The Creative and the Derivative: Historicizing Creativity under post-Bretton Woods Financialization

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Abstract

This essay seeks to draw connections between, on the one hand, the financialization of the global economy and everyday life in the post-Bretton Woods era (post-1973) and, on the other, the simultaneous rise to prominence of discourses of creativity in the "new economy." I argue that the financial sector both orchestrates a fundamentally unequal global division of creative labour, and lays claim to an inherent creative power and a duty to unleash "creative destruction" on social and economic life. I suggest that the idea of derivative can help illuminate the wooly rhetoric of "creative capitalism," "creative cities" and the "creative economy," as well as the stark realities of precariousness and self-exploitation that animate creative labour today. Not only is the derivative the emblematic technology of a financial system based on the quasi-scientific management of risk, it also names creativity's antonym, and the tension between the two allows us to retheorize both the financial system and the idea of creativity itself.

Author Biography

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Let us begin with this observation. The financial sector is, on the one hand, incredibly creative. Some of the finest, most refined minds of each successive micro-generation (financial careers typically tend not to last longer than a decade) are cherry-picked by hedge-funds, investment banks and their institutional periphery (from boutique investment houses to ratings agencies to industry-oriented academic departments to the financial press) to dream up ever more rapid, cunning and diabolical way to make money out of money.[1] The development of new derivative financial products, new avenues of inter-market arbitrage, new revenue streams to capitalize, new ways of reading, visualizing and interpreting the market has seduced not only graduates of the world's finest business programs, but also PhDs in fluid dynamics, astrophysics, cellular biology, computer engineering, and, indeed, literary and cultural studies. To be sure, the vast majority of what goes on in Wall Street's offices (both "front" and "back") is relatively uncreative: the endless crunching of numbers, meticulous research on firms, economic sectors and investments, endless legal paper-pushing, and trigger-happy, unreflexive moment-to-moment digital trading, or frenetic deal-cutting and power-brokering. But taken as a whole, the sector is a staggering reactor of human creativity, a playground of the mind where the unfathomable pressure of hyper-competition creates a high-density atmosphere of innovation which, like the uncanny depths of the ocean, is an ecosystem filled with monsters at the very limits of the imagination.

On the other hand, for all that intelligence and innovation, the sector produces practically nothing of tangible or lasting value outside of largely immaterial financial assets. In fact, from one angle, it destroys value in the sense that the forces of speculative capital are increasingly dedicated to liquidating public and private assets by privatizing services, foreclosing on homes and businesses, imposing austerity on corporations and governments and otherwise funneling social wealth into the hands of what many believe to be an increasingly lawless global oligarchy. Financial forces also superintend a global economic system which might be characterized by a massively unfair global division of creative labor, where creative opportunities are reserved for a fraction of the globe's population (most of them in Northern cities) while the rest work long hours their whole lives in fields, factories and kitchens, with almost no opportunity to practice creativity or have it recognized or valued. Put otherwise, almost all of the wealth "created" by the financial sector is derivative: a glitzy simulacrum of value which somehow comes to increasingly discipline and (dis)orient the economic and social world.

As we shall see, financial wizards claim that their own market creativity, their constant drive to find new ways to maximize moment-to-moment returns, generates an atmosphere of competition and "creative destruction" in the global economy that spurs on human creativity in the corporate form. By creating a "market" for innovation, and by driving a market of accelerating returns that has little time for stagnant or sluggish firms (those unable or unwilling to constantly revolutionize themselves to keep pace with the economy), financiers pride themselves on not only being highly creative, but in being what I call "angels of creative destruction." Unlike Benjamin's aghast angel of history, these blithe spirits have no regret for the destruction they leave in their wake, and their faces are narcissistically facing forward towards the short-term future in which they find only their own reflection.[2]

This paper, then, is an investigation and historicization of what I'll call contemporary finance capitalism's "dialectic of creativity." By this I mean two overlapping things. For one, I intend to flesh out the contradiction illustrated above: the particular institutional creativity of finance versus its systemic anti-creativity. For another, I want to draw out some threads of an intertwined history of the last 40 years in which both finance and the idea of "creativity" rose to global prominence. I hope to demonstrate that the two cannot be separated. By looking at a variety of cultural-economic processes, including the turn towards financialized social welfare and charity, the rhetoric of "creative destruction," the institutional sociology of investment banks, the plight of the creative cultural worker, the discourse of "creative cities" and the financialization of art, I argue that the rise of "creativity" as a thematic of neoliberal capitalism is both a symptom and a constitutive discursive element of post-Bretton Woods financialization. Such an argument helps reframe and historicize both the cultural life of finance and the economic life of creativity.

Post-Bretton Woods Financialization and the Everyday Creativity of Economic Survival

Finance is difficult to define because its borders have never been sharp. Today, most commentators identify finance as the so-called "FIRE" sector, comprised of high finance (investment banks, hedge funds, stock markets, corporate financing etc.), insurance (ranging from relatively commonplace accident, health and fire insurance to complex forms of financial and corporate insurance) and real estate.[3] While in one way the financial sector has always been dominated by certain institutions and practices, in another its pervasive influence has meant that "finance" not only includes the banks, stock markets, and investors we might expect, but also whole wings of government, central banks, joint-stock corporations, and other sectors of the economy whose reliance on, intervention in, and propping-up of the core financial sector leaves the latter's borders blurry, to say the least.[4]

Matters have become even more complex in the past 40 years in our moment of "financialization" in the post-Bretton Woods period, one defined by the development of new communication technologies which have allowed for faster, more globalized financial transfers and the development of a hyper-sophisticated array of new financial techniques. This has been a shift has generally seen the transition from finance as a more "qualitative" world of (often incestuous and corrupt) relationships, impressions, individuals and institutions to a "quantitative" matrix of advanced formulae and the scientistic management of risk[5] (though the corruption and incest remain[6]).

"Financialization," then, refers to two intertwined tendencies. The first is the growing influence of financial markets on the capitalist economy. In 2005, the financial sector took in over 40% of all profits in the United States, the world's largest economy. As John Bellamy Foster and Fred Magdoff put it "every 24 hours the dollar volume of currency trading [which doesn't include a whole variety of other financial exchanges] equals the entire world's annual GDP."[7] But financialization goes beyond shocking statistics. It refers also to the way corporate governance has become increasingly financialized, not only in the sense that, increasingly, top corporate executives are imported from Wall Street (rather than coming up through the ranks), but in the sense that corporate firms are increasingly dependent on the financial sector.[8] For publically-traded companies, the "revolution in shareholder value" led in the 1980s and 1990s by financiers (ostensibly acting on behalf of their clients) saw corporate raiders demand that firms reorient themselves towards the primary goal of "maximizing shareholder value": not simply higher profit-derived dividends for investors, but year-over-year (indeed, quarter-over-quarter) improvements in share prices themselves.[9] This has driven a form of corporate leadership (one that extended also to private firms and even the public sector) that is utterly apologetic for its actions, the last vestiges of corporate paternalism or nationalism evaporating into a constant imperative to "perform" market adaptability, which effectively means participating in the proverbial "race to the bottom" seeking to minimize costs and maximize profit and market share with little to no regard for long-term strategy, let alone anachronisms like workers rights and the environment.

