

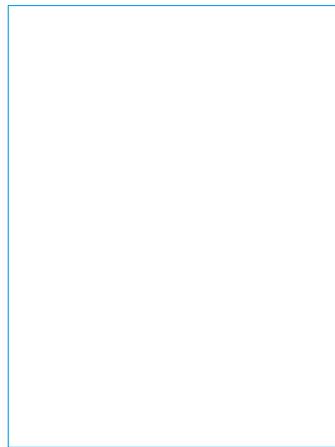
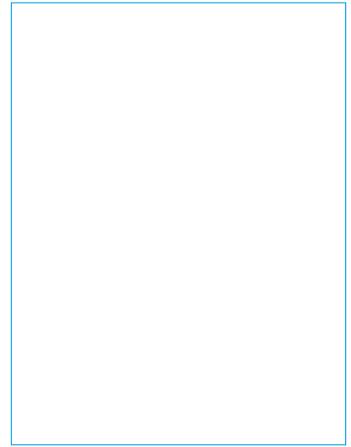
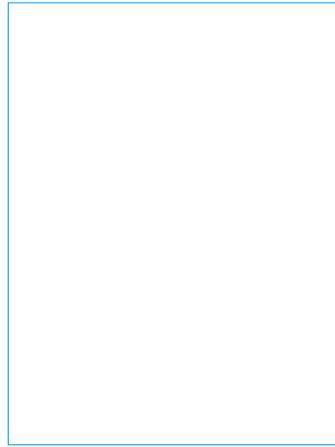
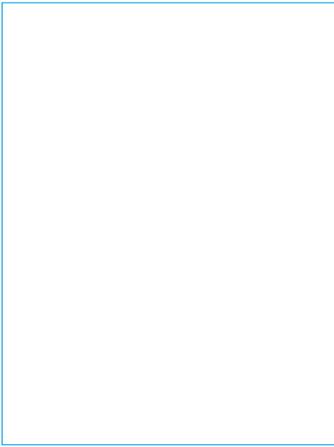
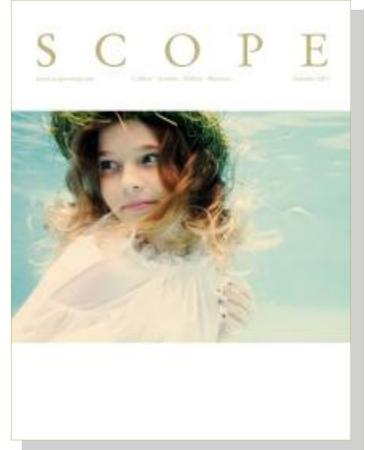
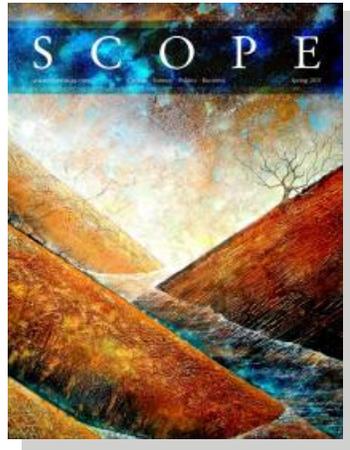
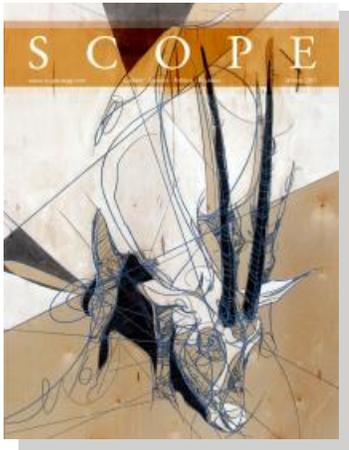
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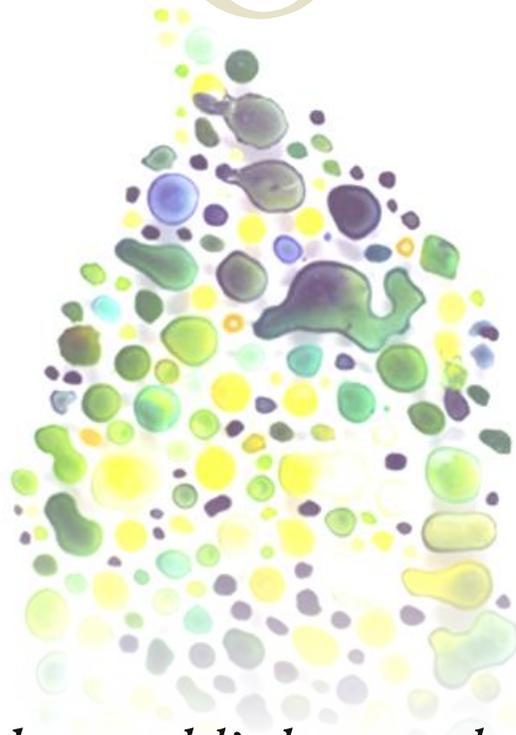




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S C O P E



Art by Yoshitaka Iwamoto

India is the world's largest democracy, with an electoral roll of more than 700 million eligible voters. But the right to vote isn't much help if the politicians that are elected systematically ignore their constituents' vital interests.

Using a recent law on information access, India's poorest citizens have been fighting back—and in doing so, setting the pace for the world's other voters.

The watchers

by Bishnu N. Mohapatra, *page 12*

S C O P E



Photography by Steve Pyke

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Steve Pyke

A SCOPE interview

From punk rocker to world-class photographer, Steve Pyke discusses his influences, his working methods, his favourite peers... and what it's like photographing the dead



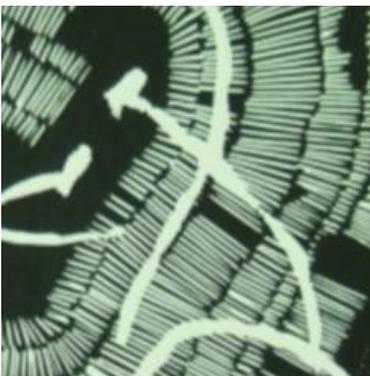
Photography by Karen Knorr

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The animal side

Jean-Christophe Bailly

After an unexpected encounter with a deer, the philosopher reflects on the tenuous position of animals in the human scale of values, and on the strange bond we are capable of sharing with creatures we cannot understand



Art by Elisabeth Bond

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Codes of finance

Vincent Antonin Lépinay

The fact that derivatives are financial products based on mathematics sounds reassuring. Math, after all, is knowable, rational, and certain. Tell that to the traders who must hedge these products, and the accountants who track them

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Front cover:

“Ann Sophie” (2010), by Elena Kalis

<http://elenakalisphoto.com>

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A critical darling charges confidently into its third album

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Hans-Georg Esch

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A quick word with the director of NY Fringe Festival hit Call Mr. Robeson

Editor's letter

Though hopefully not for many of our readers on a personal level, for the world as a whole this has been an unsettled, unpleasant summer, marked by protests and riots in countries like Israel and the UK, the shock of domestic terrorism in Norway, an Arab Spring that grinds slowly forward under intense reactionary pressure, and the trauma-inducing sight of the world's most powerful democracy descending to a politics of economic brinkmanship in order to win a policy debate over taxing and spending. All of this is, of course, in addition to an international debt crisis that has already rocked markets, threatens to tip us back into global recession, and may soon break up the Eurozone.

We hope that this issue of *SCOPE* will bring both helpful insight and welcome diversion. Debt crises, of course, make us think about financial crises, and financial crises make us think about derivatives. Vincent Lépinay draws on his ground-breaking study of a major French bank's exotic derivatives group, demonstrating how its search for profit through the sale and management of complex financial products led to the destabilization of the firm itself.

In the background better news is sheltering. Recent protests led by 74-year-old hunger striker and activist Anna Hazare made international news, and forced India's national government to introduce anti-corruption legislation. Democratic governance is rapidly evolving in India: as political thinker Bishnu Mohapatra discusses here, though high rates of economic growth tend to focus government attention on the country's middle classes, the urban poor have been using the new Right to Information law to ensure they are receiving their assigned share of development funds—and to shame MLAs into correcting the problem if they are not.

In the context of our ongoing (if slow motion) environmental crisis, we also present an adaptation from Jean-Christophe Bailly's profound new book on the animal-human relationship. And in the rather happier context of his recent book and upcoming exhibition, we interview Steve Pyke, one of the world's pre-eminent portrait photographers.

So give yourself leave to ignore the perils of the moment, and enjoy the issue. The world will still be waiting when you get back. Sorry.

— I. GARRICK MASON

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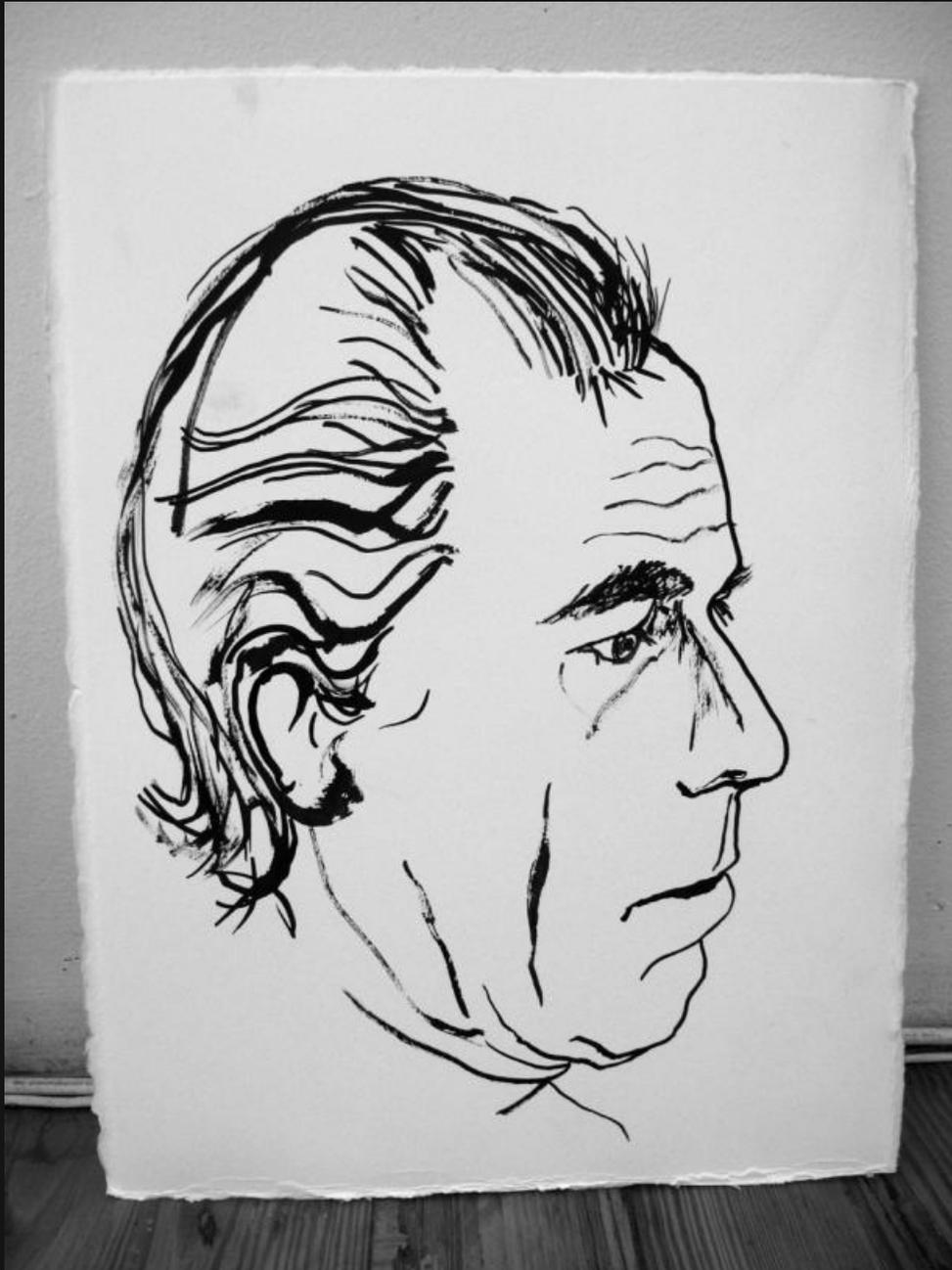
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Steve Pyke



Interview by I. Garrick Mason

Photos by Steve Pyke | Drawing by Andrei Petrov

In the 1970s, Steve Pyke was a punk rocker with an itch to do something more “singular”. He borrowed a friend’s camera and since that time has shot for major magazines, has exhibited around the world, and is considered one of the leading portrait photographers in the profession. He spoke with *SCOPE* before and after the launch of his new book, *Philosophers*.

SCOPE: *When and why did you first pick up a camera? What did you learn from using it?*

Steve Pyke: I came to photography through music. I was a singer during the late 1970s in a number of punk bands; I’d been doing that for a couple of years and was thinking about pursuing a creative outlet that would be more singular for me. Photography happened very quickly. A good friend took me into a bar on Tottenham Court Road and showed me the basics: depth of field and ideas on perspective. We photographed each other over a table, and I remember feeling an expectancy, a real curiosity to see how they would turn out. He lent me his camera—it was a Pentax ME Super—and I started to photograph pictures of people in circuses and fairgrounds... places where emotions and our senses seem out of control. I remember that being a conscious decision.

