



# TRADING DOWN: MICHAEL GOLDBERG AND THE ART OF SPECULATION

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It would be difficult to imagine two more antithetical professions than those practiced by share traders and artists. Traders, as popular wisdom has it, are social parasites that produce nothing of any tangible value. Artists, according to the same source, take a collective stand against the world of greed and avarice. This is not to say that there has not always been a shady area in which financial speculation and artwork meet; the world of the auction house, the commercial gallery and so on. However, even here, while collectors and gallery directors will often brag about astute purchases that have appreciated massively, they tend, as a rule, to view this as an incidental by-product of choices originally dictated by taste alone. Artists for their part most often choose, at least in their own imagination, to construe their activity as one that transcends monetary gain in favour of more high-minded ends. No one embarks on an artistic career in order to make money, for, frankly, there are easier ways to do it. Conversely, no one chooses to be a stockbroker as a form of social critique, or in order to make lasting statements about the human condition.

The broker is a soft target for literary vilification. Tom Wolfe, Martin Amis and Bret Easton Ellis have all constructed larger than life monsters from the figure of the yuppie speculator, and every recession or bursting 'dot com' bubble offers more ammunition against those who make a living through trading in abstract numbers. For example, the Malaysian Prime Minister, Mahathir, blamed anonymous currency speculators for the entire Southeast Asian economic collapse, on the grounds that they transgressed the Islamic law [Riba] forbidding usury. He hastily introduced national currency controls, which violated the spirit of economic globalisation, and the Malaysian economy managed to survive the recession comparatively unscathed.

It would seem these critics have a point. The entire thrust of globalisation is based on a fundamental sleight of hand that enables investment funds to travel at the speed of light, in search of new markets and cheaper labour. At the same time, workers in Third World sweatshops are prevented from travelling to countries in which their work would be fairly remunerated. As many commentators have noted, the market is itself determined by a volatile mix of greed and fear such that a tremor in confidence in Wall Street can cause a fiscal earthquake in Argentina or Thailand.

However, the caricature of the avaricious speculator with his Armani suit and ponytail is an atavistic leftover from the eighties. International currency exchange deregulation and the enthusiastic adoption of on-line trading has meant that the typical trader is now more likely to be a part time amateur with a little spare money and a lot of wide-eyed optimism. One only has to check out the 'self help' and 'how to' shelves in a local bookshop to get a sense of the extent to which this particular demographic is burgeoning. The appeal is, of course, little different to that which has motivated gamblers from time immemorial, and indeed there would be a significant crossover between amateur traders and those of us who regularly buy lottery tickets and have an annual bet on the Melbourne Cup. Both groups also have in common the fact that they almost invariably fail to achieve the dream of effortless riches.

Web trading exponentially magnifies the euphoria and the paranoia that was once contained within traditional trading houses. Chat rooms run on wild speculation about imminent profit statements, take-over bids, national budgets and war scares. Hysterical responses in any part of the world, what Manuel Castells has described as "information turbulences"<sup>1</sup>, can rapidly infect the entire system, with potentially dire consequences for populations far removed from the source of rumour. Indeed this is precisely how the recession in South-east Asia started.

The Sydney-based artist Michael Goldberg is fascinated with the world of on-line speculation. Like so many others of his ilk he has made money and lost it again, despite an intensive campaign of self-directed apprenticeship in the intricacies of trading. In effect he has written off his losses as research costs for entrée into a world that has supplied him with suggestive new directions for his work as an installation artist. He essayed this change in a work at the Bathurst Regional Gallery, *NCM-open/high/low/close*, in which he documented the trading progress of Newcrest Mining, a company with origins in the gold fields of this region. His most recent project, *catchingafallingknife.com*, was shown at Sydney's Artspace in November 2002, and it marks a significant transition in his thematic concerns.

Goldberg was a well-known artist in his native South Africa prior to his departure in 1988. Like so many of his young contemporaries he addressed the national disgrace of apartheid with visual tools that showed a debt to the interventionist strategies of Hans Haacke. [Haacke served as a role model in the country at the time, in part because the international cultural boycott of the country in the eighties isolated those young artists who could not regularly travel overseas from the fashionable relativism of American postmodernism.] Thus Goldberg retained a strong instinct for the political obligations of contemporary practice, and it is an instinct that continued to inform his installation and curatorial work in his new home. His previous works have focused on the unveiling of suppressed histories in a manner that has been almost militantly regional and site specific. Thus his shift to a theme that is paradigmatically global, or 'transcultural', marks him very much as an artist who is appropriate to this moment.

