

Profanity and the Financial Markets

A User's Guide to Closing the Casino

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I want to begin, not with a curse but with a very beautiful convergence, one that is widely held to be real, but shrouded in mystery for millions of people. I am talking about the “movement of the squares” unfolding on both sides of the North/South divide. What is the hidden link between the middle-class and precarious movements against the dictates of finance capital – Occupy Wall Street and the European Indignados – and the far more perillous struggles to end dictatorships in North Africa and the Middle East? What relationship could possibly be sustained between the regions that concentrate global wealth and those from which labor, resources and interest payments are relentlessly extracted?

Immanuel Wallerstein claims that the uprisings in the Middle East and North Africa pit two historical groups against each other. One he calls the “1968 current,” which consists of non-violent, directly democratic grassroots movements that challenge all forms of exclusion and abuses of power, in the name of an equality that includes respect for fundamental differences. The other group consists of people who oppose such movements and seek in whatever way to capture, contain and neutralize them – and in North Africa and the Middle East, that chiefly means holders of oil wealth and US-backed dictators. For Wallerstein, today’s uprisings are a continuation, after decades of latency, of “the world-revolution of 1968,” which lasted by his account from 1966 to 1970.¹

If this is true, then the people out in the streets today at least share a history. Because the world-revolution of 1968 also took place in Europe and in the United States, where it revolved crucially around solidarity and direct cooperation between Northern middle-class students and intellectuals and oppressed people in the South – which in the US meant not only Vietnam and Latin America, but also the South of our own country. Whites went to Alabama, Georgia and Mississippi to work with the civil rights movement. Oppressed minority groups, especially the Black Panthers, read Frantz Fanon and other anti-colonial thinkers, and came to designate themselves as Third World peoples. The New Left sought to express its support for the Vietnamese revolutionaries by “bringing the war back home.” A vast, unruly and often failed experiment in cross-class, cross-border collaboration defined the “1968 current.” But is this historical memory enough to explain the convergence of direct-democratic practices in the movement of the squares?

¹ Immanuel Wallerstein, “The Contradictions of the Arab Spring,” on Al Jazeera English (Nov. 14, 2011), <http://www.aljazeera.com/indepth/opinion/2011/11/20111111101711539134.html>.

I don't think it is. To uncover the more complex grounds on which we meet, it's necessary to look back to the reactionary surge that followed 1968, ultimately giving rise to neoliberalism. It began in the US with the election of Richard Nixon. He ran on a law-and-order platform, and his administration crushed domestic dissidents with covert operations, legislated "spatial deconcentration" programs for inner-city gentrification, invented SWAT teams for attacks on the ghettos, launched the prison-industrial complex and offered support to the military regime of Pinochet in Chile, opening the door to the coordinated repression of the Latin American left by Operation Condor in the later 1970s. Nixon also presided over the settlement of the 1973 Arab-Israeli war and the OPEC embargo. That led on the one hand to the US stabilization of Egypt (with military aid formalized in 1979 as part of the Camp David accords), and on the other, to the new petroleum prices and the introduction of a capital circuit linking Western banks, engineering firms and armament makers to the most oppressive oil-exporting regimes. The whole process cemented the position of authoritarian leaders in the Arab world and provided the cash for a major round of predatory lending to developing countries across the planet. The dictators that have recently fallen in North Africa and the Middle East date from this period. Thus both domestically and internationally, the 1970s saw the installation of a police and military order that sought, and still seeks, to capture and contain the "1968 current."

As police rapidly militarize in the North, the experience of repression becomes another thing that today's movements share – unequally, as usual. Yet again that's not the whole story, and a further moment of history must be considered. In the US and throughout the developed countries, student protest and the emergence of a counter-culture appeared to herald the rise of a "new class" capable of grasping the levers of power in increasingly bureaucratic systems. This "new class" consisted of administrators, scientists, engineers, educators, social workers, opinion-makers and artists.² It was nurtured in the liberal universities of the welfare state, at a time when the functions of government had dramatically expanded, leaving the old patricians behind. Decision-making by committee had replaced the leadership of "great men," and the private ownership of corporations was increasingly considered a legal fiction.³ To neoconservative eyes, the student revolt threatened to radicalize what was already a mainstream trend toward collective control of the American political economy. The societal struggle of the 1970s, at a time of deep economic crisis, revolved around furthering or blocking this possible takeover of power.

More recent sociological thinking observes that after the period of widespread alienation accompanying each major crisis, a reformed and transformed capitalist system has to succeed in reintegrating its qualified managerial and technical personnel along with the producers of artistic and intellectual culture.⁴ The new order has to recover the confidence of those who will be charged with administering and reproducing its logic. How was this achieved from the 1980s to today, with respect to the professional-managerial classes of North America and Europe, and indeed, to similar strata in the developing world? The answer to this question will reveal both the glaring divide and the hidden links between the Northern and Southern movements.