I photographed first in Dublin, in December 1979. At the RDS [Royal Dublin Society] there was a funfair show there called Funderland, and that’s where I made my “Wall of Death” photograph. The imagery I made was very intense. Everything seemed to click for me; I got a tremendous sense of place within the medium straight away, and because it was important for me to know, I very quickly became immersed in the history of photography—particularly those photographers that were connected with surrealism, which I

was interested in. Man Ray, naturally, and Bill Brandt’s early work, and especially some of the portraiture of Irving Penn and his series *Worlds in a Small Room...* that was the first photography book I bought. It had a big impact on me and what I became interested in focusing on.

SCOPE: *Ray and Brandt were portraitists like you, but how did their surrealism influence your photography?*

Pyke: Brassai and Lee Miller were also surrealists and I love their work too. From the start, manipulation of photography interested me, particularly photomontage. The work of Max Ernst, Moholy-Nagy, and more recently Joseph Mills and the brilliant Toshiko Okanoue enralls me. Surrealism represents a poetry of the mind, while photography can often be perceived as about surfaces. It’s true that photography can be incredibly objective, but if you turn away from depicting surface, it also has very powerful surrealistic potential.

I have to mention Eugene Atget here. The first time I saw his book with Marcel Proust’s words *A Vision of Paris*, I fell in love with his work. The vision of a city, Paris, that you’re used to seeing teeming with people, but in Atget’s work people-less, really blew me away. A few years later I was asked to produce an exhibiton of photographs for the film maker

Peter Greenaway in Rome, for his film *The Belly of an Architect*. I set about photographing the city's statues and fountains, but without modern references. Photographing at first light, the statues looked timeless to me in a way they didn't with the cars and people of 1985 surrounding them.

SCOPE: *You took this wide range of influences and boiled them down into the "Steve Pyke" style, which you've observed elsewhere has stayed consistent over the decades. What virtues does consistency have for you? And what role does variation and experimentation play in your work?*

Pyke: I was never aware that I created or adopted a style, although we are all influenced by all sorts of different work: books, painting, film, as well as photography. But there is a need for consistency in some areas of my work. The camera, for instance, is the first I bought, a 1957 Rolleiflex. It feels by now like an extension of my eye and arm, and so I don't

The camera is the first I bought, a 1957 Rolleiflex. It feels by now like an extension of my eye and arm

feel any need to change it. I change the subjects in front of it, instead: that's where the variables always are, in the range of sitters. I try to photograph as much as possible by natural light. There's a harmony I found by working with these two constants.

The main sense of order I am aware of in my work is the need to stay with the projects I'm involved in. They don't end, these bodies of work—especially, it seems, the ones that involve photographing people: the series of my sons and daughter, for instance, or the *Philosophers* series. There is a consistency within my work there that I recognize I need. Sometimes the engagement with the work feels as important as is the photographing of it.

"Wall of Death", Dublin, 1980





Richard Heck, Boston, 2003 ("Philosophers")

SCOPE: *In a series of photographs that will make up a given project, what are you searching for that is not captured in a single photograph? In other words, what do you discover by photographing categories of people, one after another?*

Pyke: Well to begin the answer to that question I'd say that a single portrait really isn't a project. When you enter into a series like, say, Astronauts or Philosophers, you're faced with a lot of research and reading about your subjects, and you get to understand the connections these people you're photographing have with each other. You get

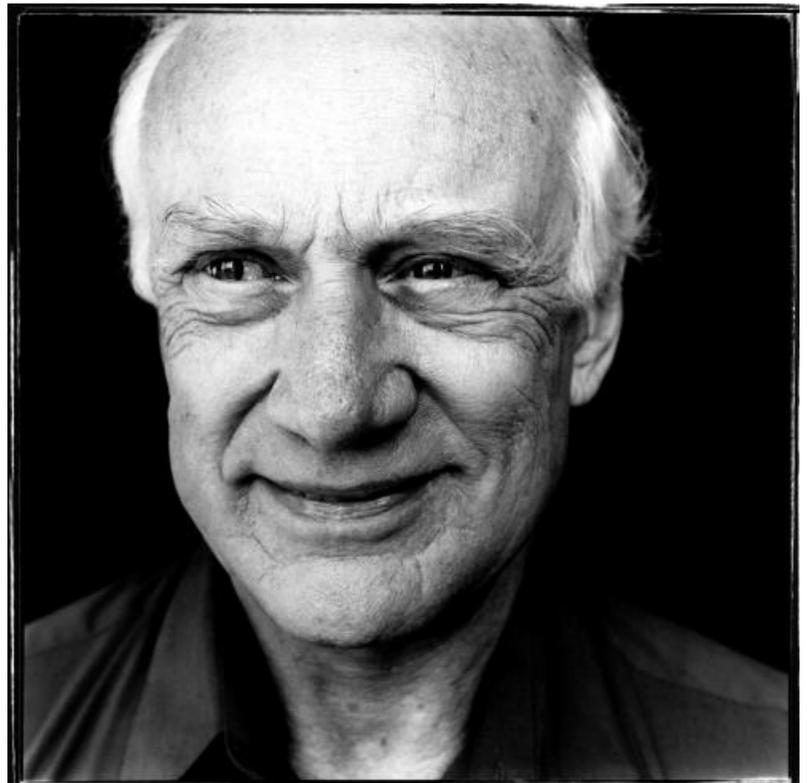
a broader sense of the "family" you're photographing. Invariably I would be asked, "Oh, you met Jim. How is he? We first met back in such and such a place." This can be really enlightening as part of meeting and photographing other people in the series. It never feels like a repetitive action because everyone is so different.

SCOPE: *You're in a session; your camera is set up and you're chatting with your subject. How do you know when it's time to start shooting? What are you looking for?*

Pyke: I tend to set aside time to talk from the outset, unless I'm in a situation where time is very limited: you can't build any kind of relationship with your subject in such short periods of time, so I tend to try and avoid these shortened sessions and prefer working over periods of an hour or so.

I'm very clear about when I'm going to start photography. During that time things can spontaneously happen, and I'm preparing and hopefully ready for them when they do. Our conversation continues throughout the session.

Dr. Buzz Aldrin, Los Angeles, 1998 ("Astronauts")



SCOPE: *Who are some up-and-coming young photographers you're keeping an eye on?*

Pyke: I really like the sense of space in **Kipp Wettstein's** work right now; the landscapes seem to be so much about loss. Wettstein makes his own cameras too, which is very cool. **Jacob Aue Sobol:** I have loved his work since I first saw "Sabine" at Arles some years back. We met at my studio and Jacob showed me his Tokyo collection, which he was still working on. His work has always excited me.

SCOPE: *Do you have a "bucket list" of projects you'd like to do before you die? Categories of people, professions you're fascinated by?*

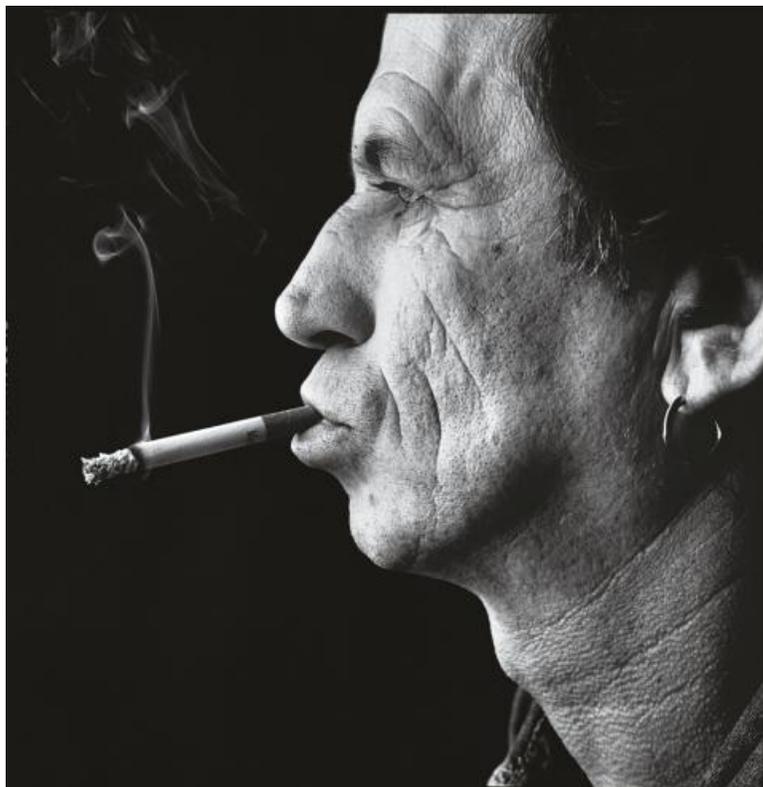
Pyke: I wouldn't say I had a list like that. I'm engaged in a number of long-term projects: Western philosophers, Jack and Duncan and Lola Rae, my kids... I'd like to be able to spend an extended time in the East to photograph a series of Eastern philosophers. A publisher is interested in a book of my experiences as a photographer over the past thirty years or so—photographs along with my memories of being there.

SCOPE: *Your new show, Los Muertos, is opening in New York on September 22nd. The photographs of the mummies of Guanajuato show people who seem to have died in pain. How did you feel when you first entered the museum and looked at its contents?*

Pyke: The mummies of Guanajuato in Mexico are cholera victims from the 1830s. The reason for the condition of the corpses was said to be minerals found in the local soil. The bodies were of men, women, and young children, including one stillborn foetus. I had seen photographs but wasn't prepared for the initial encounter... Walking into the small, dark museum I saw rows of glass specimen cases containing atrophied yet completely mummified figures. Some were arched over as if in death throes, some seemed at peace and were holding books, while others I saw were standing as if soldiers on sentry duty. There was the faint musty smell of mothballs in the room. It felt like a church in there, but with a frozen congregation. I felt a hushed reverence about

these figures. I'm sure they would have been recognizable if I had been able to see photographs of what they looked like when alive, but at the time these people died photography was only just being invented.

SCOPE: *You've been photographing living human beings throughout your career, each time seeking a connection with your sitter. How did photographing the dead differ from all this? How did you adjust your approach, your psychology?*



Keith Richards, London, 1995

Pyke: The practicalities of the photography, which were difficult, took over for a while since I only had an hour or so to work in. I was not allowed to use lights and had to rely on the museum's spotlights, which were harsh—making the mummies look even more ghoulish. To create fill-in we used the light from our cell phone screens. Having no ability to speak and interact with these figures, I started to feel like I was photographing still lives, which in some ways I was—except of course that these people had once lived. I found myself staring into their faces and wondering about the lives they had once lived, and somehow recognizing people



Mummified child, Guanajuato (Mexico), 2007 ("Los Muertos")

UPCOMING EVENTS:

"Philosophers" private viewing in London on Tuesday, September 6th at FLOWERS (21 Cork Street, London). Exhibition runs from September 7th – October 1st, 2011 www.flowersgalleries.com

"Los Muertos" opening reception in NYC on Thursday, September 22nd at ARTJAIL (50 Eldridge Street, 6th Floor NYC, NY 10002). Exhibition runs from September 23rd – October 26th, 2011

Also at ARTJAIL, Andrei Petrov's "La Memoire Involontaire", running from September 23 – November 3rd, 2011

from my own past in them. Holding the gaze of a dead subject instead of giving it a sidelong glance seemed to ease the making of the portraits, almost as if there had been an exchange between us.

Ultimately I believe photography has to deal with our own mortality. As soon as we press the

shutter, the image becomes a part of our past. When you make a photograph, whether it is a portrait or a still life, the end result becomes a symbol of what you saw; it is no longer the object you had attempted to represent. It has instead become a means created to extend our ways of seeing in our search for "truth".

Born in England in 1957, **Steve Pyke** lives and works in New York City. He works on a regular basis for *The New Yorker* and *Vanity Fair*. His work has been exhibited worldwide and is held in permanent collections including the National Portrait Gallery in Washington, DC and London, the Imperial War Museum in London, and the New York Public Library. His latest book, *Philosophers*, is available from Oxford University Press. See more of Steve's work: <http://www.pyke-eye.com/>

Andrei Petrov is an artist living in New York City, with work in collections throughout the world. Visit <http://andreibetrov.com>

A remedy for musical disillusionment

Beirut

<http://beirutband.com>

Begun as a hobby for a distracted college student, Beirut—the brainchild of New Mexico native Zachary Francis Condon—have gone from dorm-bound side-project to widely-renowned innovators in a few short years. Lauded for their combination of styles, the group generates an utterly captivating sound, fusing together elements of traditional Eastern European and world music, electronica and folk, to create their own genre. Comparisons, unsurprisingly, are hard to come by; Condon's band is a law unto itself.

Beirut is special not simply because its musicians enjoy experimenting, but because the ingredients for their musical broth are so seemingly divergent from one another. Drawing on the cultural histories of several countries, not just the Balkans but parts of France, Brazil and Mexico, imbues each Beirut track with an uncanny familiarity, a feeling that these songs have always been around but we've simply never heard them. It's often said that the best songs sound familiar, that they instantly place themselves in a musical canon. If that's true, then Beirut are an exemplar of such a rule.

