

THEORIES AND METHODOLOGIES

Trust and Modernist Finance

PAUL CROSTHWAITE

One of the most interesting aspects of *Trust*'s imaginative reconstruction of the early-twentieth-century United States is its positing of an affinity between modernist aesthetics and the theory and practice of financial speculation. In this regard, Hernan Diaz's novel has much in common with recent scholarly efforts to understand how modernism's literary and artistic cultures intersected with the culture of Wall Street and other financial centers.¹ I examine here the logic underpinning *Trust*'s identification, and enactment, of a speculative or financial modernism. Alongside key moments in the novel, I highlight examples of modernist works that find impetus for their aesthetic innovations in the dynamic, unpredictable, and often mysterious patterns and rhythms of the trading floor or the stock ticker. In so doing, I hope to extend and complement *Trust*'s own excavatory project, further illuminating the branches of cultural history on which it draws and expanding the range of historical comparators to which we might relate its concerns and strategies. Pursuing this line of exploration also, I'll suggest in closing, unexpectedly intensifies and redirects the questions of narrative reliability and consistency that structure the novel.

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“Realms of Increasing Abstraction”

Perhaps the most obvious way in which *Trust* connects modernism and finance is in pointing to a shared condition of abstraction and autonomy. In Harold Vanner's “Bonds,” the roman-à-clef that makes up the book's first part, the financier protagonist Benjamin Rask's attraction to stock speculation is conveyed in terms that strongly suggest the qualities of the archetypal modernist artwork—its non- or self-referentiality, its autotelic nature, and the internal formal logic determining its realization:

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He became fascinated by the contortions of money—how it could be made to bend back upon itself to be force-fed its own body. The isolated, self-sufficient nature of speculation spoke to his character and was a source of wonder and an end in itself, regardless of what his earnings represented or afforded him. . . . There was no need for him to touch a single banknote or engage with the things and people his transactions affected. All he had to do was think, speak, and, perhaps, write. And the living creature would be set in motion, drawing beautiful patterns on its way into realms of increasing abstraction, sometimes following appetites of its own that Benjamin never could have anticipated—and this gave him some additional pleasure, the creature trying to exercise its free will. (16–17)

Similarly, the novel suggests that Mildred Bevel, the wife of the man on whom Vanner's character is based, is drawn to modernist art and design for much the same reasons that she has an instinctive feel for the stock market (secretly masterminding the trades that make her husband's name and fortune). Ida Partenza, the writer who seeks to reconstruct Mildred's life in the novel's third section, recalls how, decades earlier, she viewed her subject's rooms, which had been left undisturbed after her death: the spaces contained "pieces of furniture . . . so elemental they appear colorless in my memory. Mere abstract lines" and "a few small sculptures—each of them, congealed pure form"—objects that combined to create what Ida now recognizes as "a modern, austere avant-garde atmosphere" (329).

In "Culture and Finance Capital" (1997), Fredric Jameson influentially argues that the "abstraction which becomes identified as aesthetic modernism" in the early twentieth century "faithfully—even 'realistically'—reproduced and represented" the conditions of an age in which "abstract flows of money . . . determine a whole new and more abstract way of thinking and perceiving" (151, 143, 151). Unsurprisingly, American modernists' renderings of New York's financial district are distinguished by a marked inclination toward abstraction. Works such as Paul Strand's celebrated photograph *Wall Street* (1915), Berenice Abbott's shots of Wall Street and its environs (published in

the Belgian avant-garde magazine *Variétés* in 1929), and lithographs produced by James N. Rosenberg in the days and weeks following the Great Crash of 1929 (an event so vividly dramatized in *Trust*) tend to reduce the urban fabric of downtown Manhattan to angular, geometric, chiaroscuro blocks and its inhabitants to anonymous outlines or silhouettes (see, e.g., *Dies Irae* and *Shambles*).

