Pre-emptive Value

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This article begins from the assumption that neoliberal economies de-emphasise use value and exchange value in favour of modes of valuation related to risk and uncertainty. One effect of this is to leave individuals constantly exposed to an always uncertain future which can only be apparently mitigated through 'joining' or being 'assigned to' particular categories of the population (for example, 'home-owner'). However, given that risk necessarily re-imparts uncertainty, any such assignment, with the aim of reducing risk, is only ever provisional and temporary. To clarify this, the paper will consider the interplay of limit and threshold in Deleuze and Guattari's work, whilst also suggesting that property is becoming displaced by contracts. Through this latter arrangement, value is dependent upon, and increasingly articulated as, the attempt to constantly outrun uncertainty before it re-appears once more. As such, this paper will argue that a workable definition of value could be: 'value is the current assertion of what value will be'.

Since the economic crash of 2008 has not led to the collapse of the capitalist system, the question of just what capitalism is, and how it functions, has received renewed interest. Arguably, one thing has become clear: that whilst the crash has had a range of often catastrophic socio-political consequences, economies themselves have been able to adapt their functioning to the new realities with remarkable ease. Negative socio-political consequences do not mean negative economic consequences; and, more to the point, it is obvious that negative socio-political consequences can have advantageous economic results—at least for certain sections of the population.[1]

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[1] See Naomi Klein, *The Shock Doctrine* (Penguin 2008).

In light of this, the question of value continues to be a pressing one. I mean by this the question of what value is, how it arises, and what impact it has on the organisation and governance of human life. Clearly, these are big questions, and there is no space here to address them adequately.[2] Instead, I will restrict myself to thinking through certain effects of the following proposition: value comes from the future.[3] The point is, of course, an obvious one: once finance becomes the dominant activity in an economy, then the generation of value in the present becomes indexed to a discursive and speculative regime as to what value will be in the future. If so, then a sort of temporal short circuit takes effect, where present and future begin to pass through each other with ever-increasing rapidity.[4]

Despite the fact that the question of value is no longer determined through the presentation of more material factors (such as labour time or physical scarcity), it might seem that something like finance should be restricted to the realm of signs and calculations, with little meaning for life in the material world. Of course, this is not the case, and it is particularly clear that it is not the case when one considers something as physical and unavoidable as space; or, more to the point, land. In post-crash England, the conjunction of two things has helped to make land a more desirable alternative to investments in shares and bonds: the construction and promotion, from the 1980s onwards, of the so-called 'property ladder' as a means to promote a competitive market in residential properties; and the overhaul of land registration which, in 2003, saw an entrenchment of the conceptual logic of proprietorship due to registration rather than possession, and which therefore made

[2] Anthropologist David Graeber is noticeable for tackling the question of value, both in *Towards an Anthropological Theory of Value* (Palgrave Macmillan 2002) and more recently *Debt: The First 5,000 Years* (Melville House 2014); Also of importance here is the work on enrichment undertaken by Luc Botanski and Arnaud Esquerre: *Enrichissement* (Gallimard 2017).

[3] See Mary Mellor's investigation of how money functions, with particular reference to the future, in *The Future of Money* (Pluto Press 2010); for a more general account of the growing significance of the future as both a tool of governance and as a present existential condition, see Nathan Moore, *The Decision: Artisans in a Time of Control* (FUP, forthcoming).

[4] For an account, and critique, of the condition of acceleration, see the work of Paul Virilio, in particular *Speed and Politics* (Mark Polizzotti tr, Semiotext(e) 1986).

owning land without occupying it a much less risky proposition than it had been previously.

The practice of 'buy to leave', which has flourished in the past seven years or so, serves as a useful illustration of economic activity that became possible because of this conjunction of the ideology of the property ladder with registration. At this point a well-known phenomenon, buy to leave is the practice of purchasing estates in residential land, so as to leave the land unoccupied whilst the capital value of the estate increases. London's *Evening Standard* newspaper has been a frequent and vocal opponent of the growth of buy to leave investments in London, presenting these as a significant factor in putting purchase of an estate beyond the means of the average Londoner. For example, on 21st October 2015 it reported,

> The stampede of investment has been blamed for pushing property prices beyond Londoners' reach and in some cases has been linked with money laundering and tax evasion. Two-thirds of the purchases were made by companies registered in just four 'British' tax havens—Jersey, Guernsey, the Isle of Man and the British Virgin Islands, according to the Land Registry data obtained by Private Eye magazine through freedom of information requests.

This point finds support in a report published by Civitas in the previous year, *Finding Shelter*.[5] Highlighting the extent to which 'prime property' purchases were being made to overseas buyers, it stated that

> [London's] property has become, first and foremost, a 'global reserve currency'. The property market is no longer about people making a long-term investment in owning their shelter, but a place for the world's richest people to park their money at an annualized rate of return of around 10%.

