

Speculating on Chaos in Financialized Capitalism

Speculations, Spectacles, Spectres

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Part 1: Speculation

In the continuing political havoc of Brexit, during the years and months of debating the exit of the UK from the European Union, 'chaos' has been one of the terms most often making media headlines: chaos that would ensue if the outcome of the Brexit referendum were 'Leave'; chaos

caused by a defeat of Theresa May's Brexit deal in Parliament; or latterly, chaos that would follow a no deal 'Brexit'. Yet an unexpected alliance of Brexiteers and City financiers have consistently dismissed these assertions as fear-mongering and a 'fantasy'.

Across the channel, during the upheaval caused by the *gilets jaunes* movement, media and government have condemned protestors' actions for the continuing chaos they have brought upon France's city centers. Back in autumn, some weeks before the eruption of the gilet jaunes protests, President Macron used his [Armistice Speech](#) to focus on the pressing need to tackle the 'chaos' caused by the fantasies of ethno-nationalist populism across Europe.

From newspapers' front pages, to Twitter hashtags and politicians' speeches, chaos becomes a key representative rhetorical figure of our times. This reflects a generalized sense of uncertainty and insecurity amongst a widening group of social and political actors; an anxiety in the face of the continuing dissolution of grand historical narratives.

Seeking security against the future's uncertainty has always been at the core of human existence. Increasingly, however, something curious is happening in our attitudes towards this uncertainty. Contemporary financialized capitalism sees the risk-taking, entrepreneurial agent of the post Bretton-Woods era being refashioned as a

politically disoriented, speculative subject, who *accepts rather than averts the future's mounting uncertainty*. In short, more and more often we endorse rather than try to protect ourselves from uncertainty. Chaos, we fear no more.

What is more, this emerging speculative mode of being unites 'markets' and 'publics' in unprecedented ways. Radical uncertainty as a core feature of life has been embedded in economic thinking since the days of John Maynard Keynes and Frank Knight. As both economists showed, endorsing uncertainty is different to risk-taking, as the latter implies striving for some sort of measurable or calculable outcome, while the former centers on total and immeasurable unpredictability.

Indeed, in today's high-frequency and algorithmic trading finance, growing price volatility becomes a key resource of speculation for profitable investment, and as such, *a desired rather than an unwanted outcome*. Derivatives and futures markets *require* and generate radical uncertainty *in order to* operate (rather than aiming to control/limit it).

But radical uncertainty is no longer the exclusive purview of economics – political, social and even intimate life now revolve around the lived experiences of uncertainty in the form of labour precariousness, rent-dependency and indebtedness. And when it comes to formulating responses to uncertainty, finance becomes the model for

society writ large.

'Chaos', in that sense, does not merely express a feared (and hopefully avoidable) outcome of irrational political decisions such as those implicated in Brexit discussions. For many, it becomes itself an aim, an opportunity, and a resource for political speculation.

This speculative mode of being is a key shift in the most recent stage of financialization (traditionally understood as the growing dominance of the virtual over the productive economy, and the permeation of the logic of finance in social life). Importantly, it is also a trend that worries the defenders of an increasingly weak neoliberal centre, which oversaw and encouraged financialization around the globe over the last three decades. *Are right wing-populists becoming better than financiers at their own game?*

The current 'crisis of neoliberalism' has often been debated as a defeat of 'neoliberal reason.': the credence of neoliberal promises pale before the emotive declarations of populist movements that continue to be on the rise. [Arjun Appadurai](#) describes this as an atmosphere of 'generalized impatience' among the public of today's accelerated political time, when faced with promises projected onto a distant future.

But neoliberalism and financialization have steadily parted ways over the last decade or so. Neoliberal

marketization and its effect on everyday life have caused unprecedented uncertainty for households and citizens around the world. Future promises are no longer taken at face value; the security and stability that had previously been represented in the dreams of house-ownership and the nuclear family (both of which, as [Melinda Cooper](#) has brilliantly shown, worked in tandem to re-new neoliberal legitimacy in the latter part of the 20th century) are now being comprehensively dismantled.

Financialization has worked *alongside* broader neoliberal politics to exacerbate inequalities and expand precariousness into the global middle-classes, mainly through generalizing indebtedness. However, finance has done much more than adding to the well-documented plights of the neoliberal subject. Not only has the permeation of financial logic in everyday life invalidated the 'neoliberal promise' that was made to the entrepreneurial denizen of the pre-2008 crisis. *Finance has embedded the very failure of such promises into the fabric of the social and political imagination of the Trump and Brexit era.*

Part 2: Spectacle

The injection of speculation into our collective imaginaries would not have been possible without the technologies that circulate and wield uncertainty in everyday social life. Benedict Anderson's seminal theory of nationalism as a 'shared imaginary' propped by

capitalism, offers much food for thought here. Anderson's innovative focus on the *standardizing* and *synchronizing* role of print-media commodities can help us identify the new contingent and socially-generative practices of finance's (speculative) imagination.

At a time when we are routinely overloaded with digital images but also befuddled about how to imagine a collective future, Silicon Valley's virtual commodities (from Instagram and Snapchat, and from Airbnb to Tinder) sustain a new type of imagined community, as Anderson would put it: a speculative one.

These platforms can be thought of as 'speculative technologies' mediating what we can call the 'spectacularization' of financialized society (in the Debordian sense) – a process through which algorithmic logics and hidden computational processes condition, govern, police & represent a chaotic reality, through their rendering of complexity at once hyper-visible and opaque. Yet it is precisely with this growing blurring of the boundary between the fictitious and the real, between the rational and the irrational, that the role of imagination becomes most crucial in our navigation of contemporary capitalism.