Goldberg's installation consisted of him trading on-line in News Corporation shares [or, more accurately, share derivatives called 'warrants']. These transactions took place in real time for the four-week duration of the exhibition. Goldberg sat in a large darkened room eerily lit by desk lamps and the glow of data projection, atop a platform made of scaffolding. Three wall-sized video projections followed the progress of the shares and Goldberg frequently overlaid the projection with a variety of graphs, lines and charts which had been devised as mathematical tools for macro- and micro- market prediction. The work also extended to a constantly updated website that allowed public access to the project and its progress via a chatroom and dialogues conducted between the artist and internet analyst and activist, Geert Lovink. [An edited version of Goldberg and Lovink's dialogues appears following this article. The website can still be accessed at [www.catchingafallingknife.com](http://www.catchingafallingknife.com) – although the chatroom is now closed.]

Goldberg alerts his audience to the fundamental act of faith at the heart of the speculative mentality. This is the belief that if the long and short-term histories of the market are exhaustively and expertly analysed, they will reveal recurring patterns, which can be mapped geometrically, and it can then be assumed that



history of trades [AUD]							
date	price		bought	sold	value	profit	loss
	long	short					
15:50 11 nov		\$11.28		4000	\$47 040	\$960	trade
13:40 8 nov		\$11.52	4000		\$46 080		trade
10:20 8 nov		\$11.46		3500	\$42 840	\$1365	trade
14:28 7 nov		\$11.85	3500		\$41 475		trade
14:25 7 nov	\$11.86			3500	\$41 510	\$980	trade
14:06 6 nov	\$12.14		3500		\$42 490		trade
10:25 5 nov	\$11.45			4000	\$45 800	\$1040	trade
15:55 4 nov	\$11.19		4000		\$44 760		trade
15:50 4 nov		\$11.17		4000	\$39 400	\$2640	trade
12:15 1 nov		\$10.51	4000		\$42 040		trade
11:50 31 oct		\$10.49		3000	\$31 770	\$150	trade
10:30 31 oct		\$10.54	3000		\$31 620		trade
10:20 30 oct		\$10.52		3000	\$33 540	\$990	trade
13:00 28 oct		\$10.85	3000		\$32 550		trade
10:20 29 oct		\$10.67		3000	\$32 790	\$390	trade
12:45 28 oct		\$10.80	3000		\$32 400		trade
10:50 28 oct	\$10.84			3000	\$32 520	\$60	trade
10:25 28 oct	\$10.86		3000		\$32 580		trade
10:19 28 oct	\$10.83			3000	\$32 490	\$60	trade
10:14 28 oct	\$10.81		3000		\$32 430		trade
14:30 25 oct		\$10.47		2000	\$20 620	\$160	trade
11:40 25 oct		\$10.39	2000		\$20 780		trade
10:30 25 oct	\$10.47			3000	\$31 410	\$690	trade
10:35 24 oct	\$10.70		3000		\$32 100		trade
12:15 22 oct		\$10.65		3750	\$36 937.50	\$1500	trade
12:15 21 oct		\$10.25	3750		\$38 437.50		trade

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History of trades, from [www.catchingafallingknife.com](http://www.catchingafallingknife.com)



Both pages: Michael Goldberg, *catchingafallingknife.com* [installation views], 2002. Photos courtesy the artist

these patterns will repeat in predictable ways. Goldberg has studied the ways in which these predictors have evolved over the last century and it is his firm belief that they are taken up or rejected on grounds that are, in essence, aesthetic. Thus, for example, the Gann system of anticipating 'bear' or 'bullish' markets uses geometries rooted in the golden mean [1:1.618]. The original Japanese candle chart is accompanied with poetically named accessories such as 'morning star' and 'paper umbrella', which, formed by price action, can be interpreted to give a picture of developing trends.