The extent of the problem is such that a number of local authorities see a need to take steps to dis-incentivise the practice of

[5] <http://www.civitas.org.uk/pdf/FindingShelter.pdf> accessed November 2017 (pages 5-6).

buy to leave, at the forefront of which stands Islington Borough Council. The council requires developers and purchasers of new build residential property to undertake a s 106[6] obligation that the property will be occupied and used for residential purposes. In particular, such properties should not be left vacant for longer than three months and, if they are, then fines can be imposed.[7]

In early 2016 Graham Norwood, writing in *The Financial Times*, pointed out that the full extent of buy to leave is difficult to gauge, but two things were underscored in his account: that buy to leave is most commonly used in relation to more 'high end' residential properties, where the capital gain is of course more likely to yield a higher return than 'lower end' properties for purchasers; and that a slowing down of England's property market does not (yet) seem to be a major consideration for those practicing buy to leave. The latter point is explained by the relevant comparator; because the property is being purchased as an investment, the relevant comparator is not house prices generally, but the value of alternative potential investments: 'buy-to-leave purchasers appear more concerned by plummeting oil prices and falling Chinese growth, according to those who help them find London investment properties.'[8] The first point, about 'high end' property, is significant because it suggests that developers will be more likely to build for that particular market so as to realise the most substantial return on their (i.e. the developer's) investment; the use of off-plan sales seems to confirm this point. This in turn adds to the ever-shrinking pool of available 'affordable' housing for those keen to become owner-occupiers.

If we ask, as a response to this, where the value generated by buy to leave investment comes from, the answer is obvious: the scarcity of the asset invested in. Such scarcity arises from two factors: the desire for the asset which, with the usual tragic overtones, not only fuels its scarcity but also then intensifies the desire for it; and

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[6] Town and Country Planning Act 1990.

[7] More information on Islington's 'wasted housing policy' can be found at <https://www.islington.gov.uk/planning/planningpol/pol_supplement/prevent-wasted-housing> accessed November 2017.

[8] <https://www.ft.com/content/6954f798-cb2c-11e5-a8ef-ea66e967dd44> accessed November 2017.

the physical scarcity of properties appropriate for investments of this kind. Like many such investments, the decision is made in the present to invest in it with the expectation that it will be worth more in the future. The primary thing here is not that the investment provides an income stream, but that it will be a safe haven for money now and in the future. We might say that the desirability of buy to leave is premised upon the expectation that, in the future, there will be more scarcity. If so, it becomes immediately obvious that the detrimental socio-political fall-out of the scarcity of residential property is not simply an unfortunate side effect, but an essential motor for the generation of (future) value through something like buy to leave. We might even go so far as to say that, to facilitate this, it is not a question of producing less, but rather of producing more of what is *not needed*. The seemingly paradoxical situation is that developers of high end residential property are, in fact, producing scarcity. How has this come to be acceptable?

In one sense, the production of scarcity can be read as an historically continuous process, inasmuch as the absorption, expenditure, and/or sacrifice of potential surpluses has been necessary to maintain the *status quo* of any given society. This point, of course, was made by Georges Bataille in his study of economy and sovereignty, *The Accursed Share*.[9] It was subsequently picked up in Deleuze and Guattari's *Anti-Oedipus* as 'anti-production'.[10] However, at the core of such a reading is the question of what we mean by 'surplus value': is surplus the production of too much, of more than is necessary for subsistence, making it necessary to absorb such surpluses in sacrifice or profit? Or is it a matter of producing, first and foremost, these surpluses as the very basis for socio-economic activity, so that what counts as 'subsistence', or the production of survival, can be measured off and defined *in relation to surpluses*? In *Anti-Oedipus*, it is the latter question which is taken to get to the heart of things.[11]

The significance of this point is that value, under a capitalist regime, is not rooted in material facts, such as labour time or

[9] Georges Bataille, *The Accursed Share* (Robert Hurley tr, Zone 1991).

[10] Robert Hurley *et al.* tr, U Minn P 1983. See Chapter 3 in particular.

[11] ibid

physical scarcity, but instead derives from discursive regimes through which it becomes possible to *see* value and to *speak of it*. Nevertheless it is possible, even within capitalism, to discern two tendencies at work: one that, through ritual, constantly re-inaugurates value as connected to some physical object (whether human or thing); and another that seeks to mitigate the physical object, and thereby disconnect value from humans and things. In the latter case, value becomes referable only to itself and this, I wish to maintain, is the condition of pre-emptive value: present value is referable only to its future value (or, indeed, its future scarcity). This is not to say that the latter tendency successfully erases its object, but that it functions through a discursive regime that actively seeks, and claims, to do so.

