

The Zombie Bank and the Magic of Finance, or: How to Write a History of Crisis

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Pre-publication version

Final version available from the *Journal of Cultural Economy* 5(2), 2012: 231-246,
www.tandfonline.com/doi/abs/10.1080/17530350.2012.660793#.U1X868eEfWE

Abstract:

This paper takes the appearance of the figure of the “zombie bank” during the recent financial crisis as a starting point to think about how to historicize crisis. A zombie bank is an undercapitalized financial institution that continues to operate due to the support extended to it by the government; it emerged in 2009 as a vivid representation of contemporary capitalism in crisis. By tracing the intertwined histories of zombies and representations of capitalism, I argue for the importance of historical persistence when considering anxieties about the “magic” of finance provoked by the recent crisis. Fears of zombie banks, I suggest, recapitulate capitalism’s whitewashed origins in credit and in the Caribbean. The crisis, therefore, represents an opportunity not only to reflect on current engagements with capitalism through an investigation of the figure of the zombie bank, but also to interrogate our models of historical continuity.

Acknowledgements:

The author would like to thank Julia Elyachar, Sean Mallin, Stephen Rea, Eva Yonas, Edward J. Kane, the two anonymous reviewers from the *Journal of Cultural Economy*, and especially Bill Maurer for their assistance in researching, formulating, and revising this essay.

“Life is demand and supply, or supply and demand, that’s what it all boils down to, but that’s no way to live. A third leg is needed to keep the table from collapsing into the garbage pit of history, which is in turn collapsing into the garbage pit of the void. So take note. This is the equation: supply + demand + magic.”

—Roberto Bolaño (2008, p. 228)

In late 2008 and early 2009, when the financial innovations of the late-20th century were beginning to be recast as speculative overreaching and when regulatory indifference, frenzied investment, and debt-fueled consumption gave way to panicked debate over the possible insolvency of major financial institutions in the United States, the vision of the “zombie bank” captured expert and popular imaginations as a vivid representation of contemporary capitalism in crisis. The zombie—a label applied in the midst of the recent crisis to describe failing financial institutions, which, backed by government guarantees, continued to operate—provided one symbolic reservoir that could be used to make sense of and represent the unfolding crisis:

Zombies. Seen one lately? If not, you may soon, because they are about to menace the U.S. economy. In financial lingo, zombies are debtors that have little hope of recovery but manage to avoid being wiped out thanks to support from their lenders or the government. Zombies suck life out of an economy by consuming tax money, capital, and labor that would be better deployed in growing companies and sectors. Meanwhile, by slashing prices to generate sales, zombie companies can drag healthier rivals into insolvency. [Coy 2009]

In a classic horror film, “Night of the Living Dead”, a terrified group of people barricade themselves in a rural farmhouse to escape hordes of flesh-eating zombies. Today Americans are gripped by a similar fear, but this time the walking corpses in their nightmares are banks, tearing insatiably at the public purse. [The Economist 2009]

As if the ballooning ranks of America’s jobless are not worrying enough, the country is also now being stalked by Zombie banks—financial behemoths, wounded by disastrous gambles, that feed on taxpayer bailouts and whose continued existence may cripple hopes of a recovery any time soon. [Dee 2009]

In the years leading up to the recent crisis, representations of capitalism both critical and celebratory coalesced into a singular vision of a totalizing whole imbued with a power to reproduce itself and expand to the far reaches of Earth and the human soul (Ho 2005; Gibson-Graham 2005, 2006). One of the key components of this representational discourse was the feeling that modes of value creation had changed and that capitalism had entered a new stage. The newness of what Jean and John Comaroff (2000) call “millennial capitalism” (a.k.a. “late,” “global,” or “neoliberal capitalism”) was characterized in part by unprecedented globality and by reliance on “innovative” forms of speculative finance, particularly the commodification and management of risk in the form of debt (Blackburn 2006, 2008; Harvey 1989; cf. Leyshon & Thrift 2007). Such innovations felt novel, strange. As the Comaroffs (1999, p. 279) put it, borrowing from Evans-Pritchard, “[n]ew situations demand new magic.” For the Comaroffs (2002), zombies were one response to millennial capitalism, an indigenous manifestation of the “new magic” of speculative wealth. The crisis, from this perspective, reveals the fictitious,

“occult” foundations of that wealth and an economy, in Anna Tsing’s (2000) words, simply “of appearances.”¹

On the other hand, some contemplating the recent crisis attempted to outline its origins, the right confluence of conditions to explain “why now.” A key comparison, for instance, emerged between the Great Depression and the current “Great Recession,” suggesting a further parallel between the profligacy of the 1920s and the financialization of the past three decades (Livingston 2010). That parallelism, contrary to the sense of newness that sometimes imbued descriptions of late capitalism before the crisis, evokes a temporal cyclicity, as if we have been here before (Arrighi 1994).

