Introduction:

Anthropology Goes to Wall Street

I first became interested in studying Wall Street on 21 September 1995. AT&T had just announced that it would split into three different companies, engendering one of the largest dismantlings of a corporation in U.S. history: 77,800 managers received “buy-out offers” and 48,500 workers were downsized. Living in New Jersey at the time, I was dismayed by the extent of downsizing-induced worker trauma and even more troubled to hear that, on the first day of the announcement, AT&T stock leaped 6.125 points to 63.75, or 10.6 percent of its total value, “growing” another $9.7 billion. But what shocked me the most, upon further investigation, was that the stock prices of Wall Street investment banks also rose. What was the connection?

This seemingly counterintuitive relationship between AT&T’s massive downsizing and its soaring stock price was not an isolated case. According to the New York Times on the day of the AT&T restructuring, during this period of increased merger and reorganization activity and in anticipation of future telecommunications industry restructurings, the stocks of the Wall Street investment banks that initiated, organized, and gave advice on these deals also rose. “Brokerage stocks were one of the session’s stronger groups, with analysts citing their belief that volume growth is sustainable and merger activity will continue” (Sloane 1995). The stocks of Morgan Stanley, Merrill Lynch, and Lehman Brothers all rallied with the assumption that if AT&T, a bellwether for the telecommunications industry, restructured and downsized, then other companies would follow that “economic fashion,” thereby bringing in more business for Wall Street investment banks (Klein 2000, 199).

For the past three decades it is precisely these kinds of inversions that have dominantly characterized the corporate landscape and the relationships among layoffs, corporate profits, and stock prices. In this period, which includes what has been proclaimed as the greatest economic boom in U.S. history (early 1990s–2000), the economy experienced not only record corporate profits and the longest rising stock market ever, but also
record downsizings (O’Sullivan 2000). Research reports by Challenger, Gray, and Christmas, a Chicago outplacement firm, found that in 1994, 516,000 workers were downsized “when American corporations recorded their best profits in years; for 1995 it was 440,000 when profits were even better; and for 1996 and 1997 the totals were 447,000 and 434,000, respectively, when profits were better still” (O’Boyle 1999, 219). While the U.S. stock market, as measured by the Dow Jones Industrial Average, boomed from just above 4,000 points in February 1995 to over 7,000 in February 1997, then to 11,000 in 1999, job insecurity also spiked as corporations, on average, downsized over 3 million people per year (Oldham 1999; New York Times 1996). To give another example of this new cultural code of conducting business, in 1995, Mobil Corporation announced unprecedented earnings of $626 million for the first quarter, a reversal from a $145 million loss a year earlier, then a week later announced plans to eliminate 4,700 jobs. Wall Street analysts, reacting “enthusiastically to the news,” praised Mobil’s aggressiveness: they were pleasantly “surprised” when layoffs were not only higher than expected but also included refining and marketing personnel in the United States, who were paid more. Wall Street institutional investors demonstrated their confidence in Mobil by bidding up shares to a fifty-two-week high (Ritter 1995; Fiorini 1995).

What was so arresting about Wall Street’s approach to corporate downsizing was its celebratory tone, its rejoicing in the very fact of corporate restructuring. Throughout the mid-1990s, countless financial news articles demonstrated what seemed to be a new “structure of feeling.” To continue with the case study of AT&T, a few months after it announced that it would fundamentally restructure and divide itself into three different companies, a move Wall Street analysts generally applauded, AT&T announced in January 1996 that it planned to eliminate forty thousand jobs over the next four years. According to the Wall Street Journal,

The magnitude of the cuts stunned even some veteran AT&T-watchers. It broadly signaled that, for many major U.S. corporations, the eagerness and urgency for wholesale restructuring continues unabated. For AT&T, in particular, it also underscored that—even after trimming some 85,000 people in the decade since the breakup of the old Bell System empire—AT&T still employs far too many workers. . . . “This is a big number—a very, very big number,” said Blake Bath, an analyst at Sanford Bernstein & Co. “It’s a lot bigger than Wall Street had been anticipating.” Wall Street responded well, sending AT&T shares up $2.625 yesterday to close at $67.375. (Keller 1996)
In fact, Wall Street was so excited about the magnitude of these layoffs that Salomon Brothers’ infamous superstar telecommunications research analyst Jack B. Grubman thought it necessary to temper investor enthusiasm, cautioning that “investors shouldn’t expect a huge jump in earnings from the cost cuts, as AT&T reinvests much of the savings to accelerate forays into wireless and local service.” He did state, however, that “it’s a good aggressive move, but the earnings impact going forward will be much, much less” (Keller 1996). In other words, AT&T, in the near future, would need to find even more ways of boosting its share price. Then, in March 1996, the company retracted its initial claim of forty thousand jobs cut, announcing it planned “only” eighteen thousand layoffs. An article in USA Today noted that “observers say AT&T deliberately inflated its initial layoff estimates to impress Wall Street, which sees job cuts as increasing profit. AT&T’s stock price jumped almost 6% in the two days following the January announcement” (D. Lynch 1996, my emphasis).

While the desire for profit accumulation is certainly not new, what is clearly unique in the recent history of capitalism in the United States is the complete divorce of what is perceived as the best interests of the corporation from the interests of most employees. Only twenty-five years ago, the public corporation in the United States was mainly viewed as a stable social institution involved in the steady provision of goods and services, responsible for negotiating multiple constituencies from employees to shareholders, and judged according to a longer-term time frame that went beyond Wall Street’s short-term financial expectations to unlock immediate investment income (O’Sullivan 2000). Today, in contrast, the primary mission of corporations is understood to be the increase of their stock prices for the benefit of their “true owners,” the shareholders (that is, to create shareholder value). Employees, located outside the corporation’s central purpose, are readily liquidated in the pursuit of stock price appreciation. Whereas, under the assumptions of post–Second World War welfare capitalism, workers struggled for and (sometimes) received their (unfair) share of corporate earnings, today even this traditional capitalist hierarchy has been largely eliminated such that employees often no longer benefit at all (or even suffer) when the corporation makes a profit. It is this new logic which I encountered on Wall Street that I investigate throughout this ethnography.

In light of a celebratory Wall Street, what does the ostensible dominance of finance capital, which I would argue has centrally characterized our times, mean concretely? How might an in-depth ethnographic analysis of Wall Street investment banks, and the processes leading to their ultimate
demise, provide a key to understanding the sea change occurring in corporate America? How do investment bankers actively *make markets*—that is, produce the dominant sensibilities of the stock market and Wall Street financial norms through their daily cultural practices?7 How do Wall Street investment bankers negotiate the relationship between massive downsizing, shareholder value, and the production of market crisis, which leads not only to the overhaul of mainstream business values but ultimately to the liquidation (and reinvention) of Wall Street itself? Given my assumption that the measure of corporate health has something to do with employment—an understanding bolstered by my academic training and political beliefs and supported, I thought, by mainstream American culture—how could it be that a time of record corporate profits and soaring stock prices could also be an era of record downsizings and rampant job insecurity? More broadly, how have the severe social dislocations social scientists have usually attributed to global capitalism at large—the dismantling of corporate and governmental safety nets; the wave of corporate downsizings, mergers, and restructurings; the changing nature of what it means to be a successful worker; the growing concentration of wealth at the top; the social violence of financial booms and busts—been actualized? These questions propelled me to conduct fieldwork on Wall Street to investigate what role the stock market and investment banks played in these radical socioeconomic shifts.

Wall Street Habitus: The Cultural Production of Liquidation

My central purpose in this ethnography is to analyze both Wall Street’s role in the reshaping of corporate America and its corresponding effects on market formations, and how Wall Street helped to instantiate these changes.8 By Wall Street, I mean the concentration of financial institutions and actor-networks9 (investment banks, pension and mutual funds, stock exchanges, hedge funds and private equity firms) that embody a particular financial ethos and set of practices, and act as primary spokespersons for the globalization of U.S. capitalism.10 I examine in particular the relationship between the values and actions of investment banks, the corresponding restructuring of U.S. corporations, and the construction of markets, specifically financial market booms and busts. I ask how exactly Wall Street investment bankers and banks, at the level of the everyday, helped to culturally produce a financially dominant, though highly unsta-
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ble, capitalism: what kinds of experiences and ideologies shaped investment banker actions, how they were empowered to make these shifts, and how these changes were enacted and understood to be righteous. As such, this book will contribute to contemporary anthropological understandings of the globalization of U.S. capitalism through an “on the ground” ethnographic approach that counters the widespread conception of capitalist globalization as an abstract metanarrative and homogenizing force too unwieldy for ethnographic translation.

Multiple key functions and institutions constitute Wall Street and the financial markets in the United States. Aside from investment banks there are asset management companies (hedge funds, pension and mutual funds, and private equity firms), and the securities exchanges themselves. Financial firms contain departments that deal with trading and sales, corporate finance, mergers and acquisitions (M&A), research, and investment management, each with slightly divergent goals, methods, and perspectives. From this broad landscape I chose as my primary field sites the central, iconic institutions of Wall Street, the major investment banks such as Morgan Stanley and Merrill Lynch. Within the banks I focused on those functions commonly considered investment banking proper—corporate finance and M&A—because they directly demonstrate the interconnections between financial and productive markets, between financial and corporate institutions. Through their middlemen roles as financial advisors to major U.S. corporations as well as expert evaluators of and spokespeople for the stock and bond markets, investment bankers work to transfer and exchange wealth from corporations to large shareholders (and their financial advisors), hold corporations accountable for behavior and values that generate short-term shareholder value, and generate debt and securities capital to fund these practices. It is in the activities of these corporate-finance-related departments that we most clearly see the imbrication of the productive economy, investment banks, and the financial markets. The work of Wall Street does not consist only of trading and exchange in the global financial markets; it is also linked to corporate restructurings and attendant shifts in corporate values.

