Introduction

1. Frank Norris, The Pit: A Story of Chicago (New York: Doubleday, 1903), 34. Subsequent references to this edition will be included in parentheses in the body of the text.

2. The opera takes place at the Auditorium Theater, which was built in 1889 by the architectural firm of Adler and Sullivan. As chapter 3 discusses in more detail, Sullivan also designed a significant number of financial buildings, including the Chicago Stock Exchange building (1894). As David Zimmerman observes in Panic! Markets, Crises, and Crowds in American Fiction (Chapel Hill: University of North Carolina Press, 2006), 123–49, by making comparisons with the scene at the opera, the novel draws attention to the theatricality of the trading pit at the Chicago Board of Trade.


9. On the importance of regional exchanges, the New York Curb Exchange, and over-the-counter (OTC) trading in the late nineteenth century, see O’Sullivan, “Expansion of the U.S. Stock Market.”


17. My use of the term “vernacular financial advice” draws on but also differs from Alex Preda’s account of a “popular ‘science of the financial markets’” in *Framing Finance: The Boundaries of Markets and Modern Capitalism* (Chicago: University of Chicago Press, 2009). Preda documents how, in the eighteenth century, financial speculation was deemed to be outside the realm of rational calculation and knowability and, therefore, not part of the scope of Enlightenment scientific enquiry. Once socially respectable stockbrokers began to achieve a public voice in the nineteenth century (most noticeably in Britain and France in the middle part of the century), however, they were able to reposition financial knowledge as a form of scientific enquiry akin to the physical sciences (and here Preda draws on Philip Mirowski’s influential analysis of the distorting use of mechanical metaphors in economic theory). Although Preda’s exploration of the longer struggle for the legitimacy of financial knowledge is useful, *Reading the Market* investigates forms of financial writing (in both fictional and nonfictional genres) that were aimed at a more popular audience than the “self-styled ‘scientific’ manuals” that Preda concentrates on. For a more


24. Edward Tailer’s diaries are held at the New-York Historical Society. They are discussed in Henkin, *City Reading*, 130–33; and Preda, *Framing Finance*, 133–35, 224–33.


27. For a discussion of Wall Street as a synecdoche for finance, see Fraser, *Every Man a Speculator*. Although, in the legislative inquiries and legal disputes with the bucket shops around the turn of the twentieth century, the NYSE was keen to distance itself from what it saw as less-reputable financial practices, in its nascent public relations campaign in the 1910s, it began to seem suitable to be identified in the public’s mind as the center of finance. See also Steven H. Jaffe and Jessica Lautin, *Capital of Capital: Money, Banking, and Power in New York City* (New York: Columbia University Press, 2014).


29. In *The Pit*’s variation on the real-life incident of Joseph Leitner’s attempted corner in 1898, the invisible hand of the market trumps the once-mighty hand of the individual
speculator. In Norris’s quasi-mystical accounting, the elemental forces of supply and demand are fuelled by the irrepressible fertility of the wheat itself. Yet The Pit also makes clear that the high prices for wheat are not purely the result of the iron laws of nature, but are artificially elevated by scheming traders. The novel thus fluctuates uneasily between portraying the market as a human construct and as a state of nature.


32. On the self-referentiality of price data, as constructed by the EMH, see Paul Crosthwaite, Speculative Investments: Finance, Feeling, and Representation in Contemporary Literature and Culture (forthcoming).


40. As showcased in Martha Woodmansee and Mark Osteen, eds., The New Economic Criticism: Studies at the Intersection of Literature and Economics (London: Routledge, 2000), New Economic Criticism has investigated the commonalities between literature and economics as systems of symbolic representation and has made important contributions to the fields of literary, cultural, and historical studies. The key homological insight animating much of this work, however—that metaphors and money function as twin forms of the “general equivalent” of fungible exchange—has, at times, become merely an ahistorical truism that loses critical purchase on the varied moments of representational and/or financial crisis and is in danger of creating an uncomfortably close connection between poststructuralist theory and financialization itself. On the latter point, see, for example, Michael Tratner, “Derrida’s Debt to Milton Friedman,” New Literary History 34 (2004): 791–806; and Joshua Clover, “Value | Theory | Crisis,” PMLA 127 (2012): 107–14.

41. One of the most compelling studies of cultural reactions to the dangerous volatility of value in nineteenth-century America is by Andrew Lawson, Downwardly Mobile: The Changing Fortunes of American Realism (New York: Oxford University Press, 2012). Joseph Vogl provides a useful summary of the historical stages of finance and the intellectual un-


44. Karl Polanyi, *The Great Transformation: The Political and Economic Origins of Our Time*, foreword by Joseph E. Stiglitz (1944; reprint, Boston: Beacon Books, 2001). Polanyi’s focus is primarily on Britain, but he asserts—unconvincingly—that the self-regulating market did not emerge in the United States until after 1890, because of the abundance of available land.


nineteenth century, many conservative Americans turned to a twin faith in racial essentialism and the intrinsic value of precious metal as a counterweight to what they perceived as the dangerous instability of money that was not backed up by gold as a signifier of value.

52. See, for example, Karen Halttunen, *Confidence Men and Painted Women: A Study of Middle-Class Culture in America, 1830–1870* (New Haven, CT: Yale University Press, 1982).


54. Giovanni Arrighi, *The Long Twentieth Century: Money, Power, and the Origins of Our Time*, 2nd ed. (London: Verso, 2009). Ian Baucom, in *Specters of the Atlantic: Finance Capital, Slavery, and the Philosophy of History* (Durham, NC: Duke University Press, 2003), provides an important adaptation of Arrighi’s narrative in his account of the “insurantial imaginary” that, he argues, emerged in the eighteenth century with the slave trade’s treatment of people as fungible and abstractable commodities. Although Baucom is drawn to Fredric Jameson’s account (“Culture and Finance Capital,” *Critical Inquiry* 24 [1997]: 246–65) of the “culture of finance capital,” he is struck by the fact that the “speculative epistemologies and value forms” of our contemporary “hyperfinancialized” moment represent an uncanny repetition and intensification of late eighteenth-century finance capitalism, when “capital seems to turn its back entirely on the thingly world, sets itself free from the material constraints of production and distribution, and revels in its pure capacity to breed money from money—as if by a sublime trick of the imagination” (27).

55. Poovey, *Genres of the Credit Economy*.

56. Sandage, *Born Losers*, 99–128. See also Josh Lauer (“From Rumor to Written Record: Credit Reporting and the Invention of Financial Identity in Nineteenth-Century America,” *Technology and Culture* 49, no. 2 [2008]: 301–24), who argues that, while most Foucauldian studies have concentrated on *state* biodisciplinarity, in the United States in the nineteenth century, credit-reporting agencies constituted an enormous realm of *private* surveillance.


61. In this broad claim I am drawing on Margot Finn’s work on the discourse and practice of credit and debt in eighteenth-century and nineteenth-century Britain. Finn argues against modernization theorists, demonstrating instead how, even with the growth of consumerism and the cash nexus, there was a continuity with older forms of personalized gift exchange and a reliance on notions of character and social standing in the realm of credit. Finn posits not merely that gift exchange persisted alongside market exchange, but that it was part and parcel of market exchange; indeed, modern consumerism did not so much replace traditional networks of credit and obligation as it was fueled by them. See Finn, *The Character of Credit: Personal Debt and English Culture, 1740–1914* (Cambridge: Cambridge University Press, 2003).


64. Robert Wiebe, *The Search for Order, 1877–1920* (New York: Hill & Wang, 1967), 12. Stuart Banner, in *Anglo-American Securities Regulation: Cultural and Political Roots, 1690–1860* (Cambridge: Cambridge University Press), likewise argues that, although the first emergence of financial capitalism in the middle of the nineteenth century may have introduced new institutions and ideas, usually these were brought into the fold of intelligibility (and legislation) by an analogy to existing practices and discourses.

**Chapter 1 • Market Reports**

1. The intermingling of personal and business news continued in brokers’ correspondence, even into the 1870s, as a way of cementing personal relationships and conferring authority on the price information, but the stock ticker, with its mechanization of trust, made this kind of communication less relevant. There are examples of correspondence from this period between clients and brokers in the Warshaw Collection of Business Americana, Archives Center, National Museum of American History, Smithsonian Institution, Washington, DC. On the changes brought about by the stock ticker, see also Alex Preda, *Framing Finance: The Boundaries of Markets and Modern Capitalism* (Chicago: University of Chicago Press, 2009), 121–22.


4. Wash sales involved simultaneous buying and selling by one person or group, in order to create the appearance of market activity in a particular stock. Stocks that were watered were believed to be overcapitalized (i.e., priced unreasonably in excess of the actual worth of the firm’s assets). See Lawrence Mitchell, *The Speculation Economy: How Finance Triumphed over Industry* (San Francisco: Berrett-Koehler, 2007). For a discussion of muck-


6. Henry Clews, *Fifty Years in Wall Street* (New York: Irving, 1908), 203–4. Frank Norris, in *The Pit: A Story of Chicago* (New York: Doubleday, 1903), has Sam Gretry, Curtis Jadwin’s right-hand man, declare that “‘I’ve fixed the warehouse crowd—and we just own all the editorial and news sheets of these papers.’ He threw a memorandum down upon the desk” (336). Lefèvre, in his *Bookman* article, asserts unconvincingly that these practices were far less common in the United States than in Britain. On advertorial puffery in British newspapers, see Porter, “City Editors.”


