

**OPTIMIST REALISM:
FINANCE AND
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With almost a decade since the climax of the 2008 global financial crisis, two poignant, parallel phenomena can be noted. On the one hand, the financial sector seems to have lost little grip on capital-power (or ‘finance-power’).¹ Banks have been bailed out, financial ‘services’ have returned to ‘business as usual’ and, more generally (despite policy papers otherwise),² austerity and growth (debt and credit), the neoliberal *yin* and *yang par excellence*, persist as the ‘necessary’ creed for economic advancement. On the other hand, we have seen a popular consciousness-raising regarding today’s gaping inequality; this is due in part to widespread, global protest movements (notably *Occupy!* and its infamous ‘we are the 99%’ refrain), and to the sheer material/existential effects our order has fostered as it has extended its tentacles over time. The aftermath of the crisis has produced what many on the left have been clamoring for: A popular deflation in the ideological promise of the neoliberal myth. The latter’s ‘internal contradictions’ and inability to deliver on pledges of trickle-down prosperity have become blatantly apparent far beyond the walls of academic discourse. Yet, in what ought to have been a pivotal context for political mobilization towards alternative horizons of socio-economic justice (or even modest restructuring), we have seen, rather, an entirely more frightening, neo-fascist political reality emerge. Why is it that we are not seizing this momentous, mythical deflation towards the politicization of a new socio-economic model bending towards the service of the many? The answers to this arguably naïve question are of course numerous, and there are certainly powerful vested interests and peoples who gain from status-quo crises and social instability. However it would be equally naïve to suggest this debilitating and regressive ‘change’ can be reduced to problems exclusively in the frame of personal greed and self-interest; as problems located entirely within the domain of morality. I’d like to direct attention to two interwoven factors that have, to my mind, played an important role in driving our current political landscape, and ultimately how new socio-economic conceptions may find *mesopolitical*³ potential in making claims on one of the distinguishing markers of our era: the transformation of temporality itself.

Put succinctly, two interconnected factors blocking the transformative capacities of this ideological deflationary moment include what could be called ‘complexity withdrawal’, and the persistent naturalization of capitalism (what Mark Fisher notably

1 Suhail Malik, ‘The Ontology of Finance: Price, Power, and the Arkhéderivative’, in Robin Mackay (ed.), *Collapse Volume VIII*, Falmouth: Urbanomic, 2014, p. 637.

2 Jonathan D. Ostry, Prakash Loungani, and Davide Furceri, ‘Neoliberalism: Oversold?’, *Finance and Development* 53.2 (June 2016), <http://www.imf.org/external/pubs/ft/fandd/2016/06/ostry.htm>.

3 Isabelle Stengers interviewed by Brian Massumi and Erin Manning, ‘History through the Middle: Between Macro and Mesopolitics’, *Inflexions: A Journal for Research-Creation* 3 (October 2009), http://www.senselab.ca/inflexions/volume_3/node_i3/stengers_en_inflexions_vol03.html.

coined as ‘Capitalist Realism’ — an obstinacy he insisted could survive beyond the collapse of the *neoliberal* capitalist paradigm).⁴ Let’s start with the second formulation, as it feeds-forward into the first.

Petrified Futurity

Capitalist Realism indexes not only our economic condition, but more pervasively, the ‘atmosphere’ of political resignation which denies the possibility for any other socio-economic structural scenario. This ‘atmosphere’ permeates both conscious and unconscious life, including the arena of cultural production (music, art, film, etc.) where instead of seeing boundless innovation (a capitalist premise), we seem caught in retroanalysis: loops of re-makes and pop-cultural revivalism,⁵ where substantial technological development devolves into trivial consumer gadgetry.⁶ Within such an atmosphere, mental distress and illness has also proliferated as a debilitating symptom of the behavioral imperatives this naturalization entails. This is in the way one is compelled to ‘govern from within’ to adapt to the world successfully in full, entrepreneurial self-reliance. Such naturalization is internalized as the only system compatible with ‘innate’ humanness, where this picture of ‘innateness’ is both self-referential and self-reinforcing, coercing the human into a narrow mold wherein the incentive of accumulation through competition is isomorphic with our ‘intrinsic’ selfishness and self-interest (those very social biases buttressing neoclassical economics, upon which neoliberalism is built). In this framing, capitalism is upheld as the only system commensurate with the ‘nature’ of the human; to suggest otherwise is to fall prey to folly, almost as nonsensical as fighting the fact of gravity on earth. The diagnosis Fisher puts forth, quite pointedly, is that Capitalist Realism petrifies politics because it stifles our imaginative and perspectival horizons. The axiom then gets extrapolated: if futurity is always a political project and politics is dead-locked, our future, as such, has become cancelled — a point to which we will return.