To clarify these points let's begin by considering the first tendency, where it is necessary to connect value to some object. If we follow the Bataillean-Deleuzeo-Guattarian line, the connection to some object is necessary so that this object can be *wasted* in some way: hoarded so as to be put out of circulation; or expended in some wasteful gesture; or made a gift of; or, indeed, sacrificed or allowed to die. Through such methods surplus value can be produced and, by reference to it, the 'normal' standard of survival defined. For us in the West, the most contemporary means of attaching value to some object is, of course, money, by which I mean (in this context) notes and coins. This is, perhaps, of pertinence, given that physical money now seems to be in decline—because one thing that such a decline brings to the forefront is the question of just what money is. If this is a difficult question to answer, it is because money only ever manifests, as a physical thing, through the simultaneous erasure of itself: notes and coins are money, but they are not the money's value. Money is only ever the representative of value, thereby standing in for value (being substituted for it) and, in this, it does no more than stand in for itself.

Lacan's reading of Poe's *The Purloined Letter* is well known, being the letter that is only in place when it is out of place.[12] However, the better reference here might be Michel Serres' 'quasi-object' which, like the purloined letter, is constantly out of place but

[12] Jacques Lacan, *Ecrits* (Bruce Fink tr, W&W Norton 2007).

which is also—and this is emphasised by Serres—constantly in circulation.[13] By circulating, the quasi-object weaves together a community of those through whose hands it passes, and it is important that it does not stay in any one pair of hands for too long[14]—to do so means that a surplus will become evident. Such a surplus, we might surmise, would be a surplus of too much discursiveness, as if the thing in circulation were to become overburdened by the disparity between its object-ness on the one hand, and what is said about it on the other, as it becomes increasingly stationary. Without continuous movement, the quasi-object (e.g. money) would be revealed as too obviously representing nothing but itself, as something both present *and* absent. Of course, the opposite opinion that value is not a matter of circulation but of intrinsic worth is not unknown—John Locke, for one, considered it crucial that the representative value of coins should match their inherent, material value, in terms of the amount of precious metal they contained[15]—but the impossibility of ever achieving this in any practical sense underscores the fact that money never coincides with its own value, *and only ever stands in for itself*.

To say this—that money stands in for itself—is to say no more than that money is debt.[16] Debt is not a physical thing but a relation; nevertheless, such a relation is material in its effects. This distinction between physical and material indicates the complexity of how something like money works and feeds into, I believe, the long philosophical investigation of the relation between things and words. Without being able to justify it here,[17] it seems to me that one way in which discursive regimes produce material effects is by linking such discursive performances to physical things. If so, something like money is functionally necessary (or at least convenient) for certain types of discursive practice. More to the point, the discursive link to

[13] Michel Serres, *The Parasite* (Lawrence R. Schehr tr, U Minn P 2007).

[14] ibid

[15] Constantine George Caffentzis, *Clipped Coins—Abused Words and Civil Government* (Autonomedia 1990).

[16] See Mellor (n 3) and Graeber, *Debt* (n 2).

[17] In my forthcoming book *The Decision*, I do discuss the relations between words and things in the context of assemblages, drawing upon the work of Foucault, Deleuze and Guattari, Agamben, Esposito and Flusser.

something physical helps to make such discursiveness *persuasive*, by producing something that stands in for, and represents, the discursive relation of (crudely) addressor and addressee.

In terms of money, there are two elements in play: on one side is the credo, the faith in debt and credit, by which it is possible to communicate that this thing or relation has value; exactly, it is the *crediting* of a thing or relation with value. Following Bataille in particular, this is a system of sacrifice, inasmuch as it sets up a system of substitutions where values are not made equitable, but they are assigned magnitudes. Values there are never equal to one another; they are only ever bigger or smaller than each other and, in this, it becomes possible to sacrifice one for another, the smaller for the larger. This can be considered as an almost magical aspect to sacrifice, whereby the lesser is made qualitatively equivalent to the larger, and so is able to stand in for (be sacrificed for) the latter. If we can believe in the latter, it is because other values have been sacrificed on their (and our) behalf. Differences and substitutions between such values, we might say, are *intensive*.

But this magical act is not enough so,[18] on the other side, there is the thing that represents these sacrifices and substitutions; this is the thing that circulates and, in so doing, also legislates. By 'legislates', I mean that the circulation of the physical representative creates a normative system of circulation—it cannot circulate in just any old way, because this would be nothing more than contingency or chaos. Rather, a ritualistic and predictive manner of circulation has to be established so that actions can become extrinsically differentiated and, through such differentiation, meaningfully compared. The differences on this side are *extensive*, being equitable to each other, even if only as ratios, allowing for exchange rather

[18] Agamben's recent work on what he calls the ontological machine explains why the magical side, by itself, is insufficient: magic gives authority but it does not justify actions. Instead, an apparatus is required that can hold together, simultaneously and non-dialectically, being (magic) and action (legislation) as two disjunctive, but necessary, functions. See *The Use of Bodies* (Adam Kotsko tr, Stanford UP 2016). Also relevant is the 'Apparatus of Capture' chapter of Deleuze and Guattari's *A Thousand Plateaus* (Brian Massumi tr, U Minn P 1987).

than (sacrificial) substitution. These two sides are being and action[19] or, for the purposes of this example, value and money.

