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Decentring ingenuity: Calculation, intuition and atmospheres in the Bank of England's financial literacy assemblages

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A R T I C L E I N F O

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A B S T R A C T

This article contributes to conceptualizations of financial literacy and subjectification. An important pivot for the dominant Foucauldian approach on financial subjectivity is the calculative device and the creation of informed savers and investors. The important move I make is to argue that the general conception of the calculative invoked in this literature is "ingenuity". I present an alternative approach which seeks to decentre the logical and routine aspects of the calculative. In this article, then, I seek to give more space to "intuition, affect and spontaneity", than work on calculative devices driven by logic and routine. I present the findings of ethnographic research into "nested assemblages" at the Bank of England Museum. The example of the Bank of England museum is used to show the different levels of causality in assemblages and highlight that interactive museum displays can provide a spontaneous, embodied experience of macroeconomic forces and affective atmospheres.

1. Introduction

In 2017, a report by the OECD shed considerable light on the "below average" financial literacy of people in the United Kingdom (UK). For example, the study found that only 38 per cent of people understand inflation[1] (OECD, 2017). Further, it has been argued by Bank of England staff, writing in an unofficial capacity on the 'Bank Underground' blog, that "central banks both in developed and developing countries can play a valuable role in promoting financial inclusion" and literacy (Bholat et al., 2015). The Bank is concerned that if access to financial products is not matched with proportionate understanding of finance and macroeconomics, this could pose a very tangible threat to financial stability. For example, then, an understanding of the macroeconomic phenomenon of inflation is extremely important when one is deciding how to save money. Rising inflation will eat into a fixed sum of savings whereas disinflation will increase the value of those savings. Furthermore, an understanding of disinflation allows someone to appreciate that it is not always a good thing. Such perceptions about the security of savings can impact the amount of consumer credit and indebtedness in an economy.

Despite this, very little academic work has investigated the way that the Bank of England has supported the financial literacy and education agenda. Much existing work has looked at financial literacy in terms of the creation of everyday financialized subjects (Martin, 2002; Langley, 2008; Hall, 2012: 405). This predominantly Foucauldian approach has seized on the calculative formation of financial subjects and it can be argued that such approaches marginalize and obscure the way that central banks are working on public understanding of money and finance through educational museums.

Instead, and by drawing on scholarship in political geography and popular geopolitics (Dittmer, 2013, 2014; Waterton and Dittmer, 2014), this article seeks to decentre -without jettisoning- the logical and the routine elements of calculation. In doing so, the article argues for an approach which attends to the affective materiality and atmospheric elements of encounters with interactive devices of financial literacy. To do so brings to our attention a key part of financial and economic education, namely the development of intuitive knowledge and an affective understanding of 'economy'.

The focus of this article is the mobilization of interactive displays within the Bank of England Museum. Here I treat such displays as assemblages, or, in other words, a thoroughly material "working whole" consisting of "somatic, technical, cultural and atmospheric elements" (Bennett, 2005: 447). Three such nested assemblages are used as a window to demonstrate ways in which embodied experience and know-how are as important as conceptual and practical understanding for financial literacy.

The article begins by presenting existing critical research into financial literacy, most of which is influenced by Foucault's (1991) lecture on "governmentality" and work on care and technologies of the self (1986, 1988a). Here I argue that an important pivot for this research which links this Foucauldian agenda to relational approaches in the social studies of finance is the calculative device, or ensemble of

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[1] Inflation refers to price instability, namely a general increase in prices and fall in the purchasing value of money.

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devices. The important move I make is to argue that the general conception of the calculative invoked in this literature is that which Louise Amoore (2014: 428) calls "ingenuity". I go onto highlight the limitations of the Foucauldian approach to financial subjectivity and literacy, and present an alternative yet complementary approach which seeks to decentre the logical and routine aspects of the calculative. The Foucauldian account currently *en vogue* prioritizes the calculative over the affective. In this article, then, I seek to give more space to "intuition, affect and spontaneity", than work on calculative devices driven by logic and routine (Amoore, 2014: 427).

In the second section, I go further into what I mean by affect and atmospheres, emphasizing recent work by economically minded geographers into atmospheres of emergency, confidence and frustration. In the third section, I outline the autoethnographic methodology used to research assemblages and atmospheres. In the fourth section, I present the findings of the research into 'nested assemblages' at the Bank of England Museum. This section looks at devices that explain inflationary forces and interest rates, a device for interaction with a gold bar and a device for testing the security features of fiat money.

These examples are used to show the different levels of causality in assemblages and highlight that interactive museum displays can provide a spontaneous, embodied experience of macroeconomic forces and affective atmospheres for human parts of the assemblage.