How should we write the history of the recent crisis? Is it best represented as a rupture in capitalism’s progressive development, as signifying a new stage, or as a return to some previous moment, perhaps this time as farce (à la Marx 1935)? The difficulty with contextualizing crisis historically is that as soon as it is situated within a temporal span or put in relation to other events, crisis loses its quality *qua* event or decisive “turning point.” There is an inconsistency, that is, between “crisis” as an event that swoops in from outside time to interrupt a history already underway and “crisis” as an episode situated within such a temporal trajectory.

The use of the zombie metaphor during the crisis also invites questions of temporality, for zombies have their own history, which echoes in the present: Emerging out of the collision of Atlantic Africa and colonial Europe in the crucible of revolutionary Haiti and in 20th-century cinematic critiques of alienated labor and capitalistic consumption, the figure of the zombie echoes from those moments backwards towards its etymological ancestors—zombi, zonbi, nzambi—and forwards to the late 2000s. The appearance of the zombie at the “center” of global capitalism at the moment of its apparent breakdown signals that, like those who attempt to situate

the crisis historically, perhaps the magic of late capitalism is not so new and its forms not so peripheral.

History, however, is sometimes best understood as a nonlinear echoing of figural topoi across time and space, as Carla Freccero (2010) suggests, instead of as a progressive unfolding of linear time or as cyclical repetition. This conception of history implies that any current figure is haunted by multiple origins, multiple conceptual ancestries, and would, therefore, encode an inherent polysemy. Every word is an archive of past and present uses and a repertoire for future invocations and innovations—a kind of “bank,” or, in Walter Benjamin’s words, a “constellation,” a crystallization of “what has been,” “the now,” and the to-come (in Buck-Morss 1991, p. 291). As Benjamin also suggests, the heterogeneity of such a packed present is revealed in moments of crisis, when the complacency of the normal is blown apart and the diversity of its constitutive histories and metaphoric registers made visible. Tracing such a history would thus mean, Freccero (2010, pp. 46-47) says, “work[ing] through some of the ways we continue to be haunted” by diverse pasts, presents, and futures, known and unknown.²

In this paper, I argue that the reappearance of the zombie during the recent crisis discloses contemporary anxieties about, and betrays something of our (mid- and post-crisis) engagement with, capitalism in its late-modern form, and in particular the risks of speculative finance.³ In the first section, I outline these fears and connect them to the figural history of the zombie as it tracks our received story of capitalism’s evolution, beginning with the most recent era of globalized financial flows and working backwards through a transitional, post-Fordist period, in which consumption became capitalism’s prime mover, to an apparently foundational moment of industrial production and alienated labor. Each moment is accompanied by a different zombie—the uncanny and unnatural zombie bank, the rapacious cannibal, the mindless

automaton.

The conventional history of capitalism reflects, that is, the history of the zombie, and our fears of zombies during the recent crisis marshal histories accumulated in the zombie bank. Such fears also, however, mobilize that monster's genealogy while reflecting the colonial and postcolonial origins—often forgotten or left unseen—of the economic system whose crisis and end it also supposedly marks. The zombie bank “constellation,” that is, can show us both the history of capitalism's familiar representations, past and present, and its other pasts—in speculation and in the Caribbean specifically—which remain “disavowed” (Fischer 2004), but nonetheless surround us and press in on us like Benjamin's arcades. In the second section of the paper, I show how our anxious handwringings are refractions of these plural histories. If the figure of the zombie in the zombie bank is a constellation of present fears and plural historical trajectories, which point up capitalism's multiplicity, revealing but one of its origins in the colonial and postcolonial Atlantic World, then the historical ghosts haunting the zombie bank have important, if destabilizing, lessons for those of us thinking about capitalism and crisis today. For, as Sidney Mintz (2010, pp. 6) writes in his recent exploration of the durability of Caribbean histories, “the cultural overlay created by colonialism has had a long, disguised, and still often unconsidered afterlife.”