Meanwhile, while modern governments have almost always carried massive debts (which are never really repaid),[10] today's global markets have a tremendous influence over governmemt social and economic policy.[11] Global financial flows have rendered capital so mobile that states increasingly must compete for "investment" by, ironically, pursuing neoliberal financial and economic polities oriented to making finance more mobile (free trade agreements, the deregulation of finance, bailouts, drastic cuts to public spending).[12] Further, most governments depend on the sale of bonds to finance deficits (caused by neoliberal policies that have starved the state of corporate and individual taxes and financial pressures which have driven up costs) and so must prove themselves as safe investment habitats in order to be rated highly and thus avoid dramatic interest rates and more difficult access to loans.[13] Meanwhile, desperate to create "jobs" and attract "investment", the state is increasingly expected to help finance not only works of civil infrastructure (roads, canals, ports, etc.), but also multiple industries (aerospace, biotechnology, the auto sector), providing backing and guarantees to indemnify financial investors of risk.[14] Increasingly, the state, starved of revenue (so much of which is directed towards interest payments), sees the welfare of its citizens less as a democratic responsibility and more as a sort of economic triage based on a financial logic of risk-management.[15] Health, education and civil infrastructure projects increasingly imagined through a financialized language of "returns on investment" and "leveraging," and aimed less at social care and more at creating what are hoped to be self-managing and funding quasi-state institutions. Meanwhile, the privatization of state services and common wealth continue apace, a process overseen and facilitated by the financial sector.

These last examples open onto the second dimension of financialization, which compliments the economic and political shift with a sociological and cultural one.[16] Since the Second World War, and accelerating through the post-Bretton Woods/Neoliberal period, personal debt levels have skyrocketed. Today, debt-to-disposable income ratios in the United States have risen above 130% and the total US debt was over three and a half times the nation's GDP.[17] From mortgages to student loans, from credit card and car debt to that incurred as the result of health or accident misfortunes, debt has become a nearly universal experience for citizens of almost every nation in the world. This has been the cause and consequence of a massive cultural shift away from seeing debt as an emasculating dependency to a marker of full adult economic subjectivity.[18] Further, as governments have cut services, more and more aspects of life are "financialized." Housing, education, social security and pensions have all be transformed from public responsibilities to private investments in the name of personal freedom and the panacea of markets.

This rhetoric reveals the deep cultural dimensions of financialization.[19] The ideas and tropes of financial management have become increasingly commonplace as the result of a combination of existential financial pressures on the one hand and cultural reinforcement on the other. All news is business news these days, from hurricanes to sports scores, from political campaigns to epidemics.[20] Meanwhile 24/7 financial news networks pipe the dream image of in-control, secure and powerful investors into our homes, addressing us each as savvy to the inside money. Under this cultural aegis, and within the context of the neoliberal confiscation of public space, time and institutions, financial metaphors and tropes have become commonplace means to describe an increasingly financialized reality.[21] Education has ceased to be a public or social good and has become an individualized "investment in the future."[22] Self-help books advise that all aspects of life, from personal destiny to romantic relationships to parenting can and should be understood as processes of "investment" for "returns."[23] Housing and community have become investments in "equity" and concerns about property prices drive an increasingly paranoid and vindictive urban politics.[24] Volunteering and work are to be seen as investments in the self, the building of an appealing portfolio of skills, experience and competencies to be hawked to employers. Arts and culture, even religion are seen (at best) as investments in one's soul, and exercise as an investment in one's body.[25]

What is key here for our purposes is that, increasingly, economic (and social and physical) survival are being downloaded onto the individual "risk manager."[26] Here there is an implicit reliance on the creativity of the individual. For free market thinkers, "creativity," even while vaguely defined, is a key category of "human capital."[27] For these thinkers (and in the ideological paradigm their followers created) restrictions on free markets have the effect not only antithetical to the abstract ideal of "freedom," but (relatedly) to the innate capacity for creativity.[28] Deregulation and the opening of the society up to the market "works," both for individuals and for society at large, and human interests more broadly, because it liberates the market's creativity and, in turn, stimulates the latent creativity of individuals.

This is, of course, not altogether untrue: the exposure of more areas of life to market forces does, indeed, force us all to become very "creative." However, it is a highly limited form of creativity, a form largely geared towards economic survival or to discovering new ways to privatize social life ourselves. While the past forty years have seen the emergence of a historically unique "creative economy" (more on this in a moment), the dominant mode of "creativity" under finance is an everyday economy of microcreative acts of economic survival and compulsory financial virtuosity. For instance, as social programs like child- or elder-care are cut, individuals need to become a lot more creative with regards to how to care for those in need.[29] Indeed, an increasing amount of creativity is being dedicated to encouraging individuals (especially women in the Third World through microfinance loans) to develop enterprises to privatize and marketize the labour of social reproduction. To this we can also add the everyday creativity of financial management and economic survival, where negotiating and managing debt, credit, loans, savings and other financialized aspects of daily life demand a constant work of the economic self. This sort of everyday creativity of economic survival is a far cry from the dreams of the "creative economy," which are usually filled with visions of cosmopolitian immaterial labour in live/work lofts.

Neoliberalism and financialization are, then, in part defined by the increasing reliance of capitalism (and capitalist society) on a highly delimited form of individual creativity, where social reproduction is increasingly the work of risk-management in uncertain times. But the vast majority of this "creative labour" goes unremunerated and unremarked. Indeed, most is not considered "creative" at all. There is nothing considered more banal or derivative than the everyday work of paying the rent, serving dinner or buying school supplies, or of navigating a landscape characterized by overlapping forms of debt and credit (cedit cars, student loans, mortgages, payday lending, etc.) yet these are quickly becoming sites of tremendous creativity, though a creativity under great strain, and one which leaves little time or measure for those forms of creative experimentation and expression we typically prefer to associate with that term.

This everyday financial creativity is rationalized as merely the application of benevolent risk-management strategies to everyday life. We are encouraged to see our "choices" about housing, schooling, health and shopping as investments which come with differential returns depending on our personal tolerance for risk. "Financial literacy" campaigns for young people and adults suggest that personal freedom and creativity are best guaranteed in a system where nearly all aspects of life are marketized, and where we each see ourselves as miniature versions of Wall Street supermen. Yet the system is rigged. Within the worlds of finance a certain tolerance for risk is necessary to navigate largely speculative markets. All financiers know that risk-free trading is both impossible and undesirable. But while everyday life is always uncertain, the normalization of economic insecurity as "risk" serves to disguise the fact that this precarity ultimately serves the interests of the financial paradigm. As was so vividly dramatized in the sub-prime mortgage meltdown, poor homeowners were plied with high-risk loans that most pushers knew to be ticking time bombs. These loans were collaterialized and repackaged as low-risk investments and sold on to banks and financial institutions who proceeded to sell them on to unwitting clients, marketed (with the blessing of ratings agencies) as almost risk-free holdings. This example demonstrates the fundamental tenor of the financial economy of risk: a high-risk, highly competitive financial culture effectively "externalized" risk onto trusting homeowners on the one hand, and trusting investors (like pension funds) on the other. And, of course, ultimately that same financial sector was to externalize the costs of their risks onto the public as governments were coerced into doling out billions of dollars in bailouts. Nefarious indeed. But also cunningly creative.