Antipathetic to *The Great Gatsby*, which appears in *Trust* as a mere gift shop trinket for the Roaring Twenties heritage crowd (252–53), Diaz has complained that F. Scott Fitzgerald's novel is "not about the labyrinth of capital and how it can structure reality around itself. Nick is a bondsman, and that's all we know" (qtd. in *Groundwater*). A striking feature of Fitzgerald's narrative, though, is the way in which the labyrinthine network of thoroughfares crisscrossing Wall Street itself serves to register the mystifying structures woven by financial speculation as well as speculation's capacity to "bend reality" into the shapes it dictates (to quote one of *Trust*'s most reverberant phrases [266, 288, 314, 317]). *Gatsby*'s narrator, Nick Carraway, deals bonds at the Probity Trust amid "the white chasms of lower New York" (Fitzgerald 46), and the description of this crenelated skyline—"the city rising up across the river in white heaps and sugar lumps" (55)—is, as Ronald Berman observes, "charged with modernist sensibility": "abstract, monochrome, and cubist" (86). As in visual depictions of Wall Street and the surrounding area in the period, the cityscape is subject to a drift toward abstraction typical of cubism and other modernist styles that evokes the abstract nature of Wall Street business itself. Meanwhile, Nick's observation that the resplendent city is "all built with a wish out of non-olfactory money" (Fitzgerald 55) suggests the power of speculative capital to project and realize its own desires.

That monetary and financial instruments and transactions are capable of autopoietically reproducing themselves—and reproducing the world—in their own image is a major preoccupation in *Trust*, as it was for a number of modernist writers. Perhaps most famously, Ezra Pound shared the "fascination" with "the incestuous genealogies of money—capital begetting capital begetting capital" that

Harold Vanner assigns to Benjamin Rask in “Bonds” (Diaz, *Trust* 124)—though not the latter’s reverence for them. On the contrary, Pound’s broadsides against “usury” (by which he means not simply lending at interest but all forms of interest-bearing capital) in *The Fifth Decad of Cantos* (1937) cast it precisely as a sexually deviant “sin against nature” that perverts the proper course of biological and social reproduction, “slay[ing] the child in the womb,” “stay[ing] the young man’s courting,” and “ly[ing] / between the young bride and her bridegroom” (230). Pound was no Marxist, but he concurred with Marx’s characterization of interest-bearing capital (in the form of financial instruments such as stocks, bonds, and other securities) as a sham or “fictitious” species of value—a position espoused by Ida Partenza’s Italian anarchist father in *Trust*, who argues that “the speculative machine” of Wall Street is proof that “if money is fiction, finance capital is the fiction of a fiction” (290, 216).

Other modernists, however, were exhilarated by the ability of finance capital’s fictions at least temporarily to realize themselves (a phenomenon the sociologist Jens Beckert has recently theorized in terms of the power of “fictional expectations” to shape economic reality). Now little known, the American novelist Nathan Asch was a prominent presence in the avant-garde circles of 1920s Paris, following a spell at a New York stockbrokerage firm. His 1925 Wall Street novel *The Office* primarily deploys modernist techniques of fragmentation and disjunction to portray Manhattan’s financial district as a space of confusion, corruption, and danger. But one character—a broker and aspiring poet closely modeled on Asch himself—is inspired by what he sees as financiers’ promethean power merely to “think, speak, and, perhaps, write” (to borrow Diaz’s phrase) and in so doing transform the world: Asch’s broker-poet wishes to “write of . . . people marking little bits of paper that made railroads rise and gave birth to cities. Of signatures that enriched or reduced to beggary” (Asch 92). This would-be poet, that is, envisages a modernist epic featuring speculators and other financial actors whose own feats of creation mirror the paradigmatic modernist conception of creativity itself—creativity understood, that is, as

a heroic inscriptive act that brings the radically new into the world through the sheer force of authorial fiat, commanding and binding credit, assent, and action in ways whose effects are profound and far-reaching.