With their third studio album (entitled *The Rip Tide*) just released in late August and a string of impressive support dates dotted across the summer, Beirut seems primed to move from being a critical darling to a popular one. Condon's tremulous vocals, playing off an ethereal, atmospheric backing, lilt and sway across Beirut's best tracks; his ear for composition and fusion is unmatched in the current musical sphere. At a time when originality is at a premium, Beirut is a musical antidote to the repetitive, tuneless drone of pop.

We should all be grateful that Zach Condon's studies didn't interest him much.

— LUKE GRUNDY

In the absence of diligent oversight, democracy in and of itself will not deliver on the commitments made in its name. Just ask the residents of Delhi's slums, who have turned a law about information access into a powerful tool for defending their economic rights

The watchers

by **Bishnu N. Mohapatra**

Art by Yoshitaka Iwamoto



The history of urbanity in India can be traced to the country's ancient kingdoms, where movement of goods, royal power, and structured hierarchies defined spaces for human interaction, for material and ideological productions, and for social control. During the British colonial period, the municipal administration emerged as a locus of political rule; it also served as a weak platform for consolidating interests, a mirror in which emerging classes envisioned their political future.

The East India Company established Madras as a corporation as early as 1687, and a modicum of municipal order came into being in Bengal Presidency in the first half of the nineteenth century. By the end of that century, there were nearly seven hundred municipalities in British India, and in a significant majority of them, the members were nominated by the colonial administration. It was Lord Ripon's resolution of 1882 that gave a new lease of life to municipal governance in colonial India. He argued that local government must be constructed from below rather than imposed from above. By the early twentieth century, large corporations such as Bombay, Calcutta, and Madras had a growing sense of power in relation to taxation, sanitation, basic services, and health. During the anti-colonial struggles, urban spaces provided platforms where emerging nationalist leaders sharpened their political acumen. With national independence in 1947, however, the political fortunes of cities in India were eclipsed. As the provincial and national arenas opened up for political competition, city governments lost their earlier preeminence.

Yet India now lives less and less in its villages. In 1951, 17.3% of its population was classed as urban; in 2011, the proportion is 31.2%. According to some estimates, by 2030 nearly 40% of India's population will be urban.

This surely is not a picture of hyper-urbanization, but in terms of population, it is already the second largest urban population in the world. This population, moreover, is increasingly concentrated in very large cities. The number of Indian cities with more than a million residents has increased from twelve in 1981 to thirty-five in 2001. Metropolitan cities such as Mumbai, Delhi, Kolkata, Bangalore, Madras, and Hyderabad have grown rapidly in recent years, a top-heavy urbanization that creates a distinct set of problems for addressing urban poverty and development in India. The situation of small and medium towns, meanwhile, is to a large extent one of stagnation and decay.

Historically speaking, cities and towns hold an ambivalent position within the Indian imaginary. This ambivalence varies across class and caste lines. Dalits (former "untouchables"), for instance, view cities as places for good fortune, where caste rules do not apply with the same brutal intensity as they do in villages. In modern Indian literature the city is simultaneously a sign of wonder, a crucible of curiosity, and a location where individuals lose their moral anchor—their community—and fall prey to aggressive individualism. But from a neo-liberal point of view, cities are primarily engines for economic growth, and the future of India's economy depends on how they are governed and replicated. According to this agenda, cities should not only have adequate and cheap supplies of labour, but the productivity of this labour should be enhanced.

The neo-liberal ambition of Indian policy makers is reflected in a consensus visible across political and ideological lines. For example, there is very little difference between the Indian National Congress and the Bharatiya Janata Party when it comes to core economic policies. However, the poor and vulnerable continue to challenge the legitimacy of these policies, and to point out their inegalitarian character. In the

In between elections, the urban poor have to devise new ways of ensuring the delivery of services and the enforcement of rights that the state recently granted

struggle for their own well-being, they have often exploited not only the traditional communitarian strategies, but also the growing potential of India's competitive electoral democracy.

Unfortunately, these strategies turn out to be effective only in limited circumstances. In between elections, in everyday situations, the poor in general and the urban poor in particular have to devise new ways of ensuring the delivery of services and the enforcement of a plethora of rights that the Indian state recently granted to its citizens, such as rights to employment, to education, to subsidized grains, and so on.

Decentralization: promises and parables

Since the 1990s, India has adopted the paths both of neo-liberal economic development and of democratic decentralization. There is a deep-seated tension between the two. Neo-liberalism emphasizes macro-level economic growth, seeking to create conditions for the smooth running of business and the unhindered reproduction of capital. The explicit intent of democratic decentralization is to establish self-government at the local level by creating spaces for greater citizen participation in and oversight of the governance process of the city. Yet to the extent that the neo-liberal economic order reduces the welfare and agency of the urban poor, it undermines their citizenship.

More than a century after Indian viceroy Lord Ripon's reforms were enacted by the colonial state, the Indian state constitutionally enshrined the urban decentralization process by including it in the historic 74th Amendment of 1992. Despite the broad democratic spirit informing this amendment, there was greater parliamentary enthusiasm for rural decentralization than for urban; some thought the implementation of *panchayat*—administration of villages by people—would realize Mahatma Gandhi's dream of rural self-governance, or *swaraj*. Urban decentralization, by contrast, did not evoke such high ideals.

Discussion in Parliament centered on development deficits, the financial constraints of both state and city governments, the poor delivery of services in towns, and the rent-seeking behaviour of local elites and



Yoshitaka Iwamoto, untitled, "Interconnections" series, 2010

administrators. The debate did not carry much conviction or commitment. As local self-government is a matter for states, the constitutional amendment limited itself to providing a framework within which state governments would align the range of existing laws pertaining to *panchayats* and municipalities. Yet necessary legal changes in states were put off until the last moment, and the rushed legislation that resulted did not significantly alter the internal functioning of municipalities. Many urban administrations, for example, continued to practice the indirect election of chairpersons and mayors.

The 74th Amendment, however, was not without benefits. In the past, election to urban local bodies was erratic, their power and functions were uneven, and state governments'

control over them was enormous. At least in a formal sense, some of these things changed. Whenever an election was not held on time in a municipality, people now went to court to complain. The most significant change was the entry of women, dalits, tribals, and socially-disadvantaged middle caste groups into the urban political arena in India, made possible through the mandatory reservation of seats in urban local bodies.

But the potential of decentralization remains largely unfulfilled. Eighteen years after the enactment of the amendment, urban politics in general and urban local bodies in particular continue to suffer from huge democratic deficits. Until forced by the judiciary last year, constitutionally-mandated district planning and metropolitan planning committees

had not even been formed in several states. The fate of ward committees, the smallest units enabling citizens to articulate their interests and opinions, is no better: in many urban areas they are almost non-existent, in others they are so large as to be ineffective. Eighteen functions are assigned to urban local bodies in Schedule XII of the Indian Constitution, but these bodies have neither the autonomy nor the financial resources to carry them out. The interference of bureaucracy at all levels, the overpowering nature of para-statal bodies like development authorities, electricity boards, and water authorities, the absence of dedicated functionaries, the personal failings of elected representatives, and the poor financial situation have together made urban local bodies both weak and ineffective. Under such circumstances, their contribution towards economic development and social justice, as mandated by the amendment, remains far too limited. An eighteen-year shadow of bad faith and inaction stands between the historic constitutional amendment and its implementation.

Politics and the urban poor

A city of nearly 17 million inhabitants, Delhi is not a single entity, but contains a multitude of distinct and overlapping spaces and enclaves. With its layering of history from the medieval to the modern, it is a palimpsest. As the capital of India, it houses the country's most powerful people, but it is also home to many powerless and homeless people; an estimated 45% of the city's population lives in slums. Delhi is also a city of *babus*—government civil servants—whose presence is strongly visible in the public sphere; nearly 80% of workers in the city, however, belong to the unorganized sector, many of them without any security of employment.

On the first of March this year, fifty women of Motilal Nehru Camp—a slum close to the middle-class residential colony of Munirka in South Delhi—met in a community room, as they did every week. As a researcher, I was allowed to attend the meeting. Members of SNS (*Satark Nagarik Sangathan*: Society for Citizen Vigilance Initiative), a civil society organization that has been working with the urban poor since 2003, also attended the

Yoshitaka Iwamoto, untitled, "Interconnections" series, 2010



Political agency is no endowment: it is an achievement of mobilization, collective reflection, and activist support

meeting. The discussion at first focused on the role and responsibilities of elected representatives both in the Legislative Assembly and the Municipal Corporation of Delhi, and on how the residents could monitor their activities. Some women, for example, were critical of candidates bribing voters with cash and liquor—a common practice at election time. The discussion was as much about the existing political system as it was about active citizenship. The urban middle classes often express their cynicism about their elected representatives, but they rarely come together to change the system. By contrast, in this meeting room a critique of the system went hand in hand with a desire to improve it.

Towards the end of the meeting the government's proposed cash-transfer program came in for some intense criticism. Arguments were proffered as to why the new way of delivering services might not be good for the poor. "If we are not getting the old age pension on a regular basis," argued an old woman, "what is the guarantee that the cash transfer system will work?" Many of the women expressed their desire to join a demonstration a few days later to protest against the proposed cash-transfer system.

Over recent years, and with the support of SNS, community groups like this one have fought against irregularities in the Public Distribution System (a program that provides subsidized food grains and kerosene for the poor) in their localities, arguing their cases with local officials and elected representatives. As a result of their continuous monitoring, the PDS works better in their localities today, and community groups are not ready to sacrifice these gains for a new and untested system of receiving cash in lieu of subsidized grains. By facilitating regular conversations on concrete issues and by providing easy-to-digest information on policy issues, SNS has undoubtedly played a significant role in quickening their political agency.

How does one make sense of the political activism of these women? It is certainly not merely a reflection of a generalized distrust of politics and politicians. One could clearly see in their discussion a reasoned political logic, an attempt to recognize the important role of monitoring in changing the character of electoral politics and elected representatives. They also clearly saw an intrinsic connection between their political assertiveness and their socioeconomic well-being. The political agency of these slum women is not an endowment from nature. Quite the opposite: it is an achievement, the product of ongoing mobilization, collective reflection, and support from local activists. In this context, the deep and respectful engagement of SNS with slum dwellers has had a real impact, as has its ongoing leadership program, which brings in local youth and trains them on issues concerning public policy and governance, and makes them aware of a repertoire of tools for citizen mobilization and action.

SNS has assisted slum dwellers in and around Delhi for some time. Soon after its founding in 2003, the organization began working with the residents of Jagadamba Camp in South Delhi. Both Jagadamba and Motilal Nehru Camps contain nearly 1500-2000 households each. Densely populated, these slums offer poor living conditions. The supply of water and electricity is erratic and sanitary conditions appalling. And though a significant number of families in these two camps have been there for a long period of time, the fear of demolition has frequently been exploited by local politicians aiming to maximize their vote count at election time by offering "protection" from this often non-existent threat.

In the beginning, SNS's mobilization of slum dwellers in these camps focused on the Public Distribution System. As in many other places in India, the distribution of PDS goods in the camps was erratic, and many poor people

While slum dwellers lived without adequate drinking water, their representatives were spending development funds on water fountains in middle class neighbourhood parks

were forced to make do without their entitlements. SNS worked with local families to use the Right to Information Act of 2005 (RTI) to get the records of a number of ration shops in these areas. As expected, these records revealed irregularities, so SNS organized a public hearing on PDS at which a significant number of PDS card-holders provided testimonies concerning the working of the local ration shops in their localities.

This activism accomplished three things: first the distribution of rations in these localities improved; second, the government department dealing with PDS was reminded of its duties and responsibilities; and finally, the use of RTI as an important tool for securing transparency and accountability in the system was demonstrated.

RTI enables citizens to access non-classified information; over the past few years, civil society organizations and social activists in India have used and still continue to use the law creatively to impact on the workings of government administration, service delivery, and the realization of socio-economic rights. It is arguable that Indian social activists have not only consecrated the marriage between the right to information and right to life, but have also made it work in many inspiring ways. The strategy of the slum dwellers and their social activist allies, for example, was not merely to point out the leakage in the delivery of services but also to create an ongoing structure of demand that puts pressure on the institutions and personnel responsible for the delivery of services. Today, in the slum clusters where SNS works, citizen vigilance groups work to oversee the delivery of services, including PDS and old age pension.

For some years now, elected representatives in the Indian parliament, state legislatures, and municipal councils have each been assigned a specific fund for local development. Each

Member of Delhi's Legislative Assembly (MLA) gets 20 million rupees per year to spend on development in their constituency, a program known as the Local Area Development Scheme. Each MLA also gets 5 million rupees from Delhi Jal Board to spend on water issues in the member's constituency. Each municipal councilor, meanwhile, gets between 5 and 10 million rupees to spend on development in the ward that he or she represents. The MLA and the councilor are responsible for the allocation of funds, and the appropriate department of the Municipal Corporation of Delhi implements the project.

