INTRODUCTION

Speculation has for a long time had the reputation of being an exceptionally unpopular field of study. As early as the eighteenth century, authors eager to win readers were strongly advised against tackling this curious subject and the disgraceful moral squalor embodied in its dry economic transactions.[1] Nevertheless, the Scottish man of letters and journalist Charles Mackay (1814–89) decidedly rejected the notion that accounts of speculation would inevitably bore readers because of their coldness. In his famous book *Extraordinary Popular Delusions and the Madness of Crowds*, Mackay looks at speculation in the context of exceptional outbreaks of speculatory fever, which are of interest precisely because of the moral collapse, deception, and rapid fluctuations in fortune they involved:

> [T]he subject is capable of inspiring as much interest as even a novelist can desire. Is there no warmth in the despair of plundered people? no life and animation in the picture which might be drawn of the woes of hundreds of impoverished and ruined families? of the wealthy of yesterday become the beggars of to-day? . . . of the powerful and influential changed into exiles and outcasts, and the voice of self-reproach and imprecation resounding from every corner of the land? Is it a dull or uninstructive picture to see a whole people shaking suddenly off the trammels of reason, and running wild after a golden vision, refusing obstinately to believe that it is not real, till, like a deluded hind running after an ignis fatuus, they are plunged into a quagmire? (Mackay 1980 [1841–52], 74)

Speculative manias aroused reader interest precisely because they displayed instances of moral collapse, delusion, and rapid fluctuations of fortune. With a pleasant shudder, the reader of *Extraordinary Popular Delusions* observes entire nations making ludicrous speculative spectacles of themselves. Like the British cultural studies demanding a history of the "people" and their culture over a hundred years later, Mackay foregrounds the "people" and their fate—though with a serious gaze, not meant to glorify them.[2]

The spectacularity of speculation captured the attention of popular writers earlier than that of academics. Economics struggled, even at the end of the nineteenth century, to find a vocabulary for speculation that would be properly economic. Speculation itself, however, was already established as a popular economic practice. Not only did trading in securities on the streets overlap with forms of entertainment such as gambling, but a prolific everyday literature devoted to speculation sprang up, variously taking the form of moral treatises warning about the social and psychic consequences of speculation, plays and stories unfolding its melodramatic potential, and stock exchange handbooks explaining this wondrous economic phenomenon.[3]

Financial speculation is situated in a singular network of economic abstraction and popular spectacularity. Not until the nineteenth century was it possible to establish the fledging new modes of speculation as legitimate economic practice (Goux 1997, 2000).[4] It thus became necessary to come up with new economic self-descriptions and external descriptions no longer exclusively based on the discourse of production, exchange, and labor. What was unique was that stock speculation, which converts its economic referents into a play of self-generated signs, abstracts from the "real" values previously considered to underwrite the substance of economic operations. Moreover, it lacks the "warmth" and link to the "people" self-evident in other modes of economic practice, such as work or consumption. The popular enthusiasm displayed for this abstract mode of the economy almost everywhere is thus somewhat astonishing.

This popularity was from the outset by no means unproblematic, since it could impede speculation from establishing itself as a new economic practice. Even where speculation was established, its popularity proved to be simultaneously an opportunity and a hindrance. For with its success, speculation came to occupy a representative function in economic self-descriptions. Speculation represented synecdochically, as it were, the entire economy. This mode of representation became possible because speculation—in its abstractness—came close to economic idealizations of the perfect market. What did it mean, however, when this abstractness itself became a spectacle? The theoretical and historical interest of this book is linked to this relation between abstraction and spectacularity. How was this tension represented discursively at the time? What conceptual struggles arose as a result of it? What discursive techniques were developed to be able to control this tension and perhaps even use it to establish speculation as a field? The "popular" of the economy is read, in this sense, as the terrain on which the "essence" of the economy is decided—a terrain marked by undecidability and boundary conflicts.

