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Money, Credit and Finance in *The Arcades Project*

Fernando Estrada

Abstract

The main objective of this paper is to present a reading of *The Arcades Project* by Walter Benjamin in the context of the financial crisis, in particular, reflect from a few fragments of Benjamin's work appear to lie around a *Black Swan*. The recovery of the fragments of *The Arcades* seems appropriate at a time when the financial crisis should be taught as a deeper crisis. Walter Benjamin is placed beyond its time, with a powerful sense of observation worthy of emulation analytical.

Keywords: Financial theory, markets, Black swan, stock markets, financial crisis, markets risk, Walter Benjamin, Arcades Project.

Introduction

Prominent rediscovery of the *Black Swan*¹, there is a powerful epistemology of financial risk. A key theoretical framework Popperian biases on predictive statistical models. The analysis of financial markets made since the uncertainty and errors in the predictions of experts. In fact, it was determined that the *Black Swan* as a portfolio of challenges, not only to financial theory, but also for the social sciences². The *Black Swan* is a more visual context and background, which will continue in this work.

In effect, the fountains of the *Black Swan*, is a sufficiently attractive promise of research: Emile Zola, Monsieur de Montaigne, Giacomo Casanova, Wittgenstein and Kafka, are authors who discover fundamental nuances of behavior that may be of interest to the researcher in the field. These authors are above the regular information in newspapers and magazines. This means that the anatomy of a *Black Swan* can be seen in the novels of Edgar Allan Poe, as much or more elaborate than the notes recent Wall Street Journal.

With respect to the emergence of *Black Swans*, trader psychology plays a decisive role. Let's look research³. How are preferences in an environment inhabited by animal spirits? What relations of certainty is likely? And what difference to empirical skeptic a

¹ Charles S. Tapiero: "The Future of Financial Risk", Third annual conference of the Cass-Capco Institute Paper Series on Risk Management, 2010.; Nassim Nicholas Taleb, "Common Errors in Interpreting the Ideas of The *Black Swan* and Associated Papers", Available at SSRN:<http://ssrn.com/abstract=1490769>, 2009; *The Black Swan*, Random House, Nueva York, 2007.

² J. M. Bernstein: "Benjamin's Speculative Cultural History", *Theory Culture Society* 1999; 16; 141.

³ Daniel Kahneman, Tversky: "On the Psychology of Prediction": *Psychological Review*, 80, 1973.

financial analyst platonic? These phenomena are related to motives and incentives, beliefs and preferences that people make in financial markets.

In this context, this paper has a specific goal. It reflects on the *Black Swan* and the face of behavior in the stock market, taking an unconventional literary source economics: *The Arcades Project* of Walter Benjamin. The theoretical experts know that this is an indirect object; Benjamin's work has significant details of a wider scope over specific reflections on the Stock Markets or the role of money, credit and finance. However, Benjamin's work in archives in Paris⁴ is relevant to the entry of several topics: the psychology of the loser and the punter on the Stock Markets, the political economy of capitalism in its early stages⁵.

This reconstruction of Walter Benjamin financial context is, however, limited⁶. Its aim is to work on fragments (in a volume of fragments). Respond, analytically, the spirit that once employed Foucault in his approach to the sources of the discourse on the body and the Panoptic⁷. All the more, because the units are Benjamin collects primarily in this work unfinished: *The Arcades Project*⁸.

Benjamin's work embraces and articulates issues that come from all kinds of secondary sources. In the case of the *Stock markets*, together fragments of political economy issue that show the historical transition from the *L'Ancien Régime* to the *Restoration*⁹. Central to our goal is not, however, the historic restructuring, but the sparks thrown on analytical psychology and economic behavior of brokers. Specifically, the detritus of our goal is the advent of the *Black Swan*.

