

CHAPTER 1

The *Saltos* of Finance

CRISIS AND ONTOLOGY IN POST-1982 MEXICO

This plethora of capital arises from the same causes that produce a relative surplus population and is therefore a phenomenon that complements this latter, even though the two things stand at opposite poles—unoccupied capital on the one hand and an unemployed working population on the other.

Karl Marx, *Capital*, vol. 3, p. 359

In the course of a ten-year span, before the passage of NAFTA and before the currency crisis of 1994, Mexico passed through a series of three important finance-related crises: the currency devaluation of 1976, the debt crisis of 1982, and the fallout associated with the U.S. stock market crash in 1987. While 1976 was dismissed by many as a bump in the road of ever-expanding growth, the debt crisis of 1982 signaled the definitive end of a form of the national popular state and that the financial restructuring that had engulfed Mexico was not one more storm to be weathered by counter-cyclical policies, but in fact marked the implementation of a new global financial architecture and a turn in Mexico to attempted financial accumulation. The massive indebtedness of the state in the Echeverría era (which had been growing since the 1950s) signaled the end of the long postwar boom and the proliferation of new means of attempted finance-led accumulation driven by a global falling rate of profit coupled with global surpluses of capital with fewer outlets for investment. On the

one hand, the national popular state was deterritorialized and its system of fixed or pegged exchange rates flowing into sectoral production incentives was rendered a brittle hold on the new fluxes of capital seeking investment, the exposure of floating exchange rates, and loss of internal control over monetary policy. On the other, the Mexican state was driven to deploy and participate in finance-led forms of accumulation—contracting debt, chasing foreign investment, and propping up corporations and banks—and the failure of finance-led accumulation put an end to the strategies, tactics, and geopolitics of development that had called forth and held in position a Mexican national popular formation before and after the Second World War.

Accounts of the last thirty years of Mexican cultural production that focus on neoliberalism tend to both overlook this long prehistory of financial crisis and to an extent de-emphasize the new financial architectonics and integrations of Mexico into the world economy. Neoliberal cultural critique has tended to focus on the clearly pivotal transformations in the state (i.e., privatization, liberalization of trade and capital movements, etc.), but that has had the effect of downplaying the centrality of certain economic transformations across this period, of which the rise of finance is one. Certainly neoliberalism marked a definitive change in the state, but the state, even a developmentalist one, is not isomorphic with the economy—and what I will argue is that our analysis needs to make space for accounting for both changes in the state and capital.¹

In this chapter I take a different tack into the post-1982 historical period in Mexico: as one of decades of financial crisis and instability. This approach does not overlook the profound changes in the Mexican state and its attendant cultural imaginaries, but rather reads these changes alongside and as conditioned by the rise of finance in Mexico. I grapple, then, with the newness of finance and how cultural production in Mexico has responded to it, been influenced by it, and has produced meaning for it and its effects on the Mexican state form. As finance begins to rival production in importance in the 1980s and 1990s in Latin America, new events (financial crises, for example) and figures (hyperinflation, which is examined in Chapter 2) appear on the social scene. However, finance does not become legible or an object of cultural discussion through the same events or figures in all countries. As I argue in the first part of this chapter, in Mexico finance, or the results of its rise, became condensed into the figure of crisis or instability. At the same time the events and figures through which finance's rise becomes legible, because of their newness, come into the world almost without meaning; that is, meaning has to be produced around them. Cultural works, as well as other discursive productions, play

an important role in making sense of finance's consequences—which, in the case of Mexico, include the spread of instability and the breakdown of the national popular formation.

I chart this process of creating meaning for the consequences of finance through detailed discussions of a single text, Jorge Volpi's *En busca de Klingsor* (*In Search of Klingsor*, 1999). I approach the problem in this way because a close, careful reading of Volpi's novel is a means to track the production of new figures and categories—which are frequently more ephemeral in other forms of popular discourse and therefore more difficult to pin down—for interpreting Mexican social and cultural life in the aftermath of finance. My readings attempt to establish lines of response to the twin crises of state and finance in Volpi and then open out from there onto the larger sphere of Mexican popular discourse.

In particular I examine how Volpi's work responds to new forms of indeterminacy and instability put into circulation by the widening gap between the real and the fictitious of finance with a turn to “first principles” or an investigation into the “fundamental” nature of the social world. Throughout this chapter, I will describe Volpi's novelistic investigations into the nature of the natural and social worlds as musings on “ontology.” In contemporary philosophical and theoretical usage, as Stephen White, Carsten Strathausen, and others have noted, the once central distinction between metaphysics (the philosophy of first principles) and ontology (the science of beings) has broken down, such that it is now common to see discussions of “Badiou's set theoretic ontology” or “Deleuze's univocal ontology,” which in each case refers to topics, such as the question of whether being is multiple or One, that escape the traditional purview of “ontology” but which are nonetheless named by this term now. It has also become common in social and political theory to use “ontology” to name a set of assumptions about the nature of the natural and social worlds (see, for example, Arturo Escobar's use of “flat ontologies” and the citation of an “ontological turn” in his recent work).² I will employ this expanded, contemporary sense of ontology as a theory of the natural and social worlds throughout this chapter in order to argue that Volpi's novel, marked by a crisis in the structures of the national popular, rearticulates a system for the racialized division of groups by means of a theory of the natural world, which is opposed to the play of representation that founds the imaginary of the national popular moment.

In the second half of the chapter I argue that in Volpi's work we can also see the elaboration of a new theory of history, not as the famously debated “an end of history,” but rather a theorization of history as an ongoing catastrophe and disaster and as marked by the form of financial

crisis that has unfolded in Mexico. History as catastrophe forms a second site of transmission between finance's form and the literary that also, as we will see, opens onto a wider set of popular and literary discourses. By way of conclusion, I move from Volpi to left academic social theory more generally to argue that Volpi's turn to ontology or natural philosophy is convergent with a generalized turn in social theory since the 1980s to ontology and indeterminacy and that in each case the role played by the rise of finance in producing these new indeterminacies has tended to be unrecognized.

Instability, or What Finance Makes Possible

Within U.S. and Latin American theoretical circles today, the two most common explanatory frameworks for the turn to finance, post-Keynsianism and post-workerism, both read finance as predatory or speculative with respect to the "real" or productive economy. Instead of seeing this turn to finance as merely speculative, I see finance, following the work of Annie McClanahan, Joshua Clover, and other heterodox Marxist theorists, as a form of temporal arbitrage or as a means of attempting to realize future surplus value in the present and as such intimately connected (rather than opposed) to production. Reading finance and production together, as opposed to seeing finance as parasitical on the "real" economy, is necessary if our goal is to grasp the turn to finance materially, that is as a specific form of attempted accumulation, as opposed to explaining it away as a kind of mania, lack of regulation, or set of bad behaviors engaged in by irresponsible actors. To grasp how finance has changed the landscape of cultural and social life, we have to see finance not as merely corrupting good forms of production, but rather as emerging from within production itself to solve problems of declining profitability and as part of a quest for new forms of attempted accumulation.

This approach of reading finance and production together remits back to Marx's fragmentary work on credit and finance capital in the three volumes of *Capital*. Generally speaking, for Marx finance and credit are important in simple production processes because they enable the immediate or precipitous realization of a commodity's value. To take a basic example imagine a factory producing blue jeans where a capitalist sinks several million dollars into materials and labor for production. Instead of waiting to have to sell each and every pair of jeans to then reinvest that money in the business, the capitalist is able to borrow money against the eventual sale of his commodities to continue the production of jeans without having to wait for their actual sale. Thus, credit or finance are not, by nature, supplementary to or predatory upon processes of production but

rather, at a certain level of capitalist development, *essential*, necessary to keep production flowing smoothly.

What the presence of finance in production makes possible, however, is new forms of crisis or instability and their possible expansion. Credit, in our example of blue jeans, intervenes in accumulation by attempting to shorten the temporal distance between the production of a commodity and the realization of its value. It is precisely in this way that finance nurtures new possibilities for instability, speculation, and crisis in accumulation. Kojin Karatani has re-read Marx's critique of capital, privileging both credit and what he terms its *salto mortale* (leap of faith) and linking them to crisis:

Classical economists believe that a commodity is a synthesis between use value and exchange value. But this is only an ex post facto recognition. Lurking behind this synthesis as event is a "fatal leap [salto mortale]." Kierkegaard saw the human being as a synthesis between finity and infinity, reminding us that what is at stake in this synthesis is inevitable "faith." In commodity exchange, the equivalent *religious* moment appears as "credit." Credit, the treaty of presuming that a commodity can be sold in advance, is an institutionalization of postponing the critical moment of selling a commodity. And the commodity economy, constructed as it is upon credit, inevitably nurtures crisis.³

Finance and credit, which accompany commodity production in some form, are leaps into the unknown because they are claims on future value that may or may not be realized. I can loan you one thousand dollars to produce jeans anticipating your business will continue to grow (that is, anticipating my claim on your future production will be able to be paid in full), but if your workers go on strike or if a new technology revolutionizes textile production, then I might not get my money back. Thus in the *salto mortale* between commodity production and selling—a *salto* covered by credit—lies the potential for finance to generate special kinds of instability. In the late 1970s Mexico borrowed heavily against anticipated oil production revenues, and this same form of potential instability was introduced, but on a massive scale across many actors and national spaces. When Mexico declared a moratorium on debt payments in 1982, the potential instability became a true interruption, a real crisis.