Here's my idea: the integration of the professional-managerial classes to the neoliberal phase of capitalism has been accomplished by a complex, but unified and deeply pervasive mechanism, which may be called the *financial apparatus*. Or you can just call it the casino. Its operations can be felt across the spectrum of society, not only in business but in art, education, public administration, technology, the media, urbanism, diplomacy, and most acutely of all, in social psychology. The

2 Three books on the new class appeared in a single year: Pat Walker, ed., *Between Labor and Capital* (Boston: South End Press, 1979); A.W. Gouldner, *The Future of Intellectuals and the Rise of the New Class* (New York: Seabury, 1979); and B. Bruce-Briggs, ed., *The New Class?* (New Brunswick: Transaction Books, 1979). The first reprints a crucial essay by Barbara and John Ehrenreich on "The Professional-Managerial Class" and the third gives neocon viewpoints.

3 For the issues of ownership and control, see A. A. Berle and G.C. Means, *The Modern Corporation and Private Property* (New York: Harcourt, Brace and World Inc., 1968/1st ed. 1932); James Burnham, *The Managerial Revolution* (New York: John Day, 1941); and J.K. Galbraith, *The New Industrial State* (Boston: Houghton Mifflin, 1967).

4 See Luc Boltanski and Eve Chiapello, *The New Spirit of Capitalism* (London: Verso, 2005/1st French edition 1999), as well as my text "The Flexible Personality" (2002), <http://eipcp.net/transversal/1106/holmes/en>.

necessary converse of systematic military repression is an adrenaline-charged roll of the electric dice. When we occupy Wall Street in the global financial capital of New York City, or any other financial district in any other city, what we do is to oppose the integrative strategy of those who seek to capture, contain and neutralize the effects of world revolution. In this way we stand in solidarity with our brothers and sisters in the North Africa and the Middle East (and in Latin America and other regions) by taking actions which are in no way identical, but instead run parallel to theirs. Could one cross the line, to direct cooperation? Let's hold on to that question.

Global Gamble

Marxists like David Harvey interpret the financial turn that began in the early 1970s as a *class strategy* to restore the prerogatives of ownership, giving rise in our time to the power of the worldwide 1%.⁵ Others such as Michael Hudson or the late Peter Gowan concentrate on the strategies of the American state: structural support for neoliberal finance is Washington's "global gamble" to maintain control over the international monetary system.⁶ Gérard Duménil and Dominique Lévy integrate both approaches, but they also introduce a crucial class concept. In their view, Keynesian Fordism represented a compromise between the middle and working classes, while under neoliberalism (or Neoliberal Informationalism) the middle classes have been sucked back into the service of capital.⁷ The question we will have to ask is, how did the cultural formations of the welfare state metamorphose into those of corporate globalism? What were the ethical and aesthetic pathways of this political power shift? The "global gamble" is not only a capitalist or governmental strategy but above all a societal passion, one that has acted to disable any emancipatory moves within the professional, cultural and educational spheres until very recently.

To understand the results, let's look into one of those agitated scenes that currently holds the middle classes so deeply in thrall. I'm thinking of the UBS facility in Stamford, Connecticut, some thirty-five miles north of Manhattan.⁸ It's the world's largest trading floor: 103,000 square feet of desks, computers, keyboards and monitors, with designer seating for some 1,400 traders exchanging up to \$1.5 trillion a day beneath a single overarching roof. Zurich-based UBS specializes in foreign exchange and wealth management, but like other transnational megabanks it deals in everything: stocks, commodities, bonds, money markets, derivatives, asset-backed securities and all the arcana of structured finance. Staring endlessly into personalized arrays of three to eight screens, the traders watch Bloomberg news feeds, spread sheets, continually updated price displays and database graphics showing candlestick charts and moving averages as well as their own market positions and trading histories. They buy and sell through single-key voice-broker telephones, networked dealing systems and automated trading programs, and they communicate with each other through glances, gestures, brief comments, the occasional shout and an intensive use of MindAlign chat and video-conference software. Group leaders, software designers, middle managers, computer techs and other support personnel share the same open floor plan, to maximize interactivity. The bank is wired into a securitized global network of fiber optic cable provided by Hibernia Atlantic, with a special low-latency link to the UK under construction today, so that high-frequency traders can take advantage of transoceanic speeds down to 60 milliseconds.⁹ Of course, by the time the new cable kicks in the bank may have already collapsed or been restructured, since UBS took major hits on subprime mortgage derivatives and has since been plagued by leadership issues and rogue trading, as well as persistent difficulties in recruiting qualified personnel for this location too far from Wall Street and Park Avenue. Stability, in any case, has never been promised by today's financial institutions. Instead they claim to manage risks.

