength. And then—imagine it—

they could begin the journey west again. They could. They could imagine striking out to claim a piece of long-abandoned land and making home in some old place, some territory begging to be used. Going westward, they go free. (255)

Surprisingly, this final image of an American Eden graced by God and by nature reinstalls the very ideological narrative of manifest destiny apparently ironized by the novel's reversal of westward migration—manifest destiny ceases to appear as the object of parody and instead allows the *restoration* of an idealized, romanticized colonial enterprise. The result is an ideology of the future precisely located in the hopeful banality (“hopes and promises”) of American westward expansion towards “territor[ies] begging to be used.” The novel unselfconsciously re-posita a fantasy of progressive development—winter retreats, spring advances—that ends not only in security, but also in *freedom*. And, as I will emphasize below, the emblem of a renewed optimism in the value of the future and of the restored ideal of migration towards freedom is Margaret and Franklin's baby daughter.

Though “optimism” may seem an unlikely way to describe the affective tone of *The Road* as I have described it, here too we see a shift, in the novel's conclusion, away from the modernist melancholy of its previous pages, a shift that is enabled by a startlingly similar narrative of redeemed and redemptive children. The main characters of the novel are an unnamed father and his young son, the latter often described in messianic terms as a “chalice,” a “god”—the boy, the father reassures both his child and himself again and again, is “carrying the fire”: “He knew only that the child was his warrant. He said: If he is not the word of God then God never spoke” (4). The father describes their travels as “An old chronicle. To seek out the upright,” and while the upright are few and far between—many of the remaining survivors they encounter are dangerous cannibals—there are a few “godspoke men” left, including an old blind man who describes father and son as “prophets” (15). This allegorical apocalypse, whose time is natural or cyclical rather than historical, can only be redeemed by the presence of the child, to whom the father refuses to tell stories of the “lost world” before the apocalypse: despite the father's belief that “Ever is a long time,” then, “the boy knew what he knew. That ever is no time at all”; he “stands in the road looking back at [his father] from some unimaginable future, glowing in that waste like a tabernacle” (35, 230). As readers, we are led to be dubious of this hope, however, since as the two travel across the vacant and dead landscape, consolations are miniscule and fleeting, where there are any at all: arriving at the ocean—where they have hoped (like the hapless Americans in Crace's novel) to find a way out—they find only a brackish, grey nothing, and though the father reassures his son that there are still “good guys” left, we as readers are, like the father himself, increasingly unconvinced. As it becomes clear towards the final pages that the father is dying (he is racked with bloody coughs, which any reader familiar with literary convention knows does not bode well), our only hope for a positive ending is that he will be able to teach his son how to quickly shoot himself in the head with their last remaining bullet if he is attacked by cannibalistic “bad guys.”

And yet in the final paragraphs of the novel, the hope held out by those passages in which the father describes his son as the promise of the future, as covenant or chalice of the gods—hope which seemed at first to index the novel's despair at what Jameson describes as “the loss of the future”—are in fact fulfilled. As the father dies, we discover not only that the boy will survive but also, perhaps more importantly, that he will be reincorporated into a family



(I am tempted indeed to describe this family as “nuclear,” since it consists in a father, mother, and “a little boy and a little girl”). Not only is the boy taken in by these “good guys,” as he describes them, but they too seem to see in him some redemptive promise, as the final page of the novel describes the mother of this family finding the boy: “The woman when she saw him put her arms around him and held him. Oh, she said, I am so glad to see you...The woman said that it was alright. She said that the breath of God was his breath yet though it pass from man to man through all of time,” an image which foregrounds not only the divinity of redemption, but equally the divine eternity of time itself (112-114).

In their messianic, redemptive concluding images of a futural logic that persists even after the “end,” these two novels do not enable an idea of a radically different time, nor even a time that would break with or explode continuity, a time that would reveal to us, as Walter Benjamin famously described it, that history itself is catastrophe. Rather, time appears only to *repeat* and the idea of apocalypse is enervated into a sense of a repetition and redemption, so that Crace can unselfconsciously conclude his novel with precisely the same mythopoetics he earlier skewered and McCarthy’s narrator can, against all that the novel has hitherto suggested, reassure his son with his dying breath that “Goodness will find [him]. It always has. It will again” (236).

This ideology of the future is made possible specifically through the narratives’ conclusions with figures of children. In *No Future: Queer Theory and the Death Drive*, Lee Edelman offers a searing critique of the child as the privileged figure for the future, as “the perpetual horizon of every acknowledged politics, the fantasmatic beneficiary of every political intervention,” and as the necessary prop for the “collective fantasy that invests the [liberal] social order with meaning.”<sup>19</sup> The use of the child as emblem for the future leaves us, he says, only with a linear, progressivist history that disables any critique of existing reality—the figure of the child functions instead as the alibi for its continued reproduction and for an impoverished “redemption” conceived only in terms of this reproduction of the present (29). In the reading that concludes this chapter of the 2007 film *Children of Men*—an apocalyptic film that likewise ends with a redemptive, but expressly non-revolutionary image of children—I will triangulate Edelman’s critique of “reproductivity futurity” with Cindy Katz’s recent work on the figure of the child as investment strategy in order to argue that in all these texts, the figure of the child suggests not only the enervation of apocalyptic imagery into a banal sense of the future as reproduction of the same, but also the particular modes of futurity symptomatic of a financialized world.<sup>20</sup> In financialization, as in these images of reproduction and redemption, the future is understood to be only that which is most briefly, immediately before us; as the product of the present, available to its manipulations and interventions.

## **Derivative thinking**

This treatment of the future is not mere ideological mystification, however; on the contrary, I want to argue that it both reflects and shores up the concomitant dominance of what economist Robin Blackburn calls the most “temporalized” financial instruments, derivatives.<sup>21</sup> According to the common definition, a derivative is a tradable asset whose value changes in response to the value of another underlying variable, whether that variable is a commodity, a stock, an interest or exchange rate, the stock market indices themselves, or even the occurrence

of an event like an earthquake or assassination. Despite being the “characteristic instrument of [contemporary] financialization,” certain kinds of derivative instruments have existed for hundreds of years—commodities futures, for instance, emerged as an important form of insurance for agricultural producers in the 19<sup>th</sup> century, so that a farmer could hedge his investment in his corn crop by purchasing a “forward contract” on corn just in case the value of his corn declined (Blackburn, 41). Yet the value of derivatives in and to the global economy has increased to an astonishing degree even over the last few decades alone. In the 1970s, the valuation of financial derivatives in the period amounted to a few million dollars. By 1980, largely as a result of the removal of the dollar from the gold standard, exchange traded financial derivatives—especially those based on interest and currency exchange—accounted for about \$100 million; by 1990 derivatives were worth \$100 billion, by 2000 they were worth \$100 trillion (an amount equal to the total global manufacturing product of the last 1000 years) and as of 2007 most estimates put the number of exchange traded derivatives at around \$500 trillion. Non-exchange-traded, or Over the Counter (OTC), instruments are described as “notional” in value because there is no regular market to compile their “actual” value, but most estimates put their current on-the-books value at \$600 trillion in the US alone as of 2007, a fairly shocking number given the fact that total world wealth is estimated to be only around \$150 trillion. The qualitative nature of derivatives—the range of underlying assets, their institutional framework, and their role in the economy as a whole—was likewise revolutionized: in 1975, virtually all derivative futures contracts were agricultural; by the turn of the millennium debt instrument futures (that is, futures such as interest rate futures, in which the underlying asset is money itself) dominated the market. By 2001, in fact, futures in bulk commodities like those purchased by our 19<sup>th</sup> century corn farmer—the futures which were the origin and former mainstay of the derivatives market—accounted for less than 1% of all contracts.

Shares and bonds—or “stocks”—have long served as a means of raising funds, since they give owners a claim on the future profits in exchange for credit. Recently, however, secondary markets in these securities—markets in, for instance, foreign currency, bonds, or a wide range of derivative instruments—have come to dominate the market. Whereas the initial issue of a stock can be used to finance productive capital investment, economic historian Peter Gowan explains, the secondary market in securities “is not contributing directly at all to productive investment. Instead the people on these markets...are buying and selling *claims on future value created in future productive activity*.”<sup>22</sup> Although the existence of speculators is nothing new, what is new is the fact that these new “so-called ‘global capital markets’” are no longer primarily in the business of “supply[ing] capital for productive activity” (Gowan, 11). In other words, unlike the financial accumulations Giovanni Arrighi describes in his masterful account of 16<sup>th</sup>-20<sup>th</sup> century speculative boom and bust, which were mainly speculative investments in productive ventures, the financial instruments common in recent decades are increasingly not used to supply funds for productive investment: secondary markets “have [nothing] directly to do with capital investment” but rather are ways of “trading on royalties on future production or about businesses engaging in various kinds of insurance against risk” (Gowan, 11, 25).

To understand the difference between a derivative and older forms of financial investment like stocks, we can compare an actual stock to a stock *derivative* (a derivative based on the market price of a share in a particular company). The stock entitles the investor to a claim on

profits (paid out as dividends), whereas the derivative allows the purchaser to take part in the company's profits without ever owning a share: thus, as Gowan puts it, the secondary market in securities "is not contributing directly at all to productive investment. Instead the people on these markets...are buying and selling *claims on future value* created in future productive activity" (11). Dick Bryan and Michael Rafferty similarly suggest that "it is as if the stock market has gone 'inside' the derivative itself: the derivative is defined so as to spontaneously absorb market calculations".<sup>23</sup> Derivatives are so agnostic as to the real profits of productive enterprises that a derivative can monetize downward volatility, or dramatic *falls* in the price of a share or the value of a currency, such as a "long put" stock derivative which allows the owner of the derivative to sell the stock at a fixed price in the future if he thinks it is likely to decline below its current value. Unlike stocks, then, derivatives are (in theory) a zero sum game: if the value of a stock goes down, all those who own the stock lose and no one gains; with derivatives, by contrast, for every gain there is an equivalent loss, since for every position on the derivatives market there must be someone else willing to take an opposite position—if I want to buy a derivative which will pay out if the value of a stock or a stock index goes down, someone else must be willing to bet that it will go down; whichever of us takes the more financially risky position is additionally paid a small fee by the other.

The ostensible benefit of these kinds of securities is that they allow the investor to insure (or "hedge") risk—the purchaser of the "long put" stock derivative, for instance, might be attempting to insure his investment in the stock itself just as the corn farmer wanted to protect his investment in his corn crop. However to describe derivatives as a form of insurance ignores two crucial differences. First, insurance policies are regulated by both state and federal (or international) governments, whereas most derivatives are unregulated. Second, insurance policies are not typically taken out on assets that the policy-holder does not own, whereas certain contemporary derivatives—like the now-famous "Credit Default Swaps"—can be bought not only by the holder of the underlying asset (here, a loan) but also by other non-connected investors, as if a speculator in China bought a fire insurance policy on my apartment in California. In other words, while derivatives are ostensibly designed to hedge against risk, they are also used speculatively, and in fact many new forms of derivatives appear to serve no logical hedging function whatsoever.<sup>24</sup> Not only are today's derivatives speculative, they are also heavily leveraged, subject to a "multiplier effect" according to which a small change in the value of the underlying asset can have a huge market impact—their unique significance to the contemporary economy can thus be seen as much in their potential future effects (including their capacity to be, as Warren Buffet famously put it, a "weapon of mass destruction") as in their current function.<sup>25</sup>

If derivatives are the most "temporalized" financial asset, however, it remains to be seen what kind of time we are buying. In what follows, I argue that the specific temporality of the derivative underlies the financial philosophy of history expressed by the metaphor of investing in the future. The derivative establishes a relationship between the present and the future that, in monetizing the time between them, effectively brings the future into the domain of the present. This monetized time is thereby abstracted and abbreviated, emptying out the social content of all exchanges. Because derivatives allow financial actors to evaluate capital's productivity on the basis of comparisons *across* now-simultaneous times (including most significantly future time)

rather than simply on the basis of surplus profit created *over* time, the present time in which such comparisons are made becomes central. Yet this is a present without a past—since time itself has lost both its duration and its content—and a present whose future is self-reflexively determined by the very activity that ostensibly anticipates it, rendering the future newly manipulable. Finally, derivatives transform our sense of risk: not only does a newly financialized risk-management model of ownership come to replace an older rights model, but this risk is evaluated with predictive models which themselves depend on an abbreviated sense of history.

Blackburn describes derivatives as part of the temporal “fourth dimension” primarily because derivatives are priced with reference more to the *perceived* future than to the *actual* present. Unregulated and highly speculative derivative instruments are not “marked to market,” a pricing process which makes it possible to collate and disseminate prices. Instead, the on-the-books value of these instruments is solely up to the pricing formulas of their owners, and there is no stable referent to which prices are referred. Financial historian Edward Chancellor points out that John Law’s 1770s Mississippi scheme, one of the first financial scandals in history, was based on Law’s theory that all money, including gold, rested on consensus and credibility; Chancellor observes that Law’s hypothesis was not fully realized until 300 years later when, at the end of the 20<sup>th</sup> century, money truly became “a figment of the imagination...a reflection of [a currency’s] *perceived* future values: the present would be as much determined by the future as the future by the present.”<sup>26</sup> The novel pricing formulas which have emerged out of OTC derivatives markets are exemplary of this sense of a present determined by (the perception of) the future: because of their complexity, novelty, and constant evolution, there is no *past* performance on which to evaluate them; nor, due to the lack of a public market to compare their prices, is there a *present* basis of measurement or comparison—rather, they are priced according to what they might ideally be sold at in some future time. Financial actors themselves often jokingly call this “aspirational value,” and the documentary *Enron: The Smartest Guys in the Room* includes a video featuring Jeff Skillings, mastermind of obscure and lethal book-keeping strategies for derivatives, jokingly describing a new accounting system called HFV, or “hypothetical future value,” according to which he can give an asset any price he wants.

As a result, the derivative perfects the abstraction and evacuation of content on which capitalism has always set its sights. The time created by the onset of capitalist modernity—what Walter Benjamin famously called “homogenous empty time,” time infinite and divisible, time without concrete content, time as quantity rather than quality—is fully realized by the derivative. The derivative’s capacity to abstract time, to separate it from the production process as well as from the material existence of the commodity, thus also fulfills money’s promise to become the “empty, homogenous” measure of value: as Marx says, “[T]he more abstract it is, the less it has a natural relationship to the other commodities, the more it appears as the product and yet as the non-product of man...Hence paper money...[is] the more perfect mode of existence of money as money.”<sup>27</sup> In capitalist exchange with gold money as the mediator, Marx explains, both the objects and the exchange itself lose their human, social qualities; with paper money and the banking system, that alienation appears “abolished” and real social relations returned, but in fact “this return of man to himself and therefore to other men is only an appearance” and indeed the “dehumanization is all the more infamous and extreme because its element is no longer commodity, metal, paper, but ...man's social existence” (265). We might see in this some sense

of why John Maynard Keynes describes liquidity, the most prized characteristic of derivative money-capital, as the “anti-social” fetish of a financial orthodoxy that “forgets that there is no such thing as liquidity of investment for the community as a whole.”<sup>28</sup> The primary “content” that derivatives discard is the social totality itself—instead, the anti-social, abstract liquidity of the derivative offers only the appearance of sociability, thus allowing it to dispense with the domain of politics as such.<sup>29</sup>

The derivative enables not only the *abstraction*, but also the *separation* of properties (the current price, the future price one year from now, the rate of interest at which the cost can be borrowed, the exchange rate of the pricing currency, etc.) from the commodity or asset. This separation allows the comparison of those properties with each other independent of the asset or commodity to which they once belonged. As a result time becomes commensurable to itself and to other properties: a derivative might monetize the relationship between the present price and the future price, or the current price in one country versus the current price in another. In a sense, then, the derivative resolves a traditional stumbling block of both neoclassical and substance-based theories of value: that is, what to do about time and space? As Bryan and Rafferty put it, time and space have always raised problems of value: “Can the same good have a different value in different places? Can its value change while it sits in a warehouse?” (69). The capacity to resolve such dilemmas is, they argue, the magic of derivatives, which do not *determine* value but “are the way the market judges or perceives fundamental value. They turn the contestability of fundamental value into a tradable commodity. In so doing, they provide a market benchmark for an unknowable value” (69). Since that “unknowable value” is often the future price of the asset, commodity, or instrument, derivatives provide a “market benchmark” for the uncertain future.

Effectively, derivatives monetize time by separating it from the object (or asset) with which it is associated. This very novel and peculiar treatment of a separable and commodified temporality is recognized, for instance, by participants in the growing Islamic Banking and Finance market (“interest free banking” markets developed in the late 1960s and 1970s and now estimated to manage more than \$10 billion) who refuse to sell even the most “vanilla” instruments of the derivatives market. Though these markets do generally allow types of interest-earning investments, derivatives are particularly vexing for devout Muslims because they ascribe value to a risky and contingent future. IBF markets exclude derivatives not because derivatives treat time as a priceable property of money or commodities, but precisely because they *dissociate* time from assets, rendering time a property that is immediately monetizable. The prohibition in Islam against interest, or *riba*, is not the same as the Christian injunctions against interest described by Marx as “naïve polemics against usury”: according to the latter, time was a common good given by God and thus could not be made the source of profit. The Islamic theory of time, on the contrary, does not deny the time value of money or the money value of time (and thus some interest-earning investments are accepted)—rather, as money historian Bill Maurer argues, it understands time as “a quality of the object, another dimension of it.”<sup>30</sup> For most Islamic bankers, then, derivatives are *haram* (forbidden) because they are contracts *derived* from other goods: when divided and rendered saleable, the speculative derivative “become[s] disassociated from the good or goods at issue in the contract. If they are far enough removed from the good itself, they become free-floating rights to rights... they attempt to detach time

from property and deny the temporal properties of the material good” (10). It is this capitalization on time itself, detached from real goods or production, that makes derivatives suspect to *halla* banking practitioners. Further, IBF scholars have suggested that far from being “riskless”—as the Christian critique claimed of morally hazardous interest—contemporary speculative markets present the possibility of creating or seeking out risk rather than merely hedging risks that would exist in the world anyway: this insight would seem to suggest that the claim that derivatives markets are “zero sum” is an inadequate way to understand the various kinds of counterparty and systemic risk made possible—and even created—by derivatives.

In being detached from matter and rendered a commensurable and monetizable property (rather than just being the basis for commensuration and monetization), the time of derivatives becomes almost infinitesimally brief in duration. Derivatives work by creating opportunities for arbitrage, or buying and selling at the same time in order to avoid the risks in any time lag between purchase and sale. Whereas in the process of production the value of a commodity is in direct proportion to the amount of labor time expended in its production, in the case of the derivative the time frame is fleeting, and the value comes from speed and immediacy. In the case of currency derivatives, for instance, money is not a medium of exchange, but a good to *be* exchanged. Currency derivatives transform money from a medium of value that is basically stable over the long term (that capacity for universal equivalence which has historically been its function) into an unstably-priced *good* whose fluctuations in value can be capitalized on. Benjamin LiPuma and Edward Lee point out that “in contrast to the long-term perspective of production-centered manufacturing or industrial capital, derivatives are oriented toward maximizing short-term profits. The ideal is thus to discover pricing irregularities [which often arise from] distances and inefficiencies across markets [...] since these differences are small and fleeting, capitalizing on them requires the use of leverage and speed [...] speculative capital [must] compress as much as possible the time span of the transaction.”<sup>31</sup> Traders in currency derivatives “pounce” on “sudden and random inefficiencies in markets”; to do so, they must have capital that is “immediately available rather than tethered to long term investments [...] the result is that the opportunistic nature of speculative capital materializes as a drive to be mobile, nomadic, and fixated on short-term ventures [...]. Within this arena nothing seems more appropriate than derivatives which combine in a single financial instrument [...the ability to] hedge and speculate on the same risk” as in the case of currency arbitrage, in which the trader buys and sells an currency *at the same time*, thus reducing to zero the risk inherently involved in any temporal lag between the two acts (Lipuma and Lee, 124-127).

This reduction of temporal distance between present and future produces what have been described as self-reflexive or “performative” economic relationships. According to Michael Pryke and Jonathan Allen, derivatives enable “the future performance of distant spaces...to become part of the present of [investors]”: for example, when speculative capital uses its remarkable leveraging power to sell the currency of a developing nation, that nation’s economy will experience the aftershocks of the resulting volatility (if not outright crash) of the currency in the future.<sup>32</sup> Derivatives do not merely “exploit” volatility, they create it, in what LiPuma and Lee describe as a “treadmill effect.” Though they are ostensibly designed to offset the risks of volatility (a volatility created, I want to emphasize, by the decision to close the Bretton Woods agreement, a decision which was justified because of the need to reduce volatility), derivatives

require speculative capital to enter markets, thus *more* volatility is created, thus there is more need for hedging, thus the speculators' profits increase, thus more speculative capital enters the markets.<sup>33</sup> George Soros, in his critique of the efficient markets hypothesis, has argued that, "The generally accepted theory is that financial markets tend toward equilibrium and, on the whole, discount [or calculate interest on] the future correctly. I operate using a different theory according to which financial markets cannot possibly discount the future correctly because they do not merely discount the future, they help to shape it."<sup>34</sup> In finance it is possible to have a loop between knowledge and its ostensible objects. As the Islamic bankers have intuited, in other words, derivatives do not merely "exploit" (and still less distribute) volatility and momentary price differentials, they create them. They may even sometimes create them in the service of *political* aims, as when, in 2002, traders in Latin American currency—working with the guidance of the Federal Treasury—began to sell and short Brazil's currency on the expectation that socialist Luiz da Silva would be elected; da Silva's opponents were then able to use the declining currency value as a reason to vote against him. Though da Silva was ultimately successful in his election, the resulting increase in the portion of Brazilian GDP that had to go to paying off debt meant that he was unable to do many of the things he had promised in his election campaign.<sup>35</sup>

Of course it has long been acknowledged that participants in speculative markets gaze more into a mirror than into a crystal ball: as Michael Kaplan puts it in a useful article titled "Iconomics," "the future about which [finance] speculates is its own, which makes it speculation in the sense of specular self-reflection."<sup>36</sup> In other words, the economic system's evaluation of its future also produces that future, so that hints by powerful market actors like Alan Greenspan often caused the very market activity they ostensibly predicted. As speculative markets based on subjective evaluations of future events, derivatives markets' use of reflexive feedback mechanisms (the pricing of volatility over the shortest of time horizons) not only amplify any perception of risk, but ultimately *intensify the real risk itself*. Derivatives—especially swaps, which allow for the replacement of one measure of interest or currency exchange for another—also have the capacity to render balance sheets absolutely opaque, so that an exposure to one kind of risk can appear disguised as its opposite, or so that a liability may take the accounting form of an asset. In the case of derivatives such as "equity index" derivatives, in which the underlying "asset" is the day-to-day value of an index itself, such self-reflexivity does not cause a momentary deviation from the long-term "fundamental" value of the companies on the index, but rather the whole point of the derivative is to take advantage of the volatility created by the way in which "the market" as an imagined whole responds to the news of a day or an hour.<sup>37</sup>

The derivative has also transformed our understanding of ownership, and here too we can see a concomitant change in the representation and experience of time and of futurity. As I have already suggested, the birth of the joint stock company in the late 19<sup>th</sup> century required a new legal form of ownership decoupled from physical property and perceived instead as a set of *rights*. Ownership under the contemporary derivative, on the other hand, emphasizes "exposure" to risks (and profits).<sup>38</sup> Thus ownership is no longer a claim on the corporation's profits that comes (as in the joint stock company) with a modicum of rights to and within a firm, but is instead "a claim on assets that is infinitely convertible (contingent) within and across firms" (Bryan and Rafferty, 100). With futures and options, Maurer observes, "the property interest

does not precede the share in time but follows it: it is a trace of a future, not a past. Traces of the future help manage risk and control the unpredictability of temporality.<sup>39</sup> Rather, in other words, than understanding ownership as a right to profit *over* time, ownership under the reign of the derivative prioritizes comparisons of value *across* the present, the commensuration of multiple possible futures at various removes from the present.

This new ontology of money in which money's value was increasingly indexed to its potential (and potentially unlimited) future value rather than to its present worth is most obvious in the novel characterization of risk in the late 90s. The late-20<sup>th</sup>-century boom in what Blackburn describes as “rubbishy assets” signaled a changing institutional (as well as psychological) relationship to the risk of investments. In Chapter Four, I will describe this history in more detail: for now, it is worth pointing out that for banks buying securitized debt and debt derivatives, risky debt was potentially far more profitable than good debt: often banks sold low-risk commercial debt to buy high-risk, low-quality assets like mortgages and credit card debt, effectively borrowing *from* themselves to sell *to* themselves in such a way that the purchased debt would show up only as an asset. Credit-ratings agencies in both the consumer debt and bond markets also collaborated with this willingness to take on more and more risk. New formulas for risk management allowed investment banks (and later even Congress) to quantify (or price) risk in a single figure that could supposedly be universally applied to a wide variety of assets.<sup>40</sup> And, encouraged by developments in data collection and evaluation, consumer credit raters increasingly believed that creditworthiness could easily be reduced to an objective number: thus the origins of the credit system in individual credibility and character—a history tracked, by Mary Poovey and others, to the emergence of 18<sup>th</sup> century moral philosophy as well as to the realist novel and various regimes of epistemological certainty—was replaced with what Oliver Wendell Holmes, in his description of speculation, called “the self-adjustment of society to the *probable*.”

However the age of quantification was in fact less rational and objective than the previous models for evaluating risk: these supposedly error-proof numbers were increasingly manipulated (or misunderstood) by the real actors in the markets. Bond ratings agencies like Moody's and Standard and Poor's, dependent on the fees paid by the bond-issuers themselves, had great incentive to give high ratings even to bundles of debt that included very high-risk securities—and even if one agency gave a less-than-ideal rating, the issuer could always just go elsewhere.<sup>41</sup> These “objective” risk management models were, it turned out, fatally unconcerned with the systemic risk made possible by leverage, which enables a speculator to invest as little as 1% of a contract's value to control the assets it represents, a scenario which can result in either in fantastic gain or catastrophic loss.<sup>42</sup> (In the case of credit-backed securities, of course, the consequence was loss, as the tremendous, leveraged, global market in securities based on these home loans—as well as the complex derivatives markets that sustained and (ostensibly) hedged them—totally collapsed in 2008, providing the catalyst for a global financial and credit crisis.<sup>43</sup>) More to my point here, they relied on data that went back at most a decade, and often as little as a year or two. Behavioral finance theorists describe this as “recency bias,” the tendency to place too much emphasis on recent events than on the long term: one study for instance, points out that if you wanted to forecast the probability of a significant downturn in the US economy and looked at 20 years worth of data, you would guess that a crash would occur only every 624 years;



60 years of data, on the other hand, would give you a probability that a crash would occur every eight years. Such bias was not merely psychological but was also institutional and systemic, and without a broader historical perspective the new theory of credit could easily assume that the existence of valuable collateral (the home, in the case of a mortgage-backed security) trumped any concerns about the “trustworthiness” of the borrower, a conclusion that presupposed an endless and exponential increase in home values that would not be affected by the limited resources of risky borrowers.

The evaluations of risk that underpinned the creation of derivatives markets and the pricing mechanisms they required depended, in other words, on the assumption that past performance was irrelevant. By monetizing time, derivatives make it impossible for us to imagine time as an axis of history. In facilitating profit off of the briefest of temporal horizons they not only create a sense of historical compression and immediacy, but also take for granted the notion that both the past and all that is yet-to-come are available to our present manipulations. As a result, they required and sustained a novel ideological discourse claiming that history itself was over.

### **The end of history and the new economy**

This sense that we have reached an “end of history” is familiar, of course, because it is a version of the argument famously made by Francis Fukuyama in his 1989 essay “The End of History?” (and in his 1992 book, which confidently removed the titular question mark) and significantly less famously in the same year by Lutz Niethammer in his book *Posthistoire*. As Perry Anderson describes it, Niethammer’s book recounts the affinities among a group of theorists who shared an initial belief in the possibility of radical, revolutionary change but who suffered political “disappointments which crystallized into a deep skepticism about the possibility of further historical change as such.”<sup>44</sup> The result, according to Anderson’s paraphrase, was “a collective vision [...] of a stalled, exhausted world”—an “end of meaning rather than the end of the world” (281). Niethammer’s vision of stalled, blank, but nonetheless continuous time corresponds precisely to Jameson’s prescient 1984 description of postmodernity as characterized by “an inverted millenarianism, in which premonitions of the future, catastrophic or redemptive, have been replaced by senses of the end of this or that.”<sup>45</sup> Yet as Anderson points out, Fukuyama’s text is dramatically different from the intellectual currents of post-history that Niethammer locates throughout the 20<sup>th</sup> century; despite the fact that it is too-frequently described as “apocalyptic,” Fukuyama’s text is characterized not by a “forbidding pessimism, but [a] confident optimism” (282). Arguing that the end of the 20<sup>th</sup> century demonstrates a “universal evolution in the direction [both] of capitalism” and of its attendant political system, liberal democracy, Fukuyama (sounding rather like Jameson himself, albeit with a very different tone) claims that “Today, by contrast, we have trouble imagining a world which is radically better than our own, or a future that is not essentially democratic and capitalist [...] We can [...] imagine future worlds that are significantly worse than what we know now [...] But we cannot picture to ourselves a world that is essentially different from the present one, and at the same time better. Other, less reflective ages also thought of themselves as the best, but we arrive at this conclusion after the pursuit of alternatives.”<sup>46</sup> Addressing the possible counterargument that the

contemporary triumph of liberal democracy and capitalism is temporary, that historical change might be multidirectional, consisting in cycles and backwards movement, Fukuyama argues that on the contrary, when viewed from the perspective of a kind of long *durée* liberal democracy “begins to occupy a special kind of place. While there have been cycles in the worldwide fortunes of democracy, there has also been a pronounced secular trend in a democratic direction. [...] There is a fundamental process at work that dictates a common evolutionary pattern for *all* human societies—in short, something like a Universal History of mankind in the direction of liberal democracy. [...] Cycles and discontinuities in themselves are not incompatible with a history that is directional and universal” (47-50).

In *Specters of Marx*, Jacques Derrida derisively associates Fukuyama’s text with messianic movements in contemporary American politics, but his description of *End of History* as a “gospel” risks missing Fukuyama’s profoundly secular emphasis.<sup>47</sup> While Fukuyama describes a historical lineage originating in the Christian doctrine of Universal History and its positing of a “larger end or goal” which grants meaning to what precedes it, he quickly goes on to describe the transformation of this particular philosophy of history into the scientific method of the Enlightenment, a transformation which produces the “modern notion of progress” which “assert[s] the superiority of modernity to antiquity,” and he describes progress as “the cumulative and endless acquisition of knowledge,” emphasizing the work of secular idealists like Condorcet and Kant (157). If there are millenarian religious undertones to this account, in other words, they are those of a distinctly modern (and American) variety of Christian historicism, one that departs from the baleful account of change as degeneration (and its attendant jeremiads against the hubristic desire to remake and to know the temporal world) and takes instead a utopian perspective emphasizing progress instead of decline. Not only is Fukuyama hopeful, in other words, but his hopefulness explicitly sustains a belief in the steady improvement of earthly experience rather than a desire for a redemptive and timeless heaven.

However a closer look at Fukuyama’s account reveals a half-repressed tension between these descriptions of “endless acquisition” (whether of knowledge or of capital) and the very notion of an “end of history,” a tension I think can be traced to the contradiction between a political fantasy of fulfilled and universal democratization and a celebration of an unevenly developed capitalist economy. This brings us to the central latent problem of his account, a problem that makes it as impossible to describe Fukuyama as a secular optimist as to describe him as an apocalypticist: how to describe the end of a system driven, in Fukuyama’s own description, by the necessity of “accumulation without end.” I am not remotely interested here in defending Fukuyama, but rather in complicating the tendency of most critical accounts to radically oversimplify what are, I think, fundamental (and symptomatic) contradictions within the text, contradictions that are revealed when we consider Fukuyama’s discussion of economic history.

Even Fukuyama’s definition of capitalism, under which “modern natural science regulates the direction of economic development by establishing a *constantly changing horizon* of production possibilities” would appear to suggest that capitalism’s means (constant change) contrast with any notion of its “end” (77). Later, he claims that the tendency of “rational bureaucratic organization” is that “beyond a certain point, large bureaucracies become increasingly less efficient” and will be decentralized into a “larger number of small

organizations”—in other words, he argues that the economies of scale that make sense in one moment of economic development reach critical mass, becoming diseconomies of scale that then must be downsized, at which point they can grow further until they again overreach their maximum efficiency (78). Here, in attempting to reject the Marxist-Leninist end-of-history thesis according to which bureaucratic organization inevitably turns into monopoly capitalism which in turn becomes centralization and socialism, Fukuyama ends up championing a model of development that appears impelled by cyclical contradiction and crisis management and that is thus precisely at odds with any sense that progress is linear or that capital's drives are fulfillable. In so doing, he implicitly acknowledges that within capitalism, capital must constantly seek a deferred horizon of self-realization and self-expansion and that the logic of “endless acquisition” is necessary to capital's subjective and objective constitution.

The text suggests that Fukuyama himself is aware of these tensions, and they force him to make a somewhat ambiguous distinction between “problems” and “contradictions”: late capitalism, he says repeatedly, has the former but not the latter. Indeed, he suggests that the very *idea* of immanent contradiction is, like the “realist” position against which the neo-conservatives define themselves, a doctrine which has “persist[ed...] beyond its appointed time”; further developing his “problems” metaphor, he compares the persistent pessimist (whether Marxist, conservative realist, or otherwise) to an oncologist who cures his patient through chemo then “tries desperately to persuade the patient to continue the chemotherapy on the grounds that it has been so successful in the past”; prescribing such cures to a “healthy patient” is not only unnecessary, he implies, but also “dangerous” (252-3). However the Marxist account of immanent contradiction and self-propelling crisis is vastly more complicated than Fukuyama's meager pseudo-dialectics: that is, the Marxist account understands crisis neither as that which compels revolutionary transformation (as the catastrophic end towards which it moves) nor as merely the birth pangs of the mode of production (as capitalism's dialectically subsumable origin). On the contrary, it is precisely within *developed* capitalism that we can see “the repeated self-perpetuating cycles, whose successive phases embrace years, and always culminate in a general crisis, which is the end of one cycle and the starting-point of another.”<sup>48</sup> Moreover, the necessity of an outside for capital—the existence of un- or under-developed territory, for instance—means that capitalism persists in creating situations of historical non-simultaneity, or “uneven development,” so that there must always be places where the promises of liberal democracy, labor protection, fair remuneration for natural resources and the like have not yet been fulfilled.

Fukuyama's central problem, then, is how to describe the possibility that “the present form of social and political organization is *completely satisfying* to human beings in their most essential characteristics” when that very “form of organization” (capitalism) is, he acknowledges, dedicated to a vanishing horizon of satisfaction (136). Nowhere is this contradiction more apparent than in Fukuyama's hesitantly Nietzschean description of the “Last Man”: the Last Man, Fukuyama suggests, may be bored or even tragic precisely because all his needs are met. This sense that history is the production of need (and hence that the end of history will be the end of need) corresponds to Marx's claim in *The German Ideology* that “the satisfaction of the first need (the action of satisfying, and the instrument of satisfaction which has been acquired) leads to new needs; and this production of new needs is the first historical act.”<sup>49</sup> Yet as Marx points

out, capitalism demands that “in place of the old wants, satisfied by the production of the country, [there emerge] new wants, requiring for their satisfaction the products of distant lands and climes”—the creation of “new needs” is thus connected both to capitalism’s (historical) logic and to its specific developmental tendencies (or, rather, its tendency towards underdevelopment, especially in those “distant lands and climes”).<sup>50</sup> The Last Man thus definitively cannot both live in a capitalist state *and* be without need—Fukuyama himself seems to acknowledge this apparent fundamental contradiction within the very idea of a capitalist “end of history” by acknowledging that in fact the fulfillment of the *liberal* political end of history is not guaranteed, since we may instead end up not with “Western” liberal, free-market, democratic capitalism but rather with an “Eastern” illiberal “market authoritarianism.”<sup>51</sup> And yet because the very idea of an “end of history” depended on the political fantasy of completion and universality—since by Fukuyama’s own account there is no such thing as an end to a system based on endless accumulation—this acknowledgement entirely undoes the central thesis of the text. In this sense, then, the text might be read as an anxious response to the emerging system of fully globalized commodity production, given that such a mode is obviously based on uneven development, thereby rendering impossible precisely the point at which Fukuyama’s political narrative (of the universalization of liberal democracy) and his economic narrative (of a capitalism that sustains and supports that liberalization) converge.<sup>52</sup>

Although Fukuyama’s account is thus characterized by tensions, hesitations, and even, in its conclusion, by a kind of existential anxiety, we might forgive Derrida for too-hastily describing its thesis as an unmitigated “gospel of good news” given the way the “end of history” metaphor was taken up in the mid to late 90s as a way to describe the emerging “new economy.” In new economy discourse, the “end of history”—and the victory of American free market capitalism, especially that late-20<sup>th</sup>-century variant under which, in the US at least, the state could explicitly intervene in the interests of its own economic actors even while making possible an increasingly international economic system—is taken as a done deal. Consider an example of this in a speech made by Alan Greenspan, then Chairman of the Federal Reserve, to the Joint Economic Committee of the US Congress in June of 1998. In this testimony, in which he explains his optimism as to the possibility of inflation (and, thus, his reluctance to raise interest rates) Greenspan, who at times (as when he coined the later famous phrase “irrational exuberance”) was cautious in his public statements, is strikingly triumphalist:

In short, our economy is still enjoying a virtuous cycle...[such that] the hopes for accelerated productivity growth have been bolstering expectations of future corporate earnings and thereby fueling still further increases in equity values...To a considerable extent, investors seem to be expecting that low inflation and stronger productivity growth will allow the extraordinary growth of profits to be extended into the distant future. Indeed, expectations of per share earnings growth over the longer term have been undergoing continuous upward revision [...] As I have indicated, this set of circumstances is not what historical relationships would have led us to expect at this point in the business expansion, and it is possible that we have, in a sense, moved ‘beyond history,’ while we also have to be alert to the possibility that less favorable historical relationships will eventually reassert themselves.<sup>53</sup>

In other words, whereas Fukuyama argues that the trend (where it exists) towards the triumph of liberal capitalism can be located in terms of a kind of long durée of tendential movement in which “cycles and discontinuities in themselves” are no more “incompatible with a history that is direction and universal” than “the existence of business cycles negate[s] the possibility of long term economic growth,” Greenspan suggests that such “cycles and discontinuities” may no longer even be necessary; that the “extraordinary” accumulation of the present might be extended into the “distant future” without the burden of what “historical relationships...have lead us to expect.” I want now, then, to describe a series of moments in the US economy during this period, examining the discourse around them and considering how it produced this image of a future that exceeded all past expectation, a future both at the end of history and at the beginning of an “endless” accumulation.

Given that manufacturing suffered great losses in the early 90s and that actual corporate profits showed little signs of catching up to rocketing equity prices, what was taken to justify such optimism about the stability of the US economy? The answer most commonly given, by Greenspan and innumerable others, was that the US had entered a “new era” and was building a “New Economy,” first described in a 1988 speech by Reagan, who described it in remarkably mystical (and weirdly, if ludicrously, Hegelian) terms:

In the new economy, human invention increasingly makes physical resources obsolete. We’re breaking through the material conditions of existence to a world where man creates his own destiny. Even as we explore the most advanced reaches of science, we’re returning to the age-old wisdom of our culture, a wisdom contained in the book of Genesis in the Bible. In the beginning was the spirit, and it was from this spirit that the material abundance of creation issued forth.<sup>54</sup>

Setting aside, for a moment, the incoherence of this description—in particular, the tension between a sense of man “creat[ing] his own destiny” and a Christian worldview—Reagan’s notion of an epoch in which “material conditions of existence” increasingly cease to impinge on the possibilities of “material abundance” begins, of course, to sound very like Fukuyama and Greenspan’s notions of an end of history in which the past ceases to provide the limit for expectations as to the future. By the time the phrase “New Economy” hit household-name status in the late 1990s, this sort of explanation was not uncommon, however. Take, for instance, the passage below from *Wired* editor Kevin Kelly’s *New Rules for a New Economy*, in which Reagan’s fantasy of god-given abundance is reframed as the mystical effect of a miraculous mathematics. Arguing that a “network economy” “flips the logic” of an industrial economy in which “scarcity determines value,” Kelly declares the advent of a “supreme abundancy” that can only be expressed in “zillionics.” He explains this miraculous compounding effect as follows:

Networks have their own logic...[T]he sum value of a network increases as the square of the number of members....[A]s the number of nodes in a network increases arithmetically, the value of the network increases exponentially....The magic of  $n^2$  is when you annex one more new member you add many more connections....In fact,  $n^2$  underestimates the total value of network growth....In the industrial economy success was self-limiting; it obeyed the law of decreasing returns. In the network economy, success is self-reinforcing; it obeys the law of increasing returns.<sup>55</sup>

Of course it doesn't take much of a cynic to note that Kelly's description of the "feedback loops" of this exponential growth also, and perversely, describes the way in which a financial bubble is formed out of wildly over-inflated investor confidence; more to my point here, however, we should also note Kelly's implied philosophy of history (or philosophy of non-history): "One of the hallmarks of the industrial ages was its reasonable expectation... To imagine the future of an enterprise or operation one needed only to extrapolate the current trends in a straight line [...]. However with networks it [is] no longer safe to extrapolate the future from the recent past" (32). In a similarly optimistic text titled "Future 2020," Peter Schwartz and Peter Leyden attempt to "extrapolate" a *future* with no reference to the past, describing a "possible scenario" for the year 2020: "We are watching the beginnings of a global economic boom on a scale never experienced before. We have entered a period of sustained growth that could eventually double the world's economy every dozen years and bring increasing prosperity for—quite literally—billions of people on the planet. We are riding the early waves of a 25-year run of a greatly expanding economy that will do much to solve seemingly intractable problems like poverty and to ease tensions throughout the world."<sup>56</sup> (I will return in much greater depth in the next two chapters to this particularly narrative way of predicting the future, but for now can note that their scenario includes, it may amuse the contemporary reader to note, the forecast of a world economy doubled by 2005 and the complete shift from oil to hydrogen by 2008.)

While Kelly and Leyden and Schwartz may appear extreme examples, more ostensibly sober and academic commentators made similarly extravagant claims. Baruch Lev, NYU Professor of Accounting and Finance, proposed a "New Math for the New Economy"—a "Knowledge Capital Scoreboard" able to account for "intangible assets" like "knowledge assets." We can place this fetishization of "information" or "knowledge"—so often treated, in New Economy discourse, as synonymous with "capital"—within the context of the now oft-noted fascination, in this same period, with "immaterial" labor. More to my point here, however, Lev, like Kelly, implies that this transformation further changes the very nature of historical expectation: "When you're dealing with accounting for knowledge," Lev noted in a 2000 interview, "you simply cannot do it unless you consider the *potential for future earnings* that knowledge creates. In fact, that's one of the things that is fundamentally wrong with all of the other ways we have of accounting for earnings... *They are all based purely on history. They are accounting in the past.*"<sup>57</sup> While texts like David Elias's *Dow 40,000* used the trope of compound interest to further the increasingly common (and historically incorrect) claim that after downturns the market generally returns to a new high—an assumption that economist Robert Shiller says "present[s] successful investing as a process of mastering one's own internal impulses rather than taking account of our present situation in history"—another set of texts promised an end to the era of managed capitalism altogether.<sup>58</sup> The title of Roger Bootle's *The End of Inflation* spoke for itself; in a 1997 article titled "The End of the Business Cycle?" Steven Weber answered his own question with a decisive "Yes!," claiming that "The waves of the business cycle may be becoming more like ripples."<sup>59</sup> Former Noble-Prize winning economist Rudiger Dornbusch claimed that though "the notion that all expansions come to an end and give way to recession is superficially attractive [because] it has biological overtones and is a sheer fact of history," it is no longer true: "The U.S. economy likely will not see a recession for years

to come. We don't want one, we don't need one, and, as we have the tools to keep the current expansion going, we won't have one. This expansion will run forever.”<sup>60</sup> (We could also note the relationship between Dornbusch’s rejection of biological limitations and the reading in my introduction of Clinton’s “grow the economy” as an agro-chemical, and thus non-biological, metaphor of growth.) According to this hardly-apocalyptic version of the end of history, the future had launched itself free of the “historical burden” of booms and busts, financial bubbles and financial panics, fulfilling capital’s mission of continually accelerated and expanding accumulation: In the words of a MotleyFool.com headline on the eve of the new millennium, “The End of History? Bring it On!”<sup>61</sup>

## **Investing in the future**

Of course, a political discourse of optimistic futurity is a striking and distinct quality of American political discourse observable since the nation’s inception; perusing the history of inaugural speeches from George Washington to George W. Bush reveals that this language is in no way unique to recent decades. In his inaugural, for instance, Washington poetically declaimed that “No people can be bound to acknowledge and adore the Invisible Hand which conducts the affairs of men more than those of the United States,” since the history of America “seems to have been distinguished by some token of providential agency.” We cannot help, he says, but feel “a pious gratitude, along with an humble anticipation of the future blessings which the past seems to presage.” Noting, likewise, that civil dissensions had “more than once appeared to threaten the dissolution of the Union, and with it the overthrow of all the enjoyments of our present lot and all our earthly hopes for the future,” John Adams could comfortably declare that “to God’s overruling providence I commit with humble but fearless confidence my own fate and the future destinies of my country.” Whereas the early presidents saw a providential bond between present and future, 19th-century presidents most often contrasted America’s relatively brief past history with its apparently limitless future possibility: Franklin Pierce, in his inaugural address of 1853, offers a characteristic formulation, proclaiming that “It is not [our] privilege as a nation to speak of a distant past. The striking incidents of [our] history, replete with instruction and furnishing abundant grounds for hopeful confidence, are comprised in a period comparatively brief. But if your past is limited, your future is boundless. Its obligations through the unexplored pathway of advancement and will be limitless as duration.” Pierce’s rhetoric suggests a relationship between historical experience and futural expectation rather than a belief that the expectations of the present solely and singularly constitute the future they imagine or predict. On the contrary, the future is conceived in terms of the “obligation” it offers the present—if Pierce does not commit the future to the invisible hand of Providence, he nonetheless suggests it is the responsibility, not the product, of the present. Ulysses Grant similarly describes that thing which nations possess that is “more permanent” as “that which matters most to its future [and] which calls for the most sacred guarding of its present”: the nation’s historical mission, in other words, is the property of both present and future. A similar uncertainty—an uncertainty requiring that the future be acknowledged as an obligation whose outcome is unsure but whose fulfillment is necessary—is likewise expressed by early 20<sup>th</sup>-century presidents: Theodore Roosevelt, in 1905, notes that “There is no good reason why we should

fear the future, but there is every reason why we should face it seriously”; Coolidge, as if returning to the past-orientations of the earlier era, claims that “We cannot continue these brilliant success in the future, unless we continue to learn from the past.”

However it is not until the Reagan inaugural of 1980 that we see the emergence of what I have already described as the contemporarily symptomatic metaphor of “investing in the future,” a trope which connects (and contrasts) the future and the *present* with little regard for the past at all. In his 1981 inaugural, Reagan chided the nation for “pil[ing] deficit upon deficit, *mortgaging* our future and our children’s future” and often described businessmen and women as the “forgotten heroes of America [...] who produce our goods, feed a hungry world, and keep our families warm while they *invest in the future* to build a better America.” While Reagan would most often use the language of investing metaphorically (as a way to talk about children as the “next generation,” a connection to which we will return) or semi-metaphorically (most often to describe the need to pay down the federal deficit), he also occasionally used this language explicitly in the context of the stock market, as in a 1987 speech decrying the attempt by Democrats to put “protectionist” trade agreements in place: “The recent turbulence in the stock market suggests that those who are investing in the future of our economy are worried that some roadblock may be put in the way of that future. [...] Those who have to make the decision on whether or not to invest in the future of the American economy see some very disturbing signs on Capitol Hill.” George H. Bush did not use this metaphor explicitly in his inaugural address—though he did elsewhere, and often—for him too the future was “near, even at the door,” as Frank Kermode puts it in his discussion of modern apocalypticism (though, paradoxically, the notable feature of Bush’s language here is that it is decisively *non-apocalyptic*). In a muddle of metaphor that we can only assume would have appalled the writers of past inaugural addresses, Bush said dreamily, “There are times when the future seems thick as a fog: you sit and wait, hoping the mists will lift and reveal the right path. But this is a time when the future seems a door you can walk right through into a room called tomorrow [...] I do not mistrust the future”—if Franklin Roosevelt in his inaugural imagined himself “facing” a semi-distant future without fear, Bush walked right up to and through its horizon.

In short, a search of the entirety of presidential public papers for phrases like “invest in the future” and “investing in our future” (or “invest in our children’s future” or “investing in America’s future”) revealed not one use of this metaphor before 1947, and scarcely another until the 1970s. After this, we see a dramatic and exponential increase in the use of a metaphor of investment, and it appears 17 times between 1970 and 1979. In the Reagan-Bush era of the 1980s and very early 1990s, variants on the phrase appear more than 50 times. But it was with Clinton, singularly, that this language really took off: Clinton used the phrase more than 150 times in his public speeches and document—in his 1993 inaugural, for instance, he proclaimed that “We must do what no generation has had to do before. We must invest in our own people, in their jobs, in their future.” He would go on, in dozens and dozens and dozens of speeches, policy papers, memos, and press conferences, to describe the need for America and Americans to “invest in the future.” (We might chalk this up to the benefits he had seen in investing in the futures *market*: in the 1980s, Hillary Clinton made an improbably large amount of money off a small and speculative investment in cattle futures.)

It is by thinking about this representation of the future as a space of *investment* that I want



to begin to suggest what is unique about the period we are considering, what differentiates it not only from a history of American future-oriented optimism, but also from the kind of dislocation of future from past that historical philosopher Reinhart Kosellek suggests characterizes modernity generally.<sup>62</sup> Kosellek suggests that modernity emerges at the moment that crisis and change overtake stability and the status quo such that we can no longer expect that the future will necessarily look like the past. Whereas in a premodern epoch, “expectations [...] were directed to the so-called Hereafter, enhanced apocalyptically in terms of the general End of the World,” with the French Revolution, he argues, “historical experience descending from the past could no longer be directly extended to the future”; henceforth, it was the “tension between experience and expectation which, in ever changing patterns [...] generate[d] historical time” (100, 268, 262). In the variety of end of history discourse most characteristic of late-postmodernity, I will suggest, we have neither a premodern millenarianism in which the future, unbound from the past, is constitutively apocalyptic, nor a modern historicism within which experience and expectation operate dialectically to produce the accelerating sensation of progress. Rather, the entire category of experiential data is abandoned in favor of a kind of pure expectancy: the present is contrasted not to the past (insofar as “history” has effectively been rendered irrelevant, has been “ended”) but to the future, which is an unburdened and self-fulfilling expectation.

I have already suggested that this discourse is catalyzed by the fantasy of a “New Economy,” which removes all the potential ambiguities and uncertainties from Fukuyama’s account of a purely progressive historical development unfettered by the possibilities of contradictions, limits, or reversals. Far from proposing an apocalyptic end of history, the narrative of an “immaterial” economy—an economy in which “abundance” rather than “scarcity” triumphs, in which growth and expansion are “endless,” and in which a “new mathematics” produces an “exponential” compounding of wealth—presents a future most appropriately described in terms neither of hopes nor fears, plans nor uncertainties, continuity nor rupture, divine providence nor human responsibility, but as a site of investment.<sup>63</sup> The future is thus both visible and present, unburdened from the past and full of endless possibilities that are, paradoxically, both endlessly deferred and available immediately to the expectations of the present.<sup>64</sup>

On its surface, this “New Economy” discourse of futurity defends itself on the basis of its technological novelty—little else could justify language like that found in the *Dummies Guide to Internet Investing* of 2000, which claims that “When you buy a piece of internet stock, you are buying a piece of the future.”<sup>65</sup> As Shiller points out, the internet—unlike, say, improvements in steel fabrication—makes a “vivid and immediate personal impression,” making it “eas[y] to imagine the consequences of advances in this technology”; no wonder that the newest genre of the period was science fiction “cyberpunk” in which technology makes possible radically transformed (for good or ill) near futures (39). Another key to this discourse of futurity had to do with a sense that work itself had been radically transformed—that work had become “immaterial,” that “creative” or “affective” labor had become the source of value; the newly endless working day, whose ostensibly nonphysical character meant it was potentially without natural limit, was the correlative of a future perceived as equally limitless. Yet another retrospective explanation points to the fact that formerly powerful U.S. rivals, especially Japan,

Germany, and China, were experiencing crises both in manufacturing and in finance, the result of which was a surge in American triumphalism and what Shiller describes as “patriotic self-congratulation.” This last is not unlike the optimism that seems to inspire Fukuyama’s optimistic forecasts about the limitlessness of liberal capitalism under American hegemony—as a Merrill-Lynch slogan from the 1990s put it, we were all supposed to be “Bullish on America.”

All of these explanations, of course, take the discourse of a “new economy” basically at its word, assuming that the economic growth of the early 1990s was indeed the result of the internet boom (and that the skyrocketing equity prices of the late 1990s were an indicator of any actual positive growth). However as economic historian Robert Brenner argues, “[Although] the take-off of the stock market [in 1995] is routinely linked to the stunning returns to Netscape’s initial public offering, which was taken to be indicative of the enormous promise of the New Economy in general [...], it is probably more validly attributed to the sudden easing of the financial conditions and run-up of the dollar, which occurred at almost precisely the same time.”<sup>66</sup> Shiller, likewise, points out that in the headiest periods of this discourse, the Internet was actually far too new to be making a profit (nor does it now, in real terms); rather, he says, “the occurrence of profit growth coincident with the appearance of a new technology” created “much optimistic discussion of the future” (20). In other words, it was *expectation itself* that drove profit in the speculative market upwards. Brenner describes this most clearly, addressing Greenspan’s vision of a “virtuous cycle” as cited in the June 1998 remarks on the end of history above:

In this vision, expectations of ongoing accelerated productivity increase, rooted in the technological breakthroughs of the New Economy, justified expectations of the growth of profits....Simply put, the New Economy justified ever higher profit expectations that were naturally reflected in unstoppable equity prices; in turn, rising equity prices, by way of the wealth effect, incited ever higher consumption and investment growth, which sustained New Economy technological advance, which justified higher profit expectations, and so on. (173)

In this “New Economy,” forecasts don’t need to be correct, only quantifiable: in the case of new technology Internet stocks, says Randy Martin, “there is no past upon which to forecast a future,” but the “act of measuring itself performs the necessary service”—the price set on risky investments is itself “a promise that a future is attainable.”<sup>67</sup> The uncertainty of the future—consequent on its removal from the predictive limits posed by past experience (the “end of history”)—is thus instrumentalized, made available to the present, and yet the operation of this instrumentalization seems to largely take place through acts of belief and faith—through those optimistic “expectations” that promise (and, in a speculative economy, claim thereby to guarantee) the fulfillment of our investments in the future.

## **Believing in the future**

If both the claim that we have reached the “end of history” and the imperative to “invest in the future” are apt ideological forms for the financial economy emergent throughout the last few decades, I now want to move us closer to the post-9/11 period that will be the context for the chapters that follow this one, in order to explore the nature of post-9/11 discourses of

apocalypse (and of futurity) and in order to see the ways in which these discourses ideologically accommodate the sense that the future is available only to investment and not to transformation or history. I argue that the symptomatic post-9/11 discourse of a future whose very uncertainty allows it to become the site of opportunity and political investment (what I earlier described as investments in both financial securities and homeland security) marks the manifest appearance of those previously latent conceptions of futurity on which financial speculation has depended. I will conclude with a reading of yet another post-9/11 apocalyptic text, Alfonse Cuarón's film adaptation of P.D. James' novel *Children of Men*, in order to tease out the possible political implications of the futurity I have argued is shared by contemporary apocalyptic narratives, political ideologies, and new forms of financialization.

Jameson's belief in the radical political possibility of apocalyptic thinking notwithstanding, an "anxiety about losing the future" was central to ideological nationalist rhetoric after 9/11. Bruce Holsinger has recently observed that "September 11 immediately began to function as a kind of medievalizing engine in American political discourse, churning out an array of historical dualisms separating a modern West from a premodern world" such that "post 9/11 medievalism became a dominant journalistic and political paradigm for comprehending the identity, culture, and motivations of America's perceived enemy."<sup>68</sup> What Holsinger does not emphasize is that in this discourse, "Islamic fundamentalism" threatens neither a generic "modernity" nor the existing present (America's role as global hegemon), but rather the *future*. "radical Islamists" invest, it would seem, neither in futures markets nor in the future itself. As Don DeLillo put it in a December 2001 article aptly titled "In the Ruins of the Future," the "terrorists of September 11 want to bring back the past," and DeLillo figures the us/them paradigm as a temporal one: "Two forces in the world: past and future."<sup>69</sup> Bush used this rhetoric as well, as in his first major national address to Congress after the attacks in which he describe 9/11 as a threat to the future: "Our nation will lift this dark threat of violence from our people and our future." He also describes the war on terror as a battle for the future: "Those who despise freedom and progress have condemned themselves to isolation, decline, and collapse. *Because free peoples believe in the future, free peoples will own the future*"<sup>70</sup> That sense of "believing" in the future unmistakably resonates with the financial language of expectation and optimism described above. We should also note that though the stakes of the war on terror are presented as no less significant than the right to "own" the future, and though we have already been told that our future is under "threat," the outcome of this battle is figured as paradoxically inevitable, since as free people, Americans already *are* (owners of) the future. The American future is both assured by providence and under profound, "existential" threat, at once fated and in crisis.

We might describe this contradiction in terms of the historical tension between the 90s neoliberal doctrine of the "end of history" and the post-9/11 neoconservative/neorealist assertion that the resurgence of terrorism and political autocracies constitutes, in Robert Kagan's phrase, "the end of the end of history."<sup>71</sup> That is, after 9/11 two contradictory ideas appear to co-exist: first, the idea that the triumph of liberal democratic capitalism is historically and philosophically inevitable, such that that the near and certain fulfillment of the American mission will constitute the end of major historical transformation, and second the idea that the agonistic logic of historical change has returned with a vengeance, a logic according to which

impermanence, regression, and the emergence of new and as-yet-unforeseeable powers and systems are the law of historical movement. As I have already suggested, however, it seems worthwhile to see the ways in which this same contradiction was already present in Fukuyama's own attempt to describe the triumph of liberal democracy and the triumph of capitalism at the same time; in keeping with what I have called my "tendential" historical method, then, it seems to me that 9/11 brings the latent contradiction in Fukuyama's theory to the surface by restoring the very sense of futural uncertainty and deferral that capitalism depends on and that he attempts to repress—I will describe this below as a sense of the future as financialized risk.