I. Fears

The term “zombie” was first used to describe financial institutions by the economist Edward J. Kane (1987, 1989, 1993), who argues that government incentive schemes contributed to the Savings and Loan (S&L) crisis in the late 1980s by lowering minimum net worth

requirements and guaranteeing the assets of decapitalized S&Ls. “Zombie S&Ls,” Kane (1987, p. 78) says, are the “institutional corpses” of insolvent organizations kept in business by accounting wizardry and expectations of government support. A zombie S&L, that is, “transcend[s] its natural death from accumulated losses by the black magic of federal guarantees” (1989, p. 4). During the S&L crisis, Kane argues, such guarantees encouraged managers to engage in risky, go-for-broke investments to regain solvency; if they lost, they assumed that “their problems [would] belong to the [government]” (1989, p. 4). Such riskiness can be contagious; zombie institutions “may be aptly said to ‘prey’ on financial markets and on the profit margins of otherwise viable competitors” (1993, p. 344). Instead of turning government subsidies into consumer loans, zombie S&Ls used guarantees to shore up their books, becoming “consumers” themselves (of value that should circulate through the economy more widely), “wreak[ing] havoc in financial markets by feeding on the markets of the living, thereby turning their competitors into zombies, too” (1987, p. 78).

The recent financial crisis foregrounded Kane’s zombies in the popular economic imagination. A glance through newspaper and financial press reports at the end of 2008 and beginning of 2009 reveals an explosion of references to zombies.⁴ The re-emergence of the idea of the “zombie bank” was prompted by governmental decisions in response to the subprime mortgage crisis. After Lehman Brothers declared bankruptcy on September 15, 2008 and the insurance company AIG was “bailed out” the next day, controversy erupted over the wisdom of “allowing” some financial institutions to fail while “saving” others. The debate intensified with the announcement, in October, that the federal government would begin to purchase troubled assets (so-called “toxic assets”—bad debt, especially securitized residential real estate loans) from financial institutions in an attempt to provide enough liquidity to those institutions that they

might start lending again, unfreezing capital markets to jumpstart the economy. Many worried that providing government funding to failing banks could create a “moral hazard,” allowing those banks to make risky bets with taxpayers’ money to try to recapitalize, secure in the knowledge that if they failed, the government would assume the losses. Others worried that zombie banks would simply begin to hoard, freezing up liquidity and preventing a recovery.

The figure of the zombie is in this context a potentially frightening image of an insolvent bank unnaturally supported by government credit, a bank that should be “dead” but continues to operate as if “alive” and a corporate body capable of spreading infection, halting growth, and consuming wealth. More generally, at a moment when the broader economic system seemed to be crumbling, the zombie appeared as a sign of capitalism’s crisis and a representation of its ostensible causes: global financial flows, accounting trickery, unfounded speculation, intangible debt, the “magical” production of profit through finance. The zombie, in other words—like any “monster” (from the Latin *monstrare*, to show or point out, the root of “demonstrate” or the Latin word *monstrum*, omen)—signifies, carrying in its body and revealing in the kinds of fears it provokes the social worlds of its origin and subsequent re-invocation. What does the zombie bank “demonstrate” about how we know capitalism? And what kinds of *monstra*, what omens, does it divine?

Like its appearance in horror films since the mid-20th century, the zombie bank suggests that the end (of financial liberalization or of capitalism generally) may have arrived: “The Zombie Apocalypse Will Eat Our Economy” (Lomax 2009). Moreover, zombie bank imagery suggests that what ails the system is contagious, spreading among banks, firms, and the wider market, contaminating the entire economy. This trope is, like that of the zombie apocalypse, borrowed from the zombie movie catalog, in which zombism—at least since the zombie movie

auteur George Romero's contributions (e.g., *Night of the Living Dead* [1968] and *Dawn of the Dead* [1978])—can be passed through a zombie's bite. The trope of infection plugs into a central assumption about the penetrating, planetary reach of today's capitalism (Maurer 2000). In the figure of the zombie bank, the image of a globe crisscrossed by flows of capital reappears, but this time with the worry that what courses within these streams—bad debt, risky behavior, the conjuring of fantastical wealth, and the panic of creditors spooked by the zombies—could be catastrophically infectious.