In this compendium of observer, we see Walter Benjamin working on the details of a kaleidoscope of the Stock Markets, and the conduct of those involved in it¹⁰. In addition, the micro-motives of gamblers and troublemakers in the streets of Paris. That

⁴ Jeremy Gaines: "Research on Walter Benjamin", *Theory Culture Society* 1993; 10; 149.

⁵ Richard Wolin, "Aestheticism and Social Theory: The Case of Walter Benjamin's Passagenwerk", *Theory Culture Society* 1993; 10; 169.

⁶ Dana Arnold, "Facts or Fragments? Visual histories in the age of mechanical reproduction", *Art History*, Vol. 25 No. 4 September 2002.

⁷ Michael Foucault, *Histoire de la folie à l'âge classique*, Gallimard, 1972; *Surveiller et Punir*, Paris : Gallimard, 1975. Specifically, what interests us is the proposal Foucault to work on an archeology of knowledge. This type of investigation based on fragments, fingerprints, inconclusive data, dispersed units.

⁸ Walter Benjamin, *The Arcades Project*, Cambridge (MA), 1999 [ed. cast: *Libro de los pasajes*, Ediciones Akal, 2005].

⁹ Dianne Chisholm: "A queer return to Walter Benjamin", *Journal Urban History*, Vol. 29 No. 1, November 2002 25-38.

¹⁰ Udi E. Greenberg, "The Politics of the Walter Benjamin Industry" *Theory, Culture & Society* 2008 Vol. 25(3): 53–70.

is, in these fragments, Benjamin, displays a great sensitivity to detail, going through his head making a monumental work on modern culture¹¹.

We will use as part of the heuristic that describes the *Black Swan*. A smaller scale pattern has, however, the ability to expand its irregular size and influence much the conditions of information and communication agents. Benjamin heuristic aims to explore representations and conceptions of money and gold, the value and wealth, as well as animals exposed financial performance.

However, addressing these fragments requires an illustration of the context in which Benjamin investigates. David Harvey has written a job that meets these conditions: *Paris, capital of the modernity*¹². In this work, comparable with the same volume of the passages, I stop with the greatest care. Likewise, I strive to keep up the integrity of the most significant findings of their research. I am taking Chapters V, VI, linking money and credit finance, as well as observations on income and property interests.

Context

For the period recovered by Walter Benjamin, there were two very different conceptions of the role of money, a conservatism that was manifested in its consideration of the real gold as a currency, the real measure of value. And a design influenced by the ideas of Saint-Simon since the early 1830s trying to change that symbol. The credit system appears as the nerve center of economic development and social change. Amid a confusing speech sought to democratize the savings mobilized in an elaborate hierarchy of credit institutions capable of dealing with long-term projects. Harvey sums up the rivalry of ideas: "...a deep tension within capitalism between the financial superstructure and its monetary base"¹³.

The history of financial reform under the Second Empire is complex in its details, but the *Crédit Mobilier* who founded the Pereire brothers was certainly in the center of the dispute. The company, originally founded to re-start the construction of railways and its auxiliary industries, was an investment bank that held stakes in companies and helped them to rise funding for long-term projects, could also sell debt to the public, with a guaranteed interest rate for the income of the companies he controlled. This means acting as an intermediary between many small savers that had not had such opportunities of investment (it was the democratization of credit). Thus, this phenomenon describes the image provided by Harvey as "state monopoly capitalism".

¹¹ Lutz Koepnick. *Walter Benjamin and the Aesthetics of Power*, University of Nebraska Press, Lincoln/London, 1999, pp. ix–377.

¹² David Harvey, *Paris, capital of the modernity*, Rutledge, Taylor & Francis Group, Nueva York, 2006 [ed. esp.: *Paris, capital de la modernidad*, Ediciones Akal, S. A., 2008].

¹³ David Harvey. *The Limits of Capital*, Oxford, 1982; *The Condition of Posmodernity*, Oxford, 1989.