The rhetoric of a secured-but-uncertain future has historical precedents, of course, both in the "paranoid style" that has long characterized American politics and culture and in the tradition of American millennialism extending from Johnathan Edwards through Reagan-era end-times evangelical movements. Douglas Robinson writes that "American thought, from its inception, is characteristically millennial: the American continent from the start was no mere colony, no mere territory for expansion and exploitation, but also mankind's last great hope, the sine qua non of the world's future," emphasizing the relationship between America as place and America as time (64). As James Berger points out, the idea that America was the fulfillment of prophecy was immediately linked to early American narratives of manifest destiny: both, he says, rely on "a teleological view of American history in which America's end (both its destination and its destiny) is contained within its origin."<sup>72</sup> In American millennialism, in other words, the temporal and the spatial converge, and America marches forward in time and in space. In its early instantiation, this doctrine held that nation's historical and colonial trajectory was towards fulfillment and perfection; an idea of manifest destiny as spatial expansion coincided, moreover, with an understanding of heaven or revelation as the other-world towards which human and historical time moved.<sup>73</sup> In its Reagan-era revitalization, millenarian discourse shifted towards a sense of *achieved* fulfillment—as Berger puts it, "In the view of the Reaganite or neo-Reaganite right, the US was perfect in its inception, has always been perfect, and is perfect today" (140). In this narrative, then, America is not only oriented *towards* the future, it *is* that future, already achieved; thus in the quote that introduces this chapter Reagan subsumes the temporal into the spatial: the American looks forward to the future because he "knows what a great *place* it will be."

If America in the late 20<sup>th</sup> century imagination was the perfected, fulfilled place of the future, threats to that future were also spatialized, this time into the paranoias and conspiracy theories of the Cold War era. As Stephen O'Leary puts it in *Arguing the Apocalypse: A Theory of Millennial Rhetoric*, the "difference between apocalypse and conspiracy is that the latter is always spatial" (6). American paranoia was almost always about the evil *outside*: in post-war America, of course, those outsiders (who might also, most terrifyingly, be hiding *inside*) were Communists, whose otherness threatened to contaminate the purity of national moral categories. With the fall of Communism the spatiality of paranoia was subsumed by what has been described as the postmodern critical/apocalyptic sense of history, but as a result of finance capital's refunctioning of futural uncertainty—and as a consequence, further, of its dependence on forward-looking and optimistic expectations—the temporal nature of apocalyptic end-ism was fundamentally transformed as well: the future's uncertainty became a figure for endlessly-renewable profit rather than a cause for either anxiety or imagined utopian/religious transformation. If for

Reagan, America *is* the future-as-place because it has achieved a perfected manifest destiny even in its battle against an “evil Empire,” for George W. Bush, America is the future as investment—or, as the title of a recent essay by Randy Martin puts it, America is risk itself, where risk means the transformation of uncertainty into opportunity, a temporal (rather than spatial) logic.<sup>74</sup>

To understand the future in terms of investment and through the lens of a financialized risk is to see uncertainty (the anxieties that produce the apocalyptic narrative in the first place) as opportunity: not an opportunity to transform the risky situation but an opportunity to make tremendous profit. This notion of risk is fundamentally different from the existential calculus of evaluating the risk of nuclear threat, since financialized risk always refers more to the way the future’s uncertainty makes possible excess profit than to the way that uncertainty makes probable catastrophic loss.<sup>75</sup> As Martin puts it in *Empire of Indifference*, “Risk is not simply a calculation that benefits will exceed costs, but a wager on accumulating beyond expected returns.”<sup>76</sup> When George W. Bush said in his second inaugural that “To give every American a *stake* in the promise and future of our country, we will...build an ownership society,” his use of the word “stake” should not be taken to signify a physical object that comes with rights to a piece of land, but rather to refer, as the OED puts it, to “that which is placed at hazard”—to what one risks or gambles with.

Martin describes securitization, which he identifies as the financial logic that underwrites American empire in the millennium, as “the process by which individual notes of credit or debt like home mortgages, credit card debts, automobile loans, and hospital bills, are bundled together and traded as securities”—his description of the shift from market logic to financial logic emphasizes the way in which

In this financialization of daily life, the home was not a sanctuary from the market, but a command post for market manipulation. Rafts of financial self-help treatises instructed parents in how to raise investment-literate children...At the same time that ‘children-at-risk’ was a watch-word for social policy freed from fiscal entanglements of entitlements in welfare and education, kids reared on healthy doses of financial risk would fortify the home with an ethos of accountable care.<sup>77</sup>

In Martin’s description of the process by which financial logic (and particularly the discourse of risk) comes to inhere in domestic life, we have an account that both recalls my earlier discussion of the representation of children in contemporary apocalyptic fiction and allows us to triangulate it with the post-9/11 discourse of futurity described above: that is, the child in the apocalyptic novels discussed above emblemizes both a future-at-risk *and* the immediate refunctioning of that logic into a discourse of continuity, security, and the reproduction of a future which is certain and yet also brief in duration.

The critical consensus has been to see apocalyptic narratives’ temporal and historical consciousness as ruptural, radical, and utopian, to argue that they make possible a renewed and transformative sense of historical change. Such ruptures and dislocations are possible, these critics claim, because apocalyptic narratives instill in us a sense that the future itself is at risk: what Jameson describes as an “anxiety about losing the future” creates a politically urgent sense of the uncertainty of the future and a newly historical consciousness of the present from which that future might or might not emerge. Yet as a consequence of finance capital’s

instrumentalization of risk and its animation of a sustaining metaphor of the future as investment, the future's uncertainty has become a figure for endlessly-renewable profit rather than a cause for existential anxiety or a catalyst for political transformation.<sup>78</sup> A financialized notion of risk is fundamentally different from the vital calculus of nuclear threat implied by Jameson's reading of post-nuclear apocalyptic narratives: in converting uncertainty into opportunity, financial risk is synonymous with excess profit rather than with catastrophic loss.<sup>79</sup>

I thus want to argue that the post-millennial apocalyptic narrative, a genre formerly tasked with rejuvenating a critical sense of history, in fact reflects a fully financialized futurity. In reading the genre of apocalypse through the lens of financialization and the logic of the derivative, we will finally be able to see how finance capital's philosophy of history seeks to foreclose not only a sense of the past but the very possibility of political action in the present. The political consequences of financial futurity appear most explicitly and paradoxically in the widely-discussed 2006 film *Children of Men*, directed by Alfonso Cuarón and based on the 1992 novel by British writer P.D. James.<sup>80</sup> Like the apocalyptic texts considered by the critics quoted above, *Children of Men* has been hailed as a searing critique of contemporary politics. Left-intellectual luminaries like Slavoj Žižek, Naomi Klein, and Tzvetan Todorov are included on the film's DVD commentary praising the film's politics as well as its aesthetics: Žižek, with characteristic exuberance, claims that "this film gives the best diagnosis of the ideological despair of late capitalism...Only films like this will guarantee that films as art will survive."<sup>81</sup> Film scholar Joshua Clover somewhat more circumspectly acknowledges that the film suffers from an "empty messianism" but goes on to claim that the power of "its way of looking" far outweighs those minor flaws, and that the film critically invokes "the gray and permanent state of emergency...that extends, unnamed, in all directions."<sup>82</sup>

Yet it seems to me that the film's "empty messianism" must not be so easily overlooked, and I will argue to the contrary not only that the film is symptomatic of a financialized futurity, but also that it reveals the consequences of such financialization on the imagined possibilities for political action. I have thus far suggested that the ideological dominance of a rhetoric of the future as investment (and the economic dominance of the temporalized financial instruments underwritten by this metaphor) has had profound consequences on our collective capacity to reanimate a sense of the historical past, to see the present as the bearer of that past, and to imagine futures radically different from—and even as-yet unavailable to—our contemporary moment. By paying more rigorous attention to the relation between temporality and politics that structures *Children of Men*, I want to conclude this account of the derivative's wayward histories by suggesting that its transformation of the future is most decisively felt at the level of politics, that form of critical and self-critical thought which depends on the very modes of historicism that financialization forecloses: finance capital interrupts the dialectical relationship between revolutionary possibility and historical determination, a dialectics we can only begin to regain by recalling Marx's claim in the *Eighteenth Brumaire* that men and women "make their own history but they do not make it as they please."<sup>83</sup>

*Children of Men* is set in 2027 in a world in which women have mysteriously and irreparably become infertile; the last child was born eighteen years ago, in 2009. The world outside England has devolved into chaos and violence while inside England a harsh security state reigns—fertility testing is mandatory even as the government hands out suicide pills, and

refugees (or “fugees”) from other less stable nations are placed in deadly detention centers by the Board of Homeland Security. The film’s protagonist, Theo, is a former political radical who, after the death of his own child and subsequent separation from his wife, has become an apathetic bureaucrat. As the film opens, Theo’s ex-wife Julian drags him back into the radical political milieu with which he has long broken, and specifically to a revolutionary group known as The Fishes. The Fishes, he discovers, are secretly protecting Kee, a “fugee” from the Caribbean who is miraculously eight months pregnant. The Fishes claim that they intend to transport Kee to the “Human Project,” a mysterious and potentially apocryphal group rumored to be working on solving the fertility problem and saving the human race. After agreeing to help them, Theo discovers that The Fishes want to use Kee and her baby as figures in their struggle for political revolution and their fight for the rights of fugees. Theo then decides to help Kee escape from The Fishes in order to get both her and her baby to the Human Project unharmed—assuming, of course, that it exists.

The claims of Zizek et. al concerning *Children of Men*’s critique of 21<sup>st</sup> century “biopolitics” notwithstanding, the film actually levels its most explicit critique against collective political action. Edelman writes in *No Future* that James’ novel suggests a link between infertility and “the fatal lure of sterile, narcissistic [sexual] enjoyments” which are “inherently destructive of meaning and therefore...responsible for the undoing of social organization”; he quotes the novel’s narratorial lament that “sex totally divorced from procreation has become almost meaninglessly acrobatic” (13). If the threat to the future and “social organization” in the novel is non-reproductive sexual pleasure, however, the film reconfigures this threat as the narcissism of *revolutionary* desire. While the film does forcefully represent the “sensation of quarantine” produced after 9/11, a historical subtext clearly invoked by the references to Homeland Security and the various levels of terror alert, it does so only to replace that threat by a supposedly greater one: the danger posed by the radical revolutionaries themselves. Theo’s suspicions are first aroused when he overhears The Fishes talking about their plans for Kee—they argue that if she is turned over to the government, they will take the baby away from her and replace the fugee Kee with “a posh black English lady”; The Fishes hope that if instead they have the baby, “everyone will join [them] in the uprising.” That word, *uprising*, will come to conflate revolutionary action and terrorism. The Fishes are first explicitly linked to terrorism when, on being asked who bombed a coffeeshop, Theo replies, “Islamic, Fishes, fuck who.” Later the link between terrorism and political revolution is semiotically extended when, during protests at a detention camp The Fishes have broken into, they are visually paralleled first with middle-eastern men shouting “Allahu akbar” (in the background, graffiti reads both “Uprising!” and “intifada”) and then with fist-raising protestors waving the French tri-color in a Delacroix-like tableau. Dreadlocked and anarcho-punk in dress and mien, the Fishes themselves resemble anti-globalization protestors. Their willingness to bring about “the uprising” by any means necessary is expressly condemned in a scene late in the film in which their leader, Luke, pleads with Theo and Kee: “Julian was wrong. She thought it could be peaceful. But how can it be peaceful when they try to take away your dignity?” immediately before—irony alert—he is blown to pieces by the army’s gunfire. Yet the film also censures the passivity of 60s-style hippy radicalism as represented by Theo’s friend Jasper, a daft, new-agey pot-head, who introduces Theo to a guard at the detention camp (one of the customers of his small-time drug-dealing operation); Theo is

to present himself to the guard by speaking Jasper's codeword, "You're a fascist pig," a line which the guard goes on to laughingly repeat, of himself, as a joke on Jasper's throw-back politics. In other words, the film not only treats a wide variety of revolutionary or activist political movements as identical or exchangeable, it also treats them as anachronistic, morally suspect, and futile. Moreover, its sense that the future (whether the future represented *by* the film, the fictional dystopia of 2027, or the future imagined *in* the film, the possibility of revolutionary seizure and "uprising" even in the midst of biopolitical state terror) cannot be transformed by radical politics can only be understood in the context of the finance capital's own rejection of transformation. The evacuation of political content thus turns out to be the unavoidable correlate of the emptying out of the future that is always being performed by "anti-social" finance capital.

It is then wrong to say, as Žižek does, that the story tracks Theo's eventual shift from "apathy" into "political engagement." Rather, *Children of Men* narrates Theo's passage into *belief*. The reality of the revolutionary uprising in which Theo refuses to participate is replaced by his dawning faith in the potentially unreal Human Project. In an early scene, Jasper and Miriam (a midwife who is traveling with Kee) have a philosophical discussion about what Jasper describes as the opposition between "chance and faith." The overdetermined sobriety of this scene points us to the fact that it is precisely faith in which Theo must be instructed, faith most pressingly in the existence of the Human Project itself: since no one is entirely sure whether this "sanctuary" exists, it must be Theo's faith which wills it into being. In this way, the film's representation of faith crucially reflects what I have been describing as the financialized form of belief as ownership, of faith in and as nothing but the possibility of absolute manipulability.

In opposition to 'The Fishes' wish to treat the child as the possible site of radical political change, the narrative thus presents an alternative messianic plot: "This baby is the thing that will unite us all," claims Miriam; says Jasper, "This baby is the miracle the whole world's been waiting for... It's all part of a bigger thing." Faith—and the messianic narrative which it subtends—replaces revolutionary transformation, at which point we may notice the overwrought religious imagery that permeates the film: from the repeated shots of paired animals, ala Noah's ark; to the fact that Kee reveals her pregnancy in a barn (to the sound of swelling opera music and while striking a Madonna pose) and gives birth in something rather like a stable; to the echoes of Mary in the names of Miriam and Marichka, who both help Kee give birth; to Theo's repeated "Jesus Christ, Jesus Christ!" on seeing the infant's delivery. Early in the film, Theo dismisses two neo-religious groups, the Renouncers and the Repenters, but in the film's conclusion he implicitly becomes a third of these, the Redeemed—or, to use the film's own natal symbolism, he is Reproduced and Born Again.

*Children of Men's* substitution of political activism with the self-fulfilling and unlimited possibilities of individual and abstract belief is embedded within both its visual matrix and its temporal structure. Critic Julian Murphet describes the film's "magisterial lateralism" and Clover the manner in which its "way of looking" reveals horrors "in the background" of every scene.<sup>84</sup> These observations call to mind Cuarón's previous films, particularly *Y Tu Mamá También*, in which a familiar love story/road movie is set against the seemingly contingent backdrop of unnoticed daily horrors, particularly those consequent on a system of global labor. But while in *Y Tu Mama Tambien* these unacknowledged acts of violence and exploitation were



unobserved by the characters themselves—suggesting a formalization of unacknowledged social contradiction and a critique of the symptomatic impossibility of an individual view of the social totality—in *Children of Men* the “lateralism” of the film’s spatial perspective, especially in the famous single-take scenes in which Theo and Kee run through a deadly gauntlet of gunfire, ultimately conceals the fact that the film is entirely rooted in Theo’s perspective. The film does not show us what Theo no longer notices; on the contrary, we see nothing but what he sees. Despite Žižek’s claim that “through the narrative of the individual, we see the background,” the film’s interest (narratively as well as visually) is rooted solely in Theo’s individual redemption, in his willingness to believe in the Human Project and in that faith’s fulfillment, which is why there can be no scenes in which he is not either a participant or a witness. Moreover, the inventiveness of *Children of Men*’s spatial imagination allows us to miss the fact that the film’s narrative structure is startlingly and singularly teleological: there is not one flashback or parallel scene in the film, no acknowledgement of the ways that cinematic time is constantly pushing against and departing from the present. There is, in other words, no alternative to the time of Theo’s redemption; there is only the sense of immediate, irreducible, and uninterrupted movement towards the fulfillment of the film’s single “miracle.” Here again we can see that it is the unique temporality of financialization that structures the narrative temporality of *Children of Men*. For the derivative functions precisely by pulling the future into the present, by absorbing all other times and other spaces into the immediate moment of financial accumulation—and rather than disrupting the empty homogeneity of the present, this operation has the effect of reducing all temporal and spatial distance, so that, finally, the limits of the film’s narrative and visual perspective come to serve as the material support for its rejection of the future as revolutionary break.

These formal reductions of alternative perspectives and temporalities—reductions that are precisely the opposite of what critics have described as the apocalyptic narrative’s capacity to send “signals of...otherness” or give us access to “radically different realms”—find their political consequences in the content of the film’s conclusion. Whereas the novel concludes with the introduction of the baby to a Council of England that has been overtaken by the dissident movement, Cuarón’s film ends with a much more politically quietist image: Kee and her baby, floating aimlessly in a dinghy alongside the dying Theo, are finally discovered by the Human Project, who sail in on a large boat called “Tomorrow.” As “Tomorrow” moves towards them, we see what they are being rescued from: on the distant shore of the camp, the fugees, armed by the remaining members of The Fishes, have risen up in violent struggle and are fighting the army for control of the camp; fighter jets swoop in, bombing the scene of the battle in a series of fiery explosions. The boat thus abandons this explicitly political conflict between revolutionaries and the government, leaving them to destroy one another as it retreats to the rumored Eden that we will never actually see, and the film fades to black with the sound of children at play.



**Figure 1: The ship called "Tomorrow," sailing out of (and then back into) the fog of history**

The archetype of the child—imagined as politically innocent and without historical past, embodying the briefest and most ephemeral present—is thus the figure par excellence for the abstract and apolitical utopia of the Human Project, which exists at both a literal and symbolic remove from the concrete antagonisms and harsh materiality of politics and social contradiction. Consequently, the symbolic system of childhood perfectly encapsulates *Children of Men's* financialized relation to the future. As social scientists have compellingly argued, two apparently opposed figures of childhood have dominated the late 20<sup>th</sup> century: what geographer Cindi Katz calls the commodification of children, or the child as “accumulation strategy,” and what sociologists Sue Scott, Stevi Jackson, and Kathryn Brackett-Milburn describe as the discourse of the “child at risk,” in which “Children are the object of a great deal of social concern: increasing anxiety about risk has been superimposed upon a ‘protective discourse’...within which children are located as vulnerable innocents to be shielded from the dangers of the wider social world.”<sup>85</sup> The figures of children in *Children of Men* combine these two into a queasy amalgam: the child as a risky investment. That is, children emblemize both a future-at-risk *and* the immediate refunctioning of that risk into a discourse of continuity, security, and the reproduction of the future by way of the self-fulfilling investments of the present. Childhood, Katz says, “defines an always-incomplete state, an entirely abstract and perpetually deferred futurity,” a futurity that—like the ship “Tomorrow”—slips away at the very moment it appears. In the child we discover a future that exists only through the continual reproduction of the present (7).

The future in which we “invest” is not a future of historical transformation: hence Fukuyama’s “end of history,” in which better alternatives to liberal capitalism can apparently no longer be found or imagined. Nor is it a future developed in historical time: hence Greenspan’s “end of history,” in which a limitless and endless accumulation is made possible when the past ceases to burden the possibilities of the present. Both of these discourses have seemed to persist even in the current economic crisis, so that market ideologues not only continue to praise the possibilities of the free market and its financial wizardry, but also describe the financial

meltdown as its own end of history—as a market strategist quoted in a September 17, 2008 *New York Times* article puts it, “I think every day is *sui generis* now. Every 30-minute segment might be.” As *Children of Men* so succinctly put it, the future is merely “tomorrow,” merely the next “30 minute segment,” since today’s speculative instruments capitalize on the slightest shift in price, the slightest short-term gain or loss. And “tomorrow,” besides being immeasurably brief and unrepentantly ahistorical is also definitively without content, entirely emptied of political valence. Just as the derivative can as easily be built around the fall of a stock value as its rise, so can the financialized future be anything we want, as long as we only want more of everything we already have. This, then, is the legacy of investing in the future, and of the financial instruments whose dominance this ideology of investment seeks to secure: far from providing a utopian sense of the future’s ineluctable otherness—an otherness that might replace self-fulfilling expectation with the acknowledgement of uncertainty, that might fracture the hermetic enclosure of the present with the shards of other times and alternative possibilities—finance capital imposes a future that can be neither historically realized nor politically confronted, a future freed not only from the burdens of the past but also, and most urgently, from the contingency of the yet-to-come.

If, in a political-economy in which uncertainty is instrumentalized and banalized, transformed into the very logic of financial accumulation, the apocalyptic novel’s sense of the future’s risk can no longer provide a critical account of the present and its possibly transformative future, I want in the chapters that follow to locate some forms which might come closer to that formal function: to find in the counterfactual novel’s treatment of uncertainty and chance a more dialectical and critical account of these mechanisms; to find in the 9/11 novel’s recursive form a response to the emergence of post-9/11 preemptive ideology; to find in the financial thriller an account of the relationship between risk and violence that powerfully reimagines the ideological representation of risk as opportunity. What will become ever-more apparent, I think, is that all these discourses of the future reveal most of all the contours of our own uncertain present.

## Endnotes

---

<sup>1</sup> J.G.A. Pocock, *Virtue, Commerce, and History, Chiefly in the Eighteenth Century* (London: Cambridge U. Press, 1985), 98.

<sup>2</sup> Adam Harmes, "Mass Investment Culture," *New Left Review* 9 (May-June 2001): 103-124.

<sup>3</sup> Stephen Green, "Negotiating with the future: the culture of modern risk in global financial markets," *Environment and Planning* 18 (2000): 77-89, 81. See also Caitlin Zaloom, "The Productive Life of Risk," *Cultural Anthropology* 19.3 (August 2004): 365-91 and Adam Tickell, "Dangerous derivatives: controlling and creating risks in international money," *Geoforum* 31.1 (2000): 87-99.

<sup>4</sup> Buber qtd. in Maurice Friedman, *Martin Buber: The Life of Dialogue* (New York: Routledge, 2002), 137. Robert Alter, "The Apocalyptic Temper." *Commentary* 41 (June 1966): 61-66.

<sup>5</sup> Joseph Dewey, *In a Dark Time: The Apocalyptic Temper in the American Novel of the Nuclear Age* (Lafayette, IN: Purdue U Press, 1990), 15.

<sup>6</sup> Douglas Robinson, *American Apocalypses* (Baltimore: JHU Press, 1985), 27.

Robinson extends this account backwards, identifying in 19<sup>th</sup> century literature a transformative apocalyptic tendency: beginning from Leslie Fiedler's claim that "The American dream...was fundamentally a dream of historical apocalypse—a dream of a transformation of history in history that would consummate and so give meaning to history," he argues that writers like Poe, Twain, and Emerson, "located a significant hope in the future; but rather than suppressing or sublimating the problem of deferral, as did [Puritan] prophets of orthodox doom, they address it directly, insistently turning their critical and self-critical attention to that abyss of difference that stands between them and the fulfillment of their desires." Dividing apocalyptic thought into 5 types, he describes the typical American type as the radical/Romantic, defined as an apocalypticism that imagines "the inauguration of a totally new epoch, whether preceding or following the end of days" (10).

<sup>7</sup> Elizabeth Rosen, *Apocalyptic Transformation: Apocalypse and the Postmodern Imagination* (Plymouth, UK: Lexington Books, 2008), 176, 178.

<sup>8</sup> David Ketterer, *New Worlds for Old: the Apocalyptic Imagination, Science Fiction, and American Literature* (Bloomington: Indiana UP, 1974).

<sup>9</sup> Connor is quoted in Sarah Dillon's "Imagining Apocalypse: Maggie Gee's *The Flood*" (*Contemporary Literature*, 48.3 (Fall 2001), 374-397), which makes a similar argument about that novel.

<sup>10</sup> Marianne DeKoven, "Utopia Limited: Post-Sixties and Postmodern American Fiction," *Modern Fiction Studies* 41.1 (1995), 75-97.

Making a slightly different kind of "creative destruction" argument, Kevin Rozario argues in *The Culture of Calamity: Disaster and the Making of Modern America* (Chicago: U Chicago P, 2007), that disaster can be (and, indeed, has been) "a source of moral, political, and ethical renewal," and that "ideological commitments to economic growth and material improvement have emerged out of encounters with calamity" (3).

---

<sup>11</sup> David Robson, “Frye, Derrida, Pynchon and the Apocalyptic Space of Postmodern Fiction,” *Postmodern Apocalypse: Theory and Cultural Practice at the End*. Ed. Richard Dellamora (Pennsylvania: U. Penn Press, 1995), 72.

<sup>12</sup> Jacques Derrida, “Of an Apocalyptic Tone Recently Adopted in Philosophy,” trans. John Leavey, *Oxford Literary Review* 6.2 (1984): 29-30.

<sup>13</sup> Michael Lewis, Ed. *Panic: the Story of Modern Financial Insanity* (New York: Norton, 2009), 183.

<sup>14</sup> Jim Crace, *The Pesthouse* (New York: Doubleday, 2007), 6.

<sup>15</sup> Cormac McCarthy, *The Road* (New York: Knopf, 2006), 12-14.

<sup>16</sup> While McCarthy’s world is in one sense reminiscent of a period long *before* colonial America, certain descriptions of the post-apocalyptic landscape and the violent and rough existence eked out on it (“A cake of ash in the roadway inches deep and hard going with the cart...He leaned on the handle and looked down the long straight of way. The thin trees down. The waterways a sludge. A blackened jackstraw land.”) resemble his representation of the barbaric wars between colonialists and the existing inhabitants of early America in earlier historical novels like *Blood Meridian*, novels which are apocalyptic in a more properly dialectical sense in which every document of civilization is also a document of barbarism.

<sup>17</sup> Frederic Jameson, *Archaeologies of the Future* (New York: Verso, 2006), 233.

<sup>18</sup> Arguably, perhaps, McCarthy’s novel offers a rich account of ecological devastation in terms that recognize the difference between the Natural and human history—however I would suggest that on this level its account fails at least as badly, and for similar reasons: ecocritic Timothy Morton describes Walter Benjamin’s description of the way in which “once weather becomes a topic for collective imagination (as now), it stops being that thing ‘over there’ called the weather. [Instead, says Benjamin,] it ‘stand[s] in the cycle of the eternally selfsame, until the collective seizes upon [it] in politics and history emerges” and I would suggest that it is this “cycle of the eternally selfsame” to which McCarthy consigns the innocent, destroyed “natural” world (74). Morton goes on to say, in likewise resonant terms, that “Global warming is not sublime: it is far more disorienting, and painful, than that.[...] In striving to patch up the tear in the ontic substrate of our existence with an ideologically integrated, holistic Nature, ecological panic is thus part of the problem. Ecology without Nature, then, is part of a left solution—not a flight from Earth (really or metaphorically) but dwelling with the necessarily traumatic encounter with the torn ontic level. We must come to terms with the fact not that we are destroying Nature, but that there was no Nature” (94).

Timothy Morton, “Ecologocentrism: Unworking Animals” *SubStance* 37.3 (2008): 72-94.

<sup>19</sup> Lee Edelman, *No Future: Queer Theory and the Death Drive* (Durham, NC: Duke UP, 2004), 3.

<sup>20</sup> See Cindi Katz, “Childhood as spectacle: relays of anxiety and the reconfiguration of the child,” *cultural geographies* 15. 5 (2008).

<sup>21</sup> Robin Blackburn, “Finance and the Fourth Dimension,” *New Left Review* 39 (May-June 2006): 39-70.

<sup>22</sup> Peter Gowan, *The Global Gamble* (London: Verso, 1999), 11. Emphasis his.

Further, even the purchasing of shares has become speculative, since the emergence of 24-hour, online, broker-free trading made it possible for investors to make money not from dividends,

---

which have historically been the way that stock investments pay off, but rather from constantly buying and selling stock, profiting from short-term market fluctuations.

<sup>23</sup> Dick Bryan and Michael Rafferty, *Capitalism With Derivatives: A Political Economy of Financial Derivatives, Capital and Class* (New York: Palgrave Macmillan, 2006), 69-70.

<sup>24</sup> One oft-cited example is the “Texas hedge,” a combination of two related derivatives whose risk is additive rather than off-setting and which is thus not a hedge at all (Chancellor, 334).

<sup>25</sup> See Tickell.

<sup>26</sup> Edward Chancellor, *Devil Take the Hindmost: A History of Financial Speculation* (New York: Plume, 2000), 237. Emphasis mine.

<sup>27</sup> Karl Marx, “Excerpts from James Mill’s *Elements of Political Economy*,” *Early Writings*, trans. Rodney Livingstone and ed. Lucio Colletti (New York: Penguin Classics, 1992), 263. For a further discussion of Marx’s theory of money as it relates to derivatives, see Bryan and Rafferty, 268-271.

<sup>28</sup> John Maynard Keynes, *The General Theory of Money, Interest, and Money* (New York: BN Publishing, 2008), 128.

<sup>29</sup> As Bryan and Rafferty point out, derivatives not only function both as capital and as a highly liquid form of money, they also literalize the subjectivity of capital as an agent, its capacity as shape-shifter always in search of new horizons of accumulation. For this reason, any vision of the social totality (made possible by the distinction between capital as bearer of social relations and money) remains obscured and repressed. See Bryan and Rafferty, 75-77.

<sup>30</sup> Bill Maurer. “Engineering an Islamic Future: Speculations on Islamic Financial Alternatives.” *Anthropology Today* 17.1 (February, 2001): 8-11, 10.

Maurer suggests compellingly that this understanding of time “approaches elements of quantum physics,” but we could also suggest that the understanding of interest in Islamic banking approximates Marx’s own, since for Marx the problem with understanding time as the key factor of interest value was that it missed the fact that time is in fact the key factor in production, and that this was the reason it factored into the interest rate.

<sup>31</sup> Edward LiPuma and Benjamin Lee, *Financial Derivatives and the Globalization of Risk* (Durham, NC: Duke UP, 2004), 36-7.

<sup>32</sup> Michael Pryke and Jonathan Allen, “Monetized time-space: derivatives—money’s ‘new imaginary,’” *Economy and Society* 29.2 (May 2000), 273.

<sup>33</sup> Or to take another example, we could consider the history of the Black-Scholes theorem, a stochastic mathematical model created to price options (a formula that has been called “the most widely used formula with embedded probabilities in human history”). Black-Scholes, which made possible much of the present market in options and other derivatives, *assumed* certain market and institutional conditions (low or non-existent transaction costs, the ability to buy a security with entirely borrowed funds, no restrictions on short-selling) that did not precede it but that were eventually realized as its *result*, as deregulation removed “friction” or restrictions from market activities.

Donald MacKenzie, “An Equation and its Worlds: Bricolage, Exemplars, Disunity and Performativity in Financial Economics,” *Social Studies of Science* 33.6 (December 2003), 832.

---

<sup>34</sup> George Soros, *The New Paradigm for Financial Markets* (New York: Public Affairs, 2008), 4.

<sup>35</sup> For a complete account, see LiPuma and Lee, 56-59.

<sup>36</sup> Michael Kaplan, "Economics: The Rhetoric of Speculation," *Public Culture* 15. 3 (Fall 2003), 480.

<sup>37</sup> See Kaplan, as well as Chapter Four of John Rotman, *Signifying Nothing: the Semiotics of Zero* (Stanford, Stanford UP, 1993).

Donald McKenzie, in his fascinating history of the performativity of derivative models titled *An Engine Not a Camera* (the title reflects his argument that contemporary financial models drive and shape, rather than reflect, markets), describes the way in which the creation of index derivatives initially "fell foul of a long-standing cultural, legal, and political problem": the historical restriction on futures markets was that the underlying commodity (let's say corn) had to be deliverable—even if it very rarely was, it had to be sufficiently material to be transferable as a good; otherwise, the law said, derivative trading was simply gambling (144).

Donald McKenzie, *An Engine Not a Camera: How Financial Models Shape Markets* (Cambridge, MA: MIT UP, 2008).

<sup>38</sup> Not to mention the capacity to control vast potentialities for both risk and profit without having paid much for them, as with a leveraged investment in which a speculator invests as little as 1% of a contract's value to control the assets it represents.

<sup>39</sup> Bill Maurer, "Forget Locke? From Proprietor to Risk Bearer in New Logics of Finance," *Public Culture* 11.2 (Spring 1999), 385.

<sup>40</sup> For a compelling—and uniquely legible—discussion of the history (and problems) of VaR, see Joe Nocera, "Risk (Mis)management," *New York Times Magazine*, January 1, 2009.

<sup>41</sup> Roger Lowenstein, "Triple-A Failure" *New York Times Magazine* (April 27, 2008).

<sup>42</sup> For examples of the latter see the losses which bankrupted or otherwise destroyed Long Term Capital Management and Orange County municipal investors in the 1990s, and firms like AIG and Societe Generale in 2008: LiPuma and Lee explain that LTCM's then-mammoth leverage ratio of 30 to 1 would by the 00s be "dwarfed" by firms like JP Morgan Chase, "whose exposure [in notional terms] is measured in tens of trillions of dollars and whose leverage ratios sometimes top 600 to 1" (158).

<sup>43</sup> And of course this crisis' immediate effect has been, paradoxically, a crisis in confidence, as banks, uncertain of the extent of one another's vulnerability to and investment in these risky, unregulated, obscure "tradable pieces of paper," refuse to lend either to one another or to consumers and businesses.

<sup>44</sup> Perry Anderson, "The Ends of History." *A Zone of Engagement* London: Verso, 1992, 281.

<sup>45</sup> Fredric Jameson, "Postmodernism, or The Cultural Logic of Late Capitalism," *New Left Review* I/146 (August 1984), 53.

<sup>46</sup> Francis Fukuyama, *The End of History and the Last Man* (New York: Harper Perennial, 1993), 46.

<sup>47</sup> Jacques Derrida, *Spectres of Marx: the State of the Debt, the Work of Mourning, and the New International*, trans. Peggy Kamuf (New York: Routledge, 1994).

<sup>48</sup> Karl Marx, *Capital Vol. 1.*, ed. Ben Brewster (New York: Penguin Classics, 1970), 786.

---

<sup>49</sup> Karl Marx, *The German Ideology*, trans. Christopher John Arthur (New York: International Publishers, 1970).

<sup>50</sup> Karl Marx *The Communist Manifesto*, ed. Eric Hobsbawm (London: Verso Press, 1998), 38. Not only does capital depend on the constant creation of new needs as soon as the old needs are readily and easily met, but this deferral of realization is at the very core of its logic. According to what Marx describes as capital's "inverted" dialectics, the antithetical relationship of sale and purchase forms a unity that can only "move forward through external antitheses"; the antithesis (immanent to the commodity) between use and exchange value propels "the developed forms of motion" of this contradiction; the only way for the dialectic to rest is in the overcoming of the contradiction between use and exchange, an overcoming which definitively cannot happen within capitalism itself. Derrida argues that there is an unacknowledged and aporetic gap, in Fukuyama's account, between an ideal and its realization. This maybe be a gap immanent to the very object of Fukuyama's theorizing, however: Marxist crisis theory, for instance, suggests precisely that such a gap is not only characteristic to, but indeed constitutive of, capital-logic itself, such that its disappearance would constitute not the system's fulfillment, but its overcoming. This is not only the case because capital rests on an originary in-equivalence (the basis for surplus value) but also because capital's necessary expansion of value is a self-negating process; technological improvements which lead to expanded productivity also cause a crisis in the accumulation of present value (this is the fall in the rate of profit); this crisis in turn, however, also produces a future *increase* in profitability, since it depresses current profit but improves the future *rate* of profit by decreasing the cost of production.

<sup>51</sup> There is no necessary developmental relationship, he suggests, between liberalism and capitalism: on the contrary, the very structure of democratic politics may be irrational from a market perspective, a "drag on economic efficiency" (As our own present economic situation suggests, political motivations often lead to economically "irrational" decisions such as the creation of both budgetary and trade deficits or the downward push on interest rates to stave off inflation and increase short-term consumption.) Further, the atomized individualism of liberal democracy forestalls the creation of more fulfilling forms of associational life, the "strong and cohesive communities" which are opposed to the cold, content-less, contractual forms of sociality in Western liberalism. Though Fukuyama argues that "The liberal democratic state values us at our own sense of self-worth" (a claim Joseph McCarney aptly describes as "surely absurd on any literal reading"), he also seems to acknowledge the alarming strength of a major competitor to liberal democracy, the "Eastern" model of neo-Confucian, authoritarian capitalism. Again, however, what is perhaps most interesting even about noting this pessimism—or, at least, uncertainty—is that if the continued salience and triumph of liberalism is in doubt, the continued hegemony of capitalism never is (41-2).

Joseph McCarney, "Shaping Ends: Reflections on Fukuyama," *New Left Review* I.202 (November-December 1993).

<sup>52</sup> Fukuyama explicitly addresses dependency theory—according to which capitalism tends to export exploitation to un- or under-developed "periphery" nations so that the surplus capital of the colonial "centers" can be absorbed, such that capitalism, far from "homogenizing" the world by "creating parallel economic aspirations and practices in a host of diverse societies," in fact



---

sets up necessary and constitutive relations of dependency, destitution, and domination—by providing the rather unconvincing example of the “East Asian miracle,” yet he never is able to describe how a fully and *evenly* developed capitalism—a capitalism of “linked” and “parallel” nations—could continue to *be* capitalism.

<sup>53</sup> Alan Greenspan, “Statement by Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System, before the Joint Economic Committee, United States Congress.” Speech given June 10, 1998. Accessed January 2009 at <http://www.house.gov/jec/hearings/grnspr3.htm>.

<sup>54</sup> Qtd. in Doug Henwood, *After the New Economy* (London: New Press, 2003), 8.

<sup>55</sup> Kevin Kelly, *New Rules for the New Economy* (New York: Viking, 1998), 24.

<sup>56</sup> Peter Leyden and Peter Schwartz, “Future 2020” *Wired* 5.7 (July 1997). Accessed January 2009 at <http://www.wired.com/wired/archive/5.07/longboom.html>.

<sup>57</sup> Alan Webber, “New Math for a New Economy (Interview with Baruch Lev)” *Fastcompany* 31 (December 1999). Accessed January 2009 at

<http://www.fastcompany.com/magazine/31/lev.html?page=0%2C3>

Henwood’s *After the New Economy* gives a stirring account of this discourse.

<sup>58</sup> Robert Shiller, *Irrational Exuberance* (New York: Broadway Books, 2002), 61.

<sup>59</sup> Steven Weber, “The End of the Business Cycle” *Foreign Affairs* (July/August 1997).

Accessed online January 2009 at <http://www.foreignaffairs.org/19970701faessay3785/steven-weber/the-end-of-the-business-cycle.html>.

<sup>60</sup> Rudiger Dornbusch, “Growth Forever” *Wall Street Journal* (July 30, 1998).

<sup>61</sup> Bill Barker, “The End of History? Bring it On!” *Motley Fool.com* (December 30, 1999).

Accessed January 2009 at

[http://www.fool.com/news/1999/foth991230.htm?terms=fukuyama&vstest=search\\_042607\\_linkdefault](http://www.fool.com/news/1999/foth991230.htm?terms=fukuyama&vstest=search_042607_linkdefault)

<sup>62</sup> Reinhart Kosselek, *Futures Past: On the Semantics of Historical Time*, trans. Keith Tribe (New York: Columbia UP, 2004).

<sup>63</sup> My critique of this language is not simply a general critique of economic metaphors—a metaphor is just a metaphor, after all, and the existence of an economic *language* does not necessitate the existence of a troublingly economic *logic*. For instance, to take a counter-example, I was listening to Martin Luther King Jr’s famous “I Have a Dream” speech on MLK day this year, and I was struck by King’s use of the metaphor of a “promissory note” of liberty contained within the Constitution, a promissory note that the US has “defaulted on”—“We refuse to believe,” he says, “that the bank of justice is bankrupt.” This metaphor is not only more complex and interesting than the banalities common to Clinton et. al., but it also enables a very rich and politically vital philosophy of history, one that takes a sense of time and the future as responsibilities rather than opportunities—the same speech, of course, made reference to the “fierce urgency of Now.”

<sup>64</sup> The central question that remains of this account is, of course, the question of religion and of the various doctrines and discourses of end-times that became both culturally and politically dominant in American life around the 1980s and even more forcefully during G.W. Bush’s

---

presidency—useful work remains to be done, I think, on precisely the conjuncture between religion and finance in the US, since it is hardly surprising that the emergence of “Prosperity Gospel” theology and the booming US financial economy were concomitant developments. (Indeed, Jonathan Walton, a religious studies professor researching black evangelism, recently noted that the teachings of the Prosperity Gospel movement encouraged congregants who got risky Adjustable Rate Mortgages to believe that “God caused the bank to ignore my credit score and blessed me with my first house.”)

<sup>65</sup> Qtd. in Randy Martin, *Financialization of Daily Life* (Philadelphia: Temple U Press, 2002), 84.

<sup>66</sup> Robert Brenner, *The Boom and the Bubble* (London: Verso, 2002), 172.

<sup>67</sup> Martin, 105.

<sup>68</sup> Bruce Holsinger, *Neomedievalism, Neoconservatism, and the War on Terror* (Chicago: Prickly Paradigm Press, 2008), iv-v.

<sup>69</sup> Don DeLillo, “The Ruins of the Future,” *The Guardian* (December 22, 2001). Accessed online January 2009 at <http://www.guardian.co.uk/books/2001/dec/22/fiction.dondelillo>

<sup>70</sup> All Bush speeches accessed at [WhiteHouse.gov](http://WhiteHouse.gov).

<sup>71</sup> I use this term very deliberately: I suggest that Fukuyama was not only the perfect ideologue for the Reagan era but also that his ideas were central to the transformations of futurity in the Clinton 90s. Robert Kagan describes post-Cold War neoliberalism as follows: “The economic and ideological determinism of the early post-Cold War years produced two broad assumptions that shaped both policies and expectations. One was an abiding belief in the inevitability of human progress, the belief that history moves in only one direction, a faith born in the Enlightenment, dashed by the brutality of the twentieth century, but given new life by the fall of communism. The other was a prescription for patience and restraint. Rather than confront and challenge autocracies, it was better to enmesh them in the global economy, support the rule of law and the creation of stronger state institutions, and let the ineluctable forces of human progress work their magic.” Robert Kagan, *The Return of History and the End of Dreams* (New York: Knopf, 2008), 7-8.

<sup>72</sup> James Berger, *After the End: Representations of Post-Apocalypse* (Minnesota: U. Minn. Press, 199), 136.

<sup>73</sup> The Biblical Genres Project aptly defines apocalyptic narrative as a narrative in which “revelation mediated by an otherworldly being to a human recipient, disclosing a transcendent reality which is *both temporal and spatial*,” and this simultaneously spatial and temporal constitution is particularly true of American millennial thought (Qtd. in Rosen, xxi. Emphasis mine.).

<sup>74</sup> Of course we must nuance any such sweeping historical claim by observing immediately that the anxiety about a spatialized threat has in no way disappeared; indeed, contemporary anti-immigration prejudice is arguably much worse than 20<sup>th</sup>-century anti-communist paranoia, and the immediate response to 9/11 was an outbreak of unprecedented individual and, worse, legislative and institutional, racial violence, from the draconian tightening of immigration laws (applied, of course, to citizens of states that couldn’t have had less to do with the attacks on 9/11) to the lawless deportation, incarceration, and rendition of thousands and thousands of so-called suspects, both in the US and abroad. However it seems significant that, as we were

---

told over and over again, what made the “War on Terror” new, and what necessitated and justified its novel legal indignities, was that the combatants could not be connected to a state, nor even to a place.

<sup>75</sup> To take one fascinating example, critics have recently argued that risk models like VaR failed to adequately calculate the dramatic systemic effects of what Nassim Nicholas Taleb, a critic of risk distribution models, calls a “black swan”—that is, an event that according to a standard bell curve of normal distribution (such as that assumed by the Black Scholes equation) is impossible or nearly impossible (because definitively outside the realm of human prediction); when such events inevitably occur, he and others have argued, they produce a “mathematically ill-behaved” result. (This is especially the case in financial markets, in which external events (a war, for instance) can produce seismic effects; the inherently psychological nature of market behavior can compound this, as in the present crisis.) In other words, the fat tail effect reveals that while the small differences in price (up or down) at the top of the bell curve are relatively undifferentiable in terms of effect, they are over-represented in the model (the difference between a profit of 3% instead of 6% might take up a great deal of the distribution curve, though it causes minimal impact in the long term) whereas the “black swan” event (say, a *negative* return, especially in the case of a highly-leveraged investment where the money at risk is hundreds of times greater than what has already been actually invested in the asset’s purchase) can cause increasingly-cataclysmic shifts at each point on the curve’s “tail.”

<sup>76</sup> Randy Martin, *Empire of Indifference: American War and the Financial Logic of Risk Management* (Durham, NC: Duke UP, 2007), 21.

<sup>77</sup> Randy Martin, “America as risk/securitizing the other,” *Interventions*. 6.3 (November 2004): 351-361, 351.

<sup>78</sup> See Stephen Green, “Negotiating with the future: the culture of modern risk in global financial markets,” *Environment and Planning* 18, no 1 (2000): 77-89.

<sup>79</sup> To take one fascinating example, critics have recently argued that risk models like VaR failed to adequately calculate the dramatic systemic effects of what Nassim Nicholas Taleb, a critic of risk distribution models, calls a “black swan”—that is, an event that according to a standard bell curve of normal distribution (such as that assumed by the Black Scholes equation) is impossible or nearly impossible (because definitively outside the realm of human prediction); when such events inevitably occur, he and others have argued, they produce a “mathematically ill-behaved” result. This is especially the case in financial markets, in which external events (a war, for instance) can produce seismic effects; the inherently psychological nature of market behavior can compound this, as in the present crisis. In other words, the fat tail effect reveals that while the small differences in price (up or down) at the top of the bell curve are relatively undifferentiable in terms of effect, they are over-represented in the model (the difference between a profit of 3% instead of 6% might take up a great deal of the distribution curve, though it causes minimal impact in the long term) whereas the “black swan” event (say, a *negative* return, especially in the case of a highly-leveraged investment where the money at risk is hundreds of times greater than what has already been actually invested in the asset’s purchase) can cause increasingly-cataclysmic shifts at each point on the curve’s “tail.”

<sup>80</sup> Alfonso Cuarón, director, *Children of Men* (Hollywood: Universal Studios, 2007).

---

<sup>81</sup> Žižek quotation from *Children of Men* DVD commentary.

<sup>82</sup> Joshua Clover, "All That Is Solid Melts Into War," *Film Quarterly* 61. 1 (Fall 2007), 7.

<sup>83</sup> Karl Marx, *The Eighteenth Brumaire of Louis Bonaparte* (New York: International Publishers, 1963), 15.

<sup>84</sup> Julian Murphet, "Political or Pitiable Animals?," *Substance* 37.3 (2008), 114.

<sup>85</sup> Cindi Katz, "Childhood as spectacle: relays of anxiety and the reconfiguration of the child," *cultural geographies* 15. 5 (2008), 6. Sue Scott, Stevi Jackson, and Kathryn Backett-Milburn, "Swings and Roundabouts: Risk Anxiety and the Everyday Worlds of Children," *Sociology* 32. 4 (November 1998), 691.

## Chapter Two

### **Gaming History: Counterfactual Fiction, Privatized War, and Neoliberal Rationality**

The opening sequence of Richard Kelly's 2007 film *Southland Tales* presents us with what appears to be yet another millennial apocalyptic narrative: we are pitched headlong into an apocalyptic present, viewing, through the shaky immediacy of a handheld video camera, the foreboding scene of a family 4<sup>th</sup> of July party in Texas—children leap into and out of the moving frame in a water pistol fight while adults mug for the camera and generally signify an apparently doomed prelapsarian innocence grounded (the 4<sup>th</sup> of July setting suggests) in American historical innocence. Moments in, however, this familiar scene is ruptured with the sound of resonating booms and distant flashes of light that can only convey an equally-familiar scene, the sight of mushroom clouds. To the sound of screams, the camera shakes, dodges, and finally goes white; the film's audience, habituated to such narratives, hardly needs the explanation that follows: nuclear bombs have been dropped on Abilene, Texas and other US cities; welcome World War III.

And yet something in this sequence, and in the film itself, distinguishes it from the apocalyptic narratives described in the previous chapter, a detail which we are informed of from the first shaky image of the film and which is not, in fact, as inconsequential as it may first appear: that detail is the date, which is not simply July 4<sup>th</sup>, but specifically July 4<sup>th</sup>, 2005. Whereas the action of the film takes place, then, in the then-near-future of 2008, its narrative depends not simply on futural speculation but equally on a historical "what if." In other words, the film is best characterized not (or at least not solely) as apocalyptic or dystopian, but rather as counterfactual. As defined by one of their foremost literary critics, Catherine Gallagher, the counterfactual "is a speculative historical exercise beginning from a hypothetical proposition that is contrary to the uncontroversial known facts of the historical record"—Gallagher distinguishes what she calls the "alternate history novel" (and what others have called "speculative fiction," "uchronic fiction," or "allohistory") from the academic counterfactual, but describes all counterfactual genres as creating "penumbras of possibility that diverge from seemingly unilinear temporal sequences."<sup>1</sup>

For Jameson and other postmodern critics, the apocalyptic imagination poses a radical counterpoint (a kind of Janus face) to postmodernity's "endism," to our incapacity to imagine History "except as ending." And yet as I have argued, the financialization of risk—the instrumentalization of the very unknowability of the future—has meant that far from *countering* a sense that the "future [is] nothing but a monotonous repetition of what is already here," the apocalyptic narratives considered in the previous chapter *produce* an experience of the future as reproductive repetition.<sup>2</sup> These narratives are, I claimed, symptomatic of a financialized philosophy of history that evacuates historical consciousness and forecloses the possibility of a future radically different from the present. However I do not wish to "un-dialecticize" Jameson's important assertion that the apocalyptic narrative is both a revelatory literalization and an urgent critique of the postmodern "end of history." Rather, much as Jameson saw the

*apocalyptic* novel as posing a dialectical counterpoint to the endism of the late 20<sup>th</sup> century, I want to argue that the *counterfactual* fictions explored in this chapter offer a radical critique of financial speculation into the future by attempting instead to speculate about the past

I will argue here that the speculative counterfactual, described by Stephen Best as an “irrepressibly dialectical” form, functions as a precise counterpoint to the speculative modalities of financialization.<sup>3</sup> Speculative finance seeks to exploit the way future’s uncertainty and to then transform that contingency into an endlessly self-reproducing present, a present whose immediacy and brevity make each moment indistinguishable from the previous or the next. By contrast, the counterfactual’s historical imagination reignites the contradictions posed by the intrusion of past and future times, not only “teas[ing] out the present into a synchrony of presents,” as Best puts it, but also revealing the residual presence of the past and the shadow of *multiple* possible futures. Whereas speculative finance sees the future as endlessly and limitlessly available to the interventions of the present, the speculative “interventions” staged by counterfactual histories and counterfactual fictions expose any given period’s constitutive internal difference. Because financial speculation suggests a future whose possibilities are endless (a future we “make”), it evacuates any sense of the past or of historical determination (that we do not make that future “as we please”). Counterfactuals, by contrast, expressly seek to “preserve [a] dialectic of necessity and contingency,” a dialectic that exerts pressure against the ahistorical presentism of which the postmodern period has been accused and against the specific form which that presentism takes in a financialized philosophy of history (Best, 210). They thus provide the model for a form of historical consciousness attuned both to the necessity of a truly transformed future and to the weight of the past. In this chapter, then, I will explore five contemporary counterfactual fictions that I argue formalize a critical historicism attentive both to futural possibility (freedom) *and* to the burdens of history and politics (necessity).

In and of themselves, counterfactual histories are nothing new: our modern understanding of capital-H-History could be said to depend on our belief in the utility and possibility of counterfactual speculation. If, as Pocock suggests, *financial* speculation into the future gives birth to the non-providential secular future, *historical* speculation into the past (that is, the “what if” of counterfactual thought experiments) is the *sine qua non* of post-providential, modern historicism. Counterfactual histories have also long had a practical function: for reasons I will explain below, they have been and continue to be used not only by military historians looking backward, but also by military strategists looking forward. And yet in claiming that the contemporary counterfactual is the historically-specific and dialectical counterpoint to contemporary finance capital’s instrumental speculations, I also want to articulate a specific contemporary context for this increasingly popular genre. I will argue that the counterfactual methodologies used by today’s military strategists are dramatically different from those used by 18<sup>th</sup> and 19<sup>th</sup> century Generals and historians. In the first portion of this chapter, then, I want to explore both the long history of counterfactual military speculation and its contemporary transformation into war gaming, military simulation, and scenario thinking. By focusing in particular on the speculative methods developed at the RAND Corporation (a policy think-tank formed in 1946 to do research and development for the US military and on the US economy) as part of the *soi-disant* “Revolution in Military Affairs” (RMA), I will claim that the developers of these new instrumental counterfactual methodologies had a very different understanding of

probability and plausibility, of divergence and the event, of historical experience and expertise than did Napoleon and Clausewitz. I will go on to offer readings of Kelly's *Southland Tales* and Paul Auster's 2007 counterfactual novel *Man in the Dark*—both texts expressly concerned with the Iraq War, albeit in occasionally fractured and uncanny ways—in order to claim that these texts offer a radical critique of the new technologies and epistemologies of military strategy precisely by drawing on that strategy's new speculative forms.

I want also to expand my account of financialization to think about the relationship between the counterfactual and neoliberalism, the ideology that has underwritten financialization and that depends on the dominance of both a financialized state (after the closure of the gold standard in 1973) and a financialized social order. As Prahbat Patniak puts it, “the resurgence of neo-liberalism [...] was a result not of its intellectual persuasiveness, but of its being promoted by the new hegemonic entity in world capitalism, namely international finance capital, whose ideology it constituted.”<sup>4</sup> As Patniak suggests, neoliberalism is an overdetermined and overdetermining ideology—it is not simply economic but is also political and cultural, a “rationality” whose aim, according to Wendy Brown's seminal account, is to “*extend and disseminat[e] market values to all institutions and social action*.”<sup>5</sup> Thus I will suggest that the forms of military simulation and speculation created by the RMA and rendered horrifying and apocalyptic in *Southland Tales* and *Man in the Dark* are entirely and uniquely dependent on the dominance of a neoliberal rationality—its application of a rational calculus to human life itself; its blurring of the lines between public and private, citizen and warrior; its evacuation of individual agency and experience and its simultaneous fetishization of the paranoid imagination of the technocratic “expert.”

I will go on to think about the popularity of counterfactual narratives in mainstream discourse at the beginning of the post-millennial period as a response to the dominance of this neoliberal ideology. Although the problem Jameson identifies—“how to locate radical difference; how to jumpstart the sense of history...[to] break out of the windless present of the postmodern back into real historical time, and a history made by human beings” (76)—remains the same, that attempt to articulate a history “made” by human collectivities has become ever-more difficult in the context of neo-liberal regime in which subjects are “controlled *through* their freedom” (Brown, 44). Contra Fukuyama's claim about the “end of history,” our own particular neoliberal moment is characterized more by liberal democracy's *death* than by its uncontested ascendancy. By thinking about the prevalence of counterfactual thought around two key historical events of the emerging neoliberal period, the 2001 election and 9/11, I want to read counterfactual histories of the present as an expression of what Brown describes as an ambivalently melancholic relationship to the death of liberal democracy, a ideology “toward which [the left] is, at best, openly ambivalent, at worst, hostile, resentful, rebellious” (534). I will conclude by briefly considering three recent and critically-acclaimed adventures in the counterfactual genre: Ken Kalfus's *A Disorder Peculiar to the Country*, Philip Roth's *The Plot Against America*, and Michael Chabon's *Yiddish Policeman's Union*. All five of the texts considered in this chapter, I will suggest, offer a powerful critique of the historical ideology which dominates the contemporary moment as a whole—what I have been describing thus far as a financialized, but what we may now begin to consider more capaciously a *speculative*, philosophy of history.