The turn to attempted accumulation through finance in the 1970s, via means such as foreign debt, currency arbitrage, and business and personal lending, seeded in a mass way this kind of instability across all levels of the global economy and national social formations. Finance can result in speculation and predation, but its instability is not the result of behaviors

or lack of regulation but rather is structural to finance itself and embryonic within capitalist production. That is, finance is the rise of new ways and means of exploiting through shortening or elongating the gap between the moment of the production of a commodity and the moment of the realization of its value. And because finance involves not the production of value but rather a claim on future value, it generates instability in two ways. First, as a claim upon future value, credit or financial instruments are always subject to potential non-repayment. Second, financial instruments, because of their degree of remove from the commodities or values that underlie them, frequently result in the creation of fictitious value, in bubbles or booms, or a widening gap between the real value of assets and what people are willing to imagine they might be worth in the future or present. Indeed, all of the most important new financial instruments that are utilized in the post-1973 period (securitization, options, swaps, etc.) as well as the new financial *dispositifs* (exchange rate arbitrage, high frequency trading, etc.) end up producing massive amounts of fictitious claims and result in the booms and bubbles that have populated this period both in the global North and South. The turn to finance, wherever it takes place, amplifies the potential for instability, failing accumulation, and crisis.

The potential for instability and crisis is therefore inherent in finance. However meaning must be produced around the instruments and events of finance, and one way this occurred was through an investment in a set of linked terms that adjudicate social decomposition, *crisis* and *caos*. Crisis or instability became a central category through which the post-1982 world and the initial rise of finance was thought; indeed, as Claudio Lomnitz notes, the period after 1982 came to be known in popular discourse in Mexico simply as *la crisis*. *La crisis* serves as a polysemic figure that names all the effects of finance's rise: declining wages, government corruption, mass unemployment, as well as the experiential forms of shock and uncertainty that pervaded the 1980s and 1990s in Mexico. Lomnitz's work on the post-1982 period demonstrates the newness of this type of (financial) crisis, but also the degree to which this figure spread as a means for understanding the events of 1982: "Until the events of 1982, the term *crisis* was most often used by journalists and intellectuals, usually in the restricted sense of, for instance, 'the crisis of agriculture' or 'the cyclical crises of capitalism.' After 1982, however, when the Mexican government could not meet its debt payments, the use of the term became so widespread that this whole era, together with its concomitant situations, practices, and sentiments, became known as *la crisis*."⁴

Between 1982 and 1994 the Mexican state undertook all the reforms and institution building necessary for the construction of a financialized

economy: an expanded stock market, the issuance of government bonds, and the liberalization of capital controls. In 1994 as power passed between out-going President Carlos Salinas de Gortari and incoming President Ernesto Zedillo, Mexico was rocked by yet another deep, catastrophic financial crisis—this one requiring a bailout administered directly by the United States, which demanded in return further liberalization and austerity measures.⁵ It was in this period that another term circulated alongside the figure of “crisis”: that of “caos” (chaos). The usage and circulation of “caos” as a descriptor of Mexican social reality can be seen across sites of popular discourse, including in liberation theologian Tomás Gerardo Allaz’s 1994 article in *Proceso*, simply titled “Salinas: El caos,” in which he writes: “They appear as so many symptoms of the deep decomposition of our society throughout the twelve years of Salinas. This ruler, so imbued with his absolute personal power without limit, will be held responsible by history for having installed the nation in chaos.”⁶ Caos as an evaluation is a recognition of crisis pushed to its limits, but also at the same time, it is, like crisis, a polysemic figure in which financial and political levels are collapsed, often resulting in the displacement of the economic cause in favor of an analysis of state failure.

In the following section I will take what first might appear as a detour far away from the realm of finance and financial crisis, in the form of a close reading of Jorge Volpi’s *En busca de Klingsor*. I do so because this close reading will provide a set of forms, tensions, and ideas that will open back out onto the world of finance, instability and crisis, and the cultural and social transformations produced alongside the rise of finance in this period. I engage deeply with *Klingsor*, first, because it is an exemplary text that turns around the figures of crisis and caos in the form of a sustained meditation on indeterminacy and, second, because it is a site where one can discern a set of cultural and social transformations that move alongside financial crisis. Specifically, I will track how a form of racialized social control exercised by the national popular was reworked—in this case, in a move from representation to ontology—and how it came to be marked by the form of the financial salto or the increasing distance between production and the realization of value.

***Klingsor*, Hard Indeterminacy, and Moralism**

After it was selected for the Biblioteca Breve prize, the novel *Klingsor* established Volpi and the Crack generation as a Mexican and international literary phenomenon. Criticism of Volpi’s work more generally, and of the novel itself, has primarily taken place within the larger debate in the field of Latin American literary studies on the limits and/or end of au-

tonomous literary practice, or what Carlos J. Alonso has called “the novel without literature.”⁷ Within these debates, some readers, such as Cristóbal Pera, have stressed the postnational aspects of Volpi’s literary production, while Wilfrido H. Corral and Lidia Santos have questioned the political horizons of Volpi’s notion of the literary, and Ignacio Sánchez Prado has positioned Volpi in the context of “strategic occidentalism.”⁸

Instead of focusing on the novel’s possible or improbable politics of literary autonomy, I locate *Klingsor*’s political intervention on another level, namely, in its concern with indeterminacy, uncertainty, and chance, as it is here that the novel engages with and presents its own articulation of the discursive figures emerging from Mexico’s ongoing financial crises. *Klingsor* develops what I term a “hard indeterminist” vision of the natural and social worlds, wherein chance and uncertainty are foundational and overcome any attempt to construct a stable world. For all its emphasis on a kind of totalizing indeterminism, I argue that *Klingsor*, in key moments, reintroduces forms of determinism, in particular as a means of conditioning the political.

I forward a reading of *Klingsor* not in the ambit of the transformation of the literary by “globalization,” but rather as a laboratory for the rearticulation of state power and its discursive supports. The twin crises of the state and finance dealt serious blows to the state infrastructural-imaginary nexus derived from the Mexican Revolution and its institutionalization. As Nicola Miller and others have noted, the literary has played an important role in Latin America throughout the twentieth century as a site for the elaboration of state forms of ideology or the elaboration of forms of thought within a state-defined field of literary autonomy. It is no surprise that it is in the literary field in Mexico in the 1990s where we find serious engagements with and attempts at rearticulating and refounding the national popular imaginary. In Volpi this rearticulation will occur in a transition from a system of control based in representation, the *sine qua non* of the national popular, to one based in ontology, understood in a very general way as a concern with the nature of being or the structure and existence of the material world. The novel’s ontological principles give rise to its thinking of the political as a division between those who respect the indeterminacy in the heart of the natural world and those who attempt to overcome it and fall into madness, evil, and moral wrong.

En busca de Klingsor recounts the imbrication of two events: the scientific debates concerning chance and causality after the discovery of relativity and the last days of the Nazi regime. The novel opens with a young physicist, Francis P. Bacon, whom we first encounter as a graduate student studying in Princeton at the Institute for Advanced Study. Bacon, while

brilliant, is a melancholic figure, and due to a series of failed relationships which spill over into his professional life, he takes a leave of absence and joins a special U.S. military mission at the end of the Second World War. The mission is to track down Nazi physicists, but it quickly turns into a much more personal and ambiguous task. Once Bacon encounters the German mathematician and narrator of the novel, Gustav Links, the novel turns into a search for Klingsor, a mythical figure who may or may not have been in charge of a series of secret Nazi science programs. The catch is that neither Bacon nor Links knows if Klingsor actually existed or not, and it is possible that Links is playing a double game, either leading Bacon on a wild-goose chase or actually concealing his identity as the real Klingsor. Famously the novel ends without fully ascertaining the identity of Klingsor, leaving readers to dwell on their doubts as to his existence and their suspicions as to his person.

Klingsor draws on both the genres of the detective novel and the novel of ideas, and it is the ideas, namely the discovery of chance, indeterminacy, and uncertainty by twentieth-century physics, that create the conditions of possibility for the detective novel as the indeterminate and impossible search for Klingsor. A good part of the novel is concerned with presenting the opinions of famous early twentieth-century physicists, such as Max Planck, Johannes Stark, Werner Heisenberg, Erwin Schrödinger, and Niels Bohr, as to the meaning of quantum theory. Volpi's presentation of their views, as we will see below, turns around the implications of relativity, Heisenberg's uncertainty, and Gödel's incompleteness theorem for human morality. As a novel of ideas, *Klingsor* spends much time on discussions of what we might call natural philosophy or in more contemporary parlance, ontology. While on one textual level *Klingsor* walks the reader through various modern perspectives on indeterminacy, on another level it illustrates them in a detective story of a failed and impossible search for a shadowy figure whose very existence no one can even confirm.

