

THEORIES AND METHODOLOGIES

Fictions of Capital

ELI JELLY-SCHAPIRO

In the opening pages of Hernan Diaz's first novel, *In the Distance*, Håkan Söderström—an unusually large man from the hinterlands of Sweden who migrated to the United States, without dreams of conquest or wealth, in the middle of the nineteenth century, and who has spent indeterminate years wandering its plains and deserts, attempting to evade any encounter with the settler-colonial forces remaking the continent in the image of capital and empire—is on an ice-field in Alaska, emerging from a hole in the frozen expanse. Even in this remote corner of North America, Håkan's legend is common currency among the crew he has recently joined, other transient enlistees of the San Francisco Cooling Company's maritime operations. Overhearing the incredible stories of his life that circulate among his colleagues onboard, Håkan breaks his silence: "Most of those things are lies," he plainly avows: "Not all. Most" (7). Håkan then begins to describe something of who he is, where he comes from, and the events that have defined his time in the New World. This intimation of autobiographical narration is abruptly arrested, as the novel that follows refers to Håkan in the third-person; but what transpires feels something like the truth of his life, and of the geography and histories he has witnessed.

Håkan's corrective to the myth of his own life doubles as a counternarrative to the myth of America. His story registers not the heroic feats of civilization and industry performed by the planter, prospector, or rancher but the disappearance of the continent's indigenous peoples, the degradation of its landscapes by the infrastructure of extraction, and the creeping ascendance of the commodity form (and with it the technologies of fetishism and reification, the personification of things and thingification of persons). In Diaz's second novel, *Trust*, the locus of the narrative shifts—from the time-space of primitive accumulation to that of financial speculation, from

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West to East, from the vague heart of the nineteenth century to the early decades of the twentieth. Like *In the Distance*, though, *Trust* is fundamentally concerned with the fictions composed by capital and the imperial state, stories that shape the present and future by silencing the past.

The fictions of capital that *Trust* registers, and begins to redress, are twofold. On the one hand, the novel subtly evinces how the autohistoriography of capital obscures the true origins of value: the theft and exploitation of land, resources, and people and the routine expropriation of wage labor—the ways in which, as Marx put it, “capital comes dripping from head to foot, from every pore, with blood and dirt” (926). On the other hand, *Trust* is a sustained meditation on the phenomenon of “fictitious capital,” a concept elaborated by Marx and others, which describes financial instruments—credit money, government bonds, and corporate shares, as well as more complex mechanisms of securitization—that represent a claim on future value (value that has not yet been produced or realized).¹ These two fictions of capital are bound up with one another; the proliferation of ever more opaque forms of securitization and speculation—for example, collateralized debt obligations—further obfuscates the crude forms of dispossession that underlie the creation of all surplus value.

The novel comprises four parts, four versions of, or lenses onto, one story—the lives of Andrew Bevel, a titan of Wall Street, and his wife Mildred Bevel (née Howland) and the transmutation of those lives into multiple, competing narratives. Part 1 is a novel within the novel entitled “Bonds,” by Harold Vanner, which chronicles the rise of Benjamin Rask (a thinly fictionalized Andrew Bevel), his marriage to Helen Brevoort (qua Mildred Bevel), and Helen’s descent into mental illness (an apparent fabrication of Vanner’s). “Bonds,” we are later told, was a tremendous commercial success, a book eagerly consumed by a public in search of some intimate insight into the hidden abodes of finance—the people and institutions responsible for the cataclysm of 1929 and other recent economic shocks. “Bonds” is a restrained but gossipy glimpse behind the curtain of capital, into the rarified

domestic domain—including the home office, the soundscape of which is defined by a contrast between frenzied trading activity and the quiet of studied research—of the ultrawealthy financier, which contains several more philosophical reflections on the meaning and material consequence of money and finance.

“Because he had enjoyed almost every advantage since birth,” Vanner’s novel (and Diaz’s) begins,

one of the few privileges denied to Benjamin Rask was that of a heroic rise: his was not a story of resilience and perseverance or the tale of an unbreakable will forging a golden destiny for itself out of little more than dross. According to the back of the Rask family bible, in 1662 his father’s ancestors had migrated from Copenhagen to Glasgow, where they started trading in Tobacco from the colonies. Over the next century, their business prospered and expanded to the extent that part of the family moved to America so they could better oversee their suppliers and control every aspect of production. (7)

This passage is notable for what it reveals, or asserts—that Rask’s fortune, while perhaps augmented by his genius, was intact at birth—and for what it merely implies without openly acknowledging—that Rask’s inherited wealth came, in large part, from his family’s implication in the plantation economy of the Americas (the institution, in other words, of chattel slavery).