## Classic Counterfactuals and the Battlefield Event

As Catherine Gallagher has pointed out, the related genres of academic counterfactualism, alternative history, and counterfactual fiction have recently grown significantly in number and in popularity. As Gallagher also attests, however, the form itself is significantly older than this recent resurgence would suggest; as a historical exercise (that is, apart from its relationship to philosophers like Leibnitz and Hume or the 20<sup>th</sup> century possible worlds theories of logicians Saul Kripke and David Lewis) counterfactualism most often takes one of two forms. First, it is a mode of legal reasoning: the counterfactual is a “if-then statement [or] contrary-to-fact speculation that allow[s] a court to adjudicate harm, injury, and causation, to infer what would have been the case if some event, which actually happened, had not happened” (Best, 21). Counterfactuals are most frequently applied to cases of redressive or compensatory justice: “rectificatory justice concerns compensation, and compensation involves making an agent as well off as she would be if the wrong had not occurred,” writes Rodney Roberts; such claims thus depend on a counterfactual capable of describing that lost state.<sup>6</sup> Because counterfactuals “suspend the pragmatic adjudication of injury for the suppositional equivalencies and ontological uncertainties of the counterfactual form” (Best, 21), they have come under intense scrutiny in recent decades, particularly by post-Nozickian legal scholars like Jeremy Waldron, who claims that the counterfactual forces the present to be constrained by the past, whereas a more capacious account of justice would allow the state to “distribute the resources of the world in a way that is fair to all of its *existing* inhabitants in their *existing* circumstances.”<sup>7</sup> Although the emphasis of this chapter is on historical and fictional, rather than legal counterfactuals, my understanding of the counterfactual’s capacity to operate dialectically against the presentism of financialization’s philosophy of history suggests that I have a rather different perspective on this “constraining” of the present by the past, one more in keeping with Walter Benjamin’s claim that the revolutionary class is “nourished by the image of enslaved ancestors rather than that of liberated grandchildren.”<sup>8</sup>

More expressly relevant to our consideration here, counterfactuals are a mode of historical thought: as Richard Lebow describes them, they are “what if” statements, usually about the past.” Counterfactual experiments, he says, “vary attributes of context or the presence or value of variables and analyze how these changes would have affected outcomes.”<sup>9</sup> Defenders of counterfactuals assert that counterfactual thought is a necessary moment in *any* account of causality. Yet the specific cases to which counterfactual speculation is applied frequently share a common theme: invasion, battle, and war. Johannes Bulhof, in an essay titled “Modality and History,” writes, for instance, that the pervasiveness of modal claims in historical analysis “is quite simple. The study of history is not merely a study of what happened. It is a study of why something happened. Why, for example, did the South lose the American Civil War? Why did the Allies win World War II? Questions like these search for causes.”<sup>10</sup> Bulhof implies that “questions like these” are not only historical questions, but specifically questions pertaining to war. Gallagher’s essays on counterfactualism and the historical novel take up similar examples; she points to Clausewitz’s account of Napoleon’s advance through the Norican Alps and to Livy’s *Roman History*, “where the writer indulged in a lengthy speculation beginning with the counterfactual that Alexander the Great might have invaded Italy.”<sup>11</sup> In *Coincidence and*



*Counterfactuality*, Hillary Dannenberg cites Winston Churchill's "If Lee Had Not Won the Battle of Gettysburg" as among the most significant early 20<sup>th</sup> century historical counterfactuals.<sup>12</sup> Three of the nine essays in Niall Ferguson's seminal *Virtual History* are about specific different military outcomes ("What if Britain had 'stood aside' in August 1914?"; "What if Germany had invaded Britain in May 1940?"; "What if Nazi Germany had defeated the Soviet Union") and two more are about wars avoided (the English Civil War, the American Revolution, and the Cold War).<sup>13</sup> Almost all of the twelve alternative histories explored in a recent collection called *What Might Have Been* are in one way or another about war, and five are about specific wars or battles lost rather than won or vice-versa. Counterfactual novels share a similar bias towards military history—the very thorough alternative history database at *uchronia.net* cites Louis-Napoleon Geoffroy-Chauteau's *Napoleon and the Conquest of the World*, in which Napoleon destroys the Russian army at Waterloo in 1812, as the first alternative history novel; Gallagher points out that the first American alternative history novel is Frank Williams' *Hallie Marshall: A True Daughter of the South*, in which the Confederacy won the Battle of Gettysburg and thus the war. Perusing *uchronia.net*, one notes that more than half of the hundreds of alternative histories take as their point of divergence either the rise of a military empire, the result of a war, or the outcome of a battle—World War II and the US Civil War are by far the most popular.

The fact that counterfactuals tend to take war as their content is no accident: rather, there is a formal or structural relationship between the historical narrative of warfare and the manner in which counterfactuals imagine both historical divergence and causation. Counterfactuals are foremostly attentive to what is often described as a "divergence point" which, according to most accounts, "should be (1) plausible, (2) definite, (3) small in itself, and (4) massive in consequence."<sup>14</sup> It is fairly clear that battles, especially insofar as they are or can be imagined as decisive, conform exceptionally well to points 3 and 4, but it turns out that military history *also* offers a surfeit of instances of 1 and 2 as well—that is, of events that can be evaluated in terms of their plausibility and their definite-ness. Thus in "Possible Worlds of Fiction and History," Lubomir Dolezel argues that "counterfactual history should be seen as a thought experiment that changes or eliminates a factor of actual history and thus tests its significance. *The focus of alternative history is simple yes/no situations: win/lose a battle, war, election, a power struggle [...]* As the 'treelike structure' of possible history became an untraceable labyrinth of forking paths, the whole enterprise loses interpretive power and interest."<sup>15</sup> And although the editors of *Unmaking the West* lament this methodological resistance to *longue duree* and structurally-complex counterfactuals, they acknowledge that "what-if scenarios [...] are widely identified with microhistories in which the crucial variable is killing or sparing a key player or a different outcome to a specific battle or power struggle": the counterfactual's conventional interest in a simple win/lose scenario is, its proponents and critics acknowledge, exemplified by the high level of exacting decisiveness offered by battlefield histories.<sup>16</sup>

What, then, about the question of plausibility? Historians usually describe a "plausible" counterfactual divergence as an outcome consequent on a decision that appeared as a real option. Niall Ferguson cites philosopher of history Isaiah Berlin's axiom that "what is called realism (as opposed to fancy or ignorance of life or utopian dreams) consists precisely in the placing of what occurred (or might occur) in the context of what could have happened," emphasizing here the idea of the "realism" achieved by limiting one's speculations to those

options which were considered at the time (83). As Gallagher notes, because the annals of military history are littered with realized and unrealized *plans*, military history provides the perfect archive for examining options or paths considered but untaken.

While counterfactual novelists have typically been more willing to be imaginative and even anti-realist, they too are invested “in the question of what life would have been like under the alternative historical conditions” and thus the basis for counterfactual divergence in fiction is often, if not always, subject to the same constraints as it is in historical analysis (Gallagher, “The Uses of Counterfactual Pasts”). In both cases, again, warfare provides an exemplary site at which one can relatively easily assess the range of possibilities actually available to decision makers: to use Gallagher’s example, “we know that the battle of Japan was an available alternative”; thus not only do “many military historians now feel confident stating what its outcome would have been” but Philip K. Dick can also write a novel that takes place in a San Francisco in which US preparedness was insufficient and a Japanese occupation successful. Whether a counterfactual narrative is fictional or historical, in other words, its conception of historical events, its description of historical causality, and the terms under which it limits its speculations to the historically available are all especially suited to consideration of war in particular.

There is also, however, a historical explanation for the tendency of counterfactuals to take wars and battles as their primary subject: as Gallagher observes, a “secular and nonprovidential” historicism attentive to accident and counterfactual possibility was first developed by 18<sup>th</sup>-century critical military historians. Gallagher describes this history as motivated by a desire “to wean people from the superstitious belief that a nation’s military fortunes reflected heaven’s approval rather than intelligent planning and preparation, skillful leadership, and resourcefulness.”<sup>17</sup> The thought experiments performed by the counterfactual historian (or novelist) and those performed by the military decision-maker assessing the options available to him thus look very similar:

The General looking forward and the historian looking backward both assess the dangers, the options and their consequences, and both must have plenty of contingency plans in mind. Indeed, contingencies are what it’s all about, which immediately sets up the condition for after-the-fact reflection on how well the options were recognized in advance and prepared for. We might say that military activity foregrounds the aspects of strategy and tactics and therefore sets up a mirroring activity on the part of those viewing it from before and after. Military historians routinely reproduce the calculations and decision-making of commanders, entering deeply into their modes of speculation. These things would be true of military historians at any time (“The Uses of Counterfactual Pasts”).

Although Gallagher claims that these ways of performing battlefield analysis, both prospective and retrospective, “would be true at any time,” elsewhere she describes the recent innovations in the use of counterfactuals by military strategists:

Working with computer models and simulations of past battles and campaigns, military students have always learned their craft by transforming particulars to see what might be learned from modified chains of events, but now they can play out various contingencies with far greater precision. Eventually these students will be able to produce some of the thousands of military scenarios and imaginary wars, that fill the drawers and the hard

drives of the Pentagon. [...] Computer technology, regression analyses, modeling, and simulation have been hugely important to the legitimation of counterfactual history. (“The Way it Wasn’t”)<sup>18</sup>

While Gallagher is right that new data storing and analysis technology, particularly the use of cliometrics in economic history, has transformed the legitimacy (and the methodology) of counterfactual historical analysis, the transhistorical implications of her description of what military strategists have “always” done merits some pressure, and demands some more historical specificity. The question remains, in other words, whether the forward-looking, technologically-assisted strategist and the backward-looking counterfactual historian are in fact performing identical cognitive tasks.

One of the first distinctions we could make between these two modes of thinking—and an important one, since it raises some terms which will be of interest throughout this chapter and in the following chapter as well—emerges out of two very different understanding of the concept of probability. Interestingly, an emphasis on “probability” is often invoked by counterfactual historians, and even some alternative history novelists, to distinguish themselves from their more “low-brow” compatriots in science fiction. “[H]ow are we to distinguish between probable unrealized alternatives from improbable ones?”, asks Ferguson, answering his own question by saying, “We should consider plausible or probable only those alternatives which we can show on the basis of contemporary evidence that contemporaries actually considered” (83). Again Ferguson traces this to Isaiah Berlin, who wrote that counterfactuals should concern “what men, being men, could have done or been” (83). For the counterfactual historian, in other words, a concept of what is “probable” places a limit on the kinds of speculations one should be willing to entertain; the historian’s notion of probability is derived largely from intuition, realist commonsense, and the historical record (whether an option was actually available at the time, as in Gallagher’s example of a battle of Japan). Typically, then, the counterfactualist limits the set of “probable” options to two or three—Gallagher describes this as a “y-shaped narrative logic” according to which “a unified root or trunk of historical time is imagined to have preceded the juncture at which the branches diverge; the historian [...] splits history”—here too, then, we see why decisive battles or wars are the most common “divergence points”: “The vast majority of [counterfactuals] develop the implications of the alternate outcome of a war or even a single battle” (“Undoing,” 21).

However this is arguably the exact *opposite* of the notion of probability on which war games were based, largely because of precisely the technological revolution Gallagher describes: the development of computers capable of performing previously impossible mathematical computations. Game-theoretical “Monte Carlo” simulations were first used to consider the likelihood and the possible consequences of Soviet attack: Monte Carlo simulations, first used to compute risks in business and later to price derivatives, are distinct from other forms of “what if” modeling because they are purely probabilistic and designed to mathematically account for (and determine the probability of) a much larger range of possibilities. Thus while older methods of probabilistic prediction like counterfactualism rely on a *subjective* and even affective judgment of likelihood—because without computers, it is not possible to run *all* of the possible outcomes—the new statistical models were presented as scientifically objective. The statistical simulations did not *presume* the probability of various branches from a single nexus in order to

assess their *consequences*, but rather were intended to *determine* the objective, mathematical probability of those events. Whereas the counterfactual historian selects only from the “available” options precisely in order to distinguish herself from the fantastical futurist, from a statistical point of view all calculable options or outcomes are “available” to the future.<sup>19</sup> As the product of a probabilistic, post-determinist revolution in mathematics and physics, in other words, Monte Carlo simulation (and war games) has an explicitly agnostic view on history, understanding it as essentially irrelevant in evaluating the likelihood of future events—historian Sharon Ghamari-Tabrizi, for instance quotes what she describes as a “naturalized maxim” of the war games of the late 50s and early 60s: “In the old war game, professional opinion and subjective qualitative information were supreme. [Now] analysis and objective quantitative data tell the tale.”<sup>20</sup> The consequence of the “attainment of a scientifically-based strategic asset,” she writes, “was the debasement (or at least supersession) of the personal wisdom of the senior officers rooted in combat experience, in favor of...repeated practice in laboratory-staged simulations of future war” (164).

We can already begin to see why this shift from the General to the war gamer transforms our sense of the agent whose decisions matter on the battlefield; for now, however, let us remain with the extent to which this lack of interest in history (glossed by the strategists themselves as a lack of interest in “combat experience” and “wisdom”) produced as its correlative an unwillingness to limit simulations to either the subjectively *or* the objectively probable. In the first pages of *Thinking About the Unthinkable in the 1980s*, a follow-up to his infamous 1962 *Thinking About the Unthinkable*, RANDian Hermann Kahn writes

“I can believe the impossible,” Father Brown notes, in one of G.K. Chesterton’s wonderful priest-detective stories, “but not the improbable.” Unlike Father Brown, we believe not only the impossible *and* the improbable, but also the implausible, the unlikely, and the unproven. We believe in them and we take them seriously, especially when they involve what is probably the central issue of our time—nuclear war.<sup>21</sup>

Kahn’s refusal of a limited sense of probability may at first seem counterintuitive given the emphasis war gamers placed on mathematical objectivity, however in fact Kahn’s analysis begins from the same stochastic assumptions about the irrelevance of history. “There is no one with experience in the conduct of thermonuclear war,” Kahn observed in his 1960 text *On Thermonuclear War*, “[and] that means we must depend on hypothetical experience.”<sup>22</sup> In *80s*, similarly, he quotes a frustrated senior military officer who asks “How can you, a young man who has never fired a gun in anger, have the temerity to argue with me on nuclear war, on its strategy and tactics?”; the “young analyst” response “Just out of curiosity, how many [nuclear] wars have you fought?” (56). With no historical precedent to evaluate the likelihood of nuclear war—and in dealing with a form of warfare as likely as not to be a true “end of history”—Kahn could confidently assert both the necessity of an anti-historical probabilism *and* the necessity of thinking about the *improbable*. Again, whereas the historian conceives of probability as a binary (past events which could have happened versus those which couldn’t: Hannibal victorious in conquering Rome=probable, Hannibal with stealth bombers=improbable), the statistician looking toward the future conceives of probability as a range or spectrum. Kahn describes this by way of the periphrasis “not improbable,” which he says names a situation with a probability “greater than .1 and includ[ing] a much larger range than ‘probable’” (*OTW*, 18-19).<sup>23</sup> Kahn used

the same logic to defend himself against the charge of paranoia, an accusation particularly heated after the 1964 release of Stanley Kubrick's *Dr. Strangelove*, whose titular character was based on Kahn and his RAND colleagues John von Neumann and Edward Teller: "any particular [prediction]," Kahn wrote in 1967, "may in fact contain paranoid ideas, but this must be judged on the basis of the probability of the particular scenario—a difficult judgment in a world of many surprises—and care must be taken to allow for a possibly *realistic inclusion of a not-improbable degree of paranoia*."<sup>24</sup> The difference between Kahn's predictions and conventional military counterfactuals, then, is that whereas the latter describe past events and thus restrict themselves to the two or three options available at the time, the former are concerned with the future, and forswear subjective and historical "plausibility" entirely, focusing instead on a wide range of possibilities, including those on the very farthest end of statistical likelihood—the "past experience" of Generals and historians alike was thus of little interest to the new Monte Carlo probabilist.

Although Kahn's analysis depended heavily on this statistical revolution, the emphasis of his work was often affect and imagination. As a result, besides creating mathematical models, Kahn also developed narrative and imaginative "scenarios" to describe in more specific terms the consequences of various future events. The term "scenario" emerged when a screenwriter friend suggested that the word once used in Hollywood to describe a screenplay would be an apt one for Kahn's simulations.<sup>25</sup> "Imagination has always been one of the principal means for dealing in various ways with the future," Kahn wrote, "and the scenario is [...] useful in stimulating and disciplining the imagination." The purpose of the scenario was, he said, to "anticipate every possible menace [...] well in advance of its realization"—to create, in the hyper-modern world of future war, a "pre-experience" of the future by "forc[ing] oneself and others to plunge into the unfamiliar and rapidly changing world of the present and the future" ("The Use of Scenarios"). While Kahn's scenarios on thermonuclear war included some quantitative analysis, historian Alex Burns describes Kahn's quantitative work as barely less speculative than the narratives themselves: "to give his scenarios credibility," he writes, "Kahn constructed statistical tables which were closer to sophisticated guesswork."<sup>26</sup> Nonetheless, Kahn's speculative futurology—in which even paranoid or "bizarre improbabilities," as Kahn himself described them, are worth consideration—remains entirely consistent with the Monte Carlo method's probabilistic insistence on taking every single branch of a probability tree seriously, insofar as both are characterized by what Ghamari-Tabrizi describes as a "zig-zaggery of fragmentary alternatives."<sup>27</sup>

Consequently, although RMA speculative modes are related to the modes of counterfactual historical thought that precede them, they rely on a very different account of causation, agency, and history than the counterfactual experiments in which historians have been engaged since Thucydides. Making this claim for historical specificity also allows us to think about the ways in which the shift from an older counterfactual form to the kinds of speculative modeling and strategy created during the RMA exemplify the emergent hegemony of neoliberal rationality described by Brown—that is, they make it possible to cast "all dimensions of human life [...] in terms of a market rationality," not only by "submitting every action and policy to considerations of profitability," but also by describing "all human and institutional action as rational entrepreneurial action, conducted according to a calculus of utility, benefit, or

satisfaction against a micro-economic grid of scarcity, supply and demand, and moral value-neutrality” (40). As Brown points out, neo-liberalism does not simply *assume* that “all aspects of social, cultural and political life can be reduced to such a calculus” but rather requires the development of “institutional practices and rewards for enacting this vision” thus “*produc[ing]* rational actors and *impos[ing]* market rationale for decision-making in all spheres”: the RMA offers a perfect instance of precisely these institutional practices (40-1, emphasis mine).

Brown’s periodization of neoliberalism’s rise to dominance after 9/11 also allows us to see the ways in which the theories of agency developed by the RMA (in particular through organizational theory, network theory, and AI) and then applied to the decision-making entities imagined by war simulations and scenario thinking were most completely realized in the combat zones of Iraq and Afghanistan. What Iraq counterfactuals *Southland Tales* and *Man in the Dark* allow us to see, I will suggest, is the relationship between RMA training techniques like simulation and war gaming, the development of technologies of remote or “drone” warfare, and the privatization of combat and the resulting blurring between soldier, contractor, policeman and civilian. They also, I think, represent the more horrifying ontological consequences of these technologies. First, they provide a kind of *critically* paranoid response to the instrumentalized paranoia of this newly-powerful military imagination. Second, they reveal the underlying paradoxes of an account of agency that suggests both complete and absolute liberty (by championing the disembodied and ahistorical freedom of the technocratic “imagination,”) and yet also total constraint and the evacuation of human freedom from the individual subject (by suturing the human and the machine and by replacing the individual with a corporate—in both senses of the word—agent). Again, much as Jameson saw the apocalyptic novel as posing a dialectical counterpoint to the endism of the late 20<sup>th</sup> century, I want to argue that these counterfactual narratives offer a radical critique of neoliberal rationality precisely by refashioning a genre whose own history lies partly in the neoliberal RMA. In other words, while Auster and Kelly’s narratives draw on the very same imaginative and speculative techniques that characterize modern military strategic planning, they do so in such a way that this imaginative enterprise appears both politically and aesthetically horrifying. As Patrick Deer argues in the introduction to a *Social Text* special issue on “The Ends of War,” there are affinities between the use of technology the Iraq War and the technologies of neoliberal globalization more generally insofar as both provide a vision of a “clean, smooth space in the command-and-control networks” that obscures the messy reality of suffering: both *Southland Tales* and *Man in the Dark* undermine that fantasy of frictionless war by refusing to “carefully contain and screen away” the traumas of death and collateral damage.<sup>28</sup>

### **“The worst possibilities of the imagination”: Military Strategy, *Southland Tales* and *Man in the Dark***

It is with this context in mind that we can finally return to *Southland Tales* and to its counterfactualism. The plot’s historical setting comes to us, in the film’s opening scenes, twice mediated: first, as I have already described, by a video camera which happens to record the dropping of a bomb on Texas on July 4<sup>th</sup>, 2005. This is the film’s counterfactual past event, the background for its description of an imagined (and, since the film was released in 2007, a

futural) 2008. The next scene, which fills us in on what has happened between 2005 and 2008, is also mediated, through what at first appears to be the highly formatted aesthetic of television news media (one review called it a “hyperkinetic Fox News-style summary”). Along one side of the image are advertisements for beer, stereos, and pornography, while a newsfeed type scrawl lists the sites of “WW3” (Iraq, Iran, Syria, North Korea, Afghanistan) at the top and the dates of attacks at the bottom.



**Figure 1: A CNN-style image of war**

However an acronym, DSI, on the bottom left corner suggests something other than a newscast, and this is soon explained by another image: what we are seeing is in fact the “Doomsday Scenario Interface” (see Figure 2): the screen is, in other words, at once a (future) simulation and a (present) representation, much as the film itself is at once a historical counterfactual and a work of futurist science fiction.<sup>29</sup>



**Figure 2: The Doomsday Scenario Interface**

The DSI also clearly references Kahn’s “Doomsday machine,” famously satirized in *Dr. Strangelove*, and the aesthetic of the DSI is reminiscent of video games such as *Marine Doom*, a video game designed by the Marines to simulate small-arms combat which was, James Der Derian writes, “a retooled game of [first-person shooter video game] *Doom*.”<sup>30</sup>

As a *historical* counterfactual, *Southland Tales* is perhaps not of much academic interest since the event it imagines (WW3) is not quite a plausible, imaginable one (compared to Gore winning the election or 9/11 being prevented, counterfactual scenarios I will explore below), and its fantasy about the consequences of this counterfactual occurrence is so outlandish that it

offers little insight into what a world under these conditions would look like. Yet it quite strongly resembles Kahn's narratives, with their insistence that there is "no danger of bringing too much imagination to these problems" and their "zig-zaggery of fragmentary alternatives" (a fragmentation which characterizes both Monte Carlo probabilism and Kahnian scenario thinking). I thus take *Southland Tales*' reference to the counterfactual's perverse step-sibling, the war scenario or simulation, as quite intentional. Indeed, to the extent that the act of imagining a horrifying future is played out in the *themes* of the film as well as in its form, *Southland Tales* might be read as a companion to Kubrick's film, as a trenchant critique—if, like Kubrick's, a not-entirely-serious one—of this particular development in military and political strategy.

It is unnecessary—and probably undesirable—to go into excessive detail about the (in)famously complicated, Lynchian plot machinations of *Southland Tales*, however a brief summary of the relevant pieces may be worth recounting here. The film's main action opens in 2008, just before a hugely important presidential election; following the terrorist attacks of 2005, the Republicans have taken over and instituted a PATRIOT Act-like security state managed by a vast agency called USIDENT. Boxer Santaros, an action movie star with ties to the Republican Party, has disappeared—three days later he wakes up, with amnesia, in the desert near Lake Mead and stumbles back to Los Angeles; meanwhile, a burned car is found in the same desert containing his charred body. Boxer joins Krysta and the two of them discuss a screenplay they have written titled "The Power," about a character named Jericho Cane, to be played by Boxer, who is a "paranoid schizophrenic cop"; in this film-within-a-film, Cane has discovered that the chaos currently taking place across the globe is caused by the slowing of the Earth's rotation and the opening up of a gap in the space-time continuum. *Southland Tales* itself is darkly apocalyptic throughout—an opening sequence shows Pilot Abilene, an WW3 veteran, in a gun turret reciting the Book of Revelation and a catachrestically inverted version of TS Eliot's "The Hollow Men" ("not with a whimper, but with a bang"). Moreover, these dark predictions turn out to be correct—as a means of dealing with the energy crisis consequent on the outbreak of war throughout the Middle East, a "renegade scientist," Baron Von Westphalen, has constructed an enormous machine off the coast of California, a kind of Manhattan Project for the production of "fluid karma," an electromagnetic energy source. However the production of fluid karma is, it turns out, creating a slowing of the Earth's rotation, opening up a gap in the space-time continuum, and causing the creation of a Tangent Universe running parallel to the Primary Universe. When he discovered this, the Baron recruited Iraq War veteran Ronald Tavener to throw Boxer into the rift, sending him back in time by 69 minutes—thus one Boxer (the "original" one) was blown up in a car while another, the time-traveling Boxer, is still alive. All this time travel also means, we eventually learn, that there is a strong possibility that the 4<sup>th</sup> dimension will collapse causing the world of the Tangent Universe to end. Meanwhile, the Baron and his crew of "neo-Marxists"—including Roland's twin brother, USIDENT police-officer Roland Tavener—are planning a revolution of their own, beginning with the explosion of a huge "megazepplin" called "The Jenny Von Westphalen" (the name comes from Karl Marx's wife) and catalyzed by rioting, machine-gun-toting Marxists feminists on the streets of LA.

The visual reference to the "doomsday scenario generator" at the beginning is continued at the thematic level throughout the film, which centers on a sci-fi screenplay (Boxer's and



Krysta’s “The Power”) which, the narrator tells us, “foretold the tale of our destruction”—as the Baron’s mistress Serpentine says to Boxer, “The future is just like you imagined.” I thus want to propose that we read Kelly’s text as a critical—even, perhaps appropriately, paranoid—response to a post-RAND world in which war is imagined, and even fought, in advance of its occurrence, a response which imagines the possibility that the imagining itself might actually produce the war. The Baron, described as “a renegade scientist,” is shown on the cover of *Wired* magazine, innovator in publishing the kinds of corporate futurist “scenarios” developed by Kahn after he left RAND; USIDENT is, like RAND, a “colossal think-tank,” this one founded under the auspices of the PATRIOT Act rather than in a post-McCarthy age of national paranoia. The film’s visual imagery, moreover, mimics the simulations common to RANDian war scenarios: in the opening scene, for instance, the shots from the handheld video camera (emblem of unmediated visual mimesis) fade to white with the appearance of the mushroom cloud; as it fades back in, we first see a now-familiar surveillance-society shot: the camera zooms out to capture a satellite-style view of all of the US. However it then achieves a second layer of mediation by becoming a digitally produced *map* of the US, the sort of computer simulation that might be viewed by military tacticians. Likewise, the live battlefield images of Iran, Syria, North Korea, and Afghanistan are replaced by maps peppered by blips to represent bombs; the film consistently uses such images, which suggest not simply surveillance and video games (familiar visual references for contemporary films) but also military and other forms of tactical simulation.



**Figure 3: A computer-drawn image superimposed over a map, as in a tactical simulation**

Thus rather than read *Southland Tales*’ multi-media references solely in terms of their relationship to what new media critic Tom Abba describes as “Alternate Reality Games” in which “the narrative reality of these source storyworlds is taken as genuine” and “the interactive reader continues [to have] a part in the endeavor of building worlds, both fictional and real,” we should read the film as a response to the way the conjoining of warfare with the experience of “storyworlds” as a “genuine” reality produces potentially catastrophic results.<sup>31</sup> The “Alternate Reality Game,” after all, takes perhaps its most common form not in postmodern film but in the Urban Warrior game, which Der Derian writes emerged as a large-scale form of entertainment

in 1999: as Serbian troops gathered on the Kosovo border, he says, 6000 sailors and marines and a “veritable army of defense contractors” gathered in the Bay Area to create a week-long war game experience for 300 civilians; while the game was played, Der Derian writes, “executives from Silicon Valley, navy admirals, and marine generals gathered at Stanford’s Business School” to discuss “a ‘Commercial Off-the-Shelf-Strategic Planning War Game’” (126). Simulations of this kind are not primarily designed for entertainment purposes, however: the use of simulated combat has become ever-more significant to US military policy and training in the last 15 years. In 1992, the US Army activated what Der Derian describes as “the most unusual command post in the military,” STRICOM, or Simulation, Training, and Instrumentation Command (81); STRICOM and the “Theater Immersions” presently in use by the US military to train soldiers for unconventional combat in Iraq and Afghanistan can be directly linked to the establishment in 1961 of the RAND-staffed Joint War Games Group at the Pentagon. While some scholars describe “a spectrum of wargaming” with “closed map-room sessions” dealing with the “abstract, analytical” questions of *strategy* on one end, and practical field (or “in-theater”) *tactical* operations on the other, even the early RAND analytical war gamers described what they were doing as “the process of creating an imaginary universe” or as “stagecraft.” Likewise, whereas simulated field operations prior to the 1980s “resembled elaborate games of Capture the Flag (complete with teams and umpires), more than the brutal physical and psychological landscapes of the theatres of war,”<sup>32</sup> the creators of recent tactical simulations have gone to extraordinary measures to create a sense of total immersion, including immersion in the psychological experience of warfare, as a way of enhancing their strategic and analytical—as opposed to simply tactical and operational—value (Ghamari-Tabrizi *Worlds*, 160). At the National Training Center in Fort Irwin, for instance, the Army has created a 1000-square-mile simulation of an Iraqi province in California’s Mojave Desert, a “virtual space of play and experimentation, and a mirror reproduction of the real Iraq [...] Ten months out of the year, battalions of soldiers are immersed into this full-size simulation, complete with nine working villages peopled with Arabic-speaking Iraqis engaged in quotidian business and social transactions [...] the soldiers are exposed to guerilla combat, convoy ambushes, IED encounters, and televised beheadings.”<sup>33</sup>

The distinction between simulation as a strategic exercise practiced at the highest levels and designed, ostensibly, to *prevent* the need for future military attack, and simulation as a mode of tactical training for soldiers fighting present wars has thus become increasingly blurred. As a result, although the strategic war scenario, like the counterfactual, is understood along the model of a branching-tree of decisions, its purpose is not so much prevention (which would be purely strategic) as what Andrew Lakoff aptly terms “preparedness”—a means of pre-experiencing and thus becoming both strategically and tactically ready for an otherwise “unimaginable” event, whether that event is nuclear fall-out or the counter-insurgency tactics of an unconventional enemy.<sup>34</sup> In other words, whereas the academic counterfactual is concerned with the causal structures that make way for an event, the war game or simulation is concerned with the experience of the event itself; whereas the historical counterfactual is about disciplining the imagination and limiting its speculations to the probable, the war game is about finding ways to represent and to stage the unthinkable, the improbable, and even the paranoiacally delusional.

To further make the case that Kelly’s counterfactual is structured around a deep anxiety about the possibility that contemporary modes of prediction, simulation, and war gaming might

be, like Boxer's screenplay, *creating* rather than simply preparing for (let alone preventing) violent catastrophe, I want to turn to another Iraq War counterfactual, Paul Auster's 2008 novel *Man in the Dark*.<sup>35</sup> Auster's novel seems at first to be a more conventional counterfactual—one of its two parallel narratives explores *both* of the most common millennial counterfactual plots (the 2000 election and 9/11). Yet Auster does not imagine a different “outcome” (win/loss, unprevented/prevented) to either of these events: in the novel, as in the real world, Gore loses the 2000 election after to a Supreme Court decision. However in Auster's parallel world, this decision leads to dramatically different consequences, as is explained to Owen Brick, a resident of the “real world” who suddenly finds himself thrust into this alternate reality:

[Owen] keeps his eyes shut throughout that twenty-minute drive, and from the ten thousand facts that come tumbling down on him between Molly's apartment and Virginia's house, this is what he manages to retain:

The election of 2000...just after the Supreme Court decision...protests...riots in the major cities...a movement to abolish the Electoral College...defeat of the bill in Congress...a new movement...led by the mayor and borough presidents of New York City...secession...passed by the state legislature in 2003...Federal troops attack...[...] New York City bombed, eighty thousand dead...but the movement grows...in 2004, Maine, New Hampshire, Vermont, Massachusetts, Connecticut, New Jersey, and Pennsylvania join New York in the Independent States of America...later that year, California, Oregon, and Washington break off to form their own republic, Pacifica...[...]the European Union recognizes the existence of the new country, diplomatic relations are established...[...] Meanwhile, the fighting continues, often horrendous, the toll of casualties steadily mounting...U.N. resolutions ignored by the Federals, but until now no nuclear weapons, which would mean death to everyone on both sides...Foreign policy: no meddling anywhere...Domestic policy: universal health insurance, no more oil, no more cars or planes, a fourfold increase in teachers' salaries (to attract the brightest students to the profession), strict gun control, free education and job training for the poor...all in the realm of fantasy for the moment, a dream of the future, since the war drags on, and the state of emergency is still in force. (62-3, all non-bracketed ellipses are Auster's)

The strangely compressed, summary quality of this counterfactual draws, I think, on the particular aesthetic of Kahn's similarly minimalist counterfactual “scenarios” of nuclear destruction counterfactual<sup>36</sup>—and indeed, it turns out that Owen, and the parallel world he wakes up in, are the product of imagination run amok: the novel opens in the voice of August Brill, an old man lying in bed in his house in Vermont—unable to sleep, August says, “I lie in bed and tell myself stories. They might not add up to much, but as long as I'm inside them, they prevent me from thinking about the things I would prefer to forget” (2). The story that August invents is, then, the story of Owen Brick, who wakes up in a foxhole in the middle of the war between the Federals and the Independent States, uncertain of how he got there:

What am I doing here? Brick asks, trying to suppress the anguish in his voice.

Get a grip on yourself, boy. You're fighting a war. What did you think this was, a trip to Fun World?

What war? Does that mean we're in Iraq?

Iraq? Who cares about Iraq?

America's fighting a war in Iraq. Everyone knows that.

Fuck Iraq. This is America, and America is fighting America.

What are you talking about?

Civil war, Brick, don't you know anything? This is the fourth year. But not that you've turned up, it's going to end soon. You're the guy who's going to make it happen.

(8)

Owen soon discovers that he has been transported from the primary universe to this parallel universe to assassinate the man responsible for the war—that man is, of course, August Brill, whose story it is. “[W]hy does this man deserve to die?,” Owen asks his commander: “Because he owns the war. He invented it, and everything that happens or is about to happen is in his head. Eliminate that head, and the war stops. It’s that simple” (9). In *Man in the Dark*, as in *Southland Tales*, war is the product of a demented imagination, the product of men doing exactly what Kahn did: “think[ing] a war right through its termination [...] think[ing] through many possible wars to their termination points” (Kahn qtd in Ghamari-Tabrizi, *Worlds*, 129). In both texts, as at the RAND Corporation, the man who imagines the war is not himself a soldier, raising all the issues of what constitutes experience that plagued the early discussions of strategic thinking in the military—this is most explicit in *Man in Dark*, since the 72-year old August observes that he has “been spared from all things military” by “an accident of birth, the fluke of entering the world in 1935, which made [him] too young for Korea and too old for Vietnam” (80). His creation, Owen likewise “cannot recall having served in an army or fought in a war at any time in his life” due to another “accident of birth”—30 years old in 2004, Owen came of age after the closing of the draft (8). Owen, like Boxer in *Southland Tales*, is an entertainer by trade—he works as The Great Zavello, a professional magician; thus when he describes waking up in the war-torn parallel universe mysteriously “dressed in a soldier’s uniform...[with] two military stripes on the sleeves of the jacket, indicating that the uniform belongs to someone with the rank of corporal” yet “without papers or dog tags or a military ID card to prove his status as a soldier,” he seems to be describing the experience of waking up in costume rather than in a uniform that properly belongs to him (3, 5).

Despite his lack of real experience in war, August Brill, like Kahn, believes strongly in the power of the speculative imagination to approximate it—musing about the occasion on which he came closes to “something that resembled war,” August, who is a cultural journalist, describes an evening in 1967: while “sweating out a long piece for *Harper’s* on recent American poetry and fiction inspired by the Vietnam war,” he is invited to dinner with his sister and her husband, a Newark city government employer whose car has a two-way police radio. While driving home from dinner, the radio suddenly erupts into the sound of police calls reporting the beginning of what would become the 6-day Newark race riots. August and his brother-in-law drive immediately to the Newark City Hall, whose jail is “crammed with prisoners, every one of them a black man,” all of whom have clearly been beaten by the police. “That was my war,” August says. “Not a real war, perhaps, but once you witness violence on that scale, it isn’t difficult to imagine something worse, and once your mind is capable of doing that, you understand that the worst possibilities of the imagination are the country you live in. Just think of it, and chances are it will happen” (82). In the very moment that August invokes the power of

the imagination, we are compelled to question it, to tie his ineffective journalism on the work of other writers “inspired by the Vietnam war” to an uncertainty as to how the Newark riots are really “his war,” or to wonder how “witnessing” the aftereffects of violence on others constitutes an experience of it, or to questioning whether the Newark riots, with their 6 days of violence and their 26 dead, are so easily comparable to other battlefields. And yet August’s assertion “Just think of it, and chances are it will happen” is realized by the novel itself—whose parallel plot is, of course, precisely the fulfilled product of his imagination. It also mirrors Kahn’s claims that war games and scenarios should describe unlikely but “interesting” possibilities, that scenarios ought to “stimulate our imagination [...] [by bringing] less probable possibilities into focus” and that since the future is constitutively unknowable, “it is hard to see how critics can be so certain there is a sure divorce from a reality which may not yet exist and may yet surprise them” (qtd. in Ghamari-Tabrizi, *Worlds*, 132, 146). “Because a war is so horrible,” Kahn once remarked, “it takes an act of imagination to visualize one starting” (qtd. in Ghamari-Tabrizi, *Worlds*, 184). The problem that the novel raises, then, is the possibility that the imagined war, insofar as it is at once predictive and strategic, comes to *replace* reality, and even to *produce* the realization of its own prophecy. Thus for those who live in the alternate America imagined by August, “You get used to the fighting, it kind of creeps into your bones, and after a while, you can’t imagine a world without it” (111). In *Man in the Dark*, in other words, Auster extends the anxiety subtending *Southland Tales*’ representation of a paranoid speculation (initially intended as “entertainment”) that ultimately becomes real: the “imagined” world, the parallel universe that exists only in August’s head, becomes real, while the real world becomes “unimaginable.”

Rather than understand Kelly’s film (as some the new media critics would like us to) as a “remediation” of one genre (the narrative film) by others (the graphic novel, the website), I think we can read both *Southland Tales* and *Man in the Dark* as critical, anxious responses to what theorist Richard Grusin calls “premediation,” a logic at work in both contemporary media and contemporary politics. Premediation, Grusin explains, is not a prediction like a weather forecast, but rather involves “the proliferation of future scenarios that enables premediation to generate and maintain a low level of anxiety in order to prevent the possibility of a traumatic future,” a description that aptly describes the fantasies (and fears) at work in both *Southland Tales* and *Man in the Dark*.<sup>37</sup> Grusin’s description of the relationship between premediation and the war in Iraq is worth quoting at length:

The war against Iraq was premediated in almost every possible manifestation. It was premediated as a war in which the United States and Britain would go almost alone and as a war in which they would go in with the support of the United Nations. It was premediated as a war with a northern and a southern front, or one that would be waged primarily from the south. It was premediated as an overwhelming aerial assault leading to the immediate surrender of the Iraqi people, who would welcome the American liberators with open arms. It was premediated as a war that would lead quickly to a military coup, or the capture, murder, or exile of Saddam Hussein and his immediate circle. It was premeditated...as an extended urban war in which U.S. and allied troops would engage in house-to-house, street-to-street combat with an entrenched Iraqi military and populace. It was premediated as a war in which Saddam Hussein would

empty his arsenal of weapons of mass destruction—on invading soldiers, on his own people, on his oil wells, and on the Israelis...[E]ach of these scenarios had its own level of plausibility and its own set of motivations. (26-7)

Rather than simply skewering the *content* of some of these “plausible” scenarios—specifically, the ones which imagined a wholly positive outcome—Kelly and Auster address their form. In this regard, they put pressure on the tendency of contemporary cultural production to simply mirror—even to assist—the methods (whether technological, ideological, aesthetic or epistemological) of contemporary warfare: as Patrick Deer argues, the horrors of postmodern military violence are given “a futuristic gloss” by the contemporary cultural production, as “pundits spin extreme, apocalyptic ‘ticking time bomb’ scenarios” while on fictional television, “the series *24* unabashedly stages these scenarios as showstopping spectacle” (5). Instead, the apocalyptic quality of these narratives emerges immediately from their critique of a Kahnian simulation or scenario capable of producing “a premediation of the *inevitable* future (or of any number of possible inevitable futures, as long as they all led to war with Iraq)” in the guise of a prediction. To more fully understand the origins of these “possible inevitable futures,” then, let us look more carefully at other recent developments in postmodern warfare.

### **Collective agency and the corporate soldier**

I think there remains one final way to consider these two texts’ relationship to an older counterfactual form, and one final related point to make concerning their relationship to the specific traumas of the Iraq War. In an early piece on counterfactual and time-travel narratives, Gallagher notes that counterfactuals have two basic subtypes, one classic and one more contemporary. Most traditional is the “familiar y-shaped narrative logic” which describes the branching paths of historical accident: “a vast majority” of these narratives, she writes, “develop the implications of the alternate outcome of a war or even a single battle, and most of the rest turn on the accidental death, assassination or failure to be born of a single world leader” (“Undoing,” 21). Second, and more recent, are those that “focus on momentous decisions, implying that human agents are [...] undetermined in their choices and focused on real options” (21). Although Gallagher separates these two types here, it is their interrelationship that allows her to relate “the historian looking backward” at possible historical nexus points to “the General looking forward” and deciding what decisive action to take. For conventional historical counterfactuals and for strategic military speculations *prior* to the RMA of the 1950s and 60s, in other words, there is a strong relationship between a y-shaped model of divergence and an emphasis on free individuals as the decisive agents of history, even when the former retains some emphasis on accident or providence. As a result, Gallagher argues elsewhere, a Clausewitzian genius model still lingers in “operational military history’s ‘critical’ dimension, [in] its goal of learning from history by judging the skill of the antagonists” and in its tendency to “judge the conduct of war by assessing how well it manifests, in the thick of the action, an awareness of the shape later perceived,” so that we “judge Napoleon [not] simply by the criterion of success” but rather by the degree to which his “actions reveal a comprehensive view of the contingencies and alternatives present at the time” (“Formalism of Military History,” 32).

We have already seen that for the post-RMA Monte-Carlo war gamers, by contrast, there are so many possible zig-zagging paths that a single “comprehensive view” is impossible; we have also seen that for the strategist speculating into the future, *all* alternatives are potentially “present,” creating what traditional counterfactual historian Dolezel scathingly described as an “untraceable labyrinth of forking paths.” As a result, moreover, the very account of agency used by war gamers and strategists has been transformed, so that rather than imagining a General or tactician who can “assess the dangers, the options and their consequences,” and rather than positing a narrative centered on the “calculations and decision-making of commanders,” post-WW2 military thought has a very different notion of the relevant agent or decision maker. In fact, the revolution out of which the war game, the scenario, and the simulation emerged required a transformed account of the General and the soldier alike. As one war gamer put it, “*In past years*, the calculated risks were taken by military commanders, who used judgment and experience to estimate an enemy’s intentions,” whereas under the RMA, risks could be evaluated by a *collective* agent understood as a self-organizing “system” (Ghamari-Tabrizi, “Gaming,” 165). If, as my account above suggested, the decision-maker in late 20<sup>th</sup> century warfare was no longer the General but rather the team of technocratic strategists (who themselves had no history or actual experience with warfare, hence the demotion of history and subjective intuition in RMA speculative heuristics) and eventually the computer, this transformation necessitated a radically different model of agency as well. The novel metaphors for this new postmodern agent included the biological organism, the automaton, the network, the robot, and, ultimately, the corporation.

I have already suggested that war games proposed an technician and probabilist understanding of decision-making; Kahn, for instance, frequently noted that “the success of operations research in World War II proved that mathematical analysis was often more effective than venerable tactical tradition”—this, I argued above, was the basis for the substitution of the General with the strategist (qtd. in “Gaming,” 164). Yet even the strategist was not generally imagined as an individual actor. Rather, the nascent fields of behavioral science, operations research, and systems theory thought of “actors” not as individual agents, but rather as collective systems which could be rationally engineered: “it mattered little whether the system was a military unit, a commercial firm, a weapons system or even a biological organism. The totality was the system” (“Gaming,” 165). The idea of the biological organism as system was particularly important to systems theory, which described its totalities as functioning according to natural laws and which modeled its understanding of the collective agent on the idea of an organism composed of individual cells, a naturalist metaphor that seems at once to highlight and repress its difference from the other, strikingly non-organic metaphors of agency (computers, networks) that were also common in systems and game theory.

This systems theory model of agency obviates against an emphasis on conscious, rational decisions, hence its other, non-organic metaphor for agency was the automaton. Philip Mirowski, in his compelling history of systems theory and cybernetics, quotes RAND war game guru Paul Davis’s call to “automate the [war] game [...] replacing all human players of a traditional military-political war game with automatons [so that strategists could] pay attention to cybernetic phenomena in which *decisions are not really made consciously at the top at all*”<sup>38</sup> What Mirowski calls a “Robot Sociology” in which players of games are rendered as automata was not

just a convenience but was rather “an integral part of [...] the theory of social processes that became embodied in the game” (483). “Treating humans as information processors was,” he says, “a response to the perceived weaknesses of game theory as any sort of valid theory of strategic rationality...[because] it was not immediately necessary to specify exactly where the machine left off and the human agent began” (353).

With the development of computing networks—ARPA-net, the precursor to the modern internet, was developed in the early 1960s by researchers at the Department of Defense and RAND—came the emergence of a third metaphor, the “software agent.” The conventional metaphor of the problem solver was, in the words of AI researcher Carl Hewitt, “a single personality, wandering over a goal net much as an explorer wanders over the countryside, having a single context and taking it with him wherever he goes”; the software agent was, by contrast, a “computational entit[y] that build[s] and maintain relations between nodes of the network.”<sup>39</sup> The software agent was governed by natural laws, but its agency a distant and decentralized agency—it thus became the perfect image for the “agency” of soldiers fighting next to robots and remote control drones, itself a brand new phenomenon of the last six years (when the Iraq War began in 2003, there were no robots on the battlefield; as of 2008, there were over 12,000 in inventory). A recent article by P.W. Singer in the *Air and Space Power Journal*, for instance, describes the way in which “advancing research in AI” suggests that “machines may even one day soon surpass our main comparative advantage today, the mushy grey blob inside our skull. This is not just a matter of raw computing power. If a soldier learns French or marksmanship, he cannot easily pass on that knowledge to other soldiers, [whereas] [c]omputers [...] have sharable intelligence.”<sup>40</sup>

The rhetoric of networked, “sharable” intelligence is used not only to describe the functioning of the actual robots currently used by the military, however, but also to describe the agency and interactions of human soldiers. It thus serves as a model for transforming the structure of the military “from command structures populated by individual military units to a radical relationality in which units are incorporated into an open and adaptive system,” and for “taking the human element out of the decision-making” (Singer, “Wired for War”). By thinking about the relationship between remote-controlled robo-war and questions of narrative point of view, we can see why it is important to update Gallagher’s account of the decision-making General or soldier in light of the RMA. Garret Stewart, in an excellent article titled “Digital Fatigue: Imagining War in Recent American Film,” writes that in contemporary Iraq War movies, “the ubiquitous remote control of drone predator surveillance in the high-tech fantasy of an ultimately unmanned victory” becomes a kind of “genre problem” as “the damage is inflicted not just on characters but on plot.”<sup>41</sup> This damage, he argues, is played out most explicitly in narratives in which “agency is subsumed to technology at every level, from aerial tracking, where characters are just faceless pawns on a monitoring grid, to eye-level confrontations, where any human posture toward an encroaching violence...[is entirely] virtual” (45). Developments in remote and robo-war, in other words, represent not only a new kind of technological mastery, but also raise problems of agency and force us to wonder who—or what—actually makes battlefield decisions.

This is interesting to our reading of *Southland Tales* because the film makes explicit visual reference to the use of unmanned, remote-controlled drones as well as long-distance snipers.

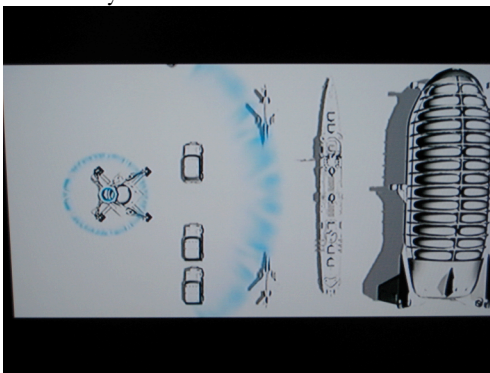


The film's narrator is Pilot Abilene (Justin Timberlake), an Iraq War veteran and now domestic sniper: we first see him in a Venice Beach sniper tower, with a laptop; the camera pans out miles away from him with the image of faint crosshairs over his distant image, as if his long-distance surveillance on his targets is doubled by another, looking at him. An image of the security around the Fluid Karma Generator in the Pacific Ocean also shows a kind of war network between weapons, cameras, and computers....



**Figure 4: A war machine connecting video cameras, weapons, and laptops**

...and the purpose of Fluid Karma is to create “a wireless network of electric power that would run machines by remote”:



**Figure 5: Remote controlled vehicles driven by fluid karma**

Further, although Boxer is told that his future self pushed the detonator button to blow up the car containing his past self, he ultimately discovers that it was actually the Baron who exploded the car “by remote” (thus allowing him to speak the film's most famous and most inexplicable line, “I'm a pimp, and pimps don't commit suicide.”). And finally, as if in a parody of the soldier who receives commands from a distant commander, Senator Bobby Frost wears glasses that allow Nana Mae, his wife and the director of USIDENT, to see what he sees and to direct him in what to do. In other words, the film is full of images of remote control and of man-machine integration that mirror both the theoretical models of agency underpinning the RMA and the specific changes in technology, AI, and robotics deployed in the Iraq War.



**Figure 6: Pilot Abilene, robotically merged with his gun and laptop**

In closing my analysis of *Southland Tales* and *Man in the Dark*, I want to think about the relationship between the accounts of collective agency consequent on these developments in military affairs and the concomitant privatization of the military, and to use this to consider the specific war traumas that are at the heart of both Kelly's film and Auster's novel. If the drone, the sniper, and the robo-soldier represent changes in the theater of war underwritten by theoretical models which conceive agency through images of automatons and software, the use of private military and security company (PMSC) personnel in the Iraq War, and the blurring of the line between military and civilian functions consequent on privatization generally, is underpinned by a final model of collective agency developed by RAND in the 1990s: the corporation. A pamphlet published by RAND in 1997 written by neo-con public intellectual Francis Fukuyama and intelligence analyst Abram Shulsky and titled *The 'Virtual Corporation' and Army Organization* establishes a set of parallels between the post-industrial "virtual" or "network" corporation and the modern military force.<sup>42</sup> "Although discussion of the RMA has centered around the impact of technology on weapons systems," Fukuyama and Shulsky write, "there are reasons for thinking that more fundamental improvements in military effectiveness will require [...] the use of appropriate organizational structures" (xiii). The organizational structure they have in mind is the "information-based," "flattened," "decentralized," "agile," "networked" corporation of the internet era, which operates in the "self-organizing fashion of biological systems" (xii-iii). The parallels are at times entirely metaphorical, with the postmodern corporation serving as a model of a kind of agency separable from individuals: contemporary corporate entities and the modernized military, like "the human brain or a swarm of bees," have "no controlling centers, but rather exhibit complex behavior that 'emerges' out of the behavior of thousands of simple agents that constitute them" (17). At other moments, the comparison seems entirely more literal, as when the writers recommend that "a 'Wal-mart' type system for logistics would allow some data to flow from the field directly back to depots in the continental United States"; or when they compare "an army planning a surprise attack [to] a corporation like Intel that periodically has to make large, risky investment decisions that 'bet the firm'" (10, 19).

As with the automaton model of organization, the corporate model described by Fukuyama and Shulsky was not merely a metaphor by the time of the Iraq War, the first war in

which PMSCs were used on a wide scale and thus, according to legal historian Antenor Hallo de Wolf, the first privatized war. “Privatization,” writes de Wolf, “can occur through the transfer of ownership, through the delegation of management, through contracting out, or through deliberate withdrawal from a public-delivered task with the intention of letting private actors take over”—*all* of these occurred, uniquely, in the Iraq War.<sup>43</sup> As Kjell Bjork and Richard Jones argue, “the Coalition Provisional Authority’s economic reform’s first round of privatization affects 200 of Iraq’s most successful enterprises” and “there is a strong link between the private sector-led reconstruction effort and the surrounding security apparatus” which increasingly relies on PMSCs.<sup>44</sup> Scholar Lila Rajiva takes this account of privatization one step further to suggest the emergence of a full-scale “police state” consequent not only on this reordering of the military but also the “penetration of the civilian population through the use of guard and reserve forces,” the use of “operational models drawn from business” and “an unconstrained and unapologetic symbiosis between business, government, and military.”<sup>45</sup> I want to argue here that the corporate (in the sense of collective) model of agency which required us to rethink the military counterfactual’s traditional emphasis on individual decision-making is further realized in *Man in the Dark* and *Southland Tales*’ representation of the traumas consequent on an unprecedented blurring of the lines between corporations and armies, military and civilians, public and private.

August Brill’s imagined war in *Man in the Dark* is, we are told in the beginning of the novel, a kind of defense mechanism to keep his mind from darker thoughts. August shares his house with his divorced daughter, Miriam, and Miriam’s daughter Katya, “who used to sleep with a young man named Titus Small, but Titus is dead now, and Katya sleeps alone with her broken heart” (1). August goes on to describe Titus:

His parents named him after Rembrandt’s son, the little boy of the paintings...the little boy who turned into a young man ravaged by illness and who died in his twenties, just as Katya’s Titus did. It’s a doomed name, a name that should be banned from circulation forever. I think about Titus’ death often, the horrifying story of that death, the images of that death, the pulverizing consequences of that death on my grieving granddaughter, but I don’t want to go there now, I can’t go there now, I have to push it as far away from me as possible. The night is still young, and as I lie here in bed looking up into the darkness...I tell myself stories. They might not add up to much, but as long as I’m inside them, they prevent me from thinking about the things I would prefer to forget. (2)

It is the story of Owen Brick that August goes on to make up, and it is that story (along with several recollected personal narratives that August tells a sleepless Katya) which occupies the next 160 or so pages of the novel, right up until its final ten. In those last ten pages, however, we learn that Titus’ death has happened in Iraq. Titus, like August and Owen, has not been drafted—rather, he tells August, he *wants* to go to Iraq to become a better writer:

My stuff is dry and heavy and dull. Crap. Every word I’ve written so far is crap. I’ve been out of college for close to two years now, and I spend my days sitting in an office...What kind of life is that? It’s so fucking safe, so fucking dreary. I can’t stand it anymore. I don’t *know* anything, August. I haven’t *done* anything. That’s why I’m going away. To experience something that isn’t about me. To be out in the big rotten world and discover what it feels like to be a part of history.

Going off to war [Owen responds] isn't going to turn you into a writer. You're thinking like a schoolboy, Titus. At best, you'll come back with your head full of unbearable memories. At worst, you won't come back at all. (173)

Titus, like August, connects war to the creative imagination; unlike August, however, he emphasizes the necessity of immediate experience and the impossibility of imagining combat without that experience. Yet there is another reason for Titus' decision: money. He does not in fact join the *military* at all—rather, he has signed up to work for BRK, a *private* contracting company—“You sign up for a year,” Titus tells August, “and you come home with ninety or a hundred thousand dollars in your pocket” (172). Three months into his one-year contract, he is kidnapped by “a terrorist organization” who release a film of a hooded Titus and demand a cash ransom and “*the immediate cessation of all BRK activities in Iraq*” (174, emphasis Auster's). Seventy-two hours later, Titus is beheaded, also on film: “Although BRK made a substantial offer on his behalf,” says August, “as expected (why think the unthinkable when profits are at stake?), they refused to shut down their operations” (175). August's description uncannily echoes the title of Kahn's book *Thinking the Unthinkable*, more importantly, it points to the particular traumas of a war both driven and infected by profit motives. Titus goes to Iraq not out of any commitment to a military or national cause—indeed, August points out to him that, “When the invasion started, you told me you were against it. *Appalled* was the word you used, I think. You said it was phony, trumped-up war, the worst political mistake in American history. Am I right, or have I mixed you up with someone else?...Have you changed your thinking since then?,” to which Titus replies “No, not one bit” (171-2). It is this trauma, I think, that the novel structures itself around, the climax towards it capily builds: the trauma of a war that, as Singer describes it, has made possible

the largest deployment of [contracted, private, non-military] personnel ever. More than 60 firms currently employ more than 20,000 private personnel there to carry out military functions (these figures do not include the thousands that provide nonmilitary reconstruction and oil services)—roughly the same number as are provided by all of the United States' coalition partners combined [...] More important than the raw numbers is the wide scope of critical jobs that contractors are now carrying out, far more extensive in Iraq than in past wars. In addition to war-gaming and field training U.S. troops before the invasion, private military personnel handled logistics and support during the war's buildup.<sup>46</sup>

By imagining a war that *didn't* take place, *Man in the Dark* imagines a war that looks like no war we've seen, a war in which civilian contractors battle non-state actors; a war in which profits, rather than ideals, are at stake; a war more thoroughly privatized and corporatized than any before it.

*Southland Tales* similarly uses a series of surreal distractions and an “improbable” counterfactual war to circle around—and finally, in its last moments, to confront head-on—what is actually an Iraq War trauma. In the beginning frames of the film, we are introduced to Pilot, an Iraq War vet who has apparently been injured in combat. Home from Fallujah, Pilot also mans the sniper on Venice Beach, his soldierly duties apparently not restricted to the distant battlefield—thus in one of the film's most surreal, but also most oddly-moving scenes, Pilot lipsynchs to The Killers' “All These Things That I Have Done,” with its repeated refrain “I've

got soul/But I'm not a soldier." The song most obviously captures Pilot's war trauma, brought to the surface by his injection of Liquid Karma (which besides being an energy source is also a hallucinogen that Pilot and many other soldiers were given in Iraq—a mention of Agent Orange makes the implied Vietnam reference clear). Yet it also describes his odd position as both a soldier and a civilian policeman, a soldier and not-a-soldier, and thus the penetration of civilian law-enforcement by the military—as Singer describes it, this penetration is inherent to the dynamic of increasing privatization: "The modern private military industry emerged at the start of the 1990s, driven by three dynamics: the end of the Cold War, transformations in the nature of warfare that blurred the lines between soldiers and civilians, and a general trend toward privatization and outsourcing of government functions around the world" (Singer, "Outsourcing War").



**Figure 7: "I've got soul/But I'm not a soldier"**

There is an even more explicit treatment of this blurring between public and private, however, in the plot with "twins" Ronald (Iraq war veteran) and Roland (USIDENT officer) Tavener. It turns out, of course, that Ronald and Roland aren't twins at all, but the same person. Ronald, hired by the Baron to take Boxer into the desert, accidentally fell into the space-time continuum with Boxer, only whereas Boxer's past-self was killed in the car bomb, Ronald's remained alive. In other words, *the soldier and the civilian policeman are the same person*—if the two meet and shake hands, the Baron tells Boxer in the film's conclusion, the world will end. Moreover, it turns out that Ronald is home from Fallujah not because his deployment was over, but because he was involved in an incident of friendly-fire, having accidentally thrown a grenade at his best friend, Pilot Abilene, and burning his face—the repeated lines in Pilot's song "Over and out, last call for sin/While everyone's lost, the battle is won/With all these things that I've done/All these things that I've done" are thus not only freighted with apocalyptic meaning, but also are an expression of Ronald's guilt—"My face haunted his dreams," Pilot says of Ronald, "But what happened in Fallujah was an accident. They called it friendly fire. And Private Tavener cannot forgive himself for what he had done to me." The final scene in the film, then, is of both destruction and reconciliation—finally meeting, Roland and Ronald clasp hands and their car ascends heavenward as they chant to one another, "It wasn't our fault. It wasn't our fault. Friendly fire. I forgive you. Friendly fire. I forgive you." The film thus represents not only

the collapsing distinction between military and civilian law enforcement consequent on the privatization of the Iraq War, it also represents the collapsing distinctions between the individual soldiers themselves, and the traumatic consequences of a war fought against “unconventional combatants” who are themselves civilians, of a war in which post-traumatic stress syndrome was so common that (as of 2007) one soldier died by suicide for every 20 who died of combat-related fatalities. The scene between the “twins” also recalls the complicated reassessment of agency and responsibility necessary to describe a war fought in part by drones and remote controlled robots—not only do these weapons systems frequently strike unintended targets, they make the question of blame quite obscure, so that Roland/Ronald’s paradoxical oscillation between “It wasn’t our fault” and “I forgive you,” forces us to ponder the difficult question of who is to blame when a drone plane controlled by a soldier sitting at a computer at Edwards Air Force Base in California drops a bomb on civilians, allies, or even other soldiers thousands of miles away in Afghanistan.