5 David Harvey, *A Brief History of Neoliberalism* (Oxford U.P., 2005).

6 Michael Hudson, *Super Imperialism* (London: Pluto Press, 2003/1st ed. 1972); Peter Gowan, *The Global Gamble* (London: Verso, 1999).

7 G. Duménil and D. Lévy, *The Crisis of Neoliberalism* (Harvard U.P., 2011), esp. chs. 1 and 5.

8 For a photo-essay about the site, see <http://www.advancedtrading.com/photos/trading-floors/ubs>.

9 <http://www.hiberniagfn.com/network.php>.



The official functions of banks like UBS are to raise capital for long-term productive investments, to provide liquidity for the month-to-month and day-to-day borrowing on which all business and public-sector activity now depends, to offer investors appropriate rewards for risks incurred, and to hedge against every kind of natural and artificial disaster that might affect the invested sums – including those disasters generated by the dealers themselves. The unofficial function of the banks is to make obscene profits by whatever means necessary, to distribute as much of them as possible to insiders by way of bonuses and stock options, and to shunt losses off to naive individuals or government guarantors. Recent events, from the gigantic bailouts distributed by Treasury Secretary Hank Paulson, a former CEO of Goldman Sachs, to the direct takeover of the Greek and Italian governments by technocrats from planet money, have dramatized the extent to which public policy is now set and destroyed according to financial imperatives. Finance is effectively a global government, represented on the media stage by the G-20 summit of finance ministers, but obeying no laws except its own. Yet the question why its rule has been tolerated for so long, and still is tolerated by the middle classes, cannot be answered by simply reiterating a litany of abuses. Instead we should consider the activity of the trader – the lowest level of “golden boy,” who can strike it rich, but also fail abysmally – and see how it epitomizes the conditions under which all professions are now exercised.

On the one hand, he faces streams of primary data that are considered entirely objective. They are prices, market facts generated by anonymous buyers and sellers whose collective judgment is supposed to provide real information about goods and services. Trading acts to smooth out minor differences in price through the process of *arbitrage*, buying slightly lower in one place, selling slightly higher in another. In this way it is supposed to correct inaccuracies and perfect the system. The idea that market prices assure a perfect equilibrium between supply and demand, leaving only a residual

fluctuation that is ultimately random, is known as the efficient market hypothesis.¹⁰ It underwrites an enduring faith in the neutrality of financial speculation.

At the same time, the trader is lionized as an exception, a maverick, a genius. He is possessed of unique knowledge, lightning speed, unparalleled aggressivity and an uncanny “feel” for changing trends. Through his manipulation of information that is theoretically available to everyone, the trader constantly *creates value* for the bank and its clients. He does so in the strictest separation from the fate of any real goods or services, since he can make money on numbers going either up or down. He keeps his own book of profit and loss, and even though he is dealing with other people’s money he must make singular and original choices, since he is rewarded for acting only on those particular risks where he can make a profit. The trader is defined by what economic theory deems impossible: the ability to “beat the house.” Hypercompetition and virtuoso skill make him the middle-class hero of Neoliberal Informationalism.

Never mind that the entire environment is relentlessly fabricated and controlled; that the price information is shaped into patterns by the abstruse calculations of particle physicists whose math no one else could possibly understand; that this math in its turn is translated into automated programs unleashed more or less blindly into the labyrinths of computer networks; that the traders themselves are incessantly coached, cajoled and managed by their team leaders guiding everything with a hidden hand; and that the very layout of the floor, the curve of the architecture, and perhaps some day, the dreams of the people inhabiting it are subjected to a calculus of interactivity that subsumes every behavior to an optimal outcome whose shadow in reality is continuously monitored for negative deviations from the norm.¹¹ Because that’s the way it is, and it’s no secret to anyone involved. For generations of business geeks raised on video games and *Terminator* films, financial trading remains the closest thing to professional paradise yet imagined. The ethics and the aesthetics of the neoliberal period have been shaped by this central institution, to which the university, the cultural-intellectual sphere, the government itself and even the industrial world are now simply adjuncts.

Apparatchik

How does a narrow class strategy, concentrated into specific technical functions, spill over into an entire era and lend its coloration to a whole diffuse period of human coexistence? In a 1977 interview, Michel Foucault gave a definition of one of his key concepts: the apparatus (or *dispositif*). His discussion, though highly abstract, reads like a cartographer’s key to our financialized society. The apparatus is the “system of relations” that knits together a set of seemingly unrelated elements: “a thoroughly heterogeneous ensemble consisting of discourses, institutions, architectural forms, regulatory decisions, laws, administrative measures, scientific statements, philosophical, moral and philanthropic propositions.” It is a “formation which has as its major function at a given historical moment that of responding to an urgent need.” Yet beyond this urgency, the apparatus is constructed to sustain both “a process of functional overdetermination” and “a perpetual process of strategic elaboration.” Finally, Foucault notes that “in trying to identify an apparatus, I look for the elements which participate in a rationality, a given form of co-ordination [*une concertation donnée*].”¹² The aim is to grasp the operations of a ruling idea within an interlocking series of social forms.