Vanner, like much of his readership, is blind to, or unwilling to explicitly reckon with, the history of slavery that made possible not only Rask’s economic power but that of America broadly conceived. Yet “Bonds” does contain, in moments, a suggestive hint of what a more complete accounting of the history and present of American capitalism—or the structure of capitalist modernity broadly conceived—might look like. Vanner discerns, for example, how the machineries of financialization disable the process of cognitive mapping, preventing not only the lay consumer but the apparent masters of the world economy from apprehending the totality of capitalist social relations. “The further and deeper

[Rask's] investments extended into society," Vanner writes,

the more he withdrew into himself. It seemed that the virtually endless mediations that constitute a fortune—equities and bonds tied to corporations tied to lands and equipment and laboring multitudes, housed, fed, and clothed through the labor of yet other multitudes around the world, paid in different currencies with a value, also the object and trade of speculation, tied to the fate of different national economies . . . had rendered immediate relationships irrelevant to him. (22–23)

The *mediations* of fictitious capital, that is, work, in concert with the fetishism of the commodity form, to alienate people from one another and themselves.

One of the core technologies of mediation in capitalist society is money. And both "Bonds" and *Trust* at large are marked by perceptive passages on the mystical properties of capital in its money form, liberated or self-actualized by the act of speculation. Rask, Vanner observes,

became fascinated by the contortions of money—how it could be made to bend back upon itself to be force-fed its own body. . . . [Rask] viewed capital as an antiseptically living thing. It moves, eats, grows, breeds, falls ill, and may die. But it is clean. . . . All he had to do was think, speak, and, perhaps, write. And the living creature would be set in motion, drawing beautiful patterns on its way into realms of increasing abstraction, sometimes following appetites of its own that Benjamin never could have anticipated. (16)

Rask, who is disinterested in luxury, the things that money can buy, who "had no appetites to repress," marvels at the animate qualities of capital, the desire of capital to reproduce itself. Greed, he recognizes, inheres not in the subject but in the object.

There is something more than a little Weberian about Vanner's depiction of Rask, the frugal and disciplined speculator who is able to facilitate the flourishing of capital precisely because he denies himself the pleasure of its consumption. In *The Protestant Ethic and the Spirit of Capitalism*, Max Weber cites Benjamin Franklin: "Remember that

Money is of a prolific generating Nature. Money can beget Money, and its Offspring can beget more, and so on. . . . The more there is of it, the more it produces every Turning, so that the Profits rise quicker and quicker. He that kills a breeding Sow, destroys all her Offspring to the thousandth Generation" (12).² Money is the creator, the progenitor. Vanner, though, does ascribe to Rask a certain agency: "his was the hand behind the invisible hand" (75). This, at least, was the view of the public, who found in Rask a convenient villain; it was he, many alleged, whose massive bets against the market precipitated the panicked selling that led to the crash. Whether or not Rask orchestrated the collapse, Vanner concludes, "it was beyond doubt that he had turned an incalculable profit from it" (76).

Rask emerged from 1929 in an ambivalent position—at the pinnacle of the world of finance, but distrusted, and even reviled, by the masses below. In magazines and newspapers, Vanner reports, Rask was consistently caricatured "as a vampire, a vulture, or a pig" (75). It is in part to counter this image—as well as to correct Vanner's representation of Helen's mental illness and the role played by Rask in arranging the treatments, including medically induced seizures, that ultimately killed her—that Bevel feels compelled to publish his own memoir, with the aid of a ghostwriter. Bevel's unfinished manuscript—he dies of cardiac arrest at the age of sixty-two, we later learn, before completing the book—makes up *Trust's* second part.

"My Life," by Andrew Bevel, is, among other things, a tour de force of self-mythologization and an elementary synthesis of some of the abiding precepts of American conservatism (or laissez-faire liberalism). Bevel is insistent that the individual will toward accumulation benefits the common good and that excessive government intervention is responsible for any disequilibrium in the market and the heightening of social contradictions. "A vicious circle," he writes in the preface, "has taken hold of our able-bodied men: they increasingly rely on the government to alleviate the misery created by that same government, not realizing that this dependency only perpetuates their sorry state of affairs" (132). And while he is at pains to glorify

the domestic virtues of his mother and wife, his misogyny is profound: “Women represented only 1.5 per cent of the diletantish speculators at the beginning of the [1920s]. At the end [of the decade] they neared 40 per cent. Could there have been a clearer indicator of the disaster to come?” (182).