The notion of a battlefield directed by a General or even a single, experienced strategist whose decisions are the deciding factor for the movement of troops and weapons is, in short, no longer an apt way to imagine the military as it is currently operating in Iraq and Afghanistan; as a result, these contemporary “counterfactuals” formally forswear the conventional “nexus event”—previously imagined as a battlefield event determined by chance (“For want of a nail the horse was lost...”) or as by human decisions (“If Grant Had Been Drinking at Appomatox”)—in favor of a more surreal vision of historical transformation and possibility. This surreal vision speaks in both implicit and explicit ways to the specific changes in military organization—the Revolution in Military Affairs—largely responsible for precisely the demotion of the commanding, autonomous strategic-agent in favor of an account of more diffuse, systemic, self-organizing collective subject. The transformations consequent on the RMA were thus both theoretical and material: as RMA discourse adopted the insights of systems and organizational theory and began to describe actors as software-agents, new technologies of information-processing were enabling novel models of probabilistic branching far beyond the dual (or even forking) paths of early counterfactuals. As strategists began to describe soldiers as automatons and rendered decision-making decentralized and remote, new weapons and AI technology emerged that brought together men and machines and made possible distant and drone warfare. And as thinkers at RAND and the Pentagon began to articulate the need for flattened, non-hierarchical organizational structures that used post-industrial corporations as their model, military and security forces were becoming increasingly privatized, blurring the lines not only between soldiers and for-profit contractors, but also between soldiers on the battlefield and civilian law-enforcement: as Thomas W. Smith writes, privatized and technologically sophisticated methods of warfare not only “undercut customary limits on the use of force,” they also “erode distinctions between soldiers and civilians.”<sup>47</sup>

I began this section by further suggesting that the representation of imagination in both of these texts is darker and more paranoid than in other counterfactuals: in both *Man in the Dark* and *Southland Tales*, war and apocalypse turn out to be the product of imaginative thought; in both cases, as if in response to the appearance in the last decade of what Der Derain calls MIME-NET, the Military-Industrial-Media-Entertainment Network, the purpose of these violent imaginative gambits is entertainment, whether it be a story to pass a sleepless night or a

blockbuster film. *Southland Tales* also deploys the specific visual imagery of the scenario, the war game, and the simulation, all of which are ways the speculative imagination forecasts—and in some ways *casts*—the improbable and the bizarre and the horrifying as real: as Ghamari-Tabrizi notes, gamers not only regarded their exercises as a “gestalt experience” but also “as a species of *forecasted history*” (“Gaming,” 197, emphasis mine). That phrase, “forecasted history,” describes both the imaginative speculations of alternative histories (by which I mean both counterfactuals and other related genres like parallel worlds and time travel narratives) and the perverse imagination behind devices like Kelly’s (and Kahn’s) Domsday Scenario Interface: the imaginative open-endedness which sparks the creation of counterfactual fiction spins into paranoid and self-fulfilling overdrive in these narratives, throwing into sharp relief the very formal moves which are the their engine and origin.

I have sought here to make the case that these more recent counterfactual narratives break in some interesting and important fashion from the long history of counterfactual history, and that this break is in part due to a historical shift from an 18<sup>th</sup> and 19<sup>th</sup>-century model of military history and strategy to radically new philosophies, methodologies, and technologies of speculation and simulation. This argument is intended in part to offer a somewhat different frame for contemporary speculative fiction than that offered by scholars like Gavriel Rosenfeld, for whom alternate history’s “playful rearranging” of historical fact emerges as the obvious product of a ludic and relativist postmodernism that “ha[s] eroded the traditional dominance of an objectivist, scientific kind of historiography and [...] helped foster the acceptance of its alternate cousin” (7). To read counterfactuality in terms of the RMA and war-gaming serves not only to offer a darker side to this “freewheeling” postmodernism, but also to suggest the possibility for an engaged critique of it. In a sense, this engagement with the contradictions inherent to any philosophy of history has *always* been the purview of counterfactual history: in the post-providential, Humean, modern historiography Gallagher describes, for instance, the “great man” theory of history and the emphasis (in military as well as other forms of historical narrative) on intuition and experience rubs uneasily against the sense that vast and implacable forces move history and against the desire to see historicism as an objective body of knowledge. In the post-historical, plausibilist, postmodern speculative forms developed by Kahn et. al., likewise, the hitherto-unimaginable ability of computers to collect and evaluate data, and the methodological insistence on the priority of such data over and above individual experience, runs around on the simultaneous privileging of the (paranoid) imagination. The fascination with expert knowledge and rational action contradicts the representation of individual agency as increasingly constrained and technologically mediated. In the section that concludes this chapter, then, I want to think about these paradoxes not simply as imminent contradictions *within* the tradition of RMA speculation but as the basis for a dialectical response to the emerging neoliberal economic, political, and cultural order of which they are both cause and effect.

### **Millennial Events and Melancholy Liberalism**

Gallagher points out that the counterfactual has been enjoying a dramatic increase in popularity in recent decades, yet despite the fact that contemporary historians and novelists alike have been quite captivated by the form, few of the hundreds and hundreds of recent

counterfactual thought experiments have considered contemporary *events*. Looking at [uchronia.com](http://uchronia.com), we can see that few historical events post-WW2 appear to have been of special interest to counterfactual fiction writers: there are startlingly few Vietnam War counterfactuals<sup>48</sup>, one Gulf War counterfactual novel, and a handful of Watergate counterfactuals; the rest of the contemporary counterfactuals are concerned with smaller-scale events like the rescue of hostages or the emergence of the internet, or with science-fictional plots (the title of “Dukakis and the Aliens” speaks for itself), or with counterfactual celebrity biographies (John Lennon faked his murder, Jimi Hendrix survived his overdose, Kurt Cobain was prevented from shooting himself).

The indisputable exceptions are, perhaps not surprisingly, the 2000 election and 9/11. Post-2000 academic textbooks on counterfactual inference like *The Oxford Handbook of Political Methodology* and *Counterfactual and Causal Inference*, as well as research essays (“How Factual is Your Counterfactual”; “Affective Impact of Close CFs: Implications of Possible Futures”) take up the 2000 election as their signal example to define and describe counterfactual thought.<sup>49</sup> Other academic essays have used the election to consider more historically-specific questions, such as a 2008 article titled “Counter-Factual Geopolitics: President Al Gore, September 11<sup>th</sup>, and the Global War on Terror,” which asks whether the “geopolitical and spatial consequences of a Gore administration [would] differ only on tactics and strategies [or in] fundamental principles.”<sup>50</sup> There are imaginative versions of the 2000 election counterfactual as well, including Ken Macleod’s novel *The Execution Channel*, which imagines a number of historical divergences including an Al Gore presidency, and Richard Lupoff’s even goofier short story “The American Monarchy,” in which the Supreme Court chooses to appoint Bush and Gore as “co-presidents.”<sup>51</sup> But the most striking, and most historically unprecedented, source of election counterfactuals came from journalists and opinion writers. Some of these were even written before the outcome was decided, such as an article in the *Washington Times* by Will Feltus and Laura Ingraham from November 30<sup>th</sup>, 2000 titled “What If Al Gore Had Won in Florida” that speculates about whether the circumstances would have been different had Gore been the one initially declared the winner in Florida. After September 11<sup>th</sup>, scores of editorials argued that the post-9/11 political landscape would have been different had Gore won the election: Michael McGough’s “If Gore Had Won” in the *LA Times* asks whether the PATRIOT act and other encroachments on civil liberties would have occurred under a Gore presidency; “Al Gore Discovers Himself” in *The Economist* considers a different outcome to the war against the Taliban; political blogger Ernest Wilson’s “Counterfactual History in Iraq,” Matthew Yglesias’s “Today in Alternative History,” and Joshua Kurlantzick’s “Another America” in *Prospect* magazine all consider a different form and outcome for the Iraq War.<sup>52</sup> Because most are articulated from the political left, these journalistic counterfactuals run contrary to Gallagher’s claim that counterfactuals typically imagine a *worse* outcome to events, and they instead use their speculative histories to consider what they see as *better* outcomes. (Contrary to Slavoj Žižek’s assertion in a review of a collection titled *What Might Have Been: Imaginary History from Twelve Leading Historians*, the counterfactual genre does not in fact seem particularly “right wing”; the piece in *What Might Have Been* to which Žižek seems to refer—a play-lette by Bush speechwriter David Frum which imagines the “catastrophe” that would occur if Gore was president and which suggests he would be more concerned with whether fighter jets are littering than with the attack on Afghanistan—



is more the exception than the rule.<sup>53</sup>)

The 9/11 counterfactuals are often related to the election counterfactuals since many of the former, such as Andrew Sullivan’s “The Good News Is That 9/11 Never Happened. The Bad News?,” posit that 9/11 would not have happened under a Gore presidency.<sup>54</sup> Sullivan’s piece is part of a series published in *New York Magazine* on the 5-year anniversary of the 9/11 attacks that includes brief essays by a mixed bag of writers like Thomas Freidman, Frank Rich, Al Sharpton, Doris Kearns Goodwin, and Tom Wolfe (who refuses to acknowledge that “there are [any] silver linings in 9/11” and instead produces a satirically realist account of a supposedly-imagined New York that in fact looks—at least to Wolfe—like the actually-existing New York, albeit not in ways that seem to have anything to do with 9/11: “A local music genre called hip-hop [...] would have swept the country, topping the charts and creating a hip-hop look featuring baggy jeans with the crotch hanging down to the knees that would have spread far and wide among white teenagers—awed, stunned, as they were, by the hip-hop musicians’ new form of competition: assassinating each other periodically. How cool would that have been?”). Even Jonathan Safran Foer’s *Extremely Loud and Incredibly Close*—the first, and perhaps the most widely discussed 9/11 novel—concludes in a kind of counterfactual mode, with a “flip book” of photographs reversing the fall of a man’s body from the World Trade Center so that he flies upward instead.<sup>55</sup>

However perhaps the most significant exercise in 9/11 counterfactual analysis—albeit one that hardly fits our precise generic expectations—is *The 9/11 Commission Report*.<sup>56</sup> The report was produced by a ten-person bipartisan commission and released in July 2004 to acclaim for its political and historical significance and, more surprisingly, for its narrative power: not only was the book nominated for a National Book Award—and later turned into a graphic narrative by illustrators Sid Jacobson and Ernie Colon—but the *New Republic* described its opening chapters as “novelistically intense”; *Time* called it a “riveting, disturbing, and revealing account of crime, espionage, and the inner workings of government”; *Slate Magazine* described it as “exemplary” in its “literary style” and as “compelling” and “deeply moving”; and the hyperbolic John Updike, writing in *The New Yorker*, said it was the only “masterpiece produced by committee” since the King James Bible.<sup>57</sup> It seems to me that *The 9/11 Commission Report*’s intense power as a narrative comes, at least in part, precisely from its implied counterfactual suggestions. The Commission was aided by Harvard Professor of History Ernest May, who was charged with creating the “historical narrative” of the first chapter—which offers a minute-by-minute account of what happened on the morning of September 11<sup>th</sup>—and with assisting on the next ten chapters, which offer a somewhat longer history of the rise of al Qaeda and intelligence gathering under Presidents Clinton and Bush (the report concludes with two final chapters of policy recommendations). May himself is known not only for his readable and anecdotal style, but also for what a reviewer of his academic work calls an “addiction to counterfactuals,” a tendency to use “a cascade of counterfactuals [...] [to] expand the truism that all human events are contingent,” particularly events on the battlefield.<sup>58</sup> Thus it seems little surprise that Elizabeth Drew, in a review of the report for the *New York Review of Books*, writes that some commissioners “believed it to have been the case” that the attacks could have been prevented, thus opening the door to possible 9/11 counterfactual consideration:

Earlier in the year, in several television interviews, Thomas Kean said that the attacks

might well have been prevented. And Lee Hamilton said on *Meet the Press* in April, ‘If you'd had a little luck, it probably could have been prevented.’ ... The commissioners who believed that the attacks might have been prevented knew that they couldn't get unanimous agreement on this question. [...] But the commissioners could and did make the case that this was a strong possibility. They believed that the account in their report would speak for itself.<sup>59</sup>

Although for political reasons these commissioners were reluctant to make explicit their belief that 9/11 could have been prevented, on reading the first eleven chapters of the report one cannot help but be struck with the number of implied “critical junctures,” to use a term of art common to counterfactual histories, at which it seems things could have been different, from intelligence reports months and years and days before September 11<sup>th</sup> to airport security measures on the morning of the attack.

The 2000 election and the attacks of 9/11 thus conform to precisely the contexts most commonly associated with the emergence of the counterfactual genre—legal decisions, elections, and military strikes. They are both instances of events easily available to “What if” analysis of critical junctures which seem to have been capable of tipping either way: as the title of David Frum’s rightwing counterfactual puts it, “What if the Chads Had Fallen Off in Florida?”<sup>60</sup> Yet there is a more ideologically and historiographically overdetermined way to read these counterfactuals, one suggested both by Rosenfeld and by Gallagher. Rosenfeld argues that the glut of WW2 and Third Reich counterfactuals are driven by psychological forces including “biases, fears, wishes, the desire to avoid guilt, the quest for vindication”—from the perspective of the liberal left (from whose position most of the counterfactuals described above are written) both the 2000 election and the Iraq War constitute events to which just such affects might be appended.<sup>61</sup> Gallagher offers a more complex account of the recent boom in counterfactualism: “The great paradox of counterfactualism,” she writes, “is that it’s both stimulated by war and serves as a cognitive and emotional [...] defense against [it].” She observes that the counterfactual’s “self-conscious” relationship to its own form and history is especially curious when one observes that there are vastly more “counterfactual narratives about wars we’ve won than about those we didn’t; there are hardly counterfactuals about winning the Vietnam War, but there are hundreds about losing WWII.” The point of these narratives, she suggests,

is actually rather simple: These novels remind us that the era of the cold war, containing the struggle to end segregation, was a prolonged aftermath like none before it; amidst our guilt, fears, anxieties, revelations of gross racial injustice at home, our continuing wars, and constant alerts at home about how to protect ourselves against the nuclear genie we’d let out of the bottle, it was difficult for many of us fully to realize that we were supposed to be in a period of unprecedented peace and prosperity. Counterfactual narratives in which we re-fight *just* wars and lose, I’m suggesting, were ways of coping with our difficulty. And within those texts, the alternate history novels especially reveal the troubled historical situation that produced them. These novels are powerful reminders that, despite the unconditional surrender of our enemies, justice and peace still elude us. (“The Uses of Counterfactual Pasts”)

For Gallagher, in other words, the counterfactual is uniquely positioned to represent a kind of melancholic relationship to history, to index the feeling that “victory” in 20<sup>th</sup> and 21<sup>st</sup> century

war is not a zero-sum game. Her reference to the elusiveness of “justice,” moreover, suggests a more subtle reading than Jeremy Waldron’s of the impossibility of the reparative counterfactual: that justice remains elusive even in the form expressly intended to re-imagine and repair historical injury does not mean that counterfactualism is invalid, but rather makes counterfactualism a way to assert the tragic character of history itself. Rather than accepting the legal critique of the epistemological *impossibility* of counterfactualism (according to which it is intellectually suspect to attempt to describe a world which didn’t or doesn’t exist), these counterfactuals express a more melancholic relationship to the cunning of historical reason, making legible the idea that the “elusiveness” of justice is a kind of ontological or existential condition. The claim that it is impossible to actually return to the historical past to imaginatively undo a historical injury serves here not to reassert the priority of the present, as it does in Waldron’s critique of redressive justice, but rather to make a larger argument *against* a progressive logic of history: while we cannot go backward, in other words, we are also not necessarily going forward.

Although Gallagher’s description of the melancholic affect of the post-Vietnam counterfactual is important to the argument I want to make concerning contemporary counterfactuals, I want to make a somewhat different claim about why the post-millennial moment has seen fictional counterfactuals (a genre typically associated, as a glance at *uchronia* will reveal, with mass market fiction) not only by well-known postmodern novelists like Michael Chabon and Philip Roth but also in mainstream political discourse. There are two reasons that it is worth distinguishing between contemporary (that is, post-2000) counterfactuals and those associated with the boom in counterfactuals that began in the 1970s and 80s. The first has to do with the historical argument I have already offered above, which is that these recent alternative histories have a distinct genealogy and are responding to a mode of speculative thought that is not entirely reducible to the much older counterfactual tradition. But I also want to emphasize that the Afghanistan and Iraq War counterfactuals that are typically entailed by the 2000 election and 9/11 counterfactuals are in many ways quite different from the typical counterfactual of recent decades. The latter, as Gallagher describes it, usually imagine that we *lose* the “just” wars that in actual history we *won* (the Civil War, World Wars I and II). Instead, counterfactuals about the Iraq and Afghanistan wars re-imagine these wars as both just and victorious: that is to say, these counterfactuals do *not* assume that war would not have happened without Bush and/or without 9/11, but they do assume a multinational, UN-sanctioned coalition going in surgically, greeted by a relieved Afghani/Iraqi populace, and finding precisely the WMDs that the Bush administration claimed were there.<sup>62</sup> They do so, moreover, in the context of a belief that these wars were *neither* just in their origins *nor* likely to be end in victory.

This is certainly true of the mainstream journalistic accounts. Ernest Wilson’s “Counterfactual History in Iraq,” which takes a 2000 Gore victory as its divergence point, includes alternate timeline headlines like “IRAQ ATTACKED BY BROADLY BASED U.S. LED COALITION: Casualties Higher Than Expected but Spread Across Troops of Many Nations” and “EGYPT, SAUDI ARABIA AND OTHER ISLAMIC NATIONS PROVIDE TROOPS FOR ANTI-SADDAM CAMPAIGN: Opposition Reduced In Move to Topple Regime.”<sup>63</sup> Andrew Sullivan’s 9/11 counterfactual, likewise, imagines a 2004 President Gore (without 9/11 to bolster him, Bush is deemed a failure after one term) ascertaining with absolute

certainty that the Taliban has a plot to attack the US before going in with their European allies (here the actual target seems, implicitly, to be the Iraq War, which was going quite badly at the moment of Sullivan's writing in 2006).

More interesting still, however, is a literary example, this one from Ken Kalfus' 9/11 black-comedy *A Disorder Peculiar to the Country*.<sup>64</sup> *Disorder*, like many other 9/11 novels, takes marital drama as its primary narrative content: the novel opens on September 11<sup>th</sup>, introducing us to Joyce and Marshall, a couple who have been in acrimonious divorce negotiations for nearly a year during which they've been forced to continue to live together, with their two children, in the family's small (but irreplaceable) two-bedroom apartment near Manhattan. Marshall works on the 86<sup>th</sup> floor of the World Trade Center and Joyce is due to fly from New York to Los Angeles on September 11<sup>th</sup>, so though Marshall escapes just before the tower's collapse and Joyce's California meeting is unexpectedly cancelled before she arrives at the airport, each has a moment of believing the other dead and experiencing relief—even glee—that this, *finally*, has resolved their divorce. The tendency of other 9/11 novels to allegorize the national crisis as a domestic crisis is here pushed to its parodic extreme—we are told that feelings between husband and wife “acquired the intensity of something historic, tribal, and ethnic, and when they watched news of wars on TV, reports from the Balkans or West Bank, they would think yes, yes, that's how I feel about *you*” (7). The novel continues in much the same vein through the months after 9/11, as Joyce and Marshall's behavior becomes increasingly vicious, a battle that is comically paralleled to the national build-up to the wars in Iraq and Afghanistan; in its detailing of this moment, the novel is very historically precise, incorporating remarks made in the media by Tom Ridge and Donald Rumsfeld and referring to both specific anti-war protests and specific battles from the early days of the attacks on Baghdad.

What I want to draw our attention to is the novel's conclusion, which offers a rather remarkable shift in tone and content: in the final ten pages or so, as Joyce and Marshall's divorce is at long-last finalized (and as, in the perverse logic of such situations, the couple has at last begun to feel sympathetic and even affectionate towards each other), we are given the following description of events in the world, which is worth quoting in full:

Saddam's location was given up by his Tikrit cousins and he was run down by a unit of the Free Iraq Forces in an orchard on the outskirts of the city. [In] one of the Iraqi's few acts of defiance against the Velvet Occupation, [they demanded his execution...]. A scaffolding was constructed in the orchard, where hundred of men, women, and children sang patriotic pre-Saddam songs and at one point “The Star-Spangled Banner.” In these electrifying hours the Free Iraqis convened a revolutionary court in the orchard. A young bearded anti-Saddam fighter soberly read the verdicts; his speech [...] electrified billions. [Later that week] American investigators uncovered a vast cache of nuclear weapons, some of them already loaded on medium range missiles [...].The Iranians rushed into the streets to cheer the news from Syria. Some of the women threw off their chadors. [...] The handsome Wharton-trained freedom fighter who had captured Saddam took leadership of a provisional Iraqi government that won broad support from Sunnis, Shiites, and Kurds. At Wharton he had dated Jewish girls. Nearly all the coalition troops left Iraq, seen off by cheering flag-waving Iraqis who lined the thoroughfares to Baghdad airport. The Israelis and the PLO reached a territorial settlement and an agreement to

share sovereignty in Jerusalem. And then, just as summer was about to begin, Osama bin Laden was found huddled on a filthy rug in a cave located in the lawless, mountainous tribal lands on the Iraqi-Afghan border. (320-4)

Kalfus' counterfactual is interesting to me precisely for the ways in which it slightly deviates both from the exercise in "just war" counterfactuality described by Gallagher and from the counterfactual structure more generally. As with the journalistic counterfactuals cited above, but unlike the Civil War and WW2 counterfactuals Gallagher discusses, Kalfus imagines an Iraq War that we *win*, and a war whose consequences make it just. And yet unlike those other, more conventional acts of counterfactualism, Kalfus' piece more pointedly undermines the very possibility of imagining an Iraq War with positive consequence by basically repeating almost verbatim, with little embellishment, precisely the kinds of claims that were made by the Bush administration before the war. Not only President Bush, but also Vice President Cheney, Secretary of Defense Donald Rumsfeld, Secretary of State Colin Powell, Chief of Staff Andrew Card, Deputy Secretary of Defense Paul Wolfowitz, and others in the administration claimed again and again in late 2002 and early 2003 that the Iraqi people would "welcome the United States as liberators." Rumsfeld described "people mov[ing] out in the streets and ...singing and flying kites and women [going] to school and people...function[ing] and other countries... start interacting with them," while Wolfowitz said that the Iraqis, like "the people of France in the 1940s, [would] view us as their hoped-for liberator" and that "when the people of Basra no longer feel the threat of that regime, you are going to see an explosion of joy and relief"; Andrew Card claimed that "the Iraqi people would welcome freedom with jubilation."<sup>65</sup> Kalfus satirizes these hyperbolic (and, by the novel's 2006 publication, obviously and ludicrously incorrect) fantasies simply by pretending that they were true. The point of his counterfactual is thus not to create the fantasy of a different future but rather to reveal, with tragic precision, the poverty of existing reality. In his description of a successful "Velvet Occupation" creating peace and liberation throughout the Middle East, Kalfus presents not a simple utopianism but rather the mirror opposite of what actually exists.

Kalfus' comic fantasy not only provides us with a kind of negative (because positive) image of the tragedy of the war's actual outcome, it also reveals the impossibly fantastic nature of the story used to justify the war in the first place; by reproducing claims about WMDs and about the use of colonization to spread democracy in the context of a patently ridiculous fantasy, the passage reveals those claims' political poverty. It is thus important that this narrative does not take a conventional counterfactual structure: this narrative does not imagine a "critical juncture" at which events went or could have gone otherwise than they actually did. Nothing changes to make this fantasy-world take place—Bush is still president, Colin Powell still shows satellite pictures at the UN of weapons sites and suggests evidence of dirty bombs, and Tom Ridge still advises the purchase of plastic sheeting and duct tape in the event of an attack. The war is still contentious, too, and Kalfus describes the anti-war rallies of spring 2003, but he also describes Joyce's observation that

Smart people she had never heard of but knew were respectable, including outspoken liberals and Clinton administration alumni, argued for a war that would break the stranglehold dictatorship, ignorance, and poverty maintained on the people of the Middle East. The spread of democracy was the only way to halt the conflict between Islam and

the West before it spawned terrorism far more catastrophic than anything that had happened on September 11. Writing in the *New Republic*—it was the first time Joyce had read the magazine; she never read political magazines, but now she found herself shopping for an opinion—Leon Wieseltier asked, “How can any liberal, any individual who associates himself with the party of humanity, not count himself in the coalition of the willing.” (201-2)

Unlike the “Velvet Occupation,” the Wieseltier quotation is real, and it is perhaps in this quote that we see the hidden target of Kalfus’ satire: not simply the Bush administration, which he could have just as easily imagined away with a more conventional form of counterfactual, but instead the “respectable outspoken liberals” who signed on to the fantasies described in the previous passage. In 2004 (a year after the *New Republic* piece Joyce quotes from was written), Wieseltier himself renounced his previous statements and all those who, like him, held them at the fatal expense of their own skepticism: “Strategic thinking must have an empirical foundation. You do not act against a threat for which there is little or no evidence. Yet that is precisely what the United States did [...] It is absolutely astonishing that the planners of this war expected only happiness in its wake [...] [T]hey operated unempirically, in a universe of definitions and congratulations.”<sup>66</sup> In other words, Kalfus’ critique strikes its most deadly blow at a citizenry willing to suspend their disbelief in the service of what was in fact a highly implausible speculation. Kalfus thus does not quite claim, as I implicitly suggested above, that a positive end to the Iraq War could justify its means—that success could make the entire war just—but rather emphasizes the inextricability of ends and means: unlike the editorialists quoted above, he insists that a “victory” in Iraq cannot retroactively make the war just or make the evidence used to convince the populace to enter it any less empirical. Kalfus thus restores the link between cause and effect, between the before and the after of an action, in a manner arguably at odds with the counterfactual’s speculation about the possibility of effects which branch in a multiple fashion from causes, with what Gallagher describes as the two sources of alternative history’s narrative: “from the Leibnizian tradition, the double-vision of diverging and implicitly comparable narrative paths; and from the Humean tradition, the necessity of discrete causal nexus point from which the paths diverge” (“The Way it Wasn’t”). For Kalfus, there is no point at which we can go back and compare two possible outcomes for the Iraq War, two ways of managing it or planning it or preparing for it; thus there is also no nexus point at which the available historical possibilities were just war and unjust war. Kalfus refuses to imagine a scenario in which such a version of the Iraq War was possible, instead replaying, with satirical power, the very falsehoods which sustained the fantasy of a just war based on trumped-up evidence and entirely disconnected from—indeed, planned far prior to—the events of 9/11.

I want to suggest, then, that Kalfus’s text is an index of what Wendy Brown describes as the singularly “unprecedented” fact of the present: the “extent to which basic principles and institutions of democracy are becoming nothing other than ideological shells concealing their opposite,” in which “the space between liberal democratic ideals and lived realities has ceased to be exploitable, because [...] freedom and equality have been redefined [and hollowed-out] by [neo]liberalism” (52, 57). As such, it enacts what Brown describes as a kind of ambivalent mourning of liberal democracy in the face of the ascendancy of neoliberalism. The novel neatly performs *both* of what Brown describes as the two “pathological” potential responses to this

mourning: in parodying the ideological rhetoric of “democratization,” it “act[s] out the loathed qualities of the [lost] object”; in suggesting the tragic loss of a moment in which real democratization might have been possible, it also “idealiz[es] [that] lost object as it was never idealized when alive” (54-55). And yet it *also* proposes some other, more radical position—something like what Brown describes as the non-pathological form of leftist mourning, a form which would incorporate the best of real liberalism while also transforming and exceeding it—according to which the very category of “just war” is an empty one.

Brown articulates two signal examples in which the absolute hegemony of neoliberalism becomes apparent: “[E]ven as the Bush administration fails to come up with WMDs in Iraq and fails to be able to install order let alone democracy there, such deficiencies are irrelevant to the neoliberal criteria for success in that military episode. Indeed, even the scandal of Bush’s installation as president by a politicized Supreme Court in 2000 was more or less ingested by the American people as business as usual.” As I have already suggested, Kalfus’s text stages critically the first of these, while Auster’s novel parodies the second (by imagining that things went otherwise—that the left revolted against the Supreme Court decision and sparked a civil war). We can also find a historiographically similar response to this state of affairs in fiction from the same period which does not explicitly take up the events of the moment, but which instead uses a kind of counterfactual allegory to explore their ideological consequences: in the concluding section of this chapter, then, I will explore Philip Roth’s *The Plot Against America* to think about its response to the Bush-era political landscape, half-allegorized in Roth’s 1940s-era counterfactual, and I will conclude by suggesting that Michael Chabon’s counterfactual *The Yiddish Policeman’s Union* can be read as engaging some of the modes of futurity and speculation with which I will be explicitly concerned in Chapter Three.

### **“Rumors at the end of time”: Defatalizing Neoliberalism in *The Plot Against America* and *The Yiddish Policeman’s Union***

Given its title, it was perhaps inevitable that Philip Roth’s 2004 novel *The Plot Against America* would be read in the context of a post-9/11 American political landscape. As a reviewer from *The Guardian* notes,

When the hubristic, newly elected US president boasts of America’s invulnerability to foreign attack, the sense of imminent calamity is overwhelming. The title invokes 9/11, but the novel is set 60 years ago [...] And instead of reconstructing real historical events [...] Philip Roth offers something bolder: a reconstruction of imagined events, a “what if...?” that reads like a “what really happened.”<sup>67</sup>

Somewhat confusingly, of course, the “What really happened” here is not “What really happened 60 years ago”—that is, what really happened between 1940 and 1942—but rather “What really happened between 2001 and 2004”: the review, in other words insists on an allegorical reading that even Roth’s own protestations to the contrary could not entirely erase. In fact, most reviews either reference Roth’s rejection of the 9/11 reading while adding a “but still...” (as in this from the London *Times*: “while Roth has said quite explicitly that this is not a ‘9/11 novel,’ it certainly casts light on the present through the window of the past”) or they present a straw-man definition of “allegory” in order to suggest that Roth’s novel is not *that* kind

of allegory, “but still...” (as in a review from the *New York Times* according to which the novel is not “an allegorical tract about the present age, with each scene or character corresponding to events of our own time” but that “Roth has simply run his eye across the modern horizon, and gathered in the sights, and rearranged them in a 1940's kaleidoscope”).<sup>68</sup>

The novel's counterfactual is, in fact, based on actual historical events. In it, aviator and Nazi-sympathizer Charles Lindbergh—who was in fact a guest of the Nazi regime twice, during the 1936 Berlin Olympics (after which he wrote that Hitler “is undoubtedly a great man” who “has done much for the German people”) and again two years later when he was awarded the Service Cross of the German Eagle—does not, as he did in actual history, decline requests from Republican Senators that he run against Franklin Delano Roosevelt in the elections of November 1940. Instead, Lindbergh—and not the feckless William Wilkie—is nominated as the Republican candidate and, on an anti-war, isolationist, populist-patriot platform, he sweeps Roosevelt. Once in office, in Roth's narrative, Lindbergh signs non-aggression pacts with both Japan and Germany while disavowing ties with former US allies. Even as he denies charges of anti-Semitism and seeks to insulate himself by gaining support from conservative Jewish leaders like Rabbi Bengelsdorf, who ultimately marries into the family of the novel's 7-year-old narrator (named, of course, Philip Roth), Lindbergh's government develops a program called “Just Folks” to relocate Jewish families from their east coast “ghettos” and into more sparsely populated southern and western states.

The novel is thus in one sense a classic counterfactual, its plot based on expressly “plausible”—because actually contemplated—historical events. Yet readers can hardly be blamed for reading it as some form of commentary on present events: indeed, Roth has described the idea for the novel coming to him in December of 2000, the same time as the Supreme Court finally decided the outcome of the contested presidential election of November 2000 (an event itself the subject, as we have already seen, of so many counterfactual speculations). And in fact, in the same article in which Roth insists that the novel is an effort not “to illuminate the present through the past but to illuminate the past through the past,” he also writes

And now Aristophanes, who surely must be God, has given us George W. Bush, a man unfit to run a hardware store let alone a nation like this one, and who has merely reaffirmed for me the maxim that informed the writing of all these books and that makes our lives as Americans as precarious as anyone else's: all the assurances are provisional, even here in a 200-year-old democracy. We are ambushed, even as free Americans in a powerful republic armed to the teeth, by the unpredictability that is history.<sup>69</sup>

Roth's description here of the precarious nature of history—of the “ambush” of history by the perceived legal contingencies of the *Bush v. Gore*—encourages the reader to find echoes between the actual 2000 election and *Plot's* imagined 1940 election, prior to which Philip's family feel “That Americans could chose Lindbergh [...] rather than the two-term president whose voice alone conveyed mastery over the tumult of human affairs....well, that was unthinkable” (28). Roth's description of the 2000 election as the “gift” of comic dramatist Aristophanes buttresses a sense that history draws its causality from narrative (hence its unpredictability) and encourages us to “read” real history in imaginative terms, whether that real history is the factual past or the allegorized present. More explicitly, the novel's description of Lindbergh's “unanticipated



entrance onto the [Republican] convention floor” cannot help but remind readers of George W. Bush’s infamous and peremptory claim of “Mission Accomplished” on the aircraft carrier *The USS Lincoln* in 2003:

The lean, tall, handsome hero, a lithe, athletic-looking man not yet forty years old, arrived in his flying attire, having landed his own plane at the Philadelphia airport only minutes earlier, and at the sight of him, a surge of redemptive excitement brought the wilted conventioners up onto their feet to cry “Lindy! Lindy! Lindy” for thirty glorious minutes...It wasn’t the wealthy advocate of commercial aviation who was launching his campaign that day, nor was it the Lindbergh who had been decorated in Berlin by the Nazis...It was rather the unknown airmail pilot who’s dared to do what had never been done by any aviator before him, the adored Lone Eagle, boyish and unspoiled still, despite the years of phenomenal fame [...].When he arrived at Los Angeles Airport, a crowd consisting largely of aircraft workers [...] was as overcome with enthusiasm as any ever to greet him anywhere.<sup>70</sup>

However I want to suggest that Roth’s text is not simply an allegory in which the (imagined) past is a kind of pedagogically useful fable for the (real) present. Rather, I think the novel seeks to index what Brown describes as the complicated process of mourning something—liberal democracy—that “we never loved.” It does so precisely by imagining its loss as having already taken place. This performs three related psycho-historical operations: first, it makes liberal democracy radically contingent, forcing us to consider historically and causally what democracy’s conditions of possibility are or were. Second, Roth’s counterfactual reveals the overdetermined nature of liberal democracy’s origins, thus resisting what Brown describes as one “pathological” response to this ambivalent mourning, the uber-idealization of the lost object: if liberalism can be imagined to have vanished in a moment now conceived, retrospectively, as precisely its triumphant apogee—and especially if that imagined failure can be imagined in historically *plausible* terms—then it becomes impossible to fantasmatically construct an Edenic past of leftist fulfillment to which we can return. Third, to use Roth’s own description, it “defatalizes” the historical past: “a lot of things that didn't happen here did happen elsewhere,” Roth writes, so “The ‘what if’ in America was somebody else's reality. All I do is defatalize the past, showing how it might have been different and might have happened here.” Roth’s image of “defatalization” is in the first place anti-provincial, reminding us that the “we” of Brown’s description is a somewhat limited one since for some, liberal democracy was not lost but never found. In the second place, it pushes against the logic of historical inevitability, disavowing the sense of irretreivability that makes revolutionary transformation impossible.

The novel’s emphasis on historical accident is, however, deeply dialectical: if the radical contingency of historical causality means that the future cannot be colonized in advance of its arrival—that the future is not, as in the apocalyptic texts of the previous chapter, the reproduction of the foreclosed possibilities of the present—it also means that as historical subjects, we are always subject to great risk, the possible victims of a history that we “do not make as we please.” In this regard, the novel also interacts interestingly with a history of writing on the Holocaust. As T. Austin Graham writes,

Roth's characters are by and large unable to wholly grasp the nature of the threat facing them, illustrating how difficult it is to anticipate atrocity and imagine contingencies that, though seemingly unlikely and even impossible at the time, will eventually come to pass. For Roth, protection against something like a Holocaust first demands that the victims be able to conceive of one, an ability that most people, including and perhaps especially Americans, seem not to have.<sup>71</sup>

In this sense, the novel might be seen to rebuke its characters for a failure of imagination; if so, it would, as Graham also points out, be guilty of what Michael Andre Bernstein calls "backshadowing," a kind of "retroactive foreshadowing in which the shared knowledge of the outcome of a series of events by narrator and listener is used to judge the participants in those events *as though they too should have known what was to come*"—the "pernicious" nature of this form derives from its tendency to end up condemning "the 'blindness' and 'self-deception' of Austro-German Jewry for their unwillingness to save themselves from a doom that supposedly was clear to see."<sup>72</sup> However, backshadowing buttresses a narrative of historical inevitability—a narrative which, "whether seen as tragic or pathetic, endows an event with a meaning, one that can be used to [...] enfold [the event] within some larger pattern of signification" (13)—whereas Roth's story is precisely about accident—as Graham points out, the very counterfactuality of the novel enables it to "eliminat[e] foreknowledge almost entirely by telling a story that never happened and whose ending could be anyone's guess" (126). Or, to quote from the novel itself, Roth imagines not simply historical accident, but history *as* accident: "Turned wrong way round, the relentless unforeseen was what we schoolchildren studied as 'History,' harmless history, where everything unexpected in its own time is chronicled on the page as inevitable. The terror of the unforeseen is what the science of history hides, turning a disaster into an epic" (114). History's contingency frees its subjects from the judgments of retrospective consideration, but it becomes dialectically a kind of necessity, a "relentless" uncertainty.

The sense that received history is profoundly narrative—that the desire for closure and what Bernstein describes as "pattern" or "meaning" is one imposed on history after the fact—is emphasized by the fact that the historical climax of the novel comes *doubly* mediated: first because the novel's own historical speculations are self-consciously acknowledged by Roth's inclusion of a long historical epilogue laying out the "real" chronology, and second because these events are narrated not by the first person narrator, young "Philip," but by a series of newspaper articles. These articles, which take up the entirety of the penultimate chapter, document Lindberg's disappearance, the institution of a state of emergency, a series of violent anti-Jewish riots, the arrest of Rabbi Benglesdorf as the supposed "Rasputin of the White House," and eventually the "restoration of orderly democratic procedures" by Mrs. Lindberg; while the articles have a pretense of immediacy, however, this immediacy is belied not only because the tone of the articles shifts drastically as the political landscape changes (from anti-Semitic cheerleading to conspiratorial critique of Lindbergh et. al.) but also because the truly "immediate" narration is to follow, when we are given Philip's first-hand account of the relationship between these terrifying national events and his family's personal experience during the same days. The *retrospective* explanation for the events of 1940-42 also appears in this penultimate section, also mediated (at least) twice, as the newspaper report explains that "the most elaborate story, the most unbelievable story—though not necessarily the least convincing"

was came from Benglesdorf, who, along with Anne Morrow Lindbergh claimed that everything could be

traced everything to the 1932 kidnapping of [the Lindbergh's infant son Charles], secretly plotted and financed [...] by the Nazi Party shortly before Hitler came to power...Through a Nazi spy stationed as a foreign newspaper correspondent in New York, the [Lindberghs] had been informed early on of Charles's arrival, healthy and unharmed, on German soil and assured that the best of care would be given him by a specially selected team of Nazi doctors, nurses, teachers, and military personnel [...] provided that the Lindbergh's cooperated fully with Berlin. As a result of this threat, for the next ten years the lot of the Lindberghs and their kidnapped child—and, gradually, the destiny of the United States—was determined by Adolf Hitler. (321-2)

This explanation of events comes both after the fact (because it was made after 1942 in a book by Benglesdorf called *My Life Under Lindberg*) and before the fact, because it comes *before* Philip's narration of the events of 1942, which despite their first-person immediacy are somewhat evacuated of their uncertainty and impact because we already know what will happen, having been told it by the official histories of newspapers and retrospective accounts. The novel thus stages the very process through which the "science of history" turns disaster into epic, to process by which we falsely apply our knowledge of the present to the historical past as if the subjects of history had access to the historical "foreshadowing" presented by a narrative account.

The novel, with its hyperbolic title and its lurid, swastika-covered dust jacket, self-consciously connects its own "plotting" of counterfactual history to Benglesdorf and Anne Lindbergh's "elaborate," "unbelievable," and barely convincing conspiratorial explanation much as it connects the darkly paranoid imagination of the American proto-Nazis who imagine a Jewish cabal to the equally paranoid fears of Philip's father Mr. Roth, whose Cassandra-like predictions of pogroms are never fulfilled—as Roth puts it, "What matters in my book isn't what Lindbergh does (which is very little [...]) but what American Jews suspect, rightly or wrongly, that he might be capable of doing" ("Story"). As in *Southland Tales* and *Man in the Dark*, the paranoid imagination is not simply (as in the conventional account of postmodernity) the only form for a critical view of the otherwise-invisible late capitalist "totality," it is *also* the very logic according to which that totality operates. Indeed, the novel never offers us the "real" story of why and how Lindbergh comes to power, but only offers the excessive conspiracy theories of *My Life Under Lindberg*. Contrary to Mr. Roth's conspiratorial vision of an impending fascistic state like that of Nazi Germany, Lindbergh's regime is not equivalent to Hitler's, and Roth's story is not simply dystopian—rather, it represents, albeit in historically distorted and non-synchronous ways, the emergence of some new political form not reducible to what Graham calls the "distorting mirrors" of a paranoid imaginary in which "the people of the 'dream' believe that they have elected a messianic leader and those of the 'nightmare' fear that their government will brutally turn on them, thereby creating an American reflection of Hitler's Europe" (132).

Neoliberalism, Brown says, is likewise neither dream nor nightmare—it "is not fascism or totalitarian[ism] as we have known them historically" (*Edgework*, 51). And yet to understand neoliberalism by way of "dreamwork" is to refuse a "monological, internally consistent, temporally linear, and systematic frame" on a political ideology which is none of these things;

“taken up for political analysis,” she argues, dreamwork “promises to puncture the conceit of our innocence and virtue: dreams often tell us things we would rather not know about ourselves” (“Nightmare,” 690). In this regard, the novel—which makes continued references to Philip’s guilt-ridden and barely-repressed nightmares—performs a kind of historical dreamwork which “threatens to puncture a left political moralizing impulse that wants everything the right stands for to be driven by nefariousness, smallness, or greed, and everything we do to be generously minded and good, an impulse that casts Us and Them in seamless and opposing moral political universes.”<sup>73</sup> It does so by engaging the very question of political responsibility—and with it the fantasy of a prior moment of American democracy—through a speculative narrative that dislocates the linearity and consistency of received history even as it stages the very process through which such shibboleths become ideological commonsense: “Though on the morning after the election disbelief prevailed, especially among the pollsters, by the day after that everybody seemed to understand everything, and the radio commentators and the news columnists made it sound as if Roosevelt’s defeat had been preordained” (53).

There is no way to know what “actually” happened and to learn from it because the novel itself has already, by virtue of its own form, turned any sense of historical “actuality” on its head (hence the refusal to unveil the truth behind the conspiracy). As a result, Roth’s novel is in the end neither “tragic or pathetic” but borrows instead from what we might call, following Roth’s own reference, an Aristophanean sense of the farcicality of history, a figure of historical repetition far more complex than simple allegory both for its refusal of simple pedagogical fable-telling and for its resistance to linear narratives of progress or regression. To treat the historical past as an instructive “allegory” for the present is to disavow the possibilities for causal connections between past and present, connections more overdetermined than any offered by the presentist conceit of historical lessons and historical progress. Instead, the novel offers a deeply overdetermined series of dialectical movements: a contingency of historical accident that becomes relentless necessity; a speculative imagination capable of producing both the critical paranoia of the counterfactual and the Kahnian paranoia of 20<sup>th</sup> century politics; a history that is simultaneously tragedy *and* farce and a future whose lack of guarantees is both utopian dream and historical nightmare.

To this account of the post-9/11 counterfactual, I want to add just one more brief reference that has the added benefit of offering us a transition to my consideration, in the following chapter, of the representation of 9/11 itself and, in particular, to the doctrine of preemption and its adoption and adaptation of the forms of narrative prediction developed by the RMA. Although Michael Chabon’s 2007 novel *The Yiddish Policeman’s Union* was not as frequently received as a contemporary allegory as Roth’s 2005 novel, it too is a counterfactual novel—a genre described by one review as “low-rent”—written by well-received postmodern novelist and expressly concerning Jewish history. In *Yiddish Policeman’s Union*, Sitka, a “crooked parenthesis of rocky shoreline running along the western edges of Baranof and Chicagaof Islands” in Alaska and formerly populated only by the native Tlingits, became in 1948 an “interim” Jewish state for millions of Jews displaced first by the Holocaust and then by the collapse of the fledgling state of Israel, when “the outnumbered Jews of the three-month-old republic were routed, massacred, and driven into the sea.”<sup>74</sup> The novel opens in late 2007, when the 60-year agreement between the US government and the diasporic Jews is about to expire:

“On the first of January [2008], sovereignty over the whole Federal District of Sitka [...] will revert to the state of Alaska [...] Nothing is clear about the upcoming Reversion, and that is why these are strange times to be a Jew” (7). Like Roth’s novel, the novel is based on an actual historical fact: in late 1938, in a document titled “The Problem of Alaskan Development,” Secretary of the Interior Harold L. Ickes proposed Alaska as a haven for Jewish refugees from Germany: because Alaska was not yet a state, normal immigration quotas would not apply, allowing potentially tens of thousands of Jews to set up a diasporic state there. In Chabon’s novel, anti-Semitism persists in 2007: the reason “nothing is clear” about the outcome of the “Reversion” is that immigration quotas remain in place, forcing the displaced Jews of Sitka to scatter themselves across the world wherever they can find a home. (The novel includes some other counterfactual references somewhat tangential to the main plot: World War II continues until 1946 and ends when the US and its allies drop a nuclear bomb on Berlin; Kennedy engages in a protracted war with Cuba in the 1960s, avoids assassination and marries Marilyn Monroe—because these references do not bear on the primary plot of the novel, they seem to be self-conscious references to trends in the popular form of the alternate history novel genre, singularly interested as it is in nuclear war, the Kennedy administration, and celebrity autobiography.)

Although Chabon’s novel was not commonly read, as *Plot* was, as an allegory for the post-9/11 political landscape, it too offers interesting resonances: the immigration quotas imposed on Chabon’s diasporic Jews might be read as a figure for the battles over “brown” immigration that were ever-more important to the American political landscape after 9/11, when paranoia about middle-Eastern and Muslim immigrants was read onto existing fears about Mexican immigration. And much as Roth’s description of Lindbergh’s political theater subtly resembles Bush’s “Mission Accomplished” speech, so too does the unnamed American president of Chabon’s counterfactual 2007 cheekily resemble the President Bush of the historical 2007, although the president appears in the novel only as literally one-dimensional visual gag: “Two more custodians came banging out of the [Police Headquarters] trailer, carrying off the divisional pornography library and a life-size cardboard cut-out of the president of America, with his cleft chin, his golfer’s tan, his air of self-importance, worn lightly, quarterback style. The detectives like to dress the cardboard president in lacy underpants and pelt him with wadded clots of wet toilet paper” (56). Although Bush (or an evangelical American president rather like him) appears somehow historically necessary, other aspects of the contemporary world are less so: among the parenthetically-referenced counterfactual details is the fact that Iraq is referred to as Mesopotamia, seemingly suggesting that the 1958 coup d’état against the colonially-imposed monarchy either failed or did not take place. As in Roth’s novel, then, history is mostly determined by small accidents: the novel’s explanation for its divergence from real history is that Congressional delegate from Alaska Anthony Dimond—who in actual history prevented a vote on Ickes’ plan—died in a car accident. In this way, then, the novel posits, like *Plot*, a historically non-synchronous account of the context of contemporary politics. In particular, it makes the U.S. alliance with a Jewish state contingent (and, by implication, instrumental) rather than necessary—in this regard, it “defatalizes” the fantasies of a neoconservative movement which, as Brown describes it, “looks backward to a national and nationalist order contoured by a set of moral and political attachments inflected by the contingent ambition of Empire”—or, put

otherwise, it affirms the “contingency” Brown describes, a contingency expressly disavowed by a neoconservative politics which sees the connections between the US and Israel as inherent and natural (“American Nightmare,” 699).

However I want to suggest that a somewhat more complicated resonance to the post-9/11 political world can also be found in the novel, whose central narrator is Meyer Landsman, a noir-style police detective whose final case is to be an investigation into the murder of Mendel Shpilman, a gentle eccentric (both chess prodigy and heroin addict) who turns out to be the son of the rabbinical leader of the Verbover, a powerful group of Hasidic Jews who run an organized crime ring. Before fleeing a planned marriage, Shpilman was believed by many to be the Tzaddik-ha Dor: the once-in-a-generation messiah who has the potential, though not preordained, power to bring back the prophet Elijah and restore Israel to its glory days. As Landsman ultimately discovers, Shpilman was murdered because he threatened to expose a Verbover plan backed by the US government to smuggle arms from evangelical Christians to Zionist Jews who want to seize Palestine from the Arabs. The Verbover, then, disavow the belief held by the mainstream Jews of the novel, who believe there is “nothing else [to] do but wait” for the Messiah, as Landsman’s more believing partner Berko puts it (127). Instead, the Verbover seek to make *prophesied* history actual by power of human will: having succeeded in breeding a red heifer, which according to the Bible must be sacrificed at the Temple of Jerusalem for the Messiah to come, they intend to blow up the Muslim Dome of the Rock, located where the Temple of Jerusalem once was, and, as Landsman puts it incredulously, “basically *force* Messiah to come” (295). The reason the evangelical Christians support the plan, in turn, is because according to their own “so-called prophecies and apocrypha,” Jerusalem “must be restored to Jewish sovereignty” in order to make possible the return of the Christian messiah (342).

In Chabon’s novel, in other words, the counterfactual form—which Gallagher describes as having an “activist, even interventionist, relation to our collective past”—is used precisely to demonstrate the *perverse* violence of an “activist” relationship to the *future* (“Undoing,” 21). If the other side to the historical counterfactual’s backward-looking speculations is the military strategist’s paranoid *future* speculations, in Chabon’s novel the fictional counterfactual’s dark obverse is a religious fundamentalism (here represented as Christian and Jewish rather than Islamic) in which there is not only a terrifying *desire* for apocalypse, but even a willingness to bring an apocalyptic future into being. The “interventionist” nature of the counterfactual form thus throws into stark relief the relationship between predicting the future and self-fulfilling prophecy, representing the horror of a forecast made real simply by virtue of being imagined. As I will suggest in the following chapter, this frightening vision of a future colonized in advance of its arrival—of a future which is written and imagined in the present and thus always subject to manipulation, a future whose speculatively “possible” occurrence becomes sufficient grounds for violent intervention—is reminiscent of nothing so much as the post-9/11 doctrine of preemption.

## Endnotes

---

<sup>1</sup> Here I will refer to both speculative fiction and speculative history as forms of “counterfactual history,” but I will be making a strong historical argument for a major evolution in both the instrumental or academic variety and its fictional counterpart.

Catherine Gallagher, “The Way It Wasn’t: Counterfactual History and the Alternate-History Novel,” transcript of talk given at Yale University in October 2008, NP.

<sup>2</sup> Fredric Jameson, “Future City,” *New Left Review* 21 (May-June 2003), 76.

<sup>3</sup> Stephen Best, *The Fugitive’s Properties* (Chicago: U Chicago Press, 2004).

<sup>4</sup> Prahbat Patniak, “The End of Neoliberalism,” International Development Economics Association (October 2008). Accessed online in April 2010 at [http://www.networkideas.org/news/oct2008/news18\\_Neo\\_Liberalism.htm](http://www.networkideas.org/news/oct2008/news18_Neo_Liberalism.htm).

<sup>5</sup> Wendy Brown, *Edgework: Critical Essays on Knowledge and Politics* (Princeton, NJ: Princeton U. Press), 39-40, emphasis hers.

The periodizing claims of this project share much with Brown’s—while she argues that neoliberal rationality “undergirds important features of the Clinton decade as well as the Reagan-Bush years,” she also argues that “the post-9/11 period has brought the ramifications of neoliberal rationality into sharp focus largely through practices and policies that progressive assails as hypocrisies, lies, or contradictions but that may be better understood as neoliberal politics and actions taking shape under the legitimating cloth of a liberal democratic discourse increasingly void of substance” (37, 47).

<sup>6</sup> Rodney Roberts, “The Counterfactual Conception of Compensation,” *Metaphilosophy* 37.3-4 (July 2006): 414-428, 414.

<sup>7</sup> Jeremy Waldron, “Redressing Historic Injustice,” *The University of Toronto Law Journal* 52.1(2002): 136-60, 157.

<sup>8</sup> Walter Benjamin, *Illuminations* Ed. Hannah Arendt (London: Schocken Books, 1969), 260.

<sup>9</sup> Richard Lebow, “What’s So Different About a Counterfactual,” *World Politics* 52.4 (2000): 550-585, 551

<sup>10</sup> Johannes Bulhof, “What if? Modality and History” *History and Theory* 38.2 (December 2002): 145-168, 146-7.

<sup>11</sup> Catherine Gallagher, “The Way it Wasn’t: The Uses of Counterfactual Pasts,” Transcript of talk given at UC Berkeley in spring 2009, NP. (Referred to in-text as “The Uses of Counterfactual Pasts” to distinguish from other talk transcript titled “The Way it Wasn’t: Counterfactual History and the Alternate History Novel.”)

<sup>12</sup> Hillary Dannenberg, *Coincidence and Counterfactuality: Plotting Time and Space in Narrative Fiction* (Lincoln: U. Nebraska Press, 2008).

<sup>13</sup> Niall Ferguson, *Virtual History: Alternatives and Counterfactuals* (New York: Basic Books, 2000).

<sup>14</sup> Philip Tetlock et. al., eds. *Unmaking the West: 12 ‘What if’ Scenarios that Remake World History* (Ann Arbor, MI: U. Michigan Press, 2006), 6.

Charles Booth, Michael Rowlinson, et al, “Scenarios and Counterfactuals as Modal Narratives,” *Futures* 41.2 (March 2009): 87-95, 91.

---

<sup>15</sup> Lubomir Dolezel, "Possible Worlds of Fiction and History," *New Literary History* 29.4 (1998): 785-809, 801-2, emphasis mine.

<sup>16</sup> *Unmaking the West*, 6.

<sup>17</sup> Catherine Gallagher, "The Formalism of Military History," *Representations* 104 (Fall 2008): 23-33, 25.

<sup>18</sup> And in fact Gallagher elsewhere is quite clear about the historicity of the counterfactual mode as a way of viewing military history, describing it as both antagonistic and indebted to a battle-oriented "romantic" project, indebted as much to Kant's third critique as to the historic experience of Napoleon's generalship, in which campaigns were judged not by how well they conformed to mathematically precise rules but rather by their ability to bring great forces to bear in unexpected ways. The rules, it turns out in the early works of Carl von Clausewitz, are concrete, not abstract, and are embodied in the genius of great military leaders operating under particular historical conditions: "What genius does is the best rule, and theory can do no better than show how and why this should be the case." ("The Formalism of Military History," 29)

In other words, although she insists here on the historical particularity of the emergence of counterfactual thought as it pertains to warfare in the 18<sup>th</sup> century, Gallagher underplays the differences between this same early-modern counterfactual tradition—which, as Karen Hellekson similarly describes it, "depends on the Great Man theory of history, relying on the importance of certain key players to shape history"—with the novel modes of war games and virtual war that emerged in the latter half of the 20<sup>th</sup> century.

Karen Hellekson, *The Alternate History: Refiguring Historical Time* (Kent, OH: Kent State Press, 2001): 7.

<sup>19</sup> We might otherwise describe these in Ian Hacking's famous terms: the counterfactual historian's probability is epistemological, "dedicated to assessing reasonable degrees of belief in propositions quite devoid of statistical background", whereas the game theorist's is "statistical, concerning itself with stochastic laws of chance."

Ian Hacking, *The Emergence of Probability: A Philosophical Study of Early Ideas About Probability, Induction, and Statistical Inference* (Cambridge: Cambridge U. Press, 1984), 12.

<sup>20</sup> Sharon Ghamari-Tabrizi "Simulating the Unthinkable: Gaming Future War in the 1950s" *Social Studies of Science*, 30.2 (2000): 163-223, 165.

<sup>21</sup> Herman Kahn, *Thinking About the Unthinkable in the 1980s* (New York: Touchstone Press, 1985), 17.

<sup>22</sup> Herman Kahn, *On Thermonuclear War* (New York: Greenwood Press, 1978), 162.

<sup>23</sup> As we shall see in the next chapter, when futurology shifted from the war room to the board room in the 1980s—and, in turn, as it returned to its original context as a key part of post-9/11 security discourse—another term, plausibility, was introduced; the language of imagination which characterizes discussions by futurologists of the plausible conforms neither to the historian's semi-subjective probability nor to the statistician's mathematical range of probabilities but has its own distinct logic.



---

<sup>24</sup> Herman Kahn, “The Use of Scenarios,” *The Year 2000 A Framework for Speculation on the Next Thirty-Three Years*, Eds. Herman Kahn and Anthony J. Wiener (New York: Macmillan, 1967), 262-264.