Indeterminacy, understood as the breakdown of causality and thus of a human ability to produce knowledge about the natural and social world, is foregrounded from the very beginning of *Klingsor*. In the preface the novel's narrator, Gustav Links, a German mathematician, opens by discussing a failed assassination attempt against Hitler in which he participated and for which he was consequently tried. Links, however, was saved from a sure sentence of death when an Allied bombing raid caused a wall to fall on and kill the judge presiding at his trial. A stroke of fate also saved Hitler from being killed by Links and his compatriots' plan, and as Link notes, "On the morning of February 3, 1945, a similar kind of luck saved my own life."⁹ Links reveals himself to be obsessed with fate and the connection

between these two seemingly random events: “Why do I insist, so many years after the fact, in connecting movements of chance which in the beginning had nothing to do with each other? Why do I continue to present them as one, as if they were manifestations of one single act of will?”¹⁰ The novel sets up here the peculiar tension between indeterminacy and determinacy, or between chance and causality, which it consequently seeks to develop. On the one hand Links, as an early twentieth-century mathematician with close connections to the modern physics community, is a proponent of uncertainty and chance as a foundational part of the natural world. On the other Links also clearly demonstrates a desire or belief that events are not just random, but that there is a hand (“one single act of will”) guiding the movement of the world, of history, and of our lives. It is this tension, which we might call *Klingsor’s* paradox or a desire for determinism in a fully indeterminate world, that I want to tease out.

The following paragraph takes this tension and explicitly turns it into a frame for the novel itself, into the very reason why Links has decided to write it, to recount this history:

If I dare to join apparently unconnected facts, such as the salvation of Hitler and my own, it is because humanity has never been such a close witness to such catastrophic destruction. And our era, unlike other historical moments, has been largely determined by such twists of fate, those little signs that remind us of the ungovernable, chaotic nature of the realm in which we live. I propose, then, to tell the story of the century. *My* century. *My* version of how fate [*azar*] has ruled the world, and of how we men of science try in vain to domesticate its fury.¹¹

The history of the twentieth century, then, is that of “azar,” which the translator has chosen to render as “fate” instead of the perhaps closer English translation of “chance.” But the choice of fate does capture something about Volpi’s approach to the concept of “azar” throughout *Klingsor*. What fate captures is, on the one hand, a sense of chance occurrence, that is, of events outside human control and linked by neither rhyme nor reason, but on the other, there is fate as the sense of a divinely preordained plan. These two senses are reflected in how the novel positions indeterminacy as foundational to ontology (“nobody was safe in a world that was suddenly dominated by uncertainty”), while at the same time it registers a longing for, as Links says elsewhere, a time when “the world was an ordered environment.”¹²

Perhaps readers whose ears are attuned to the debates in twentieth-century physics or philosophy have started to pick up on a certain slippage in terms. Do not uncertainty, chance, and indeterminacy derive from dif-

ferent sites of intellectual production and pitch themselves at different conceptual registers? They do but this is a conflation that is essential to the novel's presentation of its fully indeterminate "world" as a result of the early twentieth-century discoveries of relativity and quantum physics. To explain why this conflation is so critical to the novel, let's turn to a key passage in the opening chapter of the book's final part, "Laws of Traitorous Motion":

If, as stated by Gödel's theorem, every axiomatic system contains undecidable propositions; if, as stated by Einstein's relativity, absolute time and space do not exist; if, as postulated by the rules of quantum physics and as a consequence of the uncertainty principle, science can offer only vague and random approximations of the cosmos—then we can no longer rely on causality as an accurate predictor of the future. And if specific individuals possess only specific truths, then all of us—made up of the same material of which atoms are made—are the result of paradox and impossibility. Our convictions can only be considered half-truths.¹³

This passage collapses a number of different kinds of uncertainty and indeterminacy: logical, in the case of Gödel; macroscopic, in the case of Einstein; and microscopic, in the case of the uncertainty principle. In so doing this passage overpowers the local constraints of any of these individual theories and constructs a sweeping vision of the natural and social worlds as radically indeterminate, as a place where knowledge is not just uncertain or improbable, but in fact, impossible.

In order to demonstrate how this is an overinterpretation of the individual theories at hand, I will focus just on the uncertainty principle. Heisenberg's uncertainty principle in its classic form states that it is not possible to know exactly both the position and momentum of a particle. It is a localized statement regarding the limits of the accuracy of observational knowledge on the quantum level. Moreover it is a statement which only has sense when read against Newtonian mechanics. In classical Newtonian mechanics if one knows the position and velocity of an object/particle, one can predict the object's position and velocity at any future moment (assuming a closed system). What the uncertainty principle says is merely that this kind of total knowledge is no longer possible once we are on the quantum level. There are two key caveats here. First, as most early twentieth-century quantum theorists argued, classical mechanics and tools of observation continue to function in the large-scale macro world. Second, the uncertainty principle, on the quantum level, does not mean that no prediction is possible. What holds on the quantum level is not the mechanical causality of Newtonian physics but statistical probability.

Thus the uncertainty principle does not mean that there is no causality nor that we can have no knowledge of quantum particles, but rather that the causality operative on this level and our knowledge of it do not take the form of classical mechanics.

The novel's presentation of the uncertainty principle and of the way it is collapsed with other forms of indeterminacy takes the results of Gödel, Einstein, and Heisenberg far beyond their logical conclusions. As we can see in the passage cited above, the novel's vision of the natural world is of a universe in which neither causality nor knowledge is possible. This is a vision of ontology we might describe as "hard indeterminist." Hard indeterminacy would be a position which believes that any micro form of uncertainty or indeterminacy implies the total cancelation of any form of causality and the casting into doubt of any possibility of knowledge. *Klingsor's* vision is hard indeterminist in this respect: since the quantum world possesses some degree of indeterminacy, then the whole of the natural, human, and social worlds are radically, irredeemably indeterminate.

Having said this, what makes the novel a complex literary text is that while it is, on the one hand, a novel of ideas that advances or is motivated by a hard indeterminist vision of the natural world, it is also a novel that is very concerned with parsing and delimiting boundaries between good and evil. Thus while the novel advances an ontology of savage indeterminacy, it also attempts to find a ground if not for the securing of moral certainties, then at least for preventing the slide into totalitarianism and madness. In short *Klingsor* is a novel that postulates a world of hard indeterminacy and then attempts to locate bases from which to construct a moral and political order. However, it is important to emphasize this point: while the novel constructs a moral and political order out of its foundational ontology, it does so in a tendential way. That is, the novel does not posit that disrespecting hard indeterminism *always* results in totalitarianism but rather that it *tends* to. The novel does not propose a hard-wired structure between its ontology and political order (that would be too obviously deterministic and a contradiction too easily refuted). *Klingsor's* method of securing moral order is to reintroduce determinism via the backdoor while always providing an escape hatch of plausible deniability that the novel is in itself not deterministic.

While not all characters who defy indeterminacy end up in totalitarianism, many do, and throughout the novel much of the textual conversation around how ontology and politics are linked is concerned with how a refusal to recognize the indeterminacy at the heart of the natural world opens the door to illiberalism. In one example of this, sticking with the same section of the novel that we discussed above, we read:

Why are we weak? For a very simple reason: We cannot predict the future. We live in an eternal present, obsessed with deciphering the future. . . .

Amid this perpetual state of confusion, there is always someone ready and waiting to take advantage of everyone else's blindness to assuage his own fears. . . . Fully convinced of his purpose, he toils for the good of his people, his race, his friends, his family, or his lovers (as the case may be), imposing his own faith upon the prevailing uncertainty. All the truth he proclaims is an act of violence, pretense, chicanery. And how does a weak man become strong? Very simple. Any man who can convince other people—other weak people—that he knows what the future holds is a man who will be able to rise above and control his peers.¹⁴

This is one version of *Klingsor's* tendential linking of its ontological vision with a political horizon. As we saw above, modern physics' discovery of uncertainty at the heart of the natural world has cancelled all causality. Politics enters in the form of men who convince others that they can overcome the fundamental indeterminacy of the natural world by leading human communities toward a goal, a better land, etc. But in its very gesture of making this connection the novel violates its own principle: in making the point that totalitarianism arises from the failure to obey indeterminacy, *Klingsor* in this moment surreptitiously reintroduces a form of determinism in the form of a conditioning of the political by the ontological. Thus, as much as the novel advances or derives its worldview from a hard, radical, or all-encompassing indeterminism, it reintroduces at key moments deterministic or causal linkages between the natural world and the political in the form of a regulating, moral shorthand. As such the novel reintroduces determinism and order after having banished them, and it does so by having the ontological condition limit the political, or what is possible or acceptable in the political field.