Creative Capitalism and Venture Philanthropy

In 2008, mere weeks before the global financial sector publically disemboweled itself in ways that even mainstream news-sources could not ignore, Bill Gates, then the world's richest man, appeared at the World Economic Forum in Davos Switzerland to unveil a new concept. Standing before a pantheon of world economic, financial and political elites, the founder and out-going CEO of Microsoft offered the idea of "creative capitalism."[30] The depth of depravity that had animated the sub-prime fiasco was not yet apparent and the attendees of that year's WEF were in a particularly self-congratulatory mood, having just honoured Muhamad Yunus, pioneer of the Grameen micro-credit bank, a market-friendly means of profiting from the world's poorest while instilling in them the creative spirit of competition and financial responsibility.[31] Riding on this crest of good feeling, Gates offered a spirited, if somewhat nebulous articulation of his vision of capitalism with a human face. Rightly, Gates noted that corporations have attracted among the best, most competent and most creative individuals in the world. Citing his own efforts at the helm of the Bill and Melinda Gates foundation, he articulated a set of proposals to turn that accumulated expertise, as well as targeted "investments" by corporations and individuals, towards solving some of humanity's most pressing problems: AIDS, Malaria, malnutrition and so on. Gates cited the support of none other than superstar hedge-fund manager (and also one of the world's richest men) Warren Buffett, who turned over a huge portion of his huger fortune to the Gates Foundation.[32]

But the Gates Foundation, and the idea of creative capitalism, are more than a salve for the multi-billionaire's conscience, and they differ in substantial ways from previous generations of financier philanthropy. The robber barons of old tended to donate their money to majestic civic structures, the iconic collection of great works of culture and institutions of higher education. While these acts of "charity" were no doubt part of a class struggle which mobilized "culture" as a terrain of both distinction and discipline, for today's financial donors, "giving" (the name, today, of a whole industry of petty-financiers, specializing in managing philanthropy) is a form of leveraged investment. The Gates Foundation, and others, seek to import into the world of charities, non-governmental organizations and even government activities themselves a financialized ethos, oriented towards the maximization of "donor value."

For instance, critical pedagogy scholars and concerned educators have sounded the alarm about the Gates Foundation's contributions towards inititatives in the wayward US public education system.[33] Bill Gates himself has named this as one of his priorities, and has often addressed conferences of education leaders, advocating reforms oriented towards producing graduates that answer the needs of business in the hyper-competitive 21st century. Perhaps predictably, beneath a thin veneer of feel-good slogans (including, notably, "creativity") the Gates Foundation has been found to be funding numerous education consultancies and think-tanks oriented towards the forms of privatization and standardization familiar from the Bush administration's *No Child Left Behind* policy and now squarely within the mainstream of US (and increasingly global) education policy. These include the mandatory implementation of standardized testing, the reduction of school programming to the core curriculum, the privatization of many "auxiliary" educational "services" (including cafeterias, libraries, janitorial services, infrastructure, transportation and clerical work) and the opening up of public education to individual "choice," especially in the form of vouchers and "charter schools," which allow parents to "choose" where to "invest" their public education dollars between multiple competing private or semi-private institutions.[34] For the Gates Foundation, these initiatives represent a more "creative " form of giving, inheriting, publicizing and exacerbating a neoliberal tendency towards the distrust of state-run public institutions and which inherently believes (despite so much evidence to the contrary) that markets are the most efficient, effective and just means to deliver goods to people.

The Gates Foundation is part of a broader shift in philanthropy towards a financialized model. Charities, NGOs and "social capital" or "social innovation" firms expected to manage themselves as corporations, both trimming budgetlines (often by making workers more precarious, or by relying increasingly on temporary or intern labour) and developing rigorous metrics for measuring "impact" and "success."[35] This approach, which sometimes goes under the rubric of "venture philanthroply," often means a focus on short-term, measurable results, much like in the corporate world where ever-increasing quarterly profits help inflate stock prices while potentially (usually) damaging or completely curtailing long-term strategy.[36] Moreover, many of the charities, NGOs and initiatives funded by the Gates Foundation and other finance-led philanthropic "hedge funds" are geared towards "leveraging" social and subjective change out of relatively small investments. There is, in keeping with broader neoliberal trends, a preference for initiatives that are hostile to relationships of long-term dependency and that supply small injections of funding to help individuals and sometimes groups or neighbourhoods "enter the market" and succeed on their own accord.[37] Hence funding for drug and biotechnology research tends to be seen money, aimed at securing other sources of venture capital. Community-based initiatives (in the third world or in the first) are geared towards microfinancing new business initiatives, or developing the infrastructure to foster "self-sufficient" institutions. As we have seen, educational initiatives aim at educational entrepreneurialism.[38]

Importantly, as Gates articulates in his approach to "Creative Capitalism," it is not a purely free-market philosophy. Gates himself is relatively candid about the failure of markets to answer some of the world's greatest problems, especially problems that impact on those which almost no access to capital.[39] Gate's answer to this oversight, however, is to bring the force of the capitalist personality and its assets to bear on these issues, effectively providing a capitalist solution to capitalism's own market failures. Indeed, this vision is not without a place for government. The aim of both this mantra and the Gates Foundation is to encourage governments to leverage their own economic clout and regulatory capacity (or what remains of it) to facilitate, foster and indemnify markets as they enter what were once unsavoury and unprofitable areas of the economy.[40] So the Gates Foundation initiatives in education do not merely advocate full privatization, but the marketization of a public service, the state acting as security, in all senses of the word.

Returning to Davos, Gates never defines or even repeats the term "creativity" outside the title of his speech. It remains a floating signifier whose very emptiness of content is telling. In one sense, the very hollowness of the term is key to its portability, allowing it to transmit and reinforce the implicit neoliberal orthodoxy that holds that state-led efforts to alleviate human suffering and poverty have conclusively "failed," and that "creative" solutions are needed (rather than, say, a fundamental redistribution of wealth). But it was precisely the emptiness of the term "creative" that was to draw the umbrage of several contributors to a subsequent book of short essays, collected by journalist (and former Microsoft employee) Michael Kinsley.[41] These critics, most of whom were brand-name professors at some of America's top business schools (a key institution for the recruitment and cultivation of future financial elites), charged that implying that capitalism needed the adjective, Gates was implying that the system wasn't inherently creative (enough). For these authors, capitalism was a natural and historically unique force for creativity, and that any motives outside of the constant quest for profit were antithetical to this force, imposing the will and preferences of corporate executives over that of shareholders. Gates and his allies responded that these were not antithetical, and that corporate philanthropy was well within the profit motive, when imagined as enlightened self-interest. Curing key third-world diseases or social problems, improving education and alleviating poverty, on the whole, opened up new markets, built trust in corporations, and eliminated systemic risks in the global economy. "Creativity" was required to see beyond the competitive silo-building and short-term profiteering that saw "doing good" as insignificant to "doing well," saw governments as inherently antithetical to free markets, and saw capitalism as inherently beneficial in all cases.

We plebians may leave the patricians to their debates and ask: "why creativity"? On the one hand, "creative capitalism" persists by sheer force of momentum. Beyond its limitations as a theoretical idea, it is the leitmotif of the Gates Foundation, which has emerged as the single largest charity on the planet, meaning that a whole variety of other actors in the government, non-government and corporate sectors adopt its rhetoric for largely instrumental reasons. Beyond this, however, what is it about this term that made it so appealing and so universal? Why is it that Gates and his army of handlers, advisors and ghost-writer selected this term in order to "rebrand" capitalism in an age of hyper-financialization? On the one hand, there is a relatively transparent ideological sleight of hand at work: "creativity" here is an empty signifier which serves largely to furnish an implicit critique of "old" and "uncreative" policies and approaches. If Gate's vision is for a "creative" capitalism, what does that imply about previous and other forms of capitalism and social organization? But the connections go deeper, and in order to fully map them out, we need to retrace the modern history of the term.