Complexity Withdrawal

The second factor leading to our inability to seize upon this neoliberal deflationary moment is what I like to call ‘complexity withdrawal’. As a response to the debilitating effects of globalization (understood only in its negative delineation, as rampant financialization and corporatization), we have seen a retreat to nationalisms, based on assurances of economic betterment through isolationism, coupled with identitarian essentialisms. Such tendencies can be read as a reflex against the complexity of globalization (again, construed only negatively); making things simpler, graspable and (relatively) immediate as a *reaction* against the intractability of today’s interconnected reality. Because Capitalist Realism imbues in us a domineering condition of political impotence, there is nothing to anticipate besides catastrophe and the dystopian. With nothing to look forward to, we can only look back; eyes fixated on romanticized histories (for very few, and those that never were), to ‘make great’ again with full Westphalian vigor. Capitalist Realism nourishes complexity withdrawal, where its hold over political transformation renders any demand for counter-hegemonic-scaled change

4 Mark Fisher, *Capitalist Realism: Is There No Alternative*, London: Zero Books, 2009.

5 Ibid., p. 7.

6 Exemplified by the proliferation of ‘Weird Face Apps’, where highly sophisticated machine learning and A.I. systems are used for quite trivial, entertainment-rich outputs: face matching celebrity-likeness, for example.

unthinkable, unsensible, unimaginable. It locks us into (at best) modest proportions, at odds with the scale of the system we seek to contest. The engagement with complexity certainly does not offer the guarantee of causal immediacy, nor 'fixable' or fully determinate outcomes. But the withdrawal from it disengages the potentiality for counter-hegemony, understood as an *emergent* phenomenon (and not a prefigured template) between agency (human intentions) and structure (non-human factors).⁷ Our current theoretical landscape often also echoes this hopelessness; densely packed with dismal-to-horrific non-futural diagnoses. These meditations are quite accurate, in the sense that one cannot disagree with the course they carefully plot. Yet does not the surety of their description and unwillingness to propose alternatives inadvertently reinforce the 'changeless-change'⁸ of capitalist realism itself, despite the oppositional claims made against it? Such scenarios demonstrate the futility in substantially confronting capitalist hegemony based on grounds of sheer criticism (as an end) or moral rejection, without contributing to the libidinal imaginings and/or functional diagrams of alternative possibilities. When the production of theory declines to engage with the propositional, there remains little optimism for material practice or a pragmatics of just, futural speculation to emerge. The omission of optimism from (non)-politics today, and indeed much of social life in general can, as Rory Rowan has written, '...tacitly legitimate the lessons of individualized quietude taught by conservatives who tell us that the 'small, happy life' offers deliverance from the dangerous delusion of collective transformation [...] Just as blind optimism risks lubricating existing forms of power, an equally blind pessimism risks stunting the collective capacities required to oppose them.'⁹ What is asserted here is the need for an *optimist realism*, not one where we conceive of the inevitability of 'progress' through wishful thinking, or transformation actionable through heroic will — but an optimism tethered to our capacity for artificiality.¹⁰ That is, to the plasticity of politics embedded in, and constrained by reality that is partially constructable by us, whilst simultaneously indifferent and invariant to us.

Denaturalizing (A)Social Myths

Before proceeding, let me emphasize an important point. What we can glean from the articulation of these double forces of capitalist realism and complexity withdrawal, is that any alternative socio-economic paradigm requires not only the modeling of a new system, but the profound denaturalization of the (a)social myth of 'human nature' through which capitalism is repeatedly performed, *incorporated* and enabled. To advocate exclusively for a remodeling of our economic system as an external *thing*, reinforces the Silicon Valley doctrine of what Evgeny Morozov termed 'solutionism', wherein problems can be remedied through techno-scientific innovations alone.¹¹ Such solutionism (at ease and quite profitable within neoliberalism) may placate symptoms, but leaves underlying causes untouched. A Fitbit (or any activity tracker) may

7 Alex Williams, 'Complexity & Hegemony', PhD diss., London: University of East London, 2015.

8 Sebastian Olma, *In Defense of Serendipity: For a Radical Politics of Innovation*, London: Repeater Press, 2016.

9 Rory Rowan, 'Extinction as Usual?: Geo-Social Futures and Left Optimism', *e-flux Supercommunity*, 31 July 2015, <http://supercommunity.e-flux.com/texts/extinction-as-usual-geo-social-futures-and-left-optimism/>.