In *Klingsor* only by respecting not our inability to know, but rather the ontological barrier that means we can know nothing can we avoid a slide into totalitarianism. In the world of the novel we cannot overcome this desire, because it is conditioned by the facticity of the world as such; thus, we can only resist the temptation. Politics in the novel is then transmuted into a moral struggle to resist the temptation to counter ontology. Another point wherein the novel weakly distends ontological uncertainty into a catastrophic political tendency is in an interview between Bacon and Erwin Schrödinger, in which Bacon asks if the uncertainty of quantum mechanics was, in some way, a celebration of free will. Schrödinger replies by narrating the story of one Pascual Jordan, a Nazi admirer, who thought it "was man's obligation to go around filling in the holes that nature left

empty” by using the force of will.¹⁵ Both men agree that this “tyrannical” notion is a horrifying and unjustified interpretation of uncertainty.

The Nazi sympathizers who accept the indeterminacy of modern physics represent the opposite position to the one that is, generally speaking, positively coded by the novel. They believe in a radical indeterminacy but they think it can be surmounted by the force of will. In this way *Klingsor* constructs a division between those who respect the indeterminacy in the heart of the natural world and those who attempt to overcome it. Those who fall into the latter category are pushed outside the human community and descend into madness, evil, and totalitarianism. The failure to respect this indeterminacy creates an ontological division in the human, marked by an absolute divide. As such, Volpi’s sophisticated take on indeterminacy is a literary formalization and philosophical deepening of popular discourses on chaos and crisis which circulated after the financial crises in 1982 and 1994. It is an alchemy, one which takes the indeterminacy of finance and transmutes it into something else, namely an immutable feature of the natural world; and as a result Volpi’s approach, much like many of the popular discourses on chaos as a social real, assumes that the figures of indeterminacy and chaos are somehow diagnostic rather than symptomatic.

This concern with indeterminacy is reflected across many of this period’s other key cultural productions, including its perhaps most important filmic one, *Amores Perros* (2000). The film is structured as three separate narratives of individuals wandering through life without direction who are joined by a random, chance occurrence: a car crash at the film’s opening. The film’s emphasis on its characters’ nihilism and the expansive chaos of the city can be read as a figuration of and perhaps commentary on social decomposition. Similar to the hard indeterminism of *Klingsor*, the social space of the urban in *Amores Perros* is structured by its lack of structure, wherein the key event of the film is both catastrophic and produced by chance. Much like in *Klingsor*, in *Amores Perros* a form of illiberal politics defines a line between inclusion and exclusion in a human community: in the film’s final scene, the ex-radical El Chivo walks out into the desert searching for a form of redemption that will enable him to finally overcome the politics that separated him from his family and to perhaps in the future reintegrate himself into the world of the family and social.

For a position on indeterminacy which doesn’t assume its givenness or immutability as either a natural constant or social fact, we have to turn to Carlos Monsiváis’s *Los rituales del caos* (The rituals of chaos), published the year after the 1994 financial crisis and four years before *Klingsor*, which opens:

The tangled forms—solemn, amusing or grotesque—of life in society are identified in a rather typical way: crowds that are made and remade every minute, anticipated and unforeseen carnivals, the powers of consumption, the pleasure at getting lost in labyrinths of energy or inertia. Here, greed devours everything, resignation sanctifies everything, disarray knows all and nothing at the same time. Seen from the outside, the chaos to which these chronicles allude (in its traditional, pre-scientific meaning) is linked to one of the most constant characterizations of Mexican life, namely its “fierce disorder.” If this was ever true, it has ceased to be so. In my opinion, the best description of the present balances the apparent lack of meaning with the haughty imposition of limits. And in chaos begins the perfection of order.¹⁶

In *Rituales*, Monsiváis, studying the urban context of Mexico City, endeavors to look beneath the chaotic surface phenomenon of the mass city, its multitudes, and their confusion in order to find the capillary forms of subjection that lurk there, but also the possible lines of flight. For Monsiváis, the appearance of chaos covers the operations of power and *orden* which pass through, structure, and grow out of the “feroz desorden” (fierce disorder) of contemporary life. If we can see in Monsiváis, contra Volpi, an opening for another reading of the relation between indeterminacy and the political, one which doesn’t depend on its conversion into nature, our task is to explain how this indeterminacy and the new ordering that it hides can be explained, not as a social fact that must be accepted, but as the result of a twin crisis of state and capital.

From Representation to Ontology

Frequently the 1980s and 1990s are read under the sign of neoliberalism, wherein neoliberalism signals both the restructuring of the Mexican state and the process of “opening” or “liberalizing” the economy. However, the decades of the 1980s and 1990s were not only the decades of liberalization but also the decades of a global turn toward finance and in Mexico of ongoing financial crisis. The historical argument that I want to advance is that we should see this period as the moment of the reformulation of the national popular state form, but at the same time as the moment of the global rise of finance and forms of attempted financial accumulation, which sets off the national popular’s transformation. In the face of decades of financial crisis and recomposition in the national popular state form away from welfare and into warfare, *Klingsor* works alongside and registers a refashioning of racialized technologies of social regulation and distributions of premature death. The turn to ontology, or to speculation

on the nature of the physical and social world, that we can see in *Klingsor* responds to a crisis in the primary technology of racialized integration of the national popular state, the management of representation.

Gareth Williams in *The Other Side of the Popular* has described the form of the national popular as, in part, a regime of management of “fictive ethnicity” (a term he takes from Étienne Balibar). The national popular manages the play of representations and images, the construction of the state’s fictive, although by no means less real, unity. Williams writes: “Indeed, it is through populism’s repeated attempts to convey an image of national community, and therefore through the modernizing elite’s attempts to convey the nation as a utopic commonality thought and negotiated from above, that language and race (as ‘the most natural of origins’ of identity . . .) become foundational protagonists in the construction of the people as a recognizably autonomous group and as the embodiment of the ideal (national) community.”¹⁷ We might take Octavio Paz’s *The Labyrinth of Solitude* as a quintessential work of social integration via the management of representations. *Labyrinth* famously opens with the other, the *pachuco*, who Paz presents as one of the “extremes” of any potential Mexican identity. In *Labyrinth*, written during the Alemán presidency and during the first turn toward multinational and finance capital, we have an attempt to (re)integrate the social imaginary of the national popular. The fissures, the nonmodern indigenous others and the outliers, the *pachucos* and *pelados*, are registered at the essay’s beginning, and *Labyrinth* then moves on to construct a presumptive people not through a turn to ontology but by managing the play of representations, by caulking, subsuming, or excluding marginal groups into or from a racialized national imaginary.

From the very first paragraphs of the Crack generation’s central polemical text, the *Manifiesto Crack*, the sputtering of the national popular machinery of representation is foregrounded. After the destabilizing financial crises of the 1980s and 1990s, the question of cracks and the people returns but in an entirely new form. What the Crack manifesto registers is that the primary threat is no longer splits internal to national popular subjectivity, splits which might undo its coherence, but rather a threat from outside that destabilizes the entire environment of the national popular state and subject. The *Manifiesto* registers this new destabilization of the environment of the nation through a discussion of technologies of cultural production. The old technologies of fictive ethnicity (the written word) are being overtaken not just in terms of market share, but in terms of their fundamental technology. They are two-dimensional, occurring on the plane of representation, while the newest technologies create worlds: “Ita-

lo Calvino, I believe, in *Six Memos for the Next Millennium*, was the one to accurately point out the challenges facing the Crack novels. In those pages, Calvino reflected on how literature and, above all, narrative have been losing their potential readers to technology developed for entertainment: video games, mass media, and, most recently, for those who can afford them, virtual reality games through which—oh, paradoxes of development—someone with a very modern helmet and anatomical gloves can see, hear, and even touch the adventures offered on compact discs.”¹⁸

How to solve this problem? One obvious solution would be to leave behind the technology of the book. But the Crack writers will take another: to move from writing that works from identification to writing that constructs worlds: “It is obvious to point out reality itself is multiple, it comes to us as multifaceted, eternal. We need books in which a whole world is revealed to the reader, and can *trap* them. This word has a unique use here. It is not about identification, but the superpositioning of worlds which are being talked about. Using all the metaphorical potential of the literary text so we can say again: ‘So here you are, meet one another [*encuéntrense*].”¹⁹

This is how I suggest we read *En busca de Klingsor*: as a proposal to move away from the management of the play of representations internal to the national popular to the structuring of worlds and their ontology. This move occurs while the environment of the national popular is being destabilized by new forms of financial crises, and as technologies of social integration are being rendered unviable from within the switch to a financial and neoliberal state form. No longer able to build a national popular subject through a technocracy of images, Volpi moves to ontology, to establishing a fundamental structure of the world in order to produce a vision of social and political order. In place of a technology of images, or of representation management, there is a social physics; in place of the bond, a structuralist functionalism; in place of a decision of whether to participate in the nation, a decision to obey the deep ontological structure of the social and political field. Those who choose not to obey collapse into totalitarianism, violence, and madness, opening themselves up to the full measure of the state’s sovereign force. In place of a management of representations we have a morality play, but one whose guidelines are not determined by the fully divine, but rather by its weak theological substitute: the ontological.