Angels of Creative Destruction

Creativity's ability to elicit universal good feeling is relatively recent. In the middle ages, the term hardly existed in the English lexicon. Words stemming from its Latin root—*creatus*—typically were employed to refer to God the creator, or his "creations."[42] It was not until the so-called "birth of the author" in the 17th and 18th centuries that the term was generally applied to a particular human quality or skill. As the bourgeois rose to prominence in Europe and demanded cultural artifacts by which they could reckon and display their "distinction" from the proto-proletariat, the work of art or literature gained its stamp of authenticity and transcendental value from the figure of what would, in the 19th century, come to be known as the "creative genius," the unique and refined imagination of the singular individual.[43] The economic entrepreneur was to find his mirror image in the cultural creator: both imposed their will on the world and begat productive order out of meaningless or wasteful nature – the masculine, individualist overtones here were key to this ideological conflation.[44] Yet the modern period was in many ways animated by the conflict between industrially and commercially driven "modernity" and various forms of Romantic modernisms which saw creativity as, at the same time, under threat from an increasingly mechanized and disenchanted world, the key resource for restoring (or advancing) humanity to is full potential, and the great ideal of the world to be won.[45] Both Romantics and Communists and industrialists all dreamed of a world where creativity might be harnessed to liberate humanity from both material want and intellectual and cultural immaturity.

Yet for all that (maybe because of it) creativity remained largely associated with the work of artists and authors. Of course the vast majority of humanity that were enrolled in European-led capitalism, whether working in factories, on plantations or in various administrative positions, were systematically denied any real opportunity for creative expression, and what little was afforded was belittled and mocked by elites as uncreative: peasant dances, indigenous musics, and workers' popular culture was seen as hopelessly derivative, and indeed the creativity of the European "high arts" gained their esteem largely by contrasting themselves with these pedestrian forms of culture.[46] It was only in the post-war period that "creativity" became associated with people outside the professional arts. It is a process described both by Autonomist Marxists as well as sociologists Luc Boltanski and Eve Chiapello.[47] The New Deal, Keynesian moment of capitalism promised material stability and affluence in return for productivity, defined by a clear division of labour. But the first generation of post-war youth, and many workers of the late 60s revolted not only against oppressive and exploitative working conditions, but against a cultural idiom.[48] A large part of the rebellions that rocked the capitalist world in the late 60s and early 70s called for the liberation of creativity.[49] Not merely oriented towards "good jobs" or the nature of state power, these movements demanded the right to define life, subjectivity, culture and human potential. The influence of authors like Herbert Marcuse and the Situationists stemmed, in part from these authors' insistence that capitalism systematically laid waste to human individuality and potential.[50] While all were deeply critical of movements that satisfied themselves with merely winning more creative opportunities within the system and saw the root of the problem as the capitalist division of labour itself, much of their appeal stemmed from the way their work inspired and reinforced demands for autonomy, individuality, self-management, opportunity, flexibility, and creativity.

As Boltanski and Chiapello point out, over the 1970s and 80s these ironically became the watchwords for the reorganization of capitalism itself which incorporated both the "social" and the "artistic" critique of capitalism in order to shrug off the imposition of Keynesian regulations.[51] Under the banner of the liberation of individuals from the shackles of "big government" and sluggish, paternalistic corporations, a new paradigm of neoliberal precariousness, individualism and privatization was implemented. Creativity became not only a consumer choice (in terms of "creative" hobbies, tastes and predilections), it became an economic imperative. From the foosball-tabled Creative Labs of Google to industrial shop floors, all workers are supposed to contribute their creative ideas to make their firm's more competitive on the lean global markets, and are themselves supposed to embrace their creative passions and abilities to navigate the churning insouciance of the market.[52] In this period, as Angela McRobbie notes, the artist was held up as the "pioneer of the new economy," their contract-based employment and seamless and graceful integration of work-life with social-life with home life with dreams and passions was held up as a beacon to those "uncreative" souls struggling to make ends meet between multiple part-time, temporary (and largely "uncreative") jobs.[53]

At one key level, the move of creativity from the margin to the centre of capitalist ideology and structural discourse is linked to the increasing financialization of the system. Financialization is driven, ultimately, by a speculative ethos with a voracious appetite for the performance of newness. Firms seeking to demonstrate their quality to investors need not merely prove profitability but also innovation, a capacity to stay ahead of the curve, to constantly revolutonize their means of production (and distribution, and sales, and so on). Financialization, then, drives and is driven by an economy pathologically addicted to the performance of creativity

Creativity's particular wooliness as a concept is here an asset - it is precisely because it is not fully quantifiable (in part because it is a nebulous term, in part because it is always relative to someone else's *lack*) that it can operate as a disciplinary idiom, one that polices economic actors who could always be just a little more creative, and may not be creative *enough*.

Discilpinarity may, in fact, be the wrong term. Maurizzio Lazzarato, seeking to understand the role of finance in the creation of contemporary capitalism and capitalist subjectivity, draws on Gilles Deleuze's reinterpretation of the work of the later Foucault, tracing the shift away from discipline and towards biopolitics, away from a "society of discipline" and towards a "society of control."[54] For Lazzarato, debt and the financilialzation of social life is less about the delimitation of freedoms as it is about the creation of financialized subjects to whom it offers a highly refined, highly particular form of freedom.[55] This approach, in fact, draws on Lazzarato's earlier work on the creative and immaterial labourer: our moment of so-called "cognitive capitalism" does not simply enslave the worker in new ways, it creates an environment in which certain subjectivities are possible, profitable and exalted. The language of "creativity" is key to this shift. For example, Grieg de Peuter and Nick Dyer-Witheford illustrate this shift through a remarkable investigation of the video game industry.[56] Their fascinating book details two key facets of this problem. First, they show how the entire industry relies upon new modes of labour exploitation to harness the creative energies of not only formal employees, and not only legions of independent sub-contractors and freelancers, but also fans and consumers who, for (usually for free or sub-cultural prestige) contribute their immaterial labour to modifying, expanding, bug-checking, beta-testing and otherwise refining proprietary digital products. This, Dyer-Witheford and De Peuter argue, is demonstrative of much broader trends under "cognitive capitalism" where "work" escapes the formal bounds of employment and where creativity is tapped from multiple sources to produce an ever-accelerating commodity market. A more profound realization emerges from this work as well: that for all this phenomenal creativity and collaboration, the video game industry and it products continue to conform to a very narrow spectrum of aesthetic, narrative and visual tropes and patterns. That is, in spite of being emblematic of a form of capitalism fundamentally organized around the harness and capture of creativity, the industry is, on one level, demoralizingly uncreative. Most games (to prefigure an argument later in this article) are highly *derivative*, largely replications of other, more established genres and conventions, with small but marketable differences.

To return to the question of the disciplinary dimension of cognitive capitalism more broadly, we can look to the financial sector itself to discover the importance of creativity to the definition of subjectivity and legitimation. For financiers, and those who defend the sector, the financial industries are inherently creative because they support and drive the creativity of the capitalist economy. Finance, they claim, supplies capital to firms to pursue competitive ventures, innovative products and forms of manufacture, and new ideas. In fact, defenders of the financial system argue that so advanced is the financial sector's management of market risk that it provides unprecedented opportunities. The logic of the market is that investors will stake gambles on multiple prospects, advancing resources to a plurality of creative economic ventures, though only a handful will survive. Not only does finance then facilitate a huge number of creative pursuits, it also ensures (by placing economic pressure on these investees) that the best creative ideas and projects survive, and those that are (comparatively) inefficient or unmarketable fail or are forced to restructure.[57]

This romantic narrative of what finance does can be observed as perhaps the single most powerful rationale for the financial sector both within and beyond its quarters. Wall Street anthropologist Karen Ho reports that when investment bankers are not simply justifying their actions as the natural expression of biological human competitive individualism, they measure the social good of their work in its capacity to foster creativity, innovation and dynamism within the economy at large.[58] Even when financiers are engaged in what would appear to be entirely destructive and predatory pursuits (such as private equity firms which strip bankrupt firms of assets and worker protections and “flip” them on the market, currency speculators who play havoc with national economies, and sub-prime securities traders who benefit from endemic poverty) make recourse to this narrative which justifies financial accumulation in the name of economic creativity.