10 Hannah Arendt, *On Revolution*, New York: Penguin Books, 1963, p. 20.

11 Ian Tucker, 'Evgeny Morozov: "We are abandoning all the checks and balances"', *The Guardian*, 9 March 2013, <https://www.theguardian.com/technology/2013/mar/09/evgeny-morozov-technology-solutionism-interview>.

tell us we need to do more exercise or notify us of high blood-pressure, but it addresses nothing of the socio-economic, and indeed *mental* landscape where stress and lack-of time (the high estimation of busy-ness) are the everyday consequences of our existing hegemony of life's demands, for example. The solutionist doctrine transforms socio-structural and ideological problems into private, behavioral ones that can be surmounted on one's own (more discipline!). This bolsters the very emphasis of personal responsibility and self-governance that sustain neoliberalism. Because of the inadequacy of solutionism, the transition to an inexistent system we might temporarily call 'postcapitalism' (since we don't yet know what it is, and therefore how to name it), requires a movement on two planes: the external transformation of the system itself (of valuation, tokening, distribution, production, labor, exchange, etc.), coupled with an internal transformation of our collective self-conception of the 'human' as well. Leveraging the entanglements between conceptual ideality and physical reality,¹² it is along these mutually contaminating vectors of human self-understanding and material functionalism where an 'optimist realism' needs to take hold.

Any mode of social ordering requires bodies, ideas and processes to sustain it — whether these conceptual predispositions are explicitly known, or silently embodied through everyday gestures. The habituation of these modes reinforces underlying assumptions in a positive feedback dynamic, normalizing these social concepts into a quasi-natural order. The logic of our neoliberal order is no different; it requires constituent human actors (and the systems through which they engage) to behave within a landscape of naturalized myths. These myths are necessary for cohesion, but are always artificial and subject to revision. In *Capitalist Realism*, these myths mapping who we are as humans have been petrified and treated as the only system accommodating our 'nature'; a brutally ironic enablement of our 'nature' that destroys the very biosphere we need for even the most basic biological life support. As a denaturalizing demand, optimist realism must begin with the labor of separating norm (myth) from fact. Such a labor can be encapsulated by the concept of alienation — of articulating chasms between norm and fact, not to attain some telos of scientific facticity as a guiding social horizon, but in an effort to retrain the myths of social cohesion we need towards the care of the many. As a capacity to separate what is towards what could be, alienation can no longer be conceived as a strictly negative force of disconnection, but must be embraced for its abstractive capacities to separate from what is before us as a naturalized logic, towards a speculative investment of future possibilities, requiring alien myths of human 'givenness'.

Operationalizing Derivative Temporality

When politics (in both its imaginative and infra/-structural forms) is trapped in stagnation, its purchase on futurity is cancelled.¹³ This, however, does not mean the future is absolutely annulled, but it signals the displacement of the future from the domain of politics. Where can we locate the future today? From the perspective of power and pragmatics, the future has been coopted by the category of finance; the future has dissolved (*and* bifurcated) into *futures*. One cannot begin to describe

12 Ray Brassier, 'The View from Nowhere', *Journal for Politics, Gender and Culture* 8.2 (Summer 2011), pp. 6-23.

13 Mark Fisher, 'The Slow Cancellation of the Future', Lecture: MaMa, Zagreb, Croatia, 2014, <https://www.youtube.com/watch?v=aCgkLICTskQ>.

the paradigm of financialization without emphasizing the particular shift in temporal operations it has brought about — far more elaborate than the common lamentation of pure ‘out of control speed’. As Elena Esposito has made clear, in classical forms of capitalism (like industrial production) the present was sacrificed for the future, insofar as one would reinvest current profits to generate increased future revenues. With finance this temporal relationship is reversed: one spends money one *expects* to accrue at a future date in the present.¹⁴ In its more virtuous form, finance, predicated on credit, can ‘exploit in the present the *openness* [my emphasis] of the future’¹⁵ — meaning that one imposes constraints on the future (the debt / responsibility for repayment accrued through credit) to construct a more prosperous one, which would not have been possible without having *initiated* the constraint.¹⁶ This process points to the underlying recursivity of the operations (and power dynamics) involved in construction of futurity today.