The very emergence of the Bank of France is the result of financial policies designed with the *Crédit Mobilier*¹⁴. The political basis and influential private sector was forcing conditions for this economic unit to take the role of national central bank. The empire of the Pereire brothers led to a range of institutions hierarchically ordered, such as *Compagnie Immobilière*, which focused its actions on the financing of real estate credit. This one company had a range so powerful twenty companies incorporated in France and fourteen abroad. In short, the economy *L'Ancien Régime* posterior left open conditions speculative financial opportunism.

This reorganization of finance had a significant impact on the transformation of Paris. The *Compagnie Immobilière* of Paris in 1858 arises from the organization that had created Pereire in 1854 to conduct the first major projects envisioned by the prefect of Paris: Haussmann. His main goal: the end of the Rue de Rivoli and the Hotel du Louvre. The speculative movement was raising capital to build along the Rue de Rivoli the hotel and retail space, the *Expo project*, in the distance, described one of the great novels of the twentieth century: *The man without qualities*, Robert Musil¹⁵.

In the recovery of files by Benjamin, this context is defined in advance under the personality of Napoleon, described by Marx and Engels. Napoleon is a man obsessed with finding the state government the excuse for his own interests. The bourgeois society representatives from clear differences with respect of traders and industrialists¹⁶, much, before the rise of those who bring progressive state policies in their favor, the state embodied in Napoleon, would the last battle against bourgeois society:

Napoleon supposedly the last battle of revolutionary terrorism against bourgeois society proclaimed in the Revolution, and against their policy. Napoleon had understood, in fact, what was the essence of the modern state, he understood that rested on the unhampered development of bourgeois society in the free movement of private interests, etc.. However, at the same time, Napoleon found that the State was an end in itself, being the only bourgeois life treasure guardian.... I have peak terrorism by putting in place of permanent revolution, the ongoing war ... When subdued despotic liberalism of bourgeois society-the political idealism of its daily practice, nor forgave their basic material interests, trade and industry, while conflicted with their political interests. His contempt for the characters of the industry was its complement by his contempt for the ideologues ... Just as with Napoleon, the liberal bourgeoisie was faced with

¹⁴ Harvey, 2006, p. 126.

¹⁵ Robert Musil, *El hombre sin atributos*, Madrid, Seix Barral, 1985.

¹⁶ James Rolleston, "The Truth of Unemployment: Walter Benjamin Reads His Own Times", *Atlantic Review*, Vol. 61, No. 2 (Spring, 1996), pp. 27-49.

revolutionary terrorism, and meet again with the restoration of the Bourbons, before counterrevolution. In the 30s finally realize his wish in 1789, but with the difference that his political mission was finished. In the constitutional state representative and not intended to reach the ideal state, the salvation of the world and the universal goals of mankind, but that he considered the official expression of its exclusive power, and political recognition of particular interest. Karl Marx y Friedrich Engels, *Die Beiliger Familie [La Sagrada Familia]*: cit. En *die neue zeit* III [1885] Stuttgart, pp. 388 – 389¹⁷.

However, after three decades, the events are leaving political power in the hands of those that Napoleon had "disappeared." In the long term economic success of small family groups and their relations with the modern urban project and Haussmann, cast their results. By 1869, the Pereire brothers' company, continued to build along the Champs Elysees, Boulevard Malesherbes, and near the Opera and the Parc Monceau.

Increasingly, the company relied on speculative transactions as a source of profits; in 1856-1857 was three-quarters of their income from rents of houses and industrial plants, and only one quarter from the sale of land and real estate. In 1864, the proportion was exactly the opposite. The company could easily increase its capital via the *Crédit Mobilier* (who owned half the shares) and to enhance its profits by borrowing operations based on their close relationship with the *Crédit Foncier* (receiving loans totaling the second half their capital at an interest rate of 5.75 per 100 for a project that offered an 8.7 per 100 and a profit of 11.83 per 100).