Fear of a zombie contagion is heightened by worries about our capacity to differentiate between healthy financial bodies and the infected. Zombies are uncanny figures, often transformations of friends and family or, in Romero's words, simply "the neighbors" (Russell 2005, p. 68). Their superficial familiarity belies alterity and danger. Similarly, banks in the current crisis are said to disguise a threat hidden in their ledgers: bad debts unaccounted for. As Joseph Stiglitz (2009) put it, "No one knew what was truth and what was fiction." The problem, however, is not just one of transparency, but also complexity. The "toxic assets" on zombie banks' accounts are said to be risk-hedging, value-muddling instruments like derivatives, which, goes the claim, can be so complicated that unraveling their true value might be impossible. As Gillian Tett (2009, p. 9) writes, "[C]omplexity makes the world of derivatives opaque [...]. Opacity reduces scrutiny and confers power on the few with the ability to pierce the veil."⁵ The anxiety, which mobilizes the zombie as figure of hidden threat, is that the complexity of banks' dealings makes it impossible to evaluate their capital adequacy status.

The fundamental contradiction of the zombie, of course, is that it is a creature neither alive nor dead, or somehow simultaneously both. It unnerves precisely because of, as Ernst Jentsch (1995, p. 12) put it in his pre-Freud discussion of the uncanny, "doubt as to whether an

apparently living being is animate.” In defying mortality, zombies subvert the natural order of things. Similarly, zombie banks appear to defy and undermine natural market logic: “[W]hen the government props up a fatally wounded bank like this it’s keeping it alive in an unnatural way” (Arnold 2009). This economic “naturalism” suggests markets are self-regulating, moving independently towards equilibrium (Muniesa 2010)—and thus the market “knows best” what to do with undercapitalized financial institutions. Banks that are not market-competitive should be, so the argument goes, “allowed to fail.” Yet, at the height of the zombie bank discourse in 2009, some kind of government action was often seen as necessary to bring the market back into alignment with its “natural” state. Such intervention was itself metaphorized with startling regularity via the zombie metaphor. As one former hedge fund manager explained, “I’ve watched every single one of those zombie movies and you can’t cure zombism. Everyone knows that. You’ve got to shoot them. You’ve got to get rid of them, cut their heads off, put the silver bullet through their heart and get some healthy banks” (Arnold 2009).

Zombie banks, audaciously disobedient of market logic, might thus turn out to be unidentifiable, their worth uncalculable, or their existence unnatural; of course, there might be nothing tangible at all behind their money-making activities, a corollary fear. Investment bankers and stockbrokers appear, from this perspective, to be engaging in sleight-of-hand, magic, or deceit. The zombie’s Vodou origins in Haiti seem to perfectly symbolize such financial witchcraft. Paul Krugman (2009), for instance, denounces “Wall Street Voodoo” as “the belief that by performing elaborate financial rituals we can keep dead banks walking.” And Kane (1987, p. 79) writes similarly that zombie institutions are the result of regulators “failing to bury [their] dead before witch doctors could get hold of the bodies.”

These worries are also linked to descriptions of the transition to a post-Fordist capitalism

founded on consumption and desire. At least since Romero's parody of consumerism in *Dawn of the Dead*—which sees a group of survivors defend a suburban shopping mall against hordes of hungry zombies, enacting “a fantasy of purchase power” that displays “the zombifying power of commodity fetishism” (Harper 2002)—the zombie has been an undisguised metaphor for the capitalist consumer. “Capitalism works as an analogue of zombiedom because it too is predicated on insatiable appetite, and the drive to consume” (Webb & Byrmand 2008, p. 89). *Dawn of the Dead*, therefore, is “a near-perfect allegory for capitalism,” at least (goes the claim) in its post-Fordist variety, in which personal identity and value are linked to consumption (Loudermilk 2003).⁶ That irrational drive to consume ostensibly betrays a deeper loss of the productive bases of value creation. No longer, critics say, can capitalism function without the perpetual expansion of desire, the creation of markets to purchase and consume the abundance of goods it produces. Today, this lack appears as a lack of “real” substance or value behind the speculative activity of investment bankers.

If the zombie allegorizes a post-Fordist moment of ravenous consumption, it can equally well represent the inverse: industrial production and alienating wage labor. The anxiety that capitalism produces workers who are wholly disconnected from their labor and its worldly effects can take the figural form of the robotic factory worker, a “brain-dead, ideology-fed servant to industry” (Lauro & Embry 2008). This imagery of alienation through wage labor is updated in portrayals of stockbrokers mindlessly trading on microscopic margins, staring blankly into their computer screens, caught up in “irrational exuberance,” or influenced by “animal spirits” that limit their temporal horizons.