“A Remote Land Ruled by Occult Conspiracies”

Another area in which *Trust*’s financial interests converge with those of many modernist writers is what we might term the “occultural economy” of Wall Street: its close association with supernatural forms of divination and forecasting. Modernists’ frequent figuring of the brokerage office or investment fund as sites of soothsaying or necromancy was not pure imaginative projection: in the early-twentieth-century United States, astrology, numerology, scriptural interpretation, and similar systems were widely used in security analysis by both professional and amateur speculators, while some of the nation’s leading stock market pundits were avowed devotees of one or more of these strands of esoteric lore.² In *Trust*’s novel-within-a-novel, “Bonds,” Benjamin Rask is acclaimed by his colleagues on Wall Street “as a sage with supernatural talents” (63) whose apparently omniscient command of the market seems to emanate from “divine heights” (78). *Trust*’s fourth and final section, however, indicates that it is in fact the wife of Rask’s model Andrew Bevel who possesses the ability to time the market that has seen her husband universally hailed as “a clairvoyant, a mystic” (387).

Mildred Bevel, whose memoir—written as she is dying of cancer—makes up this fourth section, does not appear to have succumbed to the psychosis that blights Helen Rask’s last years in “Bonds”—a condition inherited from her father, whose obsession with every branch of “esoteric dogma” (35), from numerology, alchemy, spiritism, and Theosophy to biblical prophecy and communication with angels, eventually condemns him to “permanent residence in a remote land ruled by occult conspiracies, mystic hierarchies, and labyrinthine laws” (43). Mildred’s memoir, however, indicates that her father has at least something in common with her novelistic counterpart’s—she refers to “his Hermetics, Rosicrucians”

(368)—and there is something markedly recondite and mysterious about her own market analysis system, which she gnominically describes as spinning a “cobweb” whose “nodes + entanglements spread out in every direction,” drawing “everything toward it” and becoming “3-dimensional” (386). Outlined in this obscure and enigmatic manner, Mildred’s methods do not seem so far removed from Helen Rask’s “cabalistic interpretations of Old Testament texts, backed by esoteric mathematical arguments” (30).

Indeed, the very materiality of Mildred’s writing heightens its impression of harboring arcane wisdom. Her hand is repeatedly characterized as “runic” (294, 289), while according to Ida Partenza, a document in Mildred’s desk drawer is “covered in a multitude of words, numbers, and symbols traced and retraced chaotically on top of one another” with “everything . . . backward” (330)—a description that recalls Leopold Brevoort (Helen Rask’s father) “cover[ing] one notebook after the other with alchemic formulas and calculations in digits and symbols of his own invention” (44). Intriguingly, then, Mildred Bevel’s characterization, which might superficially appear to be a straightforward corrective to Helen Rask’s—hardheaded and self-possessed where Harold Vanner’s creation is delusional, flighty, and hysterical—in fact implies that to become involved in financial speculation is inevitably to be drawn into cryptic ruminations (not unlike Helen’s mental “speculations,” which “endlessly” and “vertiginous[ly]” “reflect one another, like parallel mirrors” [83]).

The Bevel Foundation’s librarians liken Mildred Bevel’s papers to the notoriously impenetrable late-medieval Voynich manuscript, which “cryptographers . . . have, as yet, failed to decipher” (254). “Bonds” deploys very similar language in describing Helen and her father—whose own words are increasingly “cryptic” (31)—poring over her “dream journals” in search of “ciphered missives from the angels” (29). And Harold Vanner’s portrayal of Helen’s marriage likewise refers to happenings in New York being “experienced . . . through the ciphers on the ticker tape” (19). A notion of the codes and figures imprinted by the stock ticker as encrypted recordings—or even foretellings—of

events in the wider world was a compelling one for many financial commentators in the period. As Gayle Rogers observes, to this way of thinking the ticker had a “hierophantic quality,” which aligned “speculation [with] a modern version of the Fates, telling the predetermined prophecies of humanity” and “the future of entire economies” by means of “an unending line of information on tape” (*Speculation* 118).

Such a vision strongly appealed to the modernist imagination, with its predilection for a vatic mode, attraction to recondite systems of meaning and interpretation, and fascination with the residual presence of the irrational or archaic within the modern world. In Archibald MacLeish’s expressionist verse drama *Panic* (1935), for example, a J. P. Morgan-like financier comes to imagine that the ticker machine on his desk is in league with weird, otherworldly powers that “wish” proliferating bank failures upon the nation in the wake of the Great Crash (89). Under the sway of these eldritch beings, he senses, the ticker is “drumming disasters out with the count of the clock” (73) and not only anticipating but somehow actively precipitating the next wave of bankruptcies and closures, the “clockwork” itself “mak[ing] the harm come” (72).