That a thing *is* value goes to the very root of the social constitution that recognises that value; in this, it would seem original and originating because all that can be said of it is—and this is the magical moment that binds the community—'of course it is valuable'. This value cannot be explained, it can only be jointly recognised. But, in this, it only *seems* to be at the origin; that it is not at the origin is shown by the ritualistic repetition that re-inaugurates it time and again: its value is not self-evident, having to be repeatedly attributed to it in a slip from 'it *is* valuable' to 'it *has* value'. The origin is, after all, in the middle of things. Nevertheless, it is a middle that is constantly projected into a past: the past from which the current community emerged and developed, giving a certain value as repeated tradition.[20] If so, money serves a relatively predictable representation of what value is, to the extent that it is exchanged and desired as if it *is* valuable. The link to a circulating and physical thing allows for the elision between *is* valuable and *has* value to occur.

If so, what has value is that which guarantees continuity. Continuity here means the diminution and limitation of uncertainty and contingency: what has value is predictability. To make the cycle repeat as it should it is necessary to appease the gods; for things to unfold naturally and beneficially, as they should, a large amount of intervention is required; it takes a lot of work to make things look natural. It takes a lot of work for everyone to be able to say, 'yes, of course this thing is valuable', whether we are talking about gold bars, the institution of marriage, shares in IBM, or a more prosperous future for our children. The important thing about value is that this work has to be hidden behind something: rare metal, registration,

[19] ibid

[20] The radical impulse is often to proclaim that the true nature of the origin has become distorted through time, and that we must return to the purity of this first, true value; e.g. from constituted to constituent. Such a move also occurs always in the middle.

certification, economic growth;[21] this is the magic through which value *is*.

Deleuze and Guattari pick up on a certain strand of economic thinking when it comes to the question of making values comparable[22] and, in so doing, provide a useful clarification of the way in which value works as a predictable and repetitive continuity.[23] For them, values are initially equated at a specific point, the zero degree from which all subsequent comparisons are to be worked out. This specific point is the *limit*, the degree at which any increase in the production and/or circulation of a particular thing would cause a radical transformation of the society in question. For example, the point at which the production of seeds, beyond the amount necessary for the subsistence of the community, would lead to the hoarding and accumulation of this excess, demanding a wholly new internal economy as to how such seeds are dealt with which would, in turn, lead to a transformation of the community itself.[24] If so it is an excess because it cannot be absorbed without the community in question being radically transformed; incidentally, it is also only from this point of excess that it is possible to determine what is 'normal', as the amount necessary for the basic repetition of the community in question.[25] A radical transformation would be the

[21] I would argue for all of these examples being *physical*, in which case the inclusion of something like 'economic growth' might understandably cause raised eyebrows. However, even a physical thing such as gold does not have its value 'in' it, indicating that the physicality is not the same as the value itself. Instead, 'physical' should perhaps be understood as something like an obstacle, that serves as a break upon, or limit to, the human ability to desire, plan, and imagine. It is this physical limiting that then makes such a thing suitable as a representative of value. By contrast, I would then argue for materiality as something more propulsive, which does not block but rather propels an action or engagement. In other words, I would assign physicality as a function of being, and materiality as a function of action.

[22] *A Thousand Plateaus* (n 18).

[23] The relationship between repetition and continuity should be clarified because repetition is, after all, *discontinuous*. Continuity would then be the promotion of only a seeming continuity, at the expense of the break implicit to repetition; more precisely, continuity would be the magic of an 'of course' standing in for the more volatile being of difference. For more on this, see Gilles Deleuze, *Difference and Repetition* (Paul Patton tr, Columbia UP 1995).

[24] (n 18).

[25] Following on from (n 23) above, the normal level of functioning, to produce what passes as subsistence or survival in a given community, is only so because it can

revenge of surplus value, as a return of an excess that must be otherwise dissipated, wasted, or unproductively used up if things are to remain the same.

In Deleuze and Guattari's account, it is trade that marks this limit: an excess is avoided by trading it. More to the point, the valuation of this excess, that makes it capable of being so exchanged, occurs by reference to another such excess: the point at which two different commodities become equivalent is the point at which both, independently, would otherwise threaten an excessive transformation.[26] In keeping with Deleuze and Guattari's more general point about the primacy of surplus value, the normal, subsistence value of the things in question is then worked out from this moment of excess. What this underscores is that what has value in such an arrangement is the ritualistic repetition (and consequent *seeming* continuity) of the community in question, through the dissipation of an excess that would otherwise threaten it but which also, at the same time, grounds it, by making a normative system see-able and say-able.

