

Gerald Nestler

## **Derivative Narrative**

*The Global Market Is a Medium and Apparatus, and Creates Derivatives\**

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## **Derivative Action**

*The business of society is business.*—Leslie Sklair<sup>1</sup>

Like a biofilm in which microorganisms exist, the globalizing economy forms a paradigmatic field of existence, an “econofilm” as it were, in which individuals are embedded. Body and society are increasingly defined economically, as “business” corporations that act globally, that is, above and beyond political bodies like states, as utilizable social forms, from the listed stock company to the now integrated individual beings of individual business initiatives. To guarantee this embedding in the “econociety”—as I would like to call this upcoming global “association of others” and which is specified below—the project of a global economy and of companies is not nearly capable of accepting a person truly as an individual being, or society as a political project, despite declarations to the contrary. They cannot afford to do so if they take their self-preservation in the econofilm seriously.

Today, individuality is not so much consumed through philosophy and art, but via branding and marketing that celebrate “individuality-lite” in adaptive rites. The human being inscribes herself derivatively in the system, or, is registered or inscribes aspects of herself as competencies in this system. She exchanges freedom for degrees of freedom, her presence in the present against her future as a resource. The colonial claim upon others is now also made against herself; colonization becomes self-colonization. The minority of those who (can) refuse these social forms must reckon with decisive resistance and the possibility of losing their right to codetermination (ability to compete).

The individual becomes a bet: she bets on herself in that she constantly defines herself as

a project and a corporate enterprise, and also as a bet for others to make, for her relationships are concluded by way of competencies and narratives of achievement. Background noises are erased as foreign narratives in acts of self-censorship. Contracts treat adaptability to the future as a resource. Since the reality that counts is generated in situations of competition, there are far more people than realities that will prove profitable. The pseudo-autonomous byproduct “human derivative” becomes simply and easily replaceable; she herself insures the ease of her removal from the econofilm. Responsibility as a duty has no “self” that accepts this responsibility as a free choice, and in which a possible failure is included. Responsibility without choice is the mental state of war.

Property as a right of creation and exploitation is abandoned, intellectual property rights are ceded. Service provision—the German term here *Dienstleistung* is strikingly reminiscent of feudal rule—becomes the standard of new, “free” commodity exchange. This applies to both company employees and freelancers alike. Precarious life and work situations dominate in the unfocussed margins. The osmotic skins of the econofilm can be found in the face of fractal approaches to most places: precarization is one of the principles that manages the force, the duty of derivatization, it is perhaps its most convincing incentive. If individuals become derivatives of their economic exploitation, they become goods, commodities, and contracts in the paradigmatic (value) system of the economy—risk capital that can be speculated upon. The subject becomes an option, a bet on itself, involving a serious loss of time: her value decreases more and more as the option “adaptive human resource” becomes due, while the risk probability rises in relationship to the capital potential. The more people are placed as derivatives, and flow-rate and basic frequency rise, the lower the volatility, and the process is carried out all the more flexibly, without any disturbance or background noise. The beta factor (market risk figure) of human risk in comparison to other factors becomes valued and calculable, at least in part. Entire industries emerge that are financed through the development, networking, placement, valuation, exploitation, and replacement of human derivatives (and constitute themselves out of human derivatives.)

As Michel Foucault put it, “Individuals do not simply circulate in those networks; they are in a position to both submit to and exercise this power. They are never the insert or consenting targets of power; they are always its relays. In other words, power passes through individuals. It is not applied to them.”<sup>2</sup> Our behaviour is not defined by alienation or distantiation, but quite the contrary—derivatization is characterized by constant inclusion, the recurrent and controlling association of all participants.

## Deep Throat

*Self-representation as acts of self-colonisation*

“One must—and this is not an exaggeration—keep in mind that we are living in the atomic age, where everything material and physical could disappear from one day to another, to be replaced by nothing but the ultimate abstraction imaginable,” Yves Klein once said. In the subatomic age, which has not replaced the nuclear age but refined it, everything disappears into the most extreme conceivable realization. Abstraction, still kept afloat, is being transferred to the economic production of value by the scientific and cultural realization of molecular, atomic, and subatomic dimensions. The visible material world does not disappear in the abstraction of the nuclear explosion; it is realized in the colonization of the “invisible” dimensions being discovered, promoted, produced, and marketed in a process of translation of a magnitude previously unknown, to then be inserted into the (re)production budget of human satisfaction.

