Introduction
The Interwovenness of Literature and Economics
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On the face of it, literature and economics might seem remote from – even antithetical to – one another. Literature is conventionally thought of as the realm of imagination and introspection, of alternate worlds and psychological and spiritual insights – a space apart from workaday life, one in which aesthetic values of beauty, truth, and expressive power hold sway. Economics, meanwhile, is typically viewed as confining itself to the brute facts of scarce resources and basic human wants, to measurement and quantification, and to hard-headed, rational calculation of means and ends. A huge body of scholarship, however, has established the extent to which literature and economics are in fact mutually constitutive phenomena. Scholars have shown that what now look like the separate domains of “the literary” and “the economic” emerged from a shared nexus of discourses and practices and intertwined systems of inscription and value. And they have highlighted how, even as literature and economics have taken on the appearance of discrete categories, the two fields of study have continued to shape one another’s language and rhetoric and habits of thought and behavior in myriad ways. Indeed, the very incongruity of the two fields as they are conventionally conceived today is a product of their imbricated histories, and speaks to the extent to which their mutually constitutive relationship has been a relationship of mutual disavowal: historically (and especially in the wake of literary Romanticism), many poets, playwrights, novelists, and critics – as well as economists and businesspeople – have been inclined to define the literary precisely as that which is most sharply distinct from the economic, even as such a definition has been belied by the multiple points of contact across this ostensible “divide.”

Long an important subject of scholarly interest, the relationship between literature and economics has, since the global financial crisis of 2007–2008, emerged as one of the key areas of critical inquiry not only in literary studies, but also in the wider humanities, and indeed various
branches of the social sciences, including economics itself. The “credit crunch” not only prompted an outpouring of novels, plays, and poems concerned with the relations between household debt, precarious work, real estate transactions, and derivatives markets (a corpus of “crunch lit” examined in several prominent critical studies); it also made starkly apparent the disastrous simplifications and distortions inherent to the theories and models developed by mainstream economists and operationalized by banks, hedge funds, regulators, and other financial institutions and actors. In a manner that could hardly have been more spectacular, the crisis demonstrated that the study of economic processes cannot be the exclusive purview of the economics profession and must instead be brought (back) into contact with other disciplines. Given the crucial roles of representational models, ideological narratives, and multiple forms of rhetoric, discourse, and mediation in normalizing the exploitative and risk-laden practices that led to the crash, the analytical tools of literary studies (and the wider humanities) have vitally important contributions to make to this interdisciplinary project. The devastating effects on livelihoods due to the Coronavirus pandemic that began in early 2020 have further highlighted the need to reconceive the fundamental bases on which key economic categories – labor, value, markets, risk, security – are premised.

Across seventeen chapters by leading scholars in various fields, this book offers an authoritative guide to the interrelations of literature and economics from the medieval period to the present. It explores the various critical and theoretical paradigms via which these interrelations have been analyzed, and engages with the historical, conceptual, and methodological questions that have been at the forefront of the field in recent years. If literary critics are increasingly fascinated by economic questions, then they are in many ways merely catching up with a central and abiding concern of imaginative writing itself across the centuries. As the following chapters make clear, at the core of many of literary history’s most significant works are deep and complex engagements with economic systems – from early medieval gift exchange codes to the monetary regimes of the early modern period to the eighteenth- and nineteenth-century financial and industrial revolutions; and from the shopping emporia of the modern metropolis to the migrant labor routes, corporate structures, and financial trading platforms that define the economic conditions of the present. Literary representations of these major economic phenomena (as well as many others) figure prominently in this collection volume. Such representations display what Christopher Newfield calls “literary knowledge of economy”: a mode of understanding, analysis, and (often) critique of the relations between
economic systems and structures and subjective experiences and perceptions that is peculiar to fiction, drama, poetry, and other strands of imaginative writing. Such knowledge is manifest in literary texts' variously thematic, stylistic, formal, and generic features, and can be extrapolated by literary and cultural critics in turning their attention to economic texts, discourses, representations, and practices that are not—obviously or narrowly—“literary” but have crucial rhetorical, semiotic, narrative, and imaginative dimensions.

