

Anthropology Book Forum

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Dreams of wealth: finance and dystopia on the European periphery

Review by Tringa Bytyqi

FABIO MATTIOLI. 2020. *Dark Finance: Illiquidity and Authoritarianism at the Margins of Europe.* Stanford University Press. ISBN 9781503611658

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Dark Finance explores processes of financial expansion in North Macedonia, materialized by *Skopje 2014*, the ten-year urban growth plan centered on the capital city and Nikola Gruevski's authoritarian government (the country's prime minister from 2006 to 2016 – exiled since 2018). The book isn't on hedge funds, credit schemes, or stock exchanges; it's about the generative force of financialization, seen as a social process involving relationships, imaginations and aspirations alongside desperate struggles to make ends meet.

In North Macedonia, even if the investment in construction was considered unwise because of the 2008 global financial crisis, European financial institutions were seduced by *Skopje 2014*. Specifically, investors were attracted by the expectation that their peers would be investing too. By implementing austerity politics (53, 69), North Macedonia became worthy of European loans aimed at strengthening the country's infrastructure (71). To North Macedonian oligarchs, *Skopje*

2014 brought symbolic legitimacy and a means to launder money. To Skopjans, it offered a place on the world map along with a new historic narrative ethnically purged of Ottoman, Muslim, and Albanian influences (21-22). Gradually, it came to embody the invincible, omnipotent Gruevski government (41), the rampant inequalities and the obscure process of financial expansion (21).

Drawing on rich ethnographic, historical, and economic data, including an extended period of participant observation with Construx (pseudonym), a middle-sized Macedonian construction firm in financial trouble, Mattioli examines different layers of the financial expansion and its effects. The author argues persuasively that to grasp the essence of the country's regime, we must analyze its ability to access and manage financialization (Chapter 1 and 2) alongside structures that shape people's actions and imaginations (Chapter 3-5).

Mattioli places Skopje's spectacular urban enlargement partly within the continuity of Yugoslavia's economic fictions (Chapter 1). Once a pride of the country, construction businesses came to symbolize its downfall. Unable to compete with their Eastern European rivals (27), North Macedonian construction businesses bankrupted, which in turn created an opportunity for Gruevski to seize power. Between 2006 and 2015, several global companies also seized the opportunity (60) offered by the newly elected prime minister: cheap labor (52; 60) and tax breaks (60). As a result, a rentier landscape (Chapter 2) emerged, where businessmen and administrators from North Macedonia and the EU tried to use their geopolitical positions to capture wealth and symbolic capital (54). Following the economic crisis in southern European countries (53-62), male entrepreneurs, namely Italians, came to North Macedonia (53-56) with hopes of earning a living and a chance to affirm their masculinity (57). These small entrepreneurs rapidly understood that only European contractors with higher social and economic connections in the EU could gain from the financial expansion (53, 65-66) – more than North Macedonia's own businesses (72). Hence, Gruevski encouraged the latter to transform their unequal partnerships and subordination into profit (67-71).

Only companies with connections to the regime (88) had access to loans from international financial organizations. Constant cash-flow problems (80) resulted in an illiquidity crisis (Chapter 3) and thus forced North Macedonia's businesses to rely upon in-kind payments known as *kompenczacija* (78), a form of barter. Since 1945, in-kind exchanges were a part of international trade in socialist countries (82-83) and played an important role in domestic economies (83-86). Being paid in *kompenczacija* resulted in things that a person had to resell to earn cash (80). Unable to access capital, in the 2000s construction companies used *kompenczacija*: they fired or hired workers illegally; they promised them future pay; they provided them just enough money to survive (89-92). These practices evolved into forced and increasingly exploitative credit relationships (80, 96-97), whose devastating effects on male construction workers are chronicled in Chapter 4. In *Construx*, Mattioli tells us, male directors were "barricading themselves in their offices" or using administrative excuses so that they didn't have to talk about money with their employees. As the financial crises deepened, workers became suspicious of one another and slowly eroded any chance of solidarity between them while simultaneously preventing them from organizing against their employer (142-145).

Gender paradoxes in workplaces of the construction businesses (Chapter 5) illustrate another aspect of the generative forces of financialization. The devaluation of the male construction workers – symbolized by their harsh economic situation while surrounded by wealth (Chapter 3 and 4) – worked to wear away their social identities (138). For most construction workers, financial expansion engendered a crisis of masculinity. Furthermore, their role of breadwinners was challenged by female colleagues who gained access to prominent jobs, namely in the offices of similar construction companies. At the same time, women often worked to ensure that construction workers received some material recompense for their work and generally supported the idea of the construction business as a male-dominated space.

Central to the author's arguments is that financial expansion is undeniably empowered and limited by its cultural specificity (Chapters 1-3). Nonetheless, the sole aim of financial capital is to produce more capital, most of the time by destroying industrial capital (Guilhot 2006). With *Dark Finance*, Mattioli manages successfully to articulate the global, the local and the intimate

in peripheral European contexts. It is easy to agree with the author that studying the world of finance in western countries does not help us understand how financial expansion works in peripheral places. However, several of its effects analyzed in *Dark Finance*, namely the slow social death and the devaluation of the social worth of construction workers, is also observed in other western countries (Pinçon and Pinçon-Charlot 2014; Guilhot 2006), bringing attention to larger patterns observable in such processes. Overall, *Dark Finance* is a riveting study aided by comprehensive ethnographic observations. This book would be useful to those interested in economic anthropology, European anthropology, the study of labor and processes of financialization.

Works Cited

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