9. U.S. Congress, House of Representatives, *Report of the Committee Pursuant to House Resolutions 429 and 504 to Investigate the Concentration of Control of Money and Credit*, H.R. Rep. No. 1593, 62nd Cong., 3d Sess. (1913), 115. Although “blue sky” laws designed to protect the investing public by compelling transparency in corporate financial information were enacted in some western states in the 1910s, many of the recommendations for national securities reform failed to gain purchase; instead, the trusts were busted by increasing the possibilities for competition through antimonopoly legislation, such as the Clayton Act of 1914. For a history of the political struggles over the democratization and regulation of shareholding, see Cowing, *Populist, Plungers, and Progressives*, 25–74; and Ott, *When Wall Street Met Main Street*, 9–54.


11. Although the old guard in the New York Stock Exchange rejected outright any of the Progressive calls for governmental regulation and continued to see themselves as essentially a private club, a younger, reformist group on the Committee on Library engaged in a public relations exercise to embrace the idea of the small investor as an American Everyman who should be allowed, just like the wealthy insider, to trade securities on the “free and open market” without paternalist interference from the government. They likewise promoted the activities of the NYSE as fulfilling a public service by setting prices and allocating capital. Despite the rhetorical appeal to the mythical small investor, in practice the governors of the NYSE thought it better not to attract bad publicity and tried to dissuade members from dealing with outside investors of limited means by restricting retail brokerages and outlawing advertising, in part to distinguish themselves from fraudulent firms and bucket shops (on the latter point, see Ott, *When Wall Street Met Main Street*, 39).


13. Alex Preda, in *Framing Finance: The Boundaries of Markets and Modern Capitalism* (Chicago: University of Chicago Press, 2009), argues that the stock ticker likewise demanded new modes of economic epistemology, a disciplining of the economic subject into habits of rational calculation and unceasing concentration on the endless flow of prices (132–35). Although evidence is scarce on how far thinking about the market was part of participants’ daily lives, Preda cites the diaries of Edward Neufville Tailer, a clerk in New York City, in which Tailer obsessively monitors not only the rise and fall of stock prices, but also his own investment behavior.

14. On the idea of the stock market graph as a projection and introjection of stock prices that are themselves a representation of aggregated desire, see Audrey Jaffe, *The Affective Life of the Average Man: The Victorian Novel and the Stock-Market Graph* (Columbus: Ohio State University Press, 2010). Jaffe provides a very suggestive argument about the imaginative power of the stock market graph as a representational technology. She tends to exaggerate the significance of the graph form in the Victorian period, however, and she likewise gives too much credit at an early historical moment to the marginalist understanding of prices as a numerical expression of the aggregation of individual utility preferences. Certainly, in the American case, many lay observers of the stock market continued to think of prices as embodying the value of the firm’s assets, and any deviation from a warranted price could only be explained in terms of secret manipulation by insiders or (toward the end of the century) the madness of crowds. David Henkin, in *City Reading: Written Words and Public Spaces in Antebellum New York* (New York: Columbia University Press, 1998), makes a similar argument to Jaffe about the uneasy relationship between projection and introjection, noting the habit of Edward Tailer in his diaries of deriving his sense of self not so much through interior reflection but through his reading of reports in the newspapers of social events and stock market activities in which he is involved (130–33).


16. Although Charles Dow emphasized the need for objective, impersonal market reporting, in practice the *Wall Street Journal* was not always averse to a more human-centered approach to financial journalism. Amid the usual talk of bulls and bears battling it out on the floor of the NYSE, the reporters for the *Wall Street Journal* would emphasize their closeness to the action, mentioning individual brokers by name, although they often used the impersonal voice to give at least a rhetorical semblance of objectivity, coupled with a cautiousness not to confuse a rumor with fact: “Distillers was regarded as drifting into a deadlock, where there would not be much movement until after the reorganization was complete” (6 April 1895, 2; emphasis added). Likewise, although the paper condemned
gossip and rumor as such, it was not averse to insisting that its information (from the horse’s mouth) was simply more accurate than that of the popular press: “There seems to be a good deal of misunderstanding in regard to the Electric situation due to reports and rumors circulated by ill-informed people and newspapers” (6 April 1895, 2).


20. Ibid.

21. Ibid., 148.


24. The following examples are based on a random sampling of the Herald’s money page over the period 1870–1910. Although it is tempting to concentrate solely on moments of high drama in the markets, my reading (of all three case studies) takes in both the days of excitement and the many days of “dullness,” in order to examine the proposition that watching the market became a quotidian activity, rather than a matter of concern merely in times of financial panic.

25. As if to emphasize that it was even closer to the action, the market reports in the Wall Street Journal gave a near-hourly breakdown of the day’s activities.


27. New York Herald, 6 July 1883, 8.


33. New York Herald, 18 November 1882, 8.

34. New York Herald, 23 April 1883, 8.

35. New York Herald, 10 July 1883, 8.


37. New York Herald, 2 December 1890, 12.


42. *New York Herald*, 22 April 1883, 26; 24 April 1883, 8; 25 April 1883, 13; and 26 April 1883, 5.
43. *New York Herald*, 6 July 1883, 8; 7 July 1883, 12; 8 July 1883, 15; 9 July 1883, 7; and 12 July 1883, 8.
44. *Harper’s Weekly* (11 November 1899), 1151. Faith in publicity (preferably voluntary financial disclosure by the corporations themselves, coupled with the threat of the harsh light of journalistic scrutiny), rather than external governmental regulation, was the creed of most conservative commentators; compare, for example, the *Wall Street Journal*: “There is nothing like publicity as a remedy for corporation abuses and as a protection to investment interests” (8 October 1907, 1). As Mary Poovey notes in “Writing about Finance in Victorian England: Disclosure and Secrecy in the Culture of Investment,” *Victorian Studies* 45 (2002): 17–41, a contradiction was at the heart of the financial page in the nineteenth century. On the one hand, there was a desire to create transparency in the otherwise murky world of business in an age before the legal requirement of disclosure, thus making it seem honest and open, in order to legitimize the “philosophy of commercial affairs.” On the other hand, business had a strong competitive imperative to keep its activities secret, based on the common assumption that business was actually not part of the public realm but belonged instead to the private sphere of individual freedom of contract and the self-regulation of the market, away from governmental interference.
47. *Harper’s Weekly* (1 August 1908), 28.
55. *Harper’s Weekly* (7 December 1901), 1214.
57. Although *Harper’s* seems not to have been flooded with promotions for suspicious corporations and brokerages in the way that the Sunday newspapers were in the late nineteenth century, there is a noticeable shift in the advertisements on the money page, away from the magazine’s stock-in-trade of ladies underwear, liquor, and patent medicines to financial services of a seemingly respectable kind.
61. Although high for a weekly magazine, these figures must be seen in comparison with the main New York newspapers, such as the New York Herald, the New York World, and the New York Times, which, by the 1880s, all had whole-page spreads on society gossip in their Sunday editions. The Herald sold 190,000 copies and the World, 350,000. See Montgomery, Displaying Women, 191, n12.


65. Edwin Post Jr., Truly Emily Post (New York: Funk & Wagnalls, 1961), 143. In Edith Wharton’s The Custom of the Country (New York: Scriber’s, 1913), parvenu Undine Spragg is instructed in the ways of society by Mrs. Heeny, the society manicurist and masseuse, who brings in clippings from Town Talk, Wharton’s thinly disguised version of Town Topics. The same title also appears in Wharton’s The House of Mirth (New York: Scribner’s, 1905).

66. Montgomery, in Displaying Women, notes that Gilded Age society magazines and newspaper columns afforded leisure-class women greater publicity for their displays of fashionable activities, such as balls, sporting competitions, and other entertainments, but, at the same time, enforced greater surveillance of female morality. Montgomery makes extensive use of Town Topics in her study.


68. Town Topics (20 January 1887), 16. Montgomery, in Displaying Women, notes that the same heroic military metaphors are used to describe the doings of society matrons like Mrs. Bradley-Martin (152).

69. Town Topics (6 January 1887), 14. On the idea of the charismatic speculator, see Preda, Framing Finance, 198–212.


72. Town Topics (3 February 1887), 20.

73. Town Topics (20 January 1887), 15.

74. Town Topics (3 February 1887), 19.

75. Town Topics (2 January 1890), 20. By the 1900s, even the Wall Street Journal had begun to include a column offering conservative investment advice, in the form of “Answers to Inquirers.”

76. Town Topics (14 January 1892), 17.

77. Town Topics (2 January 1890), 16.

78. Town Topics (9 February 1893), 15.

79. Town Topics (20 January 1887), 15.

80. Town Topics (13 January 1887), 1. Edith Wharton takes the trope of the rise and fall of a woman’s stock to the extreme in The House of Mirth (1905).