<sup>25</sup> Alex Abella *Soldiers of Reason: the RAND Corporation and the Rise of the American Empire* (New York: Houghton Mifflin, 2008), 94-104.

<sup>26</sup> Alex Burns “Fearful Asymmetries: Herman Kahn’s Nuclear Threat Models and the DPRK’s Nuclear Weapons Program,” 2006. Accessed online July 2009 <http://alexburns.net/Files/FearfulAsymmetries.pdf>.

<sup>27</sup> Sharon Ghamari-Tabrizi, *Worlds of Herman Kahn: The Intuitive Science of Thermonuclear War* (Cambridge: Harvard UP, 2005), 128.

<sup>28</sup> Patrick Deer, “The Ends of War and the Limits of War Culture,” *Social Text* 91 (Summer 2007): 1-11, 2.

<sup>29</sup> Though here too the genre designation is slippery, since the film’s projected future was only a year in advance of its production, a fact that the film itself riffs on, as when the ditzy porn-star Krysta Now, played by Sarah Michelle Geller, says to her paramour Boxer Santaros—Dwayne Johnson—“Scientists are saying the future is going to be a lot more futuristic than they originally predicted.”

<sup>30</sup> James Der Derian, *Virtuous War: Mapping the Industrial-Media-Entertainment Network* (New York: Basic Books, 2001), 88.

<sup>31</sup> Tom Abba “Hybrid stories: Examining the future of transmedia narrative” *Science Fiction Film and Television* 2.1 (Spring 2009): 59-75.

<sup>32</sup> Scott Magelssen, “Rehearsing the ‘Warrior Ethos’: ‘Theatre Immersion’ and the Simulation of Theatres of War,” *The Drama Review* 53.1 (Spring 2009): 47-72, 50-51.

<sup>33</sup> Dexter Filkins and John F. Burns, “Deep in a U.S. Desert, Practicing to Face the Iraq Insurgency” *New York Times* (May 1, 2006). Accessed online November 2009 at <http://query.nytimes.com/gst/fullpage.html?res=9D0DE6DD113FF932A35756C0A9609C8B63&scp=425&sq=&st=nyt>.

<sup>34</sup> Andrew Lakoff, “Preparing for the Next Emergency” *Public Culture* 19.2 (Spring 2007): 247-272.

<sup>35</sup> Paul Auster, *Man in the Dark: A Novel* (New York: Henry Holt Co., 2008).

<sup>36</sup> We will see this same style again in Ken Kalfus’ counterfactual narrative in *A Disorder Peculiar to the Counter* considered at the end of this chapter—also like Kalfus, Auster suggests a veiled critique not only of the UN-ignoring right, but also of the passivity of the American left by constructing a fantasy world in which all the “good” states refused to allow the Supreme Court to decide the election and broke away to form a liberal utopia.

<sup>37</sup> Richard Grusin, “Premediation” *Criticism* 46.1 (2004): 17-39, 27.

<sup>38</sup> Philip Mirowski *Machine Dreams: Economics Becomes a Cyborg Science* (Cambridge: Cambridge UP, 2008), 483, emphasis mine.

<sup>39</sup> Qtd. in Ian Roderick “(Out of) Control Demons: Software Agents, Complexity Theory and the Revolution in Military Affairs.” *Theory & Event* 10.2 (2007). Accessed online November 2009 at [http://muse.jhu.edu/journals/theory\\_and\\_event/v010/10.2roderick.html](http://muse.jhu.edu/journals/theory_and_event/v010/10.2roderick.html).

---

<sup>40</sup> P.W. Singer “Wired for War: Welcome to Tomorrow’s Battlefield, Today.” Accessed online November 2009 at <http://www.airpower.maxwell.af.mil/apjinternational/apjs/2009/2tri09/singereng.htm>.

<sup>41</sup> Garret Stewart, “Digital Fatigue: Imagining War in Recent American Film,” *Film Quarterly* 62.4 (2009): 45-55, 45.

<sup>42</sup> Francis Fukuyama and Abram Shulsky *The ‘Virtual Corporation’ and Army Organization* (Santa Monica, CA: RAND Corporation, 2007).

<sup>43</sup> Antenor Hallo de Wolf “Modern *Condottieri* in Iraq: Privatizing War from the Perspective of International and Human Rights Law,” *Indiana Journal of Global Legal Studies* 13.2 (2006): 315-356, 317.

<sup>44</sup> Kjell Bjork and Richard Jones, “21<sup>st</sup> Century Mercenaries: conceptualizing the use of private security companies in Iraq,” *Third World Quarterly* 26.4-5 (2005): 776-796, 777-8.

<sup>45</sup> Lila Rajiva “Prometheus: The Emergence of a Police State in America,” *CR: The New Centennial Review* 6.1 (2006) 133-169, 134-5.

<sup>46</sup> P.W. Singer, “Outsourcing War,” *Foreign Affairs* 84.2 (March-April 2005): 119-132, 121-2.

<sup>47</sup> Thomas W. Smith, “The New Law of War: Legitimizing Hi-Tech and Infrastructural Violence,” *International Studies Quarterly* 46.3 (September 2003): 355-374, 356.

<sup>48</sup> Gallagher has a compelling explanation for the paucity of Vietnam counterfactuals in particular which I will reference in my reading of *A Disorder Peculiar to the Country* below.

<sup>49</sup> Janet Box-Steffensmeier et. al., Eds/ *The Oxford Handbook of Political Methodology and Counterfactual and Causal Inference* (Oxford, UK: Oxford Handbooks Online, 2008). Accessed online in November 2009 at [http://www.oxfordhandbooks.com/oso/public/content/oho\\_politics/9780199286546/toc.html](http://www.oxfordhandbooks.com/oso/public/content/oho_politics/9780199286546/toc.html).

Matthew McMullen, “Affective Impact of Close Counterfactuals: Implications of Possible Futures for Possible Pasts,” *Journal of Experimental Social Psychology* 38 (2002): 64-70.

<sup>50</sup> Klaus Dodd, “Counter-Factual Geopolitics: President Al Gore, September 11<sup>th</sup>, and the Global War on Terror,” *Geopolitics* 13.1 (January 2008): 73-99, 73.

<sup>51</sup> Ken Macleod, *The Execution Channel* (New York: Tor Books, 2007).

Richard Lupoff, “The American Monarchy,” *The Silver Gryphon*, Ed. Gary Turner (New York: Gryphon Press, 2003).

<sup>52</sup> Michael McGough’s “If Gore Had Won” *Los Angeles Times* (August 23, 2007). Accessed online in November 2009 at <http://www.latimes.com/news/opinion/la-oew-mcough23aug23,0,4734827.story>.

“Al Gore Discovers Himself,” *Economist* (November 15, 2001).

Ernest Wilson, “Counterfactual History in Iraq,” *Talking Points Memo* (May 15, 2006). Accessed online in November 2009 at

[http://tpmcafe.talkingpointsmemo.com/2006/05/15/counterfactual\\_history\\_in\\_iraq/](http://tpmcafe.talkingpointsmemo.com/2006/05/15/counterfactual_history_in_iraq/).

Matthew Yglesias, “Today in Alternate History,” *thinkprogress.org* (October 30, 2008). Accessed online in November 2009 at

[http://yglesias.thinkprogress.org/archives/2008/10/today\\_in\\_alternate\\_history.php](http://yglesias.thinkprogress.org/archives/2008/10/today_in_alternate_history.php).

---

Joshua Kurlantzick, "Another America," *Prospect Magazine* (March 20, 2004). Accessed online in November 2009 at <http://www.prospectmagazine.co.uk/2004/03/anotheramerica/>.

<sup>53</sup> Andrew Roberts, Ed., *What Might Have Been: Imaginary History from Twelve Leading Historians* (New York: Orion Publishing, 2005).

Slavoj Žižek, "Lenin Shot at Finland Station," *London Review of Books* 27.16-18 (August 2005). Accessed online November 2009 at <http://www.lrb.co.uk/v27/n16/slavoj-zizek/lenin-shot-at-finland-station>.

<sup>54</sup> Andrew Sullivan, "The Good News Is That 9/11 Never Happened. The Bad News?," *New York Magazine* (August 14, 2006). Accessed online November 2009 at <http://nymag.com/news/features/19147/>.

<sup>55</sup> Jonathan Safran Foer, *Extremely Loud and Incredibly Close* (New York: Houghton Mifflin, 2005).

<sup>56</sup> National Commission of Terrorist Attacks on the United States, *9/11 Commission Report* (New York: WW Norton & Co., 2004).

<sup>57</sup> Editors, "The Black Book," *The New Republic* (August 9, 2004). Accessed online in November 2009 at <http://www.tnr.com/article/the-black-book>.

James Carney, "If You Don't Have Time to Read It..." *TIME Magazine* (August 2, 2004). Accessed online November 2009 at <http://www.time.com/time/magazine/article/0,9171,994773,00.html>.

Ben Yagoda, "How a Government Committee Made a Piece of Literature," *Slate Magazine* (November 8, 2004). Accessed online November 2009 at <http://www.slate.com/id/2109277/>.

John Updike, "The Great I Am," *The New Yorker* (November 1, 2004). Accessed online November 2009 at [http://www.newyorker.com/archive/2004/11/01/041101crbo\\_books](http://www.newyorker.com/archive/2004/11/01/041101crbo_books).

<sup>58</sup> Nicole Jordan, "Book Review: Strange Victory: Hitler's Conquest of France." *English Historical Review* (2001) 116.466: 428-431, 438, 436.

<sup>59</sup> Elizabeth Drew, "Pinning the Blame," *New York Review of Books* 51.14 (September 23, 2004). Accessed online in November 2009 at <http://www.nybooks.com/issues/2004/sep/23/>.

<sup>60</sup> David Frum, "What if the Chads Had Fallen Off in Florida?," *What Might Have Been: Imaginary History from Twelve Leading Historians*, Ed. Andrew Roberts (New York: Orion Publishing, 2005).

<sup>61</sup> Gavriel Rosenfeld, *The World Hitler Never Made: Alternate History and the Memory of Nazism* (Cambridge: Cambridge U. Press, 2005), 12.

In the final pages of his account, indeed, Rosenfeld expressly addresses 9/11 in relation to the counterfactual histories in which he has thus far been interested: "alternate history relies fundamentally upon the imagination to envision alternatives outcomes for the past. At the deepest level, nothing has been altered as much since September 11, 2001 as the Western imagination. Deeds one thought impossible...have now become part of our new everyday reality. Propitiously, alternate history may help us become more attuned to a world yet unimagined" (398). In the chapter that follows this one, I will discuss in much greater detail the specific historical constitution of 9/11 as an event—or, perhaps more properly, its *historiographical* constitution as a *narrated* historical moment—and suggest that 9/11's perceived availability to the plausible imagination is both produced and complicated by its status as a constitutively unprecedented and unpredicted event (indeed, I will suggest that what Rosenfeld

---

goes on to say—that “Eerily enough, some of the allohistorical world discussed in [his] study anticipated some of the events of September 11”—is in fact deeply symptomatic of a particular discourse of 9/11’s “eerie” anticipation).

<sup>62</sup> Most of the counterfactuals I am considering here are written from the left; considering the most significant right-leaning counterexample, political scientist Frank Harvey’s 2008 study “President Gore and the 2003 Iraq War: A Counterfactual Critique of Conventional ‘Wisdom’” is also interesting, however, for two reasons. First, Harvey’s is ultimately not so much a counterfactual as what some theorists call a “superfactual”—that is, he imagines historical divergence (Gore’s election) which leads to “exactly the same” outcome: he asserts that a Gore administration would have responded the same way that a Bush administration did. Yet at the same time, Harvey’s imaginative consideration of a Gore war ends up as a sort of fantasmatic version of real history, except rather than imagining different events, he reimagines the political meaning and consequences of those events: that is, he reimagines what now appears to be a war we were misled into as a war which could neither have been avoided, nor gone any other way, and in the process he reimagines the Iraq War as legitimate and successful in much the same way that the properly counterfactual leftist accounts do.

<sup>63</sup> Ernest Wilson, “Counterfactual History in Iraq,” *Talking Points Memo* (May 15, 2006).

Accessed online in November 2009 at

[http://tpmcafe.talkingpointsmemo.com/2006/05/15/counterfactual\\_history\\_in\\_iraq/](http://tpmcafe.talkingpointsmemo.com/2006/05/15/counterfactual_history_in_iraq/).

<sup>64</sup> Ken Kalfus, *A Disorder Peculiar to the Country* (New York: Ecco, 2006).

<sup>65</sup> Center for American Progress, “In their own words” (January 29, 2004). Accessed online November 2009 at <http://www.americanprogress.org/issues/kfiles/b24970.html>.

<sup>66</sup> Leon Wieseltier, “What Remains,” *The New Republic* (June 28, 2004). Accessed online November 2009 at <http://www.tnr.com/article/what-remains>.

<sup>67</sup> Blake Morrison, “The Relentless Unforseen,” *The Guardian* (October 2, 2004). Accessed online in April 2010 at <http://www.guardian.co.uk/books/2004/oct/02/fiction.philiproth>.

<sup>68</sup> Paul Berman, “The Plot Against America,” *New York Times* (October 3, 2004). Accessed online April 2010 at

[http://www.nytimes.com/2004/10/03/books/review/03BERMAN.html?\\_r=1](http://www.nytimes.com/2004/10/03/books/review/03BERMAN.html?_r=1).

<sup>69</sup> Philip Roth, “The Story Behind *The Plot Against America*,” *New York Times* (September 19, 2004). Accessed online April 2010 at

<http://query.nytimes.com/gst/fullpage.html?res=9500E7DB1338F93AA2575AC0A9629C8B63>

<sup>70</sup> Philip Roth, *The Plot Against America* (New York: Houghton Mifflin, 2004), 15, 29.

<sup>71</sup> T. Austin Graham, “On the Possibility of an American Holocaust: Philip Roth’s *The Plot Against America*,” *Arizona Quarterly* 63.3 (Autumn 2007): 119-149.

<sup>72</sup> Michael Andre Bernstein, *Foregone Conclusions: Against Apocalyptic Fiction* (Berkeley, CA: UC Press, 1994), 16.

<sup>73</sup> Wendy Brown, “American Nightmare: Neoliberalism, Neoconservatism, and De-Democratization,” *Political Theory*, 34.6 (December 2006: 690-714, 691).

<sup>74</sup> Michael Chabon, *The Yiddish Policeman’s Union* (New York: Harper Collins, 2007), 28, 7.

## Chapter Three

### **Self-Fulfilled Prophecies: Prediction, Preemption, and the Fiction of 9/11**

All plots have something in common with prophecy, for they must appear to educe from the prime matter of the situation the forms of a future.

--Frank Kermode, *Sense of an Ending*

[T]he method of infallible prediction, more than any other totalitarian propaganda device, betrays its ultimate goal of world conquest, since only in a world completely under his control could the totalitarian ruler possibly realize all his lies and make true all his prophecies.

--Hannah Arendt, *The Origins of Totalitarianism*

I want to begin with a question—not my own, but one posed by FOX News’ Brit Hume during a May 2007 Republican primary Presidential Debate:

The questions in this round will be premised on a fictional, but we think plausible scenario involving terrorism and the response to it. Here is the premise: Three shopping centers near major U.S. cities have been hit by suicide bombers. Hundreds are dead, thousands injured. A fourth attack has been averted when the attackers were captured off the Florida coast and taken to Guantanamo Bay, where they are being questioned. U.S. intelligence believes another attack is planned and could come at any time. How aggressively would you interrogate those held at Guantanamo Bay about where the next attack might be?

Hume takes the hypothetical inquiry common to ethical philosophy and to the law and transforms it into a predictive “scenario.” His description involves no statistical projection or mathematical measure, but is self-consciously imaginative: the scenario is specific (“three shopping centers”, “off the Florida coast”), temporally complex (the simultaneity of “where they are being questioned”), and, tapping the urgency of the present perfect (“have been hit”), suspenseful.

As Hume admits from the outset, the scenario is clearly “fictional,” so what makes it “plausible”? The answer to that question lies, I would argue, in the candidates’ own answers to Hume’s query. While most of the replies were unremarkable, Congressman Tom Tancredo answered as imaginatively as the question allowed: “You say that nuclear devices have gone off in the United States and we’re wondering about whether waterboarding would be a bad thing to do? I’m looking for Jack Bauer at that time, let me tell you.” Jack Bauer is, of course, the name of Keifer Sutherland’s vigilante terrorism fighter on the television series “24.” Tancredo’s reference to “24” reveals not only that the scenario could have been taken straight from any number of “24” plot-lines but also, and more significantly, that the scenario is plausible precisely

insofar as it is *narratively* credible. Hume's speculative prediction is convincing not because it is probable—it is not, according to most intelligence reports, a likely scenario—but because it is believable: like so many “24” episodes, it is a plot for which we are willing to suspend our disbelief. Because the scenario relies on narrative rather than statistical logic, the question to ask of the forecast is not “Is it likely?” but “Is it believable?” In other words—and as Hume's use of the very word “scenario” to describe this supposedly “plausible” narrative suggests—the question posed to the candidates draws on the same forms of narrative forecasting that I described in the previous chapter as part of the Revolution in Military Affairs (RMA) waged by the RAND Corporation. Whereas Hermann Kahn and his colleagues saw their work largely as a complication of the idea of probability, however, Hume's scenario emphasizes on the concept of “plausibility,” and suggests paradoxically that the future is uncertain but also that it is nonetheless describable and imaginable. As he himself attempts to imagine that future, moreover, his prediction is narrative and subjective rather than statistical and objective.

In this chapter, then, I am interested in extending Chapter Two's account of the relationship between the war games and simulations that emerged from the RMA to think about the adoption of these methods first by corporate strategists in the 1980s and 90s and then by members of the Bush administration's foreign policy team after 9/11, considering in particular the relationship between the RMA and the emergence of the doctrine of preemptive military action.<sup>1</sup> I am also interested in exploring the ways in which the representation of 9/11 as a historical event served to justify this new and radical change in the law and policy of foreign military intervention by producing a radical shift in the way in which the future was thought and imagined. The doctrine of preemption, I will suggest, emerges at the intersection of law, politics, and business as a way to capitalize on (if not produce) the perception of 9/11 as a constitutively “unpredictable” event. Here, then, I will explore the ways in which 9/11 allowed a latent financialized concept of risk and uncertainty (that is, risk as profitability and opportunity) and a financialized or speculative relationship to the future (that is, the future as ahistorical, contentless, manipulable and abbreviated) to become manifest a part of both political and cultural discourse.

However I am also interested in the way literary representations might push against these dominant political representations. The predictions made in the service of the doctrine of preemption are ultimately attempts to *imagine* the future—because preemptive thought must function in the absence of empirical evidence and in the presence of profound uncertainty, its guiding heuristic is, as I have already suggested, narrative plausibility rather than statistical probability. Yet although it is a distinctly narrative way of thinking about the future, preemption (and scenario thinking generally) must repress the temporal ambiguities and epistemological paradoxes associated with literary narrative. By turning, then, to literary forms and devices that bring the paradoxes of the preemptive narrative to the surface, we can hold out a different, more critical function for narrative. In particular I am interested in the tendency of 9/11 fiction to mobilize narrative mechanics like prolepsis and foreshadowing (as well as more complicated forms of irony and typology). I will suggest that the attempt to represent a historical event like 9/11—that is, a historical event that was (at least by most who witnessed it) absolutely unanticipated, sudden, and shocking—poses certain problems for narrative form itself. I will begin by briefly discussing two “canonical” 9/11 novels, Jonathan Safran Foer's *Extremely Loud*

and *Incredibly Close* and Claire Messud's *The Emperor's Children*, to argue that they run aground on these formal problems in such a way that their representation of the event fits into a dominant ideological narrative of 9/11's psychically traumatic nature, a narrative which forecloses a robust historical account of 9/11's pre-history and its effects. I will then consider in some more detail what we might call "peripheral" 9/11 texts: Joshua Ferris' *Then We Came to the End*, Deborah Eisenberg's "Twilight of the Superheroes" and David Foster Wallace's "The Suffering Channel," which incorporate 9/11 in much less obvious—and much more self-conscious—ways. These texts, I will argue, are not only marked by the achronicity which characterizes modern literary narrative generally, but they mobilize especially complex, nonsequential narrative forms—typology, recursion, and irony—in such a way that they can be read against the ahistoricity of the discourse which describes 9/11 as traumatic, a discourse which is used to justify preemptive strikes and the colonization of the future in advance of its arrival.

### The Exemplary Event

By now, the question of the singularity or exceptionality of the terrorist attacks of September 11, 2001 has become nothing if not overdetermined. In the immediate aftermath of 9/11<sup>2</sup>, it was commonplace to say that the attacks were without precedent, representing a profound rupture in historical continuity: Don DeLillo, in an essay published a few months after 9/11, representatively asserted that "In its desertion of every basis for comparison, [9/11] asserts its singularity."<sup>3</sup> Or, as President George W. Bush put it in his national address preparing the nation for strikes in Afghanistan, "Americans have known surprise attacks, but never before on thousands of civilians. All of this was brought upon us in a single day, and night fell on a different world, a world where freedom itself is under attack."<sup>4</sup> We should note that in Bush's description 9/11 is represented as the event of a "single day"—as an event, that is, without a history—and that it is described as an occurrence whose very happening engenders a "different world." This representation of 9/11 as a historical rupture dividing time between before and after was a commonplace on the political left as well as right, as in Jonathan Schell's "Letter from Ground Zero," from the *Nation*: "In an instant and without warning on a fine fall morning, the known world [was] jerked aside like a mere slide in a projector. Has the eye of the world ever shifted more abruptly or completely than it did on September 11?"<sup>5</sup> Even philosophically radical descriptions of 9/11 tend to somewhat unselfreflexively describe it as an exemplary philosophical "Event," according to which categorization it was, to use Jean Baudrillard's description, "formidable, unique and unforeseeable."<sup>6</sup>

However what are we to make of an apparently opposite tendency in descriptions of 9/11: the tendency to describe 9/11 as familiar, even as a kind of uncanny historical echo? Though the descriptions of 9/11 above emphasize its singularity, incomparability, and lack of precedent, it was equally common to compare 9/11 any number of prior historical traumas, from Pearl Harbor to Hiroshima to the Holocaust, as when Paul Wolfowitz noted that "September 11th has taken its place alongside December 7th as a date that will live in infamy."<sup>7</sup> Again, we can find this kind of description across the political spectrum—according to the leftist variant, since the 20<sup>th</sup> century was constituted by an accumulating series of atrocities, terrorism, and mass casualty, 9/11 is intensely familiar, with countless "precedents." Arguing against

Baudrillard's treatment of 9/11 as a Heideggerian Event, for instance, Jacques Derrida maintained that 9/11 was not in fact "a transgression without precedent in history" since "many examples [of similar events] could be given [...] There is no need, alas, to go back to the bombings of World War II, to Hiroshima and Nagasaki, to find countless examples of this."<sup>8</sup> For Derrida, in other words, the very innumerability of these equivalent tragedies suggests suggest that 9/11 is neither singular nor inconsistent with the historical logic of modernity as such.

These discussions of 9/11's singularity or typicality can also be cast in the somewhat more specific terms of its predictability or unpredictability. Bush emphasizes that 9/11 was a "surprise attack"; the *Nation* article describes it firstly and primarily as "without warning"; Baudrillard et. al likewise insist on the constitutive unpredictability of the Event. Among the analogists, on the other hand, the very existence of so many events like 9/11 suggests that only Americans' "blissful ignorance" of what Noam Chomsky calls "a history that should be too familiar to review" enabled us to be so surprised<sup>9</sup>; Derrida likewise suggests that 9/11 can neither constitute "an event without precedent" nor "an unforeseeable event" (90-1). We might think of this debate in terms of what Ian Baucom describes as an oscillation between the two meanings of the word "exemplary." If 9/11 is singular and exceptional, it is "exemplary" in the sense of having no equivalent; without equivalent, it is indeed constitutively unpredictable, a *rupture* with the past. On the other hand, if extreme violence has been the rule more than the exception in the 20<sup>th</sup> century, 9/11 is "exemplary" in the sense of being typical ("countless examples"), and was thus theoretically foreseeable since it was a *repetition* of the past.

Reframing the question of 9/11's singularity or typicality in terms of questions of predictability and surprise allows us, I think, to more thoroughly interrogate the way in which 9/11 provided the alibi for the doctrine of preemption, which itself necessitated and enabled a dramatically changed relationship to and discourse of the future, and especially to those cognitive processes—anticipation, prediction, imagination—which attend the act of speculation. Further, it allows us to see that the ideas and anxieties about the future that subtend the preemptive doctrine are overdetermined: that is, that they extend into the cultural, literary, and political spheres as well. For this reason, I am interested in considering a spectrum of sites or texts in which the emergent modes of post-9/11 futurity are variously constituted, sustained, or challenged—in debates around 9/11's status as a historical event and its relationship to the earlier "end of history" debates; in the description of 9/11 as looking "like a movie" and in the claim that it was beyond representation; in the insistence that 9/11 was foretold by Nostradamus, by the Book of Revelations, or by the Bush administration's own secret plots. In these and any number of other texts we can see again and again a return to the language of surprise (or expectation), of foresight (or its failure), of the future's uncertainty (or of its preemptability).

Clearly, the question of 9/11's predictability or singularity was intimately linked to the question of whether it was possible to represent it. Immediately after 9/11, it was almost axiomatic that fictional or visual representations of 9/11 were impossible because the magnitude of the event exceeded them: "Can a novelist [...] anchor fiction to lived horror?," asked a writer for *The Guardian*, while a curator interviewed by the *National Post* on 9/11 art noted that "We're almost questioning whether art can really speak to such a huge event [...] could really



encompass the enormity of it.”<sup>10</sup> Or, as DeLillo put it, “the event itself has no purchase on the mercies of analogy or simile.” Such descriptions of 9/11 as beyond representation correspond almost precisely to the description of 9/11 as unpredictable, since they likewise depend on seeing it as a singular, exceptional cataclysm, a break in historical logic or pattern; the event is beyond measure, equivalent, or precedent—“unthinkable,” in DeLillo’s terms. The relationship between 9/11’s unrepresentability and its predictability is a reciprocal one: not only does its unpredictability make it recalcitrant to adequate representation *after* the fact, but also its unimaginability made it impossible to predict *before* the fact. As one business news journalist put it, “If [before 9/11] we had read about it in a novel we would have thrown the book out of the nearest window in disgust. We would simply not have believed it. No plot could stretch credulity that far and get away with it.”<sup>11</sup> In a *New York Times* interview, William Gibson similarly noted that “If I had gone into a publisher in New York in 1981 and told them I wanted to write a novel that is set in a world where [...] Mideast terrorists have hijacked airplanes and in response the U.S. has invaded the wrong country—it’s too much.”<sup>12</sup>

These accounts remind us of the relationship between our contemporary sense of the “probable” as the statistically likely (the predictable) and an older Aristotelian definition of the probable as “the kind of thing that might happen”—Aristotle, like Gibson et. al., suggests that “plots” (for which we might substitute “fiction”) are subject to laws of “probability and necessity,” since they describe “the kind of thing that might be” whereas history, “the things that have been,” might well be improbable, “singular,” without design or meaning.<sup>13</sup> As an AP article on 9/11 fiction put it, “The truth remains stronger than any artist’s attempt to re-create it.”<sup>14</sup> When we attempt to represent 9/11, then, we are forced to grapple with a situation in which Aristotle’s demarcation between plot and history disappears, as it does in the modern genre of the historical novel: if historical events in and of themselves are not subject to the laws of probability (because in history unlikely things happen all the time), how can they be subsumed into the probabilistic design of a credible plot?<sup>15</sup> (In fact, Georg Lukács describes this riddle as the precisely the *task* of the historical novel—to “reduce chance [...] by [showing] in human terms how the concrete historical forces of a particular period have become concentrated in the life of this particular [fictional] individual.”<sup>16</sup>) Moreover, given that 9/11 is understood to be *constitutively* unprecedented and unforeseeable—and to be in some sense important precisely because of those qualities—this further amplifies the generic problem, since 9/11 thereby seems triply-improbable: first in the Aristotelian sense (insofar as any singular historical event can be improbable, lacking design or meaning), second in the statistical sense (insofar as it seemed unlikely and unpredictable) and, as a result, in the literary sense as well—it would be a plot we could only “throw out the window in disgust.” Fictional representation of 9/11 thus threatens to undo the logic of both the historical event *and* the successful literary plot: the plotted representation would betray the singularly improbable historical event by transforming it into something plausible, yet that attempt at plausibility would fail because the event the narrative is attempting to credibly represent was itself in-credible.

From a narrative perspective, I want to claim that this dilemma has everything to do with the question of prolepsis or foreshadowing. To develop this further, let me offer a brief example, Clare Messud’s well- and widely-reviewed 9/11 novel *The Emperor’s Children*. The novel opens in Manhattan in March 2001 and chronicles the lives of three friends—intelligent,

attractive, and privileged recent college graduates Marina, Danielle, and Julius—and their families and social world. *The Emperor's Children*, like a number of other 9/11 novels, takes marriage, romance, and the family as its primary plot, as the story for which 9/11 is catalyst, resolution, or, minimally, backdrop: Marina's father, Murray Thwaite, is a 1960s-activist-cum-liberal-journalist and a prominent public intellectual; Danielle, Marina's best friend, begins an affair with Murray and is spending the night with him in Manhattan on September 10<sup>th</sup>.<sup>17</sup> Marina, who is finishing a semi-academic book on the history of children's clothing, is courted by and eventually marries a kind of media *enfant terrible*, Ludovic Seeley, whose "revolutionary" journal is scheduled to be released in the second week of September 2001. The novel is both a familiarly Jamesian or Whartonian novels of manners and, in its final chapters, an attempt to describe the effects of 9/11 on the liberal imagination of New York's media elites and bourgeois intelligentsia.

More to my point here, however, the novel has a strange formal arrangement: each section is named by month, as the plot steadily approaches the month of September (the "September" section begins on page 315 of 431; the novel ends in July 2002). As if attempting to reproduce 9/11's surprise, the novel strictly eschews explicit dramatic ironies and any foreshadowing; the result is an unusually rigorous fealty to straightforward chronology. (Unusual because the "modern" or "complex" narrative is typically characterized by its achronicity, by those moments in which the order of events in the plot do *not* line up with the order of those events in the narrative.<sup>18</sup>) The novel thus refuses to explicitly "foreshadow" its climax and remains restrained to the failure of foresight (and insular naivety) of the social class it describes. Yet as a result of this strangely calendrical and chronological ordering, we cannot help but anticipate its dramatic conclusion, as the narrative moves inexorably toward an event whose very name ("9/11") emphasizes the particular date of its occurrence in the sing-song forward motion of trochaic meter. Both despite *and* because of the novel's refusal to break ranks with perfect chronology—that is, *despite* the fact that it refuses to epistemologically foreshadow the event and *because* it proceeds with temporal linearity—we cannot help but know the ending in advance of its arrival. The novel's historical plotting is thus similar to what Michael Andre Bernstein calls "backshadowing," a "kind of retroactive foreshadowing in which the shared knowledge of the outcome of a series of events by narrator and listener is used to judge the participants in those events *as though they too should have known what was to come.*"<sup>19</sup> Bernstein discusses this phenomenon in terms of the Shoah, and argues that such accounts serve to "condemn the 'blindness' and 'self-deception' of the Jewry for their unwillingness to save themselves from a doom that supposedly was clear to see" (16).<sup>20</sup> Despite carefully eschewing foreshadowing or explicit formal irony, Messud's novel paradoxically falls back on this more subjective irony (that is, an irony that is the experience of the "narrator and listener" and not of the characters themselves).

To fully understand this, then, let us compare *Emperor's Children* to Ferris' *Then We Came to the End*. The latter has not to my knowledge been described elsewhere as a "9/11 novel" at all, despite the fact that it too takes place in 2000-2001 and ends in September 2001.<sup>21</sup> *Then We Came to the End* chronicles the internecine and petty squabbles of the employees of a mid-sized advertising firm in the Midwest—if Messud's novel somewhat unconsciously concentrates the subject position of the bourgeoisie, Ferris' *Then We Came to the End* explicitly ventriloquizes the

“middling” or “mediocre and average” individuals which Lukács identifies as the historical novel’s primary subjects. It is narrated almost entirely in the second person; the “we” of the title is the collective voice of the employees, a group that slowly shrinks throughout the novel as its constituents are laid off one by one. The only significant events besides this slow disintegration of the collective “We” are the diagnosis of company boss Lynn with breast cancer and the fact that Tom, a somewhat unhinged accounts manager, responds to being fired by sneaking into the office dressed in a clown suit and carrying a paintball gun in a kind of *ex-ante* parody of terrorism.

Like *The Emperor’s Children, Then We Came to the End* begins before 9/11, but there are relatively few details of place or time because the novel is precisely about the way in which the literally and figuratively enclosed environment of the cubical produces only an intense self-scrutiny (where the “self” is the collective person of the corporation). The prologue begins by describing a period (late 90s, we soon realize) of prosperity and security: “The world was flush with internet cash and we got our fair share of it. It was our position that logo design was every bit as important as product performance and distribution systems...[if] it was a really well-designed logo...we bowed down before it, much like the ancient Mayans did their pagan gods” (12). The second section, titled “Enter a New Century,” takes place in 2000 and early 2001, and recounts the decline in the American economy which occurred in those same months.

Though this novel, like Messud’s, is resolutely chronological, it isn’t until page 345 that we are told precisely where we are calendrically, with the paragraph that concludes the second section: “In the last week of August 2001 and in the first 10 days of September, there were more layoffs than in all the month preceding them. But by the grace of God, the rest of us hung on, hating each other more than we ever thought possible. Then we came to the end of another bright and tranquil summer” (357). We are primed for what we assume is inevitably to come by the unusual precision of the information given there (the not particularly novelistic repetition of the year, the specificity of “the first ten days of September”), as well as by the reference to the novel’s title, itself a repetition since the “prologue” about the company’s good times concluded with the dire sentence “We too thought it would never end” (12). Yet as we turn the page, we are surprised in the way we least expected: the final chapter, which is the last 30 pages of the novel, begins not where the previous one left off, but rather “In the summer of 2006,” with a reunion of some of the characters at a book reading. A single mention of 9/11 makes it obvious that this novel does not take place in some historical other-universe, but this reference is itself oblique, even repressed: as the characters recount where those not present have ended up, it turns out that Tom has joined the army, much to everyone’s surprise: “He came to work for me for a time,” explained Carl, “But not for very long. He kept talking about wanting to join up—after all that had happened, you know. He just couldn’t get it out of his head” (380). That single and singular reference to 9/11—as “all that had happened, you know”—is indicative of the general treatment of 9/11 by the novel, which relies on *our* knowing (indeed, on our knowledge exceeding the characters’ knowledge, by virtue of our historical situation). The implication may be that 9/11’s putative recalcitrance to representation is the effect not of its unavailability to language or image, but rather the reverse: Ferris acknowledges that 9/11’s profoundly overdetermined or symbolic nature means it is always-already represented. The novel thus explicitly draws our attention toward 9/11 by teasingly inciting our anticipation of it,

and yet despite being structured *around* 9/11 (since it is 9/11 that closes the novel's formal arc, even though it has been repressed as content), the novel in the last moment skips over 9/11, landing with a surprising jump in 2006.

Whereas *Emperor's Children* is resolutely sequential, *Then We Came to the End* is distinctly serial and paratactic, refusing the closure offered by a totalizing and meaningful conclusion. Even as he reminds us of our own libidinal attachment to endings—by giving us the “end” multiple times, beginning with the title itself—Ferris denies us the satisfaction of the meaning-making ending we anticipate and instead tacks on the intentionally dissatisfying Where-Are-They-Now epilogic chapter, which we might say *closes* the novel, but does not in the full sense *end* it.

As Bernstein also points out, there is a relationship between the kind of “retrospective judgement” that Messud's novel allows us and the closure or completion (the effect of an implied retrospectivity or “backshadowing”) with which mainstream discourse falsely infuses traumatic historical events like 9/11 or the Holocaust. If *Then We Came to the End* manages fully to surprise us, it does so not by the inclusion of an event we do not expect, but by the exclusion of an event we do expect: 9/11 is thus unavailable to libidinal or ideological investment even as it continues to function as an interruption or disruption of expectation. By contrast, *Emperor's Children* drives us towards a continually-anticipated denouement which presumes to make the preceding events meaningful: not only does the novel do what plot always does, according to Aristotle—present a poetic or literary Truth greater than the contingent facts of history—it imbues the factual event with that Truth after the fact, giving the event the design and meaning that history denies itself. The novel not only uses 9/11 as its ending, but we cannot help but anticipate this ending during all that precedes it.

This imperative to rewrite all that came before the event in its particular light accedes to the messianic tones of post-9/11 political discourse, as in Bush's claim that “The course of this conflict [the “War on Terror”] is not known, but we do know the outcome”: the “course” of conflict—casualties, suffering, cost, civic devastation and the rest—is rendered insignificant in the name of the end, which is itself merely an inevitable “outcome” for which we wait. Life “in the midst,” as Frank Kermode describes it, is meaningless in the shadow of this kind of end. Messud's chronological account sustains a sense that 9/11 created a divide between before and after—that “All this was brought upon us in a single day, and night fell on a different world,” to repeat Bush's temporally compressed description. The “pre-9/11” past that is the narrative's main context is imbued with the melancholic nostalgia of the “post-9/11” present, a present that Naomi Klein, in *Shock Doctrine*, describes as an ideological “Year Zero, in which everything we knew of the world before could be now dismissed as ‘pre-9/11 thinking.’”<sup>22</sup> In accepting this narrative, we are not forced to do the self-reflexive historical work of considering less presentist causalities which might retrospectively find in the pre-9/11 era not just the innocence lost “in a single day” but also the policies and ideologies which were 9/11's preconditions of possibility.

We have thus far considered only the assertion that 9/11 was constitutively unrepresentable, which I have suggested can be understood as the counterpoint to the immediate description of 9/11 as singular unpredictable. But what of the fact that it was equally common to describe 9/11 as uncannily familiar not only because it reminded us of past historical events but also because it reminded us of prior *fictional* narratives? Slavoj Žižek

famously observed soon after 9/11 that “the series of [American] movies from *Escape From New York* to *Independence Day*” made the attacks “the stuff of popular fantasies long before they actually took place,” so that the question we asked ourselves as we stared at the television was in fact “*where did we already see the same thing over and over again?*”<sup>23</sup> The experience of actually mistaking the first glimpses of the smoking towers for a fictional or filmic image was common enough that it has even become a convention of fiction about 9/11: in Jonathan Safran Foer’s *Extremely Loud and Incredibly Close*, for instance, one character describes seeing the events on a TV screen in a store window: “I stood up and looked, I didn’t understand what I was seeing on the screen, was it a commercial, a new movie” (272); the narrator of Benjamin Kunkel’s *Indecision* describes feeling “like a fly batting at the bottom of a TV screen,” despite the fact that he is watching the disaster unfold “live” out the window of a friend’s Manhattan apartment (169); in Art Spiegelman’s graphic text *In the Shadow of No Towers*, Spiegelman describes rushing downtown to pick up his daughter, whose school was near the WTC, and having his view obscured by “a giant billboard for some dopey Schwarzenegger movie about terrorism” (2)—that movie was, of course, *Collateral Damage*, which was originally scheduled to premier in October 2001 but was postponed for 4 months because its plot was thought to be too close to the events of 9/11 (it opens with a terrorist bomb in a Los Angeles skyscraper).<sup>24</sup>

If the claim that 9/11 was unrepresentable was tied to the description of it as unpredictable and without precedent, then, these descriptions of 9/11 as uncannily familiar can be understood as subtending the claim that 9/11 was, on the contrary, a repetition of prior historical (20<sup>th</sup> century) events. And whereas Messud’s novel was the most salient literary example of the former position, *Extremely Loud and Incredibly Close* might exemplify the latter (these two texts are also useful comparisons because they are arguably the best-known and most-discussed literary 9/11 novels). *Extremely Loud*’s primary narrator is nine-year-old Oskar Schell, whose father died in the WTC on 9/11; the two secondary narrators are Oskar’s paternal grandparents, who, despite being separated since before Oskar’s father’s birth, both continue to live in the traumatic aftermath of the bombing of Dresden, Germany, in World War II. The novel thus alternates between Oskar’s narration and that of his grandparents, and between a post-9/11 present and a remembered historical past that the present seems to both repeat and recall. Foer’s novel takes psychic trauma as both its content and its structure, since the experience of trauma is the experience of the event’s obsessive repetition: not only do Oskar and his grandparents continue to obsessively re-experience their individual and shared losses, but the experience of loss is itself repeated across generations.

However the traumatic simultaneity of events mostly functions on a synchronic axis; the metaphor (9/11 was “like” Dresden”) presents a potential equivalence or substitutability but no more diachronic historical relationship. Paradoxically, then, one attempt to represent 9/11 as extreme trauma (by conceiving it as a traumatic repetition of the past) contradicts another (the effort to emphasize what DeLillo describes as 9/11’s extraordinary “singularity,” exemplified precisely by its resistance to metaphoric substitution and its “desertion of every basis for comparison”). Moreover, the description of 9/11 as traumatic has been ideologically refunctioned in order to create precisely the collective sense of “deep disorientation and regression” that Klein describes as undoing any possibility for critical, historical self-reflection. Thus although the description of 9/11 as equivalent to earlier historical events would seem to

disavow the claim that it was singular and unprecedented, because this description presents it as absolute trauma, it is merely that claim's obverse and shares its ahistorical constitution.

It is clear that to describe 9/11 as singular fails to envision any type of historical causality, implying that 9/11 was, as David Simpson puts it, "a cataclysm simply erasing what was there rather than evolving from anything already in place."<sup>25</sup> In the absence of an evolutionary historical account, it is impossible to understand the way 9/11 was the consequence of decades of American foreign policy, including US support of the Taliban regime (and Osama bin Laden himself) as an ally in the Cold War era fight against the Soviet occupation of Afghanistan. Yet on the other hand, asserting simply that 9/11 is one in a string of potentially equivalent, substitutable or comparable historical events is equally unsatisfying. The act of analogizing 9/11 to past historical events does not necessarily commit one to a historical analysis, but rather serves to create a set of disconnected equivalences. Moreover, by noting that there is a tendency to invoke these two apparently contradictory accounts at the same time—Bush's "different world" speech, in which he insisted on 9/11's singularity, also made explicit and implicit references to Pearl Harbor, and to FDR's "day of infamy" speech; likewise, any number of academic essays include statements like "it was the ghost of Hiroshima that truly haunted Manhattan as an unprecedented spectacle,"<sup>26</sup> a description in which 9/11 is simultaneously haunted by Hiroshima and "unprecedented"—we can begin to see that they are more similar than aporetic, sharing a failure to consider historical causality and a reliance instead on paradoxically similar tropes of historical rupture or historical repetition.

The larger theoretical implication of this claim is that it returns us to what I earlier described as a vacillation between what Ian Baucom describes as two meanings of the exemplary, a "notably ambivalent, double-coded thing" which is "at once a specificity, a singleness, a referent, and a specification of something else, a doubleness, a reference to and beyond itself."<sup>27</sup> Baucom rightly observes that the "choice" between these two ways of viewing historical events is a false one, and yet his account does not make clear that the choice is false precisely because it is not one—because these two forms of "exemplarity" *both* foreclose the effort to see the event historically. In other words, although Baucom makes a compelling and important case for seeing certain historical tragedies as exceptional precisely insofar as they are at once "irreducible and representative," in the case of 9/11 seeing the event as exemplary-because-typical is as presentist as seeing it as exemplary-because-singular (76). What Derrida calls the "countless examples" of similar events can only be connected paratactically, can only be placed alongside one another. As Tony Judt puts it, this "lapidary description" of the 20th century sees it as "a pedagogically serviceable Chamber of Historical Horrors whose way stations are labeled 'Munich' or 'Pearl Harbor,' 'Auschwitz' or 'Gulag,' 'Armenia' or 'Bosnia' or 'Rwanda.'"<sup>28</sup> The problem with this narrative is not only that it contributes to a false sense of redemptive historical progress, as Judt claims, but that it fails to produce offer any account of causation, foreclosing the kind of genealogies that might connect 9/11 to the histories of imperialism, foreign debt, or U.S. hegemony not just analogically but causally.<sup>29</sup> In other words, although Judt's description of this representation as "lapidary" presumably is intended to suggest inscriptions on monuments or tombs (the inscriptions that both perform a "pedagogical" function and lay the past safely and innocuously to rest), we might also recall Walter Benjamin's description of the bad historian who "tell[s] the sequence of events like beads on a rosary" and

understand the “lapidary” nature of that list as being like gems strung together with no connection beyond proximity and likeness.

9/11’s representation in cultural, political, and philosophical discourse is more than simply a theoretical concern, however. In fact, as I will argue below, the ways in which 9/11 was figured as a historical “event”—its representation as an event that was traumatic, abbreviated, and sudden; the sense that it was both unpredictable and familiar; the belief that it caused a rupture in history and could thus be set apart from historical causality—were crucial to the emergence of the doctrine of preemption. 9/11’s unpredictability was used to justify this new strategic and legal doctrine that, while apparently necessary *because* of the unpredictability of the kinds of attacks we would experience in the new kind of 21<sup>st</sup> century war, also claimed to be able to correctly anticipate even the most uncertain of future events.<sup>30</sup>

### Scenario thinking and plausibility

As I hope is becoming apparent, Brit Hume’s “fictional, but we think plausible” scenario is more than simply a parable of post-9/11 paranoia—rather, Hume relies on an epistemology that the doctrine of preemption borrowed from Kahn’s idea of “scenario thinking.” I have already suggested that scenario thinking was first developed alongside the other new forms of modeling, simulation, and gaming created by as part of the mid 20<sup>th</sup> century Revolution in Military Affairs. Herman Kahn, whose role as the most notorious face of the global policy think-tank RAND Corporation in the late 50s and early 60s we have already explored, developed these new narrative modes of forecasting that allowed strategists to “think the unthinkable,” in Kahn’s famous phrase. As Chapter Two explained, the idea of probability developed by Kahn and the other war gamers operated on a spectrum (a range of probabilities) rather than on a simple dichotomous logic (probable/improbable), eschewed historical analysis, and accommodated a “paranoid” relationship to the future (since almost any event can be said to have *some* degree of possibility, however small). As Kahn continued to develop the method, in fact, the quantitative analysis become increasingly secondary—in fact, historian Alex Burns describes Kahn’s quantitative work as barely less speculative than the narratives themselves: “to give his scenarios credibility,” he writes, “Kahn constructed statistical tables which were closer to sophisticated guesswork.”<sup>31</sup> Qualitative scenarios were, Kahn claimed, a way to deal with the uncertainty of an increasingly complex and interrelated global political and economic system: they were suited to situations recalcitrant to statistical analysis, situations in which the status quo—the consistent and continuous development of current trends—could not be assumed.

The early adoption of scenario thinking in the business world was likewise inspired by the sense that simple probability could no longer fully account for a newly uncertain environment. In the early 1970s, Pierre Wack, a strategist for the London-based Royal Dutch/Shell, worried that Shell was unprepared for the possibility that geopolitical and economic changes might make energy a low-growth industry, and he began to use Kahn’s methods to forecast the effects of changes in the price of oil. Largely as a result of Wack’s success at Shell, which became the first corporation to officially adopt the scenario method, narrative forecasts became increasingly popular among business and corporate strategists, or “futurists,” in the 1980s and 90s. The corporate futurists used minimal statistical analysis and

instead employed scenarios as the primary form of forecasting; they thus privileged the “creative” side of scenario thinking, the capacity of vivid and “intuitive” scenarios to allow their users to “pre-experience the future.”<sup>32</sup> Scenarios, they believed, should be “dramatic” and “vivid,” “provocative, memorable, eliciting a rich imagery”; scenario writers should “feel free to engage their own creative talents...Originality should have free reign.”<sup>33</sup> Kahn’s “disciplined” imagination thus became fundamentally interdisciplinary. If scenario participants cannot “think like a novelist,” one expert suggested, “it can be helpful to consult professional story writers”; in the mid 1980s, Shell Oil hired University of Texas English professor Betty Flowers as its “editor for myths.”<sup>34</sup>

The evolution of scenario think from Kahn’s simultaneously qualitative and quantitative analysis to a more free-wheeling “creativity” changed not only the mode of representation but also the underlying epistemology of forecasts. Corporate scenarios came to eschew probabilistic thought altogether and to replace it fully with qualitative plausibilistic analysis—the future was no longer likely or unlikely, only believably or unbelievably depicted. Business Futurist Edward Cornish explains how plausibility is substituted for probability:

We imagine possible future events in a given situation and then we try to develop plausible scenarios to show how these events might occur. If we wanted to decide how likely it is that Canada as now constituted will break up by the year 2030 we could prepare a series of scenarios to explain various ways in which a breakup might occur. If we found it easy to write plausible scenarios for a breakup, we would view this as evidence that a breakup is likely.<sup>35</sup>

The capacity of a possible future to be persuasively narrated is, Cornish suggests, *proof* of its probability—the plausible scenario is not a representation but a measurement of a possible future’s likelihood. For Cornish and other corporate scenario thinkers, the world was changing so fast that quantitative prediction was no longer capable of understanding the future, and so narrative plausibility became the only appropriate predictive heuristic.

Scenario thinking’s turn to imaginative or speculative modes of prediction was grounded in the belief that neither the past nor the present determined the future. This belief inaugurated not simply a new corporate strategy but a more widespread transformation of our sense of history. Describing his work at Shell, Wack writes, “Too many forces work against the possibility of getting *the* right forecast. The future is no longer stable; it has become a moving target. No single ‘right’ projection can be deduced from past behavior.”<sup>36</sup> Like Kahn, Wack and the corporate futurists who came after him saw scenarios as a way to prepare companies for a newly unavoidable uncertainty. Predicting the future at the “end of history,” they suggested, could not be done by extrapolating from current trends or past performance, but only by stimulating the imagination. And if the possibilities of the future were no longer dictated by the past, they reasoned, it might actually be possible to pave the way to a particularly advantageous future. Scenario expert William Huss defines a good scenario as “one that bridges the gap between the initial state and the target events,” emphasizing not so much the accuracy of the scenario’s prediction as its capacity to plot the path toward a desired “target” future.<sup>37</sup> As futurist Michel Godet describes it, “The future should not be envisaged...as a continuation of the past: the future is multiple and uncertain...This is an advantage since man has control over what might come.”<sup>38</sup> In a period in which “flexibility” rather than stability was the new



watchword for labor management and in which novel financial instruments sought to price risk rather than to minimize it, the method of scenario thinking sustained a related belief that uncertainty was no longer an obstacle to be mitigated or reduced, but was instead something to capitalize on. The future's contingency could not, Wack claimed, be understood as "a temporary deviation from a reasonable predictability"(73); on the contrary, it was a valuable opportunity—for those who were prepared to take advantage of it.

Transformed by its corporate adopters from a hedge against uncertainty to a productive exploitation of it, the plausibilistic methodology of scenario thinking returned to the realm of geo-political strategy as a way to respond to what quickly became an exemplary instance of 21<sup>st</sup>-century historical unpredictability: the events of September 11<sup>th</sup>. In 1995, a group of intelligence agents, academics, CEOs, and NGOs operating under the authority of the National Intelligence Council and the CIA began a project called "Global Trends." The group produced three documents over the next ten years—one in 1995 ("Global Trends 2010"), one in 2000 ("Global Trends 2015"), and one in 2005 ("Global Trends 2020")—each of which was designed to "identify key global trends" and to "predict [their] extension into the future."<sup>39</sup> The "2010" and "2015" reports were generally straightforward and empirical, filled with charts, graphs, and bullet-pointed descriptions of statistical forecasts.<sup>40</sup> The "2020 Project," the first written in response to 9/11, was, on the other hand, decidedly narrative. Whereas the previous reports "focused on [statistical analysis of] key trends that would impact key countries of leadership," the creators write, the statistical analysis in the "2020 Project" is only "a point of departure for developing imaginative scenarios that represent several plausible futures" (19). Heading up the new 2020 team were "futurists" from both the RAND Corporation and Shell Oil, and the report demonstrates the imaginative techniques of corporate scenario thinking, describing in striking detail "four possible worlds upon whose threshold we may be entering" (16). Two are optimistic—"Davos World," in which robust economic growth slowly shifts economic and political control away from the West, and "Pax Americana" in which the continued dominance of the U.S. leads to the fashioning of a "new and inclusive global order" (16). The other two possible worlds are more apocalyptic: in the "New Caliphate" scenario, a cyber-savvy group of radical Islamicist jihadis create "a global movement fueled by radical religious identity politics," and in the portentously-named "Cycle of Fear," "large-scale intrusive security measures" introduce an "Orwellian" level of security control (16). The unexpectedly literary mode of these scenarios is not limited to their imaginative titles. "Cycle of Fear," for instance, includes an imagined text-message conversation between Iranian arms dealers, and "New Caliphate" deploys that oldest of novelistic devices, the letter—the entire scenario is structured around a fictional missive from Osama bin Laden's grandson: "Oh what confusion did we sow with the Crusaders... Can you imagine the look on their faces as Muslim athletes at the Olympics eschewed their national loyalties and instead proclaimed their allegiance to the Caliphate?" (107-8).

What justified the shift from the straightforward statistical analysis of the first two "Global Trends" projects to the avowedly narrative and "imaginative" scenario forecasting of the post-9/11 "2020" report? The answer, of course, lies in the previous discussion of the representational matrix surrounding 9/11: described as an event which made rational calculation impossible and history radically discontinuous, 9/11 was seized upon as validation of the

scenario thinkers' claim that the future could not be evaluated by the projection of objective statistical data but could only be grasped by imaginative speculation.<sup>41</sup> As an "unprecedented" event that could not have been derived from past trends and tendencies, 9/11 seemed constitutively *improbable*; yet on the other hand since strikingly similar "plots" had been part of the American cultural imaginary for decades, 9/11 did not seem at all *implausible*. Seemingly unlikely as a real event, 9/11 was entirely familiar as a fiction.

The experience of 9/11 thus provided the perfect conditions for the political reemergence of a mode of prediction emphasizing subjective and narrative believability over statistical, predictable likelihood—for an epistemology of the future founded on the paradoxical conjunction of the improbable and the plausible. As Marieke de Goede points out, the 9/11 Commission called the inability of secret services to foresee and prevent the attacks a "failure of imagination," while the equivalent British intelligence inquiry "call[ed] for 'imaginative ways' to increase intelligence-gathering, map terrorist associations and assess the future development of possible plots"; the Pentagon, meanwhile, gathered Hollywood directors and writers together to create "possible scenarios" for future attacks (155-6). Far from a mere change in the methods of highly specialized strategic planners, scenario thinking's epistemology has been part of the post-9/11 moment's very structure of feeling. The shift from statistically probable to narratively plausible futures became central to the period's ideology and cultural production, giving rise to material changes in law and policy—paramount among them, the doctrine of preemption.

### Seizing the future

Whereas scenario thinking believes that its forecasts can build a bridge between the present and the future, the doctrine of preemption brings the future fully into the present, creating a temporal compression that makes a distant, possible future appear present and certain. Extending the corporate futurists' claim that the future's very uncertainty means we can project a desired "target" future, preemption assumes that an uncertain future can be transformed before it has even taken place. The doctrine of preemption not only adopts scenario thinking's conflation of imaginability and likelihood, it imports it into law: preemption transforms the grounds for what counts as evidence and for what justifies military intervention.<sup>42</sup>

Preventative action on the part of states was first subject to legal restrictions as a consequence of the famous 1837 *Caroline* Case, in which Secretary of State Daniel Webster argued that preventative military strikes were acceptable only in the event that the necessity of self-defense was "instant, overwhelming, leaving no choice of means and no moment of deliberation" (qtd. in Dershowitz, 203). The 1945 United Nations Charter further limited the legal grounds for preventative strike; according to most legal scholars, the UNC restricted the use of force to those situations in which an armed attack had already occurred.<sup>43</sup> The contemporary doctrine of preemptive military strike unravels the criteria dictated by both *Caroline* and the UNC.

Though part of policy discussions as far back as the 1980s, the doctrine of preemption was first presented to the public in Bush's graduation speech at West Point in October 2002: "Understanding the threats of our time and knowing the designs and deceptions of the Iraqi regime," Bush said, "we have every reason to assume the worst, and we have an urgent duty to

prevent the worst from occurring.”<sup>44</sup> Bush’s reference to Iraqi “designs and deceptions” is key. Preemptive law originated in a tradition which prosecuted *potential* crime, even crime that existed merely in thought, such as the early British common law that made it a capital crime simply to imagine killing the king. Similarly, the dangerous “designs” Bush refers to are not battle plans or weapons specs but the Iraqi regime’s (unverifiable) desires: the justification for preemptive action—indeed, the legal evidence for it—is located not in material objects but in subjective intentions. Preemptive law treats wishes as criminal acts, and this criminalization in turn allows the prosecutor to “assume the worst”: to assume that because the would-be criminal *wishes* the king dead, he therefore can (and, more importantly, will) commit regicide. Because the crime is in the imagination, the evidence is likewise purely speculative. Preemption’s epistemology doubly reifies uncertainty: both because hard evidence is missing and because the threat has not yet actually emerged.<sup>45</sup>

Bush’s description of his doctrine as a means of “prevent[ing]” catastrophe was also patently strategic. Taking his cue from the NSS report, Bush often used “preemption” and “prevention” as interchangeable words, but the doctrine of preemption was new precisely because it expanded the justification of preventative action in the face of imminent threat (as described in the *Caroline* and UNC precedents) to encompass preemptive action as a response to “the *capabilities* and *objectives* of today’s adversaries.” The criteria for decision-making under Bush’s policy, in contrast to existing legal precedent, became the “plausibility” of an imaginative description that, in the irrepressible present tense of narrative, suppresses (even as it makes possible) the suppositional nature of the threat. As Patricia Dunsmire argues in an article considering the obfuscating linguistics of Bush’s Iraq War speeches, Bush’s public descriptions of Iraq as a threat transform a possible future event into an objective fact and thereby validate the ability of the Bush administration to “‘read the future’...even when the material signs that might provide clues to the future do not exist or are not fully realized.”<sup>46</sup>

Preemption further redefines what is meant by the “imminence” of the threatening future. The category of “imminent danger” must be able to accommodate not only immediate peril but also uncertain and even distant threats. As then-U.S. Deputy Secretary of Defense Paul Wolfowitz explained in a 2002 speech:

The notion that we can wait to prepare assumes that we will know when the threat is imminent. [...] Just when were the attacks of September 11th imminent? Certainly they were imminent on September 10th, although we didn’t know it. [...] Anyone who believes that we can wait until we have certain knowledge that attacks are imminent has failed to connect the dots that led to September 11<sup>th</sup>.

