

## ARTICLE

### **Resisting the lure of the paycheck: Freedom and dependence in financial self-help<sup>1</sup>**

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**ABSTRACT:** Based on two years of fieldwork with fans of financial success best-sellers, this article analyzes the idea of financial freedom, which is the cornerstone of popular financial self-help resources. Fans of the genre train themselves and engage in business and investing with the main goal of reaching something that is at once mathematical and a condition of the self. Financial freedom is a specific equation between income and expenses that makes it possible to quit one's job while maintaining an income. But it is also a condition by which one has freed oneself from one's own fears and limitations in regards to money and investing and the need for security. Therefore, all practices directed at increasing one's wealth are also practices of the self that are directed at combating external and internal forms of dependence. The intellectual roots of the problematization of internal and external dependence are explored. The tension between freedom and security is illustrated through the example of the examination of one's family upbringing.

**Keywords:** Financial Freedom, Dependence, Neoliberal, Governmentality, Technologies of the self, Ethnography, Self-help.

Much of the current 'financial self-help' industry, i.e. the world of best-selling books, seminars, online forums, videos and other resources through which people can enhance their financial skills and eventually become rich, is devoted to the technical aspects of investing. How to design a business plan, how to search for the right rental property, how to operate effectively in the stock market, how to estimate incoming cash flow, or how to secure investors for an entrepreneurial idea are some of the seemingly mundane skills that are offered in books, websites, workshops, and other popular events in the genre. In this sense, finan-

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cial self-help is radically different from much of the more general self-help genre. An exponent of the latter, the wildly popular book and DVD series *The Secret*, for example, asserts that the world is governed by *The Law of Attraction*, and suggests that all one has to do to attract an outcome (whether it is love, health, wealth, or anything) is to seriously wish for it, up to the point in which it will just happen.<sup>2</sup> As many other self-help resources, *The Secret* represents essentially what Barbara Ehrenreich calls the “culture of positive thinking,” the notion that a positive mindset is all that is ultimately needed for success.<sup>3</sup> While no fan of *financial* self-help would oppose positive thinking, a distinct feature of this genre is that fans do not learn that just by thinking positively they will magically attract money and prosperity. On top of the necessary motivation and positive outlook, they are prompted to go out and acquire real world financial education (“financial intelligence”), including relatively mundane accounting techniques.

Yet, a core notion in most financial self-help resources is that achieving economic prosperity is not *just* a matter of learning adequate accounting and investment techniques. Those techniques are crucially necessary, but only as long as they are also utilized as techniques of the self that will eventually transform oneself into someone who can “think like the rich.” Financial self-help is essentially a program for the transformation of the self. To make good use of their new knowledge and techniques, and at the same time *by* acquiring and using that knowledge and techniques, fans can refashion themselves into an entrepreneurial and independent subject.

In this article, I argue that while at first sight financial self-help appears to be all about “becoming rich”, that is, the acquisition of actual wealth, it is more than anything about achieving “financial freedom,” which is not the same as wealth. Fans train themselves and engage in business and investing with the main goal of reaching something that is at once mathematical and a condition of the self. While financial freedom can be measured (it is a specific relationship between one’s income and expenses, as I will show later), it is also a condition by which one has freed oneself from dependence both from external constraints (i.e. employment, the state, institutions) and from one’s own fears and limitations.

Financial self-help is a particularly fruitful case to expand our knowledge about neoliberal governmentalities. Since Michel Foucault’s lectures on neoliberalism, published later as *The Birth of Biopolitics*, research on governmentality has stressed the fact that neoliberal forms of rule have sought to expand market mechanism as a way of organizing all areas of social life.<sup>4</sup> Governing through market mechanisms requires market actors. Thus, as a

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<sup>2</sup> Rhonda Byrne, *The Secret* (New York and Hillsboro: Atria Books/Beyond Words Pub., 2006); Drew Heriot (Dir.), *The Secret* (TS Production LLC, 2006), video; Micki McGee, “The Secret’s Success,” *The Nation*, 284, no. 22 (June 4, 2007), 4–6.

<sup>3</sup> *Bright-Sided: How the Relentless Promotion of Positive Thinking Has Undermined America* (New York: Metropolitan Books, 2009).

<sup>4</sup> Michel Foucault, *The Birth of Biopolitics: Lectures at the Collège de France, 1978-79* (Basingstoke and New York: Palgrave Macmillan, 2008); Thomas Lemke, “‘The Birth of Bio-Politics’: Michel Foucault’s Lecture at the Collège de France on Neo-Liberal Governmentality,” *Economy and Society*, vol. 30, no. 2 (2001), 190; Nikolas Rose, Pat O’Malley, and Mariana Valverde, “Governmentality,” *Annual Review of Law and Social*

condition for neoliberal rule, individuals must be shaped into *homo economici* who calculate, compete, and invest in themselves.<sup>5</sup> The more they behave in the ways economic calculation can predict, the more the market can be an effective form of rule.

Foucault's conceptualization of governing includes both governing others and governing oneself. Neoliberal governmentality seeks to transform subjects, fostering entrepreneurial and self-responsabilizing capabilities and dispositions<sup>6</sup> but, as Sam Binkley argues, while we know a lot about institutional logics and technologies of government as they are used in governing practices, we know much less about the actual subjective transformations that individuals undergo, the ethical work to keep up with the more macro transformations of the economy and rule.<sup>7</sup> One of the most interesting aspects about the world of financial self-help fans that I investigated is that it is not made up of top-down government programs, but rather of independently successful market products and the networks of practitioners they spur. In other words, fans go out and purchase (or download for free) resources that they voluntarily engage with, and which help them reshape themselves as neoliberal subjects. They try to adjust themselves to the changes brought by late capitalism.

While there has been scholarly interest in self-help from a variety of perspectives,<sup>8</sup> the particular strand of financial advice and self-help practice I address in this paper is fair-

*Science*, vol. 2, no. 1 (December 2006), 83–104; Graham Burchell, Colin Gordon, and Peter Miller, *The Foucault Effect: Studies in Governmentality* (Chicago: University of Chicago Press, 1991).

<sup>5</sup> Peter Miller and Nikolas Rose, *Governing the Present: Administering Economic, Social and Personal Life* (Cambridge: Polity, 2008); Nikolas Rose, *Powers of Freedom: Reframing Political Thought* (Cambridge and New York: Cambridge University Press, 1999); Nikolas Rose, "Governing 'Advanced' Liberal Democracies," in Andrew Barry, Thomas Osborne, and Nikolas Rose (eds.), *Foucault and Political Reason: Liberalism, Neo-Liberalism, and Rationalities of Government* (Chicago: University of Chicago Press, 1996), 37–64; Graham Burchell, "Liberal Government and Techniques of the Self," in Andrew Barry, Thomas Osborne, and Nikolas Rose (eds.), *Foucault and Political Reason: Liberalism, Neo-Liberalism, and Rationalities of Government* (Chicago: University of Chicago Press, 1996), 19–36.

<sup>6</sup> Jason Read, "A Genealogy of Homo-Economicus: Neoliberalism and the Production of Subjectivity," *Foucault Studies*, no. 6 (2009), 25–36; Rose, *Powers of Freedom: Reframing Political Thought*; Andrew Barry, Thomas Osborne, and Nikolas Rose, *Foucault and Political Reason: Liberalism, Neo-Liberalism, and Rationalities of Government* (Chicago: University of Chicago Press, 1996).

<sup>7</sup> Sam Binkley, "The Work of Neoliberal Governmentality: Temporality and Ethical Substance in the Tale of Two Dads," *Foucault Studies*, no. 6 (February 2009), 62.