These questions have led me to a sociological-historical analysis of the discourse of speculation between 1870 and 1930, primarily in the United States. In the first half of the nineteenth century, speculation occupied a position of little significance in popular culture.[5] However, by the end of the 1920s, it became a constant object of public debates. In this period, an important reconfiguration of economic discourse that challenged the production-centered neoclassical paradigm also took place. At the end of the nineteenth century, stock market speculation was not yet established, and its articulation was heavily contested. Precisely for this reason, a historical-sociological analysis can show how speculation emerged amid fierce debates. Indeed, speculation is still contested today, although contemporary challenges seem like a restaging of earlier critiques.[6] In the America of the late nineteenth and early twentieth centuries, speculation provoked a veritable discursive explosion because it was seen as a form both of economic and noneconomic practice.

However, the chronology of American discourses of speculation cannot be precisely delimited. A number of terminologies, stereotypes, and argumentative strategies emerged long before the period under consideration. For example, criticisms of speculation as deception and fiction are already to be found in Daniel Defoe's writings, in the seventeenth century, and similar arguments surfaced again in American investment magazines after the decline of the so-called new economy of the 1990s. The period investigated here is distinguished from earlier centuries based on how speculation sought to establish itself as a legitimate form of communication. Only at the end of the nineteenth century did theories arise attempting to constitute speculation as economic. Around this time, the issue of the ethics of speculation was supplemented—and even partly replaced—by the question of its "economicity" [*Ökonomizität*]. This discursive economization intensified the tensions between exclusive speculation on Wall Street and popular speculation on Main Street. In the period considered here, speculation came to be seen as the "temper of the age" rather than as a pathology.

After the introduction of the stock ticker machine in 1867, traders no longer had to be physically present on the floor of the stock exchange—a development that allowed stock speculation to greatly expand its scope—and there was a dramatic inclusionary impulse in stock trading after 1900. Although figures from the time are hardly reliable, they suggest how rapidly the number of shareholders grew. The number of direct and indirect shareholders rose from an estimated 4.4 million in 1900 to 26 million in 1932.[7] Following the euphoric speculative boosterism of the 1920s, this growth then came to a temporary stop with the stock market crash in 1929.

Discourses of speculation in America around 1900 invite analysis because of their privileged position in the history of speculation. European and American observers consistently saw the United States as the land of speculation, something that was criticized on both moral and political grounds. This criticism did not, however, change the privileged position of speculation. Risk taking was considered to be intrinsic to a democratic economy, in which anyone prepared to take on risk could eventually become a winner.

This book does not solely restrict itself to the discourse of speculation that developed in the United States. Speculative rationales were not constituted along national lines. Interdiscursive networks ignored national borders, even if discourses of speculation were articulated differently according to region. There were various theories and concepts about American speculation. No single concept of it dominated, but America was seen by all of them as the "nation of speculation."

The popularity of speculation makes it necessary to expand classical scholarly conceptualizations with material from mass culture, conceived of in the widest sense.[8] It is of interest to see how everyday manuals speak of stock market speculation, define financial limits, and articulate economic fears and hopes. The corpus examined here consists of the most important American stock handbooks and introductions, accounts in popular periodicals of how the market functions,[9] and the work of advisers and early psychologists of speculation aiming to depict the ideal speculator.[10] This material makes it possible to identify the challenges to economic inclusion that arose when speculation was established as a legitimate form of economic practice.[11]

This book does not analyze current discourses of speculation, but nonetheless seeks to contribute to a "sociology of the present" through historical analysis. In the Foucauldian sense of a "history of the present," historical material will be confronted with present-day questions, placing this material within a genealogy of *homo oeconomicus* (Vogl 2002) that has seen a particularly striking elaboration of the notion of the "neoliberal" subject.[12] This genealogical perspective aims at providing insight into the complex discursive conditions that allowed the ideal speculator to emerge as a central model of economic subjectivity. Unlike moral critiques directed at economic models of subjectivity, this analysis does not seek to "humanize" the calculating economic subject.[13] Rather, it enquires into the disparate, disputed discursive conditions that go to make up the ideal speculator, who in many respects approximates *homo oeconomicus* and is just as popular and contested a figure.