It is important to understand both the connections and distinctions between Wall Street investment banks and corporate America. Although investment banks are corporations in an organizational sense with specific corporate cultures, they also possess a supplementary role as the voice of the financial markets, and claim to speak for millions of shareholders as well. They thus occupy a unique social position: investment
banks represent both “the market” and the corporate entities that are subject to the market. Locating the supposedly abstract market in sites with particular institutional cultures localizes the market, demonstrates its embodiment, and shows how it is infused with the organizational strategies of investment banks.11

Despite the recent, much-proclaimed “death of Wall Street,” it is important to understand that the financial culture that I generally denote by the term “Wall Street investment banks” does not always map neatly onto particular institutions. I use the designation to broadly signify an ethos and set of practices that continue to be deeply embedded in the intricate network of institutions, investments, and people we call high finance. Moreover, I argue that the supposed end of investment banking does not signal the permanent vanquishing of Wall Street ideologies or practices. Rather, instability and crisis fundamentally characterize this particular culture of liquidity, and signal not the decline but the influence of Wall Street values and practices. During the latest period of finance capital dominance of American business, Wall Street—the names, physical locations, and institutional identities and structures of almost all Wall Street investment banking firms—has continually transformed itself through mergers, acquisitions, bankruptcies, and failures.

This observation is methodologically and theoretically crucial to the argument of this book: it demonstrates that Wall Street investment banks have incubated, promulgated, and themselves undergone the very radical shifts they imposed and recommended for corporate America. The very particular cultural system that Wall Street has constructed and nurtured—one that promotes the volatile combination of unplanned risk-taking with the search for record profits, constant identification with the financial markets and short-term stock prices, and continual corporate downsizing—has not only been imposed on corporate America but also fundamentally characterizes and affects Wall Street itself. In fact, investment banks’ self-effects are perhaps even more pronounced than their restructuring of other corporations as they consider themselves to be the incarnations of the market.

Wall Street’s vanishing acts are indicative of its corporate culture; a glance at its recent history is telling. Even during the time of my research from 1996 to 1999, concurrent with the longest rising bull market ever, the institutional identities and locations of many of my central field sites radically shifted. For example, in 1997, Bankers Trust (BT) bought boutique investment bank Alex Brown and was in turn acquired by Deutsche Bank in 1998; BT was then merged out of existence. In 1993 Travelers
Group, an insurance and financial conglomerate, bought Smith Barney, a brokerage and mid-size investment banking firm, then in 1997 purchased major investment bank Salomon Brothers to form Salomon Smith Barney; in 1998, Travelers merged into Citicorp to create the behemoth Citigroup, a bank holding company. In 2000, J. P. Morgan and Chase Manhattan Bank merged to create J. P. Morgan Chase. With the formation of Citigroup and J. P. Morgan Chase, major investment bank Salomon Brothers effectively disappeared, and J. P. Morgan, already a “hybrid” investment and commercial bank, solidified its status as a bank holding company—which is also what Goldman Sachs and Morgan Stanley changed their status to in September 2008. Not surprisingly, the mergers and acquisitions (M&A) mania, the bull market, and the dot-com bubble of the late 1990s led, not only to the millennial crash and record downsizings, but also to the corresponding restructuring of a majority of the Wall Street investment banks I researched (see Map 1 and 2).

It is important to mention that while I argue that these dismantlings germinate out of the specific corporate culture of investment banking, massive governmental deregulation and the shareholder value revolution helped to catalyze this cultural system. The late 1990s Gramm-Leach-Bliley Act ensured the rollback of most of the stipulations of the Glass-Steagall Act, which was passed during the Great Depression to prevent deposit-taking commercial banks from speculating in the financial markets. It had sought specifically to segregate investment banking, which engages in the “risky” capital markets, from the businesses of everyday banking and insurance, which are supposed to safeguard savings and provide loans. However, given the rise in stature, power, and profitability of Wall Street investment banks since the 1980s, retail and commercial banks—the titans of “low” finance—were eager to acquire investment banking capabilities and presence. Moreover, many investment banks were themselves pressured by the M&A boom to become gigantic, “one-stop shopping” institutions for corporate clients, which was deemed to increase shareholder value, not to mention the fact that senior executives received astronomical financial incentives for advising and participating in as many deals and transactions as possible. In this climate of regulation for the latest trends of the financial markets, investment banks participated in their own dismantling—that is, they relinquished a “purist” notion of investment banking—and financial institutions were allowed to “have it all,” both commercial and investment banking ambitions.

Not ironically, then, the very influence and success of Wall Street—its ability to globally market and proselytize both its products and its ethos—
Map 1. The author’s central field sites at the beginning of fieldwork. Map by University of Minnesota Cartography Laboratory.
Map 2. After five years. Map by University of Minnesota Cartography Laboratory.
has generated not only record profits but also volatility, crisis, and a continued existence on the brink of annihilation (for itself as well as corporate America). For example, just as the M&A and internet bubble was the nineties analogue to the millennial subprime boom and bust, the leveraged buyout movement of the “ga-ga” eighties led, not only to the insider trading scandals, junk bond crisis, and stock market crash of 1987, but also to the bankruptcy of one of the largest investment banks of the time, Drexel Burnham Lambert, and the eventual liquidation of the investment bank Kidder Peabody. Over the past three decades, then, given the continued resurgence of Wall Street practices, I would argue that Wall Street’s self-annihilation, even cannibalization, has not so much led to the disappearance of its particular cultural practices or power over American business as it has to constant financial crisis and ever widening socioeconomic inequality. Although the enormous scale and scope of what is currently being dubbed the worst financial crisis since the Great Depression—the federal bailout of Wall Street brought on by investment banks’ engendering of the subprime debacle, which has in turn caused a global credit panic—is certainly extraordinary and has instigated a groundswell of reform and regulation, it remains to be seen whether Wall Street’s particular investment banking ethos will disappear or will resurge in new and varied institutional forms, as it has regularly done since the 1980s. As Andy Serwer, managing editor of *Fortune* magazine, has observed: “The party is over on Wall Street—until it comes back again. . . . I’ve been around long enough to see that we have these cycles. These guys get their cigars and champagne. They have a great time. The whole thing blows up. But then they re-emerge years later. This one is a really, really bad one. But I don’t think Wall Street is dead” (Boudreau, Fitzpatrick, and Zamost 2008).

The ostensible demise of my field site—Wall Street investment banking—in 2008, then, is not so much a radical turn of events as the fairly predictable outcome of a peculiar corporate culture. A central tenet of this ethnography is that the everyday practices and ideologies of investment bankers (which have solidified and gained currency since Wall Street achieved dominance over corporate America and global influence) continually set the stage for Wall Street’s possible liquidation—and reconstitution. Yet this insight is rendered invisible precisely because Wall Street investment bankers as well as academic and popular analysts of finance often resort to an abstraction they call “the market” to explain these crises. Junk bonds, merger crazes, internet bubbles, highly leveraged housing meltdowns, and subprime debacles are mistaken for, and understood to be the organic results of, market cycles (what goes up must
come down) with a dash of greed and hubris as human nature thrown in. As such, the construction of booms and busts are simply conflated with “the market” and are not understood as arising from the particular workplace models, corporate culture, and organizational values of Wall Street financial institutions (investment banks in particular) or the specific and personal experiences of those who work for them.

In this book, I make the case that accessing the central ideas and practices of investment banking culture allows us to unpack the very process of market making and will give us insight into the cultural workings of the so-called market. To do so, I take inspiration from Pierre Bourdieu’s notions of “disposition” and “habitus,” where “disposition” refers to a “way of being,” “inclination,” and “predisposition,” often of the body, which collectively constitute the habitus, “a system of dispositions,” which in turn organizes action, “produces practices,” and constructs social structures and worlds (Bourdieu 1990, 73–87, 214). Specifically, I examine the structure and formation of investment bankers’ habitus—how they have developed an investment banking ethos and set of experiences that frame and empower them to impose regimes of restructuring and deal making onto corporate America and, ultimately, help to engender financial market crisis. I demonstrate how, for example, the personal biographies of investment bankers play into, and converge with, job status and workplace experiences to shape a “common-sense” understanding of the righteousness of Wall Street analyses and recommendations. Recruited from elite universities and represented as “the smartest,” investment bankers enter into a Wall Street workplace of rampant insecurity, intense hard work, and exorbitant “pay for performance” compensation. Forged in these experiences is a particular investment banker habitus which allows them to embrace an organizational model of “employee liquidity” and to recommend these experiences for all workers. Wall Street work environments, it turns out, are notorious for downsizing privileged investment bankers, even during bull markets, multiple times a year. To answer why constant corporate liquidation, including the downsizing of employees, has been celebrated and justified on Wall Street, it is necessary to understand how the people heralding downsizing themselves experience it.