In the absence of strong scrutiny, however, councilors used to spend the development funds entirely at their discretion. Maximum resources were spent on road and pavement construction—projects that overwhelmingly benefit the middle class colonies. This tendency has two roots: first, large construction projects are only possible in the non-slum areas, and second, the absence of robust accountability mechanisms has kept the urban poor and their elected representatives disconnected. In 2007, however, SNS used the right to information law to obtain details on the allocation of funds by councilors in Delhi. This data, widely circulated in the media and discussed in several wards in Delhi, revealed the biases of the elected representatives towards the interests of the middle class.

Slum dwellers felt betrayed. While they were forced to live without adequate drinking water, their representatives were spending development funds on building water fountains in middle class neighborhood parks. Yet SNS's efforts to focus their collective gaze on their elected representatives were generally effective. On more than one occasion, the slum dwellers forced their MLA to allocate funds for digging tube wells or for providing basic amenities in their districts, simply by pointing to the irrational and biased allocation. Such changes became possible whenever it became obvious

to representatives that they might lose the electoral support of the poor, who vote in large numbers in comparison to their middle class counterparts.

After its initial experiments, SNS began producing report cards on the individual MLAs of the Delhi Assembly, once again using data collected through the right to information law. The first time round, in the election of 2007, the cards reported only on the allocation of each member's development funds; the latest version documents a representative's performance in the legislature and as a member or the chair of various government committees. A remarkable innovation in the sphere of political accountability in India, the MLA report cards were widely circulated through media campaigns and in community meetings in different parts of Delhi during the Assembly election of 2008. According to one study, voter turnout increased by about 4% in areas where campaigns using report cards were run. Recently, SNS unveiled a mid-term report card, giving elected representatives the opportunity to enhance their performance during the remaining portions of their mandates.

Though far from being a magic formula that can bridge the gap between elected



Yoshitaka Iwamoto, untitled, "Interconnections" series, 2011

representatives and citizenry in India, the importance of this invention cannot be underestimated. There is no doubt, for example, that report cards can help to make elected representatives more accountable—and there is evidence to suggest that improved

political accountability has the potential to yield not only democratic but also development dividends. During my own fieldwork in Delhi, many stories about the re-allocation of development funds to their proper uses were recounted to me by slum dwellers in these camps. To keep this process moving, however, electoral reforms such as transparency of campaign finances and barring people with serious criminal records from contesting elections are also necessary.

A new kind of politics?

The tension between the neo-liberal economic order and democratic decentralization is quite evident in many parts of India today. In a substantive sense, the 74th constitutional amendment is yet to be implemented fully in many parts of India, including Delhi. The struggle of citizens living in Jagadamba and Motilal Nehru camps is not shaped by urban decentralization; on the contrary, it is the absence of true decentralization that they are protesting against. Whenever the Delhi government has expanded the space for citizen participation, it is the middle-class-dominated Residents Welfare Associations who have captured it. The public sphere of the city remains insensitive to the needs of the urban poor; in judicial rulings the poor are still typically characterized as intruders, polluters, and encroachers upon public spaces. It is within this hostile environment, that the urban poor continue to fight for their rights and entitlements.

The Right to Information Act has emerged as a potent instrument in their struggle by enabling the combination of two critical principles. First, the demand for information often deals with “what” questions: it helps poor citizens find out what is happening to their entitlements, for example, and what the status of their applications for redressing grievances might be. Second, the struggle for political accountability, which is more often about “why” questions. Why are officials behaving the way they do? Why don't they act according to the rules? Why were the poor refused their entitlements? It is in combining “what” with “why” questions that the urban poor manage to connect the pursuit of transparency with that of accountability.

By focusing on their elected representatives' oversight functions, the urban poor of Delhi are contributing towards the effectiveness of those institutions responsible for delivery of basic services. The bigger question is whether the monitoring of elected representatives on a regular basis will make the political system more responsive and poor-friendly. In other words, can taming the existing breed of politicians enable a new kind of politics to emerge? In a society which is riven by inequalities and hierarchies, inclusive growth cannot be achieved by administrative fiat—so the creative use of democratic instruments by the poor may well hold the key not only to transforming politics but also to transforming the economic order itself.

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About the artist

Yoshitaka Iwamoto was born in Tokushima, Japan in 1983. He recently completed a Masters in Fine Art at Central Saint Martins College in London, sponsored by The Rotary Club. In 2010, Iwamoto won the Cecil Lewis Sculpture Award, also in London. His focus is on new art representations made possible through the overlapping of and spacing between fine art and science.
<http://yoshi-iwamoto.com>

| Spectacle |



| Yong-Man Kwon: Big City (2011) |
<http://www.yongmankwon.odexpo.com/>



| **Stephanie Lock: The Fifth Floor, series (2010)** |
<http://www.behance.net/stephanielock>



| **William Zweifel: Equinimity (2010)** |
<http://www.midlandstudio.com>



| **Al Farrow: The Spine and Tooth of Santo Guerro (2007)** |
<http://www.alfarrow.com/>

Bullets, guns, glass, shot, steel, bone

64 x 50 ½ x 74 inches

Photos by Jock McDonald

Fine Arts Museums of San Francisco, Museum purchase, gift of Dr. Thomas Jackson and Dr. Kathleen Grant. 2008.10.

Image courtesy of Catharine Clark Gallery, San Francisco



| Jürgen Heckel: Gras, series (2011) |
http://www.behance.net/sogar_heckel



| Elena Kalis: Girl and her fish (2009) |
<http://elenakalisphoto.com>

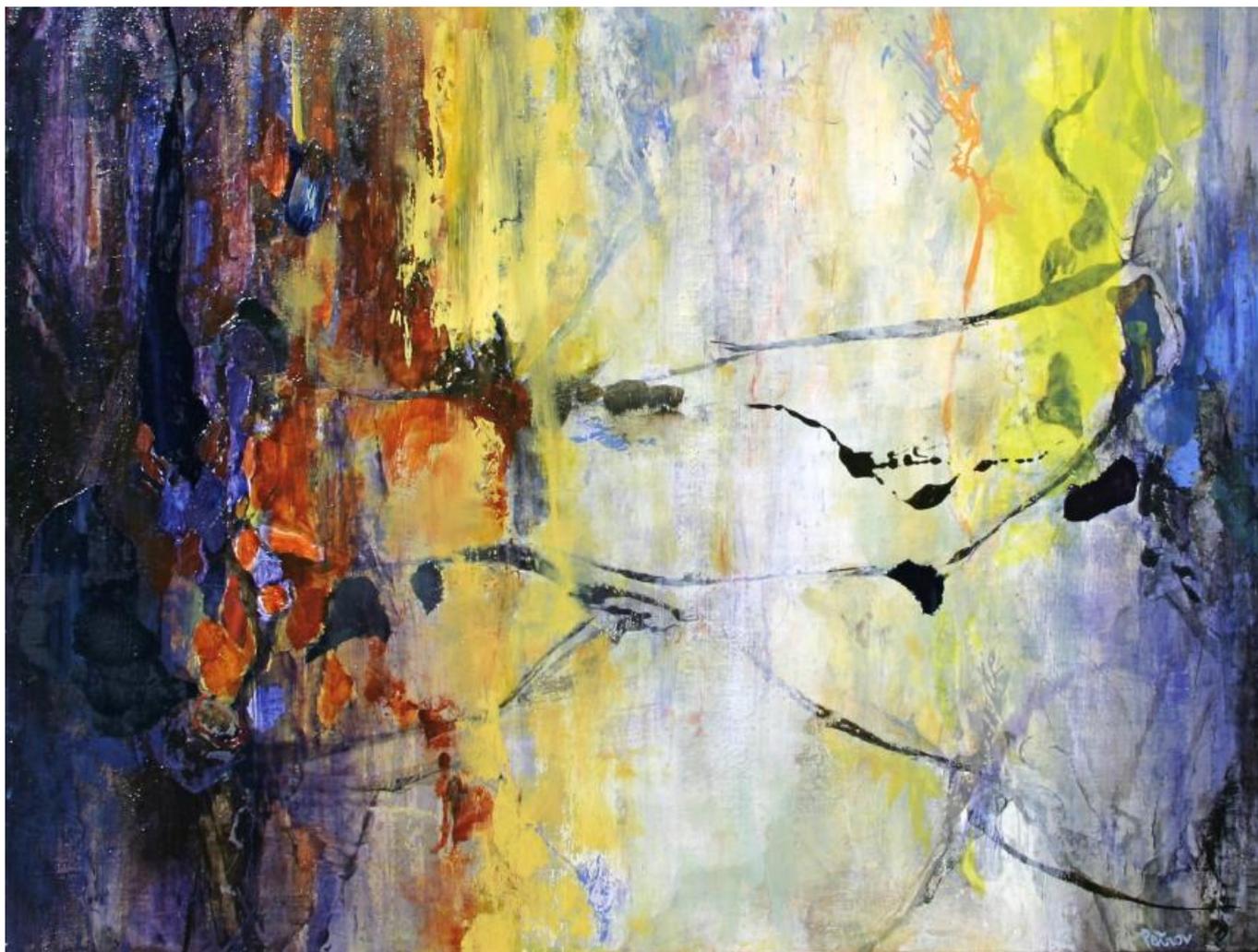


| Crystal Liu: “busted”, from “what sparkles...” series (2011) |
<http://www.cliuart.com>

Ink, gouache, water colour and glitter on canvas

36 by 48 inches

Image courtesy of Crystal Liu and Hosfelt Gallery New York / San Francisco (<http://www.hosfeltgallery.com/>)



| Andrei Petrov: Radius of Desire (2011) |
<http://andreipetrov.com>

In humankind's long
relationship with animals
we have consistently
sought to place them in
a tier safely beneath us.
Philosopher and
playwright Jean-
Christophe Bailly argues
that this imposed
hierarchy is illusory,
obscuring both our
fundamental bond with
wild animals—and the
unbridgeable abyss
between us

The animal side

By Jean-Christophe Bailly

Translated by Catherine Porter
Photographs by Karen Knorr

Adapted from *The Animal Side* by Jean-Cristophe Bailly (Fordham University Press, 2011), originally published in French as *Le versant animal* (Bayard Éditions, 2007)



Karen Knorr, "The Grand Monkey Room 3, Musée Condé, Chantilly", 2006

I would like to have a video camera set up, one that could position itself on this narrow uphill road (a camera that would know what to do, that would film a car speeding off into the night) and follow me. This is one of those moments when relationships—between consciousness and the countryside, between the speed of a point in motion and the space around it—converge on a single spot: the road becomes an estuary in which one is moving upstream; on each side hedges lit by headlights form white walls. Even if one is not speeding, there is a pure cinematic sensation of irreversible thrust, headlong flight forward, gliding. Driver and passenger alike are offered a sensation of passivity, are hypnotized by the ribbon of road, which may not be without danger. But this time the driver is alone, and not traveling far, it must be said—just a few kilometers to visit a friend in the neighborhood. So the landscape is familiar, as are the borders, the outlines, the paths belonging to the dense woods and meadows through which this road passes. And yet, because it is night, there is some small discrepancy, the soft but deep growl of something unknown. It is as if one were skidding over the surface of a world transformed, a world filled with terror, frightened movements, silent gaps.

But now, from this world, someone emerges—a phantom, a beast, for only a beast can burst forth this way. A deer has come out of the undergrowth; frightened, it runs up the road, trapped between the hedgerows: it too is caught in the estuary. It rushes ahead, just as it is, just as it has to be—fear and beauty, quivering grace, lightness. The driver, going slowly now, follows the creature, watches its croup move up and down, bounding in its dance. A kind of hunt is under way, in which the goal is not—certainly not—to catch up, but simply to follow, and since this race takes longer than one might have imagined, several hundred meters, a strange joy comes, childlike, or perhaps archaic. Finally another path opens up for the animal, and after hesitating ever so slightly the deer plunges in and disappears.

Nothing more. Nothing but the space of this race, nothing but this instant, fleeting and yet so ordinary: many times, and in more distant places, I have seen beasts emerging from the night. But this time I was taken aback, overcome; the sequence had had the clarity, the violence, of an image in a dream. Was this owing to some defining quality in the object itself, and thus to a concatenation of circumstances, or could it be attributed to my own state of mind? I could not say, but it was as if with my eyes, in that instant, for the duration of that instant, I had touched some part of the animal world. Touched, yes, touched with my eyes, despite the impossibility. In no way had I entered that world; on the contrary, it was rather as if its strangeness had declared itself anew, as if I had actually been allowed for an instant to see something from which as a human being I shall be forever excluded, either the nameless, purposeless space in which animals freely make their way, or the other way of being in the world that so many thinkers through the ages have turned into a background against which to highlight the supremacy of humankind—whereas it has always seemed to me that this strangeness ought to be considered on its own terms, as a different posture, a different impetus, and quite simply a different modality of being.

What happened to me that night, what moved me to tears at the time, was both like a thought and like a proof that there is no supremacy, neither of humans nor of beasts, that there are only passages, fleeting sovereignties, occasions, escapes, encounters. The deer was in its night and I in mine, each of us alone. Still, in the interval of the chase, I am quite sure of what I touched: it was that other night, the deer's night coming to me, not given over but granted for an instant, that instant opening onto another world. A vision, nothing but a vision—the “pure origin” of an animal from the underbrush—but clearer than any thought. Perhaps also just a sort of old-fashioned illustration (in fact, I'd like that, all in shades of grey, like the ones in the old editions of *Peter Ibbetson*), but this is the truth, speaking of animals, from which I wanted to begin.