This line of questioning has far-reaching methodological consequences. Entirely in accord with analyses oriented by conceptual history, I am interested in how distinctions are created and stabilized in thinking and writing about speculation. My interest also extends to the paradoxes such distinctions entail—and to how these paradoxes are neutralized.[14] This approach demands a stronger consideration of textual microstructures than Niklas Luhmann's analysis of semantics does. Representative overviews will be combined with case analyses that focus on passages exemplifying the "popular" of the economy (drawing from and rearticulating the concept of the popular as used by cultural studies, as I explain later). Here, a deconstructive reading is important. Rather than (often prematurely) accepting a hegemonic and preferred meaning as given, I examine the fissures in specific texts where the contingency of governing distinctions becomes clear.[15] From a sociological perspective, such passages are of interest. The complex and often contradictory premises on which apparently "clear" distinctions rest can now be analyzed. While Derridean deconstruction often celebrates such aporias, I try to show how they function in financial apparatuses of inclusion.[16] This effort requires that I not only speak of semantic key distinctions (as Luhmann does), but also of discourses. Luhmannian semantic analyses are best suited for examining how distinctions are established, but the concept of discourse locates them in comprehensive strategies, understood in the sense of "strategies without strategists," which arise as the structural effects of discursive modes of organization that lack an underlying intention.[17]

How to theorize the popular attraction that speculation exerted? It is here that the concept of the popular becomes crucial. One possible conception of the popular—simply along empirical lines—would be based on the number of speculators. Quantitatively measurable growth would then become a criterion for the popularity of speculation. Such a notion, however, would not address the discursive and affective appeal of speculation, and how the figure of the speculator is being made and represented as popular figure. As an alternative to quantitative approaches to the subject of speculation, the concept of the popular is important, since it is interested in representational and communicative strategies.[18] Although this concept has proved to be very useful for analyzing the political construction of social and cultural identities, in its original version, it was not seen as appropriate for analyzing economic processes. In cultural studies, the popular is portrayed as a critical response to the capitalist social order, hence the economy cannot be popular.[19] Cultural studies has always kept the issue of the economy at arm's length. This distancing is expressed either in the form of simple disinterest or, more commonly, in a false respect for the economy. The analytical approaches of cultural studies often perpetuate oversimplified conceptions of capitalism as hegemonic and focus on subversive micropractices directed against capitalist macro-power.[20]

Moreover, these approaches obscure cultural studies' rare engagements with forms of popular capitalism that have not always already decided in favor of the "people," such as Thatcherism. "[T]he left has never understood the capacity of the market to become identified in the minds of the mass of ordinary people, not as fair and decent and socially responsible (that it never was), but as an expansive popular system," Stuart Hall writes (1988, 215).[21] As an "expansive popular system," the market is not opposed to the logic of the popular. The success of Thatcherism, according to Hall, lay in connecting the people to the market, that is, creating a popular attraction of the market: "[Its] strategy has been to align the positive aspiration of people *with* the market and the restoration of the capitalist ethic" (218). In the Thatcherite inclusive apparatus, the idea of freedom was translated from politics into economics in order to appeal to the "little" people.[22]

Of course, the conjunction of the popular and the market have not been limited to Thatcherism. Thomas Frank (2000) coined the term "market populism" to analyze American discourses at the end of the nineteenth century that already saw a mystical force for national unification at work in the market. This market populism reached a high point in the discourses of the so-called new economy in the 1990s. In opposition to political institutions, often seen as corrupt and untransparent, the market was seen as speaking for "the people." It was treated virtually as a grassroots entity, since it was not dependent on the mediating authority of representative democracy. Rather, "the people" could directly express themselves in the language of price, based on what they decided to buy and sell: "Markets expressed the popular will more articulately and more meaningfully than did mere elections. Markets conferred democratic legitimacy; markets were a friend of the little guy; markets brought down the pompous and the snooty; markets gave us what we wanted; markets looked out for our interests" (Frank 2000, xiv). Or, to put it succinctly: "Markets ® Us."