Atoms, molecules, genes, etc. are codes that we are increasingly able to understand, manipulate, and exploit. The basic exchangeability of their elements and their transference to new patterns of information is now infecting humanity as well. The flow of codes as l'information pour l'information is complemented by uses; the freedom of information feeds to a new desire, postulates the law of a new creativity that allows for the decoding and recoding of all patterns.  $10^{27}$  molecules in almost 100,000 different forms make up the minimal portion of the world that selectively reads what it is: man in all his aspects—from gene sequences and chains of molecules, from anatomy and external appearance, to individual, intellectual, and cultural identifications—becomes part of these catalogues of patterns that penetrate into all layers of depth.

The decoding of evolutionary patterns of DNA, genes, molecules, etc. brings them into a higher sequenced resolution and integrates them into the economic chain of value, making them economic claims and models of competition. These claims are set in motion, fed into the global flow of economic exploitation, and outfitted with dams to “protect” them from further distribution and expansion before they are directed towards the consumer with a specific goal in mind. Molecules, genes, plants, pigs, prescriptions, techniques ... monopolies and imperfect competition are aspired to as regulative organs, whether through patents, contracts, branding, or other methods.

Step by step, we are developing weapons to split atoms, molecules, and genes; untiringly we chase prey that is ultimately ourselves. With the atomization of material, energy, and organization, human beings themselves are also atomized, becoming part of a coded

network on the hunt for themselves. We map not just a communicative project of relations, but are ourselves a part of this network, define ourselves by it—represent it. In the course of decoding, we map and exploit ourselves under the definitional power of the economy that packs these findings into units, transferring these findings to be satisfied by the monetary norm of markets. This network in which the person is actor, consumer, and prey, in which she colonizes herself, creating her own relations and patterns of identification derivatively—that is, derivatives that project themselves economically—bets on future time and resources. The hedonic compliance with (self-)consumption is satisfactory and pacifying at the same time. The individual as resource and enzyme of the economic “metabolism” integrates herself of her own accord in the econociety and valorizes herself through self-colonization. The person in this world is absurd as an (indivisible) individual, for she is in every case divisible [the German term here for case, “Fall”, is used not only in reference to Wittgenstein but as a wordplay to “falling (through)” and “being trapped”].

### **Human Derivatives**

The new type of worker is an entrepreneur capable of schooling herself during the production process and finding new ideas as part of a team to make things run more smoothly. Industry not only learned technological control methods from cybernetics, but also psychological control methods: the former worker operates alone or in a team as an autopoietic system that can also autonomously generate surplus value from itself, meeting and optimizing demands for the self-defined project to be identified. In addition, they fulfill something emphasized by Maturana and Verela: that organisms take in substances from their surroundings, but transform them immediately into useable constructive elements, while those substances that are of no significance for the self-reproduction of an organism are so-to-speak ignored by the organism.<sup>3</sup> Things then run smoothly in the econofilm. Like the cytoplasm of a single-cell organism that allows for a complex division of labor, individual capacities, competencies, resources, and energies fuse to become wealth potential. The economic-monetary hegemonic claim to creativity and self-production as an affirmative value realization does not really lead to original positions that can trigger a liberation from “self-imposed immaturity [*Unmündigkeit*]”<sup>4</sup> and similar “enlightened” developments.