2. Financial literacy – from financialised subjects to assemblage thinking

There is a public policy oriented literature for which financial literacy can be quantified and is seen to be desirable on the grounds that it is critical to retirement security. Drawing on mainstream economic theory, the 'financial life cycle' suggests that individuals borrow to support consumption, education and mortgages in early adulthood, before accumulating wealth through their working years and later consuming that wealth following retirement (Hall, 1978). Viewed this way, financial literacy, and adept provisioning through pensions and investments, eases the state from the charge of providing old age security (Chen and Volpe, 1998; Braunstein and Welch, 2002; Lusardi and Mitchell, 2007, 2009, 2011, 2014; Lusardi et al., 2010; Huston, 2010). For this literature, financial literacy is therefore instrumental for securing a comfortable lifestyle that is only minimally dependent on social welfare systems. Consequently, financial literacy is widely presented as a desirable outcome for society (Arthur, 2011: 190).

Fixing onto this security point, but working in a strictly critical approach, there is a Foucauldian inflected literature which draws heavily on Foucault's (1986, 1991, 2007, 2010) later writings on subjectivity, subjectification and governmentality. The latter of these terms refers to "the ensemble formed by institutions, procedures, analyses and reflections, the calculations and tactics that allow the exercise of this very specific albeit very complex form of power which has the population as its target" (2007:108). So complex is this mode of government, that there eventually emerges "the contact between", or congruence of, "the technologies of domination of others and those of the self." (Foucault,1988a:19). As such, techniques to dominate others are turned inwards upon the self. Rather than assuming the advantages of retirement security at face value, for this Foucauldian literature, 'care of the self' has increasingly intersected with financial knowledges and involves embracing financial subject positions such as active and entrepreneurial investors rather than passive and risk adverse savers (Hodgson, 2002; Langley, 2004, 2006, 2007, 2008, 2010; Pathak, 2014). In Langley's (2007:73) approach:

> "the concept of governmentality suggests that all subjects' perceived self-interests as investors are discursively framed and manifest in their reflective, intentional, and aspirational practices, and that contingency, contradictions, tensions, and ambiguities are also likely to be present in the making of investor identities."

Consistent with this Foucauldian approach, but alternatively drawing on Bourdieu (1993) and Arthur (2011:190) argues that already existing embodied dispositions can be manipulated to support and encourage housing purchasers to construct "a neoliberal habitus". This process, Finlayson (2009:407) argues, is the corollary to a state "strategy of 'autonomisation and responsibilisation'" in which:

> "liability is transferred from the collective via the state to individuals and as responsibilities that once fell primarily on the state are shifted to individuals the state takes up the task of ensuring that those individuals will be capable of carrying out their responsibilities."

Deregulation and the retreat of the state are not simply about freeing up market forces but, rather, constitute "government at a distance" (Hodgson, 2002). A discourse of 'empowerment' – of making citizens "informed, educated and more confident" – is constructed in order to effectively embed responsibility in consumer behaviour (Williams, 2007: 227; Marron, 2014). And, as such, financial knowledge is crucial to this changing attitude towards financial risk and has been facilitated by "various socio-technical devices such as financial literacy programmes and guides from organizations such as the Financial Services Authority in the UK" (French and Kneale, 2009; Leyshon et al., 1998 cf. Hall, 2012:406). To this we can also add the way in which:

> "Financial firms have extended their marketing into educational public-awareness campaigns giving advice on using financial products, sponsorship of financial literacy drives, investment clubs, competitions and awards for young people" (Finlayson, 2009:402).

As Langley (2007: 68-9) argues, "what seems to unite the wide-ranging drive for financial literacy is a common commitment to at once empower and discipline individuals to take responsibility for their own financial, and especially investment, decisions." In this literature, then, calculation performs the role of what Foucault (1988b:149) identified as "rational knowledge" in technologies of the self. That is to say, computation and the ability to assess risk are techniques that lead to financial inclusion. And, even though Langley (2008: 24-25) has drawn on notions of "distributed agency", tools, devices and "networks", his account of everyday saving and borrowing is inherently oriented towards calculation. For example, Langley (2008) is concerned with "tools and performances" such as those that "rationally figure and manage future risks – charging and payment of rates of interest and the likelihood of default". Drawing on Callon's (1998) work, Langley argues that "if agents can calculate their decisions, it is because they are entangled in a web of relations and connections" (1998: 185). As such, "calculating tools" and "technical devices" specific to more-or-less discrete market networks "constitute spaces of calculability and define the way that calculation is made up" (1998: 23–6) (cf. Langley, 2008: 24).

And, as such, I think that the focus on calculation that we consider here refers to what Amoore calls "the routine and logic" of ingenuity, rather than the "affective and spontaneous realm of intuition" (Amoore, 2014: 427). This is to draw on a distinction Amoore finds in the work of Alan Turing (1936:192), between the "establishment of routines, subroutines and procedures" and "spontaneous judgements which are not the result of conscious trains of reasoning." And, it is precisely this spontaneous aspect of intuition that marks it out from a disciplinary "autonomism of habit" (Foucault, 1977). While it is true that Foucauldian geographical scholarship is engaging with the affective turn, I argue that this is largely missing in work on the financial subject and financial education in particular (see Philo, 2012; Anderson, 2012; Langley, 2015). So, while the Foucauldian literature emphasizes the creation of financial subject, it is important to acknowledge that the subject is not created merely by learning to routinely calculate in her mind's eye, it is also eminently a process of provoking an intuitive understanding of finance that can be readily utilized in an

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