It is not surprising that an analysis of the popularity of the market—or of market populism—has been sharply criticized, and even accused of trivializing the forces of the capitalist market.[23] For some representatives of cultural studies, consolidating the "hegemonic" economic order with popular capitalism can only be provocative. One appears to ennoble the market by granting it a privileged relation to the people. Why should the market be fought against if it has already conquered the hearts and minds of the people and become their voice?

Stuart Hall sees the popularity of the market as a peculiar—and exceptional—conjunction (as, in a certain sense, does Thomas Frank). However, I shall suppose that economic inclusion, like all forms of inclusion, has to use popular strategies and modes of representation. This popular logic often falls out of view when economic inclusion is understood as exclusively led by specific interests or needs. The stock market—a place where one hopes to get "something for nothing"—thus stands for the popular of the economy despite being unintelligibly abstract to laypeople.

The concept of the popular used here should not automatically be seen as subversive. It instead refers to how modes of inclusion in the economic system have been configured—particularly in America around 1900. Around this time, inclusion was deeply contested in emerging forms of the stock market. My approach presupposes that economic inclusion is not accomplished simply through rational calculation. As John Maynard Keynes argued (1973 [1935]), the decision to speculate ultimately cannot be economic, but belongs to an irrational "animal instinct." I would like to take seriously Keynes's suggestion that there is a noneconomic aspect to structuring economic processes of inclusion.

My concept of the popular draws on Luhmann's theory of inclusion. Processes of inclusion are organized in all functional systems through the establishment of the roles of the public and the professionals (Stichweh 1988). For example, it is possible to be included in economic systems as a consumer or producer. Since the concept of inclusion under consideration cannot be reduced to role-theoretical expectations, I address figures of inclusion rather than the public role alone. These figures of inclusion not only represent the universalism of a system but also construct actors as universalistic fictions (cf. Hutter and Teubner 1994).

The speculator is precisely such a figure of inclusion. These figures are—at least in the self-descriptions of functional systems—disposed toward universalism. Each system is, in principle, open to all who have the necessary functional competencies: everyone can become a speculator! The universalism of a specific system is founded on specific functional references and competence profiles. Systems-theoretical analyses often presuppose that this specification derives automatically from the societal function of a particular system. However, the discourses, narratives, and images that flesh out the figure of the speculator can be highly contested. A specific profile of the speculator did not automatically emerge from the function of finance. At a minimum, this profile required that financial resources be available to the speculator: only creditworthiness opened access to finance. In both the United States and Europe, however, intense conceptual struggles arose over the articulation of this minimal profile. The figure of the speculator fluctuated between conflicting modes of inclusion. On the one hand, speculation demanded special competence and thus excluded those who were "unfit" or not educated to speculate. On the other hand, since, on a formal level, speculation required nothing more than access to money, potentially anyone could be included—regardless of his or her professional skills. These fluctuating requirements created standards of professional competence and knowledge for speculation, but also established a disciplinary mechanism that shaped the identity of the speculator. To discuss speculation is to discuss the popularity of speculation. Because nearly anyone can participate in speculation, it threatens to produce an uncontrollable universalism of undisciplined economic subjects.

European discourses of speculation provide many critical examples of excessive inclusivity that invoke a "minimal profile." For example, Max Weber took aim at small speculators "armed with practically nothing beyond good lungs, a little notebook, and a pencil,"[24] whom he portrays unsuited for stock trading, since they lack the fundamental prerequisites, including the capital needed to survive a crisis and knowledge of the market. Stock trading, Weber argued, was above all *not* a profession for small speculators, and he called for competent, well-trained market participants socialized within the strict boundaries of professional speculation. This contrasts with the belief that the participation of numerous small speculators—regardless of their competence—increases the liquidity of the market, expressed in the slogan of the online broker Instinet: "The bigger the crowd, the better the performance" (*Business Week*, 8 January, 2001).

