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Research Note

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RESEARCH NOTE

Ignorance is Strength

Shimshon Bichler and Jonathan Nitzan¹

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Colin Harrison writes about power in present-day capitalism. His thrillers intersect and fuse finance, crime and ruthless violence. They are technically precise, written with panache and make you eager to turn the page.

Of course, Harrison is hardly the first novelist to deal with this intersection. B. Traven's *The White Rose* (1929) examined the neo-imperialist clash between the high financiers of New York City and the unsuspecting peasants of the Mexican haciendas; James Clavell's *Nobel House* (1981) narrated the rise of multinationals in East Asia; David Liss' *A Conspiracy of Paper* (2000) and *The Coffee Trader* (2003) engaged the early stock market bubbles and commodity speculations; John Le Carré's *Our Kind of Traitor* (2010) looked into the Vory's penetration of the City of London; Robert Harris' *The Fear Index* (2012) examined how artificial intelligence is taking over present-day finance; the list goes on. But Harrison seems to know the actual workings of finance better than they do, and he is particularly attuned to the power underpinnings of finance as such.

His novel, *The Finder* (2008), is a gripping romantic thriller about a mysterious Chinese woman, Jin Li, and her former American boyfriend, Ray Grant. The beautiful Jin Li is a clever immigrant with burdensome family obligations. Ray is a bighearted jack of all trades with considerable lethal capabilities. Their story weaves in the usual tensions of violence and love, corruption and purity, greed and humanity. Their love affair seems impossible – thought not in the way that Orwell describes it in his *Nineteen Eighty-Four* (1948). In Orwell's tale, Winston and Julia do not stand a chance. The megamachine is bound to crush their creative libido, turning them against their own selves as well as each other. Harrison's book, by contrast, is part and parcel of the megamachine. It is written to be well-rated, well-sold and well-yielding – and for those things to happen, love, no matter how impossible, must win in the end.

Still, some of Harrison's insights are brilliant.

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1. The Hidden Hierarchy of Differential Information

The centre of his business plot is financial espionage. Chen, a Chinese entrepreneur, instructs his sister – our Jin Li – to set up a U.S. office-cleaning company. On the surface, the company is just another run-of-the-mill service operation – with the added bit that the daily trash it collects is potentially golden. The garbage contains sensitive corporate documents with inside information – critical nuggets that Jin Li identifies, and that Chen and his Chinese backers use to short or long their victim's stock and make a killing in the process.

As the story unfolds, Harrison uncovers the hidden hierarchy of differential information. We live in a knowledge economy, or so they say. And in the world of finance, knowledge is power: the power to buy assets *before* their price appreciates. This knowledge-as-power, though, is profitable only when exclusive. Common knowledge – no matter how sophisticated and complex – is never profitable. Only *differential* knowledge – i.e., knowledge that is unavailable to others or superior to what they have – can yield a 'return'.

This differential prerequisite explains why every entity in the pyramid of financial information – whether a person or an organization – has no more than a partial vista, with the remaining view blurred by enforced opaqueness and power-backed misinformation. The different vistas are also deeply formative. Individual 'actors' may feel empowered by what they know, but in practice, what they know serves to frame their thoughts and direct their actions – usually without them ever knowing it. Even those at the very top – indeed, especially those at the very top – are slaves to their knowledge, however superior.

Let's look more closely at this pyramid of differential information and the structure of power it represents.

2. The Workers

At the bottom of the heap, we find the migrant workers. These are the people who clean the offices and collect the garbage, including the prized inside information that the Chinese siblings, Chen and Jin Li, eagerly look for. According to Harrison, the principal 'human capital' of these workers is their ignorance:

To what degree do they realize that the trash they empty out of the offices each day is in fact the paper trail of deals, trends, ideas, conflicts, sensitive issues, and legal wars – some of which, set before other eyes, may have enormous value? The answer is that **they have no actual awareness of this**. They are only barely literate in Spanish and more or less illiterate in English. This is expectable. Indeed, it has been purposefully expected: **they have been hired by MeezaJin [Ms. Jin] for their distinct inability to read English, their**

unknowingness about the ornate structures of capital and power through which they lightly pass each night. Industrious as they are, their naïveté also has value. Much of New York City depends upon such people. The ones who know nothing. The city needs their labor, compliance, and fear. You could question these girls in a court of law. *Exactly which proprietary documents were you removing, Miss Chavez?* They could never answer. (5-6; the added emphases here and in the other quotes are ours.)