Unsurprisingly, all of this points to a fundamental instability in both the being of value, and in the activity by which it circulates. Consequently, the excessive degree does not occur simply at a limit point, or on a border, but is immanent to the functioning of the community as a whole. The limit is not a special or exceptional case, but is in fact the normal functioning of the conjunction of value and thing. This makes it impossible to determine which comes first (being/value or action/thing), as both are constantly passing through each other. In a slightly more sophisticated example than that of the exchange of seeds and axes in Deleuze and Guattari's account,[27] we can consider how this instability can transform the thing itself, as well as the human relationships which exist in reference to that thing. As an example, the well-known property law case of *Tulk v*

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successfully conceal the discontinuities upon which it depends. The point of un-absorbable excess is the degree at which the discontinuity becomes evident and, consequently, transformative (for better or worse).

[26] Deleuze and Guattari give the example of seeds traded for axes: see (n 18).

[27] ibid

Moxhay[28] is indicative of how it is possible for some valuable thing to ramify itself.

In *Tulk*, a case from 1848 regarding Leicester Square in London, an agreement between a seller and purchaser of land that the purchaser would not use the land for certain purposes, nor build on it, was held to be enforceable against a third party purchaser of the estate. Clearly, this was a contractual agreement as between the two original parties, but its subsequent enforcement against the later purchaser meant that a subtle shift occurred, through which the original *in personam* obligation took on aspects of an *in rem* one. Through this process a chain of events was set in motion which would lead, through subsequent case law,[29] to the creation of a new type of property where none existed before, today known as a restrictive covenant. This is not a question of the courts *discovering* a new type of property, but of them creating this new property by extracting it, as a surplus, from what property was thought to be up until that point. This new property was created in the same process by which it was extracted, as if the parasite had given birth to its own host. The combination of estate (value) and land (thing) is thus not immune from further manipulation and transformation, as a new feature of the estate is extracted (restrictive covenants) and made operative across at least two such estates (as a burden and benefit), and—more to the point—becomes a valuable thing in its own right as a consequence.[30]

There is obviously a host of interesting socio-economic factors at play in such a development, but for my purposes what is important is the extraction of a new property from the abstract concept of title, which places certain limits on what an owner of one of these abstract titles (i.e. freehold) can do, physically, on the relevant land itself. More prosaically, it illustrates the containment of a potential excess in terms of an otherwise unbridled power to use

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[28] (1848) 2 Ph 774.

[29] See *Austerberry v Oldham Corporation* (1885) 29 Ch D 750, *London CC v Allen* [1914] 3 KB 642 and *Rhone v Stephens* [1994] 2 AC 310.

[30] For example, see *Wrotham Park Estates v Parkside Homes* [1974] 1 WLR 798 where the cost of breaching a restrictive covenant was assessable as the reasonable price that could be charged for a licence to carry out the activity prohibited by the covenant.

one's land in any way that one sees fit.[31] This cuts across both sides of the process: a physical thing (land) is made valuable through the construction of abstract titles (e.g. freehold), which in turn have a value dependent upon the specific physicality of the land in question, but which are also capable of generating other property rights which, in turn, impact upon just what that physicality can be.

As well as instigating the emergence of 'a new thing', the *Tulk* case also highlights how relationships between humans can be determined by such things: the third party purchaser took the land subject to an agreement in which he had played no part. Following on from above, this shift from *in personam* to *in rem* highlights the ever shifting relationship between what exists as contract and what as property; in *Tulk* a contract about a thing (the freehold) itself became a thing with proprietary effect. However, it is worth noting here that this development took time, condensing through a number of consecutive judicial decisions. It is not without significance that the development and recognition of new properties in land, which develop out of initially contractual agreements, have traditionally taken time to coalesce. This can be thought of as a controlled process for dealing with excess—in the case of land, what might be thought of as excessive acts of ownership[32]—which, through time, give the effect of continuity, albeit one extracted from a series of discontinuities.

However, the fate of restrictive covenants seems far removed from a practice such as buy to leave, and this brings us on to the second capitalistic tendency referred to earlier on. With something such as buy to leave, the specificity of the physical thing has an

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[31] Of course, tort provides significant restrictions on how land might be used, but this within a highly specific regime. The development of restrictive covenants were understood as allowing for a sort of private planning law, that could be more specific and flexible than the legal provisions otherwise available. Today, perhaps a good example of a contentious, and arguably excessive, use of freehold ownership is the practice of the 'super-rich' building extensive basements under their properties in Kensington, Chelsea, etc.

[32] This is not to say, of course, that all such excesses are finally admitted—many are rejected almost out of hand. See, for example, the argued for 'easement of protection from the weather' in *Phipps v Pears* [1965] 1 QB 76; for a more ambiguous proprietary status, consider inchoate equities arising by, for example, estoppel, and the effect of Land Registration Act 2002, s 116.

extremely attenuated function, inasmuch as the use of the land, for occupation, building, resource extraction, etc. has no significant role to play. The physicality of the land is only significant in terms of its location and, more to the point, how that physicality then contributes to rendering that particular location evermore scarce. In an important sense, the physical thing underpinning the value is inverted, being taken out of circulation and, through this, contributing to an expected increase in the value of the relevant estate. In such cases, the most important aspect of physicality is its inaccessibility, which then contributes to a longer term production of scarcity. The crucial moment is the effective disappearance of the physical thing, so that value can become more directly referable to its own (future) self. This marks an important shift, because it points to the new dominance of a mode of value creation where the connection to a physical thing is minimised for the purposes of circulation or, even, dispensed with altogether: the title becomes valuable because the linked physical thing has been completely withdrawn.