This “disaster,” though, Bevel insists, was actually a necessary instance of clarification, a way of restoring the market to its proper value, to set the conditions for the resumption of its perpetual growth. The short positions Bevel took in the lead-up to the 1929 crash was “my attempt, as a concerned citizen, at correcting and purging the market. And just like my forefathers I proved that profit, when responsibly made, is one with the common good” (184). The incompleteness of “My Life” is expressed on the page by gaps in the narrative and by the placeholder notes that Bevel or his ghostwriter have left in the text. For example:

Smith, Spencer, etc.
Gospel of Wealth, American Individualism, The Way to Wealth,
The Individual and His Will, etc. (190)

Or on an earlier page, more simply, surrounded by solid blocks of nothing: “Mother” (151). These little notes act as accidental poems, neat distillations of Bevel’s ideology that often communicate more than his memoir’s longform prose.

The true author of “My Life” is Ida Partenza, a young, working-class woman from Brooklyn whom Bevel hires to translate his dictation into a felicitous narrative, with a prose style befitting the greatness of the man and the magnitude of his life and career. Ida’s recollection of this time in her life, “A Memoir, Remembered,” constitutes *Trust’s* third and penultimate section. Ida’s narrative is perhaps the most conventionally novelistic of the book’s four parts; here we encounter Bevel not by way of Vanner’s somewhat distant realism—there is no dialogue in “Bonds,” nor any interiority—but through actual conversation, exchanges between Ida and Bevel that the former has carried with her across the decades. Also more alive, in Ida’s account, is Mildred—the legacy of whom Bevel is adamant he

wants to honor but in fact diminishes or elides (replacing, for example, her transformative support of the arts in general and avant-garde classical music in particular with mundane details of her “domestic touch,” which Ida is charged with embellishing).

After her brief stint as Bevel’s ghostwriter, Ida went on to become a writer, a novelist and memoirist herself, and she looks back on the experience—the weirdness of her ephemeral immersion in Bevel’s world and the first, awkward expressions of her evident writerly talent—with a kind of wonder. At the time, Ida was still living with her father, a printer by trade, and a committed anarchist who—as he tells it—was exiled to America from Italy after his revolutionary activism made him a fugitive of the state. Ida loves her father but is also constantly exasperated by him—by his complete abdication of any sort of housework (all of which is thus left to her), his irrepressible flights of political fancy, his relentless didacticism. And yet, some of her father’s monologues, perhaps because of their repetition, leave a deep impression, stay with her—especially his discourse on money and finance capital: “Money is a fantastic commodity,” he instructs his daughter, channeling Marx:

You can’t eat or wear money, but it represents all the food and clothes in the world. This is why it’s a fiction. And this is what turns it into the measure with which we value all other commodities. What does this mean? It means that money becomes the universal commodity. But remember: money is a fiction; commodities in a purely fantastical form, yes? And this is doubly true for finance capital. Stocks, shares, bonds. Do you think any of these things those bandits across the river buy and sell represent any real, concrete value? No. No, they don’t. Stocks, shares and all that garbage are just claims to future value. So if money is fiction, finance capital is the fiction of a fiction. That’s what all those criminals trade in: fictions. (216)

During Ida’s initial interview, Bevel asks her why she wants the job. Ida surprises herself by reciting, verbatim, another of her father’s reflections on money. “Why work at a place that makes one thing,” she responds, “when I could work at a company that

makes all things? Because that's what money is: *all* things. Or at least it can become all things. It's the universal commodity by which we measure all other commodities. And if money is the god among commodities, this," Ida gestures toward the office and downtown skyline, "is its high temple" (226). Bevel is moved by this tribute to the powers of money—Marxist in its vocabulary and enunciated, in the first instance, by an anarchist agitator—and Ida is hired.

