

Book Review Symposium

Peter James Hudson, *Bankers and Empire: How Wall Street Colonized the Caribbean*, Chicago: University of Chicago Press, 2017. ISBN: 9780226598116 (paper); ISBN: 9780226459110 (cloth); ISBN: 9780226459257 (ebook)

The past ten years have witnessed renewed interest in the shape, form and logics of two forms of capitalism, finance capitalism and racial capitalism. Influenced by the 2007-2008 Global Financial Crisis and the crucial role that reversed redlining – the deliberate targeting of black households for sub-prime mortgages – in black dispossession, scholars across the humanities and social sciences have been galvanized to map the deep and entangled roots of the processes of racialization and capitalism. Peter Hudson’s book, *Bankers and Empire*, is therefore a crucial and timely contribution because he offers a detailed account of racism’s inscription in the regulatory financial mechanisms that secured Anglo-American imperial power across the Caribbean throughout the 19th and 20th centuries.

While today’s scholars draw on racial capitalism to explain how state-sanctioned forms of racial violence secure the uneven geographies through which capitalist surplus is derived, be it via prison labour or through collateralized debt obligations, Peter Hudson reminds us of the much longer histories of financial innovation, graft and racism that have been the technologies used to secure American imperial control across the Caribbean and Latin America since the late 1800s.

Over the course of 361 pages Hudson demonstrates in amazing detail where and how some of today’s largest and most respected US banks and financial institutions derived their power. With dogged determination to “follow the money”, he takes us on a journey that traverses Cuba, Haiti, the Dominican Republic, the Anglophone Caribbean, the United States and Canada and, like a proverbial “who-done-it”, introduces us to the large cast of characters who made it possible for US private banks to depose, defraud and dispossess populations throughout the Caribbean of their land, their financial resources and ultimately their sovereignty – all under the

watchful eyes of successive US governments. Focusing largely, but not exclusively, on the birth and evolution of the City Bank of New York (today's Citibank), Hudson offers an exhaustive account of the procedures, regulations, conventions, as well as discourses that brought bankers, colonial administrators, business interests, local elites, military troops and the region's peasant populations into relationships aimed at facilitating the smooth transfer of capital from these former plantation economies to an ambitious and expansionary United States.

Key and valuable to Hudson's analysis is the specter of the plantation, because, as his research makes poignantly clear, the racial ideologies that transformed people of African origin into dehumanized objects of extraction during the period of plantation slavery served as a self-evident set of discourses that justified the strategies that banks used to evade regulation, depose locals who stood in their way and to override popular protest. For as scholars like Cedric Robinson and Sylvia Wynter have theorized, the discourses governing American capitalist expansion across the Caribbean during the 20th century reproduced the racial ideologies in existence a century before. These ideologies not only negated the idea that the region's colonized peoples were part of a single humanity, they also denied the entitlement of the populations of these early independent Caribbean states to the modes of sovereign recognition and respect accorded to the populations of European nations.

But the most significant contribution that Hudson makes to the literature on racial capitalism lies in the evidence that he has unearthed from the archives. One can scarcely imagine the painstaking effort expended that generated statements like that of John Allen, who viewed Haiti as "truly a virgin territory ready for the white man's guiding mind to help it to get back to the conditions existing when, as history tell us, Haiti was the richest of all of the colonies of France" (p.114), or Charles E. Mitchell, who opined that the United States "has been viewing Cuba as an infant who needed guidance, who needed sympathy, who must be encouraged; we have awaited the coming of the manhood of Cuba" (p.182).

Marshaling data derived from written policy documents, correspondence exchanges as well as creative texts, Hudson draws our attention to the intricacies of the circuits of racial capital, from the cross-border social exchanges between bankers evident in the tiniest of details – like the name of Roger Leslie Farnham (at the time an influential bank manager at the City Bank

in Haiti) on the menu for a noonday banquet at Havana's Hotel Telégrafo celebrating the inauguration of the City Bank Club of the Sagua la Grande branch in 1920 (p.4) – to the performative masculinities that made it possible for City Bank managers to underwrite a variety of speculative sugar investments by Cuban and American sugar barons between 1914 and 1920 in what was to be known as the “dance of millions” that resulted at the end of the decade in the form of odious sovereign debt. Combined with the ritualistic minstrel shows that served to reinforce the pathological imaginaries that marked the peoples of African origin in the Caribbean as less than human caricatures whose lives and livelihoods could be speculated upon, squandered or defrauded with impunity.

