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The Ruptures of American Capital. **By Grace Kyungwon Hong. Minneapolis: University of Minnesota Press, 2006. 216 pages. $58.50 (cloth). $19.50 (paper).**

Primitive America: The Ideology of Capitalist America. **By Paul Smith. Minneapolis: University of Minnesota Press, 2007. 176 pages. $54.00 (cloth). $17.95 (paper).**

Out of the Pits: Traders and Technology from Chicago to London. **By Caitlin Zaloom. Chicago: University of Chicago Press, 2006. 238 pages. $29.00 (cloth).**

The international financial crisis that surfaced in August 2007 has done the impossible—convinced large portions of the U.S. public and the media that U.S. economic policy has major flaws. It is now a little easier than it was in 2006 or 1996 to find mainstream criticism of Wall Street's impact on the economy, of wage stagnation and job insecurity, of very high levels of economic inequality, and of glaring racial disparities in measures such as family assets and mortgage defaults.

At the same time, the critics do not generally believe that flawed U.S. economic policies indicate a flawed U.S. economic model. Most of them attribute various crises to excessive Bush II pandering to its favored special interests—big pharmaceutical companies, military contractors, oil corporations, the wealthiest 1 percent, among others. Tax cuts for the rich, installment of the Medicare prescription plan, inadequate support for renewable energy research—these are discrete policy mistakes that could, in most accounts, be redressed by Democratic-party-style reforms on topics where polls indicate that solid majorities are fed up with Republican positions. Little of the commentary is suggesting the need for a structural redesign of American capitalism, or is criticizing capitalism as such. Even Naomi Klein's *The Shock Doctrine*, the most widely circulated recent left-wing critique of U.S. economic policy, attacks extreme capitalism rather than capitalism itself.

The economy needs analyses of greater depth, but it will for now be up to academics to provide them. Are the three books under review examples of this kind of much-needed insight about the real social and cultural impacts of the U.S. economic system?

All three were written before the advent of the financial crisis, but all analyze issues that the crisis brought to light. They share a dominant theme: culture and economics need to be scrutinized together through systematic exploration of their interconnections. Hong opposes the reduction of the sociocultural registers of race and gender to class, Smith opposes the reduction of capitalist logics to culture, and Zaloom rejects the separation of financial analysis from the social analysis of economic activity.

The authors are entirely right on these points. I will describe their arguments while discussing two other features these books share. None of these books about the tie between culture and economics analyzes economics in enough detail to explain its impact on culture or vice versa. And none of the authors suggests an alternative program for resolving the problems that they decry, though I will end by noting the basic ingredients for an alternative that their analyses imply.

Grace Kyungwon Hong's book, *The Ruptures of American Capital*, is especially welcome in the current context, for it explains at length why we must see that American capitalism is a racial system as well as an economic one. Hong uses close readings of mostly canonical literature by women of color to discuss their analyses of the often destructive impact of American capitalism on communities of color and racialized immigrants. The problem that links all the chapters is class reductionism, and she is at pains to show how thoroughly racial and gender difference inflect various forms of economic deprivation and suffering.

Hong is certainly correct that analyses of U.S. economic history and policy don't make sense unless race and gender are placed at their center. The American economic system has depended on various kinds of indentured, captive, subordinated, and "alien" labor from its inception. There is no era in which some significant economic sector did *not* depend on very low cost labor from populations that, through variable interactions of race and gender and other factors, could not level the playing field. In our own high-tech economy, race and gender remain core components of the various new proletariats on whose work depend the apparel sweatshops down the street from the paradigmatic postmodern hotels of downtown Los Angeles, as also depend major industries such as agriculture, construction, hospitality, and facilities maintenance, as well as chip manufacturing, software design, and other bastions of the "new economy." The same goes for the role of women and subordinated ethnicities and races—and children—in an international division of labor in which metropolitan wealth depends not simply on flexibility and innovation but also on the superexploitation of the 2 or 3 billion poor who are at least temporarily unable to defend themselves. The big lessons here are that neocapitalism has regressive as well as modernizing elements, that one regressive element is the persistence of race- and gender-based labor exploitation and political control, that the exploited and oppressed have more to say about this and other regressive elements than do college graduates and prominent journalists, and that the exploited struggle heroically to live, to control their immediate world, to fend off the worst, and to define the meaning of their own existence.