In order to 'believe' in the legitimacy of institutions, parties and organizations (or in the neoliberal promise itself), we need images that represent them. The

speculative communities of finance capitalism are based on (a surplus of) such images rather than on 'possession'.

[Chiara Bottici](#) has shown how the excess of images via a myriad of virtual platforms intensifies the contrast between extreme visibility and obfuscation/complexity in contemporary politics. Financialization relies on (and thrives in) this tension, which atrophies more radical political imaginations, as our ability to produce images is saturated and replaced by a 'semblance' of order in our chaotic present. *Ordering (speculative) technologies are simultaneously illuminating (that is, pointing us to an infinite choice of partners, services, and politics) and disorienting (by emphasizing the ephemerality, transience and dysmorphia of such choices).*

[James Bridle](#) has written recently about how the 'visibility' afforded by cloud technologies hardly amounts to more 'knowledge'; such visibility in fact complexifies our relationship with the world around us, in Debord's terms, *it separates us from the spectacle itself*; The 'grey', highly complex, technologically-augmented and accelerated zone of the 'Cloud' that we inhabit, becomes increasingly incomprehensible to us (Bridle gives the example 'the opaque markets of contemporary capital' in financial trading generating 'Flash crashes' whose exact causes remain poorly understood even by the 'expert-speculator').

Yet our attempts to speculate, to represent and anticipate

uncertainty also feed into this loop of complexification — [Niklas Luhmann](#) has called this process ‘double contingency’, arguing that speculation will always ‘take cue from speculation’ . *The resulting spectacle of speculation represents and at the same time occludes its systemic complexity/uncertainty by blending reality and fiction, irrationality with rationality.*

We are dealing here, it could be said, with *an economy of ignorance*, as spectator-speculators strive to capitalize on this uncertainty rather than to eliminate it. Think of Putin’s former chief spin doctor Vladimir [Surkov](#), and his hybrid warfare political strategy deployed not to control the flow of information *but to generate chaos, confusion*(and even *conspiracy*). This is the political space of new battles for speculative imagination.

Yet speculating on chaos does not transcend questions of class, power and status, all of which remain extremely relevant. The ability to ‘hedge’ oneself against the losses suffered in the face of radical uncertainty is inevitably mediated by what we could call ‘speculative resources’: our power to access the intricate operations of algorithmic and computational technologies; and the capacity to *take time* to invest in cultivating the speculative imagination — both of which are materially conditioned.

Part 3: Spectre

What can then be radical progressive answers to the generalized impatience and chaos-mongering so feared by (neo)liberal centrists? How can the spectre of the regressive alliance between finance and populism be defeated? The outcome of this conflict depends on the material struggles for resources that condition the attempts of 'counter-speculators' to fight the omniscient, data-driven speculators of Derivative Markets and Silicon Valley. But mere access to the invisible cloud of digital technologies is not able to offer *much-needed insurance to resource-less speculators*.

Cornelius Castoriadis, the foremost theorist of the radical imagination, was deeply preoccupied by the political project of collective autonomy, which in his words entailed nothing less than 'giving form to chaos' — the 'Chaos that life is for itself'. A radical — and we can add here a speculative — imagination is essential for facing radical uncertainty, as opposed to ignoring or striving to eliminate it. Importantly, the radical imagination entails an act of lucid recognition of our own authorship of the future and of life's inherent indeterminacy, through shared responsibility and collective self-limitation.

The challenge here is managing to resist regressive speculation while at the same time opening up to a counter-hegemonic politics that is faithful to the project of collective autonomy envisaged by Castoriadis. [Nancy Fraser](#) speaks correctly of the 'openness' of the contemporary moment, asking us not to lose sight of the

progressive potential of anti-neoliberal movements of our times by dismissing them as 'fascist' or 'populist'. But if the welcome ascent of AOC, Sanders and Corbyn is to offer meaningful inroads into such a project, *we cannot afford to ignore the grassroots imagination of speculative communities.*

The recent collective action of France's *gilet jaunes* or the UK's *extinction rebellion* point to such much-needed radical speculative imagination. These are movements that have explicitly recognized themselves as speculative communities, by embracing speculation while also throwing themselves into the political spectacle of financialized capitalism. They have combined hyper-visibility and invisibility, practices of collective investigation, counter-surveillance and [obfuscation](#); they have blocked traffic on streets and roundabouts while accelerating the traffic between political imagination and realpolitik.

These practices are important because they articulate and mobilize the more agentic forces of speculative communities; they render the hopelessness and the impatience with the abstract future promises of neoliberalism into a radically lived experience of the present; *they represent an approach to investing in the 'here and now' that is nursed in the speculative mode of our financialized times.*

The emergence of speculative communities points to a

field of different types of social connections as well as political conflicts, and it is in this new field that any counter/radical movements to financialization may be imagined. The speculative imagination of finance inherently encompasses the process of pricing alternatives, of triggering vicious cycles of profit and social anxiety – and is thus central to the re- production of new social inequalities.

However, as I have sought to argue here, speculative communities also embody a social imagination that drives more radical uses of speculation: it is this radical speculative imagination that must be unveiled and cultivated; an effort that must be based on the collective recognition of openness and the radical political act of taking ownership of indeterminacy. For Castoriadis this is bound up with the project of giving a 'form' to 'chaos', 'a meaning to the incongruences of life': or to paraphrase [David Harvey](#), with taking "a speculative plunge" *into our own unknown*.

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