André Gorz<sup>5</sup> argued that we are currently in a phase of capitalist development when capital is struggling to find new opportunities for investment and value-creation. He speaks of 500 billion dollars, profits that constantly revolve around the globe and hardly can find a market niche in the highly productive countries. As Gorz suggests, they can no longer

successfully make money with money alone, meaning that capitalism's capacity for reproduction is truly at an end. But big business has realized that if it were possible to create value from the living knowledge of humanity itself, fantastic profits could be made. Information workers are people who have fun inventing things together. And according to Gorz, they could get rebellious, leave the constraining system of capitalism, and with their knowledge build up an alternative society beyond the money economy: the agent that can break through this system is so-called human capital, humanity's creative and productive capacities, to the extent that they rebel against the domination of capital. In other words, in leaving a derivative existence in the econosociety people are not products of certain degrees of freedom but emblems of a freedom that defines itself.

### **Derivative Field**

*We used to think our future was in the stars. Now we know it's in our genes.* —James Watson<sup>6</sup>

The space of derivatives is a coordinate system of defined acts that is professionally and (according to scientific criteria and studies) variably occupied to generate information, communication, and transparency—real and virtual. The modes of behavior in a corporate culture are transferred to the social networking of human life and to its relations of distance and intimacy. The space between people is explored, defined, tested, and implemented. Access and participation controls are developed and installed. The mathematic method of mapping non-spaces is a synonym for function and functioning. On the basis of Friedrich Kittler's interpretation of McLuhan's statement that a medium's message is always another medium, in the information and functions of psychological mappings we can make out an industrialization of more than space: through psychology as a productive power, man in space becomes a machine in a transparent instead of an open context, in an "unliberated" mobility and manageability. It is not the space that humanity creates for herself—the craft of finding a place in the social body as a democratic program of education—that is realized within this urban architecture. The person as a spatial machine is by way of the time quota given logistical access to resources of all kinds; the removal of "blockages" is designed to increase productivity. In so doing, psychology becomes a hard science that in a solution-oriented way embeds behavior and life of human systems in the production space and disciplines them. "The scope of our activity stretches from the optimal location for bank machines to the provision of personal distance zones ... to the design of living space," writes the architectural psychologist Ralf Zeuge. "Architectural psychology proscribes what reality defines: rapid social transformation."<sup>7</sup>

Productivity must approximate consumption. The leisure industry, for example, offers recreational opportunities that do not serve the purpose of subjective and social

realization—a deepening and expanding of all human aspects—but are part of an overall solution that integrates human resources in the production process in a new way. Human capital is subject to the interests of the econosociety to the extent that this subjection is expected to be undertaken voluntarily, of one's own accord and as a good example. Leisure serves work, identifies itself with it, and gives it a positive connotation. Sports are an appropriate means to this end, for here selective concentration, the removal of perceptual distraction, time pressure, conditioning, and communal experience is fulfilled in a way not unlike labor. The formal structure results in rankings, statistics of evaluation that are increasingly becoming a criterion in other areas as well—even in the world of art, where rankings on global and national levels define the degree of acceptance based on commercial categories of success. Up until that point, art was hardly useful for this, even as culture in only a limited sense, for it generates capacities that do not necessarily support the notion of competition. This can still be read off the amount of money spent by private companies on sponsoring: in Germany, for example, 2.5 billion euros are spent on sport sponsorship each year, while 300 million are spent on the entire cultural realm. The expectations here could hardly be expressed any more clearly.

This is currently changing now that soft skills are becoming ever more important in order to achieve a competitive advantage as the derivativization of human resources is moving more and more into focus. Bearers of culture gain in importance when for example high culture as a great achievement causes new storms of excitement, as shown by the renaissance of opera. That's something familiar; it allows for the overdue rejection of a more intimate knowledge of former bourgeois canons. This achievement is valuable because of its utilizability and embedding in current notions of cultural and social production due to the development of sports events into mega-events. The bourgeois returns in a modernized, economically freed variant as “gentrified pop.” Exploitation is made enjoyable through unifying qualities that promote a team mentality. In high-powered capitalist aspirations towards wealth as happiness, *fraternité* finally joins *égalité* and *liberté* in a dynamic bourgeois society that defines itself globally.