The zombie's history as a sign of alienated labor animates this fear. The first zombie movie, for instance—a 1932 Bela Lugosi vehicle entitled *White Zombie*—presents a group of

zombified workers trudging around a Haitian sugar mill, performing turn-of-the-19th-century fears of alienation. The zombie-workers in *White Zombie*, however, also carry with them the durable, but disavowed histories of the Atlantic slave trade, Caribbean slave labor, and the U.S. invasion and occupation of Haiti in the early 1900s. Some of the earliest references to a *zombi* are, in fact, to Jean Zombi, renowned for his vicious public killings of whites during the Haitian Revolution (Dayan 1995). The zombie reappears after Independence in the legends of workers raised from their graves by Vodou sorcerers to work in the sugarcane fields. Both embody the nightmarish histories of colonization, slavery, and alienated labor. Moreover, it was during the United States's equally violent occupation of Haiti from 1915 to 1934, during which thousands of Haitians were put to work in a *corvée* system borrowed from British Egypt, that the zombie entered English-language discourse, centrally through the widely read book *The Magic Island*, by travel writer and amateur ethnographer William Seabrook (1929).⁷

As a figure of both slavery and slave rebellion, “a soulless husk deprived of freedom” and “the ultimate sign of loss and dispossession” (Dayan 1995, p. 37), the Haitian zombie thus represents a return of such repressed histories of violence and expropriation. Fears of these histories and of the black Caribbean “primitive” chased the zombie through Seabrook's travelogue into the movies and popular imagination. The 1930s zombies of *White Zombie*, then, collapse into a single figure anxieties over the violence of capitalist labor regimes, expropriation, colonization, race, and slavery. As Patricia Chu (2006, p. 25) explains,

The scene of circular movement by the zombies incorporates commonplaces about the mechanization of the body under regimes of modern labor even as it references the earlier regime of slavery in the Caribbean by depicting black male bodies in a sugar mill. [...] The film rests its case on the idea that a barbaric past

practice has intruded into modernity while contradictorily asserting that the modern laborer (automaton) and the slave may come from the same moment.

The zombie bank metaphor has forgotten these histories, but the vision of the zombified worker, the factory automaton, still resonates alongside images of voracious consumers and cosmopolitan financiers.

Why fear a zombie bank? Zombie banks suggest that the system is failing and coming to an end; that the current problems are contagious and uncontrollable; that the complexity and opacity of finance make it impossible to differentiate between healthy and unhealthy institutions; that the offspring of the new financial system, the zombie banks themselves, are abnormal, defiant of “natural” market logic; that there is nothing “real” or tangible behind financial speculation; and that those working in finance have become mindless automatons, thinking only in the short term and ignoring or unable to understand the broader implications of their actions. But perhaps the greatest anxiety captured by the figure of the zombie bank is an uncertainty about what, exactly, animates the economic system. Just as the zombie moves us to question the substance of the life force animating organic matter, zombie banks provoke anxiety over the witchcraft that galvanizes the capitalist body, for, as the Comaroffs (1999) show us, the brand of capitalism thought to have given rise to the recent crisis is consistently marked by what appears as the “magical” production of value and wealth. Not just a “frankenbank” brought back to life by government largesse, awakened by the flow of money through its account portfolio, the zombie bank also retains the felt possibility of a limit to a totalizing understanding of finance and

late capitalism in general. In its moment of crisis, in other words, the convictions that fortified our understanding of our economy are called into question, and the zombie can be mobilized to evoke radical uncertainty about the forces controlling our economic present and future, hinting, in particular, that the “magic” of finance defies any attempt to explain the recent crisis.⁸

II. Origins

“America is a place where the Old World shipwrecked.”

—Charles Simic (in Cosentino 1995, p. 32)

“The Vodou religion is before all other religions. It is more ancient than Christ. It is the first religion of the Earth. It is the creation of the World. The World is created by Vodou. The world is created by magic.”

—André Pierre (1995), Vodou devotee and artist

Val Lewton and Jacques Tourneur’s film *I Walked with a Zombie* (1943) offers up the zombie as just such a figure of the limits to knowledge. Set in the West Indies and playing on colonially inflected, racially charged tensions, the film turns on a series of unsettling encounters between a young nurse, her patient (the zombified wife of an American plantation owner), and a local man called Carrefour, a towering, bare-chested Afro-Caribbean man with large, blank, unblinking eyes. Carrefour is a zombie, but his condition is never explained and he remains throughout a rigid, silent, but ultimately passive threat. Carrefour is a disconcerting icon of the unknowable, a chilling figure of, as one writer puts it, “empirical impotence” (Russell 2005, p.