Indeed, the term “creative destruction” has become an important phrase for the financial sector and the advocates of its deregulation. The idea emerges in its fullest form from Joseph Schumpeter’s reading of Marx, the latter having drawn on Adam Smith to observe the ways in which capitalism is constantly revolutionizing itself, leading to massive waste as old machinery (and, increasingly whole populations) are idled and reduced to worthlessness as capitalists compete to lower the costs of production.[59] Importantly, for Marx, this “creative destruction” is the cause of both the endemic crisis of the falling rate of profit (capitalists so strive to lower production costs that they drive themselves out of business and drive workers into potentially revolutionary poverty) and the financial system.[60] The latter exists, at least in part, to facilitate the ever-increasing capital costs of new manufacturing techniques, machines and processes, and to the extent that the rate of technological innovation accelerates, industrial capitalists are increasingly indebted to and reliant on financial capitalists from whom they must borrow to supply the huge capital investment necessary in time to remain competitive.[61] For Marx, in the *Communist Manifesto* and elsewhere, the creative/destructive spirit of capitalism was both its greatest gift and its greatest liability. Marx was (in)famously celebratory of 19th century capitalism’s ability to sweep away the historic baggage of feudalism and radically transform human material relations and believed that this creative destruction was the necessary precondition of communism. Driven by individual competitive agents, industrial capitalism’s tremendous creative force irrationally and viciously tore apart the social world. But capital's creative force was, in fact, the alienated, abstract(ed) labour power whose application was (dis)organized based on the ultimately irrational dictates of capital. Only after a communist revolution could workers reclaim their creative power and organize it rationally, first through some form of the "dictatorship of the proletariat," later, we must gather, through some less structured means.

Marx's ideas about creative destruction were to resonate not only in the struggles of workers and in anti-colonial movements, they also influenced and inspired numerous modernist and avant-garde movements in the arts. For proto-Fascist futurists and anarcho-syndicalist Surrealists alike, the role of the artist was to presage and prefigure the revolutionary subject, to be an angel of creative destruction, ruthlessly dismissing the accumulated aesthetic and intellectual baggage of a bygone age and pioneering into new realms of thought, perception and action. This notion of progressive, militant creativity, which inherits, via Marx, a Hegelian teleology of progress and history, remains with us today, even in our thoroughly postmodern times.[62] Today, however, it is central to the ideological trappings of today's "unacknowledged legislators," those poets of the dark arts of finance.[63]

The discourse of creative destruction today is very different from Marx's analysis, very different even from Schumpeter's wry observations, which were not intended as an unqualified celebration of capitalism's "creative" powers, but rather a warning about their potential to dramatically disrupt the social fabric.[64] Since the 1980s, and with accelerating frequency through the 1990s, the term "creative destruction" began to appear in the business press and in management books to refer to the beneficial impacts of globalization. Claustrophobic cultural norms and consumer markets were to be swept away by the free movement of capital around the world, as were inefficient and unfair labour practices and corrupt governments.[65] This rhetoric reached a fevered pitch during the dot.com boom at the turn of the millennium, where our old friend Bill Gates was among those CEOs leading the choir in praise for the way a new borderless digital economy would not only "creatively destroy" tired old corporations and open up bold new markets, but would allow the creative entrepreneur in each individual to shine through.[66] Indeed, so much opportunity was said to abound that individuals who failed to succeed were held to have only themselves to blame, an impression which lent itself to a neoliberal and neoconservative drive to privatize and cut social services and what meager forms of economic redistribution that once existed. These, it was feared, would create dependent individuals unwilling to embrace the risks and rewards of the new economy.

The appearance of "creativity" as the partner of destruction here is no accident, or more accurately, it is no accident that Schumpeter's initially pessimistic and academic term became a key element of financial self-representation. It is precisely the term's nebulous and ephemeral quality that makes it such an effective discursive vehicle: creativity is inherently immeasurable and unaccountable, and thus can be neatly applied to the largely cognitive and cultural work of financial speculation in order to provide a sort of untestable, anti-quantifiable value to what are often horrifically destructive practices. In much the same way discourses of innovation, progress, science and ingenuity were applied to the technological development of nuclear bombs, the language of creativity offers an unaccountable rhetoric that both excuses and facilitates human action in the interests of the ruling paradigm.[67]

Portfolio Theory

The association of the term creativity with "destruction" in the description of capitalism's inherent (and apparently laudatory) drive to revolutionize is more than an ideological veneer. Creativity becomes the key to a sort of work of the self. As Angela McRobbie notes, creativity has become a keyword for a properly neoliberal (and, we might add, financialized) governmentality, where the artist is held up as the "pioneer of the new economy," negotiating the tempestuous free market not only with enthusiasm, but with grace, swinging from short-term contract to short-term contract with natural agility, and building up a "portfolio" of skills and experiences to be sold to the highest bidder, the quintessential "flexible personality," in Brian Holme's formulation.[68] For Lazzarato, this is the ultimate objective and expedient of a system of financialized, debt-driven capitalism: the production of hyper-flexiblized subjects who see themselves less as employees and more as entrepreneurs, less as citizens and more as consumers of government services, less as common souls and more as investors of the self.[69]

Indeed, here we might borrow a term from finance itself to make sense of the place of creativity within the financialized moment. "Portfolio theory." Originated by Harry Markowitz in the 1950s, portfolio theory was part of the seismic transformation of finance from a largely qualitative to a primarily quantitative field, one that was to be driven to new heights in the 1970s and 80s with the development of more complex mathematical formulae of risk management (like the Black-Scholes formula for calculating the price of derivatives) and digitized trading mechanisms.[70] Portfolio theory is the relatively simple idea one should measure the risk of a whole portfolio of equities, rather than each individual equity, when making financial decisions. Portfolio theory (or at least its general adoption within finance) implies that the various levels of risk exposure across a range of assets can help balance one another out, and that one should (generally) diversify one's holdings to buttress high-risk/high-yield investments in one area of one's portfolio with low-risk/low-yield investments in another. This relatively transparent and self-evident truth, now expressed in the quantitative formulae of finance, not only changed the dynamic of finance (one was now to imagine investing as a matter of increasingly detached and counterbalancing abstract assets, rather than holdings in particular firms or concerns), it also opened the door for the processes of "securitization" which have seen investments move (generally) from equity in single stocks, bonds or holdings to investments in other portfolios (eg. mutual funds, which offer a share in a balanced assortment of investments) or in "derivative" products that allow investors to buy highly customized "exposure" to risk to help round out a highly complex portfolio, or to "hedge" against risks.[71]

What is key here is that "portfolio theory" moves us out of a linear logic of investment that implies the steady accumulation of profit from long-term investment in certain concerns and towards a more chaotic and scattered pattern that sees profit generated by multiple overlapping, inter-referential, and even contradictory short-term "investments," aimed at generating an overall "portfolio." More generally, it speaks to the identification of financiers not with what they *own* (as in this many shares in Ford Motor Company, this many bonds from the government of France) but a sort of financialized subjectivity, an ability to move through markets with fluidity, juddling multiple contingent and ephemeral commitments, a culture of disposable commitments and creative *arbitrage*.[72] The "portfolio" bears the mark of the investor self, and comes to define the subjectivity of that investor. The celebrity that has accrued to our old friend Warren Buffet is in many ways a celebration of the way his cagy, canny, unflinching and intuitive integration of his subjectivity with the market, his portfolio is celebrated as a sort of enviable intimacy with market patterns.[73]

So with the financier, so with us "entrepreneurs of the self." Here we are encouraged to not only imagine our subjectivities as "portfolios" of traits, skills, experiences and competencies which we might rent to employers (a mutually beneficial relationship), we are expected to see this as the expression of inherent creativity. Here the model portfolio is not only that of the financier, but also the artist. Within the art world, the "portfolio" is likewise the dossier of the subject, not only a collection of the artists' works (to be sent to prospective galleries, art schools and other juried competitions), but a sort of confessional of the whole life of the creative subject, a window onto the soul.[74] It is through the portfolio that we gain not only an understanding of the "investments" the artist has made into her or his skills, education, experience and connections, but also a window into the soul itself, the implication being that the jury looking over the portfolios is gaining access not only to the time and labour of the submitter, but the raw core of "human capital" itself: the ineffable substance of creativity.