Wolfowitz suggests that we cannot *know* when a threat is imminent, that we must therefore redefine what we *mean* by imminence, and that we are thus justified in acting before an attack *is* imminent. In keeping with the legal arguments that constituted the new doctrine of preemption, he claims that the distant and un-realized future must be treated as if it was present immediately. The doctrine of preemption thus relies on a sense of immediacy and expediency that cannot wait for the amassing of concrete evidence. As Bush argued in his 2002 State of the Union,

[T]ime is not on our side. I will not wait on events while dangers gather [...]. History has called America and our allies to action, and it is both our responsibility and our privilege to fight freedom's fight. [...] Time and distance from the events of September the 11<sup>th</sup>

will not make us safer unless we act on its lessons. This time of adversity offers a unique moment of opportunity, a moment we must seize to change our culture [...] In a single instant, we realized that this will be a decisive decade in the history of liberty—that we have been called to a unique role in human events.

This emphasis on the immediacy of actions made “in a single instant,” was buttressed by Bush’s representation of 9/11 as an event outside the durational logic of history: in his September 20<sup>th</sup>, 2001 speech before Congress, he said “All of this was brought upon us in a single day, and night fell on a different world, a world where freedom itself is under attack [...] The hour is coming when America will act.” The temporal compression of preemption thus works in two directions. The past can no longer explain the present: 9/11 is “brought upon us” in one day, meaning that any robust historical causality linking 20<sup>th</sup>-century American hegemony to 21<sup>st</sup>-century anti-American terrorism is foreclosed. At the same time, the past no longer provides a model for the future, nor can we evaluate future threats from the position simply of present evidence: thus we must treat even the most distant future as at once imminent and preventable.

By creating a space uneasily situated between what corporate strategists call “forecasts” and “visions,” scenario thinking produces a future which is neither the foreseeable continuation of the past (the forecaster’s projection of existing data into a “what *will* be”) nor an ethical imperative (the deontic or visionary “what *should* be”), but rather is both a possibility and an opportunity: “what *could* be.” Preemption adopts that sense of possibility but transforms the possible into the actual: it borrows the scenario’s imaginative, subjective and “plausible” modes of speculation but replaces the risk of the possible with the imminent danger of the actual. In this way, it subjects the unknown future to the concrete rule of the law, transforming the grounds by which evidence is evaluated and military action justified. On *Meet the Press*’s in February 2004 (by which point it was becoming apparent that there were no weapons of mass destruction in Iraq), Tim Russert asked Bush, “Can you launch a pre-emptive war without iron-clad, absolute intelligence that he had weapons of mass destruction?” Bush responded:

*President Bush:* Let me take a step back for a second and — there is no such thing necessarily in a dictatorial regime of iron-clad absolutely solid evidence. The evidence I had was the best possible evidence that he had a weapon.

*Russert:* But it may have been wrong.

*President Bush:* Well, but what wasn't wrong was the fact that he had the ability to make a weapon. That wasn't right [*sic*, but a revealing error to be sure].

The evidence of possibility is now the “best possible evidence”: under the Bush doctrine, the realm of the possible serves an evidentiary function; yet because this evidence never concretely exists, it cannot be contradicted.

Out of the oscillation between the threatening uncertainty of the future and the redemptive belief in our capacity to intervene in it, the doctrine of preemption crafts a future that exists as nothing but abstract opportunity: preemption aims to “seize” the “moment” in which we imagine the distant future as a moment in which the future actually becomes whatever the present wants. The reactive action consequent on such a seizure of opportunity is likewise explosive, short-term, and momentary. As Andrew Lakoff points out in an important article on the logic of “preparedness,” the older, probabilistic models of risk assessment associated with insurance aim at “continuing [...] intervention,” whereas a regime of “preparedness” can

imagine only “sporadic intervention lasting only for the duration of event and recovery.”<sup>47</sup> America’s century has thus become America’s “instant,” and the time required to make good on the opportunities presented by the present is as abbreviated as the historical consciousness that imagines the future to already be here.

In the remainder of this chapter I want to explore more thoroughly two very different literary 9/11 narratives through which we might limn a more complex and overdetermined relationship to the question of 9/11 and predictability. I am especially interested in the narrative device of foreshadowing, a narrative effect in which the question of before and after, knowledge and uncertainty, can become usefully and appropriately undecidable. Beginning with Deborah Eisenberg’s short story “Twilight of the Superheroes,” I want to consider both the difficulty and the utility of thinking of 9/11 as a historical event, and find ways to avoid simplistic descriptions of 9/11 as traumatic or outside historical time and causation. Turning to David Foster Wallace’s “The Suffering Channel,” I will argue that the story takes up the formal problematics posed by 9/11—its activation of new modes of prediction and anticipation—and deploys a self-conscious and ironic mode of prolepsis, disrupting the circular relationship between imagination and the future that sustains the doctrine of preemption. Wallace’s story foregrounds the difference between an empirical world in which the anticipated future cannot be guaranteed and a narrative world in which it is always already in place, producing a powerful critique of preemptive futurity.

### **Uncanny anticipations**

Like *Emperor’s Children*, Deborah Eisenberg’s short story “Twilight of the Superheroes,” from her 2005 collection of the same name, considers 9/11 mostly from the perspective of the aimless, privileged, recent graduates of American liberal arts colleges: its central characters are hapless 20-something Nathaniel, a slacker artist who produces a comic strip called “Passivityman,” and his friends Amity (a former Wall Street trader), Madison (a former PR agent), and Lyle (a modern dancer). The three live in a fabulous loft facing downtown Manhattan and belonging to “Mr. Matsumoto,” a Japanese business man and art collector who is friends with Lucien, Nathaniel’s urbane and melancholic uncle. Lucien narrates those sections of the story that do not focus on Nathaniel and his friends; in these sections, he meditates on aging and on the death of his wife.

Most of the story takes place in the years following 9/11—Amity and Madison have both lost their jobs in the post-9/11 financial downturn and all three friends were forced to find alternative housing for a few weeks while the area around Ground Zero is closed; Lucien finds himself recalling his experience as the child of European Jews who fled Europe at the start of the Holocaust. The story begins with Nathaniel imagining a story he might tell to his grandchildren, the story of a “crisis of epic proportions” at the turn of the 21<sup>st</sup> century:

just one tiny mistake, a little detail in the way computers everywhere had been programmed. But the consequences of this detail, the experts said, were potentially disastrous: tiny as it was, the detail might affect everybody, and in a big way!...The machines, as these experts suddenly realized, were not equipped to understand that at the conclusion of 1999 time would not start over from 1900, time would keep going. (3)

Nathaniel refers here, of course, to the fear and paranoia surrounding the supposed “Y2K”

computer virus, however the description mirrors 9/11, as if the “atmosphere of feverish anticipation” that surrounded the turn of the millennium *foretold* what would happen a year later: “Might one be fatally trapped in an elevator?...What was going to happen to our bank accounts—would they vaporize? And what about air traffic control? On December 31 when the second had moved from 11:59:59 to midnight, would all the airplanes in the sky collide?” (5). He remembers, even, having felt “strangely blank,” as if weighted with the “uneasy impression of something left undone”—the very *absence* of a Y2K “event” is accompanied by a foreboding sense that worse catastrophe was soon to come, that some promise has not been completed.

History repeats itself in Nathaniel’s account, but as if in a postmodern reversal of Marx’s famous dictum on the subject: farce precedes tragedy. What we have is thus another narrative mode that, like trauma, depends on both historical repetition and belated recognition: typology, a prophetic narrative that invokes completion and the fulfillment of “something left undone.” Classically, typology is a mode of Biblical exegesis in which the Old Testament is regarded as, in Northrop Frye’s description, a “source of anticipations of the events of the life of Christ,” so that “everything that happens in the Old Testament is a[n]...adumbration of something that happens in the New Testament.”<sup>48</sup> Here, then, Y2K appears to typologically foreshadow 9/11: 9/11 is clearly not causally connected to Y2K, but presaged by it according to some more uncanny logic.

However, this “foreshadowing” is emphatically after the fact of both events, and thus is not “foreshadowing” at all. There is no fantasy of *actual* mystical premonition: describing the millennial anxiety and excitement, Nathaniel exclaims that “ceremonial occasions, even purely personal ones like birthdays or anniversaries, remind us that the world is full of terrifying surprises and no one knows what even the next second will bring!” (3). He emphasizes, in other words, the paradoxical fact that historical repetition *emphasizes* rather than enfeebles a sense of the impossibly unpredictable constitution of events—this is similar to what Frye describes as Kierkegaard’s “forward moving typology,” in which repetition is tied to the *new* (101). The falsity of historical inevitability (and of the “closed [historical] universe” which Bernstein associates not only with typology but with foreshadowing as such) is further emphasized by moments of what Bernstein would call “side-shadowing,” moments in which the narrative refuses to “stay confined within the hierarchy of a fixed timetable and strict causality” (5): in a section of the story titled “The Age of Digital Reasoning,” which begins “One/two. On/off. The plane crashes/doesn’t crash,” Lucien thinks

The plane he took from L.A. didn’t crash. It wasn’t used as a missile to blow anything up, and not even one passenger was shot or stabbed. Nothing happened. What’s the difference between having been on that flight and having been on any other flight in his life? What’s the point of thinking about death all the time? Think about it or not, you die.  
(32)

Lucien rejects not only the illusion of historical inevitability or providence, but also the consolation of endowing the randomness of such events with meaning, of believing in the fantasy that contingent and haphazard “luck” brings with it what DeLillo mystically describes as “the luminous ring of coincidence, fate, or premonition [that] take[s] us beyond the hard numbers of dead and missing and give[s] us a glimpse of elevated being.” For DeLillo, this “elevated being” enables a strange calculus according to which “for every 100 who are arbitrarily

dead, we need to find one person saved by a flash of forewarning”; Lucien, on the contrary, eschews the solace of such a messianic fantasy and thus refuses to find any equivalence for any hundred unnecessary deaths.<sup>49</sup>

In the typological narrative, the present becomes mixed with other times. For Lucien, whose age and experience of history makes him naïve Nathaniel’s foil, the “actual present” is without location, since the 20<sup>th</sup> century seems “quaintly futuristic” and the 21<sup>st</sup> century looks like “an inaccurate representation of the past”: the past, in other words, looked like a vision of the future (but a “quaint” one) and the present looks like the past (but an “inaccurate” one) (10, 27). Yet despite this achronicity, “Twilight”’s typological repetition is unlike the metaphoric synchronicity of traumatic repetition; rather, its typology is diachronic, a “figure of speech that moves in time,” a mode of thought that “both assumes and leads to [...] a theory of history, or more accurately of historical process, and that sooner or later some event or events will occur which will indicate what that meaning or point is, and so become an antitype of what has happened previously” (Frye, 99).

Typology not only *is* a kind of historical mode, moreover, it also *has* a history, and this history is equally important to the way in which Eisenberg uses the effect here. Typology famously recalls an older, eschatological ideology of American history that, as Sacvan Bercovitch describes it, “consecrated the American present as a movement from promise to fulfillment, and translated fulfillment [...] into a metaphor for limitless secular improvement.”<sup>50</sup> Eighteenth and 19<sup>th</sup> century American eschatology functioned by means of a typology that provided “a mythic view of history,” and this millenarianism, like its later secular incarnation in the theory of an end of history, served as the justification and impetus for American exceptionalism and manifest destiny (139). Bercovitch’s description of this as a millenarian conception of history reminds us of “Twilight”’s setting at the close of the calendrical millennium, a historical context which amplifies a powerful and melancholic recognition not only of the closing but also of the failure of the “American century”: the story might as well be called “Twilight of the Superpowers.” We can find a baleful inversion of the older millenarian sense of transcendence, of anticipated redemption or fulfillment, in Lucien’s description of “waiting for a morning from before that day to take them all along a different track”: Lucien waits not for a *future* fulfillment but rather “waits” for a different *past* (28). Lucien acknowledges the failure of the messianic millenarianism of American historical ideology; rejecting the sense of 9/11 as an unpredictable and cause-less rupture of history, he acknowledges that

the future actually ahead of them [...] had itself been implied by a past; and the terrible day that pointed them toward that future had been prepared for a long, long time, though it had been prepared behind a curtain [...] The planes struck, tearing through the curtain...exposing the dark world that lay right behind it, of populations ruthlessly exploited, inflamed by hatred, and tired of waiting for change to happen by. (33)

The typological narrative’s description of a “future [that is] implied by the past” thus ceases to suggest a transcendence of history, and rather such “implication” *becomes* history, a way of refiguring 9/11 not as shock but as the inevitable result of American hegemony.

I have already pointed to the widespread phenomenon of breathlessly noting those images or narratives that “foretold” the events of 9/11, the habit of seeing “in eerily accurate focus” (as Mike Davis put it in an essay on images of 9/11) the destruction of the Twin Towers in poems,

paintings, photographs, novels, and films even from the early 20<sup>th</sup> century.<sup>51</sup> We can thus now return to Žizek's question "*where did we already see the same thing over and over again?*" and, with Eisenberg's story in mind, turn that question back on itself in order to ask why, once having experienced the actual catastrophe, are we so interested in finding so-called "anticipations" of it? It seems to me that all these moments of typological imagination suggest a way of thinking 9/11 outside the already familiar tropes of rupture, shock, surprise (this emphasis on uncanny repetition is a kind of analog to the conspiracy theories, which likewise refuse a sense of 9/11 as unpredictable and unimaginable, substituting it with a narrative in which "they" knew what was coming even though we didn't). Moreover, these fantasies of repetition and anticipation imagine, albeit in a somewhat mystic and even mystifying way, a historical trajectory, a line of events and political systems that can now be seen to have prepared the way for 9/11 as a political event. Such baleful typologies further make it possible to figure prediction as merely a *post-facto* hermeneutic (and thus not as "prediction" at all), since the grand design the typological narrative implies is one available to human consciousness only in hindsight: Nathaniel can both suggest that Y2K foreshadowed 9/11 *and* that "despite our own touching indestructible faith in our own foresight, we humans cannot think ahead" (13).

However this final point about hindsight is important in light of an important point Frye makes about classic typology, namely its relationship to evidence and confirmation: "How do we know that the gospel story is true? Because it confirms the prophecies of the Old Testament. But how do we know that the Old Testament prophecies are true? Because they are confirmed by the gospel story"; the two testaments thus form what he describes as a "double mirror" in which each "reflect[s] the other but neither the world outside" (97). This recursive structure of traditional typology begins to show us the contours of the post-9/11 doctrine of preemption, in which the future's "prediction" in the present serves, circularly, as the confirmation of the very principles on which that prediction was based.

### **"The Suffering Channel" and the recursive future**

As Eisenberg's typological narrative has already begun to suggest, then, there is a horror and a perversity to the imaginative production and preemption of the future, a horror manifested not only in the outcome of preemption—that is to say, illegal war—but in its very logic. The horrifying recursivity of preemption's self-fulfilling prophecies is dramatically laid bare in David Foster Wallace's 9/11 short story "The Suffering Channel." Structured around a series of self-negating prolepses, Wallace's story shows how narrative can only forecast the future that the narrative itself has already put in place. Responding to the perverse logic of preemption, "The Suffering Channel" compels us to reconsider the problematic categories of the "unpredictable" and the "unrepresentable" that haunt the events of 9/11.

While the speculative modes of scenario thinking and preemption turn to narrative precisely in order to transform probability into plausibility—to subordinate likely facts to believable fictions—literature itself has historically had a far more complex role in mediating and differentiating between the probable and the plausible. I have already suggested the ways in which literary realism, and particularly the realist historical novel, complicates Aristotle's firm distinction between probability and plausibility by playing with the *difference* between the credible



or plausible and the likely or probable. John Bender, in a useful article on the relationship between the early realist novel and the 17<sup>th</sup> century scientific revolution, writes that the “guarantee of factuality in science increasingly required the presence of its opposite, a manifest yet verisimilar fictionality in the novel.”<sup>52</sup> The hypothetical (or probabilist: objective and testable) modes of reasoning common to Enlightenment science needed their opposite, which appeared in a mode of literature at once fictional and verisimilar (or plausibilist: subjectively credible and believable). Yet the opposition between these two modes was more dialectical than antagonistic. Bender describes how David Hume insisted on the “difference between fiction and reality” while maintaining that “verisimilitude is essential to our apprehension of both because both rest upon probable inference.” (8). Samuel Richardson, meanwhile, wrote in *Clarissa* (1747-8) that he wished his readers to believe in his fictions even as they acknowledged them to be fiction, “to avoid hurting that kind of Historical Faith which Fiction itself is generally read with, tho’ we know it to be Fiction” (9). The realist novel, Bender argues, thus shared “verisimilar reference with empiricist science,” while “abandon[ing] claims to literal, historical fact”; it “assert[ed] its own manifest fictionality,” yet explicitly and strenuously sought to “remain tethered to experienced reality by psychological realism and by the canons of probability” (15-6).

Even the production of an entirely literary experience of realism is dependent on a complex and contradictory relationship between what seems plausibly realistic and what seems probabilistically likely. Frank Kermode suggests that because modern narrative defines itself precisely by its refusal to follow or satisfy all of our expectations, the inclusion of something we thought unlikely does not disrupt but actually *produces* our sense of the plausibility of the narrative. For Kermode, “all plots have something in common with prophecy” because they must include a surprise event (a *peripetia*—a moment of irony capable of “falsify[ing] our simple expectations of the structure of a future”)<sup>53</sup> that we can in retrospect confirm as probable even when we do not in the moment of reading think it is likely:

All plots have something in common with prophecy, for they must appear to educe from the prime matter of the situation the forms of a future. The best of them, thought Aristotle, derive from a *peripeteia* no less dependent than the other parts upon ‘our rule of probability or necessity’ but arising from that in the original situation to which we have given less attention. (83)

This apparently improbable event paradoxically increases the credibility of the narrative, since “the more daring the *peripetia*, the more we may feel that the work respects our sense of reality; and the more certainly we shall feel that the fiction under consideration is one of those which, by upsetting the balance of our naïve expectations, is finding something out for us, something *real*” (84). Contrary to the reality principle described by scenario experts as a pure, uncontradictory, and self-present “internal consistency,” Kermode suggests that what readers of literature perceive as plausible constantly circles around—at once contradicting and confirming—their sense of what is probable. The experience of believability is a central criterion for evaluating modern narrative, yet believability is ultimately reinforced, not disrupted, by the occurrence of seemingly unlikely events. Literature thus provides an indispensable response to the ideology of speculative forecast, reminding us that the plausible and the probable were never so distinct as to be able to simply undercut or overcode each other.

For Kermode, literature's dialectical mediation of plausibility and probability becomes most apparent in moments of explicitly ironic interruption. David Foster Wallace is, of course, well known as a purveyor of late capitalist irony. In "The Suffering Channel," however, Wallace is more interested in the *temporality* of irony, which makes possible a complex intermingling of present and future that can only take place in narrative. Illuminating irony not as a kind of content but as a narrative form, Wallace exposes preemption's fantasy of an immediately imaginable and always malleable future.

Wallace's short-story collection *Oblivion* (2004) is not often cited as an example of the emerging genre of 9/11 fiction. But "The Suffering Channel," which is the last and, at 90 pages, the longest of the collection's eight stories, provides a crucial, if opaque, exploration of the tension between the events of the 9/11 and the temporality of narrative representation. The story's main character is Skip Atwater, journalist for *Style* magazine, a *People*-like glossy dedicated to "the very most demotic kind of human interest" (297). As the story opens, Skip travels to Muncie, Indiana, pursuing a lead he has noted on the margins of the wire service about a man claiming to make art out of his own feces without using his hands. Skip, intrigued by the story, goes to meet Brint Moltke, the artist behind "Hands Free Art Crafts," and his wife Amber, "the sexiest morbidly obese woman Atwater had ever seen" (250). By the conclusion of the story, Skip is covering Brint's appearance on "the suffering channel," a new cable outlet that starts out by running only "montages of well known photos involving anguish or pain," "a loop of about 1,200 of these, four seconds per, running 5:00 PM-1:00 AM EST; no sound; no evident ads" (219). By the time Skip goes to cover TSC it has become a broadcast of real-time moments of anguish and pain (a rape caught on a security camera, grainy film footage of torture and beheadings, etc.), and as the story closes the pathologically shy Brint, whose wife has already revealed his "traumatic" childhood toilet training experience, prepares to "produce" one of his artworks live for the camera.

The shadow of 9/11 materializes only at few brief moments. The story begins "early in the afternoon of 1 July 2001" (241); Atwater's article, we learn, is scheduled for the September 10<sup>th</sup> issue. When, a few paragraphs later, we are told that the *Style* offices are on the 70<sup>th</sup> floor of the World Trade Center, the meaning of these seemingly arbitrary dates becomes obvious. The delay in our realization of their significance is entirely intentional: we experience the dates as fraught with anticipatory significance—but only once we have sufficient information to do so. Wallace's eerily off-handed references thus illuminate the tension between the commonplace account of 9/11 as unpredictable and the nagging insistence that the event was uncannily foreshadowed by various movies, stories, and works of art. The fantasy of foresight, Wallace insists, can only appear in hindsight: only because the story is written *after* 9/11 can we experience certain times and places as "foreshadowings." Wallace's story in turn refines what we mean when we call 9/11 (and similar events) "unforeseeable": the event becomes historically legible precisely by *giving meaning* to previously meaningless dates and locations. The content of that meaning—that is, the specificity of the time and place—was indeed unthinkable before the fact. Wallace's story thus compels us to inhabit two opposed modes of historical consciousness at once: the naivety of a "pre-9/11" mindset, in which the names and dates are meaningless, and the knowing judgment of a "post-9/11" mindset, in which the meaning of the events is inscribed as having been always already present within them. A passage about the World Trade Center's high speed elevator, for

instance, implacably refuses to make explicit allusion to 9/11, and yet when we read that, during the elevator's ascent, "an associate editor...put his arms up over his head and made his hands sharp like a diver's and said: 'Up, up, and away,'" the passage functions as an uncanny and ironic "foreshadowing" of the event to come (284): the image emphasizes not only the height of the towers but the victims forced to jump from their highest floors (the associate is saying "up," but divers, of course, go down).

This vexing orientation to a future that has not yet arrived in the time of the narrative appears at a formal level as well, since the two most important—and, relatively speaking, most direct—references to 9/11 in the story occur as moments of narrative prolepsis. The first proleptic gesture comes when the narrator describes Laurel, Skip's assistant and intern: "Laurel Manderley, whose father controlled a large number of Blockbuster Video franchises throughout western Connecticut, and whose mother was in the final push toward certification as a Master Gardener, was herself destined to survive, through either coincidence or premonition, the tragedy by which *Stytle* would enter history two months hence" (245). The second, strikingly parallel to the first, is set up 75 pages later with a description of an unnamed *Stytle* "executive intern": "Over Memorial Day weekend, she had actually been a guest of [Executive Editor] Mrs. Anger at her summer home in Quogue, where she had reportedly played mahjonnng with none other than [wife of *Stytle's* owner] Mrs. Hans G. Bod. Her future seemed literally without limit" (324). Two pages later, at the end of a conversation between the executive intern and editor Ellen Bactrian, the narrator offers a more limited account of the intern's future:

The executive intern never brushed her hair after a shower. She just gave her head two or three shakes and let it fall gloriously where it might and turned, slightly, to give Ellen Bactrian the full effect:

'Who?' She had ten weeks to live. (326)

The descriptions of both Laurel and the intern offer crucial, if purposefully vague, moments of prolepsis or foreshadowing: they point forward to a future ("two months" or "ten weeks" later) that the narrative does not represent but that it nevertheless assumes we know about. These are what narratologists call "external prolepses": they are both temporally external, because 9/11 takes place after the primary action of the narrative, and structurally external, because the prolepsis is uttered by an omniscient narrator who is outside the situation narrated. It is this narrator, speaking from a time after 9/11, who can proleptically "predict" that Laurel will survive the attacks and the intern will not.

Again, although prolepsis is typically understood to be a leap forward in time, a movement toward a future that has not yet taken place, narratologist Mark Currie points out that prolepsis in fact functions as a kind of "teleological retrospect, that is, a looking back from an endpoint."<sup>54</sup> Prolepsis acts as if it is an insight into the future, but it is only ever a retrospective glance, a judgment made from the narrative's already-accomplished future. "The Suffering Channel" seizes on the formal paradox of literary prolepsis—a reference to what-will-happen that is only possible because the what-will-happen already *has* happened—in order to expose the contradictions inherent in discourse about 9/11. The effect is to place the reader in two contradictory temporal positions. On the one hand, we momentarily identify with the characters as they exist in the narrative's present, blissfully ignorant of their own fates, of the deadly meaning hidden in arbitrary dates: since the story never really catches up to the events it

anticipates, they remain suspended in a state of historical ignorance. On the other hand, as readers we are unavoidably interpellated into the narrator's privileged position of retrospective historical knowledge, and the references to "10 September [2001]" and "70<sup>th</sup> floor of the World Trade Center" feel unavoidably, inevitably tense with anticipatory meaning. Because we know that the narrator's predictive judgment, "She had 10 weeks to live," can only be made *ex post facto*—can only be made, in this case, outside the time of the story itself—we are constantly aware that the future can be "foreshadowed" in narrative only because it has already occurred in a present that both is and is not our own.

A more common way of describing this doubled perspective, of course, is to call it dramatic (even tragic) irony. In his influential account of the relationship between irony and temporality, Paul de Man identifies a false or weak irony in lines from Wordsworth's "Lucy Gray": describing his impressions of the living Lucy Gray, who is dead at the time of narration, the poem's speaker says, "She seemed a thing that could not feel/The touch of earthly years." These lines seem to function almost exactly like Wallace's description of the executive intern, whose "future seems literally without limit" even though she in fact has "ten weeks to live." Of Wordsworth's lines, de Man writes that they describe "two stages of consciousness, one belonging to the past and mystified, the other to the *now* of the poem, the stage that has recovered from the mystification": the description of Lucy Gray as a "thing" becomes "literally true in the retrospective perspective of the...second part" (224). De Man insists that Wordsworth's temporally disjointed description is not actually ironic: "There is no real disjunction of the subject," he writes, and so "the poem describes the demystification as a temporal sequence" thus denying the very divisions and temporal irreconcilabilities of irony's explosive, unexpected blast (224).<sup>55</sup>

By contrast, I would argue that Wallace's "Her future seemed literally without limit"/"She had ten weeks to live" produces a more disturbing and dislocating irony because there is no unified, demystified subject able to reveal what is "literally" true. Indeed, the "literal" itself is both misplaced and misused, and here we can see how Wallace's use of free indirect discourse puts ironic pressure on the possibility of uncompromised foreknowledge and on the fantasy of full historical distance. The narrator of "The Suffering Channel" possesses seemingly omniscient historical foresight, yet he also intermittently adopts the lingo and mannerisms of the characters themselves. The most obvious example lies in the narrator's repeated misuse of "literal," either as a redundancy ("He literally limped to the car"; "She felt like she might literally faint") or as a malapropism when he really means "metaphorically" (as in "her future seemed literally without limit"). The use of free indirect discourse situates the reader in a "literally" impossible space between the narrator who has access to historical events in the story's future and the story's characters who remain in the necessarily mystified present of the story's narration. The story creates an ironic tension between these two temporal moments and produces a reader who is epistemologically divided by identifying both with the unknowing characters in the story and with her own historical knowledge. Wallace's prolepses, unlike Wordsworth's, are thus ironically retrospective. The foreshadowed future is not "sequentially" replaced by the privilege of backward-looking historical omniscience; rather, the open-ended present remains in constant tension with a narrative future that is already in place. Wallace's

narration undercuts our knowledge—and renders it horrifying—by demanding identification with those who will never know.

In self-reflexively playing on the open secret that literary prolepsis is retrospective and not at all predictive, Wallace's story also reveals the proleptic structure of preemption's "forecasts." The narrative predictions that preemption depends on endow us with a sense of control over (and knowledge of) the future only by producing the very future they anticipate; indeed, preemption produces the future *by* anticipating it. The doctrine of preemption, like prolepsis, "takes an excursion into the future to envisage an event which produces the present in such a way that the envisaged future actually comes about" (Currie, 43). Its paranoid logic produces a vision of catastrophe in the future that justifies preemptive action aimed at preventing that catastrophic future from taking place. But in that case, the origin of the law is located in a future that the law itself is designed to prevent from ever coming into being.<sup>56</sup> We will, in other words, never arrive at the moment in which the validity of preemptive law can be directly confronted.<sup>57</sup>

The perverse circularity by which a reference poses as a prediction but actually functions as an *ex post facto* description—making the relationship between the present and the future into a closed loop—is not merely a formal point. "The Suffering Channel" reveals the perversity of prolepsis by connecting it a series of grotesque images of other kinds of sealed, recursive circuits. Consider Brit's artistic "production," which is, of course, the expulsion of what he has consumed. The final sentence of the story perfectly captures this recursivity, as Brint prepares to produce his "sculpture" (a replica of the classic Greek sculpture *The Winged Victory of Samothrace*) before the Suffering Channel's cameras:

The Malina blanket for the artist's lap and thighs, however, is the last minute fix of a production oversight, retrieved from the car of an apprentice gaffer whose child is still nursing, and is not what anyone would call an appropriate color or design, and appears unbilled. There's also some eleventh hour complication involving the ground level camera and the problem of keeping the commode's special monitor out of its upward shot, since video capture of a camera's own monitor causes what is known in the industry as feedback glare—the artist in such a case would see, not his emergent *Victory*, but a searing and amorphous light. (328)

The unreadable static that would be the result of a circuit of camera "feedback" returns us to preemption's dissolution of foreknowledge: in trying to see nothing but itself, preemptive thought risks seeing nothing at all. But the horrifying intimacy between the production of waste (or art, as it were) and the consumption of breast milk—for which the closed circuit of feedback is really an elaborate metaphor—also reveals the properly abject structure of preemptive recursivity. Wallace's story is replete with images of abjection. At one point Laurel asks another intern why the idea of drinking your own saliva is disgusting: "When it's in your mouth, it's not gross, but the minute it's outside of your mouth and you consider putting it in, it becomes gross" (307). Putting (back) inside what has already been outside is the very definition of the abject, a confusion of input and output that results from recursive circularity. The doctrine of preemption turns the psychic terror of abjection into law: when plausibilist predictions (output) are made to serve as actual evidence (input), they produce a closed circuit of speculation whose external truth can never be confirmed.

Giving substance to the abject horror of today's preemptive post-9/11 futurity, "The Suffering Channel" reveals the perversities not simply of preemption's effects but of its very epistemology. Preemption transforms its prophecies into self-guaranteeing prolepses in which the future is always written in advance; Wallace's ironic mode of prolepsis, on the other hand, dislocates the position of the reading and narrating subject and destabilizes our claims of actual future knowledge. More generally, literature's plausibility has always been determined, in a dialectical fashion, both by our anticipation of narrative closure and completion and by literature's capacity to surprise us and to disrupt that closure—to expect the probable is ultimately to produce the conditions for the occurrence of the unlikely. In the preemptive narrative, on the contrary, statistical probability is disavowed and replaced by a self-perpetuating imagination whose effect is to transform the possible into the actual and the distant into the immediate. The imagined future turns out to be the result of its ostensible prediction. In this way the future is unmoored from history, denied the contingency of the yet-to-come. Wallace's story also shows that while it is wrong to call 9/11 constitutively unforeseeable, it is equally mistaken to view it as easily, materially predictable. These views are really two sides of the same coin: the latter is a reaction to the void left by the former, a fantasy born of an experience of inevitability that only ever emerges after the fact.

The preemptive conception of the future, we must acknowledge, is also not yet a relic of the post-9/11 "past." Despite the opportunity offered by the changing presidential administration to "seize" a very different kind of moment, President Obama has not rescinded the doctrine of preemption, nor does he seem likely to: among his first cabinet decisions was to retain Robert Gates as Secretary of Defense, despite the fact that in the final months of Bush's presidency, Gates implied the need for an expansive new definition of self-defense that would allow strikes on a militant targets in sovereign nations if those targets posed an apparent "threat" to the US. In the spring and summer of 2009, first General David Petraeus and then Secretary of State Hillary Clinton warned Iran of the possibility of a pre-emptive strike by Israel, which would amount to a kind of preemption-by-proxy. If this is all rather disheartening, it cannot come to us entirely as a surprise: in a September 2007 debate the Democratic candidates were asked by moderator Tim Russert a "ticking time bomb" question very similar to Brit Hume's to the Republicans, and Obama noted, "I will do whatever it takes to keep America safe. And there are going to be all sorts of hypotheticals and emergency situations and I will make that judgment at that time." Here, we see the way the distinction between a "hypothetical" and an actual "emergency" is elided, so that Obama retains the right to take action not just in the event of a real ticking time bomb but also in the specter of an imaginable one.

But the fact that the doctrine of preemption is still with us merely confirms what I have thus far tried to argue, namely that the development of this doctrine is not an isolated legal episode that can be so easily reversed and set to rights. It is, on the contrary, the realization of a philosophy of the future tied to decades of the imbrication of economic and political interests, bursting into public discourse as a way to capitalize on confused notions about 9/11 as a historical event. If 9/11 really "repeats" the end of history as has been recently claimed, it does so by serving as the grounds for legally codifying the foreclosure of radically uncertain and transformative futures.<sup>58</sup> Scenario thinkers' assertion that the past no longer provides a model for the future now underwrites the rhetoric of financial bubbles as much as it provides the

justification for new models of prediction: in both, the future is removed from the vicissitudes of historical determination and reimagined as a static, reproducible image of endless accumulation. In place of risk management, the preemptive philosophy of history preaches risk exploitation, through which contingency itself can be instrumentalized in the name of a moment's opportunity: threat or uncertainty can just as easily justify military strike as be monetized into a credit default swap. It has long been an axiom of Marxist or utopian political thought that to transform our historical situation, we must be able to imagine a radically different future. The perverse predictions that define our current historical moment now ensure that a truly revolutionary act of imagination can only begin by intervening in the futurity of our present.

## Endnotes:

---

<sup>1</sup> As Alan Dershowitz and others have pointed out, the legal context and logic of preemptive torture and preemptive military strike are the same.

<sup>2</sup> I chose to refer to the events of September 11, 2001 as “9/11” in order to suggest that I am describing not merely the events themselves, but rather the entirety of the effects and the extent to which they were immediately invested with vast amounts of political, affective, and cultural energy. Further, this particular nomenclature is a singularly American one, and my use of it thus allows me to emphasize that my focus in this essay is on American responses and representations.

<sup>3</sup> Don DeLillo, “In the Ruins of the Future,” *Harpers Magazine* (December, 2001). Accessed January 2010 at <http://www.guardian.co.uk/books/2001/dec/22/fiction.dondelillo>.

<sup>4</sup> George W. Bush, “Address to a Joint Session of Congress,” September 20, 2001. Transcript archived at CNN website [www.cnn.com](http://www.cnn.com).

<sup>5</sup> Jonathan Schell (*Nation*, October 15, 2001) qtd. in Marilyn B. Young, “Ground Zero: Enduring War,” *September 11 in History: A Watershed Moment?*, Ed. Mary Dudziak. (Duke UP: Durham, 2003).

<sup>6</sup> Jean Baudrillard, *The Spirit of Terrorism and other essays*, trans. Chris Turner (Verso: London, 2002), 34.

<sup>7</sup> Paul Wolfowitz, “Standup of US Northern Command,” October 1, 2002. Transcript archived at <http://www.defense.gov/Speeches/Speech.aspx?SpeechID=292>

<sup>8</sup> Giovanna Borradori, *Philosophy in a Time of Terror: Dialogues with Jurgen Habermas and Jacques Derrida* (Chicago: U Chicago Press), 89-94.

<sup>9</sup> Noam Chomsky, “Mirror Crack’d,” *Outlook India* (September, 2002).

<sup>10</sup> Anthony Cummins, “Does literature Sell 9/11 short?,” *The Guardian* arts blog (February 23, 2006). Accessed March 2010 at

<http://www.guardian.co.uk/books/booksblog/2007/feb/23/doesliteraturesell911short>  
Lianne George, “The Controversy of 9/11 Art,” *National Post* Arts Section (September 20, 2002).

<sup>11</sup> Sharon Smith, “Insurance: Run for Cover,” *Accountancy* (January 22, 2002), 28.

<sup>12</sup> Deborah Solomon, “Back from the future,” *New York Times Magazine* (August 19, 2007).

<sup>13</sup> I am indebted to Catherine Gallagher’s analysis in “When Did the Confederate States of America Free the Slaves” for help clarifying this description of Aristotelian probability. (*Representations* 98 (Spring 2007): 53-61.)

<sup>14</sup> Hilel Atalie, “Audiences Still Wary of September 11 Stories,” Associated Press wire (September 1, 2006).

<sup>15</sup> Aristotle notes that the poet can take historical events as his subject, but only those events (or those “aspects” of events) that are “in the probable and possible order of things.”

<sup>16</sup> Georg Lukács, *The Historical Novel* (London: Merlin Press, 1989), 315.

<sup>17</sup> In this sense too, Messud’s is a classic historical novel of the Lukácian model: Messud, like Lukács’ Walter Scott, focuses on “individualized” characters “brought into a very complex, very live relationship with the age in which they live” (Lukács, 36). Other of the “domestic”/romantic 9/11 novels would include: *Extremely Loud and Incredibly Close* (Jonathan



---

Safran Foer); *Saturday* (Ian McEwan); *Indecision* (Benjamin Kunkel); *The Good Priest's Son* (Reynolds Price); *The Good Life* (Jay McInerney); *The Third Brother* (Nick McDonnel); *A Disorder Peculiar to the Country* (Kalfus); *The Whole World Over* (Julia Glass); *A Day at the Beach* (Helen Shulman) and *Falling Man* (Don DeLillo). The theme of adultery specifically seems to fascinate 9/11 novelists, perhaps, to quote from Lukács again, because “certain crises in the personal destinies of a number of human beings coincide and interweave within the determining context of an historical crisis” (41). Of the texts referenced above, Price, McInerney, Kalfus, Glass, Shulman, DeLillo all focus significantly on adultery, as does the play “The Mercy Seat” by Neil LaBute—the latter, like *Emperor's Children*, imagines what would happen if a man and his mistress were spending the night together in Manhattan on September 10<sup>th</sup>.

<sup>18</sup> See for instance Gérard Genette on narrative anachronies (Chapter Four: Order) in *Narrative Discourse Revisited* (Ithaca, NY: Cornell UP, 1988).

<sup>19</sup> Michael Andre Bernstein, *Foregone Conclusions: Against Apocalyptic History* (Berkeley, CA: UC Press, 1994), 16.

<sup>20</sup> In my description of the structural collapse that results from *Emperor's Children's* attempt to avoid formal foreshadowing by remaining in a strict chronological sequence, I would follow Bernstein also in observing that the result of such backshadowing is a series of untenable and persistent contradictions: “On a historical level, there is the contradiction between conceiving of the Shoah as simultaneously unimaginable *and* inevitable. On an ethical level, the contradiction is between saying no one could have foreseen [it]...while also claiming that those who stayed in Europe are somehow responsible for their fate because they failed to anticipate the danger. On a narrative level, the contradiction is between insisting on the unprecedented and singular nature of the Shoah as an event and yet still using the most lurid formal tropes and commonplace literary conventions to narrate it” (23).

<sup>21</sup> Joshua Ferris, *Then We Came to the End* (Little Brown: New York, 2007).

<sup>22</sup> Naomi Klein, *The Shock Doctrine: The Rise of Disaster Capitalism* (New York: Macmillan, 2007), 16.

<sup>23</sup> Slavoj Žižek, *Welcome to the Desert of the Real* (London: Verso, 2002), 16-17.

<sup>24</sup> If the idea that 9/11 is “too enormous” for representation is buttressed by assertions of its absolute unimaginability prior to its occurrence, this claim that it was somehow deeply, uncannily familiar as a filmic image is subtended by the sense that the images on television seem *more* real than the events themselves: in *The Emperor's Children*, for instance, Danielle says that “everything [she] saw seemed somehow more and less real on the television because what [she] saw with [her] own eyes [she] couldn't quite believe...what took place outside the window could have been credited as sorcery...were it not for the fact that it was being filmed—the filming of it the assurance of its reality” (370-1). Or, in Helen Schulman's *A Day at the Beach*: “the gaping hole was less difficult to process on a small screen [...] On the television there was more perspective.” (53;57). Jonathan Safran Foer, *Extremely Loud and Incredibly Close*, New York: Hamish Hamilton, 2005; Benjamin Kunkel, *Indecision*. New York: Random House, 2005; Claire Messud, *The Emperor's Children*. New York: Vintage Press, 2007; Art Spiegelman *In the Shadow of No Towers*. New York: Pantheon, 2004; Helen Schulman, *A Day at the Beach*. New York: Houghton Mifflin, 2007.

- 
- <sup>25</sup> David Simpson, *9/11: The Culture of Commemoration* (Chicago: UC Press, 2004), 4.
- <sup>26</sup> Antoine Bousquet, "Time Zero: September 11, Hiroshima, and Apocalyptic Historical Consciousness" *Millennium: Journal of International Political Studies* 34.3 (2006): 739-64, 740.
- <sup>27</sup> Ian Baucom, "Specters of the Atlantic," *South Atlantic Quarterly* 100.1 (Winter 2001): 61-82, 76.
- <sup>28</sup> Tony Judt, "What Have We Learned, If Anything?," *New York Review of Books* 55.7 (May 2008).
- <sup>29</sup> We know that the question of whether 9/11 should have been predicted by those tasked with precisely that responsibility—that is, the national intelligence and security agencies—has been a live one. Further, a striking percentage of Americans now believe that while 9/11 was unforeseen by them, the Bush administration knew of it in advance and actually allowed it to happen: According to a Zogby poll taken in 2006, 49% of New York City residents believe individuals within the US government "knew in advance that attacks were planned on or around September 11, 2001, and that they consciously failed to act"; a nationally representative Ohio University/Scripps Howard poll from the same year suggested that 36% of all American citizens thought it "somewhat" or "very" likely that this was the case. I am not here addressing particularly the argument that 9/11 was predictable not only because it had so many precedents, but also because the actual intelligence was readily available, however it does seem to me that the "conspiracy theory" account is in fact a response to the anxiety produced by the very idea that our government so catastrophically *failed* to take seriously or evaluate the available signs.
- <sup>30</sup> Bush's first public explanation of preemption came in a speech at West Point in June 2002 in which he said, "We cannot defend America and our friends by hoping for the best. [...] If we wait for threats to fully materialize, we will have waited too long. Our security will require [...] a military that must be ready to strike at a moment's notice in any dark corner of the world. And our security will require all Americans to be forward-looking and resolute, to be ready for preemptive action when necessary to defend our liberty and to defend our lives." America's failure to be "forward looking" prior to 9/11, in other words, has become the justification for preemptive action; that is, for action based on speculation as to possible (ostensibly predictable) future events which can be prevented by decisions in the present.
- <sup>31</sup> Alex Burns, "Fearful Asymmetries: Herman Kahn's Nuclear Threat Models and the DPRK's Nuclear Weapons Program" (2006), 9. Archived at <http://alexburns.net/Files/FearfulAsymmetries.pdf>.
- <sup>32</sup> Stephen Millet, "Futuring and Visioning: complementary approaches to strategic decision making" *Strategy and Leadership* 34.3 (2006): 43-50, 49; G. Winch, "Dynamic Visioning for Dynamic Environments" *The Journal of the Operational Research Society* 50.4 (Apr. 1999): 354-61, 355.
- <sup>33</sup> Mats Lindgren and Hans Bandhold *Scenario Planning: The link between future and strategy* (New York: Palgrave, 2003), 23; Kees van der Heijden, *Scenarios: The Art of Strategic Conversation* (New York: John Wiley and Sons, 1996), 212-3.
- <sup>34</sup> Launge Baungaard Rassmussen, "The narrative aspect of scenario building—How story telling may give people a memory of the future" *AI & Society* 19 (2005), 229-249: 248; Robbie Davis-Floyd, "Storying Corporate Futures: The Shell Scenarios [Interview with Betty Flowers]" *Corporate Futures: The Diffusion of the Culturally-Sensitive Corporate Form*, Ed. George Marcus (Chicago: U Chicago Press, 1998).

---

<sup>35</sup> Edward Cornish, *Futuring: The Exploration of the Future* (Bethesda, MD: World Futures Society, 2004), 97.

<sup>36</sup> Pierre Wack, “Scenarios: uncharted waters ahead” *Harvard Business Review* (Sept.-Oct. 1985): 73-89, 73.

<sup>37</sup> William R. Huss, “A Move Toward Scenario Analysis” *International Journal of Forecasting* 4 (1988): 377-88, 380.

<sup>38</sup> Michel Godet, “From Forecasting to ‘La Prospective’ A New Way of Looking at Futures” *Journal of Forecasting* 1 (1982): 293-301, 295.

<sup>39</sup> National Intelligence Council, “Global Trends 2020” (Dec. 2005): [http://www.dni.gov/nic/NIC\\_globaltrend2020.html](http://www.dni.gov/nic/NIC_globaltrend2020.html); “Global Trends 2015” (Dec. 2000): [http://www.dni.gov/nic/NIC\\_globaltrend2015.html](http://www.dni.gov/nic/NIC_globaltrend2015.html); “Global Trends 2010” (Nov. 1997): [http://www.dni.gov/nic/special\\_globaltrends2010.html](http://www.dni.gov/nic/special_globaltrends2010.html). Quote from “Global Trends 2020,” 19.

<sup>40</sup> The “2025 Project” was released in late 2008. Noting in their introduction that the “2020 Project” had a far larger global impact than the previous two reports, the project’s authors continue the 2020 Project’s use of narrative, incorporating, for instance, a fictional “Financial Times” article from 2024 about the importance of non-state actors, a letter from the Chairman of a new Asian NATO-style economic organization, and a “Presidential Diary Entry” on climate change.

<sup>41</sup> Andrew Lakoff points out that in a post-Cold War era, “there was no longer a rational enemy whose likely actions could be calculated and managed” and that this shift was “even more palpable after the attacks of September 11” (262). Lakoff also locates in remarks by Donald Rumsfeld “the language of the anticipation of surprise familiar from scenario planning” (265). Andrew Lakoff, “Preparing for the Next Emergency” *Public Culture* 19.2 (Spring 2007), 247-272.

<sup>42</sup> The following synthetic account of the doctrine of preemption comes from these sources: Anthony Arend, “International Law and the Preemptive Use of Military Force,” *Washington Quarterly* 26:2 (Spring 2003): 89-102; Chris Brown, “Self-Defense in an Imperfect World” *Ethics and International Affairs* 17:1 (2003): 2-9; Michael Byers, “Letting the Exception Prove the Rule” *Ethics and International Affairs* 17:1 (2003), 9-16; Noam Chomsky, “Preventive War: ‘The Supreme Crime,’” *ZNet*, (August 11, 2003), <http://www.zmag.org/znet/viewArticle/10015>; Neta Crawford, “The Slippery Slope to Preventive War” *Ethics and International Affairs* 17:1 (2003): 30-36; Alan Dershowitz, *Preemption: A Knife that Cuts Both Ways* (New York: WW Norton, 2006); Tom Rockmore, “On Justifying the First Blow.” (February 9, 2006): [www.ridgway.pitt.edu/.../Rockmore%20formatted%20final.pdf](http://www.ridgway.pitt.edu/.../Rockmore%20formatted%20final.pdf).

<sup>43</sup> Some scholars have argued that the UNC was intended to uphold (rather than to restrict) the *Caroline* precedent, but “counter-restrictionists” and “restrictionists” appear to agree that the post-9/11 doctrine, especially as articulated by Bush and Wolfowitz, constitutes an expansion not only of the UNC, but also of *Caroline*, regardless of how narrowly the latter is interpreted.

<sup>44</sup> The doctrine would be fully laid-out two months later, in a policy paper titled “The National Security Strategy of the USA.”

<sup>45</sup> For more on the question of potentiality and threat, see Brian Massumi, “Potential Politics and the Primacy of Preemption” (*Theory and Event* 10:2 (2007):

---

[http://muse.jhu.edu/journals/theory\\_and\\_event/v010/10.2massumi.html](http://muse.jhu.edu/journals/theory_and_event/v010/10.2massumi.html)) and Patricia Dunsmire, "Preempting the Future: Ideology and Rhetoric of the Future in Political Discourse" (*Discourse and Society* 16.4 (2003): 481-517).

<sup>46</sup> Dunsmire, 496.

<sup>47</sup> Lakoff, 295.

<sup>48</sup> Northrop Frye, *The Great Code: The Bible and Literature, The Collected Works of Northrup Frye. Vol. 1*, ed. Alvin Lee (Toronto: U. of Toronto Press, 2006), 97-8.

<sup>49</sup> The fact that DeLillo runs together fate and coincidence suggests that while the fallacy or fantasy of foreshadowing implies the kind of historical inevitability (fate) that Bernstein eviscerates, the mysticism of such a fantasy is equally itself invested in a sense of what Bernstein describes as "random, haphazard, and unassimilable contingencies" (4).

<sup>50</sup> Sacvan Bercovitch, "The Typology of America's Mission," *American Quarterly* 30.2 (Summer 1978), 138.

<sup>51</sup> Davis describes H.G. Wells' "Massacre of New York" and *War of the Air* (as well as work by Lorca, Benjamin, Dos Pasos and others) as among the "myriad visions hurled back at us since the World Trade Center became the womb of all terror." In a similar vein, the so-called "post-9/11 poem" was not poet laureate Robert Pinsky's "9/11" but rather W.H. Auden's "Sept. 1, 1939"; Arthur Danto, likewise, remarks in an essay on "The Art of 9/11" about pre-9/11 art that "belongs to the event after the fact." Further, one can scarcely glance over a review of Don DeLillo's recent 9/11 novel *Falling Man* without reading about how his "paranoid presumptions," "superlative intuitions" or "predictions" (on terrorism, media spectacle, violence, and the WTC itself, all discussed in *Players, White Noise, Mao II, Libra, and Underworld*) became reality. And we are not even addressing here the rumors, hoaxes, and speculations that proliferated on the internet and elsewhere finding 9/11 *avant-l'event* in everything from personal photographs to Nostradamus and the Bible. Mike Davis, "The Flames of New York," *New Left Review* II/12 (November-December 2001): 34-50, 35.

<sup>52</sup> John Bender, "Enlightenment Fiction and the Scientific Hypothesis" *Representations* 61 (Winter 1998): 6-28, 6.

<sup>53</sup> Frank Kermode, *The Sense of an Ending: Studies in the Theory of Fiction* (Oxford: Oxford UP, 2000), 18.

<sup>54</sup> Mark Currie, *About Time: Narrative, Fiction, and the Philosophy of Time* (Edinburgh: Edinburgh UP, 2007), 33.

<sup>55</sup> It is this kind of Wordsworthian dramatic irony that we find in *The Emperor's Children*, which, because it chooses to represent the events themselves, sutures the characters' demystification to the reader's historical foreknowledge: as readers, we know not only that the characters' petty daily concerns will turn out to have been banal, but we also know that they themselves will be brutally shown this banality. The novel grants the reader a privileged retrospective historical perspective from which she can sit in judgment, as if allowing us to imagine that we knew what would happen in advance and adjusted our concerns accordingly.

<sup>56</sup> This curiously raises what writers on counterfactualism have called science fiction's "grandmother paradox," the situation in which one ponders the possibility of going back into time and killing one's grandmother, thereby preventing one's own birth, thereby making it

---

possible for one to have gone back in time. See Catherine Gallagher, “Undoing,” *Time and the Literary*, Ed. Karen Newman (New York: Routledge, 2002).

<sup>57</sup> Or, paradoxically, it brings the threats which justify it into being: the claim that if Saddam Hussein was allowed to remain in power Iraq would become the base for future terrorist attacks has become true as a result of the preemptive war ostensibly fought to prevent that eventuality.

<sup>58</sup> See Philip Wegner, *Life between Two deaths, 1989-2001: U.S. Culture in the Long Nineties* (Durham, NC: Duke UP, 2009).

## Chapter Four

### **Genres of the Credit Crisis: Horror, Terror, and Collateral Damage**

As a species we are practiced at imagining the imminence of the Apocalypse; less adept at predicting the shape of it. When the collapse of the Western world as we know it came close, the horror was not comet-sized or wrapped in a mushroom cloud. It arrived in a collapsing bubble and a flurry of acronyms.

-- "Why Everyone Owes Everyone," *The Times* of London, 2010

We met in mid-June as the Bear Stearns High-Grade Structured Credit Strategies Funds were experiencing a bad bout of bubonic plague. If you can't quantify the risk, all you are left with is a black hole of fear. "It's a classic tale of darkness," another source moaned, "Think: the horror, the horror."  
-- "Barclays and the Fear of the Unknown," *Euromoney* 2007

To speak of "credit" is always to speak of faith: the faith required to lend money out and expect to receive it back with interest; the faith required, indeed, to use what we call "money"—that is, to use paper whose value is credited by the state—in the first place. To speak of credit, then, is always to speak of the systems of naturalization that make such faith possible: to speak of public and private insurance that underwrites and guarantees the stability of an increasingly interlocked economic system, to speak of the vanquishing through ideology of both individual and social fear and uncertainty. Thus much recent literary scholarship on the emergence of credit and insurance in the 18<sup>th</sup> and 19<sup>th</sup> centuries has sought, as Mary Poovey puts it, to articulate the way in which literature "helped make the system of credit and debt *usable* and the market model of value *familiar*"—Poovey calls the new forms of literary representation which emerged to perform this mediating, naturalizing, familiarizing function the "genres of the credit economy."<sup>1</sup> Scholars have defined these genres differently: for Poovey, *all* imaginative writing, serves to manage crises of value by providing a "non-factual form of representation that was nonetheless not a lie" (6). For Ian Baucom, the realist novel and the historical novel were the dialectical counterparts to new forms of insurance and speculative capital—the realist novel, he argues, provided readers a new way of thinking about the "character" of those to whom they extended credit, while the historical novel articulated a romantic reassurance that even after being destroyed, property could continue to exist "in a sort of ghostly, fictional afterlife."<sup>2</sup> For Eric Wertheimer, life writing—and particularly writing about grief, loss, and failure—provided the link between property and text that was required by a new science of insurance underwriting: both insurance contracts and autobiographies, he suggests, produced "contracted guarantees against loss" that allowed citizens to remain secure in the ability of public as well as private

insurance to protect them from devastating economic damage.<sup>3</sup> For Walter Benn Michaels, in turn, the fetishized realism of the naturalist novel approximated economic belief in the gold standard while modernism's more complex forms of representation depathologized and made less fearful the complexities of a post-gold standard economy.<sup>4</sup>

However to speak of faith, trust, and certainty as affects that have to be cultivated or formalized—to speak of credit and credibility as something that must be “naturalized”—is also to raise the specter of those affects that the “genres of the credit economy” must work to suppress: fear, panic, uncertainty, and the unnatural. In this chapter, then, I want to think about the relationship between a credit economy and fear or terror, about those narrative forms that *denaturalize* the very credibility and certainty that a few hundred years of capitalist ideology have worked so hard to render self-evident and axiomatic: about, that is, the genres of credit *crisis*. Here, I will be specifically interested in cultural responses to our own credit crisis, the crisis that caused a global financial collapse in 2008 and whose origins, I will argue, lie in the historically unprecedented levels of indebtedness and, in turn, on the financialization of credit markets which encouraged that indebtedness as a source of speculative profit. I believe that these kinds of historical crisis can have a revelatory capacity: they enable us both to see what is new about our present and to reconsider our sense of the historical past. I also want to suggest that crisis incites the more *critical* tendencies of cultural texts, making possible a mode of critique that is unavailable in moments of tranquil prosperity.

Although the present can and should be historicized as part of the long *duree* of financialization, it also, I will argue, marks a singular shift, both historical and cultural, whose expression in a change in genre is perhaps the most insignificant of its consequences. And yet those genres are important, not least because they allow us to evaluate—and, in the case of this chapter, to positively assert—the novelty of our present moment. What I want to argue, then, is that we have come a long way from Poovey's factual realist fictions, and even from Baucom's melancholy historicism and Wertheimer's memoirs of loss. Whereas the realist novel, by both Poovey and Baucom's account, functioned to stabilize the uncertainty of an increasingly interdependent system of monetary circulation, the “genres of credit crisis” denaturalize—by making total and all-encompassing—the fundamental uncertainty and instability of an economic order in which risk is not distributed but exploited, not managed but created. Whereas the early autobiography, according to Wertheimer, helped economic subjects “define property and project individual stories of ambition, success, and happiness,” these new genres must respond to a world in which ownership itself becomes increasingly unstable (26-7). Whereas the realist novel was tasked with describing the development of new publics around the notion of public debt, today's narratives are charged with describing the hegemony of a financial system in which vast sums of money and debt are “bundled” into strictly impersonal “securities,” sold and re-sold and re-sold, divided and reconjoined like so many Frankenstein's monsters. No wonder, in other words, that the genres of credit crisis are most singularly characterized by horror, terror, and catastrophe.

As I have already suggested, much of the existing literary-critical work on credit and culture is concerned with the successful *repression* of uncertainty and fear. This is largely a reflection of the historical realities of the early capitalist economy with which most of this criticism has been concerned: in the 18<sup>th</sup> century credit economy, risk was to be mitigated,

minimized, and hedged against; speculators and risk-takers were figures of opprobrium, operating on the margins of (or even as parasites on) the “real economy.” In our own 21<sup>st</sup> century credit economy, by contrast, risk is engineered and sought out, and financialization and speculation are the very engine of economic profitability. To understand this moment, I want to claim, we must become significantly more skeptical about the capacity of any cultural text to successfully naturalize our faith in the credit economy’s supernatural capacity to fulfill its untenable promises.