## **Decollage**

The surrealists' longing to walk through the mirror over to the other side to a bipolar existence, to proceed into the brain, the great phantasm, and make it the habitat for our desire to flow, become fluid, infinite, transparent, translucent, electrical, foamed up like polymers, gushes in a version of technological capitalism and cybernetic science. Here, persons are transmitters and receivers of the phantasm at the same time: active

perambulators and navigators, as well as perambulated, controlled colonizers and colonized in one.

Colonization is neither a matter of the past nor “just” the geopolitical exploitation of people and resources returning in a different form. I presume, it exists also on another level, “beneath” the visual, in us and in the world. Increasingly, it dominates or subjects the dimensions of invisible materiality to its domination. The “dwellers” of these worlds: genes, molecules, atoms, elementary particles, etc. until now outside all forms of culture, beyond any nuance of value, are viewed, ordered, valued, formed, packed, patented, and produced—regardless of where they find themselves, regardless of what affects them. As production units and norms, they order our world system from the bottom up, fragmenting every body into its individual components, synchronizing value-free qualities and value-free exchange.

This form of colonization takes place at no one location, has no history; its paths of transport penetrate everything and everyone. The atomization of production runs in its (own) direction, still far from itself. All things larger than it are miniaturized, studied, classified, defragmented, and introduced into the cycle of production to reach the next layer of microcolonial reality. The phantasm of invisibly filled space, infinite, generable time is the utopia of technological capitalism. Here, it is constantly reinventing itself, herein lies the econociety’s program and its promise. From the computer and telecommunication via the new economy to biotechnology and nanotechnology, the business cycles of the stock markets run into endlessly marginal spaces, out from the central perspective of the “normal world” of earth dwellers through the mirror, where the gaze of the eye cannot follow; there, not another sensate world is waiting, but the measures of its composition as well as dissolution.

### **From Plus Ultra to Plus Endo**

The look that we are accustomed to giving—and that shapes us as a key “machine code” of our cultural and existential *programming*—this gaze is turned outward toward an expanse of a balanced horizon that for some time (mathematically described in 1436 by Alberti) has been defined in terms of centralized perspective, and since around the same time (Copernicus in 1509, published in 1543) out into the cosmic expanse of the planets, the stars, the galaxies.

The direction of our gaze also today tends to be outward, but now it is an inner outside.

We live in a deformed surrealism of the gaze that looks from the outside in. The wind has turned from *Plus Ultra* to *Plus Endo*. In a capriole of this perspective that is not gradual, we develop ourselves in the microcosmos. We gaze beyond the horizon of the eye; we project ourselves inward, until projection is achieved through technologies of visualization and sequencing; we project with the gaze of our eyes our projection into this world and appropriate it for ourselves. Another dimension, and not just a different direction, defines the navigation.

### **Opaque Perspectives**

The economy functions here according to the principles of a perspective of significance as dominated the feudal art of the Middle Ages. Here, space is not surveyed and made recognizable, but significance is fixed and presented—a milestone perspective that can surely not see the way as the goal, a quarterly perspective that arranges, shifts, and interchanges the figures according to their significance.

“The relocation of transcendence to the horizontal first made Utopia possible,” Peter Sloterdijk writes,<sup>8</sup> that is, in the turn from the perspective of significance to the centralized perspective of terrestrial space topoi were anchored in terms of an economy of desire. In the quarters of the capitalist perspective of significance, spatial distance melts fundamentally and technically to temporal elementary particles that in a kind of core of melting utopian potentials are to explode directly in profits and gains and have to prove their value in the tableaux of stock prices, business plans, and insurance benefits; otherwise, these real existing profit expectations result in price losses, at worst, and, back in central perspective, in the tragedy of failure, of bankruptcy, the loss of existence as utopias of disappointing islands.

The individual as a subject, as a person is dissolved in this maelstrom, eroded—not in an act of obliteration, but in a derivation. The concept of the person no longer belongs to the individual alone. The company as a juridical person lies above the individual; the taxonomy changes. The development of these derivative processors as human or corporate agents is not just facilitated, but also first made possible by the interpretation of the Fourteenth Amendment to the American constitution. This amendment was intended to guarantee freedom for the former slaves, and protect them from those who once held unlimited power over them. In an 1886 decision of the US Supreme Court, this was expanded to include companies, making them persons before the law—a decision that would be rich in consequences, and despite numerous protests it was never again put up for disposition.