Hong's readings are best when seen as a sustained effort to depict the suffering of women of color and racialized immigrants in a modern service economy. This thematic does come across, but it is less developed as an economic than as a cultural-political story in which suffering results from the many ways that racism and sexism continue to interact with male despotism in a variety of settings. The weakness of the economic story owes something to Hong's reliance on the analyses of "postmodern" capitalism conducted by David Harvey and Fredric Jameson in the 1980s. This reliance encourages her organization of capitalism into Fordist and post-Fordist eras and her presentation of a matching—and misleading—contrast between mass and flexible production. The weakness of the economic story owes even more to Hong's disinclination really to tell it, by which I mean to describe the specific economic institutions, practices, policies, and behaviors that have concrete and differentiated impacts on women of color and immigrant cultures in the U.S.-Mexico borderlands, in 1980s Manila, in 1950s Ohio, and in the other settings described by the texts she analyzes. Hong offers abstract economic logic in place of economic detail.

This is fine if one wants to use literary criticism to present literary-textual evidence that racism and exploitation continue to afflict racialized domestic and immigrant populations. Such criticism helps to contradict the many contrary promises made by neoliberalism's political and intellectual leaders, and we are in one of those cycles wherein counternarratives could form a growing part of public debates. But Hong's strategy is less fine if one wants to make causal claims for the interaction between U.S. capitalism and U.S. racial culture, or to identify the mechanisms through which specific features of contemporary capitalism cause racialized exploitation and lead to injustice and inequality. For the latter, one needs to concretize economic and cultural forces at the same time, and then set them into motion. Hong is right that economic analysis must not be allowed to reduce race and gender to abstract categories whose effects are determined by capitalism. But the reverse is also true: cultural analysis should not reduce capitalism to a set of general principles whose effects are determined by cultural or political forces, even when those forces are as important as the racialized exploitation and state coercion that Hong describes.

Paul Smith's many previous books promise that he will not be tempted to subordinate economics to culture, and Primitive America does not disappoint. His main argument is that the persistent primitivism of contemporary American culture has an economic source—in fact, U.S. primitivism *consists* of the overwhelming dominance of economic motives in American culture. Smith offers various interesting formulations of this culture's dominant features. The conflicted interplay between freedom and equality is one. A complicated mixture of aggression and authoritarianism is another. A third major cultural feature is collective narcissism, expressed as an inability to understand or sympathize with others, while expressing an inability to understand or sympathize with oneself—with one's history, one's friends and neighbors, one's fellow citizens, one's own deepest desires. The narcissist, Smith notes, does not love others, but he or she also does not love him- or herself.

Primitive America thus has an unpleasant and dangerous collective psyche, one driven by its members' narcissistic rage about their vulnerability, disappointment, and victimization. The rage can never be appeased because the predicament as such remains the narcissist's only reality. The narcissist looks for relief only to leaders and other figures of superior power, and has lowered inhibitions against violence, since he or she does not care about its effects on others. He or she therefore inclines toward authoritarianism, but one compatible with few restrictions on his or her own superficially pleasure-oriented behavior. This helps explain the power of the consumerism that Hong also analyzes, and its failure ever to produce the independence or *jouissance* it promises. Consumer capitalism leads instead to the kind of friendly authoritarianism described before the fact by Alexis de Tocqueville, in a telling passage Smith cites, as based on feeling "the need to be led and [the] wish to remain free." The need to be led illuminates quite a bit about American top-down politics and American militarism—in short, about what seems to be a failure of the country's collective capability to solve problems without the exercise of authority and force.

This is mass narcissism as a cultural phenomenon, but does it really have an economic source? Smith says yes. First there is the primordial alienation that comes from wage labor under capitalism: the system of private property does not consist simply of the individual ownership of individual goods such as houses and cars, but more fundamentally of the individual's selling of his or her labor power to the employer, presumed to be the possessor of capital. The primordial loss is the loss of one's own labor power, of the value that one creates oneself through the expenditure of one's own labor, energy, and life. Even if one is well paid, one loses a part of oneself and a control over one's destiny that cannot be recovered in the form of money and commodities.