The most well-known example of a Foucaultian apparatus is the observational system of the Panopticon: a circular prison outfitted with a central tower concealing the invisible but all-seeing gaze of the warden.¹³ Its intended effect was to diminish the need for disciplinary force, by gradually installing an inner censor at the heart of each prisoner’s self-consciousness. Beyond this immediate

10 Justin Fox, *The Myth of the Rational Market* (New York: Harper Collins, 2009).

11 On the math, see Donald MacKenzie, *An Engine, Not a Camera: How Financial Models Shape Markets* (MIT Press, 2006).

12 Michel Foucault, “The Confession of the Flesh” (1977), in Colin Gordon, ed., *Power/Knowledge: Selected Interviews and Other Writings* (New York: Random House, 1980); translation slightly modified.

13 Michel Foucault, *Discipline and Punish* (New York: Vintage, 1978/1st French ed. 1975).

need, the apparatus responded to a larger strategy, which was that of producing docile and trainable bodies for the factories and armies of industrial society. But it also exemplified a situation where distanced observation actually *produced* a norm. This functional excess, or *overdetermination*, made the social relation of the prison into a generative matrix for both scientific disciplines and standardized individuals. The Panopticon fit centrally into the coordinating rationality of industrial modernism.

By 1977, however, Foucault had realized that the panoptic schema was already obsolete, along with the Keynesian-Fordist society that it served to critique. In his course at the Collège de France on the prehistories of neoliberalism he turned instead to “apparatuses of security.” His first example was an 18th-century redevelopment plan for the city of Nantes, which involved cutting out new streets to serve four overlapping functions: the aeration of unhygienic neighborhoods; the facilitation of trade inside the city; direct connection to long-distance transportation networks; and the surveillance of traffic in an urban environment that is no longer walled or subject to curfew. Instead of developing closed, precisely defined spaces for exclusive uses, the plan creates a series of multifunctional corridors that can expand in various directions, according to future patterns of growth that can only be foreseen as probabilities. Other examples of security apparatuses include the mitigation of famine by economic regulations that discourage the hoarding of grain, or most interestingly, the treatment of smallpox by means of the disease itself, that is, vaccination. In each case, the nature of an existing phenomenon and its effects on a population are carefully analyzed before any measures are taken.

Security apparatuses come into play as enabling frameworks. Their primary effect is not to impose anything on anyone, but instead to select the most favorable elements from the spontaneous behaviors of a given population, then shape an environment to optimize them still further, until their very predominance excludes unwanted traits. The idea is “to reduce the most unfavorable, deviant normalities in relation to the normal, general curve.”¹⁴ Intervention takes place not on the individual players, but on “the rules of the game”;¹⁵ while outright repression is reserved for “dangerous” elements that could perturb the system. Over the last three decades, exactly such a schema has defined the preferred relations between the holders of concentrated capital and their servants, the professional-managerial classes.

Had Foucault lived through the speculative boom of the late 1980s, he would have recognized transnational finance as the crucial security apparatus of the neoliberal era. Computerized trading applies a logic of risk optimization to circulating capital flows, and it does so within precisely defined technological, informational and legal environments. Let’s consider how those environments emerged, after the collapse of the Bretton Woods fixed exchange-rate treaty in 1971. The urgent need to which currency futures, options and other derivatives responded was that of managing transnational business operations under conditions of unprecedented volatility, where values fluctuated hour by hour and prices were subject to multiple forms of risk. Sophisticated mathematical models combined with networked price-information systems not only helped to mitigate those risks by complex hedging strategies, but also served to generate liquidity for a wave of mergers and acquisitions, at a time when corporations were scaling up to the global level. Yet the financial turn also fit into a larger strategy for the reintegration of the professional-managerial classes, whose younger elements had been alienated by the standardization and regimentation of Fordism.

The strategy hinged on the recognition of individual difference as constitutive of human capital, whose promised “returns” would be offered in compensation for the suppression of public facilities and entitlements. The fiscal crisis of the welfare state could be resolved if the expenses of social reproduction – health, education, transportation, housing, unemployment, retirement – were assigned to individuals as investments in their human capital, for which credit could be furnished by private banks, at interest. Ideology, patriotism and family values no longer had much sway over the members of the “new class,”

14 Michel Foucault, *Security, Territory, Population: Lectures at the Collège de France, 1977-78* (Palgrave Macmillan, 2007/1st French ed. 2004), p. 90.