And yet—Wall Street investment bankers understand the necessity of constantly performing in notoriously insecure work environments not as a liability, but as a challenge. Bankers, recruited as they are only from the Ivy League and a few comparable schools like MIT and Stanford, are trained to view themselves as “the best and the brightest,” for whom intense deal-making through insecurity becomes a sign of their “smart-
ness” and superiority as well as a way to cope with an anxious environment. Empowered by cultural capital, extensive elite networks, and an organizational structure of exorbitant compensation premised on numbers of transactions, investment bankers often successfully weather and negotiate (and create) crises until the next resurgence. They understand their lack of employment security as testing and developing their “mettle.” In this context of privilege and insecurity, investment bankers, on a practical level, are incentivized and learn to relentlessly push more deals (usually short-term transactions intended to boost stock prices) onto corporate America. By thus pressuring corporations, bankers transfer their own models of employee liquidity onto corporate America and set the stage for market crisis. Buttressed by the shareholder revolution, which I chronicle, Wall Street is empowered to shape and discipline corporate America, and such a relationship allows Wall Street to impose its own organizational practices—the very particular industry culture of banking—onto corporations at large. Instead of recognizing constant deal-making and rampant employee liquidity as their own local culture, my Wall Street informants conflated their organizational practices with their cultural roles as interpreters of the market and saw themselves, not as describing their own work and life circumstances, but as explaining “natural” market cycles and economic laws.

Bourdieu’s models are prescient: these everyday practices of anxious deal-making and performance of smartness and market immediacy serve as the link between habitus and field, between the cultural structures and habits, anchored in individual’s and group’s bodies and minds, and the larger “fields” of social relations in the world. I thus approach the daily practices and corporate cultural values of investment bankers in the workplace as the site which links the cultural frame, dispositions, and habitus of investment bankers with broader U.S. corporate restructuring and the construction of financial market booms and busts (Bourdieu 1990). The very organization of this book—starting with biographies, delving into powerful ideological and institutional transformations, and ending with crises—mirrors this goal of demonstrating empirically how Wall Street’s subjectivities, its specific practices, constraints, and institutional culture, dynamically intersect to constitute powerful systemic effects on U.S. corporations and financial markets, and beyond. It seeks to unpack the cultural labors necessary to construct a social and historical phenomenon—the dominance of Wall Street models and actors of finance capital.

It is not my intention, however, to assert that the Wall Street financial community, a heterogeneous site itself, single-handedly caused these mas-
sive corporate transformations, as multiple actors and institutions beyond investment banks, securities exchanges, and investment funds were critically involved, among them: governmental policies and federal “re-regulating” of corporations, a neoliberal resurgence in departments of economics and business schools, various crises in the rate of corporate profits and the choices made by corporate managers, the invention and popularity of new financial instruments from junk bonds to mutual funds, and the compromising of labor movements punctuated by racialized and gendered inequalities. It is therefore beyond the scope of this project to document all the myriad and complex conditions and practices that have enabled financial market values and actors to consolidate their influence over corporate America and have helped to solidify shareholder value as a dominant measure of business success.

Wall Street Institutional Culture: Access, Initiation, and Method

My particular strategy in “studying up,” to break through the barriers of security and public relations, was based on institutional kinship. To enable this research, I leveraged my socioeconomic background and connections with elite universities—the only sites from which Wall Street investment banks recruit and hire. I was first introduced to investment banking as a career option while an undergraduate at Stanford University, although admittedly Wall Street was not the destination of most of my network of friends (graduate school, nonprofits, and, of course, Silicon Valley were bigger draws). (When I began fieldwork, I also relied on Stanford alumni who worked on Wall Street as contacts and potential informants.) I then became a graduate student at Princeton University, a recruiting hotbed for investment banks. There, I had the opportunity not only to make contacts with alumni but also to participate in the job recruitment process itself. My path to Wall Street was made possible by the institutional, elite “familial” connections between particular universities and Wall Street investment banks, where alumni from prestigious universities have an inside-track into Wall Street. It is thus not far-fetched to argue that elite kinship creates a bridge or network to access finance capital. As Sylvia Yanagisako points out, framing kinship and family as dichotomous with, or external to, the very processes of capitalist formation ignores the centrality of the connections and sentiments of kinship that make capitalist production possible (Yanagisako 2002).
My particular strategy for accessing the elite lifeworlds of investment banking relied on research methods that blurred the boundaries of anthropology and sociology. I got a job at a Wall Street investment bank, a strategy with sociological precedent, while still following anthropological ethical norms, as I did not conduct ethnographic research covertly. In 1996, I participated in the spring career services recruitment process at Princeton. It was during the grueling interview process that I first recognized that anthropological discourses about globalization were not only appreciated by, but also similar to, those of Wall Street investment bankers. That June I was hired by Bankers Trust New York Corporation (also known as BT), a “hybrid” investment and commercial bank, as an “internal management consultant” analyst, part of a group that acted as an “agent and advisor of change” for the different businesses within the bank. Upon receiving the job offer, I told my boss (and when I began work, my colleagues) that I was taking a leave of absence from graduate studies to work at BT for two reasons. First, I was genuinely interested in learning more about the world of finance and acquiring “real world” work experience. Second, in the future I wanted to return to graduate school to study Wall Street culture. At BT, I was an employee first, friend second, and a fieldworker third; thus, while I learned much from my time there, my fieldwork mainly took place after I left my job. I did not secretly conduct fieldwork in my workplace; instead, in order to record the initial strangeness and surprises of the ethnographic encounter, the awakening into Wall Street life, I kept a journal of personal reflections and experiences, taking care not to describe in detail the thoughts and actions of my coworkers and friends who—although they knew of my research interests—were “on the job.” As such, the experiences that I relate from this period are based on my observations and journal writing and not on any information that was considered private or proprietary.

As an “internal management consultant” at BT, I rotated through the many businesses of the bank to advise on a number of projects on strategy, workflow efficiency, operations, and change management. Although I did not work directly in the investment banking businesses (such as the corporate finance department), as a financial-services consultant within an investment bank, I was trained and immersed in the perspectives and mores of Wall Street financial practices. My role as a consultant allowed me to access and make contacts in multiple parts of the bank, as well as with young investment bankers throughout Wall Street. By participating intensely in conferences and financial networking events, as well as the after-work social lives of my coworkers, I also extended my contacts across
multiple institutions. My goal for the year was to imbibe the general, taken-for-granted language and landscape of Wall Street, usually gathered during intense participant observation, as well as to establish a web of informants for “actual” fieldwork when I quit my job.

Living in a two-bedroom apartment share in the Cobble Hill/Carroll Gardens neighborhood of Brooklyn, New York, where I paid lower rent ($425 a month) than at Princeton, gave me the emotional sustenance to both work at BT and conduct this fieldwork. Although today my friends tell me that my old neighborhood is “the place to be” among young professionals, Wall Streeters included (with one-bedroom apartment rents now pushing $2,000 a month), in the late 1990s it was precisely the fact that almost no one from Wall Street lived in my overwhelmingly Latino, white ethnic, and Arab American neighborhood that enabled me to put on a suit for three years and take the F train into a highly sanitized world of shareholder value proponents spouting the bull market hubris of Wall Street. I could come home to the smells of cubano sandwiches and pizza so juicy it had to be folded in half. Walking home around 8:30 p.m., I enjoyed making small talk with the porch and sidewalk crowd, who wondered why I always came home so late, looking quite forlorn, although my hours were early by Wall Street standards.

Toward the end of my time at BT, I was hitting my stress limit at work. Under constant pressure to vie for more and more projects in order to demonstrate my smartness, my capacity for hard work, and my ambition for deal-making responsibility, I was expected to demonstrate the desire for more money as evidence that I had properly imbibed these new sensibilities. As a graduate student used to living on $1000 per month, whose main purpose—seriously—was ethnographic knowledge and connection, I was reluctantly pushed into an alternate conception of space and time. Then the urgency (not to mention desperation) motivating everyone else hit me.

In January 1997, after a mere six months of employment in the Management Consulting Group (MCG) at BT, I was canned. In the midst of prefieldwork, preparing myself to undertake research on investment banks’ role in the downsizing of corporate America, I abruptly found myself downsized, along with many of my potential informants. The rationale given by BT for eliminating MCG was that we were a fixed expense that detracted from shareholder value. Management consultants internal to BT were on the permanent payroll, giving the bank a steady source of oversight and advice on business strategy and streamlining work processes. But key senior managers had decided that our work could be contracted out to external
consultants. Our salaries were an unnecessary drag on shareholder value. Two years later, BT itself was bought by the German monolith Deutsche Bank and was itself, as the lingo goes, “absorbed.”

The moment appeared rife with ethnographic significance: financiers, the instigators of mass corporate restructurings throughout the United States, were downsizing themselves. BT’s loss was ironically the anthropologist’s gain. These seemingly mundane experiences of downsizing and job insecurity, everyday occurrences at investment banks, might yield crucial insights into the contemporary moment of financial crises and globalization. I learned that bankers’ institutional culture and their own personal experiences of downsizing could reveal how the goals and practices of Wall Street not only reshaped global capitalism but also reverberated within. Investment bankers were subjected to, and suffered from, the same concepts and practices they imposed on others.

Two months after the announcement of my own downsizing, a vice president in my group, Lacey Meadows, called me into her office. She was leading “The Account Services Project” and wanted to inform me that she had chosen me to be her analyst on the project, her “right hand.” “Do you want to know why I chose you?” she offered. When I shrugged, feeling slightly apprehensive about what was to come, she answered, “Because you are so nice; you’re an anthropologist, and you can understand and empathize with how other people are feeling. We need someone they can talk to, and you’ll be able to gain their trust.” Needless to say, by the time she uttered “empathize,” I was already dreading my soon-to-be role as potential collaborator, or put bluntly, her fellow axe man. I had just been called upon to streamline a “back office” department at BT that played a support role for the investment management “front office,” processing trades, managing ledgers, and fielding customer accounts. Given the hierarchical structure of investment banks, front-office workers, such as investment bankers, traders, and investment managers who take credit for all profits and deals done, depend on the back office for daily support, all the while looking for ways to restructure these “cost centers.” I knew immediately that I would resist; for me, this was the freedom of being a future fieldworker.