For this reason the chart projections could be viewed as a form of painting in real time, authored by tens of thousands of unwitting collaborators spread across the globe. More accurately, perhaps, we might adopt the term 'paintants', coined by the Argentinian artist Fabian Marcaccio. The 'paintant' is a mutant painting produced at the intersection of new technologies and economic globalisation.

Goldberg, however, does far more than aestheticise the visual forms through which late capitalism transforms the laws of supply and demand into a realm that is anonymous, abstract and irrational. He also confuses the boundary between taste and affluence, and, most importantly between patronage and profit. He originally intended to apply to the Australia Council for the necessary trading capital for his project. If he had made a profit from his News Corporation trading, he would have tried to return this to the Council and, given the council's constitutional ban on profiting from grants, this would have produced a dilemma for those ideologues that insist that Government bodies should be self-funding. His alternative plan was to convince a high profile 'René Rivkin' style investment counsellor to sponsor the scheme as a form of orthodox and visible art patronage.

His final solution was more interesting because it preserved the small investor anonymity that is such a defining feature of the new speculative network trading. He advertised in share trader chat rooms for a group of 'entrepreneurs' who would stake the project. The fifty thousand dollars that he raised in this way was invested by three speculators who may well have had no comprehension of contemporary art in its various digital, interactive, performance or installation guises. While he certainly informed them of his intentions it was still possible for the audience, and indeed for Goldberg himself, to harbour the suspicion that these anonymous 'venture capitalists' were in it purely for the profit. Why, then, would they give money to the artist rather than simply trade the shares themselves? The answer is that Goldberg was able to present himself as a competent trader and, more importantly, he could stay on the job throughout the day and could thereby take immediate advantage of small- or large-scale fluctuations in value. In setting the situation up in this way Goldberg was quite deliberately making problems for himself. For example, if he had lost all the money capriciously, he would have been guilty of exploiting sponsors who had backed him in good faith. Conversely, if he made a significant profit for them, his artistic practice could appear complicit with those practices of speculation from which Goldberg wished to distance himself, both ethically and aesthetically. Since it was difficult to visit the work in progress without feeling some disappointment at the incremental losses that steadily accumulated, the issue of the criteria of success was also a rather complex one. [It should be noted here that Goldberg himself feels, in retrospect, that not meeting people's expectations was one of the successes of the project]. The knife which Goldberg is attempted to catch is two-edged. His skills as a trader, and as an artist, were both up for critical assessment, and it is not as easy as it might initially seem to separate the two. It was this sense of awkward compromise, or at least of a fondness for the object of his critique, that imbued the work with much of its edginess. After all, we are, all of us, implicated in some ways in the general progress of economic globalisation, no matter how uncompromising our protests and criticisms. For Goldberg, then, it would have been too easy, not to say disingenuous, to play the artist with clean hands.

This new, decentred, speculative culture, dominated by the anonymous 'day trader', serves as the perfect illustration of chaos theory's 'butterfly effect'. Innocent lives in far distant places can be radically destabilised by irrational crises in faith that spread like an epidemic, from a source many thousands of miles away. Old fashioned face-to-face trading on the Bourse floor could



Above+below: Michael Goldberg, *catchingafallingknife.com* [installation views], 2002. Photos courtesy the artist

certainly produce disasters driven by an hysterical failure of confidence, but now both the volatility and the speed of contagion is incomparably greater. As with all the other systemic changes that we package neatly under the rubric 'globalisation', the anonymity, vastness, and scale of this phenomenon make it difficult for the artist to tackle. Most metaphors seem inadequate and there is the ever-present danger of over-simplification and cliché. In the international arena there have not really been many artists who have succeeded here. The knee-jerk response is to parody some highly visible MNC, like Nike or Monsanto, and to bypass the rhizomatic complexities of systemic impoverishment that underwrite economic globalisation. The few artists who have dealt with such matters in a provocative and sophisticated manner have done so by acknowledging the dual strategies of seduction and invisibility through which globalisation weaves its spell. Goldberg has joined their ranks by employing a form of realism to convey the workings of a system that can only thrive in a hyperreal world of mythology and rumour.

#### Note

1 Manuel Castells, 'Information Technology and Global Capitalism' in W. Hutton and G. Giddens, *On the Edge: Living With Global Capitalism*, London, 2001: 58