42).

Carrefour can also serve as a different kind of sign. His name—which means “crossroads,” signifying in the Francophone Caribbean the meeting place of divine and human worlds, often marked out in white chalk and often the site of the marketplace—not only suggests uncertainty about the present and future, but also points us towards the “whitewashed” histories of the Caribbean.⁹ I want to emphasize the origins of the zombie in Haiti, especially the figure’s fashioning at the violent confluence of slavery, colonialism, and the emergence of capitalism as a system of speculation and an outgrowth of the early modern Atlantic cycle of trade. This origin story turns around received narratives of the rise of capitalism, which tell us that capitalism began in England as a mode of commodity production and took as its iconic site the factory. According to this story, capitalism’s conditions of possibility and social effects included the alienation of labor, the fetishism of commodities, the initial expropriation of property and subsequent fortification of contract and private property regimes, the rationalization of economic activities, and the dissolution of social ties—but not, at least originally, the “magic” of speculative finance. The zombie, however, suggests that such magic has been integral to capitalism since its inception, and that the Atlantic World may be one important originary site for its unfolding. This other narrative is not an all-embracing, preordained destiny, nor a cyclical return, but a nonlinear, cumulative history unfolding from particular moments. This is not, in other words, an attempt to re-periodize capitalism, but an attempt to suggest the plurality and heterogeneity of its history. If, as Charles Simic claims, “America” is “where the Old World shipwrecked,” then the zombie bank tells us how a new world began, but built up from remains of the old floating in the sea.

As many have documented, finance, credit, and profiting from risk are not particularly new, nor are the anxieties that accompany such speculation (De Goede 2005; Graeber 2011; Kindleberger 2000). Since Marx's third volume of *Capital* at least, finance has been associated with "fictitious capital." The zombie bank directs our attention again towards such other histories, other narratives of capitalism—and not just Marx, but, for instance, debates between aristocrats and commercial classes after the English Civil War over whether fixed or mobile property could provide the proper foundation of virtue (Hirschman 1997; Pocock 1985); the contributions of English citizens during the "Financial Revolution," who funded England's military might and overseas expansion by purchasing government bonds (Pocock 1985); and a common speculative disposition structuring modern accounting and financial instruments (like bills of exchange) that codified risk, attempting to turn it into a source of profit (Poovey 1996, 2008). Such histories situate speculative finance at the "beginning" of capitalism: What is money, but public credit? And what is "capitalism," but a collection of strategies and instruments allowing for speculation on the risks and credibilities of economic ventures, merchants, and governments?

In his *Specters of the Atlantic*, Ian Baucom (2005) makes a similar case for the origins of capitalism, but locates speculation in the 18th-century slave trade and the development of bills of exchange, debt financing, and marine insurance that made such trade possible. Using these instruments, slave traders, English merchants funding slave trading expeditions, and plantation owners all attempted to assimilate, manage, and profit from the risks of overseas adventure—to invent, in sum, an "economy of trust" meant "to transform the irregularity and unpredictability of

a single slave voyage into a ‘regular, successive’ and even network of capital circulation” and value creation (Baucom 2005, pp. 64, 60).

It was credit, then—the transformation of future expectations, hopes, risks, and uncertainties into present value via speculation, and the imagination of future gains that made such speculation possible—that funded both the slave trade and the Financial Revolution. Zombie banks have provoked anxieties similar to those voiced during such ordinary moments of speculative finance—when governments indebted themselves to their own citizens; when those citizens “lived off their expectations of a return” (Pocock 1985, p. 68); when agrarian, productive enterprises like plantations relied centrally on credit; when the risks of (especially overseas) commercial enterprises like slave-trading were first hedged by speculation on future value and legally insured; and when commerce was purified by accounting and guaranteed by the credibility of partners. These whitewashed origins, forgotten but with us nonetheless, remind us that Weberian disenchantment walks hand-in-hand with Benjaminian wizardry. Innovation, speculation, risk-taking, account-book maneuvering have been part and parcel of “capitalism” from (one of) its origins as a mode of trans-Atlantic value creation more than three centuries ago.

