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Abstract:

The expansion of global financial flows in the last forty years has sparked many debates about the relation between stats and non-state financial institutions. This presentation proposes to use the methods and theories of the anthropology and the sociology of finance to explore, through a concrete case, how states are challenged, produced and transformed by everyday practices of professionals of the global financial industry. Based on interviews in cross-border investment in Beijing, Hong Kong and Shanghai, and participant observation with a team of consultants in mergers and acquisitions between Europe and China for ten months in Shanghai, the study highlights the multiple imaginaries and practices of the state in concrete transactions and in the consultancy's development strategy. On the one hand, the state was a client in several transactions, making the consultants act effectively as state agents. On the other hand, the state was understood through its effects on economic growth through economic policy, from which actors tried to profit, thereby also enhancing or countering state policies. This implied, in the case of China, explorations about the complex role of the Communist Party in state actions. Thirdly, professionals navigated and manipulated in different ways the legal and tax frameworks of the states in which transactions were based and on which the stability of contracts depended. Finally, professionals also made sense of their relation to states, in their professional and non-professional lives, as citizens with varied relations to national identity. In these practices, financial professionals developed multiple, sometimes contradictory or disconnected understandings of state sovereignty and legitimacy. This analysis can thus contribute to analyze the multiple processes whereby states and global financial practices transform each other and evolve together.

Imaginaries of the state in global finance: a case study of cross-border investment in Shanghai

The increase in global financial flows in the last forty years has sparked many debates about the relation between states and non-state financial institutions. This presentation proposes to use the methods and theories of the anthropology and the sociology of finance to explore, through a concrete case, how states are challenged, produced and transformed by everyday practices of professionals of the global financial industry. The paper is based in particular on participant observation with a team of consultants in mergers and acquisitions between Europe and China, Merge Consulting[1], in Shanghai, for ten months between 2015 and 2016, and on around 50 interviews with people working in cross-border investment in

[1] In order to preserve the anonymity of the people I observed, all names of persons, companies and places, except Shanghai, have been changed.

Beijing, Hong Kong and Shanghai, between 2011 and the present[2]. Merge Consulting was composed of ten members, two of whom lived in Shanghai, and the rest, including the four associates, living in Western Europe.

For the members of Merge Consulting, on the one hand, the state was a client in several transactions, making the consultants act effectively as state agents. On the other hand, the state was understood through its effects on economic growth through economic policy, from which actors tried to profit, thereby also enhancing or countering state policies. This implied, in the case of China, explorations about the complex role of the Communist Party in state actions. Thirdly, professionals navigated and manipulated in different ways the legal and tax frameworks of the states in which transactions were based and on which the stability of contracts depended. Finally, professionals also made sense of their relation to states, in their professional and non-professional lives, as citizens with varied relations to national identity. In these practices, financial professionals developed multiple, sometimes contradictory or disconnected understandings of state sovereignty and legitimacy. The study highlights the multiple imaginaries and practices of the state in concrete transactions and in the consultancy's development strategy. This multiplicity poses important questions about how to understand the state as a research object and how to understand global financial flows as a political process. This analysis hopes thus to contribute to analyzing the multiple processes whereby states and global financial practices transform each other and evolve together.

The theoretical approach adopted here is not to start with a particular definition of the state, but to analyze the state through the practices that constitute it. The state is thus not understood as an analytic unit – such as is presupposed in analytic distinctions between states and markets, states and finance or state and civil society – but as a shifting combination of multiple meanings and practices. As organizations, states are composed of multiple levels of administration and responsibility (such as municipal, provincial, etc.), multiple agencies with different and sometimes contradictory aims (such as ministries, state-owned companies, etc.) and employees may have very different ideas of what legitimizes their action as public servants. Yet practitioners themselves, may make sense of it as a unity, even if its concrete definition may remain vague and shifting (Sharma & Gupta, 2009). This kind of approach highlights therefore that the state is also produced by the everyday practices of people who do not officially belong to it as state employees. This is so not only because, as Weber highlighted, the existence of a state is premised on some form of support or acceptance of its attempt to monopolize the use of physical violence (Weber, 1978), be it in the name of the representation of the people, the nation or other such collective identity or ideal (Anderson, 1983), but also because many ways in which the state has effects depend on them being practiced by people who are not employed by it, for instance the activation of economic policies, the reproduction of national or otherwise stately symbols, or the putting in motion of the legal framework (Abélès, 1990; Das & Pool, 2004). This is also the case for the boundaries between states, which, as we will see in the case of Merge Consulting, were transformed, erased and produced in daily practices (Gupta & Ferguson, 1992; Donnan & Wilson, 1999). In the case of the Chinese state, the importance of the Communist Party is part of this multiplicity. This implies that, analytically, one cannot start with a clear definition of what would be an "inside" and an "outside" of the state, with clear boundaries separating them, but one must look at the ways in which these boundaries are produced or not.