Specifically, I was asked to conduct a Taylorist time-motion study of their workday, actually charting and measuring the kinds of tasks and the time needed for completion to judge how many workers were necessary. I firmly intended not to recommend any downsizing. While interviewing the workers, who were overwhelmingly people of color and white women, I occasionally tried to assure them that my findings would bolster the
necessity of their labor and protect their jobs. (Of course, I also recognized that given the role of investment bankers and consultants as agents of restructuring, this could have been viewed as trickery, as attempts to “soften them up.”) When talking to my team members (both of them higher up in the Wall Street hierarchy—a vice president and an associate with an MBA), I carefully asserted evidence that cast doubt on the very agenda of this project: why aren’t these workers needed, who would do the job if they are “restructured,” and does BT actually have a plan in place to make these changes? My fellow consultants, not to mention all the investment bankers whose reactions I solicited, were unclear as to why I defended the workers in Account Services. To say that Wall Street had little respect for back-office workers is an understatement. Although they were not openly disparaged, they were casually dubbed career nine-to-fivers; their work ethic was questioned, as was their smartness, drive, and innovation. Were they really “adding value,” defined as directly boosting revenues or stock prices? The associate on the team wondered why we were wasting so much time there; in addition to being low prestige, the Account Services project was certainly not representative of the sort of financial deal-making he had hoped to be involved in.

At the same time, I was at a loss to explain why Wall Streeters, especially those in my group who were just downsized, were not more sympathetic to the concerns of these about-to-be-canned workers. It was as if these privileged bankers and consultants hadn’t really lost their jobs, as if restructuring did not apply to them in the same way, as if the anxiety of constant insecurity did not cause them to doubt their financial prowess or desirability to employers. Exploring this quandary would take center stage during fieldwork. I would come to understand that, not only were investment bankers’ experiences of downsizing qualitatively different than that of most workers, but also that Wall Street investment banks’ institutional culture helped to produce a model of workplace relations that was crucial to analyzing and understanding finance capital’s approach to both American employment writ large and the making of markets. Given that recent work in social studies of finance has demonstrated that economists and financial models and theories, not only describe and analyze financial markets, but also perform and produce them (Callon 1998; MacKenzie 2006), it thus seemed a distinct possibility that studying the personal crises of investment bankers could provide a unique insight into the production of corporate restructuring and financial crises. Far from being only the perpetrators, investment bankers have themselves been subjected to the revolving-door model of employment that they recommend
for other workers, although their particular mix of privilege, pedigree, compensation, and networking affords them a very different “lesson learned” from the experiences of downsizing and insecurity. By investigating Wall Street’s own culture of employment, I examine how and why elite financial actors have over the past few decades radically altered the nature of American corporations, ultimately helping to shape a world of socioeconomic inequality, insecurity, and crisis.

As for my role in the Account Services project, after many sleepless nights and acne breakouts worse than a teenager’s, I created a spreadsheet demonstrating that although communications channels and repetition could be reworked to flow better and some discrete tasks could be combined, there continued to be as many labor hours needed to accomplish necessary work as there were people. In other words, I concluded that the amount of labor equaled the number of people employed. Upon reviewing my spreadsheet, my vice president inquired, “How come everything fits together so neatly! Are you up to something?” I replied, “BT doesn’t have its own house in order; we just got downsized, so I think it would create more inefficiency to restructure Account Services than any real long-term savings.” In the end, Account Services was not downsized. I suspect it had less to do with me—though our group offered BT no justification for such action—than with Wall Street investment banks’ notorious lack of planning and follow-through even in their search for short-term gains.

A year after my downsizing, I undertook seventeen months of fieldwork, from February 1998 to June 1999, among differently positioned investment bankers working at most major Wall Street financial institutions. I drew on university alumni connections and a web of contacts that I had made during my prefieldwork job, which allowed me access to a number of investment banks as well as other fieldwork sites, from bars to outplacement agencies, conferences to panel discussions. I conducted participant observation and over one hundred interviews. Had I relied solely on my alumni contacts to create a network of informants without getting a job, my toolkit would have been mainly limited to interviews. Had I relied primarily on my job and contacts at BT, I would have learned the language and mores of finance, but my ethnography would have been contained within the walls of one investment bank and could not have addressed Wall Street as a broad occupational community. Since the goal of my research was to analyze key financial agents making markets and their effects on socioeconomic inequality, I designed a methodology that combined immersion with movement, broad enough to access Wall Street worldviews and practices, yet particular enough to understand how such
norms were constituted on a daily basis within particular institutions. Given that the fieldwork process constitutes and constrains one’s ethnographic findings (methodology is theoretical after all), in this field space, I was able to focus my study not only on “the interior lives of experts as an elite as such, but rather to understand their frame . . . a project of tracking the global, being engaged with its dynamics from their orienting point of view” (Holmes and Marcus 2005, 248).

Partly planned and partly fortuitous, my access to Wall Street lifeworlds resulted from exploring and combining multiple sites and techniques of fieldwork, similar to what Hugh Gusterson has called “polymorphous engagement.” He de-emphasizes participant observation as an often impossible method in studying up. Instead, he writes, the ethnography of the powerful needs to consist of “interacting with informants across a number of dispersed sites, not just in local communities, and sometimes in virtual form; and it means collecting data eclectically from a disparate array of sources in many different ways [such as] . . . formal interviews . . . extensive reading of newspapers and official documents . . . careful attention to popular culture,” as well as informal social events outside of the actual corporate office or laboratory (Gusterson 1997, 116). This is not to say that immersion is no longer an indispensable anthropological staple in a varied toolkit; rather, such a methodology has been constituted via particular ways of imaging culture and the proper anthropological subject. The very notion of “pitching tent” at the Rockefellers’ yard, in the lobby of J. P. Morgan, or on the floor of the New York Stock Exchange is not only implausible but also might be limiting and ill-suited to a study of “the power elite.”

Although I was able to incorporate substantial participant observation during fieldwork, the majority occurred during “prefieldwork” since I did not (nor was it my goal to) obtain investment banks’ official permission to “hang out” within their workplaces. Such a strategy would have led me directly to their public relations office. During “actual” fieldwork, I relied mainly on interviews, some “shadowing,” and attendance at industry conferences, panel discussions, formal networking events, and informal social events. The circumstances, connections, and affiliations that allowed (as well as circumscribed) my access to potential informants are instructive to lay out. First, because of my job at BT and subsequent experience of downsizing, I had little trouble creating a sizeable network of informants, especially through the process of direct referral. Employing this method through Wall Street insiders might normally have led me to a rather homogenous, mainly white male crowd. But, as it happened, I was a mem-
ber of the internal management consulting group (MCG), one of the most
diverse departments in the front and middle offices of BT. The head of
MCG was an African American managing director who made a concerted
effort to build a group with half women and one-third people of color. My
coworkers’ referrals often reflected this diversity. For example, through
our head, I met Thomas Douglass, an African American managing director
at BT who in turn introduced me to Corey Fisher, an African American
managing director at Vanguard Investments, and Roy Allen, a white man-
aging director at Fidelity Investments. Julie Cooper was a former white
associate in my internal management consulting group, yet when we were
all downsized, she secured a job in the high-yield investment banking
division and introduced me to her entire team, which included John Carl-
ton, a white managing director, Christine Chang, an Asian American vice
president, and Chris Logan, a white analyst. Luckily, these connections
often snowballed.

I also relied on alumni and friendship networks. While at Stanford, my
social network did not include many business types, but I was actively
involved in Ethnic Studies organizing as well as various Asian American
student organizations. I also lived in both the Asian American and African
American issues “theme” dorms. As such, I had over the years formed a
handful of fairly close relationships (on my own and through friends) with
a few professional Asian American and African American informants such
as Joseph Tsai, associate at Donaldson, Lufkin and Jenrette (DLJ), Malinda
Fan, senior vice president at Lehman Brothers, Joannie Trinh, an associate
at Morgan Stanley, Raina Bennett, an analyst at Lehman Brothers, and
Jason Kedd, an associate at DLJ. Many of them referred me to their bosses
(most of whom were white), as I was eager to hear from more senior bank-
ers, as well as their friends (many of whom were quite diverse). Unfor-
unately, at Princeton, despite the fact that almost 40 percent of the under-
graduates go to work on Wall Street, as a graduate student I hardly knew
any of them. Furthermore, since Princeton does not have a business school,
I was unable to network via the MBA program, and since most of my Stan-
ford acquaintances had not yet finished business school in the late 1990s, I
could not tap into a potentially rich network of elite MBA graduates—
although, for example, Jason Kedd did introduce me to two of his Harvard
Business School classmates who worked in investment banking. There
were of course acquaintances of mine from both Stanford and Princeton
who knew me as a student activist and feminist studies/anthropology
major and were suspicious of my research: one had established a vast
network of Wall Street investment bankers, but proved reluctant to help.
My attempts at “cold-call” socializing with investment bankers while living in New York City were hit and miss. In some cases, I found some affinity with fellow Asian American women and men, especially those who were struggling with issues of what it meant to be an Asian American professional (expectations of upward mobility, relative class privilege, racial discrimination and stereotyping at work, bicultural identity formations), and they often agreed to be interviewed. In other cases, I left large events or conferences with rich, informal anecdotes gained from chatting, yet no one had been willing or able to sit down for further conversation. In one unexpected encounter that happened while volunteering for an economic justice organization in New York City, I met a white feminist minister whose partner, Jacob Carnoy, used to work on Wall Street. It turned out that he had graduated from Princeton in the 1980s and offered to introduce me to “fellow Princeton grads” such as two senior investment bankers at Goldman Sachs who, according to him, were “complaining that they only made 20 million that year.” Unfortunately, I was only able to converse with them via e-mail. Finally, through my participation in SEO (Sponsors for Educational Opportunity, which focused on supporting minorities from elite campuses to enter investment banking and management consulting) conferences, I became close friends with a small network of young African American investment bankers. Through these various interconnections and chance encounters, I was able to assemble a diverse financial crowd at multiple levels of the Wall Street hierarchy. Around 40 percent of my informants were people of color, with a slim majority of them men.