81. Town Topics (6 January 1887), 1.
82. Town Topics (27 January 1887), 1.
83. Town Topics (27 January 1889), 15.
85. On the trope of anthropomorphized coins and notes, see Poovey, Genres of the Credit Economy, 145–47.
86. Town Topics (3 February 1887), 20. In the legal struggle over the bucket shops’ access to price information from the ticker, the NYSE was understandably accused of operating a cartel, setting minimum rates for commissions and restricting which stocks could be listed. See Hochfelder, “Common People.”
87. Town Topics (17 February 1887), 12. In his interpretation of Frank Norris’s The Pit (1903), Zimmerman, in Panic!, argues that mesmerism was a recurrent trope in accounts of the market during this period. The novel’s stock-manipulating hero, Curtis Jadwin, attempts to wrest control of the invisible hand of the market with the force of his magnetic personality and economic might, but in the end he is mesmerized by the economic sublime of the market itself (123–50).
88. “The Golden Calf: High-Class Bunco Steering,” Town Topics (24 February 1887), 14. The most shocking thing of all, the article concludes, is that Clews ropes women into speculating in the market by employing particularly enticing promoters.
89. Town Topics (17 February 1887), 13.
90. Town Topics (13 March 1890), 17.
91. Town Topics (13 January 1887), 15.
92. Town Topics (14 January 1892), 16.
93. Town Topics (24 February 1887), 17.
94. Town Topics (13 January 1887), 15.
95. Town Topics (17 January 1907), 22.
96. For details of the court case, see Logan, The Man Who Robbed, chapters 2–3, 8–10; and Montgomery, Displaying Women, 145–47. Lefèvre, in his article in Bookman, piously claimed that such practices might happen in England, but not America.

Chapter 2 • Reading the Ticker Tape

1. Thomas Mortimer, Every Man His Own Broker; or, A Guide to Exchange-Alley; In Which the Nature of the Several Funds, Vulgarly Called the Stocks, Is Clearly Explained, and the Mystery and Iniquity of Stock Jobbing Laid Before the Public in a New and Impartial Light; Also the Method of Transferring Stock, and of Buying and Selling the Several Government Securities, without the Assistance of a Broker, Is Made Intelligible to the Meanest Capacity; And an Account Is Given of the Laws in Force Relative to Brokers, Clerks at the Bank, &c. (London: S. Hooper, 1761).

2. For a contemporaneous list of more-respectable sources, including books, magazine articles, legal treatises, and cases, see S. S. Huebner, “Bibliography on Securities and Stock Exchanges,” special issue on “Stocks and the Stock Market,” Annals of the American Academy of Political and Social Science 35 (1910): 217–32. In addition to these sources (many of which have now been digitized), I have consulted some of the more-ephemeral items in the Warshaw Collection of Business Americana, Archives Center, National Museum of American History, Smithsonian Institution, Washington, DC.

3. George G. Foster, New York by Gaslight, with Here and There a Streak of Sunshine
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7. James K. Medbery, Men and Mysteries of Wall Street (Boston: Fields, Osgood, 1870); William Worthington Fowler, Ten Years on Wall Street (New York: Burt Franklin, 1870); Matthew Hale Smith, Twenty Years among the Bulls and Bears of Wall Street (Hartford, CT: J. B. Burr & Hyde, 1871); Henry Clews, Twenty-Eight Years on Wall Street (New York: J. S. Ogilvie, 1887); and Clews, Fifty Years on Wall Street (New York: Irving, 1908).

8. Smith, Twenty Years, iv.


10. In an effort to avoid governmental regulation designed to protect outside investors, the NYSE prohibited advertising by its members (the Hughes Commission, for example, thought that one of the most serious problems bedeviling the public reputation of stock brokering was mailing prospective clients fraudulent circulars that were advertised in the Sunday papers). The brokers advertising in the New York Times, then, were members of other, less restrictive exchanges, such as the Consolidated Exchange.


15. Ibid., 34–35.

16. Ibid., 33.

17. Ibid., 6.


20. Ibid., 11.

W. Morgan advertised regularly in the Sunday edition of the New York newspapers, offering the booklet “How to Speculate Successfully in Wall Street.” As well as John B. MacKenzie and Van Riper, he also mailed out 100,000 circulars a week, encouraging recipients to invest at least $200 in his discretionary-account scheme. Despite promises to make prodigious profits, the three fraudsters pocketed most of the money sent to them (it seems they paid out to existing investors from funds received from new clients, in what was, in effect, a Ponzi scheme). On discretionary-account frauds, see also John Hill Jr., *Gold Bricks of Speculation: A Study of Speculation and Its Counterfeits, and an Exposé of the Methods of Bucketshop and “Get-Rich-Quick” Swindles* (Chicago: Lincoln Concern, 1904).


24. “J. Overton Paine in Court,” *New York Times*, 1 September 1901. Paine continued in his trade of fraud and was again convicted, this time for suspect land deals, in 1937, at the age of 69.


31. [Moody and Hume], *Art of Wise Investing*, 43.


33. Ibid., 146, 12.


35. Ibid., 32.

36. Ibid., 33.


38. Ibid., 44.


1904); and William C. Van Antwerp, The Stock Exchange from Within (New York: Double-day, 1913).


42. Van Antwerp, Stock Exchange from Within, 162.

43. [Moody and Hume], Art of Wise Investing, 36.


46. Black, Real Wall Street, 3.

47. Nelson, ABC of Stock Speculation, chapter 9.

48. Alex Preda, Framing Finance: The Boundaries of Markets and Modern Capitalism (Chicago: University of Chicago Press, 2009), 131. A first step in the process of abstraction was the standardization of agricultural commodities. William Cronon describes how, in the decades following the Civil War, the innovation of standardized grain grading allowed produce of roughly the same grade to be stored communally in grain elevators, with the farmer receiving a paper receipt for the amount deposited (in place of having a specific grain stored in separate bags for each farmer). Not only did grain become abstracted into a generalized and fungible commodity, but the grain-elevator receipts could now be traded themselves as financial instruments, producing a further abstraction: going from trading the physical produce to buying and selling the idea of the produce. Along with the telegraph’s ability to transmit real-time prices nationally, the standardized grading of grain enabled a national futures market in agricultural produce to emerge, transforming the solidity and local idiosyncrasy of individual farmers’ crops into an abstraction, like the universal equivalent of money itself. See Cronon, Nature’s Metropolis: Chicago and the Great West (New York: Norton, 1991), 109–42.


51. See Hochfelder, “Common People.”

52. It is worth remembering, however, that as much as the tape created anonymous and mechanized forms of trust in trading, at the cutting edge on the exchange floor, the transactions were still very much based on face-to-face interactions, underpinned by a
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A communal sense of gentlemanly trust—after all, the trades were concluded with a mere nod or a wave of a hand, which were understood to constitute legally binding contracts. As Caitlin Zaloom explains in *Out of the Pits: Traders and Technology from Chicago to London* (Chicago: University of Chicago Press, 2006), even with the shift to electronic trading on the Chicago Board of Trade and the New York Stock Exchange in the late 1990s, traders maintain that they can recognize the individual style of other participants in the electronic marketplace, even if they don’t know them personally.

56. Ibid., 6.
57. Van Riper, *Ins and Outs*, 16.
60. Ibid., 24.
62. Ibid., 10–11.
63. Although *Reminiscences of a Stock Operator* was published in 1923 (New York: George H. Doran), much of the book refers to the period around the turn of the century, and its description of the mental attributes of the trader and its techniques for reading the tape are very much in tune with accounts written in that earlier period by Lefèvre and other authors. In the context of the ideas explored in this chapter, it is intriguing to consider how a ghost-written autobiography is an act of ventriloquism.
65. For details of how contemporary reviewers were not impressed with the book’s meandering structure, see Todd Doyle, “Artists and Financiers in Wall Street Fiction: The Work of Edwin Lefèvre,” PhD diss., University of Toledo (2001), 70–75.
67. [Moody and Hume], *Art of Wise Investing*, 56.
68. For an account of the considerable effects that financial writing could have on the market, see David Zimmerman’s discussion of Thomas Lawson in *Panic!: Markets, Crises, and Crowds in American Fiction* (Chapel Hill: University of North Carolina Press, 2006), 81–122.
70. It is worth remembering that the prices Livingston encounters in the NYSE-affiliated brokerages are more “alive” than those he was used to in the bucket shops, because they respond to the buying and selling of shares by himself and other traders, whereas in the bucket shop his betting on a particular rise or fall in prices did not materially affect the market.