### **The devil is in the debt**

“In our minds—as reflected in our language—debt is a mental or spiritual non-place, like the Hell described by Christopher Marlowe’s Mephistopheles...He carries Hell around with him like a private climate: he’s in it and it’s in him.”  
--Margaret Atwood, *Payback*

Financialization raises mutual indebtedness without offering resolution or unity[...].The fear of small numbers, the exaggerated response to terror or unsettling art speaks more to the novelty of this medium than to that of the object. At the same time, securitization always leaves behind more than it takes, and the derivative enacts a ghost dance of its entire value while some particular aspect of it wriggles free.  
--Randy Martin, “The Twin Towers of Financialization”

One might assume that it is impossible to separate credit and debt—that the two form a unity, or at least a dialectic, whose two sides must be given equal attention. And yet in surveying the most important literature in the emergent field of “cultural economy” (as Poovey has aptly named it) one finds that credit and debt often separated. For Poovey, for instance, the ideological purpose of cultural production is to encourage “usable” economic behaviors and render new economic changes affectively “familiar,” and yet our sense of what behaviors and affects are demanded by a particular historical moment will appear radically different depending on which side of the lender/borrower exchange we look at.

To put it schematically, from the point of view of credit—that is, when one is interested, as Poovey is, in understanding how creditors are willing to lend and how a credit-based paper-money economy emerges—literature is tasked with “naturalizing” the uncertainty inherent in handing money over to another person and expecting to get it back (multiplied). Thus in *History of the Modern Fact*, Poovey writes of the systems of “credit, credibility, credentials and credulity” and of how economic behaviors depend on the forms of “solicited belief” that make possible the “leaps of faith that underwrite...the modern economic infrastructure.”<sup>5</sup> The function of an economic form like the double entry ledger was, she argues, to “confidently show how [certain, better-than-probable] knowledge could be created”; the bill of exchange helped to create a “system of accommodation” and of a collective (market) interest larger than the individual’s self interest; the fetishization of full disclosure buttressed the “rectitude” of the merchant (41, 89).



This argument is consonant with the claim in *Genres of the Credit Economy* that “the medium of fiction” taught readers how to “believe once more in possibilities that could not be proved” and to “accept the deferral that was essential to credit, both private and public, without feeling imperiled by risk,” while “imaginative writers helped neutralize the problematic of representation inherent in the credit economy” (113, 401). Or, as Deirdre Lynch puts it in *The Economy of Character*, given a newly global commercial world, new forms of commodity display, and new credit arrangements, 18<sup>th</sup> century “writers and readers *used* the characters in their books” to “renegotiate social relations in their changed, commercialized world, to derive new kinds of pleasure from the changes, to render their property truly private, to copewith the embarrassment of riches.”<sup>6</sup> So successful was this neutralizing, naturalizing project that soon the fiction of paper money could become like the fictionality of fictional characters: “something that can go without saying” (13). Ian Baucom’s account of 18<sup>th</sup> century credit markets similarly argues that the realist novel “trained [its readers] to *believe* that [the] fictive values [of the credit economy] could express the same ‘truth’ as fictional characters, even as it equipped them both to *read* the character of the individuals whose promises and money they increasingly had to take on credit and to *evaluate* the credibility of that general system of value that had encircles society” (95).<sup>7</sup>

In all of these accounts, in other words, the signal economic actor is the *lender*—the creditor who is faithful that his money will be returned, who is confident in his ability to “read” both the ledgers and the moral character of those to whom he lends, and whose greatest dilemma is how to take pleasure in his “embarrassment of riches.” Indeed, perusing the indexes of Lynch’s, Baucom’s, and Poovey’s books, one finds myriad references to credit (and credibility and credulity) but not one to debt. Take, for instance, Poovey’s description in *Genres of the Credit Economy* of the relation between the credit economy and the gift economy as they appear in the novels of Anthony Trollope: “Trollope [...] implied that [gifts and loans] were the same in some important ways: all promises to pay, like all bestowals of gifts, deferred the transfer of value and, as they did, they reinforced the social ties that linked individuals within families, friendships, parties, and neighborhoods were [...] important [...]. In other ways, however, Trollope’s credit continuum could have been deeply unsettling, for it reminded readers that every credit instrument [...] conferred the obligation of relationship, which [...] restricted one’s independence” (401). The “unsettling” nature of the credit economy, in other words, lies entirely in its *successful* operation: fear here is fear of the apparently unbreakable relationships of obligation that are forged by the extension of credit creates, and not of failure, collapse, exploitation, or fraud.

In part, this emphasis on the creditor over the lender—and the correlative emphasis on the establishment, however fictional or imaginative, of trust that loans will be repaid and of confidence in the system of lending itself—is a product of the very revolution to which these three scholars refer. In other words, if Baucom, Poovey, and Lynch focus on the certainty of lenders that the money they lend will return rather than on the experience of the borrower (for whom the loan and must be both the cause and the consequence of *uncertainty*), this is because the historical developments these critics describe were largely successful. As a result of these developments, we are all more inclined to ask *how*—and not whether—the lender trusts the borrower; we are inclined to describe how a credit economy functions and not paranoiacally

wonder that it continues to do so. Patrick Brantlinger writes that the credit economy produced a new temporality—what J.G.A. Pocock terms a faith in “endless and inevitable progress and secular perfectability”—which enabled a “belief in progress as a belief that debts of the present can only be repaid by going forward.”<sup>8</sup> Quoting from Simmel’s *Money and Magic*, Brantlinger argues that the belief that debts will ultimately be repaid is part of fascination with “the infinitely augmentable, that is, of eternal progress”; the difference between “national debt” and “public credit,” Brantlinger writes, is that the former implies insolvency whereas the latter “refers to the faith a society...has in itself to prosper or in the future—presumably eternal—power and glory of a given nation-state” (26, 29). Poovey, Lynch, and Baucom’s naturalization of the inevitability of ultimate repayment is thus a testament to the success of the very historical transformation the criticism describes: the construction of a collective confidence in the stability of credit economies.

Yet in our own, post-crisis moment, defaulting on loans is increasingly the default situation, and the smooth circulation of credit (national as well as personal) has run aground. How then do we square this historical situation with the critical commonplace that there is an inherent formal relationship between credit and culture, between belief that loans will be repaid and, as Marc Shell writes, “the very ground of aesthetic experience.”<sup>9</sup> What forms, we should ask, can represent an economy in which the dispersal of credit makes it no longer traceable to an exchange between individuals, or even to an exchange between an individual and a single institution? What modes of literary characterization are adequate to a moment in which the evaluation of “credibility” is no longer a question of character, affect or history—and thus no longer requires the “typifying” work of literary characterization which seeks to embed a character type in his milieu—but rather depends on what Detlev Zwick and Janice Denegri Knott describe as a “concrete deterritorialization”?<sup>10</sup> What is the role of narrative in responding to a social order in which credit relationships are so complex and interconnected that they threaten to infect and destabilize the social order? What are the aesthetics adequate to an economic order which does not mitigate or repress uncertainty, but in which risk is passed around, concentrated, and engineered? What, indeed, are the forms sufficient for the representation of a moment in which all these chickens have come home to roost, in which the market has failed to create credible, stable relationships of obligation and in which both private and public trust in the market has been seriously undermined? If Poovey’s account describes persuasively how people became willing to put trust in the paper fictions of fiat money and the realist novel, how do our cultural texts respond to the sudden and precipitous unwillingness of (for instance) banks to participate in the overnight market in commercial credit, hitherto considered as natural, as predictable, and as risk-free as the pound note?

At the theoretical level, we might find the answer in accounts that emphasize the debt side of the equation, where we find the very opposite of certainty, trust, pleasure, and an “embarrassment of riches:” Poovey’s use of the metaphor of a “leap of faith” is an apt one to describe what the lender does, but Marx’s *salto mortale*, or “fatal leap,” is arguably a more appropriate description of the experience of the debtor, and is certainly a more accurate description of the affects of credit crisis. Whereas for Poovey and Lynch the leap of faith inherent in the giving of credit is the basis for a new and historically-specific mode of capitalist sociality, for Jacques Derrida, for instance, the unity of credit and debt is a *betrayal* of sociability.

“If the other *gives me back* or *owes me*...whether this restitution is immediate or whether it is programmed by a complex calculation of a long-term deferral or difference,” Derrida writes in *Given Time*, this exchange is “poisonous...from the moment the gift puts the other in debt...giving amounts to hurting, to doing harm.”<sup>11</sup> While Trollope, according to Poovey, linked credit (as the economy of men) and gifts (as the transactional purview of women) in order to find in the gift a natural basis for the loan, Derrida sees the loan as a perfidious *perversion* of the gift.

Derrida explicitly departs from the Maussian tradition not only by severing the link between gift and credit, but also by relinking credit (the “giving” of money) with debt, thus emphasizing not the creditor’s abstract faith but the specific object that it takes (i.e. the belief that the other will give back the gift “amortized”). Perhaps more importantly, he describes this faith as dependent on the other’s experience of a burden: the “poison” of the mandate to repay regardless of the personal cost, regardless of whether the debtor has to “rob Peter to pay Paul,” as the saying goes. Derrida’s emphasis in *Specters of Marx* on “the phenomena of pauperization and the ferocity of the ‘foreign debt,’ the effects of what the *Manifesto* also called...the ‘state of momentary barbarism’” and which “holds a mass of humanity under its yoke and in a new form of slavery” draws our attention to the ways in which the creditor’s faith is not simply an imaginary construction or affect but is also underwritten by a vast legal system and by forcefully material forms of power and coercion.<sup>12</sup> His attention to the debtor (whether state or individual) thus reveals “faith” to be more than just the effect of a universal consent to a social contract and to a concept of collective interest, but to be secured by the debtor’s “acceptance” of punishment if he cannot return the “gift” with interest.

Even more forceful than Derrida’s account is Margaret Atwood’s extremely well-timed 2008 book *Payback: Debt and the Shadow Side of Wealth*. *Payback*, as Atwood describes it, is “the debtor/creditor twinship”: Atwood treats debt not only as a literal economic exchange but also as a social structure, as a theological metaphor, as a legal relationship, and as a plot. Consequently, her account offers precisely the attention to both borrower and lender that I have suggested is lacking in Poovey, Lynch, and Baucom. “Some debts,” she writes, “are not money debts: they are moral debts, or debts having to do with imbalances in the right order of things. Thus, in any consideration of debt, the concept of the balance is pivotal: debtor and creditor are two sides of a single entity, one cannot exist without the other.”<sup>13</sup> In the section that follows, then, I want to use revenge to think about the way in which Sam Raimi’s horror film *Drag Me To Hell* represents the way the vast financialization of mortgage debt which occurred after 2001 effected a social order constituted out of relations of economic obligation. In particular, I want to think about the way the film uses the imagery of terror and the formal mechanisms of suspense to index both the individual (even somatic) experience of risk and fear and the collective experience of the social order as the vehicle of virally-spreading, entirely “liquid,” toxic assets. I also want to think about its references to the genre of the revenge narrative and to argue that while the film refuses the simple allegorical calculus of good/evil, victim/villain, it does so precisely in order to represent the complications that have plagued efforts to assign responsibility for the global credit crisis.

## Dead pledges

“Occult economies, then, are a response to a world gone awry, yet again: a world in which the only way to create real wealth seems to lie in forms of power/knowledge that transgress the conventional, the rational, the moral—thus to multiply available techniques of producing value, fair or foul.”  
--Jean and John Comaroff, “Millennial Capitalism,” *Public Culture* 12.2 (2000)

*Drag Me to Hell* opens in an importantly suggestive way, with an image of a house: the titles tell us we are in Pasadena, CA, in 1969, but the first characters we are introduced to appear to come straight out of a 19<sup>th</sup> century novel: they are the classic peasant-villagers of the *Dracula* story, here transformed into what seem to be migrant laborers. They frantically beg the resident of the house, Mrs. San Dena, to help their son: “For the last three nights he’s been hearing voices,” the desperate mother says, “He thinks something’s coming for him.” “What did he do?”, Mrs. San Dena asks forcefully. “Tell me!” Reluctantly, the parents confess: “He stole a necklace from a gypsy wagon.” Bringing him inside, Mrs. San Dena attempts to exorcise the curse from the boy, only to have the floor of the house open up and swallow him up, dragging him into hell of the film’s title, which appears in dramatic B-movie font immediately following the boy’s abduction. Although the scene emphasizes the boy’s apparent innocence—his childishness emphasized by the fact that the father carries him like a baby, and by the obvious terror in his face—Mrs. San Dena’s unsuccessful exorcism emphasizes his guilt: she cannot even attempt to “cure” him until she knows his transgression. If the transgression—the boy’s theft—is the cause of the curse, however, the curse is also in excess of the fact of a stolen object. “We tried to give it back,” his mother explains, but simply “giving back” has proved insufficient since the return of the necklace has not cured the boy of his visions. What is refused, in other words, is the possibility of a circular exchange (as in a gift economy in which one “repays” a gift by another gift of equal value, or as in a just return of what has been stolen, or even as in a more draconian legal context in which one accepts an eye-for-an-eye meting out of punishment). What is demanded instead is an exchange to which *more* value must accumulate: to truly pay back the theft, the family must give back more than just the necklace, they must give the little boy himself.

I want to suggest that this scene (which appears to serve as a prologue but later becomes more integrated into the plot) serves as a kind of map for the concerns of the film, in which the curse is a punitive social exchange whose vengeful excess is mirrored in the equivalent excesses of the credit contract. Both interest and revenge, in other words, function on a logic of *payback*, according to which the “cost” of a loan or an action is greater than what has been originally lost. If the Faustian bargain referenced in Atwood’s quotation above is a contract according to whose terms one consciously trades one’s soul in exchange for things one desires more, the curse in *Drag Me To Hell* is more like law, ignorance of which is no excuse. Whereas Faust has been given the terms of the exchange, and knowingly commits himself to hell precisely in order to obtain (more) knowledge, the little boy has, according to the logic of the curse, tacitly agreed to the fine print of an agreement he cannot understand, but to which he is nonetheless subjected, despite the obvious incommensurability between the value of the necklace and the value of his life. This

prologue thus dramatizes the current economic situation in which both public and private debtors are unable to repay their loans and in which they are thus subjected to ever-more violent forms of vengeance.

While it may at first glance seem strange to make the case that Raimi's film—a campy, B-movie-style gross-out flick clocking in at a scant hour and a half—so explicitly engages the complexities of the financial crisis, it is not unusual to see horror film as an index of economic transformation. In his seminal description of the classics of “horror literature,” Bram Stoker's *Dracula* and Mary Shelly's *Frankenstein*, Franco Moretti explains the function of these horror narratives: “Of course, fear is not an end to itself; it is a means to obtain consent to...ideological values. But [in terror literature] fear is the only means: it is just as unconscious as the terror that produces it....It is a fear one needs: the price one pays for coming contentedly to terms with a social body based on irrationality and menace. Who says it is escapist?”<sup>14</sup> Moretti argues that horror literature expresses both the *fear* of a radically divided society and a desire to heal it. “The monster,” Moretti writes, “serves to displace the horrors evidenced *within* society *outside* society itself” (84). The battle against the monster, he argues, creates a “social cohesion,” a totality that is both endangered and engendered by collective fear of a villain who can be vanquished. Modern horror narratives like Stoker's *Dracula* and Shelly's *Frankenstein* are, for Moretti, perfect allegories for a violent capitalist social order, demonstrating the historically- specific antagonisms between worker and capitalist, labor and capital: “if the vampire is a metaphor for capital,” he writes, “then Stoker's vampire, who is of 1897, must be the capital of 1897” (92)

Given Moretti's account of the allegorical connection between horror and capitalism, we should not be surprised to discover that Raimi's 2009 film concerns the capital of 2009.<sup>15</sup> But Raimi's film does not function metaphorically: rather, it quite explicitly depicts the continued aftermath of the financial crisis that began in 2008. The movie's protagonist is Christine, an ambitious young woman who works as a loan officer at a Los Angeles bank. When Christine denies an old Eastern European woman named Sylvia Ganush an extension on her mortgage payment deadline, Mrs. Ganush curses Christine: after three days of escalating torment, Christine will be dragged to hell by a demon known as the lamia.

From the beginning, then, the film draws attention to the role of banks and their representatives in generating a horrifying catastrophe whose origins lie in mortgage default. In the film's opening scene, Mrs. Ganush thrusts a stack of papers at Christine and asks her to explain them; Christine replies “The bank is informing you of their intent to repossess your property today.” By describing Mrs. Ganush's house as a “property” that can be “repossessed” Christine turns the home into a commodity whose possession is as precarious as it is alienated. Christine's boss Mr. Jacks, the bank manager, transforms Mrs. Ganush's home a second time, shifting from the discourse of the commodity to the language of pure, abstract value. “Apparently we've already granted her two extensions,” he tells Christine. “And you know in this type of foreclosure we seize the trapped equity and the bank makes a sizable amount in fees.” As the expression on Mr. Jack's face slowly changes from irritation to lecherous greed, the figuration of what Mrs. Ganush calls a “home” and Christine refers to as “property” becomes “trapped equity.” His use of the banker's jargon “trapped equity” is significant, and unusual: typically, the phrase describes a situation in which the *owner* of a home wants to access the home's value *without* having to sell it. For Mr. Jacks, however, the “trap” which keeps the value

of the equity from being realized is the home itself, and the equity's rightful owner is the bank. Mr. Jacks thus performs a strange sort of reverse reification, transforming a thing, Mrs. Ganush's house, into a social relation, into fungible equity.



**Figure 1: Mr. Jacks goes over Mrs. Ganush's loan documents**

In addition to emphasizing the role of the housing market in the financial crisis, the film is also concerned with the place of debt. Christine's decision to deny Mrs. Ganush more time to repay her loan both sets off the plot and seals Christine's fate: after a campily horrific fight scene that takes place in the bank parking lot and that involves a stapler and ruler, Mrs. Ganush grabs a button from Christine's coat and curses it. Christine later learns from a fortune-teller-for-hire named Ram Jas that the button has thus become an "accursed object"—so long as Christine possesses it, she is doomed to be dragged to Hell by the lamia at the end of three nights of torment. The film is thus built on four plots concerning debt, repayment, and retribution: Mrs. Ganush is unable to repay her mortgage loan; Christine needs to get rid of the accursed button by giving it back again to Mrs. Ganush; Mrs. Ganush seeks retribution on Christine for her failure of compassion; Christine attempts to get revenge on Mrs. Ganush for cursing her. In their mutual indebtedness, Mrs. Ganush and Christine ultimately become uncanny doubles of one another. This is the case first with the metaphorical or moral "debts" of the film—Mrs. Ganush "begs" (the economic connotations of the word seem apt) with Christine at the bank; Christine will later go to Mrs. Ganush's house to beg her forgiveness. But it is also true of the economic debts: although Mrs. Ganush's mortgage problem opens the film, Christine herself will incur two monetary debts in the course of the narrative, one to a pawn shop and one to her bland boyfriend, an ambitious recently-tenured professor. Finally, of course, Mrs. Ganush turns the tables on Christine's refusal to grant her "a little time" to repay her mortgage by in turn cursing Christine with the ultimate "expiration" date.



**Figure 2: Mrs. Ganush begs Christine for "a little time"**

Raimi's film thus at first seems to fit Moretti's dialectic precisely: a monster and her victim stand in for the poles of an imbalance or antagonism that is demystified simply by being staged. And yet by linking debt and *revenge*—by linking forms of what I have called “payback”—*Drag Me to Hell* refuses the neatness of a simple dichotomy between injustice and restoration. In the film, payback refers not simply to the perfect equilibrium of justice and repayment but also, and simultaneously, to the horrific *excesses* of revenge: as both the form and the content of the narrative, the logic of payback makes visible the link between the cultural form of the horror narrative and the economic form of debt. Because Raimi's film is not simply an allegory forged in the depths of the political unconscious but is rather an explicit engagement with the financial crisis which is its manifest content, it compels us to rethink the ways in which contemporary criticism has described the relationship between literary form and the credit economy. First, the film refuses the neat symbolic substitutions commonly associated with the horror genre: in Moretti's account, for instance, the reader identifies unconditionally with those who battle the monster—the horror narrative's hero is “representative of the whole of society” whereas the monster is representative of all that is threatening about the emerging capitalist marketplace. Raimi's film, as I will demonstrate here, troubles any easy or self-evident system of identification, and indeed of allegory itself, by constantly shifting the poles of what Moretti describes as a simple antagonism; in so doing, it also illuminates the political difficulty of identifying those responsible for our current economic calamity. Second, the film demands that we rethink the specific relationship between narrative and the credit economy as it has been formulated by Poovey, Baucom, Lynch. For all three of these critics, as for the emerging field of “cultural economy” generally, narrative form is tasked with reassuring its readers of the stability and naturalness of the radical economic and social upheavals it indexes. In *Drag Me to Hell*, by contrast, the social totality imagined, created, and fueled by the exchange of currency is far from cohesive—rather, the ease with which money flows means that toxic assets can contaminate the entire economic order; economic exchanges thus threaten rather than support the social whole, and, in turn, the interlinked sociality of economic exchange is precisely what makes finance so risky. Likewise, all three critics have much to say about the lender, who credits the fictions of paper money and paper narrative and is certain in her judgements of character, but little to say about the borrower, for whom the loan is likely both the cause and the consequence of

uncertainty. Raimi's film, by contrast, is an index of radical shifts in the economic function of certainty, risk, and credit, and it does so by perversely merging borrower and lender, repayment and revenge, the certainty of the contract and the terrifying appearance of the supernatural. As a result, the film reframes what has often been described as an inherent relationship between credit and culture, between our belief that the money we lend will be repaid—in this tradition, the reader is always the lender—and narrative experience.

As I have already suggest, this contemporary critical emphasis on the creditor and on the creditor's repression of economic uncertainty is in part a testament to the success of the very historical transformation the criticism describes. However it may also be taken as a symptom of the historical moment in much of this criticism was written—the 90s and early 00s, a period of easy money in which the repayment of debt seemed at once infinitely deferrable and securely guaranteed. As my earlier chapters have already suggested, the economic and political developments of this period also paved the way for the current financial crisis. In the mid-1990s and again in the early 2000s, federal interest rates were pushed to historic lows. One of the results of this cheap money policy was a boom in household debt; a somewhat less publicized consequence was the even more dramatic increase in bank debt, which nearly doubled in a five-year period. The reasons for this boom are, in retrospect, obvious: as a result of low interest rates, banks could assume that the return on loans would be well above the cost and risk of borrowing, and as a result of deregulation and the creation of new forms of “securitization”—that is, the creation of financial instruments such as Collateralized Debt Obligations, or CDOs—they were also always able to sell the debt to someone else. In a CDO, thousands of mortgages are consolidated into one, and the pool of debt then gets divided into different tranches. Investments in the most vulnerable loans promise the highest rate of return precisely because they are the most risky. The idea behind the CDO, then, was that banks would grant loans to less qualified buyers, often by offering them “subprime” loans with draconian interest rates, but would distribute the risk by packaging those loans into CDOs and selling them to more risk-seeking investors.

In reality, however, the distinction between the risk-seeking speculative investors and the risk-averse banks was a mirage: banks and investment houses actually were holding on to most of the mortgage-backed instruments they had issued through off-balance sheet entities. Thus the banks borrowed on their own “good” debt in order to sell lower-quality CDOs to themselves; as the bubble got even bigger, banks created CDOs “squared” or even “cubed”: instruments whose revenue stream came not from the original mortgages, but from another CDO; CDOs of CDOs of CDOs. It thus became increasingly impossible for a borrower to know who held their loan (let alone who held the right to the collateral in the event of default), because the loans had been bundled, separated, and bundled again—little wonder that the language used to describe CDOs often refers to them as Frankenstein's monsters, made up from the parts of others. When housing prices began their precipitous fall and the default rate climbed, many of the investment banks found themselves deprived of income, without credit, and leveraged to the hilt—effectively bankrupt.

As my reference to earlier credit crisis and speculative bubbles suggested, the historical occurrence of a spectacular boom followed by a catastrophic bust is of course nothing new. And yet I want to argue that one very significant fact distinguishes the current crisis from all those



that came before it: the function of risk. The 18<sup>th</sup> century economic actor sought wherever possible to reduce his exposure to risk—although speculators and gamblers appear in both the novels and the economy of the period, they are represented as figures of opprobrium, a danger to the stability of the economic order. By the turn of the 21<sup>st</sup> century, by contrast, it was good business to find *rewarded* risk: risky debt was far more profitable than good debt because the latter was expensive to acquire and had a limited potential value. The repeal in 1999 of the Glass-Steagall Act, established in 1933 to make legal distinctions between speculative investors and more risk-averse FDIC-insured commercial banks, enabled commercial lenders such as Citigroup to underwrite and trade CDOs and other securities; after 1999, then, even the most conservative of banks sought out ever-riskier speculative investments promising ever-higher rates of return. As a result, the formerly fundamental idea that institutional lenders should only lend to “credible” borrowers was abandoned: between 1999 and 2006, the so-called “subprime” market—that is, the market in the riskiest debt—went from 5% of all lending to 30%. Banks introduced a wide range of new “affordability products”: loans which did not require borrowers to document their income, interest-only loans, no-down-payment loans, and loans which allowed lenders to borrow twice the price of the house. Precisely because these loans were so risky—and thus so potentially rewarding—subprime mortgages became a hot commodity, producing an incentive for lenders to even further relax background and credit checks. In the past, subprime lenders covered a discrete local area, which meant that they were able to evaluate the slightly riskier borrower’s creditworthiness by analyzing in detail the rate of default in a given community over time. In the early 2000s, however, the development of complex new forms of data collection made it possible to substitute locally and historically specific modes of analysis with a single number. Not only did borrowers and brokers alike learn how to manipulate these simpler scores, but the frenzy to acquire subprime mortgages reached such a pitch that banks began encouraging brokers not to run credit checks at all.

The very idea that the relationship between creditors and debtors is a simple two-way exchange has become hopelessly anachronistic. This is so first because banks have taken on massive amounts of debt themselves, largely in order to buy financial instruments based on the risky loans made by other debtors. As a result of this indebtedness, credit risk became increasingly concentrated. As Warren Buffet has written, this concentration meant that “the troubles of one could quickly infect the others...the credit markets were linked in ways that could cause them contemporaneously to run into a problem because of a single event.”<sup>16</sup> Not only, then, did creditors increasingly become more indebted than those to whom they were lending, but a single default could trigger a chain reaction that would spread swiftly and virally through the whole economy.

By understanding this history, we can begin to reconsider Poovey, Baucom, and Lynch’s descriptions of the relationship between the realist novel and an economic order based on stability, cohesion, and credit-worthiness. I want to argue that Raimi’s film works to denaturalize—by making total and uncannily literal—the fundamental instability of an economic order in which risk is not managed but created, in which vast sums of money and debt are “bundled” into strictly impersonal “securities,” sold and re-sold and re-sold, divided and reconjoined. These securities are persistently described in language reminiscent of the horror genre, as “Frankenstein’s monsters” “sliced and diced” by financiers. There are zombie banks,

zombie markets, zombie CDOs; the “shadow” banking system is “a spectre silently haunting the economy,” as one *Financial Times* article put it<sup>17</sup>; a Bear Stearns investor is quoted in *Euromoney Magazine* calling the credit crisis “a classic tale of darkness...The horror, the horror.”<sup>18</sup>

Yet I am not simply arguing that this discourse itself explains why Raimi made a horror movie about the financialization of debt—rather, I would claim that the *film* reveals to us why that language is used in the first place. Once a natural, if undesirable, element of any economic exchange, uncertainty is now intentionally engineered, and the entire social order is subjected to it; uncertainty thus becomes not simply a regrettable contingency but a mode of being, a fully somatic experience. In *Drag Me to Hell*, in turn, we are constantly made aware of the way in which the horror genre plays on and produces fear. In part because of its distinctly campy style, the film’s temporality seems just slightly out of step, and we are never quite able to perceive suspense as a natural effect of the content of the narrative.

Even in its first explicitly frightening scene, the film insistently makes us conscious of the formal mechanisms through which we are made to feel surprised. The scene takes place after Christine leaves work on the same day she has denied Mrs. Ganush the loan; as she walks through the dark and deserted parking garage, she notices Mrs. Ganush’s car (a 1970s-era Plymouth that is the same as the haunted car in John Carpenter’s cult-horror classic *Christine*). The scene contains two moments of surprise. In the first, Christine sits behind the wheel watching a strange floating handkerchief, the same one she had earlier seen Mrs. Ganush wrap her dentures in. The handkerchief floats like a ghost across Christine’s line of sight, then drops down below the hood of her car. As Christine breathes a sigh of relief, however, the handkerchief suddenly pops up again, plastering itself onto the windshield: at the same moment, the extradiegetic music swells and Christine screams. This moment of cinematic surprise and fear, in other words, is structured conventionally: the music, Christine’s expression of fear, and the sudden appearance of the frightening object all occur in the same instant, and we are thoroughly identified with Christine’s position both visually and narratively. The second surprise—and the one that ought to be the most frightening—is structured much differently, however. As Christine sighs with relief, realizing that the handkerchief is nothing to be afraid of, she watches it as it floats harmlessly around the car, and the camera pans slowly so that we too watch it through first the front and then the back passengers’ windows. As we see the backseat of the car, however, we notice the dark outline of a head and shoulders: the camera lingers on these as Mrs. Ganush’s face slowly comes into the light and, almost 10 seconds *after* we have realized Mrs. Ganush’s presence, Christine gasps. Prior to this gasp, there is no extradiegetic sound at all: there is complete silence as we realize that Mrs. Ganush is in the back of the car—that is, as we are given the visual image—and a strangely long gap between this image and Christine’s expression of fear. With Christine’s gasp we may register a certain belated surprise, and yet we also have to register the fact that we needed a cue to do so. In realizing that we are always told when to be frightened, we see the artificiality of the horror film’s construction of suspense, and so are never entirely subsumed within its matrix.

Film theorist Peter Wuss describes narrative suspense in a phrase that could just as easily describe the logic of speculative risk: “a play with deficits of information.”<sup>19</sup> In Raimi’s film, we are constantly made aware of the fact that suspense is the product of this play, and thus the very epistemology of speculative finance, and of the credit crisis that is the film’s content, is made

part of the film's generic structure. This connection between horror and risk is one made by economic researchers themselves: behavioral economics, which in the wreckage of rational choice theory's conception of the utility-maximizing rational actor sought to describe why some economic subjects are more willing to take risks than others, evaluates risk-tolerance by seeing how individuals respond bodily to fear and surprise—often, in its empirical studies, using horror film clips to stimulate those feelings.<sup>20</sup> The film thus formalizes the *affective* or libidinal experience of an economic order in which uncertainty promises to make produce excessive profit by laying bare the devices of a genre in which threat promises to produce not simply fear but also pleasure.

We can begin to put a name to the *source* of that fear in the film by comparing its representation of monetary exchange with an 18<sup>th</sup> century literary subgenre: the fiction of the talking coin. For Poovey and Lynch, these stories were central to the ability of 18<sup>th</sup> century readers to imagine a functioning commercial public: as Lynch explains, talking coin narratives “draw persons into a community of mutual dependence,” thus humanizing an economic system known for its risks and “affording its reader a kind of comfort” (96, 98). The coin's journey from hand to hand both not only describes, but actually *produces*, a new sense of collective economic life, whose structures of trust and interdependence can be represented as positive affects rather than as constraints or dangers: as Michael Rubenstein puts it in his reading of the Ithaca episode in Joyce's *Ulysses*, Bloom's desire to see his marked coin return is “an attempt to re-imagine civic finance as an imagined community, reflecting not alienation but personalized integration.”<sup>21</sup>

All of these critical accounts emphasize the impersonality and indistinguishability of the traveling coin. The coin which is both a central symbol and a crucial plot element in *Drag Me to Hell*, by contrast, is marked by its rarity and its particularity: early in the film, Christine gives Clay, her professor boyfriend, a rare coin she came across at the bank; Clay, an amateur numismatist, recognizes its value immediately: “It's a 1929 standing Liberty, and it's almost fully struck,” he says in nerdy wonderment. “You found this in regular circulation at the bank?”



**Figure 3: The 1929 "Standing Liberty"**

Whereas the 18<sup>th</sup> century coin is faceless and thus can function solely as a lubricant of social exchanges, Clay is excited by his coin's material specificity. Yet this very materiality changes the role of coin in circulation. To describe a coin as "fully struck" means that its face has been relatively uneroded by wear—thus the coin is valuable because it has evaded use in the past. To remain valuable, it must be also removed entirely from future circulation, and so Clay immediately seals the valuable object into a small white envelope. The coin is no longer, in other words, a figure for Clay and Christine's "personalized integration" into an imagined community of circulation; rather, it symbolizes of the residual, anachronistic quality of that mode of exchange. Thus the film does not treat Clay's coin as its most representative monetary form. Whereas the coin represents Clay's self-avowedly geeky hobby, it is his platinum credit card that represents his actual social status: in a modestly macho gesture, he flourishes this card at scam-artist psychic Ram Jas to pay for Christine's fifty dollar fortune-telling session. Clay's money is clearly of the digital and invisible variety, and this is in sharp contrast to the resources available to striving Christine: when she later needs \$10,000 to pay for an exorcism, Christine is shown crying in front of an insufficient row of stacked dollars; by the time Clay comes to save her, he has already paid the exorcist, and thus we are never shown the currency with which he does so.



**Figure 4: Christine's inadequate funds**

I suggested earlier that the translation of Mrs. Ganush's house from "home" to "trapped equity" marks a kind of reverse reification, where an object is seized from ownership and retransformed into a kind of social relation, put back into circulation as pure value and deprived of its specific physical properties. Here, likewise, the materialization of abstract value into money as an object is shown to be an unnecessary step; cash is replaced with the invisible balance sheet of the credit card, and the coin itself can then become an artifact to which physicality has been restored.

Later, Clay brags to his parents about Christine's apparently keen powers of observation in finding this coin; he does so to defuse the fact that they find Christine's rural background dubious, and her professional position insufficiently sophisticated for their son. "Oh, I just think that job as a bank teller must be so difficult," Clay's mother remarks with dripping

condescension, “With all that counting and repetition—it must get so tedious.” In this moment, Christine herself is like the rare 1929 coin: her status as a former farm girl and her performance of a job described as if it was like factory labor, full of tedious repetition, makes her a relic of a premodern social and historical past. Christine, however, corrects the error, and restores her place in the *post*modernity of contemporary finance: she is not a teller, but a loan officer, and one on the verge of a major professional coup. Christine goes on to describe the “big loan” she has been working on: “Well,” she explains with sweet modesty, “I was reading in the *Wall Street Journal* about this medical supply company who was looking to expand but didn’t have the necessary liquidity. So I met with their CFO and presented him with a formula for restructuring some of their long-term debt.” Our earlier discussion of the financialization of credit economies, of course, puts a significantly finer point on this story: what Christine is actually describing is a company which wants to get bigger but has no assets, and debt restructuring is what enables an institution already in debt to go into *more* debt. Not only, in other words, does this deal represent at a larger level precisely the kind of arrangement that Christine denied Mrs. Ganush, it is one whose profitability for the bank is precisely correlated to its riskiness. As Ram Jas says of the exorcist to whom Christine—or, rather, Clay—will later pay \$10,000, “The woman who can help us, she must put herself at great risk. And she will not do that for free.”

Critical essays on *Dracula* commonly focus on the fact that circulation describes both blood and money—in Moretti’s account, for instance, Dracula’s bloodsucking is an allegory for the attempt to centralize social capital in one monopolistic corporate body. Yet Mrs. Ganush’s attacks on Christine are quite different, as in a scene in which Christine goes to Mrs. Ganush’s house hoping to apologize and have the curse revoked. She is admitted into the house by Mrs. Ganush’s niece, who takes her downstairs to the home’s basement. There, a wild party seems to be going on—musicians play Russian music, and the family is gathered around a table at which, Christine notices, an empty place is set. Looking around the room, Christine suddenly sees a framed portrait of Mrs. Ganush and, as she realizes in horror that this is Mrs. Ganush’s funeral, she turns and falls backwards into the coffin: the legs break and the coffin falls on top of her so that Mrs. Ganush’s corpse falls onto Christine’s body, the her toothless lips latched onto Christine’s such that a cascade of grotesque liquid is expelled into Christine’s mouth. Where Dracula bites and sucks, in other words, Mrs. Ganush gums, dentureless, and spews. Over and over in the film she emits saliva, mucus, embalming chemicals, and other more noxious internal fluids: if *Dracula* is all about circulation, *Drag Me To Hell* is all about liquidity. In economic terms, liquidity refers to the ability of an asset to be easily convertible to currency: it is pure value, unbound by a particular form. Unlike the figure of money presented by “circulation,” the purely liquid value form never fuels a body or powers the process of production, but instead is constantly shifting shape. It is liquidity that the firm in Christine’s big loan lacks, and liquidity that Mr. Jacks wants to restore to Mrs. Ganush’s house. From this perspective—from the perspective of a finance capitalism whose representative monetary form, the derivative, is the apotheosis of pure liquidity—liquidity is to be desired: it makes no sense to keep assets “trapped” or “tied up” in commodities when they could instead move freely.

And yet from the point of view of the *film*—released in a moment of a credit crisis—the liquids involved are not life fluids but death fluids, characterized precisely for their toxicity. This toxicity—like the “toxic assets” that were discovered to have infected the portfolios of even

nonspeculative investors like pension plans, small banks, and local governments—has a contaminating effect even without the volition of the contaminated. In an earlier scene, Christine herself becomes, like Mrs. Ganush, a horror image of liquidity, spewing copious blood from her nose—whereas Dracula is frightening because he siphons-off the circulatory medium, Christine is frightening because she spreads it around. Mr. Jacks, who is standing in front of her, is drenched in blood, but his real concern is about the possibility that he has ingested some: “Did I get any in my mouth?”, he asks frantically. As in the discourse of CDOs as “toxic waste,” in other words, the concern of the film is with contamination: the free flow of liquid money that served in 18<sup>th</sup> century narrative as the basis for a utopian imagined community, and that for early 21<sup>st</sup> century investors was the ultimate and perfect expression of a fully financialized mode of profitability, must now be prevented, lest its poisonous toxicity spread throughout the social order.



**Figure 5: Mr. Jacks covered in blood**

If liquidity is, as John Maynard Keynes described it, capitalism’s most “anti-social fetish,”<sup>22</sup> then the vision of a completely liquid social exchange offered by *Drag Me to Hell* is precisely the reverse of the vision of sociability offered by the 18<sup>th</sup> century talking coin narrative. Deirdre Lynch describes the latter as “geared to the comforting demonstration of the adage that what goes round comes round,” and the circulation of toxic liquids in *Drag Me To Hell* presents a much less “comforting” vision of such return: rather, return looks more like the promise Mrs. Ganush’s niece makes to Christine—“You deserve everything that is coming to you.” Having failed at all other attempts to rid herself of the lamia, Christine decides to rid herself instead of the “accursed object,” the button Mrs. Ganush has cursed. She takes the button, sealed into a small white envelope, to the cemetery where Mrs. Ganush has been buried, digs up the body and, in an act which one reviewer describes as reminiscent of nothing so much as an ATM deposit, shoves the envelope into the corpse’s mouth, shouting as she does: “I’m giving it back to you. You’re gonna take this thing. Are you gonna take this thing? I, Christine, do hereby make a formal gift of this button to you, Sylvia Ganush. Choke on it, bitch!” Cheekily referencing the

bloodlust of the classic slasher tradition, this scene codes Christine as what film scholar Carol Clover famously calls the “last girl”: the female protagonist with whom we identify and whose traditionally bloody, but here simply muddy, triumph over her monstrous antagonist fulfills the slasher film’s revenge fantasy.<sup>23</sup>



**Figure 6: Christine as "last girl"**

However this reading implies a simpler and more satisfying logic of justice than *Drag Me to Hell* can maintain. In fact, the film’s disruption of identification destabilizes the neat allegorical dichotomies of such a conclusion, constructing not one but *three* different ways for us to relate to Christine, of which the heroic “last girl” is only the first. The second, indeed, is neatly built on the reversal of the last girl plot: the scene at Mrs. Ganush’s grave, despite having the air of climax, is in fact only the film’s penultimate scene, designed precisely to play on the assumptions we bring to the horror film, which tends to end in the restoration of order. After the struggle with Mrs. Ganush’s corpse, Christine emerges triumphantly from the grave, covered in mud; following a purity-restoring shower, and in the bright light of the morning *after* the third night on which she was to be dragged to hell, Christine happily goes to meet Clay for their planned romantic vacation to Santa Barbara. She embraces Clay, reassuring him that the horrible situation has been resolved: “I want to tell you something,” she says. “I need to tell you. I could have given Mrs. Ganush an extension on her mortgage payment, and I didn’t. The choice was mine, and it was wrong.” Kissing her, Clay soppily remarks on her “good heart,” and complements her beauty, at which point Christine shows off a new coat she has just spotted in a shop window and impulsively bought for herself. “What happened to the old one,” he asks. “I threw it away,” she says, “I never want to see that old thing again.” “Well that’s too bad,” he says, “because I found this in the car after you left last night,” and, from a white envelope, takes out the cursed button. Christine realizes that she has accidentally “given back” to Mrs. Ganush not the “accursed object” but rather the coin she gave Clay and sealed in an identical envelope, and she gasps and begins to step away from him in horror. As Clay screams, she falls onto the tracks just as a train comes barreling towards her—Clay reaches his arms towards her but the ground beneath Christine has opened up and she is engulfed in fire; as the train passes over her, she is pulled into the fire pit by the hands of demons, her face melting. As the train squeals to a halt, the ground closes up again, leaving Clay staring horrified at an empty space; the music crescendos and Clay’s face is replaced by the title screen.

The scene teases us with the possibility of one kind of death—the accidental fall onto the train tracks—only to emphatically reveal a different kind of fate: the punishment which Christine, and the viewer, thought she had avoided. The most visually arresting image, the image of the title, alerts us both to having come full circle, and to the inescapability of the promise made from the very beginning, even by the film’s title. Christine is not the triumphant “last girl,” successfully settling the score—instead, since (as Lynch put it, albeit with more positive connotations) “what goes round comes round,” it is Christine who gets “everything that is coming to her”: recalling Moretti’s defense of the horror genre, we might add that the movie is cannot be called “escapist” precisely because it promises that there is no escape.

Furthermore, the scene explicitly denies Christine moral redemption by having her death follow immediately on the heels of her confession. As Atwood points out, the idea of redemption is part and parcel of the way religious discourse metaphorically conjoins debt and sin—one “redeems” one’s moral debts as one redeems one’s loan collateral: “there’s a pawnshop of the soul,” she writes, “where souls can be held captive but then, possibly, redeemed” (59). When Christine needs money to pay an exorcist, she visits a literal pawnshop, where the owner offers her \$3800 dollars for all her worldly possessions: “But this stuff is worth so much more than that!” she pleads. “Please—this is all I have—I’m begging you.” Christine pleads for the very same compassion she denied Mrs. Ganush, yet these goods are destined to remain as unredeemed as Christine herself. Here, then, Christine is not hero but villain, not triumphant last girl but monster. Yet since Mrs. Ganush is dead, the pleasure derived from the fulfillment of this plot—the pleasure Carol Clover argues always subtends the revenge narrative—can only be our own as viewers.

The question that remains, then, is whether this ending is ultimately meant to be completely satisfying—or, put otherwise, whether Raimi’s film performs the full dialectic that Moretti describes, such that making loan-officer Christine a villain allows the film to vanquish a social evil and thus to restore order. The answer, I think, is a decisive no—in fact, the film undermines our attempt to enjoy Christine’s torment as a symbol for the crimes of financialization, and it does so precisely by undermining the very logic of substitution on which such satisfying allegories are constructed. Our third way of relating to Christine, then, is as neither monster nor hero, but rather as scapegoat and victim.

As Atwood points out, Christian theology “rests on the notion of spiritual debts and how you might get out of paying them by having someone else pay them instead. And it rests, too, on a long pre-Christian history of scapegoat and sacrificial figures who take your sins away from you” (67). Both the scapegoat and the animal sacrifice appear in Raimi’s film: Ram Jas and the exorcist, Mrs. San Dena, try to lure the lamia’s spirit into an actual goat, hoping to kill the animal while it is possessed. But because Mrs. San Dena dies of a heart attack during the battle with the lamia—thus becoming, perhaps, the actual scapegoat—the lamia is victorious: both it and the goat remain untouched. In perhaps the most infamous moment of the film, Christine participates in a bloody animal sacrifice: although she at first responds to Ram Jas’s suggestion that she sacrifice an animal to the lamia with the indignant retort “But I’m a vegetarian!”, she is soon driven to desperation, and bloodily stabs her own kitten to death. Yet this too fails, as the lamia remains unappeased: the same mechanisms which would make it possible for Christine to



be a proxy for the excesses of financial markets are thus undermined by the film's own representation of failed symbolic sacrifices.

This may also help us understand one of the film's more seemingly inexplicable details, Christine's rural background. When Christine visits Clay's parents, who live in an ostentatious southern California mini-mansion, she brings what she describes as a "harvest cake." "Is that something you would make on a...farm?" Clay's mother asks scornfully. "We used to," Christine replies, "When we had a gaggle of geese. Right around the harvest time, that's when your goose eggs will make a real dense yolk. Makes for a rich cake." Moments later, Clay's parent's cat hisses menacingly at Christine; when Clay's father apologizes, Christine assures him, "I understand, I had a cat." "You mean you *have* a cat," corrects Clay, laughing nervously. "Unless something happened to him." "Well...how am I supposed to know?" Christine responds defensively. "You know how cats are, they come and they go." In both conversations, Christine is coded as a farm girl, whose relationship to animals is instrumental and temporary as opposed to sentimental and domestic: in an earlier scene, she comes across a photo of herself as a teenager standing proudly next to her prize-winning hog, an animal undoubtedly destined for the slaughterhouse. Christine's harvest cake—baked at the same time as Christine was butchering her kitten—will in fact turn out to be somewhat less than appetizing, since Christine's slice will later hatch a gigantic fly.

Christine's subtle representation as residually rural—and the mix of repulsion and condescension with which Clay's parents respond to her—can be read in reference to a horror film subgenre also described by Clover, the "urbanoia" narrative. In the urbanoia film, what Clover calls "the threatening rural other" poses a danger to the moneyed representatives of the city, partly because of its propensity for primitive violence but partly by its very culture: "the wild family's personal habits are as atrocious as the city family's are proper; the wild family's food is as inadequate as the city family's is abundant," Clover writes, in a description that begins to explain why Christine's "harvest cake" with its thick-yolked goose eggs, can seem grotesque even before it begins to ooze kitten blood (133). And yet Clover argues that something more complicated is going on in this other-ing of the rural primitive: "the motor of the urbanoia film is economic guilt," she writes. "The urbanoia film forces its viewers to face directly those they recognize...as the rural victims of their own comfort" (129). In the cake scene, likewise, our sympathy with Christine is animated by our reluctance to participate in Clay's parents urbanoia—we feel for Christine, whose obvious discomfort in the banal and familiar situation of meeting the in-laws is redoubled not only because she is simultaneously hearing the ghostly voice of the lamia and watching a huge demon fly squirm in her bloody cake, but also because she is the object of their upper-class condescension. The city/country split, as Clover asserts, is thus not only about space but about class, about "the confrontation between haves and have-nots, or even more directly, between exploiters and their victims." Clay's parents, with their ostentatious house and social snobbery, are clearly *not* the recipients of our sympathy, despite Christine's "rude" behavior later in the meal.



**Figure 7: Clay's parents served at dinner**

On the contrary, it is Christine who can only get \$3800 for all her earthly possessions, “including the jewelry”; Christine who we are first shown listening to elocution tapes so that she can speak “like a professional”; Christine who is victim of sexism and boys-clubism at her work. In other words, our pleasure in watching Christine be tormented as the stand-in for the sins of the credit economy is tempered both by the film’s representation of the *malfunction* of the scapegoat or sacrifice and by the fact that the narrative clearly figures Christine as the soul who pays the price for a machine in which she is the tiniest, most insignificant cog, no more responsible than the bank teller that Clay’s mother imagines drearily counting other people’s money. The relationship between Christine and Mrs. Ganush is thus neither monster and hero nor hero and monster, but doubled victims.

Here too, then, Raimi’s film poses a complex response to its own historical content. As economist Robin Blackburn writes, “The collapse of the financial market would have been poetic justice, except for the fact that the leading executives of these corporations managed to insulate themselves, and the horrific losses redounded primarily upon the heavily working class and minority purchasers of subprime mortgages.”<sup>24</sup> The ideological rhetoric that has made it possible for those executives and their ilk to evade responsibility is as adept as any imaginative narrative at turning antagonists into doppelgangers and at performing astonishing characterological reversals which allow the victim to become the villain—recently, for instance, former Treasury Secretary Henry Paulson declared that “any homeowner who can afford his mortgage payment but chooses to walk away from an underwater property is simply a speculator,” a claim particularly ironic given that Goldman Sachs, for which Paulson worked for 32 years, “made a killing,” as the apt cliché goes, on the collapse of the housing market.

Far from producing or affirming our confidence and certainty in the credit system, *Drag Me to Hell* instead denaturalizes the contemporary market’s dependence on *uncertainty*, making it total by formalizing it through the modes of suspense and horror characteristic of the genre. At the level of content, moreover, it offers us an explanation of the commonplace description of

the financial economy in terms of horror and perversity by figuring social exchange as a toxic relationship. It thus reminds us that the prioritization of liquidity above all does not enable an imagined social order but evacuates it of sociability: in John Maynard Keynes' powerful phrase, "there is no such thing as liquidity of investment for the community as a whole" (128). And by constantly shifting the poles of what Moretti describes as a dichotomy between monster and hero, such that responsibility cannot be easily established, the film gives us a potentially profound representation of the very problem that faces us today: of finding political, economic, and social recourse to the damage wrought by the financialization of everyday life.

### **Allegorical reading**

For Moretti, as I have already suggested, the allegorical dimension of *Dracula* and *Frankenstein* is relatively straightforward: the monster is a "metaphor" for capital and the hero for bourgeois man but each of these metaphors is "no longer a metaphor: it is a character as real as the others" (81). Unmoored and autonomous, the metaphor becomes allegory, and thus gains a kind of transparently didactic function, so that allegory is not simply Moretti's practice of reading but is in fact the text's own character: it is not simply that the transcendent level of meaning can be "read into" the text, but this transcendent layer of meaning is itself imminent to the text. There is a seamless system of identification between reader, hero, and author: "Finding himself face to face with the simple, terrible truth, the author—and with him the character and the reader—draws back in horror" (103).<sup>25</sup> In other words, we can no more "identify" with *Dracula* than we can read "Ignorance" and "Prudence" in Bunyan's *Pilgrim's Progress* as anything other than those precise qualities personified. For *Dracula's* allegorical mode to function, the very details and modes of characterization that would seem to distinguish the 19<sup>th</sup> century realist novel from the 17<sup>th</sup> century allegorical tale are ultimately repressed, so that although the hero of the horror narrative is often "a representative of the present...of complacent nineteenth-century mediocrity: nationalistic, stupid, superstitious, philistine, impotent, self-satisfied," these details ultimately "*do not show through*" and as a result, "whoever dares to fight the monster automatically *becomes the representative of the species*, of the whole of society" (84, emphasis mine).

Moretti is not alone in his approach, of course—indeed, horror narratives seem to singularly demand allegorical reading. To the extent that horror narratives are *about* the devices by which the repressed becomes the representable, allegory is not simply a mode of reading horror narrative, a second order hermeneutic, but is a formal device that is constantly staged at the level of the narrative's content: like the dream in psychoanalysis, horror narratives perform the very formal mechanisms which produce them. And yet as I have already suggested, Raimi's *Drag Me To Hell* cannot be read simply as a straightforward allegory. By creating uncanny echoes between "hero" and "monster," the film disrupts our identificatory relationship to these characters; by incorporating within its own content a kind of skepticism as to the adequacy of substitution, it destabilizes the very mechanisms of symbolic "standing in for" that seem to be at the heart of allegory as both a narrative quality and a mode of reading.

However, to dismiss the possibility of reading this text as a kind of allegory is arguably to remain restricted to a too-narrow definition of the term. In fact, of course, our contemporary sense of the allegorical has been enriched first by the theoretical interventions of Paul de Man,

for whom allegory is a quality of language itself and for whom the correspondence between two levels of meaning is always deferred, and second by the recent critical interest in Walter Benjamin's account of allegory in *The Origin of German Tragic Drama*.<sup>26</sup> Further, the engagement of postmodern narrative with allegory—described influentially both by Brian McHale in *Postmodern Fictions* and by Jameson in his (in)famous essay “Third World Literature in an Age of Multinational Capitalism”—has created some interest in allegory both as a critical and as a literary practice. As Jameson puts it,

If allegory has once again become somehow congenial for us today, as over against the massive and monumental unifications of an older modernist symbolism or even realism itself, it is because the allegorical spirit is profoundly discontinuous, a matter of breaks and heterogeneities, of the multiple polysemia of the dream rather than the homogeneous representation of the symbol. Our traditional conception of allegory—based, for instance, on stereotypes of Bunyan—is that of an elaborate set of figures and personifications to be read against some one-to-one table of equivalences: this is, so to speak, a one-dimensional view of this signifying process, which might only be set in motion and complexified were we willing to entertain the more alarming notion that such equivalences are themselves in constant change and transformation at each perpetual present of the text.<sup>27</sup>

According to Jameson, the “national allegories” common to literature of the “third world” offer something more complicated than a “traditional” use of the form: “a vision of the *horror of life* [under capitalism] specifically grasped through History itself...[that] exhibits a specifically political resonance absent from its natural or mythological western equivalent in the nightmare of Darwinian natural selection” (70). They are able to do so precisely because the third world subject, who experiences only under- or unevenly-developed capitalism, has access to a vision of the totality lost to the “first world subject.”

I want to suggest in the remainder of this chapter that insofar as financial crisis makes suddenly and shockingly visible that same “horror of life,” the adoption of the allegorical form by “western” cultural producers has an equivalent effect to Jameson’s “national allegories.” I will look first at four recent novels (Jennifer Egan’s 2001 *Look at Me*, Don DeLillo’s 2007 *Falling Man*, Mohsin Hamid’s 2007 *The Reluctant Fundamentalist*, and Viken Berberian’s 2007 *Das Kapital*) in which an exemplary late capitalist subject (a reality-television venture capitalist, an international property broker, a corporate valuations analyst, and a bear-market hedge-fund manager) is paralleled allegorically with a terrorist. This formal device, I want to suggest, functions in all four novels to reveal the historical relationship between postmodern financial accumulation and violence. Of these four novels, two (Egan’s and De Lillo’s) play with allegorical parallelism but ultimately offer little more than analogy or symbolism, tropological logics contrasted (by both Jameson and Benjamin) to proper allegory. However the second two (Hamid’s and Berberian’s) are what I will call dialectical allegories: in these texts allegorical parallel is not simply a means of formal play—nor, as in Jameson’s reading, a way of revealing the presence of one content “behind” the other. Rather, allegory functions to index the historical and material (rather than simply analogic) relationship between foreign (third world) debt and western profit, and hence between the politics of a nationalist fundamentalism resistant to western economic oppression and the economics of postmodern finance.<sup>28</sup> While they resist

an easily allegorical reading by being recalcitrant to the simple equivalences and substitutions of allegory's moral identifications and dis-identifications, they may allow us to re-read allegory itself for the ways in which the genre itself complicates any such naïve logic. (They also, I will suggest, reveal the difference between McHale's self-deconstructing postmodern allegory or Jameson's empty fragmented symbol and a more powerfully critical use of the form.)

I then want to return to Poovey's account of the relationship between an emergent non-allegorical novelistic form and the question of public versus private responsibility that plagued the emerging 18<sup>th</sup> century capitalist order. An economic system in which self-interest could be "elaborated as a constructive—indeed paradigmatic—contribution" to the economy as a whole required voluntary participation in and support of government regulation, private insurance schemes, and publicly-funded social institutions, all of which mediated the gap between self-interest and the collective good. The novel, she suggests, provided both the sentimental content and the formal logic to enable precisely that mediation. However the current economic crisis has reinvigorated questions about public and private interest, and I want to suggest that as a result, we can read allegory's engagement with the complex relationship between the individual and the social collective as more than simply a "third world" phenomenon. When private investment entities are determined "too big to fail" and have to be bailed out at significant national cost, public and private identity are complicated in the "first world" as well, such that "the lived experience of our private existences" is no longer "incommensurable with the abstractions of economic science and political dynamics" ("Third World Literature," 69). In particular, I am interested in reading the allegorical parallels in Tony Scott's *Taking of Pelham 123* (released in May 2009, two weeks after *Drag Me To Hell* and approximately ten months after the collapse of the US economy in September 2008) alongside contemporary concerns about "moral hazard." I want to suggest that much as Hamid and Berberian use the allegorical connection between financiers and terrorists to reveal the relationship between first-world finance and third-world national debt, Scott's film uses allegorical parallels between stock market manipulation and terrorism to describe the particular way in which private interests held the public good "hostage" during the financial crisis. In both cases, again, crisis (whether crisis as status quo, as in the indebted developing world, or crisis as rupture, as in the US case) has a uniquely revelatory function.

Despite Jameson's claim about the centrality of allegory to "third world literature," his argument in "Culture and Finance Capital" is that in late postmodernity the *dominant* symptomatic form is a kind of autonomous, but still fully and newly meaningful, narrative fragment. The postmodern fragment is no longer, as in modernism, "incomprehensible without the narrative context as a whole," but is rather "capable of emitting a complete narrative message in its own right."<sup>29</sup> This autonomous fragment can "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": like finance, which needs neither production nor consumption but "can live on [its] own internal metabolisms and circulate without any reference to an older type of content," the "image fragments of a stereotypical postmodern language... suggest a new cultural realm or dimension that is independent of the

former real world...so that [they have] no outside in terms of which [they] could be found lacking” (264-5).