The company was moving towards the financing of short-term projects, which made it vulnerable to changes in interest issued by the Bank of France. He also hired the building works with companies funded by the *Crédit Mobilier*, causing a considerable increase in concentration and employment in the construction sector (Table 4, p.157) while selling or renting buildings management companies or groups commercial in which *Crédit Mobilier* was clear interest¹⁸.

This landscape Haussmannian changed the face of overwhelming Paris. Money, finance and speculation became the great obsession of the Parisian bourgeoisie. The Stock acquired greatness as a Delphic oracle. But, also became a center of corruption and speculation could swallow the fortunes of many landowners. The Stock Markets would transform the imagery of wealth with a force persuasive unstoppable. So what Émile Zola played in *Money*, in the form of Saccard, a prominent speculator dedicated to transforming Paris, the financier who is planning to invest in East:

¹⁷ Walter Benjamin, "The Stock Market, Economic History": *The Arcades Project*, [ed. Spain. *El libro de los pasajes*, Madrid, Editorial Akal, 2007, pp. 781 – 785.

¹⁸ Michel Lescure, *Les sociétés immobilières en France au XIXe siècle*, Paris, 1980, p.19 [cit. David Harvey, 2006].

You have in mind that no one lives off the land ... The old fortune expires Sunday is a form of wealth, whose reason for being disappeared. It was the stagnation of money, whose value we have increased tenfold, throwing him into the circulation, by means of paper money, and titles across all classes, commercial and financial. And this is how the world will be a renewal, since nothing could be done without money, that money liquid that slides, which penetrates everywhere, nothing, or applications of science, nor the last peace, ... universal. Oh, the fortune Sunday! He has gone to join the old-fashioned carriages. One is dying to have a million in land, they change lives in a quarter of that business posted healthy capital, the interest of fifteen, twenty and even thirty per 100¹⁹.

The figure of the speculator is printed in Paris. The geography of urban space plays an ambitious project of global scope; the means of achieving this is the association of speculative capital. The money itself makes up the modernity envisioned by great men; the agitators of the Stock Markets are authentic messengers of the change of time. The key was to attract and convert small sources of capital in a mass movement to take out an proper scale projects forward. Under such circumstances, we find the fragments are going to study in *The Arcades Project* in Walter Benjamin.

Fragments of Walter Benjamin

If you spend in front of the Stock Markets at noon, you will find a long tail. This tail is made up of people from all walks of life, citizens, renters, shopkeepers, custodians, brokers, carriers, artists, comedians, who go there to have a first place behind the circular enclosure. Installed near the park, next to the public crier, buy stocks that performed in the same bag. That old man with white hair, offering a pinch of snuff the guard to pass, is the dean of speculators ... For the general appearance of the park and the hall, on the face of change agents, can guess the rise and fall with a wonderful instinct". Paris-Boursier (*Les Petits Paris*, Paris, 1854, 44. 46 [Taxile Delard]²⁰).

The image has the preamble speculative, extending the possibility of accessing a lot of money. The population differentiated according to their offices and the main characters. It is the egalitarian possibilities of wealth that which unites everyone. In addition, democratization has made possible the great centralization of financial power. The six

¹⁹ Émile Zola, *El dinero*, versión castellana de M, García Sanz, Madrid, Editorial Debate, 2001, pp. 425.

²⁰ Walter Benjamin, "The Stock Market, Economic History": *The Arcades Project*, [ed. Spain. *El libro de los pasajes*, Madrid, Editorial Akal, 2007, pp. 781 – 785.

richest families had 158 of the 920 chairs the boards of companies listed in Paris in the mid-1860s. The Pereire brothers were 44 and 32 Rothschild family²¹.

Stock Markets show a system with its own cycles. In its geography space / time, who can profit for a day, may lose the same day. Consequently, the description gives an idea of speculative risk. The figure of the speculator appears mounted on a behavior of collusion with those who follow work safety. Benjamin's observation is not capricious. The quote from also has a face of human behavior as an indicator of the movements of the stock market in key allegory²².