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The deer was in its night and I in mine, each of us alone



Karen Knorr, "The Witness, Humayun's Tomb, New Delhi", 2011

Speaking of animals. I have become aware, stratagems and efforts notwithstanding, that declarations of intense feeling on the subject of animals quite often not only fall flat but give rise to a sort of embarrassment, rather as though one had inadvertently crossed a line and gotten mixed up in something untoward, or even obscene. Nothing is more painful, then, than the choice one has to make: pull back discreetly or forge ahead obstinately and speak out. The truth is that a point of solitude is always reached in one's relations with animals. When this point extends into a line and the line extends into an arch, a shelter takes shape, the very place where that solitude responds freely to its counterpart: a beloved animal. But as soon as we go outside the line and reveal our love (that solitude and that bond), those to whom we have taken the risk of speaking almost always pull back, in a move resembling the one we ourselves might

have made upon encountering a similar admission by someone else. There is a very murky zone of affects here, involving in the first place our relationships with so-called companion animals, pets, but a zone that nevertheless extends far beyond the merely private sphere: visits to a zoo or a game reserve, the positions we hold or adopt toward hunting or eating meat ("*s'il est loisible de manger chair* [if we are entitled to eat flesh]," as Amyot, translating Plutarch, put it so aptly); it is our entire relation to the animal world, or rather worlds, that is traversed by affect and that is troubled and troubling.

Against this affective power, thought, especially Western thought, has seen fit to arm itself, less by erecting self-enclosing walls than by confining animals in vast concept-spaces from which they are not supposed to be able to exit, while human beings are to be defined precisely—if only it were that simple—by the

Karen Knorr,
“The Aesthetic
Judgement, Salon
des Caryatides,
Le Louvre”, 2009



fact that they have managed to get themselves out of these enclosures, leaving behind *bestiality*—condemned as disgraceful—and *animality*, deeply feared, as if these were stages in a journey and bad (though haunting) memories. Whether they have been recognized as fellow creatures, but of lower rank, or viewed as complex machines, but lacking any access to thought, animals have found themselves assigned to specific places and urged to stay there. But whatever purchase—on behavior as well as on knowledge—this hierarchical structuring of existences may have had, what we have seen, without interruption, is that animals have never been able to stay in their places, neither in their own right nor in human thoughts and dreams; the fact is that, on their own and without trying, animals have never ceased to make the border-boundary between humans and beasts an unsettled one.

This vacillation is found at the point of contact, before affect comes into play. The contact is always unsettled, for the encounter relates and even stipulates difference: difference is there, it is there like an abyss, and the abyss cannot be crossed. As Descartes, the

theoretician par excellence of animals as machines, acknowledged in a letter, referring to “living brutes”: “the human mind cannot penetrate their hearts.” *But there are those hearts*, those existences; there is the whirlwind of all those lives and the beating of each and every heart . . . What I would like to talk about is not a transgression in either direction (something that would cross the abyss from humans to animals or from animals to humans) but contact, the close contact, always singular and always consisting of touch, that is the ordinary mode of the bond between them and us—something scarcely formed, always nascent.

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“**T**he gods are there”: Ulrich von Wilamowitz sought to characterize the particular consistency of the divine in the ancient Greek world with this formula, and we may be tempted to apply it to the presence of animals in nature, at least in lands where they are still abundant enough to give us the impression that they are at home, in their

overlapping territories. A presence that is like an immanence: it does not need to show itself in order to exist; on the contrary, it manifests itself all the better to the extent that it hides, retreats—or turns up unexpectedly. But whether that presence is abundant, at once massive and diffuse, as in the game reserves of equatorial Africa, or scattered and rare, as in the French countryside (although night often turns the tables and restores the power of that presence, especially by way of sounds), for us there will always be something remote about it—not only something missing but something that eludes us, holds itself back. The “gods” found there turn away; they do not want us among them, or near them; they do not want to have anything to do with us. Some remain motionless, or pass by without fleeing, impassive, indifferent (only the largest and strongest can afford to do this), but most of them leave, escape, scurry or fly away.

Contact between humans and wild animals is above all this complex system of avoidance and tension in space, an immense entanglement of uneasy, self-concealing networks in which, once in a while, we have the privilege of pulling a thread. It is not just that animals, like nature according to Heraclitus, “love to hide”; it is also that they have to hide, and that since the dawn of time, over and above their own conflicts, they have identified man not only as a predator but also as a strange, unpredictable, lawless being. No matter how peaceful we may want to proclaim ourselves, no matter how eagerly we may seek a slow, gentle approach, in our presence they flee and hide.

And I come back to the flight of the deer that was my starting point or opening feature. The strangeness did not lie in the fact that the deer burst forth or that it fled (deer are fairly numerous in these woods: on another night on that same road, one of them had crossed in a single bound perhaps a meter in front of me); the strangeness lay in the opportunity I was given to follow the animal for a while: that is, at bottom, the chance to accompany it in spite of itself, thus prolonging a contact that as a general rule is much briefer. In a way, I found myself back in the position of pursuer, a dog in a pack, or a hunter, so much so that what comes back to me like an image from a film, like a pure sequence, converges in the realm of the

imaginary, like a fragment that might have been dislodged from the whole, from Paolo Uccello’s extraordinary *Hunt in the Forest*, a wide canvas on which, in dark green undergrowth gilded by late-afternoon sunlight, the very flight of the prey (doe of some sort) organizes among the vertical tree trunks the vanishing point, the perspective of *fuite*, as if each animal is producing a link in the very optical network from which it is seeking to escape. If this painting is so beautiful, it is not only on account of the legendary material it evokes so spontaneously but also because it shows, right in the field of vision (the forest), by way of the animals that have come from there and are trying to return, the full power of what lies outside the field: the forest, still, but as a world beyond, a *selva oscura* that, even more than the prey, attracts hunters and heightens the pack’s sense of smell, because the forest is the animals’ rightful place, the place where they have shelter and where they are, properly speaking, at home.

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But what would be needed, probably, is a pact, and a pact requires the formality of blood. This is quite clear in Jim Jarmusch’s film *Dead Man*, when the hero, “William Blake,” a fugitive himself, lies down next to a dead deer on the ground in the forest and paints his cheeks with the deer’s blood. Something very simple is achieved here—totemism in its pure state, its native state, but also and especially a rediscovery. “William Blake” was once an office worker, a sort of nervous cousin of *Bartleby*; now a hunted man, he goes deep into the forest and with surprising speed but nevertheless in stages, as in an authentic initiation, he reconnects with wilderness. We have the image of two bodies stretched out side by side, lying on the material that makes up woods and forests—pine needles, moss, dried or rotting leaves—the dead animal and the living man are there on the ground with water (from eyes and mouth) and blood, and the man confides in the animal,

Contact with animals is a complex system of avoidance and tension

incorporates and entrusts himself to its soul, travels with its soul, an improvised shamanism in which death and life embrace each other in a prodigious act of peacemaking.

Temporarily sheltered from the world of his pursuers, the world of conquering civilizations, the world of winners, where there are factories, offices, warehouses, and hired killers, the man who has broken with that world and who unwittingly bears the name of a visionary English poet invents a rite, a residue of sacrifice that opens up for him the pathway to reintegration. In a heartbeat, an enfolding lapse of time, an alcove, he finds—what?—*lost intimacy*.

Lost intimacy is the name Georges Bataille gave, in his genealogy of a continuous distancing, to the set of social forms through which humans in earlier times remained bound to violence owing to the harsh reality of the universe, bound to the mystery of their existence, contained as it was in the nets of all the other existences. Arising from the hard-to-reconstitute network of sacred bonds that gave substance to that intimacy, Paleolithic paintings, as revealed above all in Lascaux, were for Bataille the very inscription of this tension; in them he recognized the “birth of art,” to be sure, but he understood that birth as the emergence of the very possibility of experience, as the first and most ancient trace of an activity that we can relate to experience. And these paintings, for the most part, as we know well, are representations of animals; while the Chauvet cave paintings, discovered too late for Bataille, antedate those of Lascaux by ten thousand years, they only confirm the Lascaux lesson on this point.

However we may try to interpret those figures of horses, felines, bison, aurochs, the fact remains that they impose the relation of human to animal as the absolutely originary relation: animals are positioned at the threshold of the symbolic; but what is perhaps most extraordinary is that they are there for themselves and as themselves, that is, with the gripping effect of captured life that has stunned all painters by its reality, its artistic and magical effectiveness. Leaving aside the dispute over the sacred to which these wall paintings inevitably lead, we can nevertheless say that they point to an origin or an originary state of designation,

and that they can be understood as a first, stupefying *recording* in which, at the heart of nature as a whole, the animal is recognized as the great other, the first companion.

All hunting peoples had to negotiate a pact with the animal world, not only because they depended on it and took from it, but also and no doubt as much because they were fascinated by the exuberance of these beings who lived on earth in a way unlike their own, a way that seemed more *natural* than theirs. (This cleavage must have appeared at the dawn of humanity.) The prehistoric paintings themselves are the form or the modulation of such a pact: through their representation of animals something is taken away from violence. These images *take on* violence as “William Blake” takes on the deer’s blood, then they deposit it, perhaps by dint of a ritual action, in a calmed space, that is, in the darkness that has settled back over the grotto.

The lost intimacy is indicated by this threshold where loss begins. The will to have the relation be a bond—a suture, a splice—is what is reinvented, with the gentleness of a transfusion or a tattooing, by the fugitive in *Dead Man*.

Of all that, all the violence of impregnation, no more than a distant murmur reaches us, perhaps. But this is precisely the murmur that was still present when the deer went bounding down the road. Once continuous with or immanent to the acts of life, the contact between man and animal has become discontinuous and haphazard. Whether embodied or terror-stricken, the bond has somehow become diaphanous, even evanescent. Yet every animal, if we will only pay attention to it, if we will only watch it exist and move, is the repository of a memory that surpasses the creature itself as it surpasses us, and where every instance in which its species has brushed against our own is inscribed. The lost intimacy I am evoking comes straight from the abyss that separates us from animals whenever we meet them, and it may be that the conditions orchestrated by the most recent civilizations make the separation sharper than ever before. Yet something is still on the alert, or is still ready to awaken, something that recognizes itself in an animal’s gaze or something that we grasp in passing, in a stable

in winter, for example, or with bats streaking through the air on a summer evening, or even with fish swimming in a pond in a park.

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The disadvantage, with reserves, with the very fact that there has to be something like reserves, zones that are reserved, recognized as such and more or less self-enclosed, is obviously the fact itself, this subtraction from the rest of the world to which they owe their existence, thereby denouncing a state of the world that makes of them intrinsically, so to speak, vestiges and scraps. Hunting, poaching, the destruction of natural environments and of forests in particular, the warming of the planet and its consequences for the various ecosystems, from the far north to the equator, and finally the development of mass tourism—all these factors converge to justify the existence of reserves and even of game parks and zoos.

In a wild world truly left to itself, that is, unviolated, as we say, or at least very little penetrated or marked by humans, there would

obviously be no need to reserve spheres for animals that could protect their overlapping territories. To evoke such a world is to evoke something that was the unwritten rule, the instantaneous adjustment, for millennia; it is to evoke a form that has given way only during the last few centuries in Europe and during recent decades in the rest of the world. But the movement seems irreversible, so much so that one cannot help sensing, while traversing those reserves, that one is facing the vestiges of a world about to disappear.

The possibility that there will be no more wild animals, or that they will exist only confined or subjugated, is taking shape before our eyes day by day. Reactions to the threat of the avian flu that recently spread throughout the world, for example, all conformed to a model in which wildness itself was accused and singled out: peaceful domestic fowl threatened by hordes of uncontrollable migrators. This will become the accepted schema—even though intensive breeding and all the modes of confinement (the word speaks for itself), far from sparing animals effectively, have been, on the contrary, the direct origin of the most



Karen Knorr,
“Salon Lilas, Musée
Carnavalet”, 2004

serious epidemics ever known. Between the thousands and thousands of carcasses burned during the years of mad cow disease and the common graves of birds in the new century, what is taking shape is the psychological preparation of humanity for the necessity of total control, a world in which wild animals will be no more than tolerated and in which they too will be, in a way, “in human hands,” in allotted spaces that will be more and more restricted or instrumentalized.

The destiny of animals is perhaps just one aspect, and not necessarily the most striking, of the sort of preapocalyptic climax whose contours are refined day after day. But as soon as the hypothesis of a world deprived of animals (deprived, then, of the so-called “poor in world”!) takes shape, as it did in Chernobyl, in what is called by locals the Zone, we see that this disappearance is configured as mourning, as absolute mourning. Not only on the basis of clear-cut biological solidarities (to recall Einstein’s famous remark on the foreshortened future of a world in which there would be no more bees), but directly for the way in which is presented, or might be presented, the “thus” of a world without animals, a world in which all animal presence—visual, auditory, olfactory—has disappeared.