From the Boom to the Crack

Tracking macroeconomic transformations can help us as cultural critics to make sense of the Crack writers’ complicated relationship to the Boom, which they see as a welcome antecedent and ghostly competi-

tor. The Boom is both what they want to return to (against the debased magical realism of the market), but also, to the extent that the Boom is implicated in a post-Cuban Revolution pan-Latin Americanism, it is something with which these writers want to break. It is this pan-Latin American imaginary that subtends García Márquez's statement on the Boom, "The group is writing one great novel. We're writing the first great novel of Latin American man."²⁰ Perhaps none of the Crack writers has done more than Volpi to attack this imaginary, and by proxy the national popular and dependency theories that lie behind it.²¹

As Volpi says in one interview, "Cuando nació, el boom estaba allí" (When I was born, the Boom was there).²² The Boom was always there—that is, its pan-Latin American imaginary and the specific form of national popular politics attached to it and the specific form of integration into the world economy underlying it. However, by the mid-1970s the crisis of global capitalism had already begun, and it would soon bring dictatorships, populists, and pan-Latin Americanists equally to heel. Borrowing against future oil production in the late 1970s enabled the Mexican state to continue its patronage of national capitalists and to support key commodity prices, but finally, after the U.S. Treasury raised interest rates (the famed Volcker shock), the crisis of accumulation came home to roost in 1982. A stark choice had to be made: to continue the turn into finance and socialize the debt onto the working classes and the poor, or go against the grain of the IMF and capitalist restructuring. We know the results of that decision nationally, but what is not often remarked is how this moment is also the end in Mexico of the pan-Latin American imaginary partially created in the aftermath of the Cuban Revolution and with the help of the Boom novels. The declining rate of profit forces a new form of integration into the world market and destroys a fictitious continental unity. As the Boom fades, the cracks multiply, and as the crisis can no longer be put off, the imaginary of pan-Latin American unity and its national popular figures crumble. If it is the case that "when I was born, the Boom was already there," then when Volpi and Crack came of age, the Boom had been backed into la crisis of finance.

The Crack generation and the Boom are both literary movements directly tied to English-language economic vocabulary and by means of this anchor to particular historical regimes, moments of accumulation, and geopolitical imaginaries. The Boom references both the good years and in Spanish perhaps also a suspicion that underlies their effervescence, that booms are more often than not bubbles. "Crack," the English loan word used in Spanish to denote stock market crashes, such as that of 1987, refers to a crisis not of production but of finance: "One speaks of the crisis

as . . . in the Anglo-Saxon terms which have taken over the greater part of economic science, the *crack*.²³ As the Boom fades, the Crack surges. From the decomposition of the structure of accumulation that gave rise to booms in production to failed accumulation—that is, the crack—based in government borrowing and financial mechanisms, the imaginary subtending these moments changes as well.

These imaginaries are marked at their root by two different approaches to worlds. In perhaps his most famous essay, “On the Marvelous Real in America,” Alejo Carpentier writes, “Because of the virginity of the land, our upbringing, our ontology, the Faustian presence of the Indian and the black man, the revelation constituted by its recent discovery, its fecund racial mixing [*mestizaje*], America is far from using up its wealth of mythologies. After all, what is the entire history of America if not a chronicle of the marvelous real?”²⁴ In the Boom, the established structure of national popular *mestizaje* and antiblackness (which forms a stable, recognizable “ontology”) produces a politics of representation and the opening for the exploration of the (potentially) utopian difference of the “marvelous real.” The worlds of the Boom are spaces in which the play of representation occurs, where the logic of *mestizaje* plays itself out and where the ontology of the space is not in question. But as the very foundation of the national popular world becomes unstable, in the Crack generation cultural production moves to the construction of worlds themselves as a counter to the instability of financial forms of accumulation and crisis. As in Volpi’s *Klingsor* the human community is thought not through figures of hybridity or representational mixing and management but rather through an absolute divide.

Finance, Race, and Division

On the level of the nation *Klingsor* charts and participates in a larger cultural shift away from fictive ethnicity and representation to a concern with restabilizing ontologies and worlds. As Joshua Lund has shown the apparatus of fictive ethnicity, that of *mestizaje* mixed with antiblackness in the case of Mexico, is at root a racial theory of the nation, even though it is not often recognized as one.²⁵ If *Klingsor* charts a shift between two regimes of control or processes of racial formation, what happens to “race” as the racial structure of *mestizaje*/antiblackness is rearticulated under new pressures of finance and surplus population? The literature on shifting forms of racialization in Mexico has seen the 1980s and 90s as marked by the rise of important new indigenous movements and also by a shift in the state ideology of race, from *mestizaje* to neoliberal multiculturalism or pluriculturalism.²⁶ *Klingsor* glimpses a different, but equally important

I will argue, response to the breakdown of the system of racialized control which had theories of mestizaje and *lo mexicano* at its heart.

We have seen that the form of division we find in *Klingsor* is one in which subjects face a choice to obey the ontological structuring of the world—if they do not they are marked or tagged as being outside the human community (such as the Nazi sympathizers). However, it is important to note that this tagging is tendential—it comes from somewhere in between the sphere of law (concerned with acts and actions, right and wrong) and the sphere of security, concerned, as Foucault has noted, with probability (not with prohibiting) and with keeping outcomes within a certain acceptable range.²⁷ In *Klingsor* one is not unequivocally pushed out of the human community for trespassing on the belief in a radical indeterminacy at the heart of the world; rather this distinction is always hovering, like a threat, waiting to be applied, somewhere between a law and a probability. An ontological distinction between groups and the threat of potential exclusion is what marks one part of the new racialized infrastructure of control in Mexico that emerges out of the crisis of finance and the state in the 1980s and 1990s.

Certainly for some readers a form of racialized control based in an ontological division between two worlds will sound familiar, as versions of it have served as a basis for a long tradition of crude popular and state understanding of the relationship between indigenous and/or Afro-descendent and mestizo/ladino communities in Latin America. This then is the recoding in which Volpi's novel participates: in a moment of the decaying of the state racial formation grounded in mestizaje and antiblackness, the novel mirrors a crass racial division that has circulated alongside and that underpinned antiblack/mestizaje discourses and elevates this distinction to the level of a social theory. In this process its roots in a prior process of racial formation disappear, but the category's exposure to state violence and force remains.²⁸

In Volpi's text we can register the emergence of a new form of categorization, one based in the construction of a *mobile* ontological divide. This is the imaginary that begins to concretize, in the popular discursive sphere around the same time as Volpi's novel, into the figure of the *delincuente*. In the months after the Zapatista uprising in January 1994, then-President Zedillo was careful in his refusal to follow the lead of other political figures in the employment of criminalization discourses to describe the EZLN, always using instead more neutral terms like "los inconformes." Once the full extent of the financial crisis had hit, Zedillo's language swivelled, and in an address in February 1995, he began using the term *delinquentes* to describe the Zapatistas and communities supporting the EZLN.²⁹ Under

the weight of multiple financial crises, no longer could indigenous struggles be contained and their violent repression justified by the discursive fields of *indigenismo* and *mestizaje*. In 1996 Zedillo's government would oversee the passage of the Ley Federal contra la Delincuencia Organizada, modelled after the U.S. RICO law, which increased the penalties for "organized crime" but which also turned this emergent discursive figure into a legal category and allowed the government a new range of repressive powers (wire-tapping, use of undercover agents, and seizure of assets) against any group at which it directed the delincuencia discourse.

Another key moment of public visibility of this new racializing formation was seen on September 27, 2004, when the NGO México Unido Contra la Delincuencia (Mexico United against Delinquency), in association with the conservative business groups Coparmex and Canacintra, brought out over 350,000 upper- and middle-class residents of Mexico City, all dressed in white, to protest "insecurity" and "delincuencia"—making clear the expanded class and racialized work the category had come to do in the intervening years.³⁰ Unlike previous racializing frames, what these uses of delincuencia show is how it is a discourse detached from both biology (a phenotypical definition of "race") and culture (a concept of "race" based in ethnicity or cultural markers).³¹ For who is the delincuente? No one, but also everyone. Everyone, but also conveniently the same groups, the rural and urban poor and indigenous communities, who have resisted exploitation by state and capital throughout the twentieth century.³² It is a mobile category that can be applied to anyone found dead in the street or anyone accused of organizing against the state—in sum, against anyone whose "morality" diverges from whatever the government names as its own. It is a category that morphs into the figure of *delincuencia organizada*, a phrase that dropped so casually and frequently from ex-President Felipe Calderón's lips as he launched his "guerra contra el narco." As we have seen on numerous occasions—such as the Masacre de Villas de Salvárcar, where sixteen schoolchildren between the ages of fifteen and twenty who were brutally murdered at a party were accused of being delinquentes—"delincuente" is a word whose mere shadow turns even the most innocent into disposable bodies. It is a term that in fact calls forth the "reality" which it purports to name and serves as a new cover for state violence against rising surplus populations, a state violence that now is also more mobile and in some ways less constrained or perhaps differently marked by geographical region and locale.