Trust's engagement with the fictions of capital—the instruments of financialization and the mythologies of surplus-value authored by individuals like Bevel or entire intellectual disciplines like neoclassical economics—dovetails with the book's self-reflexive attention to the problem of fiction itself. In recent years, a notable critical conversation—developed by scholars such as Anna Kornbluh, Leigh Claire La Berge, Annie McClanahan, Elizabeth Holt, Alison Shonkwiler, and Arne De Boever—has examined the formal affinity between fictitious capital and literary fiction, the technologies that represent value—money, debt and credit, stocks and bonds—and various modes of cultural representation. Like money, novels work inductively, transmuting the particular into the universal. And just as the value of the S&P 500 acts as a metonym for "the economy," novels mold into narrative shape, or allegorize, the complexity of the capitalist system. The metonymic function of the novel is especially pronounced in those texts that take as their subject, and do not merely reproduce in their form, the logics or workings of fictitious capital. In contemporary financial fiction, La Berge observes, finance often stands in for capital broadly conceived; it acts, in other words, as a figure for an economic totality that remains obscure (4).³

This is true, in one sense, of *Trust* as well. The novel's final section, "Futures," reproduces Mildred's journal, barely legible jottings recovered from the New York Public Library and painstakingly decoded, decades after their composition, by Ida. The diary entries document Mildred's final days in Switzerland, as the pain of her cancer gradually overwhelms her and she prepares to leave the world. One major revelation of Mildred's journal

is that it was in fact her genius that made possible the Bevel fortune. While Andrew taught her "the rules of investment," she showed him "how to think beyond their boundaries" (381). It was Mildred, for example, who foresaw the shock of 1929 and devised the short-selling strategy that enabled Andrew to derive such profits from the market's fall. And even as her health declines to the point that she's unable to sit up in bed, Andrew phones from Zurich, asking after her condition but also soliciting her advice on various business affairs. Revised by Mildred, the Bevel story is revealed for what it is: not a triumph of one "great man," an exemplary expression of the agreement between individual ingenuity and national progress, but a grand deception. This neat undoing of the archetypal masculine ordering of history is, though, a subtle feint of its own, because whoever made the investment calls that allowed Bevel's inherited wealth to compound, the spaces and times of actual material accumulation—the extraction of resources, the exploitation of labor—remain out of view, concealed by the apparatuses of fictitious capital that Mildred has apparently mastered.

But in other moments the novel illuminates its own negative space. Spending time with Bevel's papers in the library, returning to the draft of his memoir that she produced so many years ago and that Bevel marked up with his own notes and edits, Ida is struck by one passage, which describes how Bevel's great-grandfather founded his business:

William acquired a sizable loan against his father's property and then borrowed more upon that sum. He went deep into debt with the intention of buying from those who, like his parents, were unable to sell their goods. But rather than tobacco, which he would have been unable to store properly, he purchased non-perishable goods, especially cotton from farther south and sugar from the newly acquired Louisiana. (299)

Reading this paragraph, Ida thinks of her father. "He would always say," she reflects,

that every dollar bill had been printed on paper ripped off a slave's bill of sale. I can still hear him

today. “Where does all this wealth come from? Primitive accumulation. The original theft of land, means of production and human lives. All throughout history, the origin of capital has been slavery. Look at this country and the modern world. Without slaves, no cotton; without cotton, no industry; without industry, no finance capital. The original, unnamable sin.” (299–300)

Ida finds not one mention of slavery in Bevel’s draft.

If the fictions of capital conceal that history, works of fiction such as *Trust* and *In the Distance* contribute to the process of bringing it into evidence, bearing witness to the absences in the archive, and imaginatively reconstructing the lives that capital has literally or narratively erased. Novels can also counter the naturalization of history, the pervasive ideological assumption that what happened is what must have happened, the inevitable fulfillment of the destiny of the market, the nation, or the empire. In *In the Distance*, Håkan mostly avoids any assimilation by capitalist rationality. But as he prepares to take leave of the continent, he devises a plan that involves recovering a hidden store of gold—which he helped extract in the distant past, shortly after his arrival in America—and purchasing ocean passage back to Sweden. He is soon overwhelmed, though, by the implications of this scheme. “What would he have done with gold? How was gold even used? How much did one give and what could one expect for it? . . . His heart pounded with anxiety at the mere thought of being involved in the complicated exchanges his plan would have required. Much better, he thought, to end his journey as it had started—with nothing” (240). In *Trust*, the fiction of money—our collective faith in this illusion—is utterly ascendant, universal. But for Håkan, money is an alien, monstrous thing,

a fantastical and inhuman social form. Reading *Trust*, we are impressed by the urgency of seeing the world through Håkan’s eyes.

NOTES

1. For a concise account of the different forms of fictitious capital, and the contemporary modes of financialization that have lent them a new expression, see Durand.

2. These lines of Benjamin Franklin are found in “Advice to a Young Tradesman, Written by an Old One” (1748).

3. The ideas articulated in the final four sentences of this paragraph appeared in slightly different form in the introduction to my book, *Moments of Capital* (19).

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