In this sense, creativity is more than merely romantic rhetoric – it speaks, imprecisely, to the fundamental stakes of capitalist material relations. For Marx, "living labour" is that substance that capital, through the wage relationship, transforms into "variable capital" and abstract labour power, which it puts to work producing commodities, which then it sells that the surplus value might be reinvested in the process of exploitation.[75] The value of "living labour" (and what sets it apart from the "dead labor" of accumulated commodities or the "constant capital" of industrial apparatuses) is its fundamental "human" character: it is animated by reflexivity, dynamics, cooperation and the capacity for innovation. The idea of creativity may well be little more than a partial, highly individualized "bourgeois" glimpse of the sublime tectonics of living labour, which lies encrypted within every commodity and which animates every relationship. But the idea of creativity does us the service of isolating that ingredient of "living labor" that gives it life force: its very precariousness, its capacity to risk. What makes "living labor" valuable, what makes it the "stakes" for the struggle over value, is that it represents the element of the unexpected in the dynamic of capitalist exploitation. Living labour is not just the energy of human bodies, it is the quality of mind that causes those bodies to experiment, to try new thing, to take risks. In previous moments and in various forms of exploitation, capital was satisfied to brutally subjugate this human dimension, rendering bodies little more than machines while reserving the opportunity for creativity for a select few (intellectuals, artists, managers, administrators). Today, in an age of "cognitive capitalism," capital has developed new forms of capture and coercion to tap a greater proportion of living labour for profitable innovations. The "portfolio" then is not merely a deceptive and cynical incursion of capital into daily life aimed purely at undermining worker's autonomy, it is an attempt to measure and discipline living labor. In isolating and pitching one's creative accomplishments, workers are made to render visible precisely those aspects of themselves that are irreplaceable, and also isolate only those risks taken which have been recognized and rewarded. The portfolio is, afteral, a collections of things others have found valuable. If all creativity is, to some degree, about taking risks, the rule of the portfolio is that it externalizes risk onto the individual while rendering its benefits open for "investment." It speaks to the viability of the applicant or worker as a vehicle for speculation.

Creative Cities

The connections go deeper still. Over the past decade, the enthusiasm for creativity was to reach new heights with the publication, in 2002 of Richard Florida's runaway success *The Rise of the Creative Class*, which argued that, in the post-industrial global landscape, cities that attracted and retained creative individuals enjoyed significant economic and social benefits.[76] Urban policy and funding could be directed towards projects that would help render neighborhoods appealing to an increasingly mobile and cosmopolitan “creative class” of knowledge workers who were key not only to bringing economic prosperity and attracting corporate investment, but also to improving the social climate of the city, improving citizen engagement and social cohesion. Florida has noted on several occasions that efforts to improve creativity must dovetail with efforts to reduce inequality and regulate corporate powers.[77] Yet the uptake of Florida’s ideas have generally occurred in a neoliberal register, and in ways the help reconfigure capitalist labour discipline in ways help capture and exploit (indeed, shape and mould) the creative energies and passions of workers in a digitized age.[78] In the UK, for instance, the enthusiasm for creativity merged with New Labour’s efforts to advance a kinder, gentler neoliberalism through the promotion of the cultural industries.[79] Rather than seeking to reverse the decline of the manufacturing sector and the privatization of and cuts to government services, the Blair government envisioned the nation’s prosperity as rooted in the production of “intangibles.” Creativity became the watchword for a bevy of neoliberal policies.[80] While on the whole cultural institutions enjoyed little new funding (and many were cut), new monies were made available for limited individual projects that promised economic and social spin-offs. Rather than fully fund public education and supplementary programs for youth (like school lunch programs, recreation, special needs and remedial education) artists were tow be brought into schools and community centres to offer at-risk youth a chance to “express themselves.” In many cases, funding for such projects was dependent on finding “third party” and “stakeholder” support, which often meant corporate sponsorship.

In North America, and increasingly in major cities around the world, creativity was embraced as a means to solve deepening economic and social problems. Appealing largely to liberal policy-makers eager to retain some sense of public obligation in an age of capital flight and reduced spending power, creativity became a near panacea. New funding for arts centres, museums and other cultural venues aimed at making cities more "creative" and attracting tourist revenues emerged. Neighbourhoods were redesigned to include more opportunities and spaces for the arts, citing research that these initiatives helped improve social cohesion and reduced crime and poverty.[81] What is typically lost is attention to the systemic issues of race, class, gender and other vectors of oppression that not only to continue to operate in the creative city, but also often become worse.[82]

As numerous authors have noted since the 1980s, the championing of artists and creative types is often an attempt to use them as "shock troops of gentrification."[83] Attracted to neighbourhoods that offer low rent, little surveillance and large, open spaces for studios, visual artists, designers, actors, dancers and others have often become unwitting participants in the colonization of poor, often racialized zones. As "creatives" move in, they (and the services they attract) make the neighbourhood more appealing to affluent individuals and property speculators, and also attract the attention of the police and other authorities who were, hitherto, largely satisfied to ignore the area.[84]

What is key is that this process is driven by finance, and has been key to finance and financialization. With some 70% of financial wealth tied up in real estate, the inflation of housing costs in major cities has been a key source of financial growth over the past 40 years. Indeed, even where large firms do not own the property outright, the financing of mortgages, sales and the development of real estate is a key driver of the financial economy.[85]

For David Harvey, the connections are deeper still.[86] The city is a zone in which capitalism negotiates the problem of creativity. On the one hand, capital is driven, in part, by competition for monopoly rents and the ability to profit by delimited access to scarce or unique "resources." While this is perhaps clearest in the case of canals, railways, land and other natural resources or large-scale or irreproducible infrastructure, Harvey's concern is the ineffable substance of "local" culture and that way a whole variety of industries, notably tourism and real estate, attempt to capitalize on the unique character of global spaces and cities. For Harvey, a key space of tensions within capitalism is, on the one hand, the production of local uniqueness through the largely anti-market or local-market activities of creative individuals, who together develop the particular "vibe" or set of distinctive practices in neighbourhoods and areas, and the drive of an increasingly globalized form of capital to seek to capture and exploit that uniqueness, and usually replacing it with corporate monocultures. To the extent local property speculators, regional chains and global firms discover unique zones they bring with them either the homogenizing effects of global capital or drive up local rents and prices such that the original residents or participants are driven out.

While Harvey does not dwell on the term, in this example we can begin to see some of the liniments of the dialectic of creativity. On the one hand, we have what we might call a creativity of the commons. While not all the sorts of creative activity (both of the artistic/expressive and of the everyday variety) is inherently or explicitly anti-market, the forms of creativity built up in neighborhoods and unique global areas is the product and the producer of a common cultural landscape, one which is, to a large extent, driven by gift economies, or at least highly localized economies. For instance, while mid-20th century Greenwich Village in the United States was by no means a commune, it's unique cultural climate and character was driven largely by human relationships which, while often mediated by money (or lack thereof) created a common atmosphere from which creativity drew and to which it contributed.