The postmodern fragment, in other words, is nothing like the discontinuous, heterogenous, and crucially critical form of “national allegory”—indeed, it is far more like a degraded version of the romantic “symbol” to which Walter Benjamin *contrasts* allegory. For the Romantics, Benjamin claims, the symbol promised “the unlimited immanence of the moral world in the world of beauty,” “assuming the meaning into its hidden and...wooded interior” (165). As Bainard Cowan puts it in a powerful reading of Benjamin on allegory, according to the Romantics,

the symbolic presentation of a natural or mythical object was supposed to be a rendering present of the absolute form or Platonic idea in which the individual object participated; more than a sign, it would be part of the transcendent absolute and would offer to the perceiver participation in that absolute and an intuitive knowledge of it....Time seems to stop for this perfect moment, and problems of communication are annulled; the radiance of the symbol transmits itself spontaneously, without need of poetic convention.<sup>30</sup>

For Benjamin, then, the symbol is instantaneous and non-durational; for Jameson, likewise, the “new value abstraction” characterized by the logo or stereotype is coextensive with the “dramatic and alarming shrinkage of existential time and the reduction to a present that hardly qualifies as such any longer, given the virtual effacement of that past and future that can along define a present in the first place.”<sup>31</sup> The symbol promises spontaneous communication without mediation, the postmodern fragment promises spontaneous communication without context.

Understanding the difference between the symbol or the fragment and the allegory is crucial to understanding the different ways in which the novels that concern me here play with their parallel plot lines. Jennifer Egan’s *Look At Me* constructs what seems to be an allegorical relationship between the image obsession of late postmodernity and the nihilistic violence of terrorism. Yet it never achieves what Doris Sommer describes as Benjamin’s “match between dialectics and allegory” and instead produces at best only a loose metaphoric comparison (late capitalism is “like” terrorist violence).<sup>32</sup> It does so, I would argue, largely because it is itself bound up entirely in the postmodern logic of the fragmented symbol. In a sense, this description is not a critique of the text, since there is some cohesion between the fragment-form (a symbolic analogy that never “reveals” anything since it has no outside) and the vision of capitalism the novel offers. Capitalism in *Look At Me* (as, alas, in much criticism and cultural production of the period) is based purely on symbolic *value*, on brand and image, on cultural production and service work.<sup>33</sup> The main character, Charlotte, was a famous model before a mysterious car accident forced her to have massive facial reconstruction. Seeking a new income, she decides to participate in a vast media project called Extra/Ordinary, described by its creator, Thomas, as a way of “optioning the rights to people’s stories, just ordinary Americans: an autoworker, a farmer, a deep-sea diver, a mother of six, a corrections officer, a pool shark...Each one of these folks will have their own home page—we call it a PersonalSpace™—devoted exclusively to their lives, internal and external” (198). Charlotte hires a ghost writer, Irene, to write—and mostly make up—her “PersonalStory”; Irene is an academic who is writing a book about “the way literary and cinematic genres affect certain kinds of experience...How do cultural notions of the so-called wiseguy affect the way people like John Gotti dress and move and speak. How does

that extra layer of self consciousness impact experience?” (279). Although Thomas claims that the point of Extra/Ordinary is to get at a kind of Real (explaining that people “are desperate for raw experience... We’re so powerfully aware of all the stuff we’re missing! It creates this frustration... TV tries to satisfy that, books, movies—they try, but they’re all so lame—so mediated! They’re just not *real* enough” (198-200)), in fact the project turns out to be entirely mediated, based on precisely the same kind of self-conscious and self-fulfilling “reality effect” that Irene is studying. Terrorism too is based on this logic of the spectacle: Charlotte’s story is paralleled with that of Aziz, known as Z, a Hezbollah radical who turns out to have been the cause of Charlotte’s accident. Aziz also imagines a film scenario based on his life story “Stories?,” he imagines a screenwriters saying, “You want stories? I got a doozy... We’ve got a guy from one of those crappy parts of the world where people get shot up every day... You’re thinking God forbid this is some kind of history on the Arab-Israeli conflict, I mean not even Spielberg’s taken that on... Ok, look, the movie’s got nothing to do with history... This is about *self-discovery*. It’s one man’s personal history!” (310). Aziz ultimately proposes to his Arab backers that “If the collective goal was *to be seen*—to saturate the airwaves with images of devastation that would serve as both a lesson and a warning—why not strike at the famous people themselves?... If the goal was symbolism, how could leveling a bridge or a tunnel or even the *fucking White House* approach the perfect symmetry of his idea?” (313). However—and perhaps inevitably, even self-consciously—even in the novel itself Z’s story is simply a “personal history,” and his politics seem like little more than a capitulation to the very spectacle they claim to wish to destroy: no one, it turns out, is more obsessed with celebrity and fame than Z himself.

In *Look At Me*, then, capitalism and terrorism both operate on an *analogous* logic of spectacle mediated by technology, and value is literally illusory: the relationship between the real and the false is recursive; the exterior (the symbol, the logo, the spectacle) acts upon and overwhelms the interior (the “real” or the transcendent level of meaning). Thus the very idea of getting to the reality of things is either impossible (as a quality of language and representation) or suspect (as a particular historical symptom of the postmodern world: take for instance a scene in which a sleazy *Vogue Italia* fashion photographer tries to convince Charlotte to allow him to cut her face for a photo shoot: “I want to cut through that shit to what’s real and fundamental,” he says. “And I want you to be a part of it, Charlotte, that’s why I chose you. This isn’t about fashion—we’re way past fashion. This about finding a new way to live in the world” (145).) The novel’s formal logic, then, can precisely *not* be about the revelation of one thing behind another, as the allegorical form would seem to demand; rather, as with Jameson’s autonomous fragment, the very differentiations between surface and depth, between image and reality, between part and whole, no longer holds, and the novel intentionally and self-consciously undermines the very exposures that allegory would seem to promise.<sup>34</sup>

This sort of self-canceling postmodern allegory is not atypical, of course—indeed, in describing the popularity of “the practice of allegory” in postmodern fiction, McHale suggests that auto-critique is characteristic of the genre: in the postmodern allegory, “determinate meaning dissolves into indeterminacy” and the “two-level ontological hierarchy of metaphorical and literal begins to oscillate, to opalesce.”<sup>35</sup> This is despite the fact that, as McHale puts it, postmodern allegory tends, like traditional allegory, to “involve the confrontation of warring principles, semantic oppositions personified” (142). DeLillo’s *Falling*

*Man* exemplifies this apparent contradiction between the play with “univocal” or “naïve” allegorical opposition and the ultimate staging of allegory’s collapse. The novel’s main character, Keith—who is described at the beginning of the novel stumbling dusty and injured from the wreckage of the World Trade Center, where he worked as a contract lawyer for an international mortgage broker—becomes uncannily paralleled to Hammad, a devout Iraqi Muslim who moves first to Berlin and then to the United States as part of a terrorist cell run by Mohamed Atta; eventually, Hammad will turn out to be one of the 9/11 hijackers. This parallel seems at first to have a certain political force, a reading most clearly expressed in the novel by Nina, Keith’s mother in law: “But that’s why you built the [World Trade Center] towers, isn’t it? Weren’t the towers built as fantasies of wealth and power that would one day become fantasies of destruction? You build a thing like that so you can see it come down. The provocation is so obvious. What other reason would there be to go so high and then to double it, do it twice? It’s a fantasy, so why not do it twice? You are saying, Here it is, bring it down” (116). In fact, however, the allegorical parallel between Hammad and Keith—whose work “drafting contracts of sale on behalf of Brazilian investors who were engaged in real-estate transaction in New York” is “like a ride on a hang-glider, completely wind-assisted” (104)—is in the end merely a kind of symbolic patterning. What turns out to be important about Nina’s observation is not what it says about a late capitalist tendency towards creative destruction—or even destructive destruction—but simply its emphasis on twinning and doubling, on a narrative play with similarity and repetition that has much less to say about interconnection and dialectical relation. As reviewer James Wood describes it, the novel’s (multiple and overlapping) parallelisms are simply “an aesthetic balancing,” a “mannered symmetry” that is in the end a kind of intentionally empty formalism.<sup>36</sup>

Egan’s and DeLillo’s narrative parallelisms, like the earlier postmodern novels McHale describes, are thus self-deconstructing allegories, “foreground[ing] above all the *textuality* of the text” (174). They therefore have more to say about the problematics of representation, of language and narrative and thought, than about the provocative suggestion that there is some relationship between late capitalist accumulation and terroristic violence. While these texts may participate in what Jameson describes as “allegory’s capacity to generate a range of distinct meanings or messages, simultaneously, as the allegorical tenor and vehicle change places” (74), they clearly do not produce that “vision of the horror of life” which “third world” allegory is singularly capable of revealing.

Why—and indeed whether—third world texts “do” something which western literature cannot remains somewhat ambiguous in Jameson’s essay: he suggests both that third world allegories drawn on western existentialist estrangement *and* that they exceed modernism’s capacities for a politically-effective defamiliarization; that the allegorical remains a part of western culture’s political unconscious *and* that it requires a “situational consciousness” which is fully unavailable to those in the “epistemologically crippling” position of hegemony. Here, then, I am not so much interested in a critique of Jameson’s essay—there have been many already—as in wondering whether the affects it describes as the natural product of allegory might be equally accessible to “western” cultural production in a moment of crisis. If, that is, the allegorical texts Jameson describes articulate the conditions of “a life-and-death struggle” that is “a reflexion of the economic situation of such areas in their penetration by various stages of capital, or as it is



sometimes euphemistically termed, of modernization” and if “a study of third-world culture necessarily entails a new view of ourselves, from the outside”—a view that “we Americans, we masters of the world” can otherwise, according to Jameson, not obtain—might not the collapse of our own postmodern economic order offer us some access to “a grisly and terrifying objective real world beneath the appearances of our own world: an unveiling or deconcealment of the nightmarish reality of things, a stripping away of our conventional illusions or rationalizations about daily life and existence” (68, 85, 70)?

As an “experimental exploration of reality and illusion,” this “stripping away” would have to be significantly more radical than DeLillo and Egan’s use of formalist parallels that, with typical postmodern reticence, resist “deconcealment” altogether. I want to consider very briefly Hamid’s and Berberian’s novels, then, in order to suggest that although DeLillo and Egan’s experiments with the form do not fully participate in allegory’s possibilities for radical critique, it might be possible to find even in “first world” literature some of what Jameson locates in third world allegory. That is, I want to suggest that these texts do not “recontain” the horror of what Jameson describes as “the archetypal deathbed murmur of Kurtz, in Conrad’s *Heart of Darkness*, ‘The horror! the horror!’”—a line which recalls our earlier consideration of the language used to describe the current financial crisis—but rather fully realize, by literalizing, a situation in which finance and violence are part of the same historical form. They do so precisely by connecting U.S. financial accumulation to third world debt and both, then, to the terrorist movements of the under-developed world.

*The Reluctant Fundamentalist* takes place over the course of a single day in a café in Lahore, Pakistan. The entire text is the monologue of a Pakistani university lecturer, Changez, who speaks to a silent American “you” who is either military or intelligence: we begin to realize, indeed, that this “you” may have been sent to assassinate Changez, whose lectures on the evils of U.S. foreign policy appear “in the occasional war-on-terror montage” on American news (182). Although Changez was born in Pakistan, he left for the U.S. and for Princeton; after graduation, he gets a job with Underwood Samson, a New York financial services corporation for whom he works as a “valuation analyst,” determining the value of companies before the company takes them over: “they told their clients how much businesses were worth, and they did so, it was said, with a precision that was uncanny” (5). At first, Changez fully assimilates to his new life: “On [the day I was hired],” he says, “I did not think of myself as a Pakistani, but as an Underwood Samson trainee” (34): that this complete identification, one which exceeds and overwrites even national identities, mirrors the affiliations of the religious “fundamentalists” is emphasized by the fact that Underwood Samson’s own motto is “Focus on the Fundamentals.” “At Underwood Samson,” Changez observes, “creativity...ceded its primacy to *efficiency*. Maximum return was the maxim to which we returned, time and time again. We learned to prioritize—to determine the axis on which advancement would be most beneficial—and then to apply ourselves single-mindedly to the achievement of that objective” (37). Here the allegorical parallel between terrorism and capitalism is largely metaphorical, scarcely more revelatory or dialectical than that made in DeLillo’s comparison of Keith and Hammad.

On 9/11, however, things begin to shift for Changez, first as he observes his initial response—“I stared as one—and then the other—of the twin towers of New York’s World Trade Center collapsed. And then I *smiled*. Yes, despicable as it may sound, my initial reaction

was to be remarkably pleased...I was caught up in the symbolism of it all, the fact that someone had so visibly brought America to her knees” (72-3)—and then as he begins to experience the harsh realities of post-9/11 New York. “I was struck by how traditional your empire appeared,” he says to the unnamed American. “Armed sentries manned the check post at which I sought entry; being of a suspect race I was quarantined and subjected to additional inspection; once admitted I hired a charioteer who belonged to a serf class lacking the requisite permission to abide legally and forced therefore to accept work at lower pay; I myself was a form of indentured servant whose right to remain was dependent upon the continued benevolence of my employer” (157). In this passage, in other words, the supposed “modernity” of the U.S. is radically undercut not only by the repressive security measures instituted by the PATRIOT Act, but by the very economic and class system in which Changez participates. This economic system shares the terrorist’s desire to “maximize return”: in one passage, the business euphemism “headcount reduction” uncannily recalls terrorist beheadings (the most infamous of these, the murder of Daniel Pearl, took place in Karachi, Pakistan).

More importantly, however, the text suggests that late capitalism actually creates the conditions of possibility for terrorism. In a passage that reminds us of our earlier discussion of circulation and liquidity, Changez’s boss Jim, who has a working class background, describes the economy as an animal: “First it needed muscles. Now all the blood it could spare was rushing to its brain. That’s where I wanted to be. In finance. In the coordination business. And that’s where *you* are. You’re blood brought from some part of the body that the species doesn’t need anymore. The tailbone. Like me. We’re from places that were wasting away” (97)—for Changez, of course, the place “condemned to atrophy” is Pakistan itself, which was “not always burdened by debt, dependent on foreign aid and handouts,” but was once as vibrant an empire as the US (101).

This emphasis on foreign debt as an imposed burden reminds us again of the need for an account of cultural form’s capacity to respond to what Derrida calls the “state of the debt” (in contradistinction to the existing literature on culture and credit). It also recalls Jameson’s description of the use of allegory in Sembene Ousmane’s *The Money-Order*, a novel about the Chaplinesque “Catch-22 dilemma” in which an uncashed money order “begins to melt away before an accumulation of new credits and new debts” (82). Jameson reads *The Money-Order* as an allegory for the crises faced by those third-world nations in which the discovery of immensely valuable national resources ultimately causes the nation to be plunged into a morass of unpayable debt. Although Hamid’s novel draws on thoroughly western narrative and aesthetic traditions, including existentialism and modernism, it too describes the relationship between third-world debt and first-world profit: in the novel, the secular “fundamentalism” of free market capitalism spreads precarity like a social contagion, and yet this virus always threatens to return to the source in the form of “fundamentalist” violence.

Far from being a form absolutely unavailable to the “situational consciousness” of the west, then, I want to read allegory as a *critical* form capable of describing the reliance of late capitalism on uncertainty and indebtedness. If there is a “situational consciousness” that makes possible allegories of “multinational capitalism,” indeed, it may be precisely the situational consciousness of the *inside* participant in *western* capitalism—after receiving a degree in corporate law, Hamid worked for a management company much like Underwood Samson; Viken

Berberian, author of *Das Kapital*, was a financial journalist for *Financial Times*. In *Das Kapital*, as in *The Reluctant Fundamentalist*, the connection between terrorism and finance is more than simply a metaphor, but rather the two represent dialectically intertwined logics and economic realms. Like Hamid's uncanny linguistic echo between "headcount reduction" and beheading, in Berberian's text the connection between profit and violence first appears at a somewhat playful metaphorical level in the novel's parody of the macho violence of the financial world. The novel's main character, Wayne, is a hedge fund manager who bets on the downside of market events—early in the narrative, Wayne says of his fellow traders that "He had warned them of the coming catastrophe, but they did not listen. Now they would have to pay with their lives" (5). Obsessed with the second-by-second financial news he receives on his Bloomberg monitor (which he calls The Gloomberg), Wayne sees this information as "a repository of the outside world; a guardian of numerical itineraries; a *facilitator of greater wealth and its destruction*"; the monitor is also metaphorized in military language, as Wayne describes feeling "like he was in the cockpit of a fighter jet, a creature of pure movement and speed. Trading was like space-time arbitrage, the twisting vectors of a supersonic jet. It did not matter whose side he was on" (3-4). Yet this relationship between violence and the markets is more than simply a metaphor: as in Todorov's definition of horror narrative, the figurative slowly and terrifyingly becomes literal, so that rather than being "like" a fighter jet, Wayne's Gloomberg tells him that the U.S. has "dropped bunker bombs on Syria," and Wayne makes a bucket of cash as a result (67). Wayne claims to believe that the market is inherently "prone to crisis and that crisis pitilessly tears asunder the social ties that bind man to his fellow man, leaving no remaining other nexus between men than naked self-interest" but eventually he begins to manipulate the market, thus *ensuring* the crisis he describes as both unavoidable and natural, by aiding a Corsican terrorist group (seemingly modeled on both EarthFirst and the Situationists) (19). "What [do] you bet on?" Wayne's girlfriend Alix asks him. "Crisis," he said. "Revolution, recession, devaluation, bankruptcy, war, genocide, earthquake, natural and man-made disaster, coup d'etat, nuclear meltdown; anything that might send a country into the scrap heap of history, You name it, we'll trade it" (76). As landmarks around the world are blown up and as the globe seizes with violence, Wayne waits "for the next global failure, a so-called ten-sigma event: a statistical freak occurring one in every ten to twenty-fourth power times...the mother of all disasters" (67). Wayne both guarantees the inevitability of the catastrophes he "bets" on, and ascribes it to the "deterministic destruction" of capitalism itself; obsessed with probability and resistant to the logic of the Heisenberg principle, he nonetheless creates his own feedback loop, a heightened (because allegorized) vision of insider trading.

Clearly neither *The Reluctant Fundamentalist* nor *Das Kapital* are naïve allegories in the classical tradition: insofar as they suggest a metaphorical relationship between finance and violence, they do so by self-consciously *staging* this connection, so that both immanent and transcendent meaning are fully a part of the novels' manifest content. But they are also not postmodern allegories of the sort that McHale describes, self-deconstructing narratives in which critique can only be raised at the level of textuality or representation. Instead, they are something like what Sommer calls "dialectical allegories" which feature an "interlocking," mutually constitutive or overdetermined relationship between the paralleled levels: the narratives as Sommer describes them are "loom-like, where the thread of the story doubles back and builds

on a previous loop...Instead of the metaphoric parallelism...which critics have found inevitable in allegory, here a metonymic association” is used to bring together terrorism and finance, violence and capitalism (74).<sup>37</sup> Indeed, we cannot say in the end whether terrorism is “like” finance or whether finance is “like” terrorism, since the emphatic message of both texts is to construct a relationship of mutual dependence between the material reality of terrorism and the imposition of repressive debt on third world nations by first world finance, and to suggest that violence masked as “creative destruction” is central to the logic of both capitalist-secular and nationalist-religious “fundamentalism.”

### **Allegory and moral hazard**

A review of *The Reluctant Fundamentalist* argues that the novel’s allegorical aspects give it a “slightly abstracted, thin-blooded quality” that departs from the “realm of psychology” and realistic detail to which the novel as a form is meant to be committed.<sup>38</sup> And yet Poovey’s account of the history of the novel suggests a more complicated genealogy, one that allows us to speak to the particular problem that I will suggest is posed in Tony Scott’s *The Taking of Pelham 123*: how to emphasize the need for extra-economic institutions to mitigate against the market’s most pernicious possible effects and simultaneously claim that the invisible hand of the economic system itself will magically take care of such risks; how to reassure participants in the economy that the collective good remains important even while propounding a laissez-faire ideology.

According to Poovey, the “primary function” of the 18<sup>th</sup> century novel was didactic: like allegory, the novel was meant to “encourage [readers] to cultivate moral virtues like prudence, moderation, and generosity” (137); although novelists sought to eschew the “stock characters” of classic allegory, nonetheless “a novel [...] could simultaneously [...] satisfy aesthetic criteria [and] convey moral lessons by eliciting identification with a virtual character, thus satisfying ethical criteria” (123). Indeed, the creation of novelistic characters who function, like allegorical characters, as “personified” abstractions was part and parcel of concomitant developments in what Poovey calls in *Modern Fact* “experimental moral philosophy.” Although the novel increasingly sought to differentiate itself from allegory, then, it nonetheless retained some of allegory’s didactic capacities precisely in order to negotiate the moral problems consequent on a newly-risky capitalist social order. As Poovey explains, none other than Daniel Defoe—among the earliest proponents of the novel—saw his experiments in fiction as “affiliated with the 18<sup>th</sup> c. philosophical experiments that theorized the relationship between individual behavior...and the dynamics of commercial society”; both the novel and moral philosophy, according to Defoe, were attempts to understand “the subjective motivations that would promote self-government in an increasingly commercial society” (*Genres* 124).

In particular, as Poovey makes clear in *Modern Fact*, Defoe and his contemporaries were concerned with the relationship between self-interest and government intervention, with finding “the proper ratio between mercantile freedom and government regulation” (159). This meant persuading members of the working class to participate in various insurance and pension schemes, a project which required (novelistic) forms of sentiment, identification, and affect to “marry what was essentially a free enterprise system to the subjective attitude necessary to make

it work” (160). Poovey’s account suggests, then, that the difference between an older allegorical form focused on the abstract and general and the novel, with its emphasis on particularity and specificity, was a mirror image of the problem that plagued both moral philosophy (to “negotiate the gap between the individual [...] and philosophical generalization”) and the burgeoning economic order (to negotiate the gap between individual interests and the collective good).

The fact that in modern western narrative, “the lived experience of our private existences is somehow incommensurable with the abstractions of economic science and political dynamics,” whereas in the allegory, “the story of the private individual destiny...[is] an allegory of the embattled situation of the public” may thus be read as indicative not simply of the difference between the multi-nationalism of the first world and the nationalism of the third world, but also of more particular differences in the economic positions of the first and third worlds (“Third World Literature,” 69). First, the difference between the “first world” novel and the “third world” allegory points to the difference between a first-world economy in which the significant credit relations are public institutions (banks) lending to private individuals or businesses, and a third world economy dependent on private creditors (foreign investors) lending to a public collective (the state). Second, the first and third worlds are subject to two very different regimes or logics of credit and default, and this too is indexed by the difference between the novel and allegory. In the first-world economy, it is up to the individual lender to determine the credibility of those to whom he lends (hence the complex character systems of the realist novel) and the risk of default is borne by the creditor (hence the novel’s ability to instill the proper “subjective motivations,” often by way of sentiment, identification, and the like). In the third-world economy, by contrast, the presumption is that the loans will *never* be repaid (hence the allegory’s lack of interest in providing its readers a specific character-system for evaluating credibility) and yet the penalty for undertaking this default risk is borne by the *debtors*, those individual citizens who bear the burden of the indebtedness of the abstract collective entity that is the state (hence the allegory’s capacity to represent a private that is always already public, to shuttle suggestively between the particular and the abstract). The novel, I am suggesting, is not simply the form of western/first-world individualism, but also of the *individual creditor*, who must be reassured of the certainty of his loans and whose investments must always be protected and insured by the same social public that the novel’s generic emphasis on individual specificity disavows. The allegory, at least in its more contemporary instantiations, is the form of the *national debtor*: of the collective borrower who is not only “burdened by debt, dependent on foreign aid and handouts,” as Changez puts it, but also entirely unprotected (public institutions typically being robbed of power by the forced privatization inflicted on third world nations when they receive foreign investment and credit).

In both Poovey’s historical genealogy (in which allegory slowly gives way to the novel) and Jameson’s formalist account (in which allegory residually exists in the third world), the co-presence of these two forms signals a transitional moment in which the distinctions between public and private, individual risk and collective security, and even creditor and debtor become blurred. Jameson’s essay allows us to see the ways in which the transition from allegory to novel is an uneven development, however we should be immediately struck by the fact that the economic situation described above—in which public entities are no longer creditors but

debtors and in which the likelihood of default is what makes the loan investment valuable—no longer simply applies the third world, but is the situation that led to the current US financial meltdown (moreover, the signal effect of the last few decades of financialization on the global economic order is that it is increasingly first-world countries who owe the most massive amounts). And as in the third world economies described both in *The Reluctant Fundamentalist* and in Jameson's central example, Ousmane's *Money-Order*, in the contemporary economy the *debtors* are paying the price for the risk undertaken by speculative lenders. This is the case not only because individual debtors are having their collateral taken away, as in *Drag Me to Hell*, but also because the problem Poovey describes as an 18<sup>th</sup> century dilemma—the contradiction between self-governance and governmentality, between public and private risk—remains a live one today, as banks and other private institutions are deemed “too big to fail” and the government is “forced” to bail them out with public funds.

In Jameson's account, allegory's capacity to mediate between the public and the private allows it to index a resurgent nationalism; by considering narratives in which the terrorist becomes an allegory for the relationship between first-world economic profit and foreign debt, I have suggested that allegory is also a figure for the violence that is at the heart of the speculator's private investment in public debt. I want to further suggest another alternative reading of this mediation; namely, the link between allegory and the development of forms of insurance, likewise tasked with narrowing the gap between the private (interest) and the public (good). Here too we can track a shift literary as well as economic form: for Poovey and Weithammer, the affective or sentimental aspects of modern fiction do “the work of ‘political arithmetic’” required to make private interest and public welfare seem identical and thus to justify the creation of insurance, whose aim is always to mitigate the traumatic consequences of loss and the collective uncertainty produced by risk (Weithammer, 2).<sup>39</sup> In our contemporary economy, by contrast, insurance itself has become speculative and risk-exploiting: investors profit off the very risks they themselves created, and thus off of systemic economic catastrophe, and public good is subordinated to private interest. The recent ubiquity of allegorical narratives in which debt, finance, and terrorism are paralleled is thus noteworthy not simply because it reveals a link between late capitalism—and particularly the financialization of debt—and violence, but also because it does so through a dialectical form in which the very relationship between the abstract/collective/political and the specific/individual/personal is vexed and overdetermined. Whereas the novel offers a robust and specific account of personhood while also reassuring its readers of the capacity of insurance to accommodate the needs of the social totality and to limit the power of a newly-autonomous private individual, these contemporary dialectical allegories index our very different contemporary situation, in which insurance is fully a private interest and in which there are neither institutional nor moral constraints preventing the self-interested individual from wreaking havoc on an increasingly connected social totality. Allegory, according to Jameson, refuses the “radical split between the private and the public, between the poetic and the political, between what we have come to think of as the domain of [...] the unconscious and that of the public world of classes, of the economic, and of secular political power”—Scott's film, I want to argue, uses this overdetermined and oscillating relationship between public and private to portray a rather different political situation. The film takes up the allegorical parallel between terrorist and financier specifically as a metaphor for the public's forced “investment”

(by way of bailouts) in the speculator's private debt, a situation which has recently raised the terrifying specter of what is commonly called moral hazard.

“Moral hazard” as a concept dates back to 17<sup>th</sup> century insurance industry, and refers to a situation in which a party is insulated from the negative consequences of a risk, encouraging him to take greater risks than he would if he had to suffer the risk's direst possible consequences: for instance, a captain whose ship was fully insured against damage might have incentive to take a more dangerous route if he thought it had a chance of getting him to his destination more quickly, since the potential gain would outweigh the potential loss. While the term originally had pejorative connotations—suggesting literally immoral behavior—its contemporary usage largely dates from the work of information theorist Kenneth Arrow in the 1960s and 70s: as business writer James Surowiecki puts it, Arrow claimed that “people who know they'll be reimbursed if their house burns down supposedly won't worry as much about preventing fires, and so will have more fires than people who don't have insurance.”<sup>40</sup> A quick search of US newspapers reveals that usage of the term has increased dramatically since the bank bailouts in fall 2008: in the nearly 30 years between 1980 and 2008, the term appears approximately 2300 times; in the merely 18 months between August 2008 and the present, it has occurred nearly 1500 times, largely because of the extension of the concept to describe the potentially negative consequences of government intervention in the banking sector. Those concerned today about moral hazard argue that if banks think the government will bail them out (because they are so interconnected to the larger economy that to do otherwise would risk the entire system), then banks will be more likely to take risks in the future. Decrying this argument as the idiocy of the “moral hazard fundamentalists,” Lawrence Summers defended the need for bail-outs, arguing that the typical fire insurance analogy was not entirely accurate: “[I]f there is ‘contagion’ as fires can spread from one building to the next,” he argued, “the argument for not leaving things to the free market is greatly strengthened.”<sup>41</sup> Summers' metaphor of an incendiary “contagion” is interesting not only because it is mixed, but also because it reminds us of our earlier discussion of toxicity and contagion. I want to suggest that the financialization of insurance—or the shift from hedging to speculation—raises problems of moral hazard broader and more systemic than Arrow's sense of asymmetrical information. Not only do speculators profit on cataclysmic destruction (whether terrorist attacks, hurricanes, financial calamity, or even death itself, as in the booming market in speculation on life insurance policies), but their participation in these speculative markets creates feedback loops making such catastrophes more likely.

Early insurance, as Weithammer details, was based on an interest in preserving fixity, on a logic of replaceability that promised “a valuable arrest of the changing unfenceable world” (15). By promising to transfer risk and distribute loss—by making loss collective rather than individual—insurance allowed “private interest...[to] serve and promote public welfare” (2). Insurance thus provided a model for the emerging capitalist—and particularly the corporate—commercial sphere, and served as a kind of hedge against its most brutal tendencies: although insurance was absolutely necessary to the emergence of joint stock companies and other novel capitalist enterprises, it also “carries within it the seeds of the market's alternative, a rationalization of social welfare through nonmarket redistributive means and a reliance on an idea of the public that suggests the public as a legitimate economic counterweight to private interests” (11). (As Poovey explains, early insurance took a public as well as a private form:

public insurance meant developing the mechanisms for government participation in the market economy by way of the development of national banks and national credit (*Modern Fact*, 159.) “Though many people have made a little money by insurance, very few have made a great fortune,” Adam Smith wrote in *The Wealth of Nations*, “and [so] it seems evident enough that the ordinary balance of profit and loss is not more advantageous in this than in other common trades by which people make fortunes.”<sup>42</sup>

And yet today’s exemplary “insurance” instrument, the Credit Default Swap (CDS)—a derivative contract in which one party pays a premium, as with an insurance policy, that will payoff if the underwritten credit instrument, typically a bond or loan, is defaulted on—has been able to make some investors and institutions quite extraordinary profits. Goldman Sachs, for instance, used these “insurance-like” contracts to make an estimated \$32 billion between 2006 and 2008. For Goldman to make this kind of profit required a major historical reversion in the role of insurance in the larger economy. Smith’s insistence that insurance is not a more profitable enterprise than any other was necessary in his own moment, since insurance had had its origins in dubious speculative lotteries: for insurance to appear to be in the public interest, this “moral cloud” over insurance had to be lifted. Thus the first major legal change was to make it illegal to take out a life insurance policy on someone else, mitigating the fear that buying insurance could be a ghoulish “gamble” on an event in which one had no other economic interest and whose social or public consequences were negative, and reducing the likelihood of moral hazard (since otherwise the policy holder would have an economic incentive to kill the insured, if he could profit by the insured’s death). The CDSs in which Goldman invested, by contrast, were completely unregulated: any investor, not only the holder of the loan, can buy a CDS “betting” on the likelihood of the loan’s default, as if I could buy fire insurance on your vacation home in Florida. Because they are purchasable by anyone, CDSs can not really be described as “insurance” or as “hedge” against economic risk, but are in fact a way to speculate on the likelihood of systemic financial collapse. To take the Goldman example, for instance, the firm was not buying CDSs to insure their other investments in bundled home loans, they were actually *selling* bundled mortgages in order to buy CDSs *on the same loans they were unloading to other investors* (on a single day in October 2006, for instance, they sold \$10 billion in mortgage backed securities after buying \$20 billion in CDSs from AIG). Because CDSs are not publicly traded—they are “Over the Counter,” or OTC, instruments—Goldman could continue bundling risky mortgages, sell those bundles to other investors, and then secretly buy CDSs to bet on the likelihood of those investments to fail. Not only were they selling products that their own investments suggested they had no confidence in, they made special efforts to appear as if they were still “bullish” on the housing market so that they could continue to profit off the CDOs they sold and to expect even greater returns on the CDSs they were buying; by selling to classes of investors relatively unprotected by federal regulations, they were able to avoid disclosing their own bearish position in the market. They even marketed the mortgages bundled by *other* investors, selling them through off-shore accounts that allowed them to exaggerate the ratings of the underlying securities. In other words, Goldman profited by the financial collapse that their own investments caused and encouraged. They even went to the trouble of dispatching lawyers across the country to repossess homes from bankrupt or financially struggling individuals—many of whom only got subprime mortgages in the first place because of Goldman’s investment



in the original securities—so that the CDSs on the properties could be cashed in. Despite the fact that they were big winners in the financial crisis, Goldman *also* profited by the federal bailout: then-Treasury Secretary Henry Paulson, a former Goldman chief executive whose staff at Treasury included several other Goldman alumni, not only allowed Goldman's main rival Lehman Brothers to fail, but also chose to rescue American International Group (AIG), the global insurer from whom Goldman had bought its CDSs: AIG would later use \$12.9 billion in taxpayer dollars to pay off Goldman.

It is precisely this situation, I want to suggest, that Scott's film allegorizes, and it does so by way of yet another narrative parallel between finance and terrorism. In the film, a terrorist who calls himself simply "Ryder" hijacks a New York City subway car containing 19 passengers. Speaking to an MTA dispatcher, Walter Garber, Ryder demands a ransom: "Look at the ticker and tell me what is the going rate for a New York City hostage today," he says, "Add this up you've got \$526, 315.79. Now times that by nineteen. That comes out to \$10 million and one cent. You keep that one cent, that's your broker's fee. [...] Now this is not a futures contract, this is a spot trade. That means there's a time limit [...]. After that, there's a late fee, and what do you think that late fee's gonna be?" "You're gonna start killing passengers," Garber responds. "No, *commodities* is what I'm gonna kill," Ryder replies. "Now they become more valuable this way, and still at the same price." Ryder's metaphors are obvious: the distinction between the "futures contract" and the "spot trade" here refers to the deadline—what we might again call the "expiration date"—at which he will begin to kill passengers; the language of stock value—the "ticker"—describes the ransom he expects for each life on the train. It soon becomes obvious that Ryder was indeed once a "Wall Street guy," an equity trader. When Ryder was caught stealing money from the city pension plan, he negotiated a plea bargain for three years, but because his case was taken up by the Mayor during his election campaign as "an example of the nonsense [h]e'd put an end to," Ryder was sentenced to ten years.

As in *Reluctant Fundamentalist* and *Das Kapital*, the allegorical connection between terrorism and finance run in both directions: Ryder watches the breaking news on his laptop: "Sell off hits market in terrorist enterprise panic," the reporter announces. "Is that what we are, an enterprise?," Ryder remarks, laughing. As Ryder watches the stock ticker and sees that the DOW index is down 1.7%, he remarks "The aircraft has begun its descent," a metaphor that clearly suggests the terrorist attacks of 9/11 (which are the implied backstory to much of the film): not only, then, is terrorism an "enterprise," but the stock market is a kind of terrorism. And indeed, it turns out that not only is Ryder a trader-turned-terrorist, but that his terrorism scheme is itself a kind of insider trading, an effort to take advantage of market feedback loops. As the mayor and his deputy grimly watch the stock market plummet, the mayor remarks, "If we'd anticipated this we could have made a lot of money"—it is in this moment that they realize that Ryder is not taking the train hostage for the ransom money, but in order to affect the stock market: he has used the \$2 million he stole from the city pension plan as "seed money," and the hijacking is intended to "panic the market into a drop"—"If you know what's coming you can make a great deal of money with two million," the mayor says, "The hostage money is nothing compared with what you could make on the market." The mayor correctly guesses that Ryder has bought options, a derivative contract that allows him to sell a particular asset on a certain date (the "expiration date") at a certain price. Specifically, Ryder has bought a "call option" on

gold, which tends to rise dramatically when the overall market falls: as a result of the terrorism scare, the DOW is down 7% and the dollar has plummeted 6%; gold's value, however, has increased 890% and, as Ryder's own Bloomberg reveals, his \$2 million investment is now worth \$307 million.

The specificity with which the film describes this transaction is not merely a contribution to its reality effect—rather, the specific kind of trade Ryder makes serves to buttress the film's dialectically-allegorical connection between finance and terrorism. Ryder refers to the passenger-hostages as both “insurance” and as “leverage”: “Hostages are good insurance, by the way I see it,” he says, “But I'm not gonna kill all these hostages, cause then I'd give up my leverage.” Both of these terms—insurance and leverage—likewise explain the function and the power of call options themselves. Options are ostensibly a hedging instrument (a form of insurance) since they enable the purchaser to make money even if the market goes down; typically, however, they are used more speculatively, and their tremendous value for speculators lies precisely in their capacity to use leverage. Unlike short selling (in which the investor anticipates a downturn in the value of an asset and thus sells assets borrowed from a third party with the intention of repurchasing them once the price has fallen), options can be purchased at a fraction of the cost of the commodity itself: an option buyer can pay a relatively small premium for the right to purchase or sell a large number of assets, and thus can make a large profit from comparatively small percentage moves in the underlying index. This is why Ryder is able to make a 1500% profit on the 890% increase in the value of gold: his \$2 million purchased market exposure to a great deal more than \$2 million of gold; as with the hostages, the “value” is greatly in excess of the “price.” Leverage, in other words, describes the exponential logic of both terrorism and finance, and much as the “value” of the hostages lies in his ability to kill them, his profit on the market is dependent on his willingness to actually force its collapse.

The concern about “moral hazard” in contemporary political discourse has largely been about the blurring of the relationship between public and private that occurs when the federal government bails out private institutions, and *Pelham* is similarly interested in the relationship between public and private, and particularly between public and private responsibility. Garber emphasizes over and over that he is “just a civil servant,” but Ryder refuses to allow him to obviate responsibility: “Who's responsible for who lives and who dies in New York?”, Ryder asks. “I'm just the...what'd you call me? The broker,” replies Garber, to which Ryder answers “No no no, you represent the city of New York right now.” The broker (representing himself, earning his “broker's fee,” as Ryder describes it) and the civil servant (who represents “the city”) become interchangeable, the distinction merely a temporary oscillation of roles. Similarly, the Mayor is a public servant who ultimately represents only his own private interest. A Bloomberg-like character, the Mayor is a billionaire who takes only \$1 a year in pay for his job as a public servant and public representative, but who is in fact entirely self-interested: when Ryder offers to let all the passengers go if the Mayor will come take their place, the Mayor says no, thus refusing the very logic of representation on which his public position is based. Garber, by contrast, is an exemplary public servant despite the fact that it turns out he has been guilty of accepting a \$30,000 bribe. Ryder even sees himself as having been a kind of public servant when *he* was a broker: “You're just like me, Garber,” he says. “We fueled this city, we fed it breakfast every morning, and now we're the bad guys.”

Insofar as the film concerns responsibility and the vexing problem of self-interest, it is also concerned with the question of “value”—as a metaphorical conjoining of the moral and the economic—and with the very problems of representation, substitution, and redemption that I argued were complicated by *Drag Me to Hell*. In a metaphor that is repeated throughout the film, Ryder says to Garber “You know we all owe God a death, and I’m a man who pays his debts. Are you a man who pays his debts?”—here, the linguistic play between death and debts suggests the very problem of value and life raised by Ryder’s willingness to put a “price” on his hostages. While Ryder reads death as a debt, Garber reverses the trope, reading debt as death: “Yeah, you know, the cable bills, the mortgage, that feels a little like dying every month.” If the transformation of insurance markets into an acceptable form of economic exchange required that it no longer be possible to profit by speculating on someone else’s death, this film indexes the anxieties inherent in an economic order in which it is possible to profit on collective economic misery. It does so by figuring the exchange of money for life as the activity of both the hostage-taker and the speculator who profits off economic collapse (we might indeed read it as a kind of prescient response to the fact that in the collapse of the housing market, the newest form of financial profitability has been speculation in bundled life insurance policies).

Further, the film explicitly plays on the metaphors of moral and economic debt described in the previous section: “I don’t know what you owe God,” Garber says to Ryder, “But I can tell you that you can’t pay him in cash.” Unlike *Drag Me to Hell*, however, *Pelham* is committed to redemption, and it takes seriously the way in which the idea of redemption overdetermines the relationship between economic and ethical value—“Are you a bad penny?” Ryder asks Garber, referring to Garber’s guilt in the bribery scandal. The conclusion of the film presents Garber’s struggle against Ryder as an effort at moral redemption, the payment of his debt to society. “You thought by coming down here you’d be redeemed, didn’t you?” Garber says to him skeptically, but in fact this does seem to be the film’s conclusion, since the Mayor offers Garber a full “pardon” in exchange for his heroism. Whereas *Drag Me to Hell* constantly undermined the possibility of the sacrificial scapegoat, *Pelham* not only has Garber, who is forced to confess to his bribery in order to save one of the passengers, but also has an unnamed passenger (an ex-Marine, yet another public servant and sacrificial representative) who is shot when he puts himself in the place of a young mother on the train who Ryder is threatening to kill. The film thus embraces a kind of didactic moral message, as both of these heroic public servants are contrasted to the Mayor, that self-interested official who refuses to exchange his own safety for that of the 19 passengers. As a result, the film fully embraces the allegorical form, even down to some of the character names—the mayor is simply “Mayor,” while the pseudonym selected by “Ryder” clearly refers to his use of the subway system.

Precisely insofar as *Pelham* redeems public servant Garber, however, it refuses to redeem the economic order from which Garber—for whom each mortgage payment is like a death, and who only took the bribe to pay for his daughter’s college tuition, otherwise unaffordable on a civil servant’s salary—is starkly excluded. In this sense, both *Pelham* and *Drag Me to Hell* are allegories of an *unredeemable* financial order that has created both moral and economic debts that are entirely beyond repayment. In this sense, they are exemplary of allegorical form itself: as Jim Hansen puts it, allegory “depict[s] the failure, isolation, and horror of [the] contemporary world. [It]...points not to redemption, but only to the Fall itself, only to the dated and the

worldly. Hence its function as an object is critical and mortifying rather than harmonizing and reconciling” (671). It is worth pausing on Hansen’s emphasis on the “contemporary world” which allegory uniquely reveals: as what Benjamin calls a “speculative counterpart” to the symbol, allegory is oriented towards the future—constantly deferring, De Man argues, the closure of meaning—but it is also a form distinctly of the present: “Allegories become dated, because it is part of their nature to shock” (183). Not only do these dialectically-allegorical narratives give us some access to the horrors of our own contemporary moment, then, they do so in a manner that precisely subverts the tendency to represent economic transformation as progressive modernization: “in allegory,” Benjamin writes, “the observer is confronted with the *facies hippocratica* of history as a petrified, primordial landscape” (166). Allegory thus reveals the violence that is the dark heart of capitalist history itself, so that there is again a relationship between the form of these contemporary narratives and their content.

Allegory, Benjamin writes, “declares itself to be beyond beauty...[it] pile[s] up fragments ceaselessly...The perfect vision of this new phenomenon was the ruin...” (178-9). In closing, then, I want to turn to one final image that speaks powerfully to these familiar Benjaminian ruins. Part of a *Newsweek* photodocumentary series titled “Evictions: America’s Housing Crisis,” this photo was taken in February 2008 in Adams County Colorado and shows the eviction of Tracy Munch and her four children.



**Figure 8:** *Newsweek* photograph of an eviction

Tracy is surrounded by the contents of her own home; buffeted by the wind, and backgrounded by a darkening sky, she recalls Benjamin’s famous angel of history, whose allegorical representation also draws on the specific aesthetics of the horror genre:

Where we perceive a chain of events, [the angel] sees one single catastrophe which keeps piling wreckage upon wreckage and hurls it in front of his feet. The angel would like to

stay, awaken the dead, and make whole what has been smashed. But a storm is blowing in from Paradise; it has got caught in his wings with such violence that the angel can no longer close them. This storm irresistibly propels him into the future to which his back is turned, while the pile of debris before him grows skyward. This storm is what we call progress.<sup>43</sup>

Because they are littered across her yard, the contents of Tracy's house appear as "wreckage," revealing the other side of finance capital's relentless liquidation: her belongings here are virtually unexchangeable, "trapped" in the form of meaningful objects like furniture and children's clothes and thus worth as little in liquid capital as Christine's pawned goods. This image emblemizes the debtor unspoken for in critical accounts of the ideological needs of creditors, showing us the Collateralized Debt Obligation's most obvious collateral damage. Tracy's life itself is radically and precariously subject to a financial calculus of the subprime, of possession and repossession, reminding us of the French roots of the word mortgage, or dead pledge. Under an economic system in which risk is sought-out, leveraged, and financialized—developments we have for too long called progress—it is hard to hope for the equilibrium, the making whole, of what Blackburn describes as "poetic justice." As long as engineered catastrophe is the basis of both our economy and our social order, payback will mean only the excesses of an unearned and undeserved revenge, the vengeance of a system that can build only with the deadly debris it has created.

## Endnotes

---

- <sup>1</sup> Mary Poovey, *Genres of the Credit Economy* (Chicago, IL: U Chicago Press, 2008), 2, emphasis mine.
- <sup>2</sup> Baucom, *Specters of the Atlantic: Finance Capital, Slavery, and the Philosophy of History* (Durham, NC: Duke University Press, 2005), 260-1.
- <sup>3</sup> Eric Wertheimer, *Underwriting: The Poetics of Insurance in America, 1772-1872* (Stanford, CA: Stanford UP, 2005), 114.
- <sup>4</sup> Patrick Brantlinger, *Fictions of State: Culture and Credit in Britain 1694-1994* (Ithaca, NJ: Cornell UP, 1996), 205. See also Jean-Joseph Goux, *The Coiners of Language* (Norman, OK: U Oklahoma Press, 1996) and Walter Benn Michaels, *The Gold Standard and the Logic of Naturalism: American Literature at the Turn of the Century* (Berkeley, CA: U California Press, 1988).
- <sup>5</sup> Mary Poovey, *History of the Modern Fact: Problems of Knowledge in the Sciences of Wealth and Society* (Chicago, IL: U Chicago UP, 1998), 27.
- <sup>6</sup> Deirdre Lynch, *The Economy of Character: Novels, Market Culture, and the Business of Inner Meaning* (Chicago, IL: U Chicago Press, 1998), 5.
- <sup>7</sup> Although Baucom's description of the slave "as human collateral against the payment of a debt" presents a darker and less harmonious description of credit markets, his is nonetheless a description of the naturalization of *credit*—of the credit economy's imperatives of evaluability, trustworthiness, comparability, etc.—and not a description of the experience of debt (89).
- <sup>8</sup> J.G.A. Pocock, *Virtue, Commerce, and History: Essays on Political Thought and History* (Cambridge, UK: Cambridge UP, 1985), 98.
- <sup>9</sup> Marc Shell, *Money, Language, and Thought: Literary and Philosophical Economies from the Medieval to the Modern Era* (Baltimore, MD: Johns Hopkins UP, 1993), 7.
- <sup>10</sup> Detlev Zwick and Janice Denegri Knott, "Manufacturing Consumers: The Database as the New Means of Production." *Journal of Consumer Culture* 9 (2009): 221-247.
- <sup>11</sup> Jacques Derrida, *Given Time. 1. Counterfeit Money* (Chicago, IL: U Chicago, 1994), 12.
- <sup>12</sup> Jacques Derrida, *Specters of Marx: The State of the Debt, the Work of Mourning, and the New International* (New York, NY: Routledge, 1994), 63, 94.
- <sup>13</sup> Margaret Atwood, *Payback: Debt and the Shadow Side of Wealth* (New York, NY: Anansi Press, 2008), 163.
- <sup>14</sup> Franco Moretti, *Signs Taken for Wonders: On the Sociology of Literary Forms* (London: Verso, 2005), 108.
- <sup>15</sup> Sam Raimi, dir. *Drag Me to Hell* (Hollywood, CA: Universal Pictures, 2009).
- <sup>16</sup> Warren Buffet, "Berkshire Hathaway Chairman's Letter," downloaded March 2010 from <http://www.berkshirehathaway.com/letters/letters.html> (2002), 13.
- <sup>17</sup> Gillian Tett and Paul J. Davies, "Out of the Shadows," *Financial Times* Dec. 16 2007.
- <sup>18</sup> Abigail Hofman, "Barclays and the Fear of the Unknown," *Euromoney* Sept. 2007.
- <sup>19</sup> Peter Wuss, "Narration and the Film Structure for Three Different Learning Phases." *Poetics* 19 (1990): 549-570, 567.
- <sup>20</sup> The Motley Fool site, a public forum for investors, suggests the following experiment in which risk intolerance is itself a kind of horror film: "If you can make investments in Internet

---

stocks and sleep well at night, then you are on course. On the other hand, if you toss and turn like a person in need of an exorcism, you probably have passed through your comfort zone and into that area between dusk and dark.”

<sup>21</sup> Michael Rubenstein, “The Waters of Civic Finance: Moneyed States in James Joyce’s *Ulysses*.” *Novel* 36.3 (2003): 289-306, 298.

<sup>22</sup> John Maynard Keynes, *The General Theory of Money, Interest, and Money* (New York: BN Publishing, 2008), 155.

<sup>23</sup> Carol Clover, *Men, Women, and Chainsaws* (Princeton, NJ: Princeton UP, 1993).

<sup>24</sup> Robert Brenner, “What is Good for Goldman Sachs is Good For America: The Origins of the Current Crisis,” downloaded from <http://rikowski.wordpress.com/2009/10/11/robert-brenner-on-the-origins-of-the-current-crisis/> (April 2009), 5.

<sup>25</sup> Moretti actually distinguishes between Shelly’s novel and Stoker’s in terms of their effect on the reader: “*Frankenstein*...does not want to scare readers, but to convince them. It appeals to their reason. It wants to make them reflect on a number of important problems (the development of science, the ethic of the family, respect for tradition) and agree—rationally—that these are threatened by powerful and hidden forces.” In *Dracula*, on the other hand, readers are “dragged forcibly into the text; the characters’ fear is also theirs....The restoration of a logical order coincides with unconscious and irrational adherence to a system of values beyond dispute.” In both cases, however, a system of readerly identification (with arguments or with characters) enables a simple and seemingly unavoidable capitulation to the texts’ didactic level of meaning.

<sup>26</sup> Paul De Man, *Allegories of Reading* (New Haven, CN: Yale U.P., 1979); Walter Benjamin, *The Origin of German Tragic Drama* Trans. John Osborne (London: Verso, 2003).

<sup>27</sup> Fredric Jameson, “Third World Literature in the Age of Multinational Capitalism,” *Social Text* 15 (Autumn 1986): 65-88, 73.

This sense of allegory is quite distinct, then, from what Jameson describes in *The Political Unconscious* as the “cumbersome” mode of “allegorical master narratives” associated (by Althusser) with the “vulgar Marxist theory of...base and superstructure” and (by Deleuze and Guattari) with the Freudian mode of interpretation in which “the data of one narrative line are radically impoverished by their rewriting according to the paradigm of another narrative, which is taken as the former’s master code or Ur-narrative and proposed as the ultimate hidden or unconscious meaning of the first one” (29, 32, 22).

<sup>28</sup> Whereas the horror tale, for Moretti as for Todorov, turns innocuous metaphors horrifyingly literal, these texts (like Raimi’s film) expressly contain both the imminent *and* the transcendent levels of the allegory as part of their manifest content. Thus while I will suggest that Hamid, Berberian, and Scott construct a more complex, speculative, and dialectical mode of allegory than do Egan and DeLillo, I am not interested here so much in creating a kind of typology (or still less a hierarchy) of allegories of financial crisis as in emphasizing that allegory is not simply my own reading practice as a form with which these texts are self-consciously engaged.

<sup>29</sup> Fredric Jameson, “Culture and Finance Capital,” *Critical Inquiry* 24.1 (Autumn 1997): 246-265, 264.

---

<sup>30</sup> Bernard Cowan, "Walter Benjamin's Theory of Allegory," *New German Critique* 22 (Winter 1981): 109-122, 111.

<sup>31</sup> Fredric Jameson, "The End of Temporality" *Critical Inquiry* 29.4 (Summer 2003): 695-718, 708. Jameson never makes explicit this relationship between symbol and allegory, nor does he express the idea that his autonomous postmodern fragment might mark a return to the former. To the contrary, he suggests in the closing moves of "The End of Temporality," that the film *Speed* presents a fragmentation that itself is ultimately allegorical. Yet this twist is that although here allegory *seems* aligned with the autonomous fragment—and related to the end of temporality rather than being the temporal form par excellence (as Benjamin would have it)—in fact the proliferation of allegorical "messages" actually pushes against the film's effort to represent immediacy and fullness, undermining the plenitude of any "reductions" (to the body, to space).

<sup>32</sup> Doris Sommer, "Allegory and Dialectics: A Match Made in Romance" *boundary 2* 18.1 (Spring 1991): 60-82, 63.

<sup>33</sup> This is, I would speculatively suggest, a very 90s vision of capitalism (or, what amounts to the same thing, a vision of a very 90s capitalism), where two repressions take place at once: first, the fact that "Nike" (to take the most common exemplar) is profitable not simply because of a contemporary reduction of actual objects to their autonomous symbols, but also because of the virtually free foreign labor that produced the actual object in the first place; and second, the fact that the 90s were in fact dominated by financial and speculative modes of accumulation, and the apparent hegemony of an magically autochthonous service-and-consumer goods economy was itself only made possible by the tremendous growth in consumer debt.

<sup>34</sup> The novel includes a character, Moose—a disgraced professor who is suffering a kind of nervous breakdown—who meditates on the very historical transformations the novel is symptomatic of: speaking about the development of the mirror, he observes "But surely the most shocking revelation had been people's own physicality, their outward selves blinking strangely back at them from mirrors...Lacan's mirror phase wrought large upon whole villages, whole cultures! And yet, as was the case with nearly every phenomenon...a second transformation followed the first and reversed nearly all of its gains, for...the present blindness came from too much sights, appearances disjoined from everything real, afloat upon nothing, in the service of nothing, cut off from every sources of blood and life" (109).

<sup>35</sup> Brian McHale, *Postmodernist Fiction* (New York: Routledge, 1987), 140.

<sup>36</sup> James Wood, "Black Noise," *The New Republic* (Thursday, July 5, 2007).

<sup>37</sup> Although Sommer's argument sounds quite like Jameson's, she suggests that in fact, "Jameson's recuperation of allegory...returns the word to a parallel, static, and ahistorical structure" because for him, reading these texts as allegorical allows us to "go beyond the rather unremarkable surface narrative to 'an unveiling or de-concealment of the nightmarish reality of things, a stripping away of our conventional illusions or rationalizations about daily life.'" (72-3). I do not think Jameson is quite as undialectical as Sommer suggests, but in either case my aim is to understand the way in which the "metonymic" or dialectically-allegorical connections made by these novels *also* allow us to "strip away" the illusions of capitalist ideology; contra Jameson, however, I do not think that this form is in some way the essential property of the third world, but rather want to claim that the very experience of capitalist breakdown and financial crisis



---

gives us in the west equal access to something other than “the view from the top” which “reduces its subjects to the illusions of a host of fragmented subjectivities, to the poverty of the individual experience of isolated monads, to dying individual bodies without collective pasts or futures bereft of any possibility of grasping the social totality” (85).

<sup>38</sup> As this review points out, this arguably extends even to the names of the characters: “It dawns on you that Erica is America (Am-Erica) and that Chris's name has been chosen to represent the nation's fraught relationship with its moment of European discovery and conquest, while the narrator himself stands for the country's consequent inability to accept, uh, *changez*.”

James Lasdun “The Empire Strikes Back,” *The Guardian* (March 3, 2007).

<sup>39</sup> If Poovey's analysis of early credit markets emphasizes the extent to which new forms of “character” analysis had to emerge to prevent loss—or at least to reassure creditors that they could reduce their exposure to possible loss—Baucom and Weithammer's histories of insurance, and its historical and formal relation to early finance and credit, focus instead on the institutional and civic ways in which the inevitability of loss was rationalized, and its possible consequences mitigated. Yet the very act of underwriting—particularly the way in which it requires a record of losses both physical and fiscal—exposes the very losses it seeks to rationalize. There is thus minimally a mournful darkness, and at most a perverse, violent monstrosity, at the core of the insurance contract, which must imagine the possible future destruction even before its occurrence. Insurance underwriting, Weithammer explains, is the “the mechanism by which economic actors in our society transfer risk and distribute loss”; in Benjamin Franklin's practical optimism, then, Weithammer finds an attempt to “void the notion of trauma...that sinkhole of fear and illegibility” by way of rendering “everything readable and printable,” yet still “women are widowed, buildings are burned, a son dies” (xvi). For Baucom, the relationship of insurance and loss, and particularly bodily damage is more violent: reading a list of the compensatory insurance payments made to colonial soldiers he finds “a decorporealizing logic of equivalence that confidently translates a lieutenant's foot into 5 shillings a day, a clerk's eyes into a one-time payment of 40 pounds” that gives the scene a “surreal,” “Frankenstein-like” quality (6). Baucom's demand that his reader “not skim, [but] read” the catalogues of “underwritten property” carried on slave ships is meant to counteract what he describes as the logic of insurance, a logic of abstract, typification, and generalization that obscures precisely the violence on which it is based. This effort at monetarizing the body and “convert[ing] history...into a calculable matter of credits and debts” thus does not counteract, but rather emblemizes the logic of finance capital with its desire to “convert anything it touches into a monetary equivalent” (7). Thus whereas Weithammer emphasizes the extent to which literary writers like Emerson and Franklin reveal the “irrevocability” of loss and the impossibility of commensuration, Baucom, by centering his analysis on the body of the slave, points precisely to the existence of a “human body incessantly attended by a...monetary equivalent” (7).

<sup>40</sup> James Surowiecki, “Hazardous Materials,” *New Yorker* (February 9, 2009). Accessed online March 2010 at

[http://www.newyorker.com/talk/financial/2009/02/09/090209ta\\_talk\\_surowiecki](http://www.newyorker.com/talk/financial/2009/02/09/090209ta_talk_surowiecki).

---

<sup>41</sup> Lawrence Summers, “Beware the Moral Hazard Fundamentalists,” *Financial Times* (September 24, 2007). Accessed online in March 2010 at <http://blogs.ft.com/economistsforum/2007/09/beware-the-mora.html/>.

<sup>42</sup> Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*. (London: T. Nelson and Sons, 1895), 45.

<sup>43</sup> Walter Benjamin, *Illuminations* Ed. Hannah Arendt (London: Schocken Books, 1969), 257.