<sup>8</sup> Sandra Dolby, *Self-Help Books: Why Americans Keep Reading Them* (Urbana: University of Illinois Press, 2005); Rebecca Hazleden, "Love Yourself: The Relationship of the Self with Itself in Popular Self-Help Texts," *Journal of Sociology*, vol. 39, no. 4 (December 1, 2003), 413–28; Arlie Hochschild, "The Commercial Spirit of Intimate Life and the Abduction of Feminism: Signs from Women's Advice Books," *Theory, Culture & Society*, vol. 11, no. 2 (1994), 1–24; Jennifer L. Krafchick et al., "Best-Selling Books Advising Parents about Gender: A Feminist Analysis," *Family Relations*, vol. 54, no. 1 (2005), 84; Paul Lichterman, "Self-Help Reading as Thin Culture," *Media, Culture and Society*, vol. 24 (1992), 421–47; Micki McGee, *Self-Help, Inc.: Makeover Culture in American Life* (Oxford; New York: Oxford University Press, 2005); Wendy Simonds, *Women and Self-Help Culture: Reading between the Lines* (New Brunswick N.J.: Rutgers University Press, 1992); Steven Starker, *Oracle at the Supermarket: The American Preoccupation with Self-Help Books* (Transaction Publishers, 2002); Toni Schindler Zimmerman, Kristen E. Holm, and Marjorie E. Starrels, "A

ly recent. Current successful books often echo financial success manuals from the early 20<sup>th</sup> century, like Napoleon Hill's *Think and Grow Rich* or George Clason's *The Richest Man in Babylon*.<sup>9</sup> However, they constitute a specific subset since they quite explicitly respond to the changes in employment conditions and expansion of finance to everyday life that happened since the emergence of neoliberalism. This article builds on previous contributions from the perspective of governmentality about self-help generally,<sup>10</sup> and about financial success literature in particular,<sup>11</sup> in order to understand an instance of the production of neoliberal subjects. Binkley, for example, asks what the object of self-transformation in neoliberalism is, the "ethical substance" as Foucault calls it.<sup>12</sup> While he focuses on internal temporal frames as a location for the transformation of the self (i.e. the rhythms and schedules of work versus the time of the entrepreneur), I look here at the idea of *dependence*, which involves both internal and external dependence. Financial self-help makes the intersection and looping between internal and external dependence the target to be worked on. The paper is divided in four parts. First, I reflect on how my use of ethnography emerged as a need to explore the configuration of subjects from the point of view of those subjects and how the governmentality perspective has several affinities with a project of this nature. In this section I also locate the case of financial self-help in the context of the links between Foucault's work on neoliberal governmentality and his later concerns with care of the self. Second, I define the key concept of financial freedom, as a rejection of dependence, both internal (the self) and external (institutions). I then trace some of the intellectual roots of this problematization of dependence, namely American libertarianism and the recovery movement. In the third part, I focus on the family, one of the main targets on which fans work on in order to start rejecting the temptation of security in favor of the promises of freedom.

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Feminist Analysis of Self-Help Bestsellers for Improving Relationships: A Decade Review," *Journal of Marital and Family Therapy*, vol. 27, no. 2 (2001), 165; Stephanie A. Shields, Pamela Steinke, and Beth A. Koster, "The Double Bind of Caregiving: Representation of Gendered Emotion in American Advice Literature," *Sex Roles*, vol. 33, no. 7 (October 1, 1995), 467–88.

<sup>9</sup> Napoleon Hill, *Think and Grow Rich* (Marketplace Books, 2007 [1937]); George S. Clason, *The Richest Man in Babylon* (Signet, 2002 [1926]); Early works on financial success were already present in 1950s and 1960s critiques of the genre. See Irvin Wyllie, *The Self-Made Man in America; the Myth of Rags to Riches* (New Brunswick N.J.: Rutgers University Press, 1954); John Cawelti, *Apostles of the Self-Made Man* (Chicago: University of Chicago Press, 1965); Richard Weiss, *The American Myth of Success from Horatio Alger to Norman Vincent Peale* (New York: Basic Books, 1969); See also Nicole Woolsey Biggart, "Rationality, Meaning, and Self-Management: Success Manuals, 1950-1980," *Social Problems*, vol. 30, no. 3 (1983), 298–311.

<sup>10</sup> Heidi Marie Rimke, "Governing Citizens through Self-Help Literature," *Cultural Studies*, vol. 14, no. 1 (2000), 61–78; Karyn L. Eisler, "'Health, Wealth and Happiness': Self-Help, Personal Empowerment, and the Makings of the Neo-Liberal Citizen" (Dissertation: The University of British Columbia (Canada), 2004). Web: <https://circle.ubc.ca/handle/2429/16888>

<sup>11</sup> Binkley, "The Work of Neoliberal Governmentality,"; Fernando Ampudia de Haro, "'Se não cuidarmos de nós, ninguém cuidará': Autoajuda financeira e racionalidade política neoliberal," *Revista Crítica de Ciências Sociais*, no. 101 (September 1, 2013), 111–34.

<sup>12</sup> Michel Foucault, *The History of Sexuality, Vol. 2: The Use of Pleasure* (Vintage Books, 1990), 26–27.

### **Ethnography, neoliberalism and technologies of the self**

This article is based on a larger research project about the world of fans of financial self-help. I conducted two years of fieldwork with groups of financial best-sellers fans, particularly fans of financial guru Robert Kiyosaki's advice. Kiyosaki is the author of *Rich Dad Poor Dad: What the rich teach their kids about money that the middle and working class don't!*, and is the most successful financial self-help author of recent years.<sup>13</sup> His books have spurred independent groups of fans worldwide, who often get together or interact virtually in order to share experiences, learn about finances, play Cashflow—a financial board game created by Kiyosaki—, and sometimes conduct businesses together. I attended activities of such groups, including seminars, training sessions, game sessions, and informal gatherings, both in New York City and in Buenos Aires, Argentina, between 2007 and 2009, and I interviewed nearly fifty practitioners and organizers in both places.

This contribution is part of a shift towards using ethnography as a technique for researching neoliberal governmentalities. According to Michelle Brady, this shift grew in part from a discomfort with some of the weaknesses in research on neoliberal governmentality, particularly a certain ossification of familiar narratives about the rationality of neoliberalism and a tendency to consider neoliberal governmentality as too coherent in the context of messier realities in which different rationalities of government cohabit and compete. The use of ethnographic methods was also motivated by a concern that textually based studies cannot adequately examine the actual process through which subjectivity is formed over time.<sup>14</sup> My own choice of ethnographic methods did not emerge from dissatisfaction with existing concepts and research, but instead from a methodological need to observe financial subjects in order to uncover the nuances of the micro-processes through which their subjectivity is formed. Prior to this project, I studied the configuration of consumers and investors in 1970s Argentina.<sup>15</sup> At the beginning of that research, I had questions about the ways people reacted and adjusted to early neoliberal reforms (including an abrupt financial reform), but given the historical nature of the case, I looked much more into government programs, the discourse of the authorities, and some general effects than to actual subjective experiences. Financial self-help offered the possibility of examining the self-constitution of subjects in relation to finance as it happened, something that cannot be easi-

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<sup>13</sup> Robert Kiyosaki and Sharon L. Lechter, *Rich Dad, Poor Dad: What the Rich Teach Their Kids about Money That the Poor and Middle Class Do Not!* (Paradise Valley, AZ: TechPress, 1998). While the latter is Kiyosaki's most successful book, he has published several other best-sellers, including *The Cashflow Quadrant*, *Rich Dad for Teens*, *Rich Brother Rich Sister*, *An Unfair Advantage*, *The Conspiracy of the Rich*, *Retire Young Retire Rich*, *Before You Quit your Job*, *Rich Dad's Secrets*, and others.

<sup>14</sup> Michelle Brady, *Foucault Studies*, issue 18 (2014), 11-33; Ulrich Bröckling, Susanne Krasmann, and Thomas Lemke, *Governmentality: Current Issues and Future Challenges* (Routledge, 2010), 14-16; Katharyne Mitchell, "Neoliberal Governmentality in the European Union: Education, Training, and Technologies of Citizenship," *Environment and Planning D: Society and Space*, vol. 24, no. 3 (2006), 389-407.

<sup>15</sup> Daniel Fridman, "A New Mentality for a New Economy: Performing the Homo Economicus in Argentina (1976-1983)," *Economy and Society*, vol. 39, no. 2 (May 2010), 271-302.

ly done approaching a historical case. Thus, in many ways, ethnography offered what archival research cannot: observation of ongoing micro processes of self-formation.