What the Fourteenth Amendment brought to those for whom it was originally intended—the formerly enslaved African American population—is another question altogether.

### **Derivative Aesthetics**

The dualism of subject-object is not abolished here. It is the fuel for consumption. It merges in the derivative and burns to ornaments as its visual artefacts. Brands prescribe the narratives and thus animate us to ornamentation—improvisation in adorning ourselves—which they then sell as subjective and creative acts of communication, thus opening new resources. From this, series and loops are generated in which fashions are again picked up, embedded in brand configurations, derived. Belonging, sympathies, social position, etc. can be grasped at a single glance. Sexually connoted star ornaments are offered as patterns that communicate performatively as a pool of resources for the derivative community, developed as a product. These individual, attractive incentives, celebrated as profit-realized options for a self-regulated system conformity, pass on the current controlling check to the community. The digital system of on and off finds its trigger equivalent in the buy/do not buy switch of derivative individuals in urban and virtual space.

Only those who can get up the energy to become a derivative processor are able to master the communicative process, be it a global corporation, a state organization, or an open formation of early-capitalist subject forms—lone individuals. If, according to Luhmann, communication creates society, it is important to master communication in its key aspects. Required for this is less a humanistic concept of the subject and the mastering of styles, but a meta subject and/or metasubjects that are as free of human qualities and noise as far as possible, but nonetheless are open to human resources as „aspects of personality.“ Since communication in part (still) takes place between people, people are required as functioning elements and codes to undergo internal exchange and secure them—while communication also gets defined (with an ever greater emphasis on the aspect of „securing“ them). The derivative can become a brand and thus generate individuality as a mass phenomenon.

Knowledge as a private matter, even private pleasure is valueless, if not thoughtless, asocial, since not available for any economic exploitation. Only when it becomes private capital—a directed ability, a factor in competition—does it gain justification, begin to live, and generate capital. If it generates “interest“ in the financial sense, and thus capital profit for interested investors, it can participate in the hegemonic game of self-valuation. This is true also of informal knowledge, that is, the knowledge that we maintain of one another,

how we interpret behaviour, how we speak, etc. “Additional training“ in this arena is something that involves individual professions, like the increasing numbers of coaches, and entire industries, like the service industry and the skills industry, which also include schools and universities.

Reality is limited in supply. The battle for attention is an indication of this, as well as an indication of a derivative life attitude in which fantasy becomes a consumer product and consumer service with built-in interactivity. Creativity is currently the hip word for current exploitation. Exploitation that one can and should enjoy: there is a whole lot of convincing being done on all channels available.

### **Cool Victim**

After escapes from the established modes of going public in the 1990s, art as a space of free creativity now finds itself again in an increasingly precarious situation, reflecting social developments as a whole. The flip side of the precarization of many innovative practices and potentials is exhibited by the art market that is undergoing a boom and making enormous sales. According to a report of the New York Times, the large brokerages—not including banks, hedge funds, and other investment corporations—spent 21.5 billion for incentives on Wall Street in 2006, in London’s City 13.1 billion. Art and culture are said to take third place as investment channels for these sums, with millions of dollars of new money pouring into the art market. Money made to a significant degree not by choice—a purchase decision—but betting—loss and gain.

In this spectacle, art takes on the role of a past, marking a contrast to its earlier task and role as “future” as avant-garde. The subject that in today’s economic avant-garde is mutating to a self-colonizing derivative in a state of constant and aggressive readiness to adapt to new necessities and parameters has spun around, is charged, and docks magnetically into an economic base value. Not every subject core can take this rotation without getting “seasick.” Certain images need to be fixed to lend the spin an apparent core of stability. Art is one image-providing technique that as a cultural underlying instrument plays the role of a lost world and thus summons a past, instead of being an avatar—to again use a term that is both old and new—for the future world. In an atopic present, “retro” is highly valued. Art here becomes standardisable and thus marketable, capitalizable—a subject commodity and subject exchange. It fulfils on the one hand the essential recreational demand for a globalized and virtualized *econociety* and inscribes itself as an image bearer, both decoration and bet in the investment portfolio of elite