In *Voices from Chernobyl*, the book of testimony collected by Svetlana Alexievich (a book that eludes conventional standards and that is for the reader the book of a complete unsealing, a work of naked intensity), the fate of animals is evoked several times. I recall the story of the hunters charged with liquidating the domestic animals that continued to wander around in the Zone, and the way in which these men, whom one imagines *a priori* to be tough, hardened—some had served in the war in Afghanistan—say that they could not carry out their task, as if they had been confronted with a horrendous injustice, something monstrous from which they had had to turn away, not in order to spare their own lives, exposed as they were to radiation, nor even to spare the beasts, but to save perhaps a principle of evasion, a life, a survival, survival itself, that is, something obvious and untranslatable, something precisely like the vague glimmer in animals’ eyes.

It is clearly not a question of comparing the drama’s effects on animals to its effects on

humans. Everything, here, is connected, and not only connected but dragged down to such a depth of disarray that a bottom is reached, similar to the reservoir of existence that Moritz touched with the calf going off to slaughter, the calf into whose eyes he was gazing. There is a glimmer, or the remnant of a glimmer, and the animal holds onto it, is its mute testimony and its panic-stricken mark, and at the very spot where horror overtakes him, the animal buckles under, but in total innocence.

The cameraman Sergei Gurin, whose voice is heard at length in this book, says that his life has been changed by everything he saw in the Zone, starting with the mute lesson and the appeal that he heard, coming from a background of obscure life of which animals are the ultimate and faithful guarantors: “A strange thing happened to me. I became closer to animals. And trees, and birds. They’re closer to me than they were, the distance between us has narrowed. I go to the Zone now, all these years, I see a wild boar jumping out of an abandoned human house, and then an elk. That’s what I shoot. I want to make a film, to see everything through the eyes of an animal.”

What has become of Sergei Gurin? Where are his films? Who will show them to us? And, speaking of films, how strange it is that in *Stalker* (which Tarkovski made several years before the Chernobyl catastrophe) the only nonpoisoned gift made by the Zone should be that of the dog, Egyptian-looking, which appears trotting above the puddles and which the ferryman ends up taking back with him.

A dog, an elk, the Zone . . . Between the stories of Acteon or Procris and the irradiated bushes all history stretches out, all our history. The leaping deer that was a phantom in my night remembers, it is translucent, it is still running: in Paolo Uccello’s painting, in Sergei Gurin’s film, the elk’s life is a thought, obscure, like life itself. It came back and it comes back, it goes around in a loop, discourse is unhinged, this had to happen: our sisters and brothers by blood have kept silence forever. What would the world be without them? The sky without birds, the oceans and rivers without fish, the earth without tigers or wolves, ice floes melted with humans below and nothing but humans fighting over water sources. Is it even possible to want that?

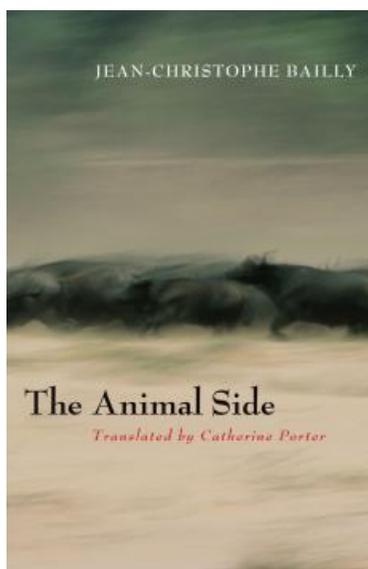
In relation to this tendency, which seems ineluctable, every animal is a beginning, an engagement, a point of animation and intensity, a resistance.

Any politics that takes no account of this (which is to say virtually all politics) is a criminal politics.

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Between Monterosso and Vernazza, in the Cinque Terre, on the customs agents' path that runs along the coast and that has unfortunately become a nearly clogged hiking trail, in one of the turns where the path goes down a little and makes a curve cutting through a sort of valley, but still very high above the sea, on a rocky ledge forming something like a shallow rectangular grotto, the guardian used to be found. A cat, a simple tiger cat, but stretched out in the noblest, proudest pose: in other words, manifesting what in the feline pose par excellence is connected to an immediate and spontaneous becoming-a-sphinx. Not a feral cat, I think, but rather a stray, and in fact, as the presence of plates and bowls made clear, a cat fed by the nearby villagers, thus a sort of guardian, functionally, at least, or a household divinity: placed on top of a money-box bolted to a table that was itself bolted to the ground, a small sign duly spelled things out, moreover, asking tourists passing by

on the path not to give the animals anything to eat (there were actually several cats) and to content themselves, if they so desired, with slipping a coin into the slot. Now from all this emerged—beginning with the remote presence, the kingly remoteness, of the first cat I saw—an atmosphere that was not strange but strangely familiar, although remote, the atmosphere, perhaps, of a very old recollection of the sacred, not cumbersome but discreet, scarcely more extensive than a whiff of Mediterranean undergrowth, scarcely more pronounced than a slight inflection: a thought, here again, and not a thought “for” cats or for a power of which they would be the representatives on earth, but a thought sent by them, working with them, with what was given consistency by one of them in any case, namely, what I can only call a legitimacy: that which between a territory and an existence would form the space of a sovereignty. Any observer of a cat, even inside an apartment, knows right away how to identify the tenor and measure the importance of this space, where it seems as if one is visually registering the abyssal gap separating all creatures, a gap that is nevertheless also the resource of a sacred friendship, as the inhabitants of Vernazza appear to know. A space that must not be disturbed in any way: the instant a tourist full of good intentions approached to pet the cat on guard, the animal got up and disappeared.



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Catherine Porter is Professor Emerita, SUNY College at Cortland; a former president of the Modern Language Association; and a renowned translator of French philosophy and theory.

About the photographer

Karen Knorr is Professor of Photography at University College for the Creative Arts, Farnham, UK. She is currently working on a series of photographs called INDIA SONG, exploring Indian cultural heritage and highlighting the conflict between the animal world and development. See more of her work at <http://www.karenknorr.com/>

Cities unknown

Photographs and commentary by Hans-Georg Esch



Hans-Georg Esch, "Tianjin 01", 2010

Tianjin was one of the first cities we visited for our Cities Unknown project in early 2010. What first struck us was the fact that Tianjin looked so familiar with its highways and city centre; everything seemed to have just come up out of the ground. For the photograph, we had to find a high point to get this particular sight. We checked into a local hotel with a rooftop which promised us the right view. After having moved into our room, we explained our plan to the staff and they gave us access to the roof. The view was stunning, and we tried to capture as many light conditions as possible. This particular shot was done in the early hours: the highway lights had just come on and lit up the streets, and hardly any cars were around that early in the morning.

The proof of China's rise to world power lies not so much in the prosperity of her famous cities—but in the quiet, massive growth of mega-urbs that have no need for fame



Hans-Georg Esch, "Chongqing 02", 2010

It was a big challenge to photograph Chongqing: we not only experienced one of the biggest cities worldwide (it has over 32 million inhabitants), but we also had to deal with the local weather conditions—which in Chongqing means fog. During certain periods of the year the visibility in the area is very poor. The perspective in the photograph, which shows the prominent location where the Yangtze River and the Jialing River come together, was only possible when the haze allowed us to see the buildings on the other side of the river. For this shot we went up to the location several times to get the lighting situation and visibility which suited us. Sometimes photography has a lot to do with waiting, patience, and the intuition to press the release at the right moment.

— HANS-GEORG ESCH

Photographs selected from the exhibition *Chinas Millionenstädte* (Cities Unknown) by HG Esch, September 2010 to January 2011 in Köln, Germany. For more, see <http://www.citiesunknown.de/>

A former employee of one of the world's leading investment banks, **Vincent Antonin Lépinay** later spent two years as an academic studying the people, processes, and organization behind the design and management of “General Bank’s” most complex and profitable derivatives—a world of high intelligence, self-deception, and hidden risk

Codes of finance

Art by Elisabeth Bond

Adapted from *Codes of Finance: Engineering Derivatives in a Global Bank*, by Vincent Antonin Lépinay (Princeton University Press, 2011)



Elisabeth Bond, "Estuary" (linocut on paper), 2009

At 8:00 a.m., Alan arrives in the General Bank equities and derivative products trading room. Alan is in charge of maintaining a portfolio of financial products, much like an art collector would maintain a collection of paintings. He sells some products, buys others, and tries to figure out what will facilitate success in the market and where the market is headed. Upon arriving, he indulges for a few minutes in the usual small talk with colleagues.

He catches sight of the quantitative engineer (the "quant"), who specializes in creating price models for the financial products that Alan trades. For a good twenty minutes, Alan quizzes the quant on the puzzles that the market has created the day before. Much like a Formula One driver would report to mechanics the reactions experienced while driving on a test circuit, Alan briefs the quant on the ups and downs of his portfolio's value and seeks an account that will help him anticipate future

market configurations that are similar. He cannot afford to watch his portfolio lose value, and he presses the quant for some simple accounts of his products on the market. He sees himself as part of an engineering collective working to innovate and to understand its innovations.

Alan has been a trader at General Bank for five years. He graduated from a Parisian engineering school and, after specializing for a year in applied mathematics, he went straight to the bank to work at a desk famous for its financial engineering prowess.

The trader—as his title suggests—buys and sells "things." But unlike the traders who roam other floors of the same building, Alan does not trade goods and commodities like silk, oil, or cotton. He specializes in financial products whose values depend on the economic activities of companies, groups of companies, and sometimes countries. That difference matters for Alan: he deals exclusively with flows of

currency located in bank accounts spread across the world so that, unlike most commodity traders, he never has to worry about the physical delivery of perishable goods.

Alan works at a desk alongside other traders and engineers sitting side-by-side and facing rows of monitors. It is the beginning of a long day that may last until 6:00 or 7:00 p.m. if things go well. During the day he will access the market through his computer to check the value of his financial products. Figuring out the value of the entire set of financial products he owns

is Alan's quasi-exclusive activity. First among the pieces of information he consults are prices and their variations, also called volatility. Alan is not going to have much use for these products: if anything, he expects to get a return from holding a debt that provides interest or from owning a piece of property that offers a dividend. Alternatively, he anticipates being able to sell back the products to another trader, at a price higher than the one he paid for the initial acquisition. He needs to get money out of his products; the paper or digital bits of transaction offer little else.

After much consideration and consultation with other traders in the room, Alan turns to his other principal activity—figuring out a way of buying and selling financial products according to a scheme derived from his analysis of the market. With many products in his portfolio, Alan can easily lose track of the composition of price changes. Some products go up, others go down, and when hundreds of them move continuously in unpredictable directions and react to even the smallest piece of news, predicting the value of the portfolio is no easy task.

His attention is sharpened by the omnipresence of the “pricer,” a piece of software crucial to his strategies and plans. Designed by the quant and turned into a tool by the computer engineers of the research and development unit of the bank, the pricer contains information pertaining to all the products owned by Alan, and processes that mass of data on a continuous basis. As his portfolio grows, the task of figuring out the risk entailed by collections of financial products is largely given to the pricer. Thanks to this tool, Alan can assess the value of his portfolio without having to engage in transactions: the products that Alan has in his portfolio do not move from this place. The pricer simulates real-world markets well enough that Alan can be confident its estimate approaches what another trader would offer.

Although Alan delegates significant analytical authority to the pricer when making decisions, he retains a much praised quality among traders. He has developed a sense of the market. He knows not to buy too much at one time so as not to raise suspicions among other traders in the market monitoring the price

Elisabeth Bond, “Cracked Earth” (woodcut on paper), 2009



In some cases, the client had still another version of the contract, turning a financial deal into a genuine cacophony

changes. He also knows that markets have temporal moods: not all hours offer the same response from other traders because of the limited window of intervention. Alan buys and sells financial products on exchanges located in Asia, Europe, and North America, each of which operates on local time. This dispersion adds to the problems already plaguing Alan's day: He sits in a Parisian trading room, and as he turns on his pricer, he has to deal with markets that are on the verge of closing or are already closed. A Japanese financial product is assessed in parallel with a Canadian financial product, but one recapitulates into its price all the trading-day's vicissitudes, whereas the other stumbles on the first bits of new information.

As a partial remedy to this geographic dilemma, Alan works with collaborators in these other financial centers. When Alan leaves his desk after the French exchange has closed, he passes his portfolio to a North America-based colleague. But unlike an air traffic controller who handles airplanes as they move into his or her assigned zone and passes them to another controller when they exit the zone, Alan has the final call on his portfolio and handles over 8 or 9 hours of a plane flying 24 hours a day. For more than 14 hours, the plane is on its own.

Alan is thus one among thousands of traders who dedicate their lives to monitoring prices, selling in anticipation of downturns and buying when they expect a price rise. But Alan does not simply trade financial products. He has made his reputation—and much money—as part of a group that designs new and sometimes unique financial products for banks.

As a consequence of this foray into engineering, the dialogue that traders of simpler and more standard products would conduct alone with their pricers is replaced by communication with a much larger population in the bank: salespeople, engineers, and quants become interlocutors and part of a complex chorus. Although financial products are not tangible—unlike cotton or oil—their characteristics can easily be captured on paper.

For Alan, innovative and unique securities can also be defined, but as they are “produced” and negotiated between the client and the bank's engineers and salespeople, it is not rare to see the text of the contract changing several times before the transaction itself and even after: a series of events, specified in the contract, can authorize a client—and the bank—to renegotiate the terms of the deal. With a portfolio full of these customized products, each with changing characteristics, Alan is often interrupted by a back-office manager asking him to check on the actual terms of a contract.