76. Despite recognizing the prevalence of predatory practices (such as wash sales and false newspaper stories) during a period when the market was still “immature,” Andrew W. Lo and Jasmina Hasanhodzic, in *The Evolution of Technical Analysis: Financial Prediction from Babylonian Tablets to Bloomberg Terminals* (New York: John Wiley & Sons, 2011), nevertheless assert that “what seems to have been lost in the annals of history is that technicians were the casualties, not the villains of pool operations, and their tools were honest means of detecting the danger in order to survive” (80). Although these authors are undoubtedly correct in noting that—in the popular investment manuals, at least—most tape reading was framed as a way for the ordinary investor to be able to second-guess the secret strategies of the market manipulators, it remains entirely plausible, as many of the fictional examples suggest, that those sharp operators could make the tape tell a false story, precisely because most of its readers regarded it as a transparent and unmediated form of communication.

77. A. N. Ridgely, *By Law of Might; or, The Campaign in Sunset; A Romance of the Real Wall Street* (New York: H. A. Simmons, 1908); and Ridgely, *Study and Science of Stock Speculation*, 11.


80. Preda, in *Framing Finance* (207), also quotes this passage, but (as with several other quotations included in this chapter), I interpret it differently. In this case, Preda reads it as an example of how the ticker was able to “appresent” the market in a form of unmediated communication, but I think the novel betrays a skepticism about the ticker’s tendency to work in the mode of realist representation, signaled here by a self-conscious focus on the romance and poetry of finance, not to mention the possibility that the story of the market that is legible on the tape has been deliberately manipulated by Rock.

81. *Ticker* 1, no. 4 (February 1908), 34.
87. As Steven Connor explains in *Dumbstruck: A Cultural History of Ventriloquism* (Oxford: Oxford University Press, 2000), despite many technical devices that reproduce distant speech (from Morse code to the telephone), people still find the idea of disembodied voices unsettling (364–86). One of the questions raised by Victorian encounters with disembodied voices and automatic writing during séances was whether they were evidence of a spectral agency at work, or (in the new, psychoanalytic terminology) the product of the unconscious mind of the medium. A similar dilemma haunts accounts of the ticker in particular, and market reporters in general: are they channeling the authentic voice or the otherworldly presence of the invisible hand itself, or is the market merely the aggregated voices of all the speculators, the collective unconscious of the crowd?
91. Ibid., 103, 107, 106.
93. Lefèvre, “Keene,” 91.
94. Ibid., 92.
96. See, for example, Mark Seltzer, *Bodies and Machines* (New York: Routledge, 1992).
100. In his reading of Frank Norris’s *The Pit: A Story of Chicago* (New York: Doubleday, 1903), Zimmerman, in *Panic!*, shows how the novel offers a depiction (in the person of the speculator Jadwin Curtis) of the confluence between the machinery of the mind and the machinery of the market, each under the control of a master manipulator yet always in danger of becoming out of control. The novel presents Jadwin as a hypnotist who is mesmerized by his own medium, while the market itself succumbs to the mass hysteria of panic. In both the novel and the late nineteenth-century discourse of New Psychology, Zimmerman argues, self-possession is considered to be a fiction, with identity an essentially imitative process that finds its most extreme example in market panics. As Zimmerman points out, Norris’s novel, along with other financial and psychological writing from the period, focuses on the “signs and instruments of an agency lurking beneath or beside consciousness,” which finds its tangible form in “spectral hands tapping at parlor organs.
during séances, immaterial hands spelling out messages from the dead on planchette boards, [and] hysterics' hands mechanically scribbling out letters and novels while the patient slept or talked" (124).


107. Ibid., 149.

108. This argument draws on Jackson Lears, No Place of Grace: Antimodernism and the Transformation of American Culture, 1880–1920 (New York: Pantheon Books, 1981), whose book offers a correction to Robert H. Wiebe’s argument, in The Search for Order, 1877–1920 (New York: Hill & Wang, 1967), that the coming of modernity in the United States was marked by a quest for certainty amid the chaos and unpredictability of a society that was rapidly changing. Pietruska, in “Propheeteering,” develops a similar argument: modernity involved not so much the replacement of premodern forms of superstition as their incorporation, when “producers and consumers of prediction together rationalized uncertainty and shaped a new cultural acceptance of the predictable unpredictability of modern life” (2).


114. Benner, *Benner’s Prophecies*, 16–17. Preda, in *Framing Finance*, outlines how, in the early decades of the twentieth century, the emerging profession of market analysis endeavored to create a tradition for the “science” of market forecasting by harking back to Benner and others (158–60).


117. Burton G. Malkiel, *A Random Walk Down Wall Street: The Time-Tested Strategy for Successful Investing*, 10th ed. (New York: W. W. Norton, 2012). At first, technical analysis was challenged by the development of fundamental analysis, which argued that the only way to make money from the market was to identify prices that were out of line with their real underlying value, to which they would inevitably return; both technical and fundamental analyses, in turn, were rendered seemingly redundant by the “random walk” thesis.

118. The irony, however, is that in the wake of the financial crisis that began in 2007, many commentators are coming to view the EMH itself as a pseudoscience, a myth that has been dressed up in the arcane mathematical language of the quants (i.e., experts at analyzing and managing quantitative data) who are at the forefront of financial engineering. See, for example, Justin Fox, *The Myth of the Rational Market: A History of Risk, Reward, and Delusion on Wall Street* (New York: HarperBusiness, 2009). Malkiel, in the 2012 revised edition of *Random Walk*, includes a chapter that assesses the critiques of the EMH and concludes that rumors of its demise have been exaggerated, not least because of his overall hypothesis: in the long run, an investment held in an index-tracking fund always manages to outperform any actively managed portfolio (267–302). For Malkiel, the axiom that you can’t beat the market is explained in large part because of the taxes and management fees required in actively managed funds; it makes more sense, therefore, to track the market, but with a diversified portfolio to hedge against risks.

120. The popular legend is that all four of Noble’s husbands had committed suicide (this version of the story is recounted in Smitten’s biography, for example). However, a recent investigation by Matthew Hansen (*Omaha World-Herald*, 27 October 2015) suggests that only one of Noble’s ex-husbands committed suicide.

**Chapter 3 • Picturing the Market**


3. Arjun Appadurai coins the term “financescape” in “Disjuncture and Difference in the Global Cultural Economy,” *Public Culture* 2 (1990): 1–24. Although he uses the term to describe some of the distinctive features of postmodernity, it can also be applied to the way that the placeless market was increasingly coming to be organized around the turn of the twentieth century, even if, as the present study argues, it was still experienced and explained in more-traditional, human-centered ways.


9. For a broad overview of the historical relationship between debtors and creditors,

10. On the trompe l’oeil painters, see Lawrence Weschler, *Boggs: A Comedy of Values* (Chicago: University of Chicago Press, 1999); and Walter Benn Michaels, *The Gold Standard and the Logic of Naturalism* (Berkeley: University of California Press, 1987). Michaels argues that, despite their seemingly satirical or critical intent, late nineteenth-century trompe l’oeil paintings by artists such as Harnett and John Haberle merely repeat the goldbug insistence on the value of the representational medium itself (with gold-backed money viewed not as a symbol of value, but as naturally valuable in itself). But, in a series of dizzying, paradoxical elaborations that threaten to undermine his main point, Michaels goes on to argue that the modernist rejection of the illusionism of naturalism itself betrays an equivalent commitment to a goldbug mentality: the reaction against a view of money and art as being governed by intrinsic value, and in favor of an account that highlights the processes and slippages of signification, recreates a new kind of essentialism in the fetishization of the brute matter of the artistic material itself.


20. What is noticeable about octopus cartoons from this period is that they appeared in both middle-class and working-class publications. On the use of conspiracy-minded cartoons in the radical press during the decades around the turn of the twentieth century, see Michael Cohen, “‘The Conspiracy of Capital’: American Popular Radicalism and the Politics of Conspiracy from Haymarket to the Red Scare,” PhD diss., Yale University (2004).

22. See, for example, G. Frederick Keller, “The Curse of California,” Wasp 9, no. 316 (19 August 1882), 520–21.


32. For a discussion of the intellectual and cultural history of the legal notion of “piercing the veil,” see Brook Thomas, American Literary Realism and the Failed Promise of Contract (Berkeley: University of California Press, 1997), 231–69.

33. “Get After the Substance, Not the Shadow,” Puck 68, no. 1757 (2 November 1910), centerfold.

34. Steichen denied that it was his intention, but the lighting for the image was rehearsed in advance, with a janitor sitting in for Morgan. See Abigail Tucker, “J. P. Morgan as Cutthroat Capitalist,” Smithsonian Magazine, January 2011, www.smithsonianmag.com/history-archaeology/J-P-Morgan-as-Cutthroat-Capitalist.html [accessed 2 August 2013].


37. Medbery, Men and Mysteries, 38.

38. Ibid., 25.


40. Medbery, Men and Mysteries, 39.
41. The climactic scene of Frank Norris’s *The Pit* is narrated from the perspective of Page Dearborn, who watches the drama uncomprehendingly from her vantage point in the spectators’ gallery. On the way that Page “fetishizes the market’s incomprehensibility,” see David Zimmerman, *Panic!: Markets, Crises, and Crowds in American Fiction* (Chapel Hill: University of North Carolina Press, 2006), 148.