This is not to say, of course, that there is still no longer a relevant discourse about indigeneity or that racism based on aspirational whiteness and antiblackness has disappeared. Moreover, this is not to ignore the

important changes in the state position toward indigenous communities, such as the inclusion of pluricultural language in the Mexican constitution (1992) and allowing for forms of indigenous self-governance (2001 for the majority of states).³³ What we can see in the construction of the figure of the delincente is another form of adaptation, wherein the form that racist discourse took in its popular, vulgar version in the twentieth century has been extracted and generalized, but also rendered postracial. Which is not to say that this vulgar racist form is still not in circulation, but rather that the state and the far right parts of civil society, especially since the end of the 1990s, are relying more and more on the delicuencia discourse as a preferred means of social control against the poor, marginalized, and politicized. At the same time it is important to note that this shift to a “post-racial” formation is without a doubt driven in part by the success of indigenous groups in the late 1980s and 1990s in forcing open the sphere of representational politics whose closure had been justified by or explained away with the national popular racial formation.³⁴

Are delicuencia and Volpi’s ontological divide in some way racial structures? They are to the extent that they do the work of race; namely, to produce and police communities and bodies anew that were marked first by biologically or culturally racist discourses and to effect a new distribution of premature death in a moment of rising surplus population. In the twentieth century the racial formations of mestizaje/antiblackness and vulgar anti-indigenous racism produced groups with differentiated access to the means of social reproduction and with differentiated exposure to state violence. These racial formations envisioned certain bodies as forming part of the “nation,” as deserving and needing integration into labor markets and capital flows. “Delincuencia” does this work now but it does so, we might say, without explicit reference to a racialized “content,” that is, by other means. Those means are an ontological divide which is not fixed (as would be the case if it was merely a legal or moral category), but mobile and tendential, no longer tied (primarily) to nineteenth- and early twentieth-century notions of biology, culture, or territory and no longer entirely governed by an imputed spatial and cultural division between the urban and rural, modern and premodern. One result is that “delincente”—while most often aimed at the poorest and most marginalized—names a potentially almost unlimited population; having disengaged from biology and culture, this distinction roams across potential bodies and spaces. While Volpi’s work discussed in this chapter is not the only source of these new formations that do the work of racialization, his work participates in their construction and is a site where we can register their appearance and, most importantly, grasp how a shift to ontology is

a necessary condition of their elaboration and how financial crisis forms a necessary part of the historical matrix of this new racial formation.³⁵ We could frame this in another way: if one privileged figure of finance is the salto (or the elongation of the distance between production and the realization of value), we can see in the category of the delincuente how this form has pressed upon and shaped racial discourse. As the relation between production and value has become more opaque and probabilistic, so too in some ways has the relation between the category of the delincuente and the individuals whose exposure to state violence and premature death it retroactively justifies.

Catastrophe and Ontology

In Volpi's work we can register not just a new natural philosophy in the turn to ontology but a new theory of history and temporality that flows from it and that is also conditioned by finance's rise and marks a second site of transmission between finance's form and the literary which, as we will see, also opens out onto a wider set of popular discourses. Volpi's contribution to the *Manifiesto Crack* is titled "¿Dónde quedó el fin del mundo?" (Where was the end of the world?). In it Volpi offers interpretations of the main Crack novels through conceptual figures he variously calls the "fifth rider," chaos, or "el fin del mundo":

The end of the world can be believed and praised, as in *Memoria de los días*; can be reached by car or train, as in *Las Rémoras*; can be recalled and rebuilt in childhood and in the past, as in *La conspiración idiota*; can be cultivated inside oneself to the point of madness, as in *Si volviesen sus majestades*; and can also be granted to others as an infamous Pandora's box like in *El temperamento melancólico*. Be that as it may, in any one of these cases, nobody is free from this last illness, this fifth rider, this plague, and this entertainment: this last state of the heart.³⁶

What is the connection between what I have been calling ontology and "the end of the world"? If we return to *Klingsor*, this question can be rephrased as: What happens when history becomes, instead of progress or modernization, a perpetual crisis, a series of false starts, or a set of uncontrollable events that leads not nowhere, but to unsettled endings, non-knowledge, and paralyzation? In a world of stagnating indeterminacy, like that of *Klingsor*, history becomes catastrophic and chaotic, the novel becomes eschatological, and the subject becomes structured not by the other as in Paz but by the experience of disastrous, unplanned events. When events have no causes, when every event is an unexpected blow, history is not over but rather can only be experienced as catastrophic.

In the twentieth century there have been two important loci for the thinking of catastrophe. In the first, moving out of the work of Heidegger and post-Holocaust philosophers like Jean Améry, catastrophe serves as a synonym for the depredations of modernity, technology, and the way they can combine to produce events like the Holocaust. The second is based in the work of Walter Benjamin who argued that “the concept of progress must be grounded in the idea of catastrophe. That things continue to ‘go on’ is the catastrophe.”³⁷ For Benjamin, whose notion of catastrophe was elaborated under the conditions of German hyperinflation, a moment of early twentieth-century financial crisis, the catastrophe is the relentlessness of time continuing to move forward, the angel with its back turned with the debris of modernity piling up against its wings, the fact that no one has yet pulled the emergency break.³⁸

Starting in the 1980s in the global North, catastrophe was rearticulated in a new context: the financialized economy. New senses of catastrophe and catastrophic risk emerged out of two parallel financialized shifts that began in the 1970s at the end of the postwar boom and that both produced new forms of risk and new forms of profiting from risk’s production. The first shift was from the large-scale pooling of risks common during the welfare state to neoliberal forms of individualized risk—but which brought new systemic risks along with them—such as 401(k)s, individual health accounts, and adjustable rate mortgages. The second shift, very much connected to the first, was the turn to new financial instruments as a means of compensating for failing accumulation—instruments which drew on new ways of distributing risk, for example, securitized mortgages, derivatives, and pension funds dependent for their health on an ever-rising stock market. With these forms of finance, a new theorization of catastrophe emerges and spreads into popular cultural life in the global North: the catastrophic risk of the near future, the black swan.

“Black swan” was a term used in 2001 by Nassim Nicholas Taleb to describe catastrophic, unforeseen events—particularly financial ones—that occur without warning and are characteristic of, and perhaps limited to, areas such as economics, biology, and history, that involve organic and nonorganic matter and that are marked by extreme discontinuity. In Taleb’s formulation black swans are events that are nearly impossible to predict based upon known conditions; they are located in a hazy gray area that, drawing on the science fiction genre, one might describe as the “near future.”

Taleb’s theory—in particular after 2007, though also before—was widely circulated and deployed to explain financial crises and to narrativize their return in the contemporary moment as a consequence of the

emergence of new forms of financialized risk. As Taleb and others who picked up the term were quick to note, some of the central instruments that had driven the rise of finance in the global North—derivatives and securitization—attempted to profit from or protect against near-future events. These instruments had the, perhaps unwitting, effect of making the temporal space of the near future an important object of knowledge.³⁹

The pace and form of the spread of these new instruments of finance are different in Mexico, however. The dismantling of the pension system didn't begin until 1995,⁴⁰ and while derivatives and securitization played a critical role directly before the 1994 crisis,⁴¹ they are not widely discussed or theorized. The forms of catastrophic or unforeseen events that works like *Klingsor* meditate upon and mediate are those resulting not from near-future risk, but ongoing financial crises, as seen in 1982, 1987, and 1994, and this gives the elaboration of catastrophe or disaster as a theory of history in Mexican popular and high culture its special form and feeling. If the rise of finance in the global North is associated with the figure of the near future and cataclysm, in Mexico such disastrous events are less heroic, less singular—instead of majestic black swans we have dreaded ugly ducklings, instead of cataclysmic breakdown, we have perpetual crisis with no endpoint in sight.

Examples of disastrous, unforeseen events proliferate across *Klingsor*, from Bacon's love life to the actual building of the atomic bomb, but one of the most interesting is the already-discussed scene from the novel's preface which brings together the thematics of catastrophe, indeterminacy, and the slide into totalitarian will. The preface takes the form of a letter by the novel's narrator Gustav Links, but it is structured as a short story and opens with a voice saying "Basta de luz!" (Cut the light!)"⁴² The voice is Hitler's, and the preface recounts not from a first-person perspective, but rather an omniscient one, Hitler, as his regime crumbles around him, watching and rewatching films made especially for him of the torture of the enemies of his regime.

The opening setup of this scene links together political violence (as the antithesis of liberalism) with fanatical, excessive pleasure and repetition: "With the enthusiasm of a child who listens again to his favorite story, Hitler savored for the umpteenth time the show."⁴³ With the fall of the Reich imminent, Hitler is "obsessed with the irreality of cinema." What is Hitler's mistake; why is he obsessed with "irreality"? Hitler still believes in determinism, in cause and effect, and this is the source of his pleasure in the repetition of this cinematic irreality: "The succession of causes and effects began their ritual cycle, celebrated again and again according to the feelings occasioned in him by news coming from the front."⁴⁴ Causes

and effects, proceeding from and preceding each other: this is irreality. What instead is the true nature of history? Links illustrates it as he moves from recounting the perverse repetition of Hitler's illiberalism based in the irreality of determinism to history as chance, catastrophe, and "golpes de suerte" (strokes of luck).