While Hudson details the ways that the processes of racialization governing US banking in the Caribbean worked to fix the limits within which governments in Haiti, Cuba and the Dominican Republic could exercise sovereignty, he also crucially highlights the limits that black struggles to “arrange social forces for Black survival”, as Jodi Melamed (2015: 80) puts it, posed to Wall Street's colonial ambitions. Public hostilities across Haiti, Cuba and the Dominican Republic revealed an emergent black consciousness, expressed in the grammar of self-determination, a quest that remains even today, an enduring pursuit. And even though these expressions of black refusal were ultimately derailed by nationalisms that misrecognized the capacity, of what Achille Mbembe (2017) refers to as the “Black consciousness of Blackness” to rewrite the script for a common humanity, they nevertheless marked an important interruption to the flow of financial capital.

So, what might Peter Hudson's uncovering of a buried and obscure chapter of history teach us about racial capitalism today – a period marked by the dismantling of most of the regulatory mechanisms put in place in the aftermath of the 1930s; the evolution of the United States into an anxious, securitized state; and the declining relevance of the Caribbean region as a space from which large profits can be extracted. What Hudson's book teaches us is that the racializing impulses that motivated Wall Street bankers to choose theft, fraud and wild speculation as their chosen technologies for securing banking's spatial fix in the Caribbean are as present and as worrying today as they were in the 1920s. For as he demonstrates, the ruinous effects of financial experimentation were of little importance when the populations they

imperiled were already viewed as expendable casualties, collateral damage in the race for imperial dominance.

This insight rings particularly true today in the way that the Caribbean has become imbricated in a geography of finance that is not only more complex, shrouded in secrecy and difficult to track, but also, perhaps as dedicated to the enrichment of a small cadre of elites (the 1%) than ever before. The Caribbean in this instance is a crucial location, an offshore archipelago where capital can touch down without being impeded by the banking regulations and/or tax laws of the countries from which it comes. It is ironic that the legal technologies (supported by their country governments) that the banking elite used to affect their imperial ambitions in the Caribbean during the 19th and 20th centuries remain the same ones that are now being deployed by today's 1% who are utilizing Caribbean financial space to evade, rather than extend, the reach of their home governments. And even though the relationships between bankers and their home governments may have changed, what has remained the same is precarity of the place of the Caribbean within these racial capitalist scripts. While WikiLeaks and the Panama Papers revitalized the United States government's resolve to devise new ways to control the legal architecture that made it possible billions of dollars to be squirreled away (legally) across Caribbean tax havens. The increased scrutiny and regulation of these flows of capital has hurt the region's poorest as increasing numbers of foreign banks are opting to withdraw their provision of international payment services such as wire transfers, credit card settlements, and even hard foreign currency to local banks in the region that are seen as too unprofitable to be worth the bother. An expulsion from global finance that will have devastating effects for the numerous families that must rely upon remittances for daily life and social reproduction.

While Peter Hudson's superb scholarship has revealed the racial underbelly of US capital imperialism as practised across the Caribbean, the focus on American banks slightly obscured the more insidious relationships between US, British and Canadian imperial ambitions within the region. I am particularly intrigued by the relative absence of a Canadian story in the book, when Canadian banks were perhaps the most visible and perhaps the most destructive of the financial institutions in the region. What might the forms of co-operation and competition among these imperial banking elites tell us about the challenges for local and global struggles against the

growing placelessness of finance capital? Bombing the bank, a popular protest action until as late as 1968, when students bombed the Royal Bank of Canada in Jamaica in protest of Walter Rodney's expulsion from the island, increasingly holds little traction when the physical presence of finance is reduced to a holding company in an office tower block, or simply a virtual presence.

My sense is that we all need to know more about the secret worlds of banking finance, the oligarchs who keep the flows going and, importantly, the racial, gender and other capitalist scripts that make them possible. Peter Hudson's book has opened the door to reading financial landscapes in the region differently and we should take the opportunity to walk through.

Reference

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Beverley Mullings

Department of Geography and Planning

Queen's University

mullings@queensu.ca

October 2018