43. Ibid., 37–38.

44. King’s *Views of the New York Stock Exchange* (New York: Moses King, 1898), 1.


47. “Modern Brokerage Establishments,” *Ticker* 1, no. 4 (February 1908), 7.


49. For some examples, see “Bank Advertising Emblems,” *Banker’s Magazine* 79, no. 3 (August 1906), 299–302. Liz McFall and Francis Dodsworth, in “Fabricating the Market: The Promotion of Life Assurance in the Long Nineteenth Century,” *Journal of Historical Sociology* 22 (2009): 30–54, argue that advertising life insurance in Victorian Britain was necessary, to help build a market for it in the face of public resistance, and that the buildings (and then the advertisements showing the buildings) contributed to the material fabrication of a market that embodied the values of liberalism: “The free market was not simply a product of intellectual argument, it had to be built, propagandized, and embedded in the urban infrastructure and culture” (51).

50. Catherine Ingraham, in “The Stock Exchange: Standing Upright, Idle,” *Grey Room* 15 (2004): 80–101, discusses, in relation to the work of Louis Sullivan in particular, the origins of stock markets in animal stockyards and ancient temples, noting that in both cases there is a recurrent anthropomorphization in their architectural symbolism and structure, with, for example, classical columns constructed as figures, with feet, body, and a head. See also Ingraham, *Architecture, Animal, Human: The Asymmetrical Condition* (New York: Routledge, 2006), 261–86. For an insightful analysis of the way that the Chicago Board of Trade building helped to performatively structure the market it housed, see Caitlin Zaloom, *Out of the Pits: Traders and Technology from Chicago to London* (Chicago, University of Chicago Press, 2006), 25–58.


52. The building was torn down in 1972, but the interior of the trading floor was salvaged and a reconstruction is on display at the Art Institute of Chicago.

53. With declining health and fortune, in his later years Sullivan went on to design a number of small midwestern banks (called his “jewel boxes”) that combine a sense of dependable, democratic functionality with elements of aesthetic richness. Sullivan’s reputation waned after his death, and many of his landmark buildings were demolished in the 1960s and 1970s, including the Stock Exchange building (that had, in any case, long since ceased to serve as the location of the Chicago Stock Exchange). Protests by a few fans
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kick-started a revival of interest in the architect, one result of which was that the trading room and the entrance arch of the Stock Exchange building were salvaged and later put on prominent display in the Art Institute of Chicago. See Ingraham, “Stock Exchange.”

54. Unlike later, more brutalist versions of modernism, Sullivan’s buildings are rich in the arts and crafts style of decoration, suggesting that by “form follows function,” he meant that because of technical developments like the steel frame, architecture could be liberated from traditional styles. Forms of ornamentation should therefore neither be haphazardly applied nor removed entirely, but instead should serve to provide a visible expression and harmonization of a building’s inner structural composition by reference, for example, to organic forms, such as vines.

55. In contrast, the original Chicago Board of Trade Building (1885) was a heavy, neo-Gothic edifice, described by Frank Norris in The Pit (New York: Doubleday, 1903), and was more like a vaguely sinister mythical creature than a temple of modernity: “The lighted office buildings, the murk of rain, the haze of light in the heavens, and rised against it the pile of the Board of Trade Building, black, grave, monolithic, crouching on its foundations, like a monstrous black sphinx with blind eyes, silent, grave—crouching there without a sound, without sign of life under the night and the drifting veil of rain” (41). The Auditorium Theater, in fact, ended up being constructed in heavy stone, and the foundations designed by Adler and Sullivan were unable to support the increased weight, with the result that one corner of the building sank and warped.


60. This motif is still used to illustrate news reports of market activity, despite the relative decline of face-to-face, open-outcry trading. For a witty take on the iconography of brokers as a visual stand-in for the market as a whole, see “The Brokers with Hands on Their Faces Blog,” http://brokershandsontheirfacesblog.tumblr.com [accessed 10 March 2012].

61. As Zimmerman notes in Panic!, many of the artists who illustrated Wall Street novels also drew images for adventure stories. W. R. Leigh, the artist for many of Lefèvre’s stories, left his life as a commercial illustrator in New York to pursue a successful career as a painter of canvases of western life and natural scenes.

62. Medbery, Men and Mysteries, 41.


65. “Your Own Brains, versus Brain Bought, Begged, or Borrowed,” *Ticker* 1, no. 6 (1908), frontispiece.


70. John Maynard Keynes, *The General Theory of Employment, Interest, and Money* (New York: Harcourt Brace, 1936), 156. In theory, according to the Nash Equilibrium, an infinite process of second-guessing will lead rational players of the game (in which the beauty contestants are ranked from 0 to 100) to converge eventually at 0. Although Keynes acknowledges that there are those who “practice the fourth, fifth, and even higher degrees,” empirical studies have shown that usually players reach only the second or third level. See Rosemarie Nagel, “Unraveling in Guessing Games: An Experimental Study,” *American Economic Review* 85 (1995): 1313–26.


72. Henkin, in *City Reading*, 137–66, documents how the profusion of legible texts circulating in antebellum New York (commercial signs attached to buildings, temporary advertisements and posters plastered to walls, daily mass-market newspapers, and banknotes and their accompanying counterfeit detectors) created a public sphere that, in contrast to Habermas’s virtual community of like minds in polite society, inhabited actual public space and was both more democratic yet more anonymous than its eighteenth-century predecessor. Like Henkin, I am arguing here that tape reading, in the bucket shops at least, was a concrete and would-be democratic activity of public reading, which nevertheless has much in common with Habermas’s idea of an abstract, virtual, and invisible community of solitary readers. (In the eighteenth century, the readers were resolutely bourgeois; although many ticker readers in nineteenth-century America were equally members of the elite, bucket shops promised to democratize participation in speculative investment.) The claim that ticker reading constitutes a form of “street reading” becomes still stronger later in the twentieth century with the advent of technological developments such as the Trans-Lux Movie Flash Ticker in the 1920s, which enabled projection of the ticker tape onto a screen in banks and brokerages. See Preda, *Framing Finance*, 131. From 1928 on, an electric scrolling tape on the façade of the New York Times building in Times Square provided a news and ticker feed, and the image of the masses staring at a scrolling electronic ticker
remains a visual shorthand for public reaction to the changing fortunes of the stock market. The title of this section nods toward Richard H. Brodhead, *Cultures of Letters: Scenes of Reading and Writing in Nineteenth-Century America* (Chicago: University of Chicago Press, 1993), albeit in a very different spirit from Brodhead’s study of the social hierarchies of reading and writing practices in the nineteenth century.


77. *Ticker* 1, no. 4 (February 1908), 34.


80. In the video installation *Black Narcissus* (https://vimeo.com/132643744/), the artists Matthew Cornford and David Cross have produced a compelling reworking of the familiar trope of financial peaks and troughs, with their CGI rendition of financial data from 2004 to 2014 as an otherworldly mountainscape. For an account of Cornford and Cross’s work, see Alistair Robinson, “Booms and Busts: End of Season Thought,” in Crosthwaite, Knight, and Marsh, *Show Me the Money*, 131–51.


82. Jean-Joseph Goux, in The *Coiners of Language*, trans. Jennifer Curtiss Gage (Norman: University of Oklahoma Press, 1994), makes an intriguing case for a homology between the rise of modernism and the demise of the gold standard. Although Goux oversimplifies some of the historical specificities of the collapse of the international gold standard in the interwar years, his argument (in this book and other works, such as his article on the “stock market mentality”) remains important because it points toward the surprising affinities between cultural experimentation and market rationality.

83. Preda, *Framing Finance*, 150.


87. On the turn to graphs in economics, see Harro Maas and Mary S. Morgan, “Tim-


89. There has been very little research on the ways in which economic knowledge has been presented visually for lay audiences. One foray into this uncharted field is a study of post–World War II economic textbooks, by Loïc Charles and Yann Giraud, “Economics for the Masses: The Visual Display of Economic Knowledge in the United States (1910–45),” History of Political Economy 45 (2013): 567–612.