As I have footnoted, all of my informants have been given pseudonyms, and although I struggled with whether or not to disguise the financial institutions themselves, I ultimately decided not to. First, this project focuses on Wall Street investment banking culture broadly conceived; as such, I am interested in general ethnographic data, not information on specific banks that might be considered proprietary. Furthermore, precisely because I seek to confront and unpack powerful globalizing institutions that also claim to speak for the markets and corporate America, it makes sense to name these institutions and call attention to their pronouncements, strategies, and influence, as I do with the speeches and announcements by Wall Street CEOs and senior management made during major events and conferences covered by the press. It is also instructive to note that providing pseudonyms for Wall Street financial institutions is practically a futile exercise given the prevalent cultural norms of the financial market where corporate names statuses, and identities constantly
shift over time. For example, in 1997, Dean Witter Discover, a retail brokerage, merged with prestigious investment bank Morgan Stanley to form Morgan Stanley Dean Witter Discover; yet, by 2001, to reclaim prestige and name recognition, the firm, which had already dropped the name “Discover,” renamed itself Morgan Stanley.

Shareholder Value, Decentering Privileged Models and Histories, and the Politics of Ethnographic Representation

When I rode the subway to the field,22 determined not to allow “the study of the stock market” to be “left to economists” (Hertz 1998, 16), I was bombarded by images and representations of the United States as a nation of stockholders and investors, and of the stock market as a populist site of economic empowerment for all Americans. President Bill Clinton gave numerous speeches about the “New Economy,” locating our unprecedented national prosperity on the shoulders of the longest bull market in history and on the fact that more Americans owned stocks than in any other time (albeit largely through pension and retirement funds). The White House’s figures for stock market ownership hovered around 150 million Americans, and the rising stock market was seen as a primary indicator of the improved economic lives of most Americans. A cover of *Fortune* magazine in 1999 proclaimed America “a Trader Nation”: “At work, at home, all day, all night: Everybody wants a piece of the stock market.” Inside, the article claims that “there’s a revolution under way, and it’s changing the way we invest and work and live. Our money is no longer with some broker or fund manager. Our money is with ourselves” (Serwer 1999, 116). We see an illustration of four fists, three clutching computer mice, tearing down a sign that reads, “Wall St.” Such representations of “revolutions” were rampant in the late 1990s (Serwer 1999, 118).

In Wall Street’s new rhetoric of market populism via shareholder value, “each mass-market success by a bank or brokerage [was declared] a victory for a democratic ‘revolution’” (Frank 2000, 125). To take just one example, Thomas Frank describes how E*Trade appropriated the language and imagery of the civil rights and feminist movements. “In its 1999 annual report, entitled ‘From One Revolution to the Next’, E*Trade used photos of black passengers sitting in the back of a bus,” with a caption reading “They Said Equality Was Only For Some of Us” to signal their role in the destruction of exclusionist and elitist Wall Street and the mass triumph of the individual investor (Frank 2000, 91). Wall Street thus allied itself with
the “common people,” constructing a pro-Wall Street populism and incorporating the disenfranchised into a cool new image opposed to its older, stodgier self.

In parallel, I also encountered Jesse Jackson’s “Wall Street Project,” a division of his Rainbow/PUSH coalition based in New York City, articulating a strategy of incorporating African-Americans and other excluded groups into the stock market. This project, founded in 1997, began as a coalition challenging Wall Street on three fronts: diversity and representation in corporate America and on Wall Street, stock market democratization, and access to capital for “inner cities” and Appalachia. In his speech at the Wall Street Project Conference held at the World Trade Center in 1999, Jackson posed the question, “Why are African Americans continuing to ‘invest’ in the bear lotto when they need to be included as participants in the bull market? Why are our youths buying hundred dollar Nike shoes instead of Nike stock?”

Perhaps not so ironically, it was precisely at the moment when Jackson advocated the incorporation of marginalized communities into the so-called shareholder value revolution that my Wall Street informants began to suspect the impending burst of the bubble. Many subscribed to the old Wall Street adage: When cab drivers start asking for investment advice and stock picks, its time to get out of the market. As Wall Streeters understand it, by the time stock market knowledge seeps to the masses, the bull market has turned into a bubble economy. This assumption only makes sense, of course, if success in the stock market depends on a delicate balance of insider knowledge, market hype, and timing. Wall Street, then, views the democratization of stock market participation as a bellwether of oversubscription and as a signal for insiders to sell, meaning “latecomers” to the market tend to bear the brunt of crashes.

Despite Wall Street’s and corporate America’s proclamations about putting shareholders’ interests above all other constituencies of the corporation, the very practices that constitute the shareholder value repertoire do not necessarily enrich owners of corporate stock or empower shareholders to make corporate management decisions. On 25 February 2002, chronicling the continued dot-com stock market bust, Business Week ran a cover story on “The Betrayed Investor,” which documented how the “true believers” in the stock market—the new investor class of the 1990s, comprised of “predominantly middle-class, suburban baby boomers”—had lost “$5 trillion, or 30% of their stock wealth since the spring of 2000” and were now beginning to doubt that the stock market “treats average investors fairly” (Vickers and McNamee 2002, 105). The quintessential
case is Enron, where shareholder value was proclaimed by Enron senior executives, Wall Street investment banks, and accounting firms such as Arthur Anderson as the central goal, yet their actions mainly benefited themselves. To keep the stock price “artificially” high, top management, who were paid via stock options (and sold their shares before the crash using inside information), worked with investment banks, who received millions in advisory and transaction fees, to find and invent new financial structures and “hypothetical transactions” to both project windfall profits and keep the massive debts off the balance sheet. When Enron imploded, not only did employees lose their jobs and savings, but the investing “public,” that is, the shareholders, lost an estimated $200 billion (McClean and Elkind 2003).

If the shareholder value revolution was not sustainably enriching the average investor, who may also have been facing unemployment as his or her 401(k) appreciated a few hundred dollars (if that), then was Wall Street not increasing the stock price of corporations—their stated central mission? When I worked at BT, I certainly heard of corporations drastically cutting costs, whereupon their quarterly earnings and stock prices immediately jumped, but research and development suffered, productivity gains were negligible, and shareholder value over a longer time horizon did not increase and even declined. But it was during fieldwork that the full contradictions of shareholder value hit home.

To return to my earlier discussion of AT&T: the little-known backstory to the massive breakup of AT&T in 1995 was the disastrous acquisition of National Cash Register (NCR). This prehistory is crucial because four years prior in 1991, AT&T, also under the advisement of Morgan Stanley (a connection buried after the failure of this deal), acquired NCR in a hostile takeover for $7.4 billion (Zuckerman 1995). This aggressive act not only generated massive downsizings and insecurity in NCR’s hometown of Dayton, Ohio (once a stable, thriving “company town”), but was also an utter disaster for AT&T, which “lost a half-billion dollars in the first nine months of 1995 alone” (Rimer 1996). In a desperate move to push up its stock price, CEO Robert Allen decided to spin off the ill-conceived purchase of NCR in the “trivestiture” of 1995. Yet, by 1997, less than two years after this “bold” breakup, AT&T’s stock was performing dismally, trading at $33.625 a share. Allen stepped down in the face of persistent questions about the profitability of long-distance service in the new economy, which the restructurings in 1991 and 1995 did not address but exacerbated. Allen, however, continued to defend “the breakup on the grounds that AT&T unlocked almost $40 billion in share-
holder value,” insisting that “the whole idea was to avoid [its] destruction” (Landler 1997).