Around 4:00 p.m., in the middle of balancing his portfolio risk exposure—selling risky securities, purchasing other more promising ones—Alan gets such a call. One of the contracts sold by General Bank to a wealthy client requires the payment of interest twice a year. The back-office manager is phoning to make sure that the front office (the site of product design, marketing, and management: Alan's world) and the back office (the site of product maintenance and of the post-transaction client relationship) are referencing the same product. This call comes on the heels of a series of mismatches between the two offices. Financial products registered as X in the front office were simultaneously registered as Y in the back office, and during discussions about individual contracts, each office believed it was talking about the same, unique contract. In some cases, the client had still another version of the contract, turning a financial deal into a genuine cacophony.

Alan leaves the trading room. He has done what he is employed to do, relentlessly, on a daily basis: hedging. He has adjusted the composition of his portfolio to protect its value against anticipated changes. Yet as he embarks on the subway journey that takes him to the center of Paris, he cannot help but worry about the ongoing value variation that the portfolio is undergoing. Even though the French exchange is now closed, his products do not enjoy much rest. Behind his back, so to speak, other exchanges are in full swing, and

their moves cannot be hedged by Alan as they unfold.

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Finance is a derived modality of economy that does not preoccupy itself with dealing in things, like bushels of wheat or barrels of crude oil; rather, it elaborates and derives new economic vehicles (equities, bonds, futures, options) from existing economic activities. Unlike silk or cotton, financial products are nothing but contractual documents that define the volume and direction of money between the partners in a deal. Yet these contracts can be much more difficult to understand and control than physical commodities, and because of this they can bring great hazards, as well as great profits, to the bank that sells them.

One such product, and the one I focused on in my study of General Bank over the past several years, is the Capital Guarantee Product (or “CGP”). This is a customized asset management contract sold to sophisticated corporate or institutional clients that offers the guaranteed return of the client's original investment, plus an additional return linked to the performance of the equity markets upon which the product is based. Alan's domain, the trading room, is a place where new financial products like CGPs are created, sold, and maintained with the aim of guaranteeing the greatest income for the bank while minimizing the risk of losses. It turns out, however, that having even an approximate idea of the value of some of these products is not at all intuitive. Typically, clients do not know how to assess them, and find themselves having to rely on the initial inventor for guidance.

Even the inventors have a difficult time. In addition to dealing with exchanges already opaque to most financial operators, CGP traders must face risks generated by the aggregation of unlike products in the portfolio, the unpredictable animation of which is akin to dealing with wild organisms. Unsurprisingly, the term “beast” comes frequently to the forefront in the traders’ conversations about their products.

The trading room doubles as a place where sophisticated models are developed to figure

out the value of these inventions. It is a risky business. Quants in charge of defining the model best suited to a given product, for example, are torn between two inclinations. On the one hand, by attaching standard models whose properties they are familiar with to products they are unfamiliar with, they can limit the uncertainty of a structure which will be used by traders in charge of managing these products; the valuations that emerge, however, will not be optimal, as a non-customized model will not fit perfectly with the joints of the product. On the other hand, by developing a custom-made model for a new product, engineers take on the risk associated with an innovation that has not yet been tested in the market. The product and the model combine their uncertainties and may well put traders in a completely uncharted situation.

The uncertainty flows through to the tools used daily by traders like Alan. The pricer has been built to simulate a price without reference to actual bids or offers because the products themselves have no histories or equivalents to be compared against, and are not traded on exchanges. Indeed, such products are not designed for exchange at all: the products are customized to a client's needs and cannot be transferred to a third party. Because CGPs defy possible comparisons, their value is dependent on the decisions made by the strings of engineers who collaborate around the models.

The models developed in the trading rooms contribute, as do all models, to the setting of the level of risk to which the banks are subject. As a bank develops refined models that monitor risks more accurately, it can indulge in tighter hedging policies. Instead of hedging in an approximate way, without regard for the actual risks on the market, the bank uses models to limit as much as possible its inactive capital. Every euro cent that is freed from the hedging of market activities can thus be reinvested in a potentially lucrative activity.

This “race to the bottom” helps banks working with more accurate models to resist the turbulence of markets. However, models protect them only marginally, and over a length of time that does not suit the far-reaching horizons of banks. When more than one large bank collapses, the entire banking industry is in danger. The unpleasant aftertaste left by the

recent spate of crises is evidence of the consequences of the modeling hubris of a few investment bankers, convinced that they could beat the market and escape unscathed before its collapse. The inadequacy of models is in fact a considerable source of risk for all the actors on the market.

Another source of risk is the malleability of the product itself, its terms adjustable at the client's discretion. With hedging calculations focused on a portfolio which may aggregate up to five hundred contracts, and with end-of-term contracts exiting the steady stream of the portfolio to reclaim their individuality one last time, how does a trader keep track of the successive versions of the initial contract? His or her assigned job is to take care of the portfolio and to attend to its fluctuations so that the bank does not lose money. The attention required for such a task is less like that of a collector keeping track of the minutest details of each specimen, than of a one-person air traffic control center, where the operator is in charge of keeping an eye on dozens—perhaps hundreds—of moving targets, all at once. The portfolio has no other identity than that of an aggregate. It does not need a memory of its own turbulent ins and outs over time. Whether the portfolio contains 500 or 478 contracts changes the trader's engagement very little. It remains a single portfolio with a fluctuating value and a series of risk indicators as attributes.

Back-office operators, by contrast, are unconstrained by the near-instantaneous value assessment so familiar to traders. Their primary function is to ensure that the monetary flows defined by contracts are paid and received properly by the bank once their calculation is complete. The back-office database is entirely devoted to the reliable completion of transactions. Nothing is worse for these operators than deals that linger in the limbo of everlasting negotiations between the bank's engineers and traders and their clients. A good deal is a done deal.

CGPs and their changing parameters are therefore a nightmare from the perspective of the back office. They hold the future open and force operators to stay on top of each contract.

Key Terms of a Capital Guarantee Product

The World-Wide Secured Exposure 8 Year EMTN on Global Indices S&P 500, Nikkei 225, Eurostoxx 50

- 100% Capital Guarantee at Maturity
- 120% Participation in the Quarterly Average Rise of the Portfolio
- 120% Participation in the Best Performing Index in Case of Portfolio Underperformance
- In Euro with Exchange Rate Guarantee

The "Double Chance" Note—How Does It Work?

Thanks to the double chance mechanism, this note offers two chances to make a return on the global equity market. Indeed, contrary to a classic capital-protected investment, should the final value of the portfolio be below its initial value, the note will offer a second chance and pay the highest positive performance of the individual indices comprising the portfolio.

Redemption at Maturity

The first chance:

- On the launch date, the value of the portfolio is set at 100.
- Every three months following the Start Date (each being a fixing date), the performance of the portfolio is calculated as a percentage of its initial value.
- The Final Value of the portfolio will be the arithmetic average of the 32 levels recorded on each Fixing Date.
- If the Final Value of the Portfolio is greater than or equal to its initial value, the investor receives 100% of his investment amount plus 120% of the Portfolio performance as calculated above.

The second chance:

- If the Final Value of the Basket is less than its initial value, the investor receives 100% of the nominal amount plus 120% of the average performance of the best performing index in the portfolio.

Maturity date February 25, 2008

Underlying Equally weighted basket composed of the following indices:

- DJ EUROSTOXX 50 (STX)
- S&P 500 (SP)
- NIKKEI 225 (NIX)

Issue Price 100% Nominal Amount

Reoffer Price 95% of Nominal Amount

Capital Guarantee 100% of Nominal Amount at Maturity

Redemption at Maturity Maturity, the holder will receive the greater of the following:

- Nominal x 100%
- Nominal x (100% + 120% [Max(BKT_m - 1; 0)])

with $BKT_m = \frac{1}{32} \sum_{t=1}^{32} BKT_t$

$$BKT_t = \left[\frac{1}{3} \times \frac{SP_t}{SP_1} \right] + \left[\frac{1}{3} \times \frac{STX_t}{STX_1} \right] + \left[\frac{1}{3} \times \frac{NIX_t}{NIX_1} \right]$$

where t means the 32 quarterly fixing dates taken over the life of the note. SP_t, STX_t, NIX_t is the Closing Price of the Fixing Date t of the relevant index. SP₁, STX₁, NIX₁ is the Closing Price on Start Date of the relevant index. BKT_t is the Closing Value of the equally weighted basket on Start Date.

Double Chance If $BKT_m < BKT_1$, the Note pays

$$\text{Nominal} \times \left(100\% + 120\% \times \text{MAX} \left[\frac{SP_m}{SP_1} - 1; \frac{STX_m}{STX_1} - 1; \frac{NIX_m}{NIX_1} - 1; 0 \right] \right)$$

with $SP_m = \frac{1}{32} \sum_{t=1}^{32} SP_t$; $STX_m = \frac{1}{32} \sum_{t=1}^{32} STX_t$; $NIX_m = \frac{1}{32} \sum_{t=1}^{32} NIX_t$

At General Bank, this added workload was a by-product of two cultures splitting the organization: customization alone without memory would work fine; meticulous record keeping of standard contracts would work equally well; doing both at the same time was a problem.

After CGPs were introduced, for example, the front-office and back-office databases soon bore no resemblance to one another. They contained the same products, but they cut them along different seams and relied on different categories. Even the product codes differed. On the tickets issued by the front office, a field was devoted to the “front code.” The back-office manager, who had the ticket in his or her hands when entering the product into the database, then penciled in the back-office code, close to the preceding fields. The same applied to the confirmation, which described the operation in typically back-office terms; the product’s front code did not have its place on this document and was only subsequently penciled into a corner. From its creation, the product was thus modeled in two different ways by the two processing centers. The bank had planned for a ubiquitous product—with properties known by each and every operator in the bank, in Paris and in Tokyo, front office and back office. The reality of these multiple modes of existence through which products were traveling was painfully different. There was never more than one contract at the base of these disparate local expressions, but because its unique animation came from the various descriptions attached to it by operators in each milieu, there was no possibility of finding a single, secure perspective from which to settle disputes over characterizations and descriptions. Operators could not bypass these partial expressions to look the product in the eye, having instead to deal with all of a contract’s incarnations.

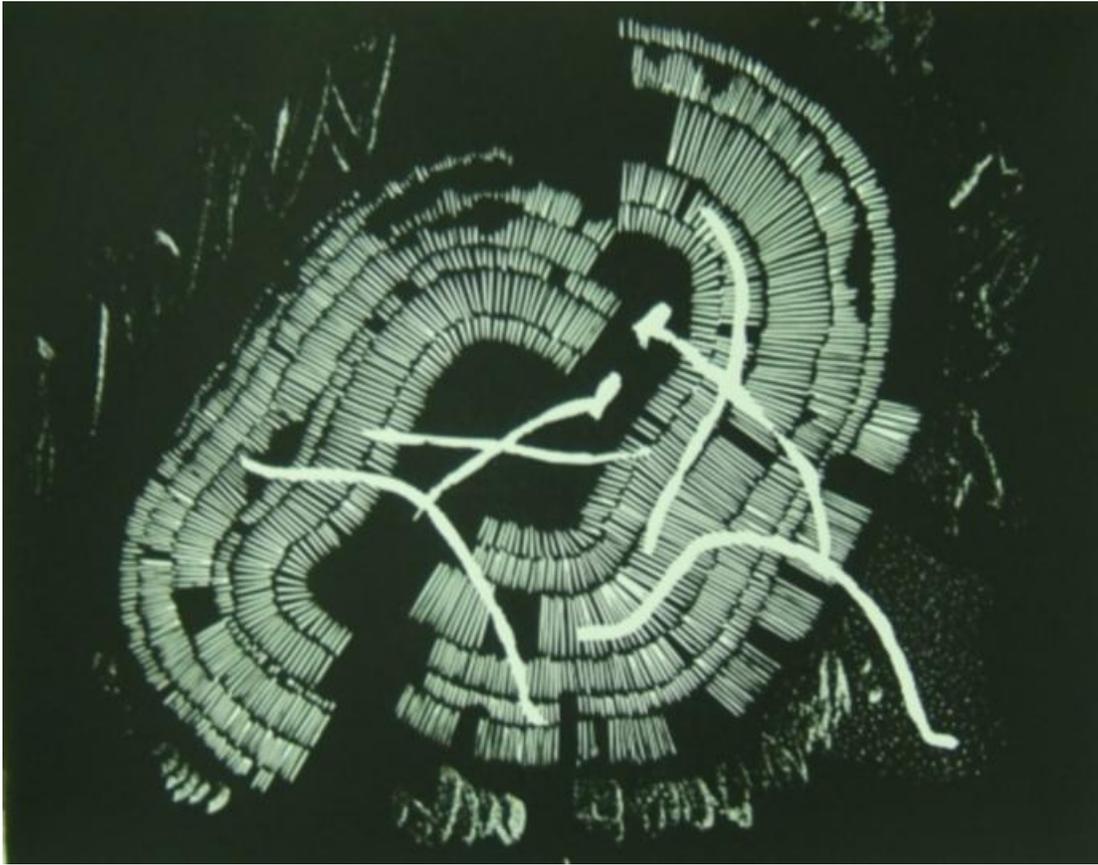
Cost accounting also gets more complex with CGPs in the mix—and this before even the disciplinary contortions often generated by products that are bound to the off-balance-sheet zone. The hedging prowess of the traders deal with the prices of CGPs, and infinite caution is taken to save pennies for the bank. But no one is concerned with *total* costs. The trading room

does not question the wealth of support required to underpin its unique activity of hedging properly-priced products, yet the subtleties of the operations conceived of in the front office by engineers, salespeople, and traders require the disentanglement of the multiple conditions laid out in the contracts. The need to mobilize people simultaneously from the front, middle, and back offices weakens any economies of scale. The work required by these post-market operations goes beyond what was imagined by the engineer who formulated the product, and who kept in mind the subtlety of its legal and financial structure while forgetting about the cost burden of later processing.