Such origins also remind us that if “capitalism” began as collection of strategies and instruments for managing risk and profiting from speculative value, then it also began on the waves of the Atlantic between Africa and the Americas.¹⁰ As Baucom (2005) explains, many of the tools and tactics of early modern capitalism—government bonds, bills of exchange, insurance contracts, accounting procedures—were developed alongside and for Europeans’ adventures in the New World, and especially to smooth the purchase, transport, and use of slave labor there. Even the arrangements of factory production that would come to define industrial capitalism were pioneered in the colonies, such that it becomes possible to imagine slave laborer and

factory laborer together, as *White Zombie* implies and as Sidney Mintz (e.g., 1978) has suggested. The zombie, of course, is originally a Caribbean monster, exported like any commodity to the “center” where it could be consumed by those privileged enough to purchase access to it. But the zombie is indicative not just of this relationship of extraction, exploitation, and “primitive” accumulation, but also of another kind of relationship between “center” and “periphery” defined by the unfolding of worlds, including capitalist worlds, from situated places and moments.

The zombie embodies the “creation,” as André Pierre puts it, of our (modern, capitalist) world from one particular constellation in Haiti in the history of the Atlantic cycle of accumulation: “Born out of the experience of slavery, the sea passage from Africa to the New World, and revolution on the soil of Saint-Domingue, the zombi tells the story of colonization,” Joan Dayan (1995, pp. 36-37) writes. It also tells the story of alienated labor—work on the sugarcane plantations and factories and forced labor under the American occupation—and, as it made the leap into popular English-language discourse, centrally through Hollywood horror, of the projection of racist fears about witchcraft, blackness, and the primitive onto the Caribbean. In the second half of the 20th-century the zombie was reinvented, and has come to tell other stories: of a changing capitalist structure no longer dependent on the alienation of productive labor power, but on the desires of consumers and then on the intangible bets of financiers. Now, as we have come to doubt our capacity to evaluate credibility and risk appropriately, it has come to mark another crossroads, the crisis of that system.

Its layered history makes the zombie work as a sign of capitalism-in-crisis. For the zombie bank carries with it not only the zombie’s own proper beginning in the sugarcane fields of newly republican Haiti over the long 19th century, but the speculative origins of capitalism and

the anxieties added into its “constellation” over the long 20th century—fears of automation, of animation, of consumption, of infection, of the uncanny, of the violation of natural law, of epistemological helplessness, and of the end of the world. The figure of the zombie in the zombie bank thus serves as a corrective to discourses of newness around late capitalism and to reductive temporal frames that separate the new from the old and diagnose the present in terms of simple rupture or repetition. The zombie bank reminds us of the importance of continuity. But more importantly, the zombie bank also serves as an invitation to consider the nature of historical persistence. Why should the plurality of history return to haunt us now, in and immediately after the moment of crisis? And what models of continuity should we use when considering the relation of the crisis to its origins, however plural and wherever we find them? The zombie bank suggests an historical and conceptual archive that can be drawn on in the service of such an endeavor: studies of the origins of finance and of the durability of history in the Atlantic World and their overlap in the slave trade and the plantation system. That is, as well as offering an entry point for the analysis of our present-day engagement with capitalism and, in particular, with the magic of finance, the zombie bank invites a reconceptualization of history as iterative, cumulative, plural, and spectral. The impulse to contextualize the recent crisis historically, therefore, should involve not simply an effort to “explain” it, but also to think reflectively about how the histories we choose to tell work on the present and future and to interrogate critically the uses of persistence in understanding such temporal trajectories.

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Notes

¹ Even before the crisis, anthropologists turned their attentions to the contemporary operation of finance. But as Bill Maurer (2005, p. 181) points out in a review of this literature, studies of finance often emphasize its apparent fictiveness, “find[ing] artifice, illusion, mystification and the occult” in the machinations by which money is used to make money. Indeed, as Maurer (2006) suggests elsewhere, there is a repetitiveness to the stories we tell about money and finance and we might imagine the compulsion to repeat money’s stories as constituting the money form itself.

² Paris’s *passages couverts*, for Benjamin, are such a constellation, a crystallization of history in the present that explodes onto future conceptual territories and lived experience. In the *Arcades Project*, Benjamin, Baucom (2005, p. 24) explains, is concerned to restore the “past-time” inherent in things, especially commodified things, “to refuse to acknowledge it as lost, to recover the time accumulated within.” The arcades thus present an opportunity “to destroy the mythic immediacy of the present” by showing up their accumulated histories (Buck-Morss 1991, p. x). This paper attempts something similar, attempting to slow, in Bolaño’s terms from the epigraph, the “collapse” of history into the “garbage pit of the void” by insisting that the crisis offers us an opportunity to reconsider our relationship, current and historical, with capitalism. On Benjamin’s theory of historical iteration, see Benjamin 2002, 2005. I also take special inspiration from the work of historians and anthropologists of the Atlantic World, especially the Caribbean (e.g., Dayan 1995; Gilroy 1993; Guyer 2004; James 1989; Mintz 1974, 1985).