91. Fisher details the development of his model in Mathematical Investigations in the Theory of Value and Prices (New Haven, CT: Yale University Press, 1925). It is important to note that the machine did not present a view of the stock market in particular, or even the entire economy in general, but instead modeled an isolated aspect of the wider economy. Fisher’s device relied on the input from other economic subsystems remaining constant. In the middle decades of the twentieth century, economists began to develop more-dynamic “models,” informed by systems theory, cybernetics, and ecology, with more-complicated feedback loops between the various processes. The economic accuracy of Fisher’s model as a working theory of equilibrium has recently been attested to in William C. Brainard and Herbert E. Scarf, “How to Compute Equilibrium Prices in 1891,” American Journal of Economics and Sociology 64, no. 1 (2005): 57–83. On the wider question of the use of models, both real and virtual, see Mary S. Morgan, The World in the Model: How Economists Think and Work (Cambridge: Cambridge University Press, 2012). For an intriguing account of a later construction of an actual mechanical model of the economy, see Alissa G. Karl, “Rhys, Keynes, and the Modern(ist) Economic Nation,” Novel 43 (2010): 424–42. Oddly reminiscent of Fisher’s hydraulic machine, one of the favorite visual metaphors for explaining the complex structure of collateralized debt obligations (CDOs) in the financial crisis that began in 2007 was the idea of each tranche of residential mortgage-backed securities (RMBSs) acting as a bucket that was topped up by the steady flow of repayments. See, for example, “What’s a CDO?” Upstart Business Journal, http://upstart.bizjournals.com/multimedia/interactives/2007/12/cdo.html [accessed 2 May 2010].
92. Daniel Breslau, in “Economics Invents the Economy: Mathematics, Statistics, and Models in the Work of Irving Fisher and Wesley Mitchell,” *Theory & Society* 32, no. 3 (2003): 379–411, posits a three-stage process involving abstraction, homogenization (of economic phenomena into commensurable units), and sedimentation, by which mathematically influenced economic ideas helped construct the idea of “the economy.” Breslau’s focus is mainly on the third stage, in which ideas became sedimented in the changing social milieu of academic economics in the early years of the twentieth century.

93. In fact, even though the econometricians of the Cowles Commission talked of the “economic system,” it was really only with Keynes’s *General Theory of Employment, Interest, and Money* (1936) and the institutionalization of macroeconomics that the term “the economy” began to gain any purchase. In addition to Breslau (“Economics Invents the Economy”), see Timothy Mitchell, “Fixing the Economy,” *Cultural Studies* 12 (1998): 82–101; and Susan Buck-Morss, “Envisioning Capital: Political Economy on Display,” *Critical Inquiry* 21 (1995): 434–67. Buck-Morss argues that a process of cognitive mapping was required to bring “the economy” into being: “The economy is now seen to act in the world. Because the economy is not found as an empirical object among other worldly things, in order for it to be ‘seen’ by the human perceptual apparatus it has to undergo a process, crucial for science, of representational mapping. This is doubling, but with a difference; the map shifts the point of view so that viewers can see the whole as if from the outside, in a way that allows them, from a specific position inside, to find their bearings. Navigational maps were prototypical; mapping the economy was an outgrowth of this technique” (440).


### Chapter 4 • Confidence Games and Inside Information


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6. As Sianne Ngai suggests in Ugly Feelings (Cambridge, MA: Harvard University Press, 2009), The Confidence-Man is resolutely antirealist, refusing to cash in on, in any consistent way, the Black Guinea’s (one of the many identities of the central character) promise of a single identity underpinning the various guises of the confidence man, coupled with the peculiar way in which feelings, like money, seem to float free from the characters who supposedly experience them. In Empire for Liberty, Dimock likewise identifies a peculiar impersonality at the heart of the novel: “If one could speak of the Invisible Hand as the ultimate capitalist fantasy, The Confidence-Man, in its inhuman, superhuman reign of words, would seem to enact that fantasy at its most extravagant, and most fantastic” (209).

7. Karen Halttunen (Confidence Men and Painted Women: A Study of Middle-Class Culture in America, 1830–1870 [New Haven, CT: Yale University Press, 1982]) and others have noted the way that republican notions of masculine self-possession were evoked as a bulwark against the dangerous figure of the market-oriented confidence man. Kathleen De Grave, in Swindler, Spy, Rebel: The Confidence Woman in Nineteenth-Century America (Columbia: University of Missouri Press, 1995), argues that, unlike the con man, the emerging figure of the con woman has nothing to sell and instead manipulates the stereotype of womanhood, rather than playing on notions of rugged, manly independence.

8. Halttunen, Confidence Men and Painted Women.


10. This interpretation is highlighted in Steve Fraser, Every Man a Speculator: A History of Wall Street in American Life (New York: HarperCollins, 2005), 30–32; and Amy Reading, The Mark Inside: A Perfect Swindle, a Cunning Revenge, and a Small History of the Big Con (New York: Random House, 2012), 24–26. In some subsequent versions of the scam reported in the newspapers, the confidence man offers his own, seemingly expensive watch as collateral on a loan temporarily given, with the watch turning out to be worthless and the con man long since gone. It is worth noting that in its different tellings, the primal scene of the Original Confidence Man always seemed to revolve around a watch. Over and above its obvious value (or lack of value) as a piece of portable property, the symbolism of a watch introduces the notion of time into the transaction. A gift, in effect, is a loan that has no time limit; in several cases the con man would protest his innocence by claiming that he had just not got around to paying back the loan, claiming that he was no more guilty than others who were late in paying back credit. If interest on a loan creates a commodification of time, then the con man’s request for a watch as a symbol of trust produces a confusion between the timeless rhythms of a gift economy and the regular accounting of an exchange economy.


12. The confusions that Melville’s widow experienced between older nonmarket and newer monetary forms of value are part of a wider pattern in the nineteenth century. Viviana Zelizer, in Morals and Markets: The Development of Life Insurance in the United States (New York: Columbia University Press, 1979), discusses how the development of life insurance in nineteenth-century America was comparatively slow, as a result of the difficulty
in getting people to accept the idea of putting a price on something sacred. The acceptance of life insurance as a form of rational risk management also involved a shift in social attitudes toward caring for widows and orphans, going from relying on charity to relying on the market. See also Susan M. Ryan, “Misgivings: Melville, Race, and the Ambiguities of Benevolence,” *American Literary History* 12, no. 4 (2000): 685–712.


14. It is also worth remembering, however, that popular anti-Masonry sentiment in antebellum America was based on the idea that the secret ties of Freemasonry would endanger the transparent bonds of citizenship by bringing back a form of status-based aristocratic privilege into a supposedly open, democratic, mobile American society.

15. Most victims of confidence tricks were reluctant to go to the police, for fear that their shameful encounter would be exposed to publicity. It is arguable that what had been violated was not their innocence, but the social fantasy of manly independence and, more worrying still, the fact that they had been a willing participant in their own seduction.

16. As scholars of nineteenth-century history have noted, for all its benevolent talk of selflessness, charity served to reinforce, in part, the imbalance of power inherent in the traditional hierarchies of society. The con man is appealing to a more modern form of charity, which comes with no strings of humiliation attached.


33. Confirming the adage that there is no honor among thieves, there was not much confidence in evidence at the heart of Buckwalter’s confidence game. Not trusting his clerks to deal with him squarely, Buckwalter placed more trust in the remarkably detailed legal contracts he had drawn up to establish the firm of Lawrence & Co. See Comstock, *Frauds Exposed*, 38–46.


35. The ruse of creating an entirely new exchange to enable and legitimize fraudulent practices is not so far from the situation described in Michael Lewis’s *Flash Boys: Cracking the Money Code* (London: Allen Lane, 2014), which documents how new electronic trading exchanges were created in the 2010s to enable the more ethically and legally dubious forms of high-frequency trading to take place. The legal defense of bucket shops in the Supreme Court case of *Board of Trade v. Christie Grain & Stock Co.*, 198 U.S. 236 (1905), was, in essence, that they were no different from the official commodity exchanges (with speculators in both cases never expecting to actually take possession of the produce in which they were supposedly trading), coupled with the claim that price quotations were public information rather than private intellectual property. Although Hennig’s schemes for the legitimization of bucket shops failed, Hill (*Gold Bricks of Speculation*, 80) reports that Hennig did manage to attain respectability in the upper echelons of Chicago society by offering extravagant prizes to the yacht club.


37. McWatters, *Forgers and Confidence Men*, 254. The printed letter McWatters cites makes the same appeal that Thompson used in his encounter with the jewelry store owner in Albany: “While conversing with a gentleman from your locality recently, you were named as a shrewd and reliable person, and one likely to enter into a business, the nature of which will be explained in this letter” (254–55). What is also remarkable, however, is
that, once the mark had been hooked by the template letters, many of the firms of discretion ary brokers employed armies of clerks to create genuinely handwritten and personal letters, in a precise and persistent campaign tailored to take each victim for the maximum amount that could be extracted.

40. Ibid., 58.
41. Ibid., 19.
42. Ibid., 33.
45. [John Moody and John. F. Hume], *The Art of Wise Investing* (New York: Moody, 1904), 70.
48. Ibid., 74.
50. Ibid., 178. Despite his misgivings about the use of inside information in the securities market, Emery insisted that the market in produce is governed by the economic laws of supply and demand.


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76. White, “Information, Markets, and Corruption.”
77. White, Railroaded, 100–101.
78. Edith Wharton, The House of Mirth (New York: Scribner’s, 1905); Wharton, The Custom of the Country (New York: Scriber’s, 1913); and Wharton, The Age of Innocence (New York, Grosset & Dunlap, 1920). References to these editions will be included in parentheses in the text, with the abbreviations HM, AI, and CC where necessary.
80. For an exploration of these ideas in Wharton, see Jennie Kassanoff, Edith Wharton and the Politics of Race (New York: Cambridge University Press, 2004).
82. We might compare how, in The Rise of Silas Lapham, the Coreys debate whether a dinner-party invitation to the Laphams repays their obligations to them.
84. There is, however, one way in which the truth is “spoken,” namely, endless blushing, which also serves to provide a graphic register of the shame it is designed to suppress.