The events were progressing with a huge generalized trust. In Europe, countries want their debts in the stock market. The hope of wealth was just around the corner for everyone. The grammar of the alphabet to reading in schools is called speculation. Everything was a matter of luck and the stock market, speculators' money circulating in charge. The ideology that propagated the carnival was the Saint-Simonism.

The higher earnings were in state investments, the routes of the railroads. And the Pereire brothers were masters at creating vertically integrated financial systems that could be operated to build rail roads, all types of transportation companies, industrial and commercial, and to direct massive investments into the already built environment. Speculation embraced all sections of society. And the savings of the poor was also one of its goals to make circular, with the money, the imitation of bourgeois lifestyles. The Stock Market was to advance and move up the social ladder. The prelude to the biggest financial explosion of the nineteenth century was surrounded by happiness²³. This is what Walter Benjamin recovers the following quote:

The only data of Stock markets of M. Villevele; had more initiative and Saint-Simonism the widespread belief in the head of that under his command toulosano ... sold a million loads of money for change. Speculation, however, they barely their premieres, the four smaller billion French debt, the debt of several million Spanish and Neapolitan debt, were the alphabet in which it was taught to read ... it was believed at the farm in the house ... it was said of a rich man: earth to the sun and have your own home! From 1832, after the preaching of Saint-Simonism ... the country has found ... ripe for big financial destinies. In 1837, he was dragged to an irresistible impulse to all the spirits of the stock

²¹ A. Plessis, *La Banque de France et ses deux cents actionnaires sous le Second Empire*, 1982 [cit. Harvey, 2006].

²² Bainard Cowan, "Walter Benjamin's Theory of Allegory", *New German Critique*, No. 22, Special Issue on Modernism (Winter, 1981), pp. 109-122 .

²³ Watts, *Six Degrees The Science of a Connected Age* analyzes these phenomena: "... the enigma of the financial markets is not being rational or irrational, but they are one and the other. Or any of those things.... And the financial crises are but one example of behavior usually sensible but occasionally incredible, groups, crowds, masses, and even whole societies are able to manifest. Duncan J. Watts: *Six Degrees. The Science of a Connected Age*: W.W. Norton & Company New York, 2003.

markets; the creation of the railways gave new force to this momentum. The small passage makes the business of the petty bourgeoisie; the small corridor from the capital site changes the proletariat. One operates in favor of the porters, cooks, coachmen, grills, dry goods merchants, the boys of coffee the other descends to a lower degree in the social hierarchy. One day we said: "The cobbler, the merchant of chemical matches, the digger, potato merchant, do not know how to use their capital, the large market be opened stock markets ... anti-small then opened corridor. We sold for three francs and fifty cents firm income, premiums made a penny, business anti-small abounded in the corridor, when he survived the debacle of the last month". Paris, 1854, pp. 6-8, 56-57 [Taxile Delard]²⁴.

One of the apostles Saint-Simonian, Enfantin, flagship missionary, preaches a unique extension of the financial market. Benjamin collects Liefde appointment in a study of Saint-Simonism in French poetry: "Enfantin exhorts his political friends ... to form next to" industrial credit, there is an "intellectual appropriation" was in 1863!"²⁵ The figure of the credit has been extended to all activities of public life and private experience throughout France.

Also the power of "financial feudalism" was felt at both international (the Pereire critics claimed that they had threatened to replace the gold with a new international currency under its control), as in all areas of urban planning. The Pereire brothers merged gas companies in a regulated monopoly, leading to street lighting and industry for much of Paris, founded (also by merger), the *Compagnie des Omnibus* de Paris and funded the first shopping mall / the Louvre) and tried to monopolize the port and trade.