This tension between disciplinary and popular forms of inclusion was already being debated energetically at the beginning of the twentieth century, when border conflicts arose about the definition of a system-specific universality. How far did participant roles have to extend before they compromised the "competence profile" of actors in a given structure, such as the speculator occupying the role of *homo oeconomicus*? To put it another way, what prevented the economicity of speculation from being lost in financial gaming?

Such an analysis of the popular of the economy is interested in how the borders between the stock market audience and its outside are organized—and in how this outside is described. The outside is not arranged in an arbitrary and empirically contingent relation to a particular construction of the audience, but assumes a constitutive function. Since the audience and its figures cannot be fully universalized, the outside articulates the boundaries but also the aim of existing "universalities." In turn, these boundaries identify sites where such universalities can be expanded. My thesis is that the popular can be specified precisely in relation to its outside. The popular (e.g., "market populism" [Frank 2000]), can be formally defined as *the communicative process that distinguishes between the professional audience and its outside*. This process makes it possible to understand better how the popularity of the market can be grasped conceptually. The popular is not simply constituted by specific economic promises (e.g., the promise of equal opportunity), but by excessive universalistic arguments of inclusion. The popular thus plays a central role in constructing a financial audience whose legitimate borders are repeatedly contested. To speak about the popular means to examine the role the noneconomic outside public plays in "audience making" (Ettema and Whitney 1994) for the economy. A discussion of the popular of the economy thus has to analyze how a given universalism is related to its outside. This relation takes different forms. On the one hand, (a) imaginary conceptualizations of the outside serve as a delimiting barrier, and what is external to the audience becomes a *threat scenario* that makes plausible the need to delineate a specific system of universalisms. On the other hand, (b) the external is identified as *potential for inclusion*, and thus as a way to extend universal modes of inclusion.

(a) *The nonaudience as excluded*: The nonaudience initially represents the other that absolutely cannot be included in functional systems. In our case, this other is the "crowd" that cannot be reduced to individual speculators, even through refined technologies of inclusion. Self-descriptions are often fascinated with the nonaudience as imaginaries of their outside. These imaginaries include rhetorics of the crowd, particularly descriptions of female speculators as the virtual embodiment of an impossible subject position (see chapter 6). In a fundamental sense, the outside is understood as unincludable. The nonaudience is not simply another audience subject to inclusionary and disciplinary procedures, but escapes all boundaries (Kristeva 1982, 4). As outside, the nonaudience resists individualization and thus threatens the rationality of a system. This outside circumvents the structure underlying constructs of the audience. An audience distinguishes itself by the individuality of its members—and by the capacity of these members to make individual decisions. In this way, microdiversity is created (Luhmann 1997b). Market fluctuations that become the basis for investment arise only because investors do not make the same decisions about buying and selling. Imaginary conceptualizations of the outside are thus concerned with how deindividualization threatens the structure of the audience. For example, discussion of panic thematizes how individuality dissolves into reciprocal imitation (see chapter 4).

(b) *The potential of the nonaudience for inclusion:* When the nonaudience is designated as potentially includable, it is subordinated to the processes of universalization in a given functional system. These processes expand not only the size of the audience but also its force as a universal figure of inclusion. The audience is understood as expandable by future speculators. In principle, the unincluded can also be included when subject to system-specific criteria of individualization. With the details of the audience yet to come embedded in governmental technologies, in the Foucauldian sense of governmentality, inclusion can be designated as a *problem* requiring treatment by techniques that first allow for the distinction between audience and nonaudience.[25] Communicative attempts to convert the audience yet to come into an audience arise precisely because the outside can be discussed as a problem of inclusion.

> This problem arises in particular for the establishment of new figures of inclusion like that of the speculator. Thus, the gambler is identified as a potential speculator—but as a speculator who has not yet been formed as an economic subject through techniques of discipline and knowledge (see chapter 1).