An analytics of governmentality presented a number of affinities and potential with my choice of empirical case. First, a focus on “minor texts” such as those by administrators, polemicists, and programmers could very well be extended to lower status financial experts,<sup>16</sup> such as popular bestseller authors of financial self-help. The point here is that it was a favorable framework to allow me to take these widely popular authors and their readers seriously. Second, an analytics of governmentality generally escapes overly abstract conceptualization in favor of posing specific questions through the examination of empirical cases. As put by Rose, O’Malley, and Valverde, “governmentality is far from a theory of power, authority, or even of governance. Rather, it asks particular questions of the phenomena that it seeks to understand, questions amenable to precise answers through empirical inquiry.”<sup>17</sup> Third, although documentary analysis has most typically been used in researching governmentalities, an analytics of governmentality does not necessarily associate with a particular research technique or a “distinct methodological inventory,” thus offering the flexibility of using ethnographic methods combined with an analysis of texts. As put by Bröckling, Krasmann, and Lemke, “[Governmentality] signifies a research perspective in the literal sense: an angle of view, a manner of looking, a specific orientation.”<sup>18</sup> In many ways, the general spirit of the governmentality program has several affinities with the methodological dictum of qualitative research in sociology, in terms of having a set of orientating concepts before going to the field, but flexible enough to be surprised by one’s findings.<sup>19</sup> While in continuation with my project on consumers in the 1970s I remained interested in government programs, I could now observe the actual world of practices, the practical organization of neoliberal subjectivities. In the field, one observes that even acceptance of the exhortations of financial gurus does not necessarily mean a non-reflexive or automatic engagement.<sup>20</sup>

The largest affinity lies in Foucault’s conceptualization of the economic actor in neoliberalism (or the *homo economicus*) as entrepreneur of himself. Given that neoliberalism seeks to shape subjects’ entrepreneurial capacities, it makes sense to inquire through fieldwork into the process by which that shaping happens. Neoliberalism expands both through changes from above, through policy, into the organization of several areas of social and economic life, but it also proliferates through practices of the self that happen every day in small groups, often aided by colorful popular resources like books and other media. In contrast to what I observed in my research on consumers and investors, in this case it is practitioners of financial self-help who seek to transform themselves through individual

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<sup>16</sup> Rose, O’Malley, and Valverde, “Governmentality,” 86.

<sup>17</sup> *Ibid.*, 85.

<sup>18</sup> Bröckling, Krasmann, and Lemke, *Governmentality*, 15.

<sup>19</sup> Howard S. Becker, “How to Find Out How to Do Qualitative Research,” *International Journal of Communication*, vol. 3 (2009), 545–53.

<sup>20</sup> Cressida J. Heyes, “Foucault Goes to Weight Watchers,” *Hypatia*, vol. 21, no. 2 (May 1, 2006), 126–49.

and collective practices. The transformation is not something that is done *to them*, but rather something that they seek to do by themselves. Ethnography offers the advantage of getting closer to subjects and collective practices in order to understand the rationale of the enterprise in which they have embarked on their own terms. Ethnographic work has been widely advocated as a way of understanding local practices of subaltern or oppressed communities and groups that resist neoliberalism, but it has been used much less to scrutinize popular practices that expand subjectivities aligned with neoliberalism. Particularly when the researcher is critical of the advocacy of those subjects, as it is largely the case in studies that use the term neoliberalism,<sup>21</sup> a view from far runs the risk of impeding an adequate understanding of local cultures for lack of political or ideological empathy. In this research project, I managed to understand more and more about what fans of financial self-help were up to as I got increasingly involved in their activities and talked to them. By getting closer to the point of view of practitioners,<sup>22</sup> fieldwork allows us to understand practices that otherwise do not seem to make sense, like boxers who harm their bodies or other people who risk their lives.<sup>23</sup> In this case, fans of financial self-help do not get punched in a ring, but they reinterpret their past and future trajectories in accordance with a new project of the self. The challenge of researchers is understanding how for practitioners this becomes a project that makes sense.

The expansion of the use of ethnography in research on neoliberal governmentality is also related to the wider availability of Foucault's lectures of the last few years of his life and an emerging debate on the continuities and breaks in his concerns and approach.<sup>24</sup> There is considerable debate about what exactly changed in Foucault's approach from the years of *Discipline and Punish* to his later work on care of the self in Greco-Roman cultures and in Christianity, including a pioneering focus on contemporary texts on neoliberalism in his 1978-1979 lectures. Analyses range from significant methodological breaks to continuity.<sup>25</sup> According to Stephen Collier, there is indeed a methodological shift in Foucault's

<sup>21</sup> See Taylor C. Boas and Jordan Gans-Morse, "Neoliberalism: From New Liberal Philosophy to Anti-Liberal Slogan," *Studies in Comparative International Development*, vol. 44, no. 2 (June 1, 2009): 137–61.

<sup>22</sup> Clifford Geertz, "'From the Native's Point of View': On the Nature of Anthropological Understanding," in *Local Knowledge: Further Essays in Interpretive Anthropology* (New York: Basic Books, 1983), 55–70; Loïc J. D. Wacquant, "The Pugilistic Point of View: How Boxers Think and Feel about Their Trade," *Theory and Society*, vol. 24, no. 4 (1995), 489–535; Javier Auyero, "'From the Client's Point(s) of View': How Poor People Perceive and Evaluate Political Clientelism," *Theory and Society*, vol. 28, no. 2 (April 1, 1999), 297–334.

<sup>23</sup> Loïc Wacquant, *Body & Soul: Notebooks of an Apprentice Boxer* (Oxford; New York: Oxford University Press, 2003); Matthew Desmond, *On the Fireline: Living and Dying with Wildland Firefighters* (University Of Chicago Press, 2007).

<sup>24</sup> Bröckling, Krasmann, and Lemke, *Governmentality*, 8; Michelle Brady, *Foucault Studies*, issue 18 (2014), 11–33.

<sup>25</sup> See, for example, Colin Koopman, "The Formation and Self-Transformation of the Subject in Foucault's Ethics," in Christopher Falzon, Timothy O'Leary, and Jana Sawicki (eds.), *A Companion to Foucault*, (Malden MA: J. Wiley, 2013), 526–43; Stephen J. Collier, "Topologies of Power Foucault's Analysis of Political Government beyond 'Governmentality,'" *Theory, Culture & Society*, vol. 26, no. 6 (November 1, 2009): 78–108; Andrew Dilts, "From 'Entrepreneur of the Self' to 'Care of the Self': Neo-Liberal Govern-

abandonment of “epochal and totalizing diagnoses” that characterized some of his earlier work and his preference for a “fuzzy history” approach, in which different forms of power cohabitate and are linked “in a topological space.”<sup>26</sup> It seems clear that Foucault decreased his emphasis on practices of subjugation and discipline (such as the practices typically analyzed in the *Discipline and Punish* period) and moved into an exploration of practices of the self that may or may not involve self-domination, or at least in which domination is not the main feature.<sup>27</sup> The lectures on neoliberal governmentality seem to be a hinge that connects Foucault’s earlier concern with discipline with his later historical exploration of ethics and care of the self. Although Foucault did not always use the term governmentality consistently,<sup>28</sup> at a seminar in 1982 he defined it as “the contact between the technologies of domination of others and those of the self.”<sup>29</sup> In the 1981-1982 lectures, he said:

Although the theory of political power as an institution usually refers to a juridical conception of the subject of right, it seems to me that the analysis of governmentality –that is to say, of power as a set of reversible relationships– must refer to an ethics of the subject defined by the relationship of self to self. Quite simply, this means that in the type of analysis I have been trying to advance for some time you can see that power relations, governmentality, the government of self and others, and the relationship of self to self constitute a chain, a thread, and I think it is around these notions that we should be able to connect together the question of politics and the question of ethics.<sup>30</sup>

Throughout this period, Foucault became increasingly interested in how subjects fashioned themselves and less concerned with more coercive forms of subjectification. Perhaps the most notorious characteristic of neoliberal governmentality is the treatment of individuals as entrepreneurs of themselves, who should be autonomous and take care of themselves (multiplying their human capital on the way). As formulated by Nikolas Rose and others, in this analysis freedom is not contradictory with government but becomes part of governing.<sup>31</sup> While this already suggests a strong link between governmentality and later work on care of the self, they have often been considered independently. Recent work has strengthened that connection. According to Andrew Dilts, there are strong affinities between what Foucault identified as neoliberal subjectivities in the analysis of the theory of

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mentality and Foucault’s Ethics,” *Foucault Studies*, no. 12 (September 12, 2011), 130–46, and Michelle Brady, *Foucault Studies*, issue 18 (2014), 11-33.