In this Introduction, we identify the key ways in which literature and literary criticism offer singularly insightful cognizance of economic forms and processes. We first consider how literary texts encode economic knowledge in metaphorical—and more broadly figurative or tropological—uses of economic vocabulary, and via styles and forms that stand in a “homological” relation to monetary and financial systems. We then explain how critics have understood the ongoing overlaps between literature and economics as “genres” of writing, which have continued to borrow conventions from one another, even as the discipline of economics has become increasingly technical and mathematical. We next address the ways in which literary texts register the economic pressures to which they are most directly exposed: namely, the pressures of literary consumption and the literary marketplace. And we close by showing how social scientists are increasingly turning to literature and literary studies for economic insights, and by highlighting the emergence of the economic humanities as an interdisciplinary research field to which the approaches covered in this book have made defining contributions.

Language and Form

A significant body of scholarship has detailed the ways in which literary texts register economic conditions in their figurative use of rhetorics of money, commerce, and exchange, or in their adoption of formal patterns structurally homologous to economic phenomena of multiple kinds and scales. “Money,” Marc Shell has asserted, “talks in and through discourse” and the “monetary information of thought” cannot be “eradicated” without “changing thought itself, within whose tropes and processes the language of wares ... is an ineradicable participant.” Shell’s emphasis on the relationship between money and language/thought can be read back into the move within literary theory from structuralism to poststructuralism. A recognition of parallels between money and language was evident in some of structuralism’s most important early works, including
both Georg Simmel’s writing about money and Ferdinand de Saussure’s writing about language. When Simmel described money as “colourless” and Saussure described language as “unmotivated,” for example, both were pointing to a process by which monetary or linguistic meaning – which each tellingly termed “value” – was given through processes of selection and substitution. Saussure compared language and money because both were symbols of relational value without fixed or inherent meaning: “it is not the metal in a piece of money that fixes its value,” Saussure noted, because its “value varies according to the effigy it bears.” Such considerations were “even more pertinent to linguistic signals,” which were “constituted solely by the differences which distinguish one sound pattern from another.”

Saussure’s formulation of how we arrive at meaning was echoed by his contemporary Simmel, for whom money was like language, an abstract and relational form, which possessed a “relativity [that] creates the value of objects in an objective sense, because only through relativity are things placed at a distance from the subject.” Money and language were thus both general equivalents, involving a move from content (the particular note or word) to form and structure (the relational structure through which the note or word was given its abstracted meaning). Simmel, in particular, confirmed Karl Marx’s analysis of the reification that this phenomenon implies when he suggested that money was “nothing but the pure form of exchangeability.”

The implications of this apparently homologous relationship between money and language for literary theory received their fullest exploration in poststructuralist and postmodernist criticism. One of the first forays into the field was Jacques Derrida’s essay “White Mythology,” published in French in 1971 and in English in 1974, which connected the “truth” effaced by Friedrich Nietzsche’s coin in a famous metaphor to the structural “value” realized by Saussure’s coin in order to suggest a theory of difference that could deconstruct the metaphysical opposition of the material and the immaterial. The reiteration of the shared emptiness of money and language, universal signifiers unmoored from any material referent, was frequently repeated through the 1980s and 1990s, although the political implications and historical specificity of the homology did not remain static. For Marxist critics such as David Harvey, Fredric Jameson, and Brian Rotman, for example, the key historical moment was the ending of the gold standard in the early 1970s that allowed for the ascendancy of the postmodern floating signifier. The “breakdown of money as a secure means of representing value has itself created a crisis of representation in advanced capitalism,” Harvey wrote, and this shift in turn signaled a crisis
of political strategy and action because it is “hard to tell exactly what space we are in when it comes to assessing causes and effects, meanings or values.” For literary critics such as Jean-Joseph Goux, however, the crisis had already occurred some half a century earlier. Goux’s focus was the coincidence of literary modernism and the World War I-era suspension of the gold standard in Europe: for him, the two breaks collectively signaled the loss of a psychodynamic paternal, rather than political, order. When money and language “come under attack,” Goux suggests, then “all other values that regulate exchanges are questioned.” “Gold, father, language, phallus” – these “structurally homologous general equivalents” – undergo a “fundamental crisis that is also the crisis of the novel as a genre.”