This financial picture observed in the fragments of Benjamin; do not overlook the genius of Balzac²⁶. Balzac has said the constitution of the world through accurate topographic contours. Paris is the land that feeds their mythology. Paris with her two or three bankers (Nuncigen, du Tillet); Paris with its great physician, Horace Bianchon; Birotteau Caesar with his employer; with its four or five courtesans, their Gobsek usurer, with its array of lawyers and the military. But above all, and something that we continually see is from the same streets and corners, from small rooms and corners, from where the figures in light of this world. What else can this mean but that the level topography of this legendary place of tradition, as is any other like it, and you really can become your key?²⁷

²⁴ Walter Benjamin, "The Stock Market, Economic History": *The Arcades Project*, [ed. Spain. *El libro de los pasajes*, Madrid, Editorial Akal, 2007, pp. 781 – 785.

²⁵ C. L. Liefde, [*El sansimonismo en la poesía francesa, 1825 – 1865*] (Haalem, 1927). Citado por Benjamin (1999).

²⁶ Benjamin has held the universality of Balzac. "Balzac", Walter Benjamin, *Obras, Ensayos estéticos y literarios, libro II / vol. 2*. Abada, Editores, 2009, p. 210.

²⁷ Benjamin, cite in Harvey (2006, p. 33)

Balzac's portrayal Diard shaker in: *The Marand* (:): "He asked for a percentage on the purchase of fifteen legislative votes in the space of one night, went from the left bank to the banks of the Right. Shares are no longer or crimes or theft, but to make the government industry": (Cit. Padre Charles Calippe, *Balzac, sus ideas sociales*), Reims, Paris, 1906, p. 100²⁸.

Language as speech and image in Walter Benjamin²⁹ represents a transfer of the financial model to all areas of personal and collective experience. As in this case, bribery has moved its influence on electoral ballots. In this new society, the power wires are within the credit system. A few astute financial: Gobseck and Nucingen in Paris; Rigon in Borgoña, key positions of power networks that dominate over everything else. Speculation has been taken widely in France.

In these fragments reveals Benjamin appearances of power, and bourgeois values of his world, where, above all, is the fictitious capital, credit records dominated revalued by creative accounting. Everything revolves around the expectations and anticipations. And relations infamous stand against the honest worker³⁰.

"Slavery government grows, and the bottom of the speculators has reached the point where the joint of the stock market has become the compass of opinion"
Cit, Armand y R. Maublanc, Fourier, II, Paris 1937, p. 2³¹.

This world of appearances has moved to personal behavior, a necessary prelude to achieving wealth is taken by all its trappings, especially assuming their external signs (dress, carriages, servants, well-furnished flats) and borrow to get it. The appearance and fantasy, especially the fiction of credit and interest, become realities. Harvey emphasizes that this is one of the founding myths of modernity, which hides all sophisticated social facades³². Walter Benjamin reveals ignorance covered by the fetish³³. The idea about that financial discourse is accidental and not structural. The

²⁸ ²⁸ Walter Benjamin, "The Stock Market, Economic History": *The Arcades Project*, [ed. Spain. *El libro de los pasajes*, Madrid, Editorial Akal, 2007, pp. 781 – 785.

²⁹ Ackbar Abbas, "On Fascination: Walter Benjamin's Images", *New German Critique*, No. 48 (Autumn, 1989), pp. 43-62.

³⁰ Maynard Keynes is one of the exhibitors at this metamorphosis of the securities in your: *General Theory of Employment, Interest and Money* [Spain: *Teoría General del Empleo, el Interés y el Dinero*. Madrid, Ediciones AOSTA, 1998. Robert, Skidelsky, *El regreso de Keynes*, Madrid, Editorial Crítica, 2009.

³¹ Walter Benjamin, "The Stock Market, Economic History": *The Arcades Project*, [ed. Spain. *El libro de los pasajes*, Madrid, Editorial Akal, 2007, pp. 781 – 785.

³² Harvey (2006, p. 48).