Morgan Stanley’s advice, intended to bolster shareholder value, actually damaged AT&T’s stock price in the long run, despite the fact that this deal making helped to generate an explosion of wealth for shareholders primed to cash out during the short-term price spikes. It is important to remember that investment bankers always receive high compensation for the deal no matter the result. The higher the risk, the bigger the deal, the more radical the change, the more money Wall Street makes, even though a merger or restructuring of a large company is precisely the kind of transaction that leads to a deterioration of long-term shareholder value. Many mergers have failed to deliver the expected profits due to unforeseen difficulties in integrating the companies.27

Despite the missteps that AT&T had taken under the advice of Morgan Stanley, in 1998, Credit Suisse First Boston (CSFB) and Goldman Sachs advised new AT&T CEO Michael Armstrong in the acquisition of TCI and the subsequent purchase of MediaOne, both among the largest cable television and modem companies in the United States. These deals were both named “Merger of the Year” by Wall Street trade magazine Investment Dealer’s Digest (for 1998 and 1999, respectively). Although AT&T’s acquisition spree in the late 1990s is generally blamed as much on the trigger-happy, “acquisitive” Armstrong as on his Wall Street advisors, it is crucial to note that the investment banks made over $100 million on these mergers, and that by 2000, AT&T announced that it would once again split into four separate companies, thereby breaking up and undoing the previous two years (Stokes 2000; Waters 1999). Scott Cleland, “telecommunications analyst at . . . an independent research firm,” called the deals “a multibillion-dollar oops” (Hiltzik 2001). Armstrong spent over $112 billion in acquisitions and expansions, yet by 2002 had losses of $60 billion to show for it. AT&T’s stock was at $13.51 in 2002, “well below their 1999 high of $49.77,” and by April 2004, the once-storied AT&T was actually delisted from the Dow Jones Industrial Average (S. Lynch 2004).

A central question for this book, then, becomes: why do Wall Street investment banks continually fail to achieve their raison d’être? How can investment bankers do what they do and engage in seemingly irrational practices, such as proclaiming shareholder value while engaging in actions that not only undermine it but produce corporate and financial market crisis? How does shareholder value maintain cultural legitimacy despite the inconsistencies and failures of its champions?

Addressing such questions is complicated by dilemmas in ethnographic
representation and methodology encountered when studying the powerful. For example, part of the crisis of representation and the turn toward greater anthropological reflexivity was the realization that anthropologists were unable to see “the objects of social analysis” (usually the marginalized) as “also analyzing subjects”; furthermore, ethnographers did not sufficiently locate or recognize their gaze, influence, or dominant authorship (Rosaldo 1989, 207). These historical mistakes, however, only make sense with a “typical” power configuration in mind, such as that of the Western white upper-middle-class male anthropologist studying the less-powerful “native” in the context of the colonial and postcolonial encounter. Underlying this politics of representation is the notion of the invisible expert and the marked subject. To rectify these mistakes, many anthropologists, in their attempts to “give voice” to their subjects, “run the risk of merely shifting the burden of representation from the anthropologist to the subject,” making the representations of subjects the “privileged ‘reality’” (Yanagisako 2002, 48). Given the historical imbalance between the native’s voice and that of the ethnographer, this strategy is understandable. However, when one is studying the powerful, this approach is no longer appropriate, as it can overprivilege the informant.

My informants’ representational power, influential models, historical interpretations, and prolific theorizing on capitalism, markets, and globalization rendered their voices loud and clear, even in relation to the anthropologist studying them. The task is not simply to “recognize” Wall Streeters as subjects acting in the world, but rather to situate and critique Wall Street worldviews in relation to other cultural models, histories, and voices. For instance, throughout much of my fieldwork, I was myself entranced by Wall Street’s dominant model of shareholder value. Delving into the intricacies of bankers’ proclamations and explanations of shareholder value as objects of importance in and of themselves, I did not always locate these discourses within the corporate culture through which they speak. Eventually I came to realize that Wall Street investment banks do not so much enact an ideal or model of shareholder value as perform a particular version of it, mediated through their corporate culture and experiences as investment bankers—one that in many cases actually undermines their very proclamations of shareholder value.

Similarly, I found that part of what imbues the presentist shareholder value ideal with such explanatory power is its rootedness in dominant historical narratives that legitimate Wall Street’s identity as guardian of shareholder value and empower its role and practice in shaping corporate America. The use of shareholder value is part and parcel of a broader project of
laying claim to a restorative narrative of entitlement and succession, through which Wall Street investment bankers have been able to define their professed beneficial social contributions to our economy. Wall Street cultural legitimacy and shareholder value are naturalized through "origin myths," particular interpretations of neoclassical economic thought, and investment banking histories of shareholder rights.

Specifically, my informants viewed themselves as gatherers and purveyors of the capital that forms the foundations and enables the growth and expansion of our largest corporations and public and private works. Not surprisingly, much of the academic literature on Wall Street, in disciplines ranging from business administration to law, replicate and perpetuate investment bankers' assumptions about themselves and the history of their profession. The presumption is that investment banks financed the very creation of the U.S. corporate system and have throughout history been the primary suppliers of fresh capital to maintain and expand it. So ingrained are these notions that even the project of delineating "what Wall Street actually does" proved a much more intricate endeavor than I had realized precisely because most of the literature (popular, "native," and academic) about Wall Street is framed by this dominant, taken-for-granted narrative of its roles and responsibilities, one which relies on a particular interpretation of American corporate and financial history. Michael Jensen's idealized portrait of investment bankers in *The Financiers* (1976) is indicative of mainstream culture's approach to Wall Street as both highly secretive and esoteric as well as crucially important for the functioning of our capitalist system:

They are the elite of Wall Street. Their offices are furnished with expensive antiques and original works of art. They dress in conservatively cut $500 suits, and are as quick to place a telephone call to Rome or Zurich or Frankfurt as most Americans are to call their next-door neighbor. . . . They engineer multi-million dollar transactions and, although they render middleman services only, enough money remains in their hands to make them the richest wage earners in the world. They are the investment bankers of Wall Street; the men who raise billions in cash for America's giant corporations. . . . Unknown to the general public, as dissimilar to the neighborhood savings banker as Harold Geneen of ITT is to the owner of a neighborhood delicatessen, the investment banker is an invisible man. Most Americans have only the vaguest notion of what he does. . . . His art is arcane. But just as the rainmaker promised to draw from the sky the drops that nourished the farmers' crops, so these latter-day rainmakers draw from the people and institutions around them the dollars
that are needed to build the nation’s factories. . . . What is investment banking? Simply the art of raising money for a client. (Jensen 1976, 1–2)

One of the key ways in which Wall Street investment bankers control their present and future representation as a fountain of capital that “build[s] the nation’s factories” is to strengthen their hold on the past. Such a storied role allows them to spin the pursuit of seemingly selfish goals as, in the end, a force for social good, arguing that the incentive of personal gain leads to an efficient economy, greater innovation, and better jobs.

To address the inconsistencies, failures, and ramifications of Wall Street investment banks’ approach to shareholder value while paying attention to its explanatory power necessitates a multiprong approach that centers the models, histories, and discourses of Wall Street. First, to interrogate the gaps in their dominant models of shareholder value, it is crucial to build on research in social studies of finance on the mundane cultural details and failures of finance, as well as on finance’s productive effects and the (often unpredictable) relationship between financial models and their instantiation (J. Guyer 2004; Maurer 2002; Miyazaki 2003, 2006; Miyazaki and Riles 2005; MacKenzie 2006). As Jane Guyer (2004, 4) points out, “people’s exchanges” are not only constructed out of “essential or archetypical” models or transactions, but also through “popular conventions” and “market experience,” thus the importance of examining the interface between model and effect. As Hirokazu Miyazaki and Annelise Riles (2005, 320) observe, given the “series of high-profile financial failures” and continued examples of financial market collapse, for “market participants,” “the failure of economic knowledge to predict, plan, and regulate the market seems self-evident.” The question for my purposes, however, is how and why my informants continually construct failure, not only against their own stated values of shareholder value, but also in such a way that promotes and validates their own job insecurity.

Drawing from the scholarship on models and performativity in social studies of finance also allows for the productive analysis of both the powerful influence and the failures of shareholder value and other dominant models and ideals on Wall Street. Given that these theories and models are “our culture’s most authoritative forms of knowledge of financial markets,” it is crucial to interrogate how they perform and what they actually do in the world (MacKenzie 2006, 275). Donald MacKenzie and Bill Maurer point out that financial models, in my case the ideal of shareholder value, both shape the construction of markets and have their limitations. “Keeping performativity in mind reminds us also to ask: if the
model is adopted and used widely, what will its effects be?” Further, are these models “accurate” and “what sort of a world do we want to see performed” (MacKenzie 2006, 275; Maurer 2006)? Given the limits of the shareholder value model and the gap between the ideal and the effects, my approach to shareholder value inquires what other financial cultural values and norms, beyond the “most authoritative” and dominant, shape Wall Street investment banks’ restructuring of corporate America and financial markets.

Second, to directly investigate why and how these particular representations of Wall Street hold such explanatory and naturalizing power, I approach Wall Street historiographies of shareholder entitlement and Wall Street’s conception of itself as fundraiser to the world as origin myths, indicative of a particular worldview and socioeconomic interest rather than objective statements of fact. Articulating the relationship between myth and social practice, Bronislaw Malinowski (1948, 96) writes that “an intimate connection exists between the word, the mythos, the sacred tales of a tribe, on the one hand, and their ritual acts, their moral deeds, their social organization, and even their practical activities, on the other.” I document how Wall Street, through strategic alignments with long-standing neoclassical desires entrenched in American cultural norms, evokes nostalgia to construct a “restoration” narrative central to its “rightful” succession.