These two ways to construct the outside of an audience appear mutually to exclude each other. The "outside as rejected" contrasts with the "outside as potential." However, in both cases similar problems of representation emerge. Something has to be represented that exceeds—and delimits—its own universalism. Thus, the same vocabulary (e.g., the discourse of crowds) is often deployed for both representational demands. The crowd becomes material for a utopia of education and inclusion, but also provides the occasion for imaginaries of miscarried inclusionary efforts.

Both cases thus require forms of communication that address an unspecified outside—an outside conceived of either as the potential for or the threat of inclusion. Functional systems cannot rely on their specialized languages alone to this end, but have to adopt forms of communication that make inclusion attractive. This demand comes to the foreground in one of the earliest accounts of popular capitalism—the account Raymond Williams gives, but admittedly does not follow, in *Culture and Society, 1780–1950* (1962).[26]

In a pamphlet titled *A Short View of the Immorality and Profaneness of the English Stage* (1698), Jeremy Collier criticized popularity as "courting the favour of the people by undue practices" (cited in Williams 1986 [1976]). Although Collier disparaged the popular, his conception is more interesting from a communications-theoretical perspective than the essentialization of "the people" prevalent in cultural studies today. Collier offered inclusion not only as an abstract possibility but also as a *seduction*. One could be seduced to inclusion by means of "undue practices"—forms of communication that do not belong to the universalizing tendency of a given system but enable it to expand.

Communication-theoretical analysis of the popular has to engage the "undue practices" extending modes of inclusion in functional systems without corresponding to the "logic" of a given system. Since what is external to the audience (from the perspective of a given functional system) is not adequately individualized, functionally specified modes of communication have to be transgressed. The nonspeculator can only become a speculator by being addressed as a nonspeculator. Otherwise, inclusion can only include the speculator who is already a subject. The advertising slogan "Make your first winning investment now . . . by investing in yourself" embodies the tautology that one already has to be an investor to become an investor, which can only function in the process of inclusion by introducing additional presuppositions.[27] Everyone is presupposed to be a speculator from birth, and life itself is treated as a permanent practice of risk.

Popular means of communication are deployed without satisfying a functional system's claims to differentiation. Two forms of communication allowing the construction of a function-specific audience are *hyperconnectivity* and *affectivity*. Hyperconnectivity means the ability to connect to a large number of different contexts (Stäheli 2000a). In opposition to symbolically generalized media, hyperconnective forms become more connective when they lose specificity. Such forms include the entire ensemble of media relating to theater and staging, as well as techniques of popularization distinguishing between audience and nonaudience in functional systems. Examples include the ways fireworks and mass demonstrations are used in politics, science is staged and popularized in experiments, miracles are used in religion, and mechanisms of suspense are adopted from gambling in the stock market.

In contrast to dramatic assertions that we live in a "simulation society" (Baudrillard), my claim here is not that hyperconnective media have become the dominant form of communication (e.g., the term "casino capitalism" presumes that the potential of the economy is exhausted by gambling). Such exaggeration fails to see how hyperconnective forms *overlap* with communication specific to functional systems. For example, how are moments of gambling embedded in speculation without automatically transforming the economy into a game? Hyperconnective media certainly appear in all functional systems. However, this appearance should be cause neither to celebrate nor to criticize the dissolution of system boundaries. How hyperconnectivity relates to forms of differentiation in a system is ultimately an empirical question. Undoubtedly, popular communication in "unpopular" systems is not free of risk and often leads to boundary conflicts—whether they be about how to determine the legitimate boundaries for a universalistic conception of the audience or about how popular communication relates to a given symbolically generalized medium. The economic character of speculation is left open to attack when finance is transformed into spectacular entertainment—even if liquidity is thus increased (see chapter 1). Popular communication facilitates processes of inclusion and the functioning of a system, but can also produce boundary conflicts. These contradictory effects of popular communication elude theorists of the simulation society, who always dissolve boundary conflicts in favor of an omnipresent logic of staging.