private expenditures, as the potential of new ornament creation. The role of the artist is here paradigmatically that of the subject, the subjective view—a priceless tag that comes at comparatively little costs. In a still bourgeois notion of art, the artist fulfils the glamorous role of a “cool victim,” spectacularly staged. To what extent are we today not at the end of history, but at the end of the future, in shuttle loops of economic value certificates? This might be a question worth discussing.

## **De-Sync Editing**

By accumulating power and control, companies find themselves in an area in which they take positions and carry out processes that were formerly assigned to public areas that constituted the realm of the political. The agora is a company, the company is the agora. Potentials of change can thus only be found within the economy’s logic of value-creation. Every code is in a certain sense a concentration, a siting. It is not a simulation, but the formulation of information, an embodiment of a meaning, an instruction and fixation that is defined and can be found again. It thus makes sense to me to on the one hand inscribe oneself within corporations, make use of them, make them public, and on the other hand to carry out “automation” (in the Greek sense of accident, chance) in such a way that economically directed information is subversively “automated” to deform the control authorities whose use is set to “random” to dry out the *econofilm*.

The “West” is today no longer a thoroughly imperialist society (it is worth reading Edward Said’s findings about the unquestioned imperialist way of thinking in particular among those artists, academics, etc. who considered themselves open-minded innovators<sup>9</sup>), it is in its fissures itself part of the imperialist logic, allowing for global counter-publicity—forms of action and cooperation, so to speak global intensive communication. For in these flowing taxonomies, the “us against them” is in principle abandoned. Increasingly, we find ourselves in a confrontation, an engagement and a drifting between feudal and open structures, systems of control, and emergent self-referential, self-organizing groups.

“Know-why” as a process of research, finding, structuring, and discussing as well as deciding and/or judging as cooperative processes (in part to define and determine the actually required know how) is a basis for those who do not derivatively inscribe themselves in the logic of value-creation and who do not catalyse and determine the globalizing capitalism as if they were “macro-enzymes.” Resolution—as determination and resolving capacity—is the ability to see through, to distinguish between different dimensions and layers and to focus. We need to become fluent in adjusting our resolution

as if it were our language. The models that make sense after the symbolic death of the solely use-oriented *homo oeconomicus* operate not by way of competition, but cooperation. Bringing people together, we might localize ourselves globally. If, as Foucault says, the power goes through us, we should try to deconstruct power, to adapt and implement and resist the temptation to delegate power consumptive as derivatives.



\* All the narratives in this imaginary drawing, camouflaged as text, are fictional. Any similarities to persons, services, images, and processes are neither coincidental nor unintentional. Conclusions can thus be seen as derivative of their fundamental constructs.

#### Notes

1 Leslie Sklair, *The Transnational Capitalist Class*. London, 2001. p. 26.

2 Michel Foucault, "Society Must Be Defended": *Lectures at the College de France, 1975-1976*, trans. David Macey, New York, Picador, 2003, p. 29.

3 <http://de.wikipedia.org/wiki/Autopoiesis>

4 Immanuel Kant, "Beantwortung der Frage: Was ist Aufklärung?," in: W. Weischedel (ed.), *Werke in zehn Bänden*, Vol. 9, Frankfurt am Main. 1968 (1983). p. 53.

5 André Gorz, *Immatériel: Connaissance, valeur et capital*, Paris, Editions Galilée, 2003.

6 Quoted in *Time Magazine*, "The Gene Hunt" , by Leon Jaroff, March 20, 1989

7 Die Presse, Immobilienbeilage. September 9, 2006. p.11.

8 Peter Sloterdijk, *Im Weltinnenraum des Kapitals*, Frankfurt am Main, 2005. p. 125.

9 Edward W. Said, *Culture and Imperialism*. New York, 1994.