

Economics from the Top Down

new ideas in economics and the social sciences

Red Team Blues: Cory Doctorow's Anti-Finance Thriller

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I still remember when I first encountered Cory Doctorow's writing. After an internet rabbit hole, I landed on his post [‘Ford patents plutocratic lane-changes’](#). Man, it made me laugh.

Here was a sci-fi writer describing a (real) Ford patent that would monetize the right to change lanes. Is Ford paving the way to a plutocratic hell? Yep, Doctorow says, pointing out that he imagined this situation in his novel [Walkaway](#):

I would say “You can’t make this shit up,” except that I make this shit up for a living, but – and I can’t repeat this often enough – as a warning, not a suggestion.

What blew me away was how Doctorow weaved together blistering social criticism with a firm understanding of the dumpster fire we call ‘mainstream economics’. It’s not something you see often. And so I bookmarked Doctorow’s blog [Pluralistic](#), and have read it fervently ever since.

I’ve also started reading Doctorow’s fiction, and just finished his newest book [Red Team Blues](#). It’s a fascinating take on the noir detective novel, told through the eyes of Martin Hench, an aging forensic accountant who’s made his beat solving financial crimes in Silicon Valley.

Let's stop right there. Who writes a detective novel about a *forensic accountant*? Cory Doctorow, of course. And I'm glad he did, because it's a great way to explore the two sides of crime. As Marty Hench gets neck deep in underworld brutality, his confidant reminds him that the violence is simply a tactic. The real business model is financial crime:

Finance crime is a necessary component of violent crime. Even the most devoted sadist needs a business model, or he will have to get a real job.

What a great segue to some data. (Yes, I'm writing a book review with charts!) In the real world, it turns out that violence is intimately connected to plutocracy. Figure 1 tells the story. As countries become more plutocratic, do you know what goes up? *Murders*.

With this pluto-murder pattern, we have a formula for constructing the noir world. It's a society in the top right corner — a place that is massively plutocratic and incredibly violent. *Blade Runner* is probably the most extreme depiction — a cyberpunk world with grimy, crime-infested streets, overlooked by the brutal opulence of the [Tyrell Corporation pyramid](#).

Now, the problem with your standard noir detective is that their storyline is often one dimensional. The detective solves violent crimes, and so delves into the murder axis of Figure 1. But they leave the plutocratic axis as a kind of background tableau. In other words, the detective navigates a violently unequal world, but with no idea how that world came to exist.

And that's why *Red Team Blues* is such an interesting twist on the detective novel. As his case unfolds, Marty Hench gets embroiled in gripping street-level crime. But as a forensic accountant, Hench also has his eye on plutocratic crime — the kind you perpetrate with a fountain pen, not a six-gun (as Woody Guthrie sang).

The result is a fast-paced novel that offers a compelling criticism of plutocratic America. It's a place, Hench observes, where “tax evasion by the extreme wealthy is (at worst) a slightly sordid sport and (at best) the very purest form of free enterprise”.

Doctorow nails it here. Have you ever noticed how the corporate media is obsessed with government corruption, but mostly mute on *corporate* corruption? There's a reason for that. In modern America, corporate corruption is just the free market in action. And that's the main lesson of plutocracy: when plutocrats write the rules, their behavior is automatically legal.

Back to Marty Hensch. What makes noir detectives seductive is that they operate outside the normal rules. For your average noir cop, that means bending the rules of policing. For Marty Hensch, it means being a kind of uber IRS agent who gets to work in ‘sneaky ways that aren’t available to the taxman’.

From Hensch’s vantage point, we get a fascinating window into elite crime. Take, for example, the common perception that ‘offshoring’ money means hiding it in some numbered Swiss bank account. Not true, says Hensch. Tax-evading elites don’t want to park their money. They want to *invest* it. That’s the real purpose of ‘offshoring’ money — to launder it into lucrative, tax-free investments that are very much ‘onshore’. Hensch explains:

All that offshore money is all around you, doing socially useless things, making the idle rich even richer.

And it’s not like these financial crimes are innocuous. They’re the necessary corollary of violent crime:

For those whose wealth comes from bone-hard work, like flaying drug snitches alive and dangling their bodies from a bridge in Chiapas, this system is even better, because it didn’t just protect the beneficial owners from taxation—it’s the only reason they got to keep their money in the first place.

Well said.



Reading *Red Team Blues* got me thinking about how science fiction offers a hyperbolic take on real-world problems. The genre of cyberpunk is a good example.

What prompted writers to imagine societies with a strange mix of high tech and social decay? And why did this genre become popular in the 1980s?

Hmm.

Could it be because the 1980s were a weird decade — a period when computers spread, yet Americans embarked on a project of mass incarceration?

Naw, if that were true, the popularity of the word ‘cyberpunk’ would mirror incarceration rates. Oh wait . . . it does.¹

¹If you’re interested in the political economy of mass incarceration, check out Bichler and Nitzan’s paper [‘No Way Out: Crime, Punishment and the Capitalization of Power’](#).