This paper proposes to understand the global financial industry as a political institution, due to the fact that it collects, produces and distributes monetary resources in a way that strongly affects the production and transformation of social hierarchies (Balandier, 1967, Hart & Ortiz, 2014; Ortiz, 2014). The organizational fragmentation of the financial

[2] The analysis presented here also benefited from longer-term research on the financial industry in New York and Paris, between 2002 and 2005, and on financial education in Paris and Shanghai, between 2009 and 2014.

industry makes it even less homogeneous than states as an analytic concept. Nevertheless, in varying ways stately regulations tend to confirm this role in the production of social hierarchies for banks, insurance companies, investment funds, brokerage houses, rating agencies and other financial companies, often legitimizing it through some variation of neoclassical economics discourse about the importance of markets for an optimal allocation of resources[3]. Yet, as many empirical analyses have shown, the everyday practices of the financial industry are far from the ideal of open exchange arenas where owners of the money would exchange freely for their personal maximization of returns. This is a bureaucratic commercial network, where most transactions are carried out by employees who work for a bonus and a salary, applying standardized procedures of valuation and investment that are imposed on them by contractual and professional rules, with relations of competition, hierarchy and cooperation, between them and between companies (Abolafia, 1996; Godechot, 2016; Ho, 2009; Montagne & Ortiz, 2013 Zaloom, 2006). It is therefore important to look into the concrete practices of valuation and investment in order to understand how the monetary resources are distributed, and how the social effects of that distribution are legitimized for those who carry them out.

Studying the way in which the practices of valuation and investment in the financial industry are also practices of the state, is thus important to see how states and global finance are partly constituted together, without presupposing that they are homogenous and separate entities, but attending to the multiple ways in which practices contribute to the creation of social hierarchies in a global space. Foucault's understanding of power relations as distributed in all interactions, but also susceptible of "crystalizing" in attempts at centralization (1976), with the production of differentials in capacity to act (1975) that may be sustained through time and place, is particularly helpful to define what is political in this context. This is also captured by Deuleuze and Guattari's notion of assemblage, stressing the aspect of multiplicity above the binary character of the state, as molar and molecular, that they propose in part of their analysis (Abélès & Badaro, 2015; Deleuze & Guattari, 1980). The paper thus proposes to study the assemblage of stately and financial practices in everyday operations, as a way to question the politics of monetary distribution by the global financial industry. The paper will first explore the multiplicity of stately practices, in order to explore some of their assemblages in a last concluding section.

Multiple practices of the state

Most of the around 3 million euros of yearly sales of Merge Consulting came from its activities as intermediary in mergers and acquisitions, whereby owners or managers trying to buy or sell a company or some of its subsidiaries would pay for their services to find a buyer or a seller. Merge Consulting would be paid according to the completion of specified objectives, in particular finding a counterparty, signing an initial non-disclosure agreement (NDA) for both parties to exchange information, signing a memorandum of understanding (MOU) which would lead to all information being disclosed and a price negotiated and, finally, signing and rendering effective the purchase contract. The intermediary objectives before closing a deal would be paid as fixed amounts, considered as "operating fees", while the final payment, called a "success fee", would be around 3 to 5 percent of the price of the transaction. While operating fees could be spread over a period of several months to one or two years, amounting sometimes to around 100,000 euros, the sale of a company for 20 million euros would lead to 600,000 euros paid for a 3% fee, in one installment. According to

[3] See for instance (Krippner, 2011) for the United States, (Abdelal, 2007) for Europe, (Hertz, 1998) for China, (Amyx, 2004) for Japan, (Müller, 2006) for Brazil, (Reddy, 2009) for India.

members of Merge Consulting, less than half of the transactions initiated would reach completion, a proportion repeated to me in interviews with other professionals. This fee structure was understood, officially, as putting in the same line the interests of the consultancy and those of its clients. Besides these activities, Merge Consulting also worked as representative for different types of clients, including public administrations.

What follows is a preliminary presentation of the multiple practices of the state observed during participant observation with Merge Consulting. There are seven sections, concerning the role of the state as: counterparty in transactions; partner in operations; client to which services are sold; tax and legal regulations; source of economic policy in very different forms; source of corruption and capacity to go beyond the law; the state in relation to national and cultural identities.

The state as counterparty

In some of these transactions in Shanghai, the Chinese state appeared as a direct counterparty. Most of Merge Consulting's clients were small and medium enterprises based in Western Europe, looking for a buyer either of the whole company or of a part of it. My observations occurred between 2015 and 2016, at a time when the Chinese central government had launched the movement of "going out", inciting Chinese companies to purchase companies abroad. This was the year when outbound FDI in China started to equal inbound FDI, which had previously been notoriously predominant. For some of its clients, Merge Consulting's team in Shanghai, composed of Vicky, Chinese citizen in her early 30s, Peter, of Western Europan citizenship