In “Danza de la muerte” (“Dance of Death”; 1929), the Spanish poet Federico García Lorca presents the Great Crash (which he witnessed firsthand, as part of the crowd that descended on Wall Street as panic gripped the New York Stock Exchange) as the inevitable consequence of an avaricious fixation on the stock ticker, “el manómetro / que mide el cruel silencio de la moneda” (“the manometer / that measures the cruel silence of money”; 46; 47). The “bank director” who “examine[s]” the ticker so intently might imagine himself to be a thoroughly rational, calculating figure, but in García Lorca’s surrealist vision the wealth over which he presides is mysterious and malignly fateful in ways that hark back to ancient myth: “De la esfinge a la caja de caudales hay un hilo tenso / que atraviesa el corazón de todos los niños pobres” (“Between the sphinx and the bank vault there is a taut thread / that pierces the heart of all poor children”; 46; 47). Assuming the “mantic” persona of

“the poet-seer,” a “shaman-like interpreter endowed with quasi-supernatural powers,” as Robert Havard puts it (440, 445), García Lorca’s speaker prophesies a crisis-wracked Wall Street’s imminent reclamation by nature, as it becomes a relic of a vanished, collapsed civilization:

Que ya las ortigas estremecerán patios y terrazas.
 Ques ya la Bolsa será una pirámide de musgo.

 y muy pronto, muy pronto, muy pronto.
 ¡Ay, Wall Street! (50)

Nettles shall shake courtyards and terraces.
 The Stock Exchange shall become a pyramid of moss.

 and all so quickly, so very, very quickly.
 Ay, Wall Street! (51)

In the Australian author Christina Stead’s modernist novel of ideas, *House of All Nations* (1938), the prices that “flash” on the ticker as they are relayed from the New York Stock Exchange to the Parisian brokerage where the narrative is set seem to speculators to represent “the heartbeats of Dame Fortune herself,” so that to them “stock-market luck [is] one and the same thing as fate” (240). Accordingly, in one character’s words, “they’re all so superstitious . . . the stock-exchange houses of Paris” (215), while for another, “financiers are great mythomaniacs” (77): Stead depicts her characters turning to a host of esoteric systems—crystallomancy, astrology, clairvoyance, Theosophy, Kabbala—to anticipate the tides of market fortune.

“The Future Irrupts at All Times”

As the concerns with scrying, soothsaying, prophecy, and similar oracular practices noted above suggest, modernist writers were particularly preoccupied by finance’s temporal aspects, and especially its inherent orientation toward futurity. In modernist literature responding to the reach and power of Wall Street, financial speculation’s endeavor, at every moment, to predict and shape a future that remains inherently uncertain prompts multiple experiments with narrative temporality: strategies of prolepsis or

foreshadowing, disorientating breaks in grammatical tense or diegetic continuity, apocalyptic projections of urban and financial ruin, or dialogic plots in which the stock market’s myriad possible future states are posited.

The punningly titled “Futures”—the journal, discovered by Ida Partenza, in which Mildred Bevel confesses her crucial role in her husband’s market triumphs, and which forms *Trust*’s final part—extensively explores affinities between the temporalities of financial speculation and of modernist art and literature. The journal abundantly testifies to what Ida refers to as Mildred’s “sophisticated, uncompromising taste that favored radically modern artists” (285). And “Futures” is itself written in a conspicuously modernist style—oblique, elliptical, fragmentary, meditative—that conveys, in Diaz’s own characterizations, the effect of a “modernist cabinet of curiosities” (Diaz, “Writing”) or “modernist prose poem” (“Hernan Diaz Interview”).