Some readers may object that this fall into wage labor is true the world over, but that advanced capitalist countries such as France, Germany, and Japan are now far less militaristic and generally adversarial than the United States, which suggests that wage labor is not the determining factor. Smith argues that the difference is not of kind but of degree: he says, in effect, that the United States has given itself over more completely over to labor-alienating economics than have other countries. It is this extravagant capitalism that lies at the heart of American primitivism: "The essentially primitive aspect of America resides in the fact that all social and cultural phenomena are dedicated to one central process, the process of capital accumulation" (42; italics omitted). The country requires both the alienation of one's own labor and a constant exuberance about this, which reinforces both the wound and, in the obliteration of social and cultural knowledge, the narcissistic relation to the wound. Anxiety, overwork, stress, disappointment, anger, aggression—Smith does not analyze these as such, but they are part of the logic he describes. To make matters worse, capitalism does not only require the extraction of surplus value from labor, but also requires the continuous expansion of the field for its own circulation. Since it is at often violent odds with all noncapitalist regions and operations, it requires a similar belligerence toward noncapitalist relations on the part of its citizenry.

And yet *Primitive America* rests its case on an economics as disembodied as that in Hong's book. Its accounts of the confrontation between cultural and economic factors put both outside of history and of specific institutions, communities, populations, cultures, and practices. The extracts of texts of every era point in the same direction: Harvey appears, to be corrected by Marx; Baudrillard appears, to be replaced by Tocqueville: twentieth- and nineteenth-century American capitalisms are more or less the same, as is the country's cultural psychology in these different eras. It is thus nearly impossible to decide what causes what when, and to what effect. Smith resolves this ambiguity not with cases but with the axiom I cited above, which can now be appreciated in its full reductiveness: *all* social and culture phenomenon are about capital accumulation. This is false as an empirical statement: capitalist societies, the United States' included, depend on a full range of noncapitalist behaviors, including every type of unpaid work as well as planned exchanges, nonmonetary collective endeavors, explicitly anticapitalist forms of organization, and many kinds of nonaccumulative activity, from gambling and narcotics addiction to child care and full-time community service. Awareness of ground-level economic variety is particularly acute in the communities of color that Hong featured, precisely because if they did not create their own exchanges and systems of mutual support they would not survive.

Smith certainly knows this, and so we should read his axiom—all social and cultural behavior is about capitalist accumulation—as an attempt to establish the economy's general causal priority to culture. This is the economic reductionism Hong and others warn against. It does not help to answer crucial causal questions. For example, how do we know that selling labor power is an alienation that is prior to selling labor into authoritarian management structures? How do we know selling labor would not be OK if we could equalize power relations between the buyer and seller, as in fact does happen in relatively egalitarian local communities? The answer matters, since if selling labor power is the problem, we need to end wage labor and the private ownership of capital, and if power inequality is the problem, we need "only" radically democratize political regulation of greatly decentralized property relations. Absent substantive causal evidence, Smith might have allowed a more generous parity between economic and cultural categories, of the kind required to answer the questions posed by his valuable analysis.

I have been suggesting that the connecting of cultural and economic analysis requires historical detail, and hinting that case studies, with direct ethnographic contact, might be an essential way for American studies scholars to provide this detail. Zaloom's *Out of the Pits* provides an interesting test of this possibility, since it consists of a long-term ethnography of professional traders and of the social existence that underlies trader-made market movements. Her analysis rests on her firsthand experience of an interesting transition from live to electronic futures trading in Chicago and London. Her core points are that the social life of markets affects those markets, and that this social life has been changed by the rise of electronic trading. The early chapters offer a history of the Chicago Board of Trade, which Zaloom uses as a backdrop to the recent shift away from the pits' face-to-face contact. She emphasizes the paradox that these new trading architectures and processes have created trading floors trapped between a "commitment to place" and to "creating endless circulation" (47).

It is at this moment of potential contradiction and opening out toward the overall economy that Zaloom's participant-observation arrives at center stage. And yet these possibilities do not survive her analysis.

This volume has as many ups and downs as the futures markets it describes, and the low point for me was the chapter "Economic Men," which in effect celebrates the trader's self-styled individualism in the course of describing his unrestricted sexism, drunkenness, mock-stripping rituals, name-calling on the order of "fag," "cocksucker," and "homo," and bouts of snot-wiping on refrigerator door handles. Setting aside the dismal prospect of an immensely wealthy and powerful industry whose rank and file resemble the John Belushi character in the 1970s fraternity film *Animal House*, two further problems are intertwined here. The first is that the traders' idiotic antics are not a sign of their rugged individualism, as Zaloom claims, but of their herd behavior. The second is that they are trading on—literally—a sanctioned ignorance of all real-world effects of their trading behavior, from the ludicrous gender imbalance of their own profession to the negative impact on long-term economic development of their minute-by-minute knee-jerk arbitrage plays with trillions of dollars.