3. The Managers

In the middle of the hierarchy, we have the corporate functionaries. Tom Reilly is an executive at Good Pharma, a pharmaceutical company the Chinese siblings spy on. According to his wife – a medical doctor – Reilly’s work at Good Pharma has turned him into an algorithmic extension. He has become ‘a human information processor inside the information structure that was the company’:

Good Pharma manufactured pills and other medical goods, but those were the endpoint results. The company didn't even make the pills, actually. They were jobbed out to for-hire pharmaceutical factories, usually in Puerto Rico or India, increasingly with proprietary manufacturing contracts. The company was a huge matrix of human information processors both running and being run by the information technology. (221)

From the viewpoint of its top management, the pharmaceutical business – namely, the interconnections between production, the healthcare system and the financial market – is a complex network of high-level generalizations, and these generalizations, says Reilly’s wife,

required people like Tom, supersmart human processors who could carry around enormous levels of abstraction, segue among them and choose the proper inputs of information to each and derive the correct output information from each. (221)

In Frank Herbert’s science-fiction *Dune* (1965), artificial intelligence was banned after the global Jihad. It was replaced by the *Mentat*, a supercharged humanoid whose analytical capabilities often exceeded those of its AI predecessors. The corporate executive of our own time resembles this creature:

You had to have a highly compartmentalized mind yet the ability to reach from one compartment to another for a piece of information that was relevant. Tom was like that and had become more so in the years she'd known him, the overall functioning of his brain becoming, arguably, more specialized in the exact manner the company required. Classic nature-nurture feedback. Environment switching on and off genes in real time, which

researchers were starting to understand was possible [. . .] He read faster; she could see it in the morning with the newspaper. Certain of his mental functions were more highly developed. He retained numbers well, perhaps because they had deeper significance. He could articulate better in social settings. He was, in fact, very good with the social aspect of the job, glad-handing prospective investors, showing them a good time, negotiating when the time came. She'd heard him on the phone from home, listened to his voice, and been impressed with the instant affability, the somber tones of judgment – whatever the situation demanded. **But these were not authentic responses**, she'd come to see. (221-222)

Indeed, unlike Herbert's Mentat, Reilly's corporate intelligence was growing more artificial, less human. He lost his flexibility:

[His reactions] were **algorithmic**. Most of the people Tom dealt with were coming to him from a position he understood. He knew more or less what they wanted and why they were talking to him. Under these circumstances, an algorithm of interaction was called for. It was conversation, yes, but not exactly spontaneous human contact filled with discovery and intimacy. [. . .] most of the conversation involved abstractions that were answered with abstractions. The people on the other end of the conversation were working within an algorithm, too. This meant that Tom had very few real conversations. He spoke to dozens of people a day but always within his corporate persona and within the appropriate algorithm. **He was trapped**. (222)

In corporate newspeak, we would say he was no longer able to think 'outside the box'. And that became obvious when Reilly made an error. A big *human* error:

He had misjudged a human being. Maybe it was Martz [the company's principal owner, to who we turn below], maybe it was someone else. The misjudgment was a serious one, full of huge personal and professional risk. This led [his wife] to another thought. Tom was stalling because **he didn't have an algorithm**. He'd never seen the problem before. He didn't know what to do. (222)

4. The Owners

Unlike Reilly, the archetype executive trapped in his corporate-only algorithm, Bill Martz, Good Pharma's ultimate owner, can do as he pleases – or so it seems. He also knows more than everyone below him. He can see the 'invisible hand', simply because this hand belongs not to the market, but to him and his fellow billionaires. He knows how to find the Chinese data thieves and bend them to his own will. And he has some of world's best stock-market riggers ready to invert his huge losses into significant profits.

But he is old, and he is getting older. He sleeps with his trophy wife, but he can do it only with those wonder pills. He feels emptied. He smells his own death:

There was no pill for it, no woman for it, no end of it, no antidote for it – except big action! Making decisions, risking, winning, taking the hit when it came, **feeling the force of money**. Money as wind, fire, stone! Money as beauty, ugliness, and pain! Money as fear and hatred and love! Only with money were his instincts perfect, his reflexes untouched by age, his passion endless. He couldn't explain this and it certainly wasn't admirable, but it was true. (64)

So, he too, the great Bill Martz, was trapped. What he knew, what he owned, the power he possessed, were never enough. His entire being was in the service of capital, and capital – the supreme subject – always demanded more: 'The pressure to make more money never stopped, even for rich men! Especially for rich men!' (16).

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