The first narrative of chance is a failed assassination attempt against Hitler. The attempt fails because of "a minimal error of calculation—a triviality: one of the bombs could not be activated or perhaps the briefcase was too far from the place where Hitler was sitting—sinking the plan."⁴⁵ Links, as a member of the cabal that planned the attack, is captured. However, on the day of his trial Allied forces launch their most intensive bomb attack on Berlin yet, and the trial judge is killed when part of the wall collapses and falls on him. Links brings these two events together under the sign of chance: "On the afternoon of July 20, 1944, a stroke of luck saved Hitler . . . the morning of February 3, another stroke of luck saved me."⁴⁶ This presents not just the problem of chance, but a problem of an imaginary as well, of the inability to give meaning to history: "I still don't know how logical—or sane—it is to establish a connection between these two events, but I do. Why do I insist, so many years after the fact, in connecting movements of chance which in the beginning had nothing to do with each other?"⁴⁷ Here we have another version of the novel's ontology that reality is indeterminate and that believing in determinism tendentially leads to illiberalism. Moreover, we have a struggle with the desire to make deterministic connections between what are random occurrences, mere golpes or blows.

I want to return to a passage I cited at this chapter's opening to bring out how this ontology of indeterminacy is connected to the figures of catastrophe, disaster, and destruction. If history is nothing but a series of strokes of luck, of unpredictable, chance events that occur without warning, then all history is catastrophe. All events are disastrous, as they occur without warning; even the positive ones, such as being liberated from a certain death penalty by the chance collapse of a wall (the fact that Gustav's introductory letter to the novel is dated November 10, 1989, the day of the "fall of the Wall" should not be missed here):

Perhaps because other unforeseeable circumstances, no less terrible than these, have forced me to write these words. If I dare to join apparently unconnected facts, such as the salvation of Hitler and my own, it is because humanity has never been such a close witness to such catastrophic destruction. And our era, unlike other historical moments, has been largely determined by such twists of fate, those little signs that remind us of the

ungovernable, chaotic nature of the realm in which we live. I propose, then, to tell the story of the century. *My century. My version of how fate has ruled the world, and of how we men of science try in vain to domesticate its fury.*⁴⁸

The history of the twentieth century, in Volpi's version, is the discovery of chance at the heart of ontology—and the failure to “domesticate” it. As a result, we have not exactly the end of history, but the reign of chaos, of the catastrophic unforeseen. In the same way that chance as the heart of the ontological conditions politics in Volpi, it gives rise to a philosophy of history, one in which all events are disastrous, because they are chance events and occur without foresight, rhyme, or reason.⁴⁹ An ontology of chance gives rise to a concern with eschatology because it implies the end of meaning, the end of an ability to see systematicity, that is, those larger structures, as Elizabeth Wingrove has argued,⁵⁰ that determine the position of individuals and condition individual consciousness and experience. For a thinking of systematicity as a structuring of historical experience, *Klingsor* substitutes its negation, chaos, catastrophe, and “the end of the world.”⁵¹

Thus in *Klingsor* there is only crisis, which first appears similar to the way near-future catastrophe comes to be thought of in global North discourses as a singularity. There is, however, a key difference; instead of a strictly financialized catastrophe, these unforeseen disasters have a peripheral financial tonality, because the temporality of crisis is different. Crisis or catastrophe is not the near-future singularity as it comes to be thought in the North, as what irrupts; rather it is the horizon of all experience. In *Klingsor* there is only the zero time or the repetition of catastrophe; there are no intermittent long waves of accumulation between the singularities of crises as in the global North. In Volpi's novelistic imaginary crisis is perpetual, failure is assured, and melancholy and paralyzation the dominant affective categories. In the global North crisis is a moment of creative destruction that makes possible a new cycle of accumulation, and as such it is viewed as sublime, as a terror, as what leaves traumatic traces deep in the subject, and as something to be both dreaded and awed. While in *Klingsor* instead of majestic black swans, we have fizzled hopes, ongoing crisis, and searches and investigations that end in frustration, betrayal, and giving up. This difference is the affective specificity of financial catastrophe in the semi-periphery.

We might say that the subjective category of disaster or catastrophe the novel presents is unique in these two features: First, it is generalized, as it sits on the horizon of any social situation. Second, it structures subjectiv-

ity, turning subjects into paralyzed figures incapable of acting, ones who are thrown forward by the golpes (blows) that uncertainty rains down upon them, as the characters of Links and Bacon are structured to a great extent by their inability to act and by their paralyzation in the face of unforeseen, disastrous events.

I have dwelt on this part of *Klingsor* because it is here we can register a conception of historical time which has circulated in a subterranean way in Mexico. While the “end of history” has been widely proclaimed (and critiqued) in the global North, the end of a belief in the promises of progress and modernity occurred within a different context in Mexico, that of almost twenty years of financial crisis. Instead of a sense of history as overcome, we have history as disaster and an unending series of shocks—ones that occur without apparent rhyme or reason. Perhaps the circulation of *desmadre* as a popular term of social adjudication reflects this sense of temporal disaster; a high cultural articulation of its sense of unyielding crisis as a metonym for Mexican social reality can be found in Roger Bartra’s *Blood, Ink, and Culture: Miseries and Splendors of the Post-Mexican Condition* where he writes: “We can no longer critique Mexican culture in the name of modernity, of a liberal-inspired modernity that raised up the banner of ‘progress.’ We have to critique modernity from the standpoint I call dismodernity, or better yet—taking a cue from *desmadre*, Mexican slang for disorder—dismotherernity.”⁵² Reading *Klingsor* allows us to register this specific sense of the end of history and of the ideologies of progress in its context of semi-peripheral financial crisis. It also allows us to ask a follow-up question to Volpi’s proposal: that is, whether the only path through these new indeterminisms is to accept their most extreme versions and make a turn to ontology.

The Long Tail of Catastrophe and Ontology

Subjects structured by catastrophe and the concern with ontology do not end with the work of Jorge Volpi; rather they have filtered forward into later cultural work and in particular into the period of the drug war, where neither the catastrophes nor the instabilities have diminished.⁵³ For example, Sergio González Rodríguez’s *El mal de origen* is a kaleidoscopic nonfiction work which turns around notions of the present as catastrophe, urban and ethical disintegration, and the potential for writing to be a critical force. The subject we find in *Mal* is one structured, much like Volpi’s, by catastrophe: “In other words, the daily burden of catastrophe, that short-circuit between the human and the inhuman described by Annie Le Brun: at the bottom of every person lies an obsessive feeling of catastrophe, like a distant echo of far-reaching drives, whose extent some-

times we perceive ‘with astonishment but whose origin eludes us.’ What to do?’⁵⁴ While in Heriberto Yépez’s *El imperio de la neomemoria*, a book concerned with the links between imperialistic U.S. culture and memory, gives its final pages to ontological speculation; the universe, as Yépez writes, “is not”:

The world is an archipelago in time. Each universe is a macro-island that in its own consistency, pulses. But space-time mutates, and its information is lost forever and where before was its body, there is now another obeying different laws, and between universe and universe, the illusion of fixity. If synchronically there are parallel universes—each ruled by its own laws—also diachronically heteroclitic chaosmoses disappear and appear, separated from each other by an uncrossable abyss, by a pulsating irregularity. Science becomes an absurdity if it doesn’t heed that principles discovered today will serve only for a certain, indeterminate, perishing space-time, because life is a life always inside another death. All memory is temporary. All laws will perish. All history has limits. All texture, loses its plot.⁵⁵

Whereas *Klingsor* grounds its ontology in indeterminacy, Yépez’s vision of indeterminacy is distinct: it is not that there are no rules but rather that the rules can change at any time, that “all laws perish.” Yépez’s vision both converges and diverges with that of Volpi; it is possible that there could be moments of stability (a given set of laws), but it is equally possible that the universe could be subject to an even more savage version of indeterminacy with its ontology (its “laws”) transforming every minute or even every second, all without warning or without reason.

What a reading of Volpi’s work demonstrates is the deep roots of the tropes of ontology and catastrophe within a response to financial and state crisis and their continuing importance in both literary and popular discursive spheres. As long as capitalists and states continue to attempt to solve the long downturn that began in the 1970s with failed finance-led accumulation, it appears that in cultural production catastrophe will continue to serve as a theory of history (forming a partial ground for subjectivity) and ontology as a fraught way station in the storm of the national popular’s demise and unending financial crisis.

Ontology in Its Historicity

What I have been calling in this chapter, following Volpi, “indeterminacy” is a question that goes to the very heart of the historical formation of capitalist finance, which has always been linked both to states and their war machines and to the science of probability underpinning them and the problems of belief and decision those sciences and states give rise to.

While this is not the place for a full discussion of these relations, it is possible to make a few brief gestures toward a historical account. As Ian Hacking has argued probability underwent the first of many modern revolutions around 1640 as part of a shift to new financial instruments to fund colonial trade and exploitation and the military apparatus to support them.⁵⁶ One way of understanding modern probability theory is as the science of limiting chance or as the mathematics of the nondeterministic world which finance and financial speculation require.