Chapter 5 • Conspiracy and the Invisible Hand of the Market


5. On the development of New Psychology in general, and crowd psychology in particular, as a way of accounting for market mania, see Zimmerman, *Panic!,* 134–39; and Sklansky, *Soul’s Economy,* 137–70.

6. The term “conspiracy theory” only came into popular use in the 1970s, following academic discussions by figures such as Karl Popper and Richard Hofstadter in the 1960s. There are recorded uses of the term from the late nineteenth century, but not in the same sense that we mean it today. See Andrew McKenzie-McHarg, “How Did Conspiracy Theories Come to Be Seen as Theories?” paper delivered at the Conspiracies Real and Imagined conference, University of York, United Kingdom, 8 September 2011.


10. This debate is discussed in Sklar, *Corporate Reconstruction,* 23–40.


14. Ibid., 98.
15. Ibid., 95.
16. Ibid., 96.
18. Ibid., viii.
24. The political implications of Hofstadter’s stance have been dissected by a number of scholars recently. See, for example, Mark Fenster, *Conspiracy Theories: Secrecy and Power in American Culture*, revised ed. (Minneapolis: University of Minnesota Press, 2008), 23–51.
25. Hofstadter, *Age of Reform*, 81. Hofstadter, however, goes on to note that “the Greenback-Populist tradition activated most of what we have of modern antisemitism in the United States. . . . There has been a persistent linkage between antisemitism and money and credit obsessions” (81).
27. Although I disagree with the overall conclusions reached by Joseph E. Uscinski and Joseph M. Parent in *American Conspiracy Theories* (New York: Oxford University Press, 2014) about the waning influence of conspiracy theories in the age of the Internet, their innovative investigation of the changing rhetoric of conspiracy is instructive. In an analysis of letters to the editor written to two national newspapers, they discovered that almost one-third of the conspiracy talk from 1890 to 1896 fixated on the influence of “business,” with those across the political spectrum viewing monopolies and trusts as a threat to American democracy.
29. As DeCanio (“Populism”) argues, although the Seyd story is a red herring (not least considering that Seyd published a work in favor of bimetallism), the idea that political corruption—in the form of bribery on behalf of bankers—lay behind the passage of the Coinage Act of 1873 is supported by the discovery (in the Bancroft Library at the University of California, Berkeley) of letters from William Ralston, of the Bank of California, to Treasury Department bureaucrats.
31. Sarah E. V. Emery, *Seven Financial Conspiracies Which Have Enslaved the American People* (Lansing, MI: Robert Smith, 1894), 54. See also Pauline Adams and Emma S. Thorn-


34. On the political complexity of William “Coin” Harvey, see Livingston, *Origins of the Federal Reserve System*, 55.


36. Ibid., 109, 213, 118.

37. Ibid., 126.

38. Ibid., 215.

39. On the influence of Harvey’s pamphlet, especially the way in which it was emulated by his opponents, see Hofstadter’s comments in Harvey, *Coin’s Financial School*, 1–81; and Livingston, *Origins of the Federal Reserve*, 90–96.


43. Henry Crosby Emery, *Speculation on the Stock and Produce Exchanges in the United States* (New York: Macmillan, 1904), 174, 182. Emery is forced to recognize, however, that insider manipulation might still happen in cases of outright fraud; he also believes that reforming the stock market so that only those who are “best qualified for speculation” to set prices is a pipe dream, because the big players actively welcome “outsiders” to help maintain an active market. In his view, democratization therefore brings as many evils as benefits.

44. Emery, *Speculation*, 176.


48. Legal cases involving negligence made manifest the difficulties of establishing the parameters of legal responsibility as corporate organizations became more complex. Many of the cases revolved around the agent-principal problem, with corporate lawyers arguing that the traditional idea—that masters were responsible for the torts of their servants, or that principals could enable and were liable for the actions of their agents—no longer applied. Instead, corporate lawyers argued that, in the increasingly complex world of large organizations, there was no longer a direct personal connection between principal and agent and, therefore, no guarantee that expressly willed authority had been given. Large corporations thus necessitated a thorough-going rethinking of the nature of causation and individual agency. As Morton Horwitz notes in *The Transformation of American Law,
“the gradual acceptance of the reality of multiple causation was one measure of recognition that a more complex and interdependent society had emerged by the turn of the century” (65). On the limits of corporate intentionality and responsibility during this period, see also Nan Goldman, *Shifting the Blame: Literature, Law, and the Theory of Accidents in Nineteenth-Century America* (Princeton, NJ: Princeton University Press, 1998). As the section below explains in more detail, one of the main debates about the nature of corporations was whether their rights derived from the individual corporators who owned them, or whether corporations constituted a species of legal person in their own right.


50. *United States v. Trans-Missouri Freight Ass’n*, 166 U.S. 290 (1897); and *Addyston Pipe & Steel Co. v. United States*, 175 U.S. 211 (1899). For details of the legal debates surrounding antimonopoly policies, see Peritz, *Competition Policy in America*; and Horwitz, *Transformation*.

51. In general, as Horwitz points out in *Transformation*, the U.S. Supreme Court lagged behind corporate theory and practice (in ultra vires cases and in recognizing corporate personhood, for example) as it tried in vain to uphold an older, conservative faith in individual competition in the face of ever-larger conglomerations.


54. In *Standard Oil of New Jersey v. United States*, 221 U.S. 1 (1911), even though Standard Oil was ordered to be broken up, the basic defense—that there had been no conspiracy—that was accepted by the court. As Benjamin Klein argues, however, Standard Oil was engaged in what would later come to be called a “hub-and-spoke conspiracy.” Rockefeller and his agents enforced the conspiracy from the hub, albeit informally and without the kind of tightly knit, single-minded “breathing together” that is usually thought of in conspiracy theories. According to Klein, a networked monopoly thus emerged from the uneasy collusion between all the parties, with no single individual being able to dominate and pursue his own particular plans. See Klein, “The Hub-and-Spoke Conspiracy That Created the Standard Oil Monopoly,” *Southern California Law Review* 85 (2012): 459–96.


56. *Trustees of Dartmouth College v. Woodward*, 17 U.S. 518 (1819). As Horwitz points out in *Transformation*, the Supreme Court’s decision in *Santa Clara County v. Southern Pacific Railroad Co.*, 118 U.S. 394 (1886)—which has often been cited as introducing the doctrine of corporate personality by granting an equal protection to corporations as that for individuals, under the logic of the Fourteenth Amendment—was actually predicated
instead on the still-dominant assumption that corporate rights derived from the rights of the individual corporators. Although it had far-reaching consequences, the original Santa Clara decision was barely noticed by the newspapers at that time (see Roy, Socializing Capital, 152), and it was not until the early 1900s that corporations were viewed by the U.S. Supreme Court as having legal personhood. In Organizing America, Perrow therefore warns against conspiracy-theory interpretations (most famously proposed by Charles and Mary Beard in the 1930s) that the change in the law was cooked up as part of a corporate conspiracy: “A zealot might cry ‘conspiracy,’ but that is going too far; it is enough to say that it was the result of obvious organizational interests in market control and empire building” (211).


60. The courts also began to relax the common law doctrine, dating from the era of the corporation as a state concession, that required unanimous consent from shareholding owners to any extension beyond the explicitly chartered corporate purpose—in initially by exploiting the rule that only a majority decision was needed to sell the assets of a firm if it was failing, a loophole that was then used to allow the buying and selling of constituent concerns within a holding company at the behest of its directors, rather than through the explicit unanimous consent of all owners.


64. On the fundamental principles of conspiracy theories (nothing happens by accident; nothing is as it seems; and everything is connected), see Michael Barkun, A Culture of Conspiracy (Berkeley: University of California Press, 2003), 3–8.

65. Upton Sinclair, The Moneymancers (New York: B. W. Dodge, 1908); and Zimmerman, Panic!, 151–90. Zimmerman also provides a masterly reading of Norris’s account of market panics in The Pit (New York: Doubleday, 1903) as an example of the “mesmeric sublime” (123–50).
66. Walter Benn Michaels famously argued that American naturalist fiction did not ultimately provide a critique of corporate consolidation during this period, because it relied on the same assumptions about corporate personhood that were used to justify the Great Merger Movement. In Michaels’s account of the convergence between naturalist fiction and legal writings in the late nineteenth century, the scandal is not that corporations are like people, but that people are like corporations. The implication is that the genre of naturalism did not challenge the doctrine of corporate personality, but reinforced it, because naturalism’s model of personhood was predicated on the same separation of material body and immaterial identity that, according to Michaels, was at the heart of legal cases defining corporate rights. While Michaels’s discussion is frequently compelling, he overstates the extent to which legal theorists took the notion of legal personhood literally, with many continuing to rely on the individual rights at the heart of the partnership theory of corporations, or (like Arthur Machen, in “Corporate Personality”) insisting that while corporations were natural entities prior to the law, they were not the same as real persons. Michaels also tends to turn the naturalists’ engagement with the problem of individual collective agency into a philosophical insight about the fundamental nature of human identity, rather than a historically specific problem. Finally, in pushing toward his conclusion that naturalism constituted a single, overarching “logic” that was in tune with corporate capitalism, Michaels fails to acknowledge the contested nature of the debate. In his discussion of Michaels, Brook Thomas makes the intriguing suggestion that, “rather than conclude by saying that in naturalism all fictions are corporate fictions, we might be wiser to note that, so far, our literature has failed to produce any truly satisfying corporate fiction.” See Thomas, “Walter Benn Michaels and Cultural Poetics: Where’s the Difference?” in The New Historicism: And Other Old-Fashioned Topics (Princeton, NJ: Princeton University Press, 1991), 150.