If we return to Deleuze and Guattari's account, we should understand this withdrawal of the physical thing as a crossing of the limit. For Deleuze and Guattari, the limit was only ever the *penultimate* point; beyond this, the ultimate point is that of the threshold.[33] In this play of limit and threshold, the temporal collapse of present and future becomes evident: once one has crossed the limit, it is already too late to turn back; events will have been set in motion which will inevitably cause fundamental transformations in the community concerned, and crossing the threshold has become inevitable. This highlights the functional relativity of a surplus or excess: beyond the limit, the excess is no longer seen or said as excessive, but becomes a process of transformation. At the core of this is a loosening of continuity and predictability: the transformative process is, inherently, unpredictable. The question then is: how does this new riskiness impact on value? As is obvious—even before 2008—volatility can be a profound source of value in its own right, but the condition for this is that, precisely, the link to any circulating and community building thing must be minimised or, if possible, completely dispensed with. Such values arise in that space between

[33] (n 18).

the limit and threshold, being a space of uncertainty, shock, disaster, and impending catastrophe—relatively speaking, of course. Such values can be thought of as a seemingly paradoxical formula, as a 'pure' relationality without any specific terms being in any actual relation to each other.[34] This is the zone between limit and threshold and, whereas the previous practice of linking to a thing ultimately served to place limits upon the potential of value, this interzone allows for an emancipation of such potentials by shifting value from debt to risk.

Once past the limit, the value of certainty diminishes. A certainty will not generate future value; rather, being certain seems to neutralise the value producing capacity of the future. Instead, there must be a risk of loss, of scarcity and, even, of disaster, if future derived value is to be generated here, in the present. The sense of disaster or catastrophe derives from a speeding up of relations, no longer seeking to establish predictability in a slow move from *in personam* to *in rem*, but ramifying through a proliferation of accelerated *in personam* relationships. Primarily, this is a discursive and communicative regime, being one that works by cultivating faith and belief, no matter how fleeting, in the likelihood, or not, of a future loss and/or gain. Consequently, when this faith is being encouraged relative to something like land, it is not a question of making land disappear into irrelevancy, but of altering what makes it relevant; precisely, faith and belief are now dependent upon the *production* of scarcity: if an estate is to become valuable in the future, it is necessary that land is withdrawn, making it uncertain whether there will be somewhere to live, to go, or simply *to be* in the future. Rights in action are coming to dominate rights in possession.

However, before developing this point, it is worth considering what this means for how we think of city. By city, I do not mean simply urban sprawl or infrastructure, but the *idea(s)* of city, of what it *means* for humans to live together. The significance of such a question will hopefully be readily apparent: the idea of humans together has traditionally meant the idea of humans together *in some place*. The interplay of contract and property has historically

[34] Such relationality is a common theme in Deleuze's work. See, for example, the discussion of the formula *dy/dx* in *Difference and Repetition* (n 23).

developed and adapted to changes in the idea(s) of what it means to be together in place; but a shift to the prioritisation of contractual relations, over and above proprietary ones, undermines the spatial aspect of human togetherness, [35] and re-arranges it into new formations. As a starting point, it is interesting to note that Plato's *Laws*,[36] in which he sets out his plan for the ideal city, can be read as a plan for dealing with the prevention of excess or surplus in the city community: limitations on the number of families constitutive of the city, limitations upon how much value they are able to hold, limitations on governing structures, and so on, are all meant to prevent the city from ever reaching its threshold. Instead, the city is to be located, optimally, at the limit as the furthest point it can go without beginning to transform into something else.

More recently, the Western interest in, and even passion for, the city evident from the end of the 19th century onwards [37] highlights a set of functions that are by now well known to us: the city is a place of self-invention and fashioning; the city is a place for encountering difference; the city is the acceleration of life; the city is stimulation and over-stimulation; the city is indifference and danger; the city is surprising; the city is a threat and a promise. Perhaps it is enough to say that the city *devoured*. But what did it devour, exactly? The only answer, I think, is that it devoured quasi-objects, bodies and things, but not without also demanding their replacement, the substitution of bodies and things by more bodies and things. There is something, of course, sacrificial about the city; but the point is that the city, in this light, is (but increasingly perhaps, only *was*) a great ferment of quasi-objects. In it, one encounters bodies and things, not always sure of the intentions, possibilities, and limitations of these bodies and things. Consequently, cities are always re-inaugurating themselves, and a new surplus-value is always possible, so that

[35] I realise that this sounds a little bit new age-y, but I do not mean, by reference to human togetherness, to suggest some sort of universal accord or happy harmony. In many ways, just the opposite: how has human togetherness been possible in the face of discord, strife, and hatred? An obvious reference here is the question of immunity: see Roberto Esposito, *Communitas* (Timothy C Campbell tr, Stanford UP) and *Immunitas* (Zakiya Hanafi tr, Polity Press 2011).