That is, moments of finance-led accumulation require, at least in thought that is engaged in supporting this accumulation or deeply marked by its historical conditions, a recognition of some form of indeterminacy as a component of the natural, economic, and social worlds. This recognition, however, frequently leads to crises of belief (of despair over nondetermination and human inability to parse and predict the future) and a turn to decisionism, as states and state reason prefer, if not tightly welded, then delimited yet fungible intellectual formations. Despair over indeterminacy, frequently palpable in moments of financial ascendancy, is the antechamber of decisionism.

Carl Wennerlind's superb *Casualties of Credit: The English Financial Revolution 1620–1720* gives us another window into the historical connections between finance, probability, and theories of the natural and social world. Wennerlind's work demonstrates how the movement between "the Renaissance world of credit to that of the [English] Financial Revolution" required "a radically transformed worldview that drew extensively on developments in natural philosophy and political theory."⁵⁷ This new worldview turned precisely on questions of probability and determinability: "Leaving behind the traditional notion that mankind exists in a material, social and economic world that is finite, static and knowable, mid seventeenth-century political economists embraced the ideas of infinite worlds, nature's perfectibility, and probabilistic knowledge. With these component parts, they constructed a new worldview in which mankind's purpose was to ceaselessly pursue new methods for the infinite improvement of nature, society, and mankind."⁵⁸ This intellectual foundation was provided, in part, by a group of alchemically inclined thinkers, the Hartlib circle, who "believed that wealth was potentially infinite, [thus] they needed to find a way to expand the money stock proportionally to the ever-expanding world of goods."⁵⁹ Along with the idea of "money" as a sign of value, rather than a carrier of it, this formed the philosophical foundation for the creation of credit in the modern sense. While the present day has perhaps not seen such a transformative revolution in the nature of credit, nor a radically new intellectual project providing the bases for it, there is

a way in which a similar set of connections have emerged between probability, finance, and ontology. But rather than a new ontological vision providing a foundation for financial expansion, it has served as a way station from finance. By way of conclusion I want to draw out how, in the work of Volpi but also across much of the social theory produced in this period, ontology has become a site for working through these new forms of indeterminacy produced by finance.

In the preface to the second edition of their *Hegemony and Socialist Strategy*, Laclau and Mouffe narrate the theoretical impasse of Marxism in the 1970s. In the face of the ongoing restructuring driven by the global downturn, there was an increasing gap between capitalist realities and what the theory could describe. This gave rise in their account to two options: retreat into the orthodox bunker or give an ad hoc descriptive account of the new conditions. Laclau and Mouffe describe their approach as a third, more rigorous option: they seek the preconditions of Marxian categories and new possibilities for their use. Their approach however is not just a rethinking but rather is cast in terms of renewing the ontological paradigm that underpins Marxist categories:

There is one aspect in particular that we want to underline at this point. Any substantial change in the ontic content of a field of research leads also to a new ontological paradigm. Althusser used to say that behind Plato's philosophy, there was Greek mathematics; behind seventeenth-century rationalism, Galilean physics; and behind Kant's philosophy, Newtonian theory. . . . The ontology implicit in Freudianism, for instance, is different and incompatible with a biologist paradigm. From this point of view, it is our conviction that in the transition from Marxism to post-Marxism, the change is not only ontic but also ontological. The problems of a globalized and information led society are unthinkable within the two ontological paradigms governing the field of Marxist discursivity: first the Hegelian, and later the naturalistic.⁶⁰

What motivates the need for this change of ontological paradigm in Laclau and Mouffe is "structural undecidability" which forms "the very condition of hegemony."⁶¹ As they write: "If as shown in the work of Derrida, undecidables permeate the field which had previously been seen as governed by structural determination, one can see hegemony as a theory of the decision taken in an undecidable terrain. Deeper levels of contingency require hegemonic—that is, contingent—articulations."⁶²

The turn of Laclau and Mouffe to ontology has not been an isolated event. All across the realm of social theory, the last thirty years have witnessed with different inflections and temporalities versions of an on-

tological turn. In the field of political theory Stephen White has noted how the work of well-known anti-foundationalists, such as Judith Butler, William Connolly, George Kateb, and Charles Taylor, do not sustain that anti-foundationalism when it comes to describing the political. White argues that these theorists have recourse to “weak ontology,” in a way that is perhaps similar, as we have seen above, to Volpi. As Carsten Strathausen has noted, Hardt and Negri, Badiou, Agamben, and Žižek have all turned in different ways to ontology:

The term “ontology” occupies an increasingly prominent place in current politico-philosophical discourse. “Political philosophy forces us to enter the terrain of ontology,” declare Michael Hardt and Antonio Negri. . . . Ernesto Laclau recently said that he has “concentrated on the ontological dimension of social theory.” . . . Giorgio Agamben’s critique of the state of exception and of today’s concentration camps is intimately tied to his ontological reflections regarding our potential existence beyond sovereign power: “Until a new and coherent ontology of potentiality” has been found, he argues, “a political theory freed from the aporias of sovereignty remains unthinkable.” . . . Likewise, Alain Badiou’s political writings are intertwined with his mathematical ontology of set-theory, and Slavoj Žižek’s exhortation to return to the legacy of Lenin in order to combat global capitalism remains inseparable from his ontological determination of capital as the real.⁶³

As Strathausen also notes it is perhaps a little strange to see so many critical theorists grounding their work in ontology, which for a good part of the twentieth century, due to the connection between Heidegger and German fascism, was considered an entirely conservative discourse, anathema to any left, anticapitalist thought. While not all of these ontological turns, either in the form of new ontological thought or as critiques of ontology, engage in the same direct way as Laclau and Mouffe with chance and “undecidability,” what we can see in each is a generalized search for a new site of theoretical construction after the decline of the global socialist imaginary—in the face of the long downturn and rise of finance—via discussions and critiques of ontology, whether that be one that privileges indeterminacy, one that heroically argues against indeterminacy’s destabilization of modern philosophy, or one that critiques ontologization without opening out of a philosophical frame.⁶⁴ Much as in Volpi, left academic social theory faced with the uncertainties of a moment of failed finance-led accumulation and ongoing crisis has had recourse to the way station of debates concerning ontology. There is then a limitation to these new forms of social theory: the force and processes of political economy which

has shaped their conditions of possibility and against which their turns to and critiques of ontology occur—that is, the rise of finance—are to a great extent nowhere addressed in their theoretical interventions.

If we pull back for a second from Laclau and Mouffe's self-presentation, we can locate their work in a longer tradition of philosophical Marxism that intensified in the 1970s, starting from the work of Althusser (but stretching back to Lukács, whose late-life project was the volumes published as *The Ontology of Social Being*), which represented a turn away from political economy, of state and capital as a system, and a turn to philosophy, specifically to, as Laclau and Mouffe point out, ontology. Without a doubt there was a crisis of Marxist critique in the 1970s, and much of the work generated out of these turns to, as well as critiques of, ontology has expanded the vocabulary of Marxist social theory. The issue I want to raise, however, is that there is a tendency in this work, exemplified by Laclau and Mouffe, that as ontology moves to the fore, discussions of political economy recede. Precisely at the moment in which global political economy is passing through a major restructuring, at the moment for a redoubling of attention to political economy, it disappears from certain forms of social theory.

The position I want to advance is not that all discussions and critiques of ontology and ontologization are bad, a mistake, or a distraction from the “real work” of anticapitalist theory, but rather I want to draw attention to how, in these turns to ontology or its critique, social theory has had difficulty tracking at the same time transformations in political economy and their implications. Instead of a discussion of how these “new” indeterminacies that have so changed the perceived possibilities of the political are related and conditioned by finance as a consequence of the long downturn, we have a preoccupation with ontology and a postdating of the question of whether such indeterminacies are now eternal (ontological) features of our worlds or potentially transitory, the product of a specific conjuncture of historical conditions.

At the beginning of this chapter, I argued that the presence of finance in production makes possible new forms of crisis or instability and discussed the work of Kojin Karatani who has used the figure of a leap of faith or *salto mortale* to describe the forms of instability, uncertainty, or indeterminacy that finance generates. As finance came to dominate after 1973, as it became an increasingly necessary component for and supplement to production, the leaps—the *saltos*—became more and more risky, the temporality between production and realization of a commodity's value more and more disjunct, and the circuits between the productive and financial economy more and more torturous, uncertain, and involved. As

finance increasingly extends the temporal distance between the production and the realization of value, making possible new forms of speculation, the turn to decisionism and ontology as either a safe ground or as the ground of a proof that a political subject is no longer possible, intensifies in depth and desire. However, indeterminacy in the post-1973 period is neither as hopeful nor as barren as Laclau and Mouffe and Volpi, respectively, make it out to be. To resist these ontological turns, we will have to see that the salto is a specific figure of finance's rise, and to contest this rise, we will have consider, not how to resolve or postpone the destabilizing indeterminacies that now populate our social and personal worlds, but rather how to address the crises of failed financial accumulation that have given rise to them.