Deploying the derivative as the defining object through which to parse the set of generic operations qualified as ‘finance’, Suhail Malik highlights the potency of *anticipation* in this reorganized temporality of our political economy, wherein a price in a future that has not yet happened, is expected, and that future (*unknowable*) eventuality is operationalized for gains.¹⁷ The force of anticipation as it were, isn’t simply blind chance wagering (and waiting) on what the future will be (analogies to finance reduced to mere ‘gambling’ are insufficient); it is the very *enactment* (or forcing) of anticipation (the investment) that influences and molds not only the actualization of the future, but transforms the present as well *because* anticipation imposes constraints/enablers on existing, current possibilities. What we have here, is what Esposito identified as ‘Retrospective Causation’ where effects (*actualized* futures) depend on causes, for which they themselves (performatively) operate as causal agents.¹⁸ Armen Avanessian and Malik extend this radical temporal shift outside of pure finance through to society in general, where their ‘Time-Complex’ model applies to large-scale, integrated capitalist societies on the whole. The Time-Complex indexes the operationalization of the future on the present, as a condition for ‘judgements, calculations and actions in the present [like] predictive analytics in big data, derivatives, [and] global supply chains’, setting up an order where the future *precedes* the present; where the speculative mode is a socio-technical condition enabled by computational infrastructures.¹⁹ In this temporal order, conventions of rationality break down, since all quasi-knowledge we may possess is always in the form of unknowns, as risks — prompting Malik to call for a ‘Risk Rationality’ commensurate with complex societies, wherein we may *think* the future, but we cannot know it. This ability to think the future unknown, *is* the anticipatory; it is the *logic* of

14 Elena Esposito, ‘The Construction of Unpredictability’, *Fear of Content*, Berlin Biennale 9, 2016, <http://bb9.berlinbiennale.de/the-construction-of-unpredictability/>.

15 Ibid.

16 Ibid.

17 Armen Avanessian and Suhail Malik, ‘The Time-Complex. Postcontemporary’, *Fear of Content*, Berlin Biennale 9, 2016, <http://bb9.berlinbiennale.de/the-time-complex-postcontemporary/>.

18 Elena Esposito, *The Future of Futures: The Time of Money in Financing and Society*, Northampton: Edward Elgar Publishing, 2011, p. 16.

19 Suhail Malik, ‘Why a Rationalist Art’, lecture organized by Glass Bead, Les Laboratoires d’Aubervilliers, Paris, 20 February 2016, <http://www.glass-bead.org/audio-research/suhail-malik/?lang=enview>.

the derivative (as a cipher for finance) that has come to define the distinct operations and causal modalities of our complex societies. This logic of the functioning of anticipation *qua* an unactualized future is the enactment of *planning* (a claim, as we know, not only on the future, but on the present as well), leading to J.W. Mason's insistence on the need to politicize this constitutive quality of finance:

...the financial system is [...] where conscious planning takes its most fully developed form under capitalism. Banks are, in Schumpeter's phrase, the private equivalent of Gosplan, the Soviet planning agency. Their lending decisions determine what new projects will get a share of society's resources, and suspend — or enforce — the 'judgment of the market' on money-losing enterprises.

A socialist program must respond to both these faces of finance. We oppose the power of finance if we want to progressively reduce the extent to which human life is organized around the accumulation of money. We embrace the planning already inherent in finance because we want to expand the domain of conscious choice, and reduce the domain of blind necessity.²⁰