68. Frank Norris, The Octopus: A Story of California, 2 vols. (Garden City, NY: Double-day, 1901), 1: 46. Subsequent references to this edition will be included in parentheses in the text.


73. See note 66.

74. Conspiracy theories about the panic of 1907 became increasingly popular once the
initial sense of relief diminished. See Zimmerman, Panic!, 151–57. The political debates leading up to the establishment of the Federal Reserve are dissected by Livingston in Origins of the Federal Reserve System.


83. Ibid., 1952.

84. Some later historians have taken Morgan’s defense at face value: the bank directors did not operate in concert, it is argued, as there was plenty of disagreement and competition between them; and even if they had such a plan, they would not have been able to impose their will on the boards of directors, as they were rarely in a majority. This view is put forth forcibly by Carosso, Investment Banking in America, 139, 151. Some commentators (e.g., Thomas Huertas and Harold van B. Cleveland, Citibank: 1812–1970 [Cambridge, MA: Harvard University Press, 1987]) have even characterized Untermyer as a self-serving, aspiring politician, deliberately and cynically throwing out accusations that he knew to be false.


93. Pak, Gentleman Bankers, 11.


98. Brandeis, Other People’s Money, 30. The word “ramification” crops up repeatedly in discussions of corporate entanglement, with its connotations of branching that include associations with both family trees and railway/telephone branch and trunk lines.

99. Brandeis’s articles in Harper’s Weekly, which were later collected to form Other People’s Money, were accompanied by muckraking cartoons, although the cartoons were not included in the book version. See University of Louisville, Louis D. Brandeis School of Law Library, http://louisville.edu/law/library/special-collections/the-louis-d.-brandeis-collection/other-peoples-money-by-louis-d.-brandeis/ [accessed 1 October 2011].

100. Chandler, in Visible Hand, credits McCallum with being the first to produce corporate organizational charts (103). What is surprising, however, is that Chandler never actually saw the chart itself, basing his description instead on a detailed advertisement in the American Railroad Journal. Business historians have presumed that the original was lost, but (without knowing Chandler’s difficulties in locating the original) I came across a version on the Library of Congress website, and copies of the original image have since been found. See Alfred Chandler, “Origins of the Organization Chart,” Harvard Business Review 66 (1988): 156–57; and Caitlin Rosenthal, “Big Data in the Age of the Telegraph,” McKinsey Quarterly 1 (March 2013): 13–18.


ing to remake the messy world to fit the spirit of rationalization embodied in the diagrams of corporate organization, in practice they were more likely to rely on personal networks and their first-hand knowledge of the competency of particular managers, rather than an abstract organizational structure as such.

103. The British Ecological Society was formed in the same year as the Pujo Committee diagrams were produced (although the term “ecosystem” was not fully explicated until 1935, with the publication of Arthur Tansley’s “The Use and Abuse of Vegetational Concepts and Terms,” *Ecology* 16, no. 3 [1935]: 284–307). As Adam Curtis argues in *All Watched Over by Machines of Loving Grace* (BBC Two, 2011), some of the spurious foundational claims of ecology were taken up by Chicago economists, who were attracted to the notion of benign, self-regulating, cybernetic systems.


108. Ibid., 491–92.

109. Ibid., 492–93.

110. Ibid., 493. Compare a far more conspiratorial interpretation in H. L. Barber, *Making Money Make Money; or, A Primer of Investing* (Chicago: A. J. Munson, 1916): “What we see is that two small groups of men, classed as the ‘Rockefeller Group’ and the ‘Morgan Group,’ are directly or indirectly interested vitally in about every large business enterprise in this country. . . . We will see later that when it [the reader’s investment dollar] goes to one of these two groups it goes under conditions where the ‘clique’ who comprises it gets nineteen-twentieths of its earning power, and you get but one-twentieth. We will see that there is a perfected financial system that, by and through the magazines and newspapers, by and through the banks, by and through the reportorial agencies, leads, coaxes, and drives the dollars of the masses to this ‘clique’ of the classes as assuredly and as certainly as if these dollars were wrenched from them by force” (166–67).

111. It is worth comparing the discussion of “the System” in Thomas Lawson’s *Frenzied Finance: The Crime of Amalgamated* (New York: Ridgeway, 1905). Lawson was a stock promoter who then turned to muckraking journalism and novel writing. In *Frenzied Finance*, he mounts a lengthy accusation against the stock-underwriting syndicate that had put together the Amalgamated Copper combination in 1899, which then spectacularly failed amid stories of massive corruption. At first sight, it seems as though Lawson is presenting system as conspiracy, in the way I have been describing the work of the Pujo Committee. In Lawson’s case, however, “the System” is merely his designation for a tightly knit cabal involving many of the leading figures of Standard Oil, of which Lawson himself was initially a member. Lawson’s depiction of “the System” has little to do with the discovery of an abstract and impersonal system underpinning the work of Wall Street and is, instead, more a litany of personal grievances and self-justification for his wayward actions. Although Lawson shared with Progressive critics a concern for the systematic corruption
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of high finance, the plots of both Frenzied Finance and his novel, Friday, the Thirteenth (New York: Doubleday, 1907), are motivated by a very personal desire for revenge. For more on the Lawson story, see Zimmerman, Panic!, 81–122, esp. 94.


113. Brandeis, Other People’s Money, 51.

114. Ibid., 54–55.


120. Wiebe, Search for Order, 12.

Epilogue

1. There are no clear statistics on numbers, but in 2000, the Electronic Trading Association estimated that there were only about 45,000 full-time day traders in the United States. That figure, however, is dwarfed by the 23 million “amateurs” who had opened their own brokerage accounts. See “Impact of Online Trading, Part 2,” NOVA, www.pbs.org/wgbh/nova/stockmarket/online2.html. For a profile of the return to day trading after the 2007 crash, see David Segal, “Day Traders 2.0: Wired, Angry, and Loving It,” New York Times, 27 March 2010. One of the most thoughtful explorations of the enticements of the stock market for the ordinary investor in the dotcom years is David Denby’s memoir, American Sucker (New York: Little, Brown, 2004).


3. See, for example, the “Richard D. Wyckoff Tape Reading Course,” offered for $570 from the Wyckoff Stock Market Institute, https://wyckoffstockmarketinstitute.com/course_tape_reading.htm [accessed 20 December 2014].


9. Moreover, as Alex Preda demonstrates, the world of online day trading is a profoundly social one, despite the anonymity and abstraction of the data on the screen. See Preda, “Tags, Transaction Types, and Communication in Online Anonymous Markets,” Socio-Economic Review 11 (2013): 31–56.


12. Mark C. Taylor, in Confidence Games: Money and Markets in a World without Redemption (Chicago: University of Chicago Press, 2004), discusses how the market has not merely become personified as God, but has, in effect, become a substitute for God.


14. These figures are taken from Greta Krippner, Capitalizing on Crisis: The Political Origins of the Rise of Finance (Cambridge, MA: Harvard University Press, 2011), 27–57. It also needs to be remembered that for firms in the financial sector, profit is measured after bonuses have been paid. If those bonuses were viewed properly as part of the firms’ profits, rather than as part of their salary expenditures, then the figure for profits within the financial sector would be significantly higher. Furthermore, even seemingly straightforward manufacturing firms, such as the Ford Motor Company, increasingly derive the majority of their profits from financial products (i.e., selling loans to buy their cars, rather than from the cars themselves).


16. See, for example, Graeme Wearden, “European Debt Crisis: Markets Fall as Germany Bans ‘Naked Short-Selling,’” Guardian, 19 May 2010.
17. The possibility of an artificial-intelligence, high-frequency trading algorithm coming to life is given full gothic treatment in Robert Harris’s compelling novel, *The Fear Index* (London: Hutchinson, 2011).


19. The problem with Lewis’s book is not merely that it focuses on a few bad apples in its portrait of HFT as a temporary perversion of the otherwise smooth running of the stock market. Rather, its real flaw is that it suggests that the only ones smart enough to do anything about the problem are insiders like Brad Katsuyama (the hero of Lewis’s tale), whose free-market solution is not better and more-democratic regulation, but the creation of a new electronic exchange that is intended to level the playing field and undermine the HFT firms’ advantage.

20. This rhetorical strain is dissected in Crosthwaite, “Animality and Ideology,” 106.