This one activity, therefore, created a significant cost for the bank. Actually, more than a cost. A cost would have been easy, but instead of a unique figure, the bank had difficulty even circumscribing the limits of the many costs that unexpectedly plagued the general economy of CGPs. As the inventor of an in-house product tracking and pricing system explained to me:

It’s always the same story: in a large institution like ours, between 90 and 95 percent of products are processed more or less correctly; they are entered into a catalogue of ten standard products, and the necessary investments are made once and for all to correctly deal with those products.

So that is the industrial aspect. But there is always that little margin, those products springing from the engineers’ creativity, and they represent 5 percent for us. But when we look at the numbers, we realize that this costs half of the back office, whereas, in terms of volume, it’s relatively insignificant. Yet, it’s very important for the reputation of the house, for the sense of innovation that people get. And for that, colossal sums will be invested, and that’s where the whole problem lies: in managing these products before their quantities become sufficiently significant to justify an investment that is, quote unquote, industrial in scale... The development of a new product



Elisabeth Bond, "Dancing Sandmen" (linocut on paper), 2010

today does not really take into account the cost of executing the contract. You have a department that optimizes something, that is, the three products it thinks it will be able to sell to clients for the most, and that in the end does not include in its economic calculations another factor. And so we have, on occasion, discovered that a large part of the marvellous margin we thought was being made on a product was, in fact, pared down by management costs.

This does not mark the end of the toll taken by innovative finance. At the other end of the bank, on the highly standardized securities market, investors attempt to anticipate the future returns and decide whether to buy a bank's equity. These investors are General Bank's peers, sometimes its partners on other deals, and they submit those deals to the same techniques that the bank's own engineers apply to the CGP's underlyings. Yet, when they consider the bank itself as a security and not as a financial services provider, expectations shift

to another register. The unique structuring offered by the CGP is no longer sought here, because General Bank shares are in an absolute performance race with a host of other publicly-traded companies. Unlike the many services offered by its star product, the bank can do only one thing for its shareholders: rise high and rise fast. Compared with the pampered designs offered to the bank's clients, the investor wants very little of design when it comes to foreseeing future results.

Simplicity is not to be had. The exact opposite of the apparent clarity offered in the bank's prospectus, the production of the yearly profit and cost of a CGP follows tortuous and winding roads that demand expert eyes to decipher. The customization of products, their long duration, and their increasing structural entanglements place them at odds with accounting imperatives. At the same time that they have won the praise of their peers, General Bank's exotic derivatives activities have raised the concerns of its owners and of the regulatory agencies monitoring financial firms.

Financial products like CGPs are different from kitchen utensils. In the first place—and to pay a little respect to an old distinction wielded by classical economists—they are not, strictly speaking, going to be used. We call them financial “services” or “products,” indiscriminately, but one would be hard pressed to find a more disincarnate service. There may be much to discuss in the design of the product, and there are definitely many characteristics to be chosen during the negotiation, but ultimately what the product comes down to is greater or fewer euros served at the term of the contract.

One sure thing is their deployment in time. What lies in the future—the yield and potential of resale to the issuer—is both the only promise of the product and its most uncertain outcome. There is nothing more in a financial product than its promise; nothing to offer other than what is to come in a distant future—quite unlike the fruit in the village marketplace that the customer touches and pokes, smells and scrutinizes, when wanting to assessing what he gets for his money.

Consider the difference between investing one’s money in a CGP and investing it in the shares of a company whose activity can be described in traditional economic terms. France Telecom was one of the most traded companies at the time of my fieldwork. Its appeal was threefold: it was a “too big to fail” French company with major public participation and capital share, a multinational company investing in almost all corners of the world, and a new economy investment fund with interests in most cutting-edge startups in Europe. Assuming that the ultimate goal of France Telecom investors is to make profits, the wide range of activities engaged in by the company offers many possibilities for a salesperson to weave a marketing narrative. Tying the expected performance of France Telecom shares to specific economic scenarios, for example, is much easier than giving a sense of the potentialities of performance of a formula as convoluted as the double guarantee mechanism. The challenge comes from the twist introduced by the formula: whereas sellers of France Telecom shares could shore up their stories of the company business plan by resorting to clients’ shared experience of the economy, how

can one convey such a sense of the mechanism at play when the formula concatenates mins, maxs, and averages of indices that are themselves composites? The sheer mechanical articulation of the mathematical operators at work in the formula does not reach a point where the CGP can be seen to derive from the economy itself, because the derivation is engineered in such a way that no one client can see through the structure: it is the combination of indices (themselves summaries of national economies) through the mathematical operators that are derivations.

This, however, can be appealing to clients. It offers exposure to the worldwide economy through a payoff formula and—it seems—nothing more than a payoff formula. Farewell, dusty and noisy economies. Farewell, manufacturing plants and their recalcitrant workers. Enter the agile vehicle of modern capitalism, bearing clean profits and controlled risks.

Accounting must take place in the background, a direct consequence of the legal status of the bank, whose activities must be made public on a regular basis. Investors are entitled to these regular snapshots of the bank so that they can make informed decisions when allocating their resources. The sophistication of financial engineering activities must therefore give way to straightforward accounting disclosure and standardized financial statements.

CGP contracts, sitting off the balance sheet, can only be made visible by assigning them a monetary value. Yet, with terms far in the future, nothing less than a model will provide investors and shareholders with that desired value. We wanted facts; we are given models of facts—and the doubts over the artificiality of model results are as concerning as ever before. Which model should accountants use to convey the present day reality of contracts due to unwind five to ten years in the future?

An additional snag casts a shadow over investors’ efforts to predict the financial results of the bank: the accounting system itself offers flexibility in the way in which financial operations can be qualified. No financial product can claim one single accounting method. Even products that have been traded for a long time still exhibit varying valuation

methods among investors. When products have no history, an adequate method is even less clearly defined. The distortions that operators introduce into the methods of cost or profit calculation rattle the bank, which loses its points of reference, and investors, who look into their portfolios and find entities that no longer fold themselves as easily to their old valuation routines.

The difficulty of providing a bottom line for this activity to shareholders and prospective investors mirrors the difficulty of describing the relevant features of the CGP to the bank's clients. In some instances, salespeople have intentionally hidden risks created by the product's design; similarly, accountants have knowingly qualified products in ways that mask their ultimate cost to the company. A common-sense diagnosis could conclude that they have used artifices to distort the risk of the products and their manufacture. Yet this is too simple, for it implies that at some point during the design and management of CGPs—and of other similarly complex derivatives—someone knew of the exact magnitude of risks being taken by the clients, the bank, and its owners.

My research shows that there was no such privileged site of comfortable exploitation. There was indeed the exploitation of gullible clients and investors who were happy to be told stories of genius quants and infallible traders, but there was equally as much self-deception within the bank as without it. This is the basic dilemma of quantitative finance: opacity of financial design does not produce asymmetry so

easily and naturally that it would give the bank engineers and traders a solid and lasting edge. There are obviously real differences between clients and engineers, and the lack of an existing “market” enables fat commercial margins, but it also leaves the bank alone, without the solid ground of a market price acting as a referent. A less tortured design for CGPs, meanwhile, would immediately level the playing field between the client and the bank.

In the end, the journey through General Bank leaves one struck by the character of quantitative finance's elusiveness: values and prices, topographies and roles, quantities and qualities, distance and intimacy all slip between our fingers as we try to seize them once and for all. General Bank intentionally engineered products that could neither be decoded with a simple magical formula offering access to their ultimate characteristics and risks, nor be embodied, because their composition kept changing as engineers tempted clients with ever newer packages and these latter did not shy away from asking for further transformations to the perimeters of the products. This endless escape was the only way of keeping ahead of the competition aroused by the prospect of fat profits, but it also hampered the full control of cost by a bank forgetful of its organization, and challenged the ability of traders and clients to assign it a clear value. Living and exploiting temporary profits on the edge carries more risks than meet the eye, or than can be computed in a pricer.



Vincent Antonin Lépinay is assistant professor in the Science, Technology, and Society Program at MIT. His previous book, *The Science of Passionate Interests* (co-authored with Bruno Latour), was published by Prickly Paradigm Press. His next book, *How (not) to Be a Bad Trader*, analyzes the competing understandings of information theory among economists, judges, and legal scholars. <http://web.mit.edu/~lepinay/www/>

About the artist

Elisabeth Bond started life as a playwright, writing for theatre, radio, TV, and film. She recently changed course and did an MA in Fine Art, specialising in printmaking: linocuts and woodcuts, mainly using found wood. Her studio is in London, and her prints are in collections in Britain, Italy and China. <http://www.elisabethbond.com>

Olusola Oyeleye

Olusola Oyeleye is a UK-based writer, director, performer, and producer. She recently directed *Call Mr. Robeson*, which was featured at the New York City Fringe Festival. Next, she will be directing two operas by acclaimed Nigerian composer Akin Euba, and is also preparing for the international conference “Dialogue: Africa Meets North America in Harlem”, which will be held in New York City this October. Olusola discussed her work with SCOPE’s **Abby Plener**.

SCOPE: *Your most recent enterprise, Call Mr. Robeson, follows the story of singer and civil rights activist Paul Robeson who was targeted by the CIA as a communist and “anti-imperialist”. Why was it important to you to re-visit Robeson’s story?*

Oyeleye: Paul Robeson was an important reason for my setting up Black Swan Theatre and Opera Company and then ARIYA Opera, the first company in the UK to create performance opportunities for classically-trained singers, musicians, and composers from Africa and the diaspora. It was working on this play that opened up the real story of Robeson’s sacrifice, and it made me think of the many heroes and heroines forgotten to history. As the play tours we meet elderly people who met, knew, or worked with him [and] young people who are discovering his contribution to African-American politics.

SCOPE: *Like much of your other work, the play combines various storytelling techniques: poetry, music, and of course dramatic performance. How does this combination of mediums resonate with the story?*

Oyeleye: I come from a tradition of total theatre. A play moves, it sings, it speaks, and sometimes the story is in the silence. So I listen to the play; it will show me how to tell its story—the patterns of the words on the page, the spaces between words, how they sound spoken, sung. In approaching this story, I knew that we could not include everything, but through music and movement, the tools of the theatre-maker, we aimed to tell the story above and beyond the words on the page. By creating a one-man show, we wanted to explore the intensity of Paul Robeson’s life. He spoke several languages, was well-travelled, intellectually brilliant, and completely dedicated in his struggle for equal rights for the working classes of the world.

SCOPE: *Your role as an arts educator has allowed you to work with youth across South Africa, Ghana, Zimbabwe, Nigeria, Hungary, and the UK, along with contributing to education and outreach at the Royal Academy of Art and the English National Opera. Why is this work so important to you?*

Oyeleye: Working in arts education is the most important and rewarding work to me. It is not an adjunct to “mainstream” theatre; it is the very core of theatre making. I firmly believe that it is important to extend the footprint of participation in the arts. I have worked with young people with a wide spectrum of physical and mental abilities and the work produced is always refreshing, challenging, and raw.

SCOPE: *Your body of work includes pieces inspired by the Western canon, yet you often speak of the importance of resisting formal structures. What does the canon mean to you?*

Oyeleye: My cultural references are wide and deep. I am blessed with the influence of the African traditions of story-telling, and I have travelled widely in Nigeria and several other countries on the continent. I was born in the UK, and have made a personal study of Francophone literature, from the Négritude movement onwards, so my European influences are a strong component of my performance practice. The “canon” is wider than Western/European classical forms. The width of Africa and Asia offers a culturally diverse platform of arts and artists. As the demographic shifts around the world, so we mix and match the very best parts of ourselves. We see this very much in popular music. It is frustrating when the canon is set in aspic, by so-called “cultural gatekeepers”, while the wider artistic/literary endeavour is labelled “naive”, “primitive”, or “other”. These ancient art forms deserve more respect.

Welcome to the end
of the third issue.

Send us your feedback
and suggestions, and
let's make the fourth one
even better, together.

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“Cities and towns hold an ambivalent position within the Indian imaginary. This ambivalence varies across class and caste lines. *Dalits* (former “untouchables”), for instance, view cities as places for good fortune, where caste rules do not apply with the same brutal intensity as they do in villages. In modern Indian literature the city is simultaneously a sign of wonder, a crucible of curiosity, and a location where individuals lose their moral anchor—their community—and fall prey to aggressive individualism. But from a neo-liberal point of view, cities are primarily engines for economic growth, and the future of India’s economy depends on how they are governed and replicated.”*

* Page 14, *inside*