15 Michel Foucault, *The Birth of Biopolitics: Lectures at the Collège de France, 1978-79* (Palgrave Macmillan, 2008/1st French ed. 2004), p. 260; also see lectures 9 and 10 on the concept of human capital, discussed below.

but the tantalizing prospect of accessing some speculative capital, combined with the monthly obligations of student loan payments and homeowner or consumer debt, furnished more precise means of behavioral control. As the university retooled to serve the knowledge economy, the most popular artists and intellectuals became culture stars and a few scientists began drawing profits from intellectual property. Meanwhile, at the elite end of the spectrum, ownership prerogatives were restored when shareholder value became the governing principle of enterprise. Instead of focusing on production, corporations would now pursue a single goal: generating cash, and therefore social power, for their owners.

These are tremendous changes with respect to Keynesian Fordism. But one could go further and show how the cybernetic calculus of finance operates as a coordinating rationality for just-in-time production, distribution and sales. When the G-20 finance ministers strive to forestall a transnational credit crunch, it is this just-in-time system that they are serving. The rhythms of finance have come to govern the entire circulation system of the world economy.¹⁶ However, if we want to understand how the social relations of the trading floor have spilled over to reshape contemporary culture – through a “functional overdetermination” of the financial apparatus – then we will have to turn back to the micro level, and look more closely at what actually happens inside the casino.



Starfuckers

The sharpest observations emerge from fieldwork by Karin Knorr Cetina and Urs Bruegger among a team of UBS currency traders in Zurich. What they claim to have discovered there is a “post-social relationship”: an intellectual, perceptual and visceral interaction with the “market on screen,” experienced by the traders as “a complex ‘other’ with which they are strongly, even obsessively, engaged.”¹⁷ According to these sociologists, the market that coalesces into presence on the screens is indistinguishable from a “life form,” constantly fluctuating, elusively shifting and changing. Its complexity arises from a double aspect, for it is both a flow that one enters and alters, and a quasi-conscious other that one encounters with a shock of recognition. As Bruegger and Knorr Cetina write: “the transfer of the market onto the screen has meant that traders are now able to simultaneously position themselves inside the market in the sense of becoming players in its overlapping networks, and to relate to the market on screen as an exteriorized other, a sort of master being that observes all transactions and includes their contextual conditions and motivations.” The interaction with the market is tumultuous and

16 See my article “Do Containers Dream of Electric People? The Social Form of Just-in-Time Production,” in *Open 21*, “Im/mobility” (2011), http://www.skor.nl/_files/Files/OPEN21EN_P30-44.pdf.

17 Karin Knorr Cetina and Urs Bruegger, “Traders' Engagement with Markets: A Postsocial Relationship,” in *Theory, Culture & Society* 19 (December 2002). All quotes in this and the following paragraph are from this article.

passionate, oscillating between the desire and fear of volatility, the narcissistic elation of profit and the violent shock of loss. Failure is expressed in graphic metaphors where sexualized aggression turns inward from the market to the trader: “I got shafted, I got bent over, I got blown up, I got raped, I got stuffed/the guy stuffed me, I got fucked, I got hammered, I got killed.” All of that, remember, is happening at work, via an apparently cool and technocratic gaze on three or six or eight computer monitors.

Borrowing a page from psychoanalyst Jacques Lacan’s text on the “mirror stage” of human development, the two authors compare this relationship with the market on screen to the infant’s relationship with its own reflection, experienced as the tantalizing image of a bounded whole that appears to be the self, yet remains irreconcilable with the bodily experience of uncoordinated movements, partial objects and chaotic drives. The fluctuating nature of the market, the incompleteness of the information it offers at any particular time, thus becomes the motor of a dynamic relationship. The key thesis that undergirds all of Knorr Cetina’s work on flux-objects is this: “we maintain that traders’ engagement with markets is based on a match between the self as a sequence of wantings and an unfolding object that provides for these wantings through the lacks it displays.” The interconnection of organic and electronic rhythms – the push-pull of greed and market signals – is the basis of postsocial relations. Yet beyond this rhythmical relation of wanting and lack, of unfolding object and inchoate desire, there is always a tantalizing image of the whole: the star trader just one row over, the Hollywood star out on a yacht in the bay, the millionaire exec just returning from China – or the market itself when it suddenly coheres, complete and ravishing, as an opportunity within reach.

For architectural critic Norman Klein, the “scripted spaces” of Las Vegas casinos are the epitome of urban design in financialized culture. Klein homes in on slot machines, which “turned *risk* into a consumer thrill.” They now include screens displaying special effects from the movies, feature realistic showgirls giving players the come-on, and integrate narrative devices from quiz shows and other popular TV series. Yet their major function is statistical control. As Klein observes: “They became the most integrated software network in entertainment, practically a metonym for the globalized electronic economy. They stand in for cybernetic controls across many markets at once. Today computerized tracking services perform like a bot for the house: tracking players, slots, tables, revenue services, doing the taxes, providing ‘up to the minute WIN reporting,’ player photos, electronic signature identification, messages for players in their hotel rooms.”¹⁸ At the heart of the slots, where the wheels of fortune spin, is a subtle equation whereby the player at once “senses an internal design” (the math that governs the payback) but also feels “the illusion of luck” (the possibility of a chance event). Profit for the house is ensured through strictly calculated probabilities.