On the other hand, we have the creativity of capital, a highly financialized form of creativity that specializes in speculating on zones of creativity (as did the property developers who colonized Greenwich Village) as potential sources of monopoly rent and future profit. Financialized creativity, which I argue is at work on the world's Wall Streets and also animates the everyday capitalist local of smaller actors, is a creativity fixated on new ways to privatize the commons.[87]

What is perhaps key, however, is that these two moments of creativity are not easily separated so as to make a clean separation between good and evil. The legacies and histories of gentrification, and of the commercialization of radical art practices, and indeed of the opening up of all sorts of "new markets" demonstrates that it is often the same individuals who first draw from and contribute to forms of common creativity and later, for a variety of reasons, seek to integrate it into the market. Indeed, in various ways, its almost impossible to find a creative commons that is not, in various ways, well within the economic order. As with all dialectics, the task is not to seek out some impossible moment of purity, but instead to find in messy tangle of it all the threads that might be pulled to tighten the contradictions, and which, in an always partial way, gesture towards that utopian moment beyond the contradiction on which we might fix our gaze as we walk.

Creativity and its Derivatives

Which returns us to the question with which I began. How can it be that the financial sector is, in the one hand, incredibly creative, developing a staggering array of incredibly sophisticated techniques for managing risk and developing derivatives (and finding loopholes in threadbare regulation) and, on the other (and in spite of their claims to being the angels of creative destruction) is “creative” of practically nothing at all, in fact quite the opposite.

The answer may come from contrasting the largely hollow idea of creativity with its antonym. At least within the art world (where the idea of creativity is almost embarrassingly juvenile), the slur hurled against those perceived to lack this ineffable quality is that of being “derivative.” In other words, rather than originating something “new,” and thus being “creative,” the artistic effort in question is seen to be overly dependent on the style or idea of another work, which its artistic impulse “derives.” For artists, the line between “creative” and “derivative” is fraught and anxious, with other artists, curators, critics and markets acting as tastemakers that (often, it seems, entirely arbitrarily) can decide on what side of the “line” an effort might fall.

Of course, the line between “creative” and “derivative” has been hard to trace in post-modern, post-avant-garde times, and especially as the technologies of art’s mechanical and now digital reproduction have played havoc with the fetish of the artists’ touch and the myth of originality. Entire art movements have emerged precisely to challenge the line between the creative and the derivative. These include figures like Marcel Duchamp who introduced industrially manufactured “readymades” into the gallery space and, notably, Andy Warhol, whose serialized prints and industrial art manufacturing techniques “worked” precisely because they destabilized the traditional distinction. As Mark Taylor notes, today’s superstar artists like Jeff Koons, Takashi Murakami and Damien Hirst have taken this logic to the next level, not only implementing industrial production techniques, but increasingly leveraging finance’s own speculative processed into massive branded art enterprises.[88]

Drawing on the above discussion of portfolio theory, we might think about the ways the line between the "creative" and the "derivative" has been imported into the world of work (and beyond work too) to help distinguish those (people formerly known as) workers worthy of celebrity, security and high remuneration from those abject souls worthy only of precarious drudgery. Within the logic of financialized capitalism, one's natural creativity, prudently invested, will become valuable to the system, and one will be sought after by employers to lend oneself to their "creative" efforts. Meanwhile, those who fail to take advantage of their natural "creativity" will fall into those positions that are largely "derivative": doing what others tell them, having little or no opportunity for creative expression. Yet like the financial system of universalized "risk management" so acutely demonstrated by the sub-prime mortgage meltdown, the global division of creative labor is far from an equal meritocracy.

But of course within this system, the "derivative" has a felicitious second meaning. Within financial parlance, a derivative is a secondary investment vehicle, an asset whose value is dependent on or referent to that of another. Derivatives are typically contracts between two financial actors that give one or the other the option of buying or selling another asset at a specified future times.[89] These include "futures" contracts (agreements to purchase a certain quantity of a certain asset at a future date), "options" (as with futures, but options for one party) and "swaps" (including the infamous "credit default" variety, which gives a party the option of exchanging one asset for another – often currency - if certain conditions are met). Derivatives also include the ability to purchase only certain aspects of an underlying security, as when banks bundled (or "securitized") sub-prime mortgages, then sold different aspects of those mortgage packages to different investors interested in different levels of risk exposure. Effectively, derivatives allow investors an extremely precise tool for commodifying exposure to risk, allowing for a much more precise and sophisticated construction of portfolios.

For Randy Martin, the derivative is the key architecture and institution not only of contemporary finance, but also the cultural, institutional and economic world that financialized capitalism creates.[90] Since the 1970s, the volume of derivative contracts and exchanges has skyrocketed – in 2006, the notional value of over-the-counter derivatives was worth over 600% of the global GDP.[91] This "fictitious capital," as Marx felicitously called it, has tremendous influence on economies and markets large and small, rushing in and out of national currencies and government bonds, global agricultural and energy products, not to mention mortgages and real estate and corporate shares. But for Martin the implications of the derivative go deeper. At the heart of the derivative is the imperative to manage risk, to leverage small investments into huge returns by making more bets on expected windfalls, and a logic of "preemptive" futurity. He illustrates that way this approach has infiltrated US military strategy, where preemptive "investments" of high-tech "shock and awe" warfare in "hotspots" are intended to produce massive "regime change," aimed at mitigating "global risks" and installing governments that will make the world safer for transnational capital flows.[92] He also shows how this logic plays out in new forms of neoliberal governance, which no longer see vulnerable populations as a responsibility, but as "at risk" populations in need of preemptive intervention to help them better manage risk ("financial literacy" campaigns, deregulation to allow predatory lending, "investments" in silver-bullet-type programs aimed at giving youth "a hand up").[93] For Martin, this spread of the logic of the derivative is not simply finance overstepping its bounds, nor is it merely symptomatic of a global social and economic scene dominated by financial pressures. It represents a fundamental shift in the nature of wealth itself, one that elevates both capital and the struggle against capital to a new level. Derivatives, broadly conceived, are an emergent means to measure and represent the wealth of the connectivities that stitch the material and immaterial worlds together.

My ambition here is more modest. What I am arguing is that, in the particular historic circumstances of post-Bretton Woods financialization, the creative and the derivative illuminate the hidden aspects of one another. In the imperative towards (or the *dispositif* of) "creativity," we find the reflection of the derivative, of the financialization of social, cultural, political and economic life: a system that relies on both the division of creative labour (some occupations are "creative", some are not), and the forms of austere "everyday" creativity that are demanded of financialized subjects. Conversely, the logic of the derivative helps us understand the power of rhetorics of "creativity" the "creative class", "creative cities" and "creative destruction": all these exists within a context where human creativity is increasingly driven either by the financial sector or by the creep of financial logics (speculative futurity, risk management, leveraged returns) into other spheres of life and social activity. In other terms, the power of the idea of creativity relies, fundamentally, on a context of financialization, emblematized in the derivative. Conversely, our moment of financialization itself relies on or draws on an idiom of "creativity" both as rhetoric and as structural discourse.