The assigning of a sweeping meaning to the homologies between money and language, as Michael Tratner, Anna Tsing, and Joshua Clover have now variously suggested, risks confirming, rather than engaging with, the processes of financialization that are often their ostensible objects of critique.

This homological analysis was also important for allowing a recognition of the role that language and the imagination played in both fictional and financial worlds. J. G. A. Pocock’s recognition that the emergence of credit in eighteenth-century Britain was dependent upon the “investor’s imagination” – as property itself, “the material foundation of both personality and government,” had “ceased to be real and ... become not merely mobile but imaginary” – shaped the field of eighteenth-century literary studies, as E. J. Clery’s chapter in this book comprehensively maps. Yet this phenomenon is not restricted to the past. Joseph Vogl’s *The Specter of Capital* (2010/2015), for example, gives an overview of the continued role that the spectral and phantasmatic have played in the material construction of an immaterial money, tracing a process that extends from the eighteenth century to the present. Vogl finds the “primal scene” for the “disquiet” surrounding money’s relinquishment of the material in the inconvertibility of paper to gold occasioned by the British Bank Restriction Act of 1797, which formally announced the “equilibrium between signs and riches” and laid bare the “complex deal between the public and private, the economic and the legal” that money relied upon. For Vogl, finance is dependent on a “paradoxical structure” in which paper money comes to represent “both the promise of a certain sum of money and the failure of that sum to materialize,” and the financial culture that results is “focused less on acts of exchange” than on fantasies, projections, and predictions: “irritating factors of uncertainty, potential outlooks, and future expectations.”

Analysis of the Bank of England, as the robustly physical institution that presides over an immaterial and phantasmatic sector, has formed a
fascinating subgenre of its own. In its most direct form, such as Martin Parker and Valerie Hamilton’s *Daniel Defoe and the Bank of England: The Dark Arts of Projectors* (2016), the fiction of Defoe is read in parallel to the founding of the Bank because both “reflect and create a transformative shift in the operation of the imagination,” which is able to conjure up new worlds, rather than merely replicate what already exists.7 The Bank has also been used to explore the parallels between financial and aesthetic modes of exchange and value, a set of debates about speculation, worth, provenance, and utility that has often drawn more on fine art than literature. Neil Cummings and Marysia Lewandowska’s *Capital* (2001), for example, places the Bank in conversation with the Tate. They suggest that the former regulates and underwrites our monetary and commodity markets and that the latter does the same with a “parallel ‘symbolic economy’ underwriting the integrity and value of the artworks in which it deals and thus ensuring the stability and health of a network of interconnected relationships which constitute the art world.”18 The project is characteristic of the ways in which literary and cultural critics and theorists – as well as practitioners – have drawn parallels between the functioning of meaning and value in economic and aesthetic fields.

**Genre and Rhetoric**

Where some critics have identified convergence between literary and economic registers, others have focused on divergence. Mary Poovey’s account of the emergence of the credit economy in Britain, for example, suggests that the genres of literary and economic writing separated from one another in the late eighteenth century, as writers from different traditions sought to manage the “troubling effects” of credit – the ability to “turn paper into gold and vice versa” – in very different ways. According to Poovey, the “genres associated with economic writing” established themselves as factual through recourse to the language of natural philosophy that made “market transactions seem as regular and as harmonious as nature.” Fiction, conversely, sought to manage the same anxieties by “creating a non-factual form of representation that was nevertheless not a lie” and provided “safe forms in which writers could explore the troubling and exciting possibility that representation could always float free of its ground.”19

Other economic historians have given a different emphasis to the distinction between factual and fictional writing. In key essays such as
“The Consequences of Rhetoric” (1988), Deirdre McCloskey, for example, pays close attention to the significance of the generic distinction between economic and literary registers of authority. For McCloskey, economics’ disavowal of its own rhetorical tropes represents a failure because it blunts the ability of economists to fully register, and even stand to one side of, their own rhetorical dependencies: "to the sneer that learning rhetoric ‘isn’t economics’ one can only point out that most of what economists do is reading. It would be like saying learning mathematics ‘isn’t economics’ and then expecting the economist denied mathematical sophistication to read and write well in mathematical theory.”