[36] (Penguin 1970).

[37] For example, see the work of writers such as Charles Baudelaire and Walter Benjamin on Paris.

something might be added to the situation, deriving from, and articulated as, the circulation of objects: money yes, but also the streets and places of experience and encounter, the studios and factories of production, the nightclubs, bars, and halls of new urban musics, the private spaces of refuge and victimisation, and so on.

For both good and bad, the city is *there*; yet, following the above account, the status of its continued being-there is open to question. Perhaps it is too trite to say that, today, the circulation of quasi-objects, often ambivalent and dangerous, is being displaced by the individual clutching their smart phone. One must never pass on one's smart phone, it's not for circulation. The smart phone is not of the city, but is of the cloud, this cloud being the fantasy of a pure virtuality, of a software without hardware, where there is no circulation or exchange, but only interfaces. If so, the city cannot remain what it has been; it becomes a place of navigation rather than encounter, a place to be archived and uploaded rather than experienced, and it presents only inputs, meaning that things become inputs to be entered into the smart phones and devices. The smart phone is the beginning of the end of the quasi-object. If that is so, what happens to value once it no longer operates in tandem with the circulation of things? Connected to this, why do so many people continue to flock to cities? Perhaps the latter can be answered simply: devices need inputs, and something needs to go into the various social media. However, that is not quite sufficient, because it is not as if all of this only happened because of the availability of smart phones. So what else? What happens when the limit is crossed, and value becomes hermetically virtual? This is the question, of course, of financialisation. The key point of financialisation, it seems, is acceleration. Prediction, being first, foreseeing, risking, securitising, leveraging, shorting, and so on, are all technologies of speed; and these speeds of financialisation are now far greater in their magnitude than the speeds at which quasi-objects—people and things—can circulate. If value were to remain tied to quasi-objects, financialisation could not occur. Therefore, it is financialisation that has brought about the beginning of the end of the quasi-object; the smart phone is just a consequence of what financialisation demands: constant (and pre-emptive) communication, in which there is no time for the materiality and thing-ness of property to emerge.

In the example mentioned above, *Tulk v Moxhay*, private, contractual relations take on the aspect of property by becoming enforceable by, and against, individuals who were not the original parties to the contract. Enforceability becomes, instead, a matter of ownership (for want of a better word). *Tulk* is an example of putting land into circulation, as quasi-object, whilst making the point that land, as property, is potentially divisible without end: a new surplus-value—a new type of property—always remains potentially extractible. Between circulation and potential, land as thing is a quasi-object that binds through its circulating. But financialisation requires a new question to be posed: what happens if there is no longer time for contract to become property? What happens if one's contractual liabilities are merely packaged up with other such liabilities, to form portfolios from which tranches can be contractually bought and sold? If property circulates, securitisation displaces, through chains of contracts, and as rapidly as possible so that, precisely, the 'original parties' are in fact immunised against their own liabilities. This is why I say that the chose in possession is becoming secondary to the chose in action. If so, it is clearly no longer a question of living in property, but of investing in it; of trying to preserve what you are contractually entitled to whilst displacing what you contractually owe. Maximise the return.

The last thing that is wanted here is certainty; certainty does not produce income for, as any fool knows, low risk is low yield. Is it wrong to speculate that the risk of living in the city has been completely drawn off in favour of the risk of investing in it? What would this mean? In the first place, that the predictability of circulation has been de-valorised: it is no longer enough to reach a limit, dissipate surplus-value, and repeat. Surplus-value itself has become out-moded because finance is not interested in actually extracting it; all that counts with finance is the *possibility of extraction*, whether this is expressed as being potentially in the red or in the black: loss or gain doesn't really mean anything to its operation, because a loss is only ever relative, a contingent effect depending upon the processes of uncertainty being utilised. It is in this sense that finance deals in pre-emptive values; that is, mobile contractual relations as to the likely value of some asset or commodity in the future. Importantly, such assets and commodities are not dealt with in isolation, but are constantly re-combined with others such as themselves, in portfolios.[38] We can easily understand a portfolio as being the spreading of risks across a range of different investments; but here, it is something more: it is the de-materialisation of each asset in favour of its constantly modulating relationality. At one instant, it off-sets this asset, at another, this one, then it is supporting another asset, and so on. A portfolio is an apparatus of pre-emption, that draws the future off and makes it operative now, in the present.