Such a call to socialize the *anticipatory* operation of finance is precisely what is captured by an Optimist Realism. It is a complicit position strategically responding to the causal affordances organising contemporary reality today, to demonopolize (or uncancel) the future (and the present) from the purview of the very few, who are the only beneficiaries in the *design* of finance as it is. The call for the socialization of the anticipatory *function* of finance, must equally assume the politicization of uncertainty itself as a risk-rationality — for as we know, in any complex system, outcomes are never fully determinate, but are more aligned with qualities of steering, weighting, and guiding. Furthermore, hijacking the logic of finance for socialized and not private means/ends also equates with an exit from the logic of scarcity as an economic governing rational (manifest as austerity). The sheer wealth created in the financial sector is at roughly 20 times that of world GDP,²¹ pointing to an instrumentalized *irrationality* at work today. Although operationalizing gains on a quasi 'openness' of the future, the design of finance itself already constrains what those contingent affordances could be, in line with its molding of individualized profit incentives. Despite the power for futurity performed in the financial derivative function, when it is *constrained* by the *interface* of private-gains, it can only ever benefit the few. In this way, the radical contingency of future unknowns are domesticated, pre and post-emptively coerced into the mold of 'naturalized' private interest under capitalist realist affordances; gains made in its own logical image. If, under finance, our reality has never been more susceptible to fictional (unactual, anticipatory) procedures, it is time to politicize this mode of effectual retrospective causation and make claims on this operation.

If the contingency of the future has more agency than ever, due to the speculative force of uncertainty and modes of temporal causation at work in contemporary reality, when it remains bound to the interfacial paradigm of finance (as it is currently designed),

20 J.W. Mason, 'Socialize Finance', *Jacobin*, 28 November 2016, <https://www.jacobinmag.com/2016/11/finance-banks-capitalism-markets-socialism-planning/>.

21 Randy Martin, 'Dance and Finance — Social Kinesthetics and Derivative Logics', lecture. EMPAC, Troy, NY, 9 October 2013, <http://empac.rpi.edu/events/2013/fall/other-words/randy-martin>.

our future will remain but beneficial for the (increasingly) few. In his seminal book, *The Stack*, Benjamin Bratton defines the interface (beyond the screen-based, button with words GUI's we are accustomed to) in the generic, as 'any point of contact between two complex systems that governs the conditions of exchange between those systems' where a 'diagram plus computation equals interface'.²² Additionally, the interface can not only make complexity *tractable* (the problem of complexity withdrawal), fostering interactive accessibility that not only arbitrates translations of signals bidirectionally across disparate domains, but most importantly, where the interface 'fixes and limits' navigational possibility, 'narrativizing' the meaning of those very possibilities.²³

Because the politics of the interface operate in both directions, there is a potency here isomorphic to finance-power not to be undervalued; we cannot lose sight of the force of narrative anticipation, of other 'alienated' myths, embedding themselves into the diagramming of those very navigational limits. This, of course, is not to advocate for 'ideal' optimism, where we can simply re-narrativize a 'better world', as if the stakes are purely imaginary and plastic, totally susceptible to fictional procedures. Reality is simultaneously shaped by us, indifferent to us, *and* invariant to us, and our subsequent narratives for reverse uptake need to mobilize these constraints. For narrative forces to politically and substantially engage in the reciprocal dynamics of the interface, they too must entangle themselves in the reciprocal dynamics between ideality and reality, not as a space of dreamy whimsy, but in ramifying the anticipatory. That is, not just presenting or narrating what a new, just socio-economic order could be, but in enacting the anticipation such novel transitions afford as a corresponding 'alienated' agent. The anticipatory, as a mobile uncertain concept is always unknowable, never without risk, but always potential. To be sure, this potential is volatile; susceptible to both utopian and dystopian promises. It conditions the very 'limits that get fixed', which is why the uncertainty endemic to all futurity can never be an excuse for inertia — it demands politicization and social speculation. The future will only ever be contingent and anticipatory; to resign ourselves from its molding otherwise, simply because we cannot *guarantee* its outcome, is a pessimistic resignation in denying the mutability of *the given*, a conceptual calcification that holds, at present, the guaranteed stagnation of politics under finance power. A pessimism that is only 'affordable' by the few who are not acutely threatened (or may even benefit from) existing interfacial givens. We need to alienate the naturalized myths of who we are as human creatures (what incentivizes us as social animals) for reverse up-take, retraining our interfaces for a mode of futurity premised on collective care, separating from our debilitating narratives of self-enclosed sufficiency.

22 Benjamin H. Bratton, *The Stack: On Software and Sovereignty*, Cambridge, MA: MIT Press, 2015, p. 220.

23 *Ibid.*, p. 219.

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