The musically sophisticated Mildred draws a distinction between “the classical form”—music that “one almost doesn’t need to listen to, because its development is all implied by the form” (Diaz, *Trust* 365–66)—and the work of the modernist composers she favors, which is defined precisely by its resistance to what she views as the predictably rote and formulaic qualities of the classical mode. This comparison between classicism and modernism, moreover, suggests to Mildred an analogy or “allegory” for her speculative strategies in the run up to the Wall Street crash in the fall of 1929 (399). Having come to the “realization that the market would crash before the end of the year” (396), she adopts a position at odds with the common expectation of a continued upward trajectory in prices by short selling stock—a strategy that itself reverses the market’s conventional polarity of value, such that a fall in prices represents profit for the short seller. Thus, the market operation she orchestrates over the course of 1929 is “a song played in reverse and on its head. . . . My wager against the mkt. was a fugue that would read backwards and upside down.” (398). As such, it represents a “radical version of Musik. Opfer” (Bach’s *The Musical Offering* [1747]) or approximates Arnold Schoenberg’s *Suite*

for *Piano*, a paradigmatic exercise in modernist twelve-tone technique composed in the early 1920s (399). Mildred's vanguardist experiments in the most complex and advanced methods of stock market analysis culminate, that is, in a coup that is the equivalent of the quintessential modernist masterwork in its audacious and single-minded defiance of conventional temporal patterning, standard formal logic, and prevailing public expectation.

But Mildred's ability, on the basis of her elaborate analytical system, to accrue vast profits from stock speculation also raises intriguing questions about *Trust's* own narrative, and indeed the very affiliation to modernist aesthetics that the novel's closing section does so much to establish. For the simple fact is that, viewed objectively, beating the market to the extent and with the consistency that Mildred's strategies achieve over many years is a sheer impossibility. A vast and robust economics literature, of which Diaz is no doubt aware (and which dates back, in fact, to the early 1930s moment in which *Trust's* closing part is set), indicates that, even if an individual market actor were to develop an effective predictive system, other participants would quickly detect its operation (no matter how complex or sophisticated its methods) and promptly adopt it themselves, with the result that its efficacy would be almost immediately nullified.³ If Mildred could not actually have garnered the lavish stock market winnings that she presents herself as having accumulated, then is it possible that, at the end of this novel in which truth has proven to be elusive and little, in fact, can be trusted or taken at face value, her own, seemingly revelatory, account is a record of delusion every bit as acute as that experienced by her fictional alter ego Helen Rask? And yet this interpretation cannot be correct either, both because it would confound the novel's feminist thrust and because, if anything at all can be relied on across the Bevels' various iterations (both "fictional" and "real"), it is that Andrew Bevel has indeed amassed dizzying sums from successful speculations—but also that the thoroughly stolid and conventional methods of which he is shown to be an exponent (179–80, 320–21) are even less conceivable as the sources of these astronomical returns than are

the outré techniques described in "Futures." Ergo, Mildred's system is the only logical (if not, strictly speaking, plausible) explanation.

The paradoxical conclusion that we must therefore draw is that the speculative exploits described in the novel's final section are impossible but do nevertheless occur. And it is in this way that "Futures" unweaves the very modernist mode that it at the same time so painstakingly fabricates: for if (to deploy a venerable distinction) modernist narrative is defined by epistemological questions (questions of truth and knowledge, of the kind that so pervade *Trust's* various parts), it is matters of ontology (the nature of the narrative reality itself, the kind of fictional world that the text inhabits) that characterize postmodernist fiction (McHale). Hence, on this account, postmodernism's frequent overlap with "speculative" genres, such as science fiction and fantasy, which customarily build worlds that differ markedly from our own—the kind of worlds where a character might well devise an infallible method of reaping profits from the stock market (as in the early-twentieth-century work of speculative fiction *The Tunnel thru the Air* [1927] by the Wall Street speculator and occultist William D. Gann, who claimed to have developed precisely such a system himself). It is thus fitting, perhaps, that *Trust's* fascination with the links between financial speculation and modernist aesthetics should ultimately push the novel's own modernist texture to its limits, and bring the narrative into the orbit of none other than the genre of speculative fiction itself.

NOTES

1. See, e.g., Freed-Thall; Kempf; Mickalites; Rogers, "Risk's Instruments"; Ross; Siragian; and my own *Speculative Time*, by which this essay is informed.

2. See Crosthwaite et al., ch. 4.

3. See Crosthwaite et al., esp. chs. 4–6.

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