Value is then no longer a ritual, but a set of continuously morphing functions and algorithms that respond to the uncertainties of a future that they themselves are projecting. This is, in a sense, a sort of enclosure or mass privatisation of how it is that things become valuable; except that, nothing has been enclosed or taken into private ownership. Instead, value has simply been de-linked from what stands in for it: money, for example, or the quasi-object more generally—now, you can even pay with your smart phone. This value is the manipulation of data regarding what data will be, encouraging a sort of pseudo-minimalism seeking to jettison all of the objects from our lives, and to keep what we need in clouds; as the English courts recently confirmed in *Your Response v Datateam* [2014],[39] lacking an object, data is not something that can be taken into possession.

The growing dominance of contract over property is a necessary feature of de-objectifying. Now, contracts produce ever more contracts, through outsourcing, insurance, derivatives, and so on, all of which are designed to prevent—for as long as possible—any performative obligation from ever arising: it's as if contracts, *as a whole,* were becoming irredeemably executory. In place of performance, another contract displacing performance. We have seen the consequence when this sort of approach is applied to mortgage securitisation. Clearly, this is not a peripheral matter, and the never-ending chain of contracts goes to the very heart of the emergent forms of value to be found in fintech. Blockchain[40] is, after all,

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38 Ivan Ascher, *Portfolio Society* (Zone 2016).

39 [2014] EWCA Civ 281.

40 Don Tapscott and Alex Tapscott, *Blockchain Revolution* (Portfolio Penguin 2016).

nothing more than a record of such contractual 'postponements' as the basis for a new faith and credo that finally realises the dream of total surveillance, total transparency, and total verification. It allows assessment at a glance, detailing as it does a sealed and approved history, of both bodies and things, such that there can be no doubt as to their true worth and their true ownership. Blockchain does not bind by circulating, but deposits bodies and things in an immoveable place, tagging them for all time with the truth of where they have been, what they have been, what they have believed, and so on.[41] It cures the problem of statistics by replacing the substitutions of the one and the mass with a massification of the one, a category especially for the single individual, unique to them, a data-double from which they will never escape: dividuality or, a blockchain monad.

Blockchain offers us a constantly updating, mobile history of ourselves, which will fix our identities and guarantee us our applicable rights. It will become ridiculous to speak of 'inalienable' rights: precisely, the constant displacement of rights and obligations is how it becomes valuable, as each contract is added to all of the preceding ones. It would be naïve to read this as being concerned to guarantee the past; rather, it simply opens up new strategies for exploiting the future.[42] If so, the city becomes increasingly irrelevant as the place of human encounter. Being in the city also becomes increasingly irrelevant and, in this irrelevance, difficult to defend or justify. Instead, the need to preserve city spaces as refuges for investment, as sites for consumer opportunities, and as settings for electronically archived experiences will, correspondingly, become all the easier to insist upon. In other words, one's very presence in the city will depend upon justification: presence will be a matter of having a right of access, an accredited purpose, conformable to the protocols of the blockchain, something that exists even now in embryonic form in those surveillance protocols that look for unusual

[41] More accurately, in the context of so-called 'smart contracts', the blockchain can facilitate an almost immediate execution of the contract so as to make the updated blockchain 'available' for yet more contracting activity. As such, the discrete contract occurs in a smooth space of interminable contracting, making the distinction between 'executory' and 'executed' ever more irrelevant (ibid).

[42] See, for example: <https://www.deribit.com/main#/futures?tab=BTC-24NOV17> accessed November 2017.

movements or trajectories and, on the basis of which, the presence of the individual can be called into question. The post-9/11 emphasis upon security is, in this regard, something of a smokescreen.

To conclude, financialised subjectivity is one that is breaking free from objects: it individualises through endless chains of contractual relating, and encourages entrepreneurship as the means by which one can strive to immunise oneself against one's own contractual obligations. To be owed but not to owe is now the only dream or passion worth entertaining. It is the triumph of techno-libertarianism over any democratic impulse. The irony, of course, is that the object has not gone anywhere, so what needs to be represented now, what is valuable now for those commoners subsisting outside of finance, is the denigration of the object: the object that denies its own object-ness; as if the land were not land, but a source of income generation for the future. More to the point, there is also a denigration of the city in play here, meaning that it, the city, is no longer the space of bodies, the collection of humans who must, in their co-existence, take up space together, but instead simply the place from which, it is hoped, the space of the body might be overcome once and for all, made irrelevant in the constantly malleable texture of cities now become nothing more than 'technical images'.[43] If one recalls the early science fiction of William Gibson, who coined the term 'cyberspace', that fiction described a virtual world, made of signs, protocols, and algorithms, that one entered through a head set and manipulated with a keyboard; but maybe the only difference is that this virtual world, cyberspace, is not in our computers, but is now in the world itself, in our cities. The smart phone doesn't mediate the world or signify the city to us; it interfaces the world, overlays it, and suggests that it, the city, isn't there at all. Buy or leave.

[43] Vilém Flusser, *Into the Universe of Technical Images* (Nancy Ann Roth tr, U Minn P 2011).