In a similar vein, to particularize Wall Street voices and global claims and decenter their realities, I analyze investment bankers’ narratives of shareholder value alongside the narratives of those in the business community who have historically struggled with Wall Street’s finance-centric approach to corporations.29 Delineating the differences and contestations between capitalists serves as a foil to better situate and historicize investment bankers’ universalizing and taken-for-granted assumptions. By examining the contestations between competing capitalist worldviews and practices of the postwar era, I write against assumptions of a singular, static, totalizing capitalist worldview, promulgated by homogenous capitalists. In her ethnography of Italian capitalist family firms, Yanagisako points out that in studies of the powerful who have considerable access to interpretive control over the terrain of meaning and self-representation, it is pivotal to go beyond their “official” versions in order to “supplement, challenge, and interpret” their dominant and authoritative discourses with other understandings.30 At issue in the task of “describing” Wall Street is why particular narratives and social groups have come to be dominant and what is at stake in their varying visions of the world.
Finally, the politics of ethnographically representing and interpreting the powerful goes beyond decentering their models and histories; how their voices are methodologically accessed also shapes ethnographic findings. In a “studying up” context, for example, interviews are oftentimes the most accessible form of evidence: in my case, most of my written ethnographic data is in the form of interviews drawn from prearranged meetings with investment bankers, supplemented by field notes based on participant observations and my own experiences working on Wall Street. As such, much of my recorded fieldwork focused on the “talk” of investment bankers, which I both embrace and problematize. On the one hand, Michel de Certeau (1984, 77) writes, “If the art of speaking is itself an art of operating and an art of thinking, practice and theory can be present in it.” He further explains that “stories” serve to “authorize” and “found” a set of social practices, to delimit and carve out “a theater of actions” (Certeau 1984, 123). Similarly, Teresa Caldeira (2000, 19–20, 78) demonstrates that the “talk of crime,” through daily “repetition of histories” and stereotyping to “establish order in a universe that seems to have lost coherence,” resignifies “segregation and exclusion as central logics of urban space and movement,” reestablishes “a static picture of the world” that is “expressed in very simplistic terms, relying on the creation of clear-cut oppositional categories,” and shapes “the scenario for social interactions.” I argue similarly that Wall Street’s narratives of shareholder value resignify the business landscape, creating an approach to corporate America that not only promotes socioeconomic inequality but also precludes a more democratic approach to corporate governance. Banker talk of shareholder value simplifies corporate history, limits others who may have claims on corporate profits, and forecloses a range of more equitable corporate practices. Just as the “talk of crime” Caldeira encountered was “not meant to describe the world accurately but to organize and classify it symbolically,” bankers’ shareholder value discourses do not reflect the complex histories of the struggles for corporate resources, but rather reorganize corporate history and values such that certain interests hold a monopoly on corporate decision-making and profits. Through circulation and repetition, these stories “delegitimate” the corporation as a social institution and “legitimate” the corporation as a private investment vehicle for the few (Caldeira 2000, 38).

On the other hand, the focus on privileged talk can be methodologically limiting, as it was often easy to detach what my informants said from what they did; such was the nature of interviewing powerful informants without a corresponding referent and constant access to participant ob-
servation. Focusing on the discourses, logics, justifications, and talk of shareholder value without a corresponding analysis of how investment bankers actually go through with it—the practices through which a particular version of shareholder value comes to have power—is not only ethnographically flat but also assumes the self-actualization of a self-serving model and discourse of the world. Recognizing that cultural effects and production are never as neat as their powerful, legitimating logics, I worked to include and juxtapose multiple observations, field notes, situations, and experiences—which I had access to due to the particular combination of my network, Wall Street job, and fieldwork—into the same analytic frame. I thus realized that embracing the interfaces, gaps, and frictions constitutive of “worldviews-in-action” was crucial in examining the cultural productions and influence of Wall Street. Though admittedly intriguing and rewarding, having my hard-to-access informants “tell all” was only one piece of the puzzle, not the analytic goal. Given often unchallenged Wall Street discourses of shareholder value and market truths, the strength of what anthropology can contribute to unpacking Wall Street lies in its ability to demonstrate ethnographically how Wall Street’s institutional practices produce experiences that then make discourses come alive, more than the other way around.

Countering Abstraction, Constructing Financial Markets, and Particularizing Global Capitalism

What would it mean for anthropology to resist top-down categories, distinctions, and definitions of what “markets,” “capitalism,” and “globalization” are or should be? What if anthropologists approach the market as a set of daily, embodied practices and models? Given the resurgence of neoliberal discourses and practices in the mid- to late 1990s, where “the market” (often referring to financial markets) occupies in mainstream, financial, and social-scientific understandings an increasingly dominant, globalizing, and normative space, this book examines the building blocks of these macro structures. Because Wall Street investment bankers are highly visible in terms of their own self-representations and claims to truth and authority, yet culturally invisible in terms of their everyday practices and assumptions, by directly accessing key agents of change on Wall Street, a site widely deemed the epitome of global capitalist markets, I attempt to localize the very actors and institutions with a world-making influence on the global economy, and thus on the livelihoods of many.
The push to explain the massive socioeconomic inequalities generated by new configurations of financial markets in this neoliberal moment has invigorated in anthropology an approach to understanding finance that could hinder the cultural analysis of influential financial actors and reproduce power-laden assumptions about the “winners” and “losers” in the global economy. By taking as central the assumption that finance capital is abstract and abstracting—that is, separated and decontextualized from concrete lived realities, in turn shaping and corroding social relations in mystifying ways—we run the risk of allowing elite players in the global economy even more space to define and decipher our socioeconomic lives (see Gregory 1998; Tsing 2000a). Of course, it is crucial to remember that anthropologists have long been at the forefront of culturalizing the economy, in particular critiquing neoclassical economic theories as narrow ideological models divorced from and unable to represent the on-the-ground complexities of economic reality, especially in “non-Western” societies (Dalton 1961; Dilley 1992; Gudeman 1986; Sahlins 1972). This legacy stems in large part from the work of Karl Polanyi, who challenged the “‘economistic fallacy’ of liberal economic thinking, in which market relations . . . come to be viewed as universal models of human conduct,” and argued that economic practices are embedded in social networks, relations, and institutions (Slater and Tonkiss 2001, 94).

The multiple dichotomies, however, upon which Polanyi and many social scientists after him rested their analyses continue to have reverberating effects. Whereas nonmarket, premodern economies are assumed to be embedded in social relations, markets in modern industrial society are frequently imagined as operating according to formal and abstract economic models. In this formulation, binaries of concrete/abstract, embedded/disembedded, and culture/economy are implicit and perpetuated.

Recent anthropological and sociological works have challenged many of these taken-for-granted dichotomies, demonstrating that economic practices take place in complex webs of social relations, which change in form and degree over time. Just as “nonmarket” gift exchanges are characterized by a high degree of formal calculation, “market economies are more fully embedded in social networks than Polanyi’s strict separation allows” (Slater and Tonkiss 2001, 101). The “actual practice[s] of economies” defy top-down notions of market: “high finance is largely concerned with personalities, private perks and little interest groups, prestige, imagination, almost anything but what might be called a market” (D. Miller 2002, 224, 228). Also, anthropological investigations of “the free market” have deconstructed the concept of the market in Western culture, demonstrat-
ing how market ideology in the West is intimately tied to British and American notions of individualism, property, and neoclassical economics (Carrier 1997).

Despite these important contributions, given the rise of neoliberalism and its resurgent representations of abstracting and globalizing markets, many scholars, especially when referring to Western money and finance, revert back to our legacy of binary assumptions where the financial dominance of investment banks are often attributed to abstract, all-powerful global markets. In moments when finance and the stock market are the ruling paradigms of capitalist practice, many academic critics of market fundamentalism inadvertently take as foundational the notion that the economy has become “disembedded” from society, that financial market logics—as utopian ideals—are being used to abstractly shape social relations, leading to social violence and inequality on a global scale (Arrighi 1996; LiPuma and Lee 2004; McMichael 1998). Neoliberal actors and institutions are restructuring social worlds according to virtual economic models which privilege elite institutions and transnational corporations (Carrier and Miller 1998).≥≥ Taken to the extreme, these narratives of money and finance predict a homogenized and reductionist “global” world where the complexities of “local” social relations are narrowed to, and judged against, an abstract and singular bottom line, where the world is remade in the image of financial logics. I describe these academic critiques of neoliberalism as “neoliberal exceptionalism,” where the confrontation with conditions of socioeconomic inequality encourages scholars to privilege distant logics over particularity and grounded cultural analysis, which (ironically) overempowers neoliberalism.

So, what is at stake in these evolutionary narratives of increasing abstraction? Overarching scripts of universalizing financial logics and capitalist globalization not only obscure the heterogeneous particularities of Wall Street practices and effects and prevent the interrogation of Wall Street investment banks’ hegemonic claims, but also ironically parallel the marketing schemes and hyped representations of Wall Street capitalist promoters.≥∂ Recent innovative research in social studies of finance, by taking as their subjects (and objects) of study key sites in the construction and globalization of financial markets, have been central in addressing these dominant rubrics by making powerful actors in finance culturally knowable and embedded in novel forms of sociality.≥∑ Bill Maurer (2006, 15, 19) rightly points out that the notion of money as abstract and decimating is a dominant “Western folk theory” and in analyzing markets, money, and finance, “anthropology . . . too often repeats the same story of
the ‘great transformation’ from socially embedded to disembedded to abstracted economic forms.” Demonstrating the naturalization of this logic in the narrative of money, Maurer writes: “The story of money is repeatedly told in venues scholarly and popular as an evolutionary tale of greater and greater distance from actual things, of greater dematerialization, in a linear trajectory from barter to metal coin, to paper backed by metal, to paper declared valuable by fiat, and finally, perhaps to complex financial entities like derivatives, with future, not anterior, backing” (Maurer 2005, 100). Similarly, Hirokazu Miyazaki and Annelise Riles (2005, 321) have observed that the scholarly preoccupation with “the mystique of finance” has prevented giving “ethnographic attention to the mundane quality of the mundane.” Given that finance and money may be anthropology’s “new exotic,” demonstrating the quotidian particularities and insufficiencies of finance becomes all the more crucial (Maurer 2006, 18).