<sup>26</sup> Collier, “Topologies of Power,” 89-90.

<sup>27</sup> Michel Foucault, “The Ethics of the Concern for Self as a Practice of Freedom,” in Paul Rabinow (eds.), *Ethics: Subjectivity and Truth* (New York: New Press, 1997), 282.

<sup>28</sup> Collier, “Topologies of Power,” 98.

<sup>29</sup> Michel Foucault, *Technologies of the Self: A Seminar with Michel Foucault* (Amherst: University of Massachusetts Press, 1988), 19.

<sup>30</sup> Michel Foucault, *The Hermeneutics of the Subject: Lectures at the Collège de France 1981-1982* (NY: Picador, 2005), 252.

<sup>31</sup> Barry, Osborne, and Rose, *Foucault and Political Reason*; Burchell, “Liberal Government and Techniques of the Self”; Rose, *Powers of Freedom: Reframing Political Thought*.

human capital and his later exploration of ancient practices of care of the self.<sup>32</sup> In financial self-help, practices of the self to achieve freedom (*financial freedom*) are a way of constituting an entrepreneurial subject, responsible for oneself. Participants of financial self-help show how practices of the self that are aimed at attaining freedom and truth are yet tied to disciplining oneself.<sup>33</sup>

### **What is financial freedom?**

“All you need to know is that you never know all that you need to know,” said Steve to a group of New Yorkers from diverse backgrounds who get together once a month for a few hours to exchange experiences and seek advice about how to move ahead financially.<sup>34</sup> The group had an online presence with hundreds of members, and each Saturday meeting gathered around forty to seventy people. Steve, the founder and soul of the group, was a black man in his mid-thirties who in many ways defied the popularized image of a financial guru. He did not wear fancy suits or scream like late night infomercial hosts. He always dressed in jeans and t-shirts and lived in the predominantly minority neighborhood where the meetings were organized. Steve spent quite some time in the long monthly meetings dealing with various complex technical issues, such as how to find lucrative rental properties, do proper due diligence, and calculate potential cash flow; how to repair damaged credit scores in order to finance new investments; or how to open a business line of credit. Steve would generously answer specific questions from members who were taking their first steps in business and investing, or who were just curious or anxious about what to do. Sometimes, instead of coaching members, he would just tell them what business he was investing in or the story of a property he was trying to buy, and he would give detailed and valuable technical information about the accounting and legal intricacies of his own deals. People participated and took notes. All of this technical expertise, however, was never separated from preparing the self for the challenge of financial freedom. At the end of the day, technical expertise had its limits. Steve repeated the same maxim in almost every meeting: “all you need to know is that you never know all that you need to know.” At some point, acquiring yet more valuable technical knowledge, as they would do in those meetings and in plenty of other venues available for that purpose, may become merely an excuse to indulge their fears; eventually they would need to simply dive in and take the risk. Most importantly, money had to move to the background. “What I observe from successful people,” Steve told the group, “is that money is just a byproduct of something else.” He said that he became more successful when he stopped caring about money, when he gave up the fear of ending up with no money.

As the example above illustrates, technical abilities in business and investment are a necessary but not sufficient condition for success in financial self-help. People need to

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<sup>32</sup> Dilts, “From ‘Entrepreneur of the Self’ to ‘Care of the Self.’”

<sup>33</sup> Heyes, “Foucault Goes to Weight Watchers”; Binkley, “The Work of Neoliberal Governmentality.”

<sup>34</sup> *Names have been modified to ensure confidentiality.*

change.<sup>35</sup> Paradoxically, one of the most important things people learn from contemporary financial self-help is that they should not just seek to make money. They should instead achieve *financial freedom*. They will only be rich when they have liberated themselves.

At the level of accounting, the definition of financial freedom is quite simple: it is the point at which the income that does not require work (i.e. from investments, usually called “passive income”) surpasses one’s expenses. Two people with substantially different levels of income and expenses can both be financially free, as long as they have ‘their money working for them,’ regardless of how much money. Readers with low incomes can dream of becoming financially free too, but the wealthy CEO is no different from her low-income brethren as long as she has to work for money. As long as the high-income worker can be fired, as long as he depends on an employer for his income, he is not free.

Recent studies on neoliberal governmentality have asserted that neoliberalism blurs the distinctions between labor and capital, since individuals are turned into enterprise-units regardless of their position in the capitalist mode of production. Following Foucault’s analysis of Gary Becker’s notion of human capital,<sup>36</sup> all actions individuals take can be seen as investments, regardless of whether someone is a capitalist or a worker.<sup>37</sup> As Jason Read suggests, “the difference between labor and capital is effaced through the theory of human capital. Neoliberalism scrambles and exchanges the terms of opposition between worker and capitalist.”<sup>38</sup> Ladelle McWhorter also observes the same change: “This shift seriously blurs the distinction between labor and capital. Laborers’ wages are simply, income, just as capitalists’ rent, interest, and profit from sales are income. There may be a difference in quantity (in fact, of course there is a difference in quantity), but there is no difference in quality between various incomes.”<sup>39</sup> However, the notion of financial freedom, a cornerstone of financial self-help, actually reestablishes the qualitative distinctions between labor and capital. No matter how much money one makes, no matter how happy one is at work, and regardless of the status one has achieved in the workplace, having a job is in sharp contrast with having financial freedom. While many actions can be interpreted as an “investment” in financial freedom, investing in climbing the corporate ladder or in getting training

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<sup>35</sup> I am obviously not saying that accounting practices and technical abilities are not relevant for the configuration of the subject of financial self-help. As I have shown elsewhere, calculative tools are crucial. This paper focuses on the work on the self beyond the accounting practices themselves. See Daniel Fridman, “From Rats to Riches: Game Playing and the Production of the Capitalist Self,” *Qualitative Sociology*, vol. 33, no. 4 (2010), 423–46; Caroline Lambert and Eric Pezet, “Accounting and the Making of Homo Liberalis,” *Foucault Studies*, no. 13 (2012), 67–81; Peter Miller, “Governing by Numbers: Why Calculative Practices Matters,” *Social Research*, vol. 68, no. 2 (Summer 2001), 379; Peter Miller and Ted O’Leary, “Accounting and the Construction of the Governable Person,” *Accounting, Organizations and Society*, vol. 12, no. 3 (1987): 235–65.

<sup>36</sup> Foucault, *The Birth of Biopolitics*.

<sup>37</sup> Read, “A Genealogy of Homo-Economicus”; Ladelle McWhorter, “Queer Economies,” *Foucault Studies*, no. 14 (September 14, 2012), 61–78.

<sup>38</sup> Read, “A Genealogy of Homo-Economicus,” 31.

<sup>39</sup> McWhorter, “Queer Economies,” 71.

that can be used only in a salaried job is definitely not one of those actions. It may bring quantitatively more money, but it does not operate the qualitative change of “getting out of the rat race,” that is, living without having to work. If anything, it is seen as a trap that keeps workers deceptively “secure.” In this sense, the notion of financial freedom is closer to Marx’s sharp distinction between labor and capital than to the theory of human capital. Individuals are seen as entrepreneurs of themselves, but their entrepreneurship is worthless if it happens within the realm of work.