The electronic trading floors that provide a model for contemporary casinos are also theaters of passion subject to integral statistical control. Yet unlike casinos, they are incapable of achieving cybernetic closure. The calculus of probabilities is too vast to master, despite the mathematical efforts of quants writing unique equations for personalized over-the-counter derivatives. Storms, earthquakes, meltdowns and other events continually intervene, at historically unpredictable rates due to the ecological consequences of an over-heated global economy. Populations wear down, unable to repay the loans that injected more capital in the system to increase the illusion of luck. Then governments take over with quantitative easing programs that expand the money supply for a further round of the global gamble. As I write, the passionate involvement between traders and the internalized “other” of the market has turned violent: major banks, hedge funds and ratings agencies collude to threaten the economic stability of the entire European continent, provoking conditions of volatility that offer fresh occasions for high-frequency trading and more obscene profits. The ice-cold cerebral activity of finance takes on the aura of a strangely frenetic sacrificial rite. It’s as though the theater of greed and desire had suddenly become a gladiatorial arena. The rest of us – the people in the street – sense that we could be the “other,” that is, the victims.

18 Norman Klein, *The Vatican to Vegas: A History of Special Effects* (New York Press, 2004), p. 340.



Profane Communication

Separation, for Giorgio Agamben, is the essence of the sacred. It removes objects, places, activities and people from the world of common usage, transferring them through rite and myth to the sphere of the divine. “Not only is there no religion without separation, but every separation preserves within itself a genuinely religious core.”¹⁹ This sacred divide is carried over into the value-form of the commodity, whose abstraction reaches a height in the semiotic universe of the financial markets. But Agamben does not call for any return to genuine religion. The urgency of his thinking is clear in his concept of secularization:

Secularization is a form of repression. It leaves intact the forces it deals with by simply moving them from one place to another. Thus the political secularization of theological concepts (the transcendence of God as a paradigm of sovereign power) does nothing but displace the heavenly monarchy into an earthly monarchy, leaving its power intact.

All of contemporary capitalism effects a repressive secularization, transforming the absolute divide between priestly and secular status into class hierarchies where economics fully replaces aura. For this reason the grand strategy of Enlightenment, demystification, can no longer apply to the basic operations of power in our societies, which contain no obscure core of mystery, but only obsessional procedures for the imposition of rationalized myths and rites. In place of secularization, Agamben proposes the act of *profanation*: “Both are political operations: the first guarantees the exercise of

¹⁹ Giorgio Agamben, “In Praise of Profanation,” in *Profanations* (New York: Zone Books, 2007/1st Italian ed. 2005); further quotes are from the same essay. Agamben also develops the notion of profanation in *What Is An Apparatus?* (Stanford U.P., 2009/1st Italian ed. 2006). However he does not deal with the material and discursive complexity of any specific apparatus, nor with any particular acts of profanation.

power by carrying it back to a sacred model; the second deactivates the apparatuses of power and returns to common use the spaces that power had seized.”

In societies dominated by the mediatization of two destructive rites – financial crisis and war – the act of profanation becomes necessary to the very existence of democratic politics. By converging on sites of global decision-making, such as international summits, a previous wave of protesters was able to displace social attention at the very locus where it is concentrated and synchronized with the commands of power. Agamben refers to a kind of defunctionalizing play, which “frees and distracts humanity from the sphere of the sacred, without simply abolishing it.” Those were the tactics of the “carnivals against capital” at the century’s turn. But at a moment when political control is being ceded to financial traders operating 24/7 through abstractive global networks, the outbreak of embodied dissent on Wall Street and in other financial centers has greater force than the protest carnivals – all the more so because the occupations continue day and night, incarnating another life rather than a disruptive moment. The spillover into the media is tremendous. Once the place of power is altered, its name acquires a different valence, it becomes an invitation to further questioning and defiance, rather than a reminder of disempowerment and cynical manipulation. At issue is a cultural resistance to the depressive effects of scripted society. To describe the nature of profane play, Agamben quotes the linguist Émile Benveniste:

The power of the sacred act, he writes, lies in the conjunction of the myth that tells the story and the rite that reproduces and stages it. Play breaks up this unity: as *ludus*, or physical play, it drops the myth and preserves the rite; as *iocus*, or wordplay, it effaces the rite and allows the myth to survive. “If the sacred can be defined through the consubstantial unity of myth and rite, we can say that one has play when only half the sacred operation is completed, translating only the myth into words or only the rite into actions.”