The binary of creativity and the derivative is, like all binaries, false. It is a partial and imperfect model of actually existing material social relations.[94] Both the idea of creativity and the idea of the derivative speculate on the possibility of a pure emergence, of a creative act which is not in any way derivative, which is the pure expression of innovation and newness. But, in fact, all creative acts are, in part, derivative, whether it is a derivative contract or a work of art, a financial model or an architects sketch. All creative productions rely on a social bedrock of past creative acts, a cultural environment in which creativity is recognized and affirmed as such. Likewise, no matter how banal or routine, all "derivative" acts performed by human being have their element of creativity. Regardless of how deskilled or bureaucratized work can be made, or how routine and sterile life under neoliberal financialization can be rendered, an element of unique human creativity seeps into even the most hermetic process. The financial sector and the myth of creativity rely on the encryption of the creative within the derivative, and derivative within the creative, but it is a reliance that they must deny in order to aggrandize themselves as the neoliberal apex of human freedom and so conscript our subjectivities. Discourses of creative capitalism, the creative city and the creative economy claim that, by making the proper "investments," one can be rewarded for one's latent creativity and earn an opportunity to express it, but this necessarily relies (both discursively and materially) on a massive pool of "derivatives," those (hopeful or hopeless) souls temporarily denied these opportunities. Likewise, the financial world relies on both the myth and the reality of constant innovation, and developing institutional ecologies that shape and harness creativity, but only insofar as the sector is the "central nervous system"[95] of a world capitalist economy that, in the vast majority of cases, reduces social and economic life to the most derivative: to the application of human creativity to the austere work of economic survival.

Of course, creativity has other meanings as well, and, in closing, it is important to note that, even if creativity is a myth, myths have power and purpose beyond simply the reproduction of the current order. It may be important to reimagine creativity not as the expression of the individual soul, which can only find its true articulation under financialized capitalism, but as a collective project, and the power of collective action and creation.

Notes

[1] For revealing accounts of the cultural and subjective dimensions of finance see Ho, Karen. *Liquidated: An Ethnography of Wall Street*. Durham, NC and London: Duke University Press, 2009; Stark, David. "The Cognitive Ecology of an Arbitrage Trading Room." In *The Sense of Dissonance: Accounts of Worth in Economic Life*, 118–162. Princeton, NJ and London: Princeton University Press, 2009; Zaloom, Caitlin. *Out of the Pits: Traders and Technology From Chicago to London*. Chicago: University of Chicago Press, 2006.

[2] On the sort of short-term, blindered thinking that animates financial worlds, see Ho, *Liquidated*, 274-294.

[3] For an excellent overview and analysis, see Henwood, Doug. *Wall Street: How It Works and for Whom*. London and New York: Verso, 1998.

[4] See, for instance, Ott, Julia. *When Wall Street Met Main Street: the Quest for an Investors' Democracy*, Cambridge, MA and London: Harvard University Press, 2011; Lazzarato, Maurizio. *The Making of the Indebted Man*. Translated by Joshua David Jordan. Boston, MA: MIT Press, 2012, 96-102.

[5] See Fraser, Steve. *Every Man a Speculator: a History of Wall Street in American Life*, New York: Harper Perennial, 2006, 525-572; LiPuma, Edward, and Benjamin Lee. *Financial Derivatives and the Globalization of Risk*. Durham, NC and London: Duke University Press, 2004.

[6] Matt Taibi, the intrepid Rolling Stone reporter, has been singularly persistent and perceptive in bringing to light the culture of American finance since the 2008 crash in these regards. See *Griftopia: Bubble Machines, Vampire Squids, and the Long Con That Is Breaking America*. New York: Spiegel & Grau, 2010.

[7] Foster, John Bellamy, and Fred Magdoff. *The Great Financial Crisis: Causes and Consequences*. New York: Monthly Review Press, 2009, 54-56.

[8] Krippner, Greta R. "The Financialization of the American Economy." *The Socioeconomic Review* 3, no. 2 (2003): 173–208.

[9] See Fraser, *Every Man a Speculator*, 573-615. Engelen, E. Corporate governance, property, and democracy: a conceptual critique of shareholder ideology, *Economy and Society,* 31 (2002): 391–413; Froud, J., Haslam, C., Johal, S. and Williams, K. "Shareholder value and financialization: consultancy promises, management moves, *Economy and Society,* 29(1) (2000): 80–110. See also Ho, *Liquidated*, 169-212.

[10] Indeed, as Michael Hudson ("From Marx to Goldman Sachs: the Fictions of Fictitious Capital, and the Financialization of Industry." *Critique* 38, no. 3 (2010): 419–444.) and others point out, government debt should rightly be seen as a sort of tithe or disciplinary force, and a means by which social wealth, through taxation, is transferred to the financial sector.

[11] See Bello, Walden, Nicola Bullard, and Kamal Malhotra, eds. *Global Finance: New Thinking on Regulating Speculative Capital Markets*. London: Zed, 2000.

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[13] Li Puma and Lee, *Financial Derivatives*, 161-189.

[14] See Albo, Gregory, Sam Ginden, and Leo Panich. *In and Out of Crisis : the Global Financial Meltdown and Left Alternatives*. Oakland, CA: PM Press, 2010.

[15] Martin, Randy. *An Empire of Indifference: American War and the Financial Logic of Risk Management*. Durham NC and London: Duke University Press, 2007, 19-41.

[16] Martin, Randy. *Financialization of Daily Life*, Philadelphia, PA: Temple University Press, 2002.*;* Pryke, Michael, and Paul du Gay. "Take an Issue: Cultural Economy and Finance." *Economy and Society* 36, no. 3 (2007): 339–354.

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[23] Martin, *Financialization of Daily Life,* 91-107.

[24] See McNally, David. *Global Slump: the Economics and Politics of Crisis and Resistance*. Oakland, CA: PM Press, 2011, 113-145; Montgomerie, Johnna. "The Pursuit of (Past) Happiness?: Middle-Class Indebtedness and American Financialisation." *New Political Economy* 14, no. 1 (2009): 1–24

[25] Martin, *Financialization of Daily Life,* 55-101.

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[29] See Federici, Silvia, and Max Haiven. "Feminism, Finance and the Future of #Occupy - an Interview with Silvia Federici." *ZNet*. 25 Nov. 2011. http://www.zcommunications.org/feminism-finance-and-the-future-of-occupy-an-interview-with-silvia-federici-by-max-haiven

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[32] See Sawaya, Francesca. "Capitalism and Philanthropy in the (New) Gilded Age." *American Quarterly* 60, no. 1 (2008): 201–213.

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[35] Guthman, Julie. "Thinking Inside the Neoliberal Box: the Micro-Politics of Agro-Food Philanthropy." *Geoforum* 39, no. 3 (2008): 1241–1253.

[36] Saltman, *The Gift of Education*.

[37] Ball, Stephen J, and Antonio Olmedo. "Global Social Capitalism: Using Enterprise to Solve the Problems of the World." *Citizenship, Social and Economics Education* 10, no. 2 (2011): 83–90; see also Bateman, *Why Doesn't Microfinance Work?*.

[38] Saltman, *The Gift of Education*.

[39] See Chu, Ben. "Bill Gates: Why Do We Care More About Baldness Than Malaria?." *The Independent*, March 16, 2013. http://www.independent.co.uk/news/world/americas/bill-gates-why-do-we-care-more-about-baldness-than-malaria-8536988.html.

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[41] Ibid.

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[55] Lazzarato, The Making of Indebted Man, 72-77.

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[59] Harvey, David. "Neoliberalism as Creative Destruction." *The ANNALS of the American Academy of Political and Social Science* 610, no. 1 (2007): 21–44.

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[61] Hudson, *The Bubble and Beyond*, 129-156.

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[65] See Henwood, *After The New Economy,* 145-159.

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[89] See Li Puma and Lee, *Financial Derivatives*, 33-34.

[90] Martin, *Empire of Indifference*, 31-32.

[91] Magdoff and Foster, *The Great Financial Crisis*, 58.

[92] Martin, *Empire of Indifference*, 64-96.

[93] Ibid. 21-42.

[94] On this approach, see Jameson, Fredric. *The Political Unconscious*. Ithica, NY: Cornell University Press, 1981.

[95] Harvey, *Limits to Capital*, 270-271