For McCloskey, an analysis of rhetoric will make better economists, not only because they will be enriched by the humanist traditions of philosophy, literature, and the “better life,” but also because those in the profession “cannot be honest about their arguments if they cannot see what they are.”

Yet where McCloskey sought to keep the economist “honest,” and saw no tension between her embrace of a Chicago School neoclassical position and her embrace of literary theory, Philip Mirowski provided a more acerbically political critique of how the language of the natural sciences has shored up, rather than merely illustrated, the authority of conservative economics. For Mirowski, neoclassical economic theory depends upon a mathematical metaphor that “equates ‘utility’ with the potential energy of mid-nineteenth century physics. From Walras to Pareto to McCloskey the tendency has been to admit the metaphor in a coy and indirect manner, hedged about with the qualification that it is merely a matter of words, and therefore of no consequence to the evaluations of the content and significance of the theory.”

For Mirowski, the physics metaphor gives economics the legitimacy of a natural science. It presents the economy itself as an entity that possesses the character of a “natural stable process” and bestows “differential ontological validity upon sets of social phenomena: the ‘individual’ is taken to be more real than any other social formation, be it the family, the firm, the nation-state, and so on.” Mirowski goes further than Poovey and McCloskey, then, in identifying economic writing’s use of the natural sciences not only as a means of grounding its authority and casting off the suspicion to which its reliance on the imaginary has made it susceptible, but as also carrying a specific and marked political freight. Attending to the rhetoric of economics, that is, provides crucial insights into its politics.
More Information

Literary Production, Circulation, and Consumption

We have so far focused primarily on how imaginative writing shares generic, figurative, and discursive – that is, broadly textual – features with economic discourses and practices. But literature is also “economic” in more overtly material ways. Any work of literature – no matter how ostensibly far removed from worldly concerns – is tightly bound up with material conditions of production, circulation, and consumption. How do authors accrue the resources necessary to pursue their work? By what channels and in what physical forms are finished texts disseminated to their readership? And what kinds of economic transactions do readers enter into in order to access works of literature? Over the past few decades, scholars in literary studies – and allied fields, such as book history – have attended closely to such questions. They have argued persuasively that we cannot properly understand literary texts’ forms, meanings, and functions outside of the economic relations in which they are enmeshed.

Scholars have paid particular attention to the phenomenon of literary patronage: both its historical prevalence and its distinctive twentieth- and twenty-first-century revivals. In medieval and early modern Europe, writers often relied on royal or aristocratic patrons for protection from legal censure and the award of stipends or administrative appointments, while their works might be confined to private performances at court or in noble households, or circulation in manuscript form among small groups of ecclesiastical or gentry readers. Historians of literary modernism have highlighted the resurgence of a culture of patronage in the early twentieth century, as wealthy benefactors (typically female) supported avant-garde writers (typically male) in the sometimes protracted production of works whose formal and linguistic difficulty made them unpromising commercial propositions. And in his influential study *The Program Era* (2009), Mark McGurl has argued that the rise of university-based creative writing programs in the United States and elsewhere since the mid-twentieth century has created a literary patronage system of unprecedented scale.

Much critical and historical research has addressed the emergence, through the eighteenth and nineteenth centuries, of the figure of the “professional” author, writing not in the service of an influential patron, but rather for an expanding literary marketplace populated by anonymous readers whose tastes demanded to be variously anticipated, satisfied, and reshaped. As Nicky Marsh and Paul Crosthwaite explore in detail in their chapters for this volume, the question of literature’s constitutive relation to the publishing industry and book trade has become particularly central to
the study of modern and contemporary literature. Scholars have examined how modernist writers negotiated complex relationships not only with patrons, but also with publishers, editors, booksellers, and the media, and how they cultivated niche audiences of elite readers in order to differentiate their deliberately challenging or experimental writing from the “middle brow” and “mass market” segments of an increasingly stratified literary culture. Critics of contemporary literature are likewise seeking to reckon with the effects of the seismic economic and technological shifts— from publishing industry consolidation to the advent of e-books to the rise of Amazon to the “self-publishing revolution”— that have transformed how literature is written, sold, and read over recent decades.