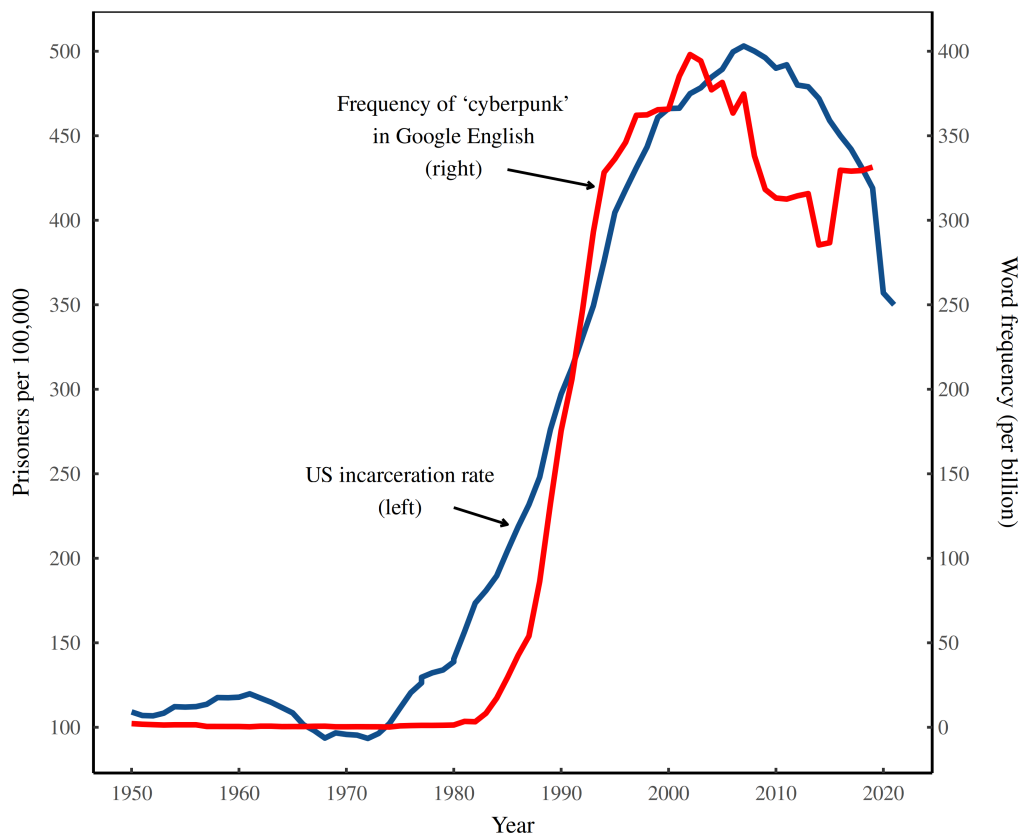


Figure 2: Was the US prison state the inspiration for cyberpunk?

The term ‘cyberpunk’ (which describes a genre of dystopian science fiction) became popular in tandem with mass incarceration in the US. It’s probably not a coincidence. [Sources and methods](#)

Speaking of cyberpunk, Doctorow [calls](#) *Red Team Blues* a post-cyberpunk, anti-finance finance thriller. In my mind, here’s what that means.

You’re typical cyberpunk fiction takes today’s plutocracy and extrapolates it into the future. It’s a fun exercise in inequality porn, but it doesn’t really tell us *how* we got to this future hell. What Doctorow’s doing is different. He’s starting with today’s (less spectacular) hell, and using fiction to look at its foundations. And of course, those foundations are finance — the hand of capitalist power.

On that front, *Red Team Blues* is the story of Marty Hench’s *last* job. In Doctorow’s follow-up book *The Bezzle*, he’ll explore Hench’s past, circa 2006. Given that it was around this time that the US incarceration rate peaked, it’s fitting that the book is [billed](#) as “a seething rebuke of the privatized prison system”. I can’t wait to read it.



The problem with finance (and financial crime) is that it's more consequential than violent crime, and yet far more boring.²

Perhaps that's its secret. If you can't tell a good story about something, it's hard to get the average person to care about it. Sure, their lives may be worsened in direct proportion to how fast Goldman Sachs loots the world. But put a camera inside Goldman Sachs, and all you'll see is pencil pushers. Exciting it is not.

And really, that's how we got to our current predicament. Elites looted the world while telling stories about how they were tough on crime. It worked because *their* kind of crime stayed invisible.

With characters like Marty Hensch, I'm hoping we get a new genre of fiction that explores plutocratic crime, making the machinations of corporate power both sexy and despicable. In the 1980s, greed was good. Doctorow is telling stories about where that got us (and by extension, how to get out it).

So do yourself a favor and read *Red Team Blues*. Or like me, listen to the [audiobook](#) narrated by Wil Wheaton. It's both captivating and DRM free. What could be better?

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Sources and methods

Figure 1

- Murder rates by country: data is from the [World Population Review](#)
- Top 1% income share: data is from the [World Inequality Database](#), series sptincj992 (using the most recently available data in each country)

²OK, if we include war in the category of violent crime, then it trumps financial crime. But then again, how are wars financed?

Figure 2

- Word frequency data is from the 2019 Google English corpus, downloaded with the excellent R package [ngramr](#)
- US imprisonment:
 - 1925 to 1979: Sourcebook of Criminal Justice Statistics Online, [Table 6.28.2009](#)
 - 1980 to 2010: Sourcebook of Criminal Justice Statistics Online, [Table 6.1.2010](#)
 - 2011 to 2021: Bureau of Justice Statistics, [Prisoners in 2021 – Statistical Tables](#) (specifically, table p21stt05)
- US population:
 - 1925 to 1958: Angus Maddison, [Historical Statistics of the World Economy](#)
 - 1959 to 2021: FRED, series [POPTHM](#)