Money is omnipresent in financial self-help’s discourse, but it is mostly a means to attain freedom. In financial self-help, *the rich* are not role models just because they have money, but because they are *free*. Readers of financial self-help want to acquire adequate financial skills not because they will help them attain wealth, but because they will set them free from their jobs. But the concept of financial freedom in financial self-help, while simple enough on an accounting level, is a little trickier. While financial freedom is a measurable and observable condition, it is also framed as a mindset, a condition of the self. The idea of freedom can be in opposition to different things, such as oppression from an authoritarian regime or restriction of movement, but in financial self-help, it is opposed to *dependence*, both external and internal. People might be dependent on visible institutions, such as an employer, the state, social security, etc. But they can also be dependent of something less visible, inside the self. Financial guru Suze Orman, for example, says that “financial freedom is when you have power over your fears and anxieties instead of the other way around.”<sup>40</sup> In other words, one can be betrayed by one’s own subjectivity, which consciously or unconsciously does not want to or does not know how to be free.

These two interrelated concerns (external freedom from collective institutions and internal freedom from one’s fears and weaknesses) are brought together in contemporary financial self-help, but echo a variety of discourses on freedom that have been growing and expanding their scope throughout the 20<sup>th</sup> and the beginning of the 21<sup>st</sup> century. As Nikolas Rose points out, freedom has become a priority both in how we should govern individuals and how we should govern ourselves:

As the twenty-first century begins, the ethics of freedom have come to underpin our conceptions of how we should be ruled, how our practices of everyday life should be organized, how we should understand ourselves and our predicament [...] There is agreement over the belief that human beings are, in their nature, actually, potentially, ideally, subjects of freedom, and hence that they must be governed and must govern themselves as such.<sup>41</sup>

This exaltation of autonomy and questioning of dependence is not exclusive to financial self-help, and it is a crucial part of both political and self-improvement discourses in neoliberalism. The idea of free and autonomous individuals is at the center of neoliberal

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<sup>40</sup> Suze Orman, *The 9 Steps to Financial Freedom* (New York: Crown Publishers, 1997), 2.

<sup>41</sup> Rose, *Powers of Freedom: Reframing Political Thought*, 61–62.

discourses and rationalities of government.<sup>42</sup> The reframing of the seemingly abject goal of 'making money' into a quest for freedom does much more than give the project of financial self-help a patina of respectability. The centrality of freedom in financial self-help aligns it with the neoliberal dictum that the free, autonomous, risk-taking and entrepreneurial individual is the political subject from where all social organization should start, and for which any form of government or social organization is worth having. Neoliberalism's distinctive character as a rationality of government is that it does not assume the freedom, autonomy and private initiative of individuals, but rather seeks to create spaces and organization and configure subjects so that autonomy becomes possible.<sup>43</sup> Financial self-help is a neoliberal project because it supplies practitioners with discourses and practices that seek to turn them into autonomous subjects responsible for their financial well-being and who value independence over anything else. But the relation of financial self-help with neoliberal rationalities of government does not mean that the state is necessarily involved, directly or indirectly, in the enterprise of creating that subject. Government, as Foucault has shown, should be treated as the 'conduct of conduct' more than a particular sphere of social life. The idea of governmentality treats government not as a specific activity limited to states, but rather as scattered and varied forms of thinking about the government of conduct, including the conduct of the self:

Government, here, refers to all endeavors to shape, guide, direct the conduct of others, whether these be the crew of a ship, the members of a household, the employees of a boss, the children of a family or the inhabitants of a territory. And it also embraces the ways in which one might be urged and educated to bridle one's own passions, to control one's own instincts, to govern oneself.<sup>44</sup>

With its attention to internal and external dependence, financial self-help problematizes the dynamics between the government of others and the government of oneself. It hits exactly on the link between how one is governed by others (the state, institutions, the labor market, the family) and how one ought to govern oneself to achieve true freedom and independence.<sup>45</sup> Financial self-help denounces at once subjection to collective organizations and subjection to oneself. This dynamic between internal and external dependence shows, perhaps more than any other cultural product, the connections between technologies of the self—the ways in which we attempt to shape, improve, and govern ourselves—and neoliberal technologies of government. The ethical message of financial self-help lies at the crossroad between internal and external dependence. Internal slavery to fear and anxiety leads

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<sup>42</sup> Foucault, *The Birth of Biopolitics*; Barry, Osborne, and Rose, *Foucault and Political Reason*; Rose, *Powers of Freedom: Reframing Political Thought*; Miller and Rose, *Governing the Present*; Read, "A Genealogy of Homo-Economicus."

<sup>43</sup> Barry, Osborne, and Rose, *Foucault and Political Reason*, 10; McWhorter, "Queer Economies"; Read, "A Genealogy of Homo-Economicus."

<sup>44</sup> Rose, *Powers of Freedom: Reframing Political Thought*, 3.

<sup>45</sup> See Foucault, *Technologies of the Self*, 19; Binkley, "The Work of Neoliberal Governmentality."

to external dependence on institutions by prompting the individual to lean towards the security of a paycheck instead of the risks of freedom. In turn, the commitment to the security of institutions provides a false sense of comfort that leads to a weak subject who will grow too afraid of exploring the existing possibilities of becoming free.

### **External and internal dependence: Libertarianism and the Recovery Movement**

In this section, I explore the intellectual roots of the concern for dependence as it is used in financial self-help. The idea of freedom espoused in financial self-help echoes two interrelated, yet independent worlds of ideas and practices. One is an individualism that stems from 20<sup>th</sup> century libertarianism.<sup>46</sup> The writings and proselytizing of thinkers like Ayn Rand, Milton Friedman, Murray Rothbard, and Friedrich Von Hayek—an explicit reaction to New Deal and welfare policies since the 1930s—contributed to a rebirth and popularization of the idea of individualism, particularly in the United States.<sup>47</sup> The concern with individual autonomy from the state and collective institutions central to financial self-help discourse is also a core theme of libertarian ideology.

Libertarianism starts from the assumption that individuals are endowed with the *potential* to do great things and that in order for that potential to be realized in the world, they have to be freed from constraints and guaranteed autonomy. Given that human achievement comes only from individuals, autonomy and choice are the most important values in libertarianism. Collective organizations, particularly the state, are seen as mechanisms that stifle individual potential, so this tradition rejects the influence of social organizations whenever they do not fulfill the task of merely securing individual autonomy and the correct working of market forces.<sup>48</sup> Unions and social security are seen as harmful because they deprive people of their ability to realize their potential. Libertarianism frames individuals in terms of their entrepreneurial capacities; the state, the corporation, and welfare institutions, instead of helping individuals, are merely strangling and discouraging those capacities. The key idea in terms of its influence in financial self-help is that when provided with enough security, citizens become dependent on institutions and lose their entrepreneurial spirit. These tenets are at the core of the moral message of financial self-help, particularly its exhortation to avoid succumbing to the lure of a secure paycheck.

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<sup>46</sup> The term libertarian usually leads to confusion, and not only because it has been used differently in different countries and at different points in history. What I am referring to by *libertarianism* is the radical forms that right-wing liberalism took roughly in the second half of the 20<sup>th</sup> century, particularly in the United States. See Brian Doherty, *Radicals for Capitalism: A Freewheeling History of the Modern American Libertarian Movement* (New York: Public Affairs, 2007).

<sup>47</sup> Most financial self-help books and other resources are either American or are inspired by American products.

<sup>48</sup> As many scholars have noted, market mechanisms are not seen to be as robust by 20<sup>th</sup> century neoliberals as they were by classical 18<sup>th</sup> century liberals. Neoliberalism is suspicious of the state when it is not creating, nurturing, or underpinning markets and competition.