Popular communication is distinguished, not only by hyperconnectivity, but also by *affectivity.*[28] It is important not to reduce the concept of affectivity to a theory of action. Max Weber and Talcott Parsons—whose theories inform much sociological thinking on emotion—conceptualize affectivity as an intentional orientation-guiding action. However, this intentionality is of less interest than the way affect opens up connective forms of communication. The greed of the speculator as a motive is less relevant than the function of "greedy" communication. Affectivity helps to structure communications processes but cannot be reduced to communication.

Like Gilles Deleuze, the Australian media theorist Moira Gatens (1996) regards affectivity as a relational concept that avoids defining affects as properties. Rather, she emphasizes the capacity of affects to move and be moved. Affects like greed, fascination, or overconfidence facilitate—and sometimes even frustrate—inclusion through nonrational processes. Like hyperconnectivity, affectivity can produce boundary conflicts. However, affectivity does not test the boundaries of a determined communication system, but of communication itself. Affectivity can support processes of communication through the activation of bodily resources, in the sense of "symbiotic mechanisms" (Luhmann 1974). However, it can also develop an autonomy that communication can no longer control.[29]

In its supportive role, affective communication may remove the pressures of rational understanding,[30] thus increasing the connectivity of speculative transactions. This effect can be observed in stock market discussion of the experiences of a novice entering the exchange for the first time (Stäheli 2003a). The exchange environment is experienced as pleasurable visual and auditory activity—an experience that increases the probability of connective operations: it is possible to enjoy the traders' cries as exotic precisely because they are not understandable. In turn, one is invited to acquire the techniques that will decode those cries. The production of affectivity is not primarily linked to informational content, but rather to the media that disseminate communication. Thus, for analyzing universal figures like *homo oeconomicus*, one has to take an interest in the "affective media" (Parisi and Terranova 2001, 125) employed in processes of inclusion. These media display a curious power to fascinate.

Fascination has scarcely been elaborated on a theoretical level as a social and cultural category, aside from some observations by Maurice Blanchot (1982).[31] This is not the place to rectify that shortcoming. Nonetheless, I do not want to abandon the category, since it captures a layer of events that eludes models of inclusion exclusively fixed on processes of meaning. What fascinates is not determined information, but rather communicative media exerting their own attractive force. For example, the ticker tape, on which the latest stock prices were printed in nearly real-time, and the ticker-tape machine themselves became objects of fascination (see chapter 7). A fusion of medium and individual takes place here, while the subjectivity of the latter is temporarily suspended. The pleasure of the popular can be grasped in this singular process of desubjectification: "Pleasure can just as well be linked to the destruction of identification and objectification, to the undermining of subjective stability" (Shaviro 1993, 43). Contrary to psychoanalytic doctrines of identification and sociological role theories, the popular unfolds its force, not only through the identification with a popular figure, but rather through desubjectification—through the experience of difference. The affectivity excluded from successfully constructed audiences remains present as desubjectified outside. Speculation feeds on this desubjectification—for example, in gambling—by making it enjoyable.

The tension that interests us here comes into view if we conceive of the popular as a category that surpasses—but always refers to—specific modes of communication within functional systems. For the popularity belonging to speculation is now neither quantitatively dissolved nor exposed as ideological deception, but rather analyzable as an ambivalence produced in the economy. Thus, it is necessary, not simply to relativize the seriousness and the spectacle of speculation as arbitrary perspectives, but to think of their specific interplay. The relation of the economy to the popular is anything but simply an empirical coincidence. The popular is inscribed deeply in the functioning of the economic system. My starting point is that the economy must produce its own popular side in order to function, but simultaneously acquires a number of problems that it must endlessly engage. As the border conflicts and processes of inclusion in popular capitalism indicate, its role cannot be determined by an economic analysis of popular culture. Nor will the representation of speculation in popular culture be foregrounded here. Representations of the economy in popular media like newspapers and stories will indeed be of interest. However, this interest will always concern the functioning of the economy—the question of what representational forms the conflicts and dramas of the popular assume and how these forms are intertwined with modes of inclusion in the economic system. The popular in the economy, then, is not an external force that directs itself as an anti-capitalist movement against hegemonic economic structures. Rather, the popular is a constitutive element of and for the functioning of the financial system.[32]