³³ Arno Victor Nielsen, "Walter Benjamin and Technology": *Orbis Lifterarum* 48: 135-144. 1993.

appearances that show the absolute void that is in the middle class values. He picks it up with a fragment of Eduard Fuchs:

"It was the French bourgeoisie as such that ruled under the bourgeois monarchy, but only ... the financial aristocracy. The entire industry, however, was in the opposition". Eduard Fuchs: [*The caricature of the European peoples*, I, Munich, 1921, p. 365.

In a panorama of nature overwhelming credit, the financial bubble was showing, the artisans, small entrepreneurs and skilled workers, s looking for a mutual credit system under local democratic control. When workers began to organize in the 1860s, the issue was one of their mutual goals. Your *Crédit au Travail*, which began operating in 1863, went bankrupt in 1868, totally insolvent, with "forty-eight loans cooperatives of which eighteen were in bankruptcy and only nine could afford the payments"³⁴.

Niall Ferguson³⁵ has outlined the general conditions in the history of financial bubbles:

1. *Movement*, a change in economic circumstances creates new and profitable opportunities for some companies.
2. *Euphoria*, or over-investment, starts a feedback process whereby the expected increase in profits leads to a rapid increase in prices.
3. *Mania or bubble*, the prospect of easy capital gains attract new investors, as well as scam artists eager to snatch the money.
4. *Affliction*: insiders realize the expected profits can no longer justify the price of the shares, now exorbitant profits and start selling.
5. *Repulsion*, or discredit, to drop the prices, the neophytes flee in a stampede, causing the bubble to burst completely³⁶.

Three recurring features can be added: (6) *Asymmetric information*: insiders know more than the novices, who want to separate their money under false pretenses; (7) *cross-border capital flows*, since the probability of bubbles occur when capital is flowing more freely from one country to another, (8) A real bubble can not occur without the possibility of easy *credit creation*. No wonder so many bubbles are caused by sins of omission and commission of central banks.

These components looming in the texts collected by Walter Benjamin: the evolution of money as a source of wealth, and the widespread establishment of expectations, also, a belief in collective and personal risk, hopes for a quick assessment of their investments,

³⁴ Harvey: (2006, p.160).

³⁵ Niall Ferguson. *The Ascent of Money: A Financial History of the World*. The Penguin Press, New York, 2008.

³⁶ Niall Ferguson (2009, p. 138).

also, the opportunities and benefits of information of speculators, the games within cycles advantage for experts. Finally, the effect of the crisis manifested in increased poverty.

Conclusion

Keeping the differences, these fragments of Walter Benjamin exposed part of the evolution of capitalism in its modern expressions: money, credit and finance. They are not a complete document, of course, but the choice of those aware of the impact caused the differences in classes, the bourgeoisie and the urban masses in Paris. Benjamin's questioning look, considerably exceeds the problems associated with these texts³⁷.

However, by placing these fragments in a broader context of history, we learn their true scope. A first aspect that stands out is related to what has come to be known as behavioral finance. In these quotes, taken from secondary sources, Benjamin leaves see how money affects the behavior of people, exaggerating their goals first, then plunge them into depression and even suicide. In addition, the psychology of the observer, expansions and reviews are, ultimately, "products of our emotional instability"³⁸.

The implicit context of these fragments is the appearance of the *Black Swan*. The financial crisis does not run through a causal link. Rather, they lie outside the conventional wisdom. Outside of statistics and probability, the fragments described as the excessive reliance on the Stock Exchange, as the unprecedented nature of financial bubbles. And what makes Benjamin creator is to have deciphered in these few units, all elements in scope until our time.

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³⁷ Azade Seyhan, "Walter Benjamin and the Critique of Fragmented Academic Sensibilities", *Pacific Coast Philology*, Vol. 19, No. 1/2 (Nov., 1984), pp. 22-27.

³⁸ Niall Ferguson (2008, p. 32).

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