Ayn Rand is perhaps the clearest exponent of libertarian individualism and has been undoubtedly the most popular advocate of individualism in the United States.<sup>49</sup> Financial self-help is partly an inheritor of the resurgence and popularization of libertarian ideas since the 1960s, much of which is owed to the circulation of Rand's novels and treatises in business circles.<sup>50</sup> In contrast to other neoliberal thinkers like Hayek or Friedman, who were economists and were concerned about the government of the economy, Ayn Rand's writings are mostly about entrepreneurial heroes who clash with "parasitic" non-entrepreneurs and the state. These themes are closer to the pragmatism of the financial self-help world, in that practitioners only marginally care about state policy, while they mostly care but about 'what should I do'. Rand, like other libertarians, but with the dramatization added by her novels, saw individual will and creativity as the only true engine of the world, and social arrangements (government in particular) as the obstacle that clog that engine and kill individual spirits. Rand was one of the first blunt advocates of egoism as a virtue and argued that individuals should not be ashamed of it. For Rand, one of the most important virtues humans should pursue is independence, both material and intellectual. As Rand scholar Tara Smith explains, making money is seen in Rand's Objectivist philosophy not as an end but as a means to guarantee one's autonomy and choice:

Wealth represents time liberated from the task of tending one's most basic, day-to-day subsistence needs through physical labor. The greater a person's reserves of wealth, the less labor he must exert in the future to achieve the same standard of living that that wealth can buy. The more money a person has, the more easily he can meet those needs and the more time he can devote to more desirable activities. Consequently, money is valuable not only for providing a person with more material goods. It gives a person more options; it allows a greater range of choices in his activities. Money enables a person to enhance his life in whatever ways, material or spiritual, are most conducive to his overall well-being, giving him more time to cultivate friendships, for instance, or to enjoy his love of opera.<sup>51</sup>

For financial self-help, one of the internal dispositions that we need to fight through work on the self is the Christian-inspired dictum that 'money is the root of all evil.' A famous speech in Rand's novel *Atlas Shrugged*, occasionally circulated in financial self-help online forums, combats this idea by praising money as the product of virtue and merit and as the enabler of freedom.<sup>52</sup> For Rand, pursuing money is virtuous not for religious reasons

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<sup>49</sup> Doherty, *Radicals for Capitalism*, 11–12; See also Neil Gross, Thomas Medvetz, and Rupert Russell, "The Contemporary American Conservative Movement," *Annual Review of Sociology*, vol. 37, no. 1 (2011), 325–54.

<sup>50</sup> Jennifer Burns, *Goddess of the Market: Ayn Rand and the American Right* (Oxford: Oxford University Press, 2009), 4.

<sup>51</sup> Tara Smith, *Ayn Rand's Normative Ethics: The Virtuous Egoist* (Cambridge: Cambridge University Press, 2007), 219–220.

<sup>52</sup> Ayn Rand, *Atlas Shrugged* (NY: Signet Books, 2007, 2<sup>nd</sup> rev. ed.), 380–385; see also Tara Smith, "Money Can Buy Happiness," *Reason Papers*, vol. 26 (Summer 2003), 7–19.

but because it represents values traded within market arrangements. Libertarianism sees the market as a fair and transparent mechanism to recognize people's worth and independent entrepreneurial qualities, and rejects any intrusion in that mechanism.

Libertarianism is at the core of the conception of freedom as autonomy from external institutions and the evils of too much external security. But there is also a long tradition of contemporary discourses and movements about the care of oneself, particularly what came to be known as the *recovery movement*, which is at the core of the exhortation to gain autonomy from one's own demons, what Mariana Valverde calls 'slavery from within.'<sup>53</sup> Libertarianism focuses on denouncing the 'slavery' that results from attributing too much power to collective forces in detriment of the individual. The recovery movement, on the other hand, is preoccupied with the internal slavery to oneself. This preoccupation gave birth to a myriad of techniques of the self to deal with a variety of social problems. The very notion of 'recovery' has its origin, according to historian Trysh Travis, in the twelve steps developed by Alcoholics Anonymous (AA) in the 1930s, which were later replicated in various recovery groups.<sup>54</sup> For Valverde, alcoholism has largely eluded the jurisdiction of both physicians and psychologists. Remarkably, the AA 12-step program has been for eight decades the most widespread treatment for alcoholism, and it is based on the notion that alcoholism is neither a problem of the body nor of the mind, but rather a disease of the *will*.<sup>55</sup> Valverde points to alcoholism tests that do not ask anything about the amounts of alcohol consumed, but rather about how alcohol is consumed. Such a test "is not an inquiry into drinking as much as a test of the soul's relation to itself. Do you feel free and happy? Or do you feel constrained, depressed, and guilty about the behavior that you engage in to relieve depression and guilt?"<sup>56</sup> A similar shift occurs when financial freedom turns from a measurable external condition (when passive income is equal or higher than expenses) into a certain relation of the self to the will to be free. Just as alcoholism is not measured only by the amounts of alcohol consumed but by the level of control of that consumption, financial freedom has less to do with amounts of money than with an internal mindset disposed to freedom.

Financial guru Suze Orman's definition of financial freedom as the control of one's fears and anxieties<sup>57</sup> ties financial self-help to the problematization of the will that is at the root of the therapeutic movements to recover from addictions such as alcoholism. Since the 1970s, discourse about the weakness of the will and the self-help recovery techniques associated with it have expanded from the specific problem of alcoholism to cover several be-

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<sup>53</sup> Foucault also mentions the relation between freedom and slavery to oneself and others in Ancient Greece. See Foucault, "The Ethics of the Concern for Self as a Practice of Freedom," 287–288.

<sup>54</sup> Trysh Travis, *The Language of the Heart: A Cultural History of the Recovery Movement from Alcoholics Anonymous to Oprah Winfrey* (Chapel Hill: University of North Carolina Press, 2009).

<sup>55</sup> *Diseases of the Will: Alcohol and the Dilemmas of Freedom* (Cambridge; New York: Cambridge University press, 1998) Series: *Cambridge Studies in Law and Society*.

<sup>56</sup> *Ibid.*, 25.

<sup>57</sup> Orman, *The 9 Steps to Financial Freedom*.

haviors considered addictive (drug consumption, overeating, love) and even to behaviors that were once considered healthy, such as taking care of one's family or spouse. Like alcoholics, readers of financial self-help discover that there is something wrong inside of them and that they should work, like people 'in recovery,' to control their impulses, their will.

Since financial self-help's main agenda is to combat one's dependence and achieve individual autonomy, all the activities recommended to become financially free (educating oneself financially, jumping on an investment, starting a business, playing the board game Cashflow, attending seminars, reading, or buying real estate, etc.) are two-sided. On the one hand, by doing those things, users may approach that observable condition called financial freedom, in which one doesn't have to work to receive income. On the other hand, these practices are also *practices of the self*. As Mariana Valverde observes, "in the self-help technologies of edifying videos, self-esteem workbooks, and codependence support groups, freedom is both the end of the recovery and the means. It is the supreme value for the sake of which we work on the self and it is simultaneously the technology through which we act on the not-yet-free-self".<sup>58</sup> Learning accounting techniques, playing Cashflow, jumping on an investment opportunity, or buying trading software are then not merely mundane techniques to accumulate money. They are, more than anything else, ways of working on oneself in order to wipe the dust off the conformist self and turn it into a truly entrepreneurial self that stops drifting to the (phony) security of collective organization. Financial self-help is a modern technology of the self, a sort of therapy to turn individuals from subjects determined by dependency (both internal and external) into entrepreneurial subjects that can call themselves free and autonomous. Financial self-help exhorts users to examine the parts of one's self that involve dependency and to work on correcting them. By performing that examination, one is already considered freer than before, and by getting out there and not fearing jumping into the financial jungle, one is already producing a new (free) subject. Money will be almost a natural side effect of turning oneself into a subject that strives for freedom.

Financial self-help exhorts individuals to become free, self-reliant, and entrepreneurial, by working on their internal and external dependencies. The first and foremost enemy to combat is internal: family education is seen as one of the main culprits in our conformist attitude that strives for security instead of autonomy.

### **Family life and the failed financial self**

"Pull out a hair," David told the audience. "I know this part is not nice...if you are on the edge [losing hair], pull it from your arm or something," he joked. "But please, pull a hair!" In the midst of jokes about the strangeness of his request, audience members complied. "Now hold the hair in front of your eyes," David went on.