The popular is conceptualized as excessive and thereby becomes a border concept producing its own outside—whether by exceeding universalist discourse, thereby losing the ability to distinguish between the economically oriented speculator and the gambler, by inflating speculative communication, or by celebrating monetary contingency transformed into an object of entertainment. In all these cases, the popular does not stem from the outside, but works as if it had an external position: as the gambler who must be excluded, as affectivity to be controlled and extinguished, or as "artificial" contingency that must be separated from "real" economic contingency. In order to think this internal outside of functional systems, the popular will be deployed here as a distinction that plays a central role in regulating apparatuses of inclusion.

My analysis of discourses of speculation is divided into three thematic constellations: *game and speculation*, *crowds,* and *media*. The three parts do not follow a strict chronology, but present the popular of the economy from different perspectives. The communication-theoretical perspective emphasizes the struggles to divide "serious" economic and "popular" gambling communication. The inclusion-theoretical perspective focuses on the relation between the individual speculator and the market as described in terms of crowds. The media-theoretical perspective deals with the ambivalence of the ticker as a medium of dissemination.

The first part (*gambling and speculation*) traces the vehement struggles surrounding the distinction—indiscernible to the layperson at the time—between speculative operations and games of chance. The conflicts examined in this part are not internal to the economy, but what makes speculation economic is at stake. My interest is in how speculation handles its own entertaining nature—that is, in both the means it uses to become a "serious" economic operation and the ways in which economic contingency becomes entertainment.

The second part (*crowds*) is likewise dedicated to conceptual struggles, in particular those arising over the construction of an ideal audience for speculation. As an object of representation, speculation may have lacked interest for some authors; but it nonetheless developed a peculiar allure that threatened established notions of an economic audience. To observers, speculation was not only economic communication in a narrow sense but a spectacle that could powerfully affect an audience—whether through a "culture of contingency" or the pleasure of feverish imagination. This allure led to the objection, in self-descriptions of finance, that many speculators lacked competence. Starting in the second half of the nineteenth century, the discourse of the crowd was thus increasingly employed to describe market participants. Around 1900, this trajectory reached a high point in discussion of speculation informed by crowd psychology—a debate that the contrarian school transformed into a philosophy of investment. I seek to discover how the language of inclusion was shaped by disciplinary mechanisms and processes of individualization.

The final part (*media*) examines the media driving inclusionary processes, which are seldom discussed, although only they can account for the affective force exerted by modes of inclusion. The stock market ticker—whose history has long been neglected—serves as the nexus of two narratives. On the one hand, the ticker was a successful medium of dissemination. Anyone with access to a ticker could receive stock prices in nearly real time. In this sense, access to stock market communication was expanded to a hitherto unimagined degree. On the other hand, as an object of wonder, the ticker itself became an affectively charged medium. I discuss how these two developments supplemented—but also impeded—each other.

In all three parts, I am interested in cases in which the popular has operated as both a challenge and a threat, whether the popular of the economy was seen as problematic or even as something that it was impossible fully to get rid of in speculation. "Spectacular speculation" was spoken of long ago as the curious procedure making "serious" speculation primarily a popular and entertaining phenomenon. Along with the concept of the popular, this spectacle of speculation is taken seriously in this book. This implies two aspects: the popular of the financial economy is certainly not simply a contingent empirical exteriority that could have been avoided. At the same time, the spectacularity of speculation is not generalized as a placeholder for a lost reality. In both cases, the very difference to be developed here in the concept of the popular would be lost.