³ An implicit part of my argument is that, as Lakoff and Johnson (2003) have famously shown and as Deirdre McCloskey (1985) has argued for economics specifically, the metaphorical groundings of the categories we use to make sense of the world matter not only symbolically, but also materially—some would say performatively (Callon 1998; MacKenzie et al. 2007)—in the sense that they participate in the making of the world itself. Metaphors of the crisis, that is, contribute to “the crisis” itself, by, for instance, inviting or entailing particular framings, measurements, policy responses, and so on, all of which act on and help to produce the material facts of the economy-in-crisis. Such metaphors also direct and deflect attention, making, for

instance, banks and bankers into special targets of criticism. And, as both anonymous reviewers of this paper suggested, the rhetoric of the recent crisis includes much more than zombie banks, but extends into imagery of “voodoo” economics, toxic assets, shadow banking systems, animal spirits, and so on. As one reviewer insisted, many of these tropes beg questions about agency within capitalism. It would be fruitful, but beyond this paper’s ambit, to delineate the shared problematics of this wider metaphorical field. I have chosen instead, to use the apt language of one reviewer, to explore the “archaic parsimony of concepts,” the reappearance today of histories often forgotten, but never entirely absent.

⁴ See, for instance, Bloomberg News: “Fresh Flesh Runs Screaming as Zombie Banks Drool” (in Safire 2009); NPR’s Marketplace (Milne-Tyte 2009); George Soros’s warning that “bailing out banks could turn them into ‘zombies’ that suck the lifeblood of the American economy” (Kollewe 2009); or, finally, Federal Reserve Chairman Ben Bernanke’s insistence that he does not “know of any large zombie institutions in the U.S. financial system” (Robb 2009). A review of citations retrieved through Google News and LexisNexis in December 2009 shows that the outburst picks up speed in January 2009, reaching a peak in February and March and remaining steady throughout the year and into 2010. The metaphor hasn’t died off, as evidenced by the zombie costumes of some Occupy Wall Street protestors and by the publication of a book entitled *Zombie Banks* in late 2011, which extends the metaphor to European “debtor nations” (Onaran 2011).

⁵ Gowan (2009, p. 18) suggests similarly that the derivatives market was part of a “shadow banking system” and that the lack of a market pricing mechanism for such financial instruments triggered the credit crunch by generating uncertainty about their true worth. For a prescient take on the hidden histories of derivatives, see Maurer 2002.

⁶ This critical vision of the zombie as consumer is linked to its postcolonial portrayal as a cannibal. The zombie-

cannibal appears at once as a “historicized spectre of Western appetite” (Sheller 2003, p. 145) and “a reflection of modern-day commercial society, propelled only by its need to perpetually consume” (Lauro & Embry 2008, p. 99).

⁷ For Seabrook, the zombie—with which he claimed to have first-hand experience—was a figure for his U.S. audience: a warning of a zombifying modernity, which might be avoided by embracing the “primitive” enchantments of “the magic island.”

⁸ Bruce Carruthers and Sarah Babb (1996) suggest, in an investigation of the debate over fiat currency and the gold standard in the postbellum U.S., that the use of money generally requires forgetting about its origins in social convention—a forgetting that crisis undoes. It is perhaps unsurprising, then, that zombies should stalk the recent crisis, when the realities of money and finance seem to loose themselves from received representations. It is in crisis, after all, that the apparently “natural” foundations of money, value, and exchange can no longer be taken for granted.

⁹ Here the zombie crosses paths again with the deities of Haitian Vodou, especially Eshu/Elegba, a divine intermediary who “regulat[es] traffic between the visible and invisible worlds” (Cosentino 1987, p. 262). As “god of the gate,” Zora Neale Hurston (1990, p. 128) reports, “he is also Baron Carrefour, Lord of the Crossroads.”

¹⁰ The literature on the links between slavery, colonialism, the plantation system, capitalism, and modernity includes Williams’s (1994) classic but controversial description of the contribution slavery’s profits made to the rise of industrial capitalism. See Childs 2004 for a brief review of the debate, as well as Blackburn 1997; Fischer 2004; and, of course, Mintz 1974, 1985.