This scene took place during a one-day financial freedom workshop in Buenos Aires, organized by the incipient group Financial Freedom Argentina. When David took the floor, the seventy attendants had already heard a presentation on leadership and were finishing

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<sup>58</sup> Valverde, *Diseases of the Will*, 32.

the first coffee break. They still had a long day ahead, including lunch, coffee, presentations, and a four hour-long session of Cashflow play.<sup>59</sup> There were a variety of attendants, from teachers to MBAs, engineers to a professional singer, housewives to real estate agents, lawyers to factory workers, accountants to administrative employees, and even an evangelical pastor. In their introductions, most people mentioned that they were there to learn and meet people, that they were open to new ideas, and that reading Robert Kiyosaki's book *Rich Dad Poor Dad* had awakened in them the will to achieve financial freedom. People talked about opening their minds, overcoming their fears of investing, and finding out what investments were within their reach. Forty-two-year-old Fabio introduced himself as an employee and said that, after reading *Rich Dad Poor Dad*, he decided that he would stop working at the age of fifty. Mabel, an accountant also in her forties, corrected herself when she said that she wanted to 'get out of the rat race.' She said, "Sorry, it's not *I want*, it's *I will*, because that's the goal I set for myself." She was attending her second workshop and was happy to see a few familiar faces. Pablo, who worked in a large telecommunications company, said that he was there because just a couple of months earlier all he had dreamed of was someday reaching the top of the corporation where he worked. After reading Kiyosaki, he changed his goals accordingly to wanting to achieve financial freedom. Around sixty workshop participants responded to David's odd request of plucking a hair and holding it before their eyes. "How many of you can see the DNA of poverty in your hair? How many of you can see the DNA of richness?" David asked. "You were not born to be poor or to be rich. This is what Kiyosaki teaches in his books. Our environment, our context has been creating the operative system inside of us that has placed us in the situation we are in. What is your financial position today? Well, you have not been born for that financial position. It was determined by a whole lot of *sowing* around us."

David then asked the audience to remember phrases about finances and money that they had heard at home while growing up. "That rich people did not make their money honestly!" "Life is sacrifice!" "To make money you have to have money first!" David repeated the phrases as people uttered them and added, jokingly, "that the only people who make money are those who work at a mint! All those concepts have marked you and me and have placed us where we are. We have grown up with a sense of conformity: well, that's what I am. I was born for this. My parents had this financial position, my grandparents had this financial position so, hey, I'm not doing that bad! But the concept of Kiyosaki is that our financial position has to do mostly with our education."

David's presentation was in many ways an attempt to identify some of the four aspects Foucault defines as constitutive of ethics, of the relationship one ought to have with oneself.<sup>60</sup> According to Foucault, the ethical substance is the part of oneself that is determined as in need of ethical work, the material to be worked on. In this case, it is what Da-

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<sup>59</sup> I attended over a dozen similarly structured events organized by this Argentine group.

<sup>60</sup> Foucault, *The History of Sexuality*, Vol. 2, 25–32; Michel Foucault, "On the Genealogy of Ethics: An Overview of Work in Progress," in Paul Rabinow (ed.), *Ethics: Subjectivity and Truth* (New York: New Press, 1997), 263–268.

vid calls the “operative system,” a term imported from informatics but yet compelling because it identifies something that is at the core of the self yet modifiable (with great effort). Unlike unchangeable DNA, it is indeed material amenable to be worked on through practices of the self. The “operative system” was slowly crafted through home upbringing and represents one’s conformist attitudes with one’s financial situation, which are indicative of a larger inclination for fear and dependence.

When he said that our financial position had to do with our education, David was referring to the financial education we receive at home: “How many of you, before you were twelve or so, had your parents telling you: ‘Now I’m going to teach you how to manage your money, because throughout your life, that’s what you’re going to do.’” No one raised a hand. This reference to family upbringing and its connection with conformity is not random. One’s upbringing is a crucial place to focus on to begin changing oneself into a successful subject capable of achieving financial freedom. During the introductions, Lorena, a twenty-five-year-old student and administrative employee, identified her family’s traditional idea of work as a motivation to prove them wrong: “I have a very structured family for whom working means sticking to a work schedule and receiving a paycheck at the end of the month, and I want to prove that that is not true and make money work for me.”

In fact, Kiyosaki’s most popular book actually takes the form of a family story. Part of David’s presentation was taken from the author’s own story about his two ‘dads,’ a contrast that allows him to represent two attitudes towards money, autonomy, and social mobility using two clear-cut characters.<sup>61</sup> Kiyosaki’s real father, the ‘poor dad,’ represents a social path of conformity with welfare society, someone who values security over freedom. He was a highly educated man who was the head of education of Hawai’i. He was also an employee who received a salary all his life and repeatedly advised his son to take the same path he took: study hard, get good grades so that you can find a good job with a good salary and good benefits. In contrast, his ‘rich dad,’ who was the father of his childhood friend, was a businessman who became his financial mentor. This adopted father represented the spirit of entrepreneurship and individualism. While fans still debate if the story of the two dads is real or fictional, it certainly offers a simple scheme to reflect the opposition between the quest for security and conformity and the quest for freedom and self-sufficiency.<sup>62</sup>

Examining what one’s parents taught one about money, or the fact that they did not teach one anything positive about it is the beginning of the knowledge of the self. I heard countless times, in multiple forms, stories about how parents failed to teach their children useful, real world knowledge about finances, besides having transmitted their own fearful financial mindset. Parenthood is so important in the narrative of financial freedom because the family is seen as a place in which people most easily succumb to the lure of security over freedom.<sup>63</sup> It is not surprising, then, that family is problematized in the financial self-

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<sup>61</sup> Kiyosaki and Lechter, *Rich Dad, Poor Dad*.

<sup>62</sup> Binkley, “The Work of Neoliberal Governmentality.”

<sup>63</sup> Jacques T. Godbout and Alain C. Caille, *The World of the Gift* (McGill-Queen’s University Press, 2000).

help discourse, since it restricts autonomy. In their well-intentioned concern for their children, parents consciously or unconsciously teach children to conform and not to strive for freedom, transmitting their fears and their own 'poor' mentality. In interviews and activities I attended, most participants with children said that they plan to teach or they are already teaching their own children differently than they were taught, giving their kids financial education and encouraging them to pursue financial freedom, start their own businesses, etc. David said that people with poor mindsets blame the obligations brought by children for not having made money while the rich have a commitment to freedom partly as a duty to their children. The sense of responsibility that parents have about their children is transformed into another reason to achieve freedom and abandon security.

Based on the ideas of Kiyosaki, David lectured the audience on the differences between the advice the rich give to their children and the advice the poor give theirs. "The poor work for their money, while the rich make their money work for them. The poor are motivated by fear and anxiety. And the rich? They are motivated by dreams. This is very important." David continued to present differences between rich and poor dads: "When it comes to money, [the poor dad said:] do what is the most secure. Don't take risks. And the rich dad said: when it comes to money, learn to manage risk." He interrupted himself, "Are you realizing what operative system you have?" David then stopped and said, "Hey, don't get distressed! We're trying to change the operative system. I see some faces that seem to say, 'I was programmed really badly!' Me too! I was terribly programmed! The important thing is that when I realize that there is an operative system and I see that the results aren't good, I can work on the operative system." Feeling bad about themselves when people are exposed to these ideas is a rather common reaction. Only an hour before, the previous speaker had asked participants if they had felt bad the first time they read *Rich Dad Poor Dad*, and most of them nodded in agreement. "I was very comfortable, working in a company...Thank God I dared to break with that job security; I felt bad realizing how comfortable I was...It sounds strange but I felt really horrible," the first speaker of the day shared. The sense of security and comfort that was not a problem before reading Kiyosaki, became something to be ashamed of.

Before they can identify the ethical substance, individuals have to recognize the need for it through the *mode d'assujettissement*, the way in which a subject is invited to recognize oneself as in need of ethical work.<sup>64</sup> The latter quote is illustrative in this regard. Whereas at first participants' struggles with money, dissatisfaction with their financial situation or boredom with employment appear as motivators for ethical work on the self, through participation in financial self-help activities they reinterpret instances of their lives in which not dissatisfaction but their *satisfaction* with work arrangements indicate the need to work on the self. They need to work on the self not just when they have failed financially but more importantly when they grew too comfortable with their non-entrepreneurial selves. As I showed in the previous sections, money is not really the goal, but a vehicle for ethical work on the self.

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<sup>64</sup> Foucault, *The History of Sexuality*, Vol. 2, 27; Foucault, "On the Genealogy of Ethics," 264.