What could this mean in a secularized context, where myth has been replaced by media, and rite by the instrumentality of mathematical models and computer programs? Consider first of all the most striking emblem of the recent occupations, which is the signage. Oscillating between an endless list of grievances, an angry *J'accuse!* and a warm invitation to satirical disbelief, these handwritten signs fascinate participants and bystanders, floating above the crowd like headlines from everyday existence. The signs are not yet demands: they are discursive and affective information for the movement itself, clarifying the collective perception of social problems that have been censored from the major media. No less powerful in this regard, despite its purely web-based appearance, are the letters of people abandoned by the system, the sorrows of the 99% that have never made it into any statistic.²⁰ Wordplay is everywhere at the occupations, substituting direct address and shared invention for the laborious and repressive fabrications of the corporate media. The will to interrupt one-way speech is so strong that even where amplification is available and legal, the occupiers have used the “people’s mic” so as to make sure that a speaker’s every word can be tested (and tasted) in one’s own body before being received as truth. All of this is done in the absence of functional expertise, and of any “demands” whatsoever: the connection between ideological myth and instrumental rite is interrupted. The displacement and release of both direct and mediated speech opens up new faculties of critical intelligence, not only among the protesters on the spot, but across the world.

Through the irruption of a social movement, political-economic analysis is returned to common use among the people who are typically on the receiving end. That’s fundamental, it’s the biggest gain so far. Yet to be effective in breaking the dependence of intellectuals and cultural producers on elite patronage and models of human capital, this expressive intelligence will have to be pushed further into both professional life and everyday practice. There is an irreverence that equalizes, that cuts through privileges and lies, it’s the essence of profanity. Like this: a guy at Liberty Square holds a Fox News camera made of cardboard, with a hand-drawn, one-dimensional mic that he thrusts insistently in the

20 <http://wearethe99percent.tumblr.com>.

face of anyone claiming to be important. The gesture dissolves the repetition-compulsions of the media into pure play: the ethical departure point of profane communication.

A different use of speech is possible when the occupations shatter the narcissistic mirror, mingling bodies, upsetting class and race divides. This is possible because a major crisis of capitalism brings all kinds of people out into the street. The question is how to go on talking with those you formerly ignored. They could include scientists and technicians who shape behavior through machines, or managers who organize productive collaborations. Normally these people provide services to our rulers. Could they break the connection between instrumental technology and mediated myth?

Engineering, a central concern of communism, was more or less abandoned by the '68 current – to disastrous effect, because a movement without *téchné* can't convince anyone of its capacity to materially reorganize society. But younger activists have been able to find a new way in, mainly by way of networks. When global computer exchange links are hacked away from the official capitalist ideologies that bind them to the financial apparatus, what results is the open proliferation of a powerful tool. The Global Revolution streaming video network is one example. Among the founders is Vlad Teichberg, who emigrated from Russia to the US when he was ten years old. In an interview with Democracy Now he speaks about the roots of OWS in the Arab Spring and the Spanish Indignado movement. Those who wonder about the struggles of technologists inside the financial apparatus definitely have something to learn from this guy:

I was a derivatives trader. I was basically working for large banks, betting their money on derivatives products. And my job was understanding how those products work... For me... the whole globalization philosophy that was being pushed in the early/mid-nineties, [the idea] that it would be the ultimate equalizer for the world, turned out to be faulty, because of the effect of multinationals. Toward the late nineties I think a lot of people came to the same conclusion: globalization was doing more harm than good... And that's pretty much when I started shifting out of being a supporter of this Ayn Rand approach to looking at the world.²¹

A programmer like Teichberg is no longer glued to any established combination of discourse and practice. Refusing hierarchical separations, he's able to divert certain aspects of the financial apparatus toward other ends, to create a planetary network for common use. The failure of neoliberal globalization, which became obvious to him ten years ago, is now a palpable fact for everyone. The potential for a political use of skills that were formerly subordinated to the 1% is suddenly enormous. The contradictions of the "new class," absorbed for decades by opportunities in the financialized economy, are returning to the fore. But the only way to keep them alive – and to save them from being captured, channeled and neutralized – is to use them, not just out on the street, but in whatever field you occupy every day. Profanity is only a departure point. The beginning is near, as an OWS slogan has it.

Closing It Down

I started this text in mid-November, with technocrats taking over European states and robocops evicting occupations across the US. While British workers pushed for a general strike and Chilean students radicalized their revolt, images of epic street fights poured in from Tahrir Square. Just as Wallerstein had claimed, the "1968 current" was back. It turned out that the same factory – Combined Systems Inc of Jamestown, Pennsylvania – was supplying tear-gas to the American and Egyptian police. On Al Jazeera I found a text by William Robinson: "The immense structural inequalities of the global political economy can no longer be contained through consensual mechanisms of social control. The ruling classes have lost legitimacy; we are witnessing a breakdown of ruling-class hegemony on a world scale."²²

At last it has become obvious that this is a major crisis of capitalism. As in the 1930s and 1970s, it

21 Interview with Vlad Teichberg, http://www.democracynow.org/2011/11/18/the_revolution_will_be_live_streamed.

22 William I. Robinson, "Global rebellion: The coming chaos?", on Al Jazeera English (Nov. 29, 2011), <http://www.aljazeera.com/indepth/opinion/2011/11/20111130121556567265.html>.

will only be resolved by changing basic parameters of the system. The point is to take part, to generate an agency that can make changes for the better.