Underlying much of this scholarship are concepts derived from the work of the French sociologist of culture Pierre Bourdieu. In his hugely influential study of French literary culture around the turn of the twentieth century, *The Rules of Art: Genesis and Structure of the Literary Field* (1992), Bourdieu argues that the “literary field” as a whole is divided into “sub-fields,” dominant among them being the subfield of “large-scale production” — the sphere of “commercial” literature “oriented towards the satisfaction of the demands of a wide audience” and “dedicated and devoted to the market and profit.” This sector coexists, however, with the “subfield of restricted production,” which Bourdieu associates with the Aestheticists, Decadents, Symbolists, and other avant-garde groups. While “large-scale” literary producers simply fixate on accumulating material or economic capital — monetary profit — by selling books to the largest possible readership, those working in the “restricted” subfield draw on their “cultural capital” (erudition, knowledge, education) in order to accrue the “symbolic capital” of prestige or respect by pursuing an uncompromising artistic vision in defiance of prevailing market tastes. As Marsh’s and Crosthwaite’s chapters suggest, the relations between such “sub-fields” — and the extent to which their dominant forms of capital are fungible or exchangeable — are central questions for the study of modern and contemporary literature.

**Toward the Economic Humanities**

In this Introduction we have seen how literature and literary critics have a long history of exploring economic ideas, narratives, and rhetoric, as well as the impact of market forces on literary production. From the other direction, however, a growing number of economists and other social scientists have begun to discover in literature’s inherently imaginative
and counterfactual qualities a crucial resource for theorizing the speculative, projective logics of capitalism.

As we have seen, although once closely related, the genres of economics and imaginative writing began to pull apart in the late eighteenth century and increasingly diverged through the nineteenth century. Economics turned to the language and logic of mathematics to make its arguments, but the two modes of knowledge have continued to shadow one another. The subfield of rhetorical economics, as discussed above, has revealed the often unacknowledged literary nature of economic writing. But even when the connections are more literal, they are still rarely acknowledged. While there are well-known examples of literary writers who maintained a day job in the world of finance (most notably T. S. Eliot in banking, and Wallace Stevens in insurance), less familiar is the fact that a number of prominent economists and economic forecasters also dabbled in literature. As Dominic Walker’s research has demonstrated, “literary writing has often been a proving ground for new economic ideas.”

For example, Stanley Jevons, the nineteenth-century economist whose work on marginalism paved the way for a more mathematical form of economics, wrote “endless novels with [himself] as the constant hero.” Similarly, his French contemporary Léon Walras sketched out the principles of his general equilibrium theory in a short story long before he became an economist. John Maynard Keynes, one of the towering figures of economics in the twentieth century, was a prolific writer of literary criticism and producer of plays, and was closely connected to the Bloomsbury Set of writers and artists. Or, most recently, the economist Thomas Piketty’s bestselling book *Capital in the Twenty-First Century* (2013) repeatedly turns to Jane Austen and Honoré de Balzac to help explain the idea of inherited wealth.

Even though the discipline of economics has increasingly relied on mathematics and physics, it has a long and continuing tradition of using parables and stories – and even works of literature – to explain some of its basic principles. Economists have returned repeatedly to Daniel Defoe’s novel *Robinson Crusoe* (1719), for example, to naturalize the myth that money was invented as an improvement on barter exchange. Business schools sometimes draw examples from literary classics in their teaching. One book in this vein, for example, asserts that “literary works often describe human behavior and motivations more eloquently, powerfully, or humorously than economists typically do, even when dealing with economic subjects.” These studies of what might be called the “What Literature Can Teach Us about Capitalism” approach tend to be written by free market apologists with no training in literary studies, who merely