David moved on to explain that consumption practices vary according to class. His message was that consumption practices are perfect expressions of the “operative system.” Just by looking at consumption practices, you could figure out if a person was poor, middle class, or rich. “The poor buy filling, the middle class buy commitments, and the rich buy assets,” the PowerPoint screen showed. David explained, “The poor receive an income and spend it on *filling*. What’s that? Filling is unnecessary items that were a great bargain! Say you have all the pennants of all the countries in your living room. When someone asks you why you have them, you say, ‘all of these...fifteen pesos.’” In a humorous and unpretentious way, David explained that the poor concentrate so much on finding bargains, that they spend much of their salary on worthless items that have one single benefit: they are cheap or on sale. Middle class families, in contrast, want to see themselves as rational spenders, different from the poor, but end up spending most of their income on ‘commitments.’ While they think that they are investing, they are just acquiring a “commitment cloud.” In fact, David argued, middle class families are usually even more strained than those of the poor. A new car, a bigger house, a better neighborhood, all these expenses bring an illusion of improvement, when in fact they drown people in more severe financial commitments that put them further from financial freedom. In other words, spending money can further conformity and fear instead of making one more autonomous internally and externally. The consumption pattern of the middle class pushes them to cling to the security of their paycheck. “The rich,” continued David while jokingly pointing to the speaker that presented before him, “receive income that maybe huge or not, but they invest that income in assets. Those assets generate income, which generate more income, which generate more income...and that’s the concept that Kiyosaki sows in his books.” Workshop participants had a chance to vividly experience what an asset is when they played the Cash-flow game later that day.

David went on to say that there are thoughts that determine feelings, which are in turn translated into results. The problem, he said, is that we only evaluate the results. We are angry about our current financial position, which is nothing more than the result of a process that started with our thoughts. Those thoughts are influenced by everyone we interact with, particularly family and close friends. He then asked participants to think of how much money their six closest acquaintances made. “The average of those six people determines how much you make,” David asserted. The idea that you have to reconfigure your social relations and start surrounding yourself with the kind of people that you want to be, is also very important in financial self-help. Many collective activities like the workshop David was conducting are held with this goal in mind. While in their everyday lives people usually find friends and family who are wary of these new ideas (particularly the family, because they tend to push for traditional mobility patterns like formal education and a stable job), at these events they find “positive” people who will encourage them to achieve financial freedom. Much of the collective life of financial self-help has the rationale of expanding one’s social world to make one’s conformist background less influential.

## Conclusion

Money is at the center of financial self-help. Participants talk about money, exchange ideas on what to do with it, try to meet investors for their business ideas, play a board game to simulate how they deal with it or attempt to control their wasteful expenses. Money, however is not as important as financial freedom. Money is a vehicle for shaping the self.

Borrowing Foucault's language, freedom and not money is the mode of subjectivation (*mode d'assujettissement*) in financial self-help. Money is the medium available for ethical work, while all the practices that enthusiasts go through, from reading a book or attending a seminar, to carefully recording one's expenses or buying stock are practices of the self, directed at attaining freedom, both from the dependence of a job and from the fear of taking risks. Financial freedom is defined in opposition to dependence. Our inclinations for dependence and security are recorded in what workshop speaker David defined as our "operative system," something not as rigid as DNA, but also not as volatile to be easily changed. Practitioners face the difficult task of overcoming years of family upbringing that imprinted notions of security, entitlement and trust in institutions.

Financial self-help practitioners soon learn that the way one behaves about money is seen as reflective of a certain relationship of the self to self. Money must become a vehicle to motivate an entrepreneurial self, for whom a job, regardless of its income, is a source of dependence and an inhibitor of our entrepreneurial qualities. Being uneasy about earning one's living in a salaried job is one of the sparks that prompt participant into activities in financial self-help. But even many who look back at their jobs regret the feelings of security or stability (if they were lucky) that it may have provided. As illustrated by the speaker who regretted his feelings of comfort while on a regular job, fans reject the soothing feeling of knowing that a secure job at least provides (if nothing else) a secure income. It is reframed as a trap that keeps you inside the "rat race." Income from a job and income from investments are framed as qualitatively different in financial self-help because each represents a different relationship of the individual with the world and with herself. One is freedom and the other is not, regardless of the actual number. Financial self-help is an ethical program for the transformation of the self that allows practitioners to work precisely on the looping between the "slavery" of the dependence on a job and "slavery from within." For practitioners, changing inside is as important as (and sometimes more important than) changing their class position. Of course, the work on the self involved in financial freedom requires quite some sacrifice. But that sacrifice is of a different nature than the sacrifice of going every day to a 9 to 5 job, because it is the sacrifice of a virtuous entrepreneurial self in the making, the only one worth pursuing.

The configuration of subjects in neoliberalism is often studied in state programs and top-down policies, but a great deal of it happens in everyday settings that are often overlooked by research on governmentality. Most important, much of that transformation into neoliberal subjectivities is undertaken by the subject themselves, making use of popular resources that seem far from the usual government programs of neoliberal reform. By allowing direct observation of and contact with those attempting to transform themselves,

ethnographic methods enable us to get a better grasp on the experience and challenge of becoming a neoliberal subject.

In the monthly meetings of financial self-help enthusiasts that Steve organized in New York, he encouraged people to take small steps in the world of business and investing. He always suggested starting with small deals, as the books and board game Cashflow suggested. Getting a business line of credit, working on repairing one's credit score, practicing looking for rental property online, or showing up for a Cashflow game, all of these activities meant pushing oneself out of the comfort zone. The point was not so much making money, but rather cultivating the internal freedom and entrepreneurial spirit that would eventually lead to money. "The fact that you tried makes you successful," he would repeat over and over. Trying means overcoming slavery from within. Every step in the world of investing is a step in changing oneself.

The question remains whether or not financial freedom is in line with what Foucault had in mind when he explored practices of the self in Greco-Roman cultures, Christianity and early modernity. First, there is a complicated dynamics between caring of oneself and caring for others, since "passive income" eventually involves profiting from the work of others (as stated frequently in these groups, *other people's money* and *other people's time*). Second, it is fairly clear that the ethical practices of financial self-help engage participants in an increasing web of self-discipline that ties them in larger power relations. After all, people engage with financial practices as a response to the macro economic conditions precisely brought about by neoliberal policies (including the flexibilization and de-stabilization of work). Financial freedom means liberation from alienated labor, but this liberation implies an increasing subjection to the rules of financial markets, which seldom provide a higher self-control of their lives, even with more "financial intelligence." Ultimately, financial self-help admits some of the same contradictions Cressida Heyes observes in other contemporary practices of the self, like dieting clubs, in which "the growth of capabilities occurs in tandem with the intensification of power relations."<sup>65</sup> The refusal to accept salaried labor as a means to freedom is almost subversive to pervasive recommendations of upward mobility through the workplace (i.e. accumulating human capital). Unlike the theory of human capital, not all investments are the same. Yet, the prescriptions to escape the labor trap are fully aligned with neoliberalism. The paradox of neoliberalism is, as put by Nikolas Rose, that government is exerted through freedom, and by exhorting individuals to become entrepreneur of themselves and shape themselves through choices and investments.<sup>66</sup> Financial self-help offers a space for knowledge of the self and work on the self in which freedom is defined in narrow terms. As Trent Hamann puts it, "freedom is shaped, conditioned, and constrained within a form of subjectification characterized by increasing competition and social insecurity. It is an apparatus that produces only certain kinds of freedom understood in terms of a specific notion of self-interest, while effectively preempting other possible kinds of freedom and forms of self-interest (including various collective, communal, and

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<sup>65</sup> Heyes, "Foucault Goes to Weight Watchers," 126.

<sup>66</sup> Rose, *Powers of Freedom: Reframing Political Thought*.

public forms of self-interest) that necessarily appear as impolitic, unprofitable, inexpedient and the like.”<sup>67</sup> The idea of freedom in financial self-help not only poses challenges and frustrations for participants and links them to an ever increasing web of financial markets, it also privileges one idea of freedom over others.

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<sup>67</sup> Trent H. Hamann, “Neoliberalism, Governmentality, and Ethics,” *Foucault Studies*, no. 6 (2009), 51.