It's impressive to learn that as far back as 2007, a financial think-tank working for the British military had already understood that under the pressure of crisis, "the middle classes could become a revolutionary class, taking the role envisaged for the proletariat by Marx." Here's what they said:

The globalization of labor markets and reducing levels of national welfare provision and employment could reduce peoples' attachment to particular states. The growing gap between themselves and a small number of highly visible super-rich individuals might fuel disillusion with meritocracy, while the growing urban under-classes are likely to pose an increasing threat to social order and stability, as the burden of acquired debt and the failure of pension provision begins to bite. Faced by these twin challenges, the world's middle-classes might unite, using access to knowledge, resources and skills to shape transnational processes in their own class interest.²³

Now such futures are beginning to be realized – and immediately repressed by the capital-state. The question is, what happens next? Can today's intellectuals and cultural producers of the North, acting in parallel with oppressed peoples in the South, spark a movement on the scale of the world-revolution of 1968? Can we use the solidarity brought by economic crisis to create an alternate hegemony? Can we intervene in a new way, to provoke not a violent reaction, but instead a positive structural change in the repressive course of what is currently being called "necropolitics"?²⁴

The middle-class revolts of the North will never be comparable to those of people facing hunger and dictatorship. But the secret link of our criss-crossing histories is that ultimately we share the same opponents. Behind the desiring-machine of the financial markets, the authority of the generals lies in wait. It was obvious throughout the last decade, when the dot-com bust was followed by global security panic and two brutal wars; but the course of everyday life went on unperturbed, in a period of massive complicity between the middle classes and our rapacious elites. The point is to tear away from the imperatives of the 1%, which have reshaped public institutions and penetrated the cultural-intellectual sphere very deeply. This requires playing a different game, no longer a gamble. Without tangible proof of a change of loyalties – achieved essentially by means of projects constructed outside the professional economy – there is no way to gain the trust of others. Without the capacity to reach into established fields and workplaces – achieved essentially by a courageous defense of philosophical principles against the current rules – there is no way to gain the capacities of social transformation.

Similar dilemmas have already confronted the growing professional-managerial classes of the South. One finds an important insight in the chronicles of Mark LeVine, a young University of California prof who has been on the scene in Egypt. Recounting a midnight visit to Tahrir, he discusses the desire of the movement's informal "leaders" to create a space directly on the square for the poetry, music, cinema and other cultural forms that have sustained the revolt since its beginnings:

In other words, the leaders of Tahrir want to institutionalize the incredible creativity of the revolution, from musical performances and film to artwork, poetry and story-telling. These activities have sustained protesters during the darkest days of violence and have helped to attract hundreds of thousands of "ordinary Egyptians" to the Meidan during each of the occupations since January. This would constitute a permanent counterpoint to the state media and other mechanisms that the government and elite have at their disposal, through which they try to convince Egyptians that the Tahriris are little more than "thugs" who don't have their interests at heart.²⁵

23 "The DCDC Global Strategic Trends Programme, 2007-2036," http://www.frequencyclear.tv/strat_trends.pdf.

24 Achille Mbembe, "Necropolitics," *Public Culture* 15-1 (2003), <http://www.jhfc.duke.edu/icuss/pdfs/Mbembe.pdf>.

25 Mark LeVine, "Tahrir's late night conversations," on Al Jazeera English (Dec. 5, 2011), <http://www.aljazeera.com/indepth/opinion/2011/12/201112511219971906.html>.

In the corrupt and declining countries of the North, artists and intellectuals need to rediscover this desire for a culture outside the financialized state – a profane culture that is powerful, sophisticated and deep, but open to common use. Only in this way can we strengthen the affects of resistance and build the capacity to create alternatives. And there is no time left for ambivalence. A structural crisis can only be resolved by major transformations, for better or for worse. Social movements inevitably intervene, but often with unwanted consequences, as became obvious in the Nixon years. The challenge today, in societies dominated by the aging and fearful rich, is to hold off police violence while pushing defiantly for economic and ecological transformation. At some point over the next few years it will likely require decisive action, like those days when the people of the former East went out into the streets and didn't leave. But we won't get there by just hoping – because if financial chaos really hits, the generals have a plan.

Class strategies are formed by the aggregation of small decisions. Ask yourself, ask those around you, what it will take for *us* to close the casino.