Put simply, allowing finance to be simply abstract lets it off the hook. I make the case that massive corporate restructurings are not caused so much by abstract financial models as by the local, cultural habitus of investment bankers, the mission-driven narratives of shareholder value, and the institutional culture of Wall Street. While I am sympathetic to explanations of corporate downsizing and rampant job insecurity as the intensification of abstraction, my intervention is to demonstrate that what seems like abstraction can actually be culturally decoded. Critics resorting to abstraction are well reminded not only of our own legacy (of binaries) but also that of neoclassical economics, where there is the “attachment of great value to detachment; in its passion for dispassionate analysis” (Nelson 1998, 78). At the level of ethnographic interpretation, it is crucial to recognize that a finance capital-led version of capitalism, which privileges downsizing, stock price, and market crisis, is perhaps not so much about disembedding as it is about power relations and unequal clashes of differently valued social domains with diverging visions of the world. But I first want to recognize that abstraction is a powerful explanatory tool in light of pressing social problems.

There seems to be little question that particular economic measures from prices to interest rates to the Dow Jones industrial averages shape our lives, that powerful knowledge producers from financial economists to corporate executives to Wall Street bankers have over the past two decades used and relied even more heavily on these indicators to make top-down decisions about jobs and policies. Tackling these profound changes, anthropologist James Carrier explains that abstract neoclassical eco-
nomics, armed with greater institutional power, is engaged in “the conscious attempt to make the real world conform to the virtual image.” It is precisely this “move to greater abstraction and virtualism” in economic thought that is creating a prescriptive model for reality, a “virtual reality” that is reductive, dislocating, and divorced from responsible and engaged social relationships (Carrier 1998, 2, 5, 8; Carrier and Miller 1998). Specifically, given that we now live in a business environment where corporate decisions are based less on strategic knowledge produced within the organization on the ground, but rather are dictated by financial measures, stock prices, and the expectations of Wall Street investment banks, does not abstraction seem like the appropriate diagnosis? As Carrier (1998, 4) claims, “It is not too far-fetched to see the disaggregation of firms and the increasing use of outsourcing and temporary workers as a kind of disembedding, for economic activities that had occurred within the structure of the firm and the durable employment and institutional relations contained within it, move outside and are acquired through relatively more impersonal and transient market relationships.” These examples do seem to demonstrate that “external” forces, “disembedded” from local and organizational contexts, with allegiances only to abstract financial markers like stock price and profit accumulation, are not only loosening social ties but also generating conditions of supreme socioeconomic inequality by obliterating any concern for the daily lives and dilemmas of everyday people.

Part of my argument here is that the construction—the feeling—of abstraction is absolutely about power and hierarchy in that powerful changes stemming from very different values, priorities, and interests “feel like” the triumph of a penetrating, alien abstraction from the point of view of the marginalized. For example, many downsized workers have argued that the stock price is just one value among many, and that other values such as a stable job and the American Dream are more important. From the stance of the disenfranchised, financial parameters like the stock price are understood as overtaking other values and affecting differently positioned people unequally. The unequal conflict between the priorities and agendas of the powerful versus the powerless, not to mention the dismissal, may in turn be experienced as being “turned into a dollar sign from above,” yet such a phenomenon is perhaps better explained as the social effect of concrete manifestations of power relations, not abstraction.

Similarly, when one directly interrogates the powerful, what gets dubbed as abstract is about very particular values, interests, and origin myths.
From my natives’ point of view, their use of stock prices as the primary measure of evaluating corporations is not about heralding abstraction, but about reclaiming the “rightful” capitalist unity between ownership (of stock) and control over corporations that had been sundered during the heyday of managerial, “welfare” capitalism, which in turn fosters the values of responsibility, efficiency, and individual proprietorship. Fixation on the stock price is a mission-driven cause, not a cold abstraction, that counters and overcomes the wrongful allocation of capital. Representing a host of values, shareholder value allows bankers to translate their particular values into a number, which acts as its own explanatory force. It is a discursive strategy used by powerful financial institutions to articulate their vision of the world and fight for their elite interests by utilizing a shareholder value worldview to impose short-term, financial market-based decision-making on corporations. Simultaneously, shareholder value, Wall Street investment bankers’ central worldview, is often not enacted or actualized. While I would argue that downsizing workers based on stock prices is not about liquidating local values for the sake of abstract numbers, I would also make the case that Wall Street does not downsize based only on stock prices: other models and cultural and institutional norms are at play.

Given that on Wall Street, financial models are not fully actualized in practice, the interstitial space between “virtual” models and its “real” effects is a crucial analytical site. The heated academic debate between Michel Callon and Daniel Miller is instructive here. Callon has suggested that the models and theories of financial economics are not virtual, as Miller claims, but “real” in the sense that economic practices actually perform and enact “homo economicus” on a daily basis. Economic practice socially constructs the kinds of conditions and frames which allow economic thought to be actualized. In this vein, Callon (1998) refuses the dichotomies of abstraction/real. I would argue, however, that both Callon and Miller take as their defining assumption either the distance or lack thereof between economics and markets, between theory and practice. Whereas interpretations along the lines of Callon and Miller might see the current dominance of shareholder value as evidence either that homo economicus now exists, as financial economics has converged with market practices, or that market mechanisms have abstracted social relations according to virtual, utopian capitalist fantasies, I demonstrate that economic ideals are neither wholly performed and instantiated into reality nor virtual substitutions for “real life complexity.” Analyzing what Wall Street investment bankers actually enact necessitates attention to the
interface between virtual and real, model and effect, as well as the existence of other key cultural contexts that would influence this interaction.

When Wall Street’s actions in the world are framed and translated as “people got downsized because of stock prices” or shrugged off because “markets crash,” investment banking practices are represented and interpreted as abstract, cordonning “the market” off from social decisions. Socioeconomic dislocations are less cases of abstraction than instances of power being experienced and enacted. When conflicts between unequal values and interests are interpreted mainly in terms of abstraction, which in turn is refracted back as a core characteristic of finance, such assumptions further obfuscate the task of grounding Wall Street actors.

This discussion of abstraction and power is incomplete without an analogy to the power of whiteness as a racial construct. Richard Dyer (1997, 38–39) has written that one of the central markers of white identity is “the attainment of a position of disinterest—abstraction, distance, separation, objectivity.” Yet, while privileging the notion of universality, abstraction, and invisibility, whiteness paradoxically also claims individuality, a particular display of spirit and character, as well as a sort of privileged “race.” Dyer (1997, 39) argues that the representational power of whiteness—its flexibility, productivity, covetedness, and exclusivity—stems from its ability “to be everything and nothing, literally overwhelmingly present and yet apparently absent.” Not surprisingly, part of the discursive power of the financial market is precisely its representation as abstract, its seeking to be everywhere and claiming to be nowhere coupled with its particular mission and claims to freedom, democracy, property, and prosperity. Market power thrives on this representational flexibility: though its beneficiaries can emerge as an interest group when necessary, usually this kind of power is cloaked in its abstraction and universality. It is instructive to compare, then, Dyer’s claim that the power of whiteness can be challenged by “locating and embodying it in a particular experience of being white” (Dyer 1997, 4). In this ethnography, I intervene against the flexible and productive power of markets by rendering it concrete and by demonstrating that investment banking decisions and the very experiences of the investment bankers themselves are thoroughly informed by cultural values and the social relations of race, gender, and class. I hope to portray a Wall Street shot through with embodiment, color, and particularity.

The dual work of studying ethnographically the globalization of capital markets and the values and strategies of financial actors is to both recognize their power and demonstrate their locality and instability, even their fragility. On the one hand, I emphasize the location of Wall Street prac-
tices in the United States and how specific investment banking subjectivities and actions work to produce American hegemony through their brand of finance. As such, Wall Street finance is distinct from global finance, and the interests of the United States, though powerful and globalizing, should not be conflated with those of the world. On the other hand, investment bankers and banks located in the United States often do claim the entire globe: they effect rippling, global changes and self-represent themselves as the ultimate global actors promoting global capitalism. As Douglas Holmes and George Marcus (2005, 237) write, the “contemporary system of technocratic expertise . . . conveys and produces the idea of the global as daily practice. Central banks operate not merely under the sway of fast-capitalism; they have played a direct role in creating and mediating it.”

Of course, although these actors do strongly shape social relations, part of the project of localizing Wall Street involves emphasizing the hype, miscalculations, and discrepancies of global strategies and practices, especially given the central role that boastings of global reach and power play in the self-representations of investment bankers. We can acknowledge the global spread and influence of Wall Street’s investment banking practices and worldviews without assuming that the actors’ plans are flawlessly conceived and executed. As Michael Fischer points out, the global is “polycentric”: however homogenizing, it is multiply situated, dynamic, local, and productive of odd ethnographic juxtapositions (Fischer 2003). Experts and cultures of expertise can make blunders, spinmeisters can fall prey to spin, and masters of the universe can be undermined by hubris. My approach to Wall Street investment bankers writes against this tendency to attribute infallibility and necessity to their cultural practices by investigating the fragilities of market practices and the inconsistencies of expert opinions, especially instances when encompassing global logics of shareholder value break down. It is precisely this global confidence in their capabilities that allows them the freedom to act unimpeded.