A more plausible interpretation of Zaloom's data would suggest that traders, in order to trade well, become quasi-sociopathic master-followers, ones whose main creed is "the trend is your friend." Had she moved in this direction, her readers would then be in a position to see trading as what it is, a largely self-serving gambling operation that contributes little or nothing to economic progress. They would then be inclined to think the unthinkable—that traders are not superior creators of wealth and therefore should not be given a free hand in making markets and steering capital. Whatever Zaloom's personal views might be, her text proffers the main ideological justification for protecting traders and their enormous incomes from the consequences of their acts: traders display "radical individuality" and a "maverick aesthetic," and they see themselves revealing the human being's "most basic instincts—competitiveness and self-interest" (113) in some kind of essential truth that express both liberty and the creation of value. Zaloom does sometimes try to redress her excessive deference, as when a page later she notes that in fact the trader "in his individuality . . . thrives on the crowd," and that "he exists through his exchanges with others—those who buy or sell" (114). But throughout the book she maintains the paradigm of the trader's great revolt against "bureaucratic rationality" through "masculine economic freedom" (118–19), when her evidence would more correctly suggest chapter titles like "Slaves of Price Momentum."

Fortunately, *Out of the Pits* takes one of its sudden upswings in the next chapter, "The Discipline of the Speculator," which grounds trader pseudo-individualism in a less idealized psychological reality. It turns out that futures traders in fact relate to the market as "an object of attachment" that stands over them and judges them. In keeping with the adolescent carnival they create backstage, traders are in fact "obedien[t] to the discipline" of trading itself (129). Zaloom focuses on "scalpers," the most frantic short-termers in the market, who spend all day with their finger poised over their mouse or ready to scream in the pits to nail a position that they will dump in sixty seconds. Successful trading here can be seen to depend on the annihilation of the ego, on the recognition that the "market doesn't care what you think or who you are" (cited 128). More deeply, it depends on an ability to suffer losses—serious, painful, and frequent losses—and to continue anyway. One trader says, "He didn't teach [new traders] how to win. He taught them how to lose" (cited 132). Another says, "You have to love to lose money . . . to be successful." Beneath the trader's antisocial, submissive, insular behavior, the trader personality has two main components: the constant experience of loss, and dissociation from that loss. The trader is someone who is oriented neither toward gain nor toward avoiding loss, but toward treating loss with dissociation.

To push this where Zaloom does not, trader pseudo-individualism combines obedience to the rules with repression of the loss that obedience creates. This combination marks not the great individualist but the authoritarian personality—or in Paul Smith's terms, the dangerous narcissist. This helps explain the belligerence of market ideology, that is, its weird, tireless contempt for (or as Smith notes, its continuous war on) peoples and institutions that do not follow trader rules. It also helps explain some of the snot-wiping. The inner trader is a giant crying baby, feeling entitled to the total political immunity and the gigantic barrels of money that he has ungratefully received for many years.

Zaloom's account remains too conflicted to say any of this, and too removed from the economic context in which trading occurs. We certainly need ethnographies of market institutions and I am glad that we have hers, but we also need a total absence of shock and awe in relation to market behavior and to the destructive economic effects that are now impossible even for die-hard apologists to miss.

Once we have fully learned these books' lesson about the interconnectedness of culture and economics, what will we do with this knowledge? Sticking with the surface of the books, we would have to say not much—they have no programs, and do not point explicitly toward culture-friendly capitalism, to say nothing of socialism or women-of-color democracy or a better-socialized vanguard trader anarchism. I actually do not know why the authors did not make the implications of their work explicit, and can only record my surprise.

At the same time, they do imply principles that could serve as the basic elements of a transformed or at least reformed American economics. Hong could call for full equality of outcome among racialized immigrants, women of color, and other racial groups: why not equality in fact, meaningful parity in education, income, wealth, and health outcomes as measured by the large number of international indexes; why not this result after so many decades of critique and civil rights work? Paul Smith could call for an economy based on a restored labor theory of value: why not show the extent to which technology and finance are secondary inputs compared to the vast range of labor of the tens of millions who build the U.S. economy on a daily basis? Why not pay special attention to the appalling, inhumane waste via the current system of such a large percentage of humanity's work? Finally, Zaloom could call for taking the separation of trading and the economy literally: why not show explicitly that trading has nothing to do with economic development, and thus should experience regulation and sin taxes and humbling popular reintegration into society just like any other ambiguous guilty pleasure?

These authors have helped us see the links between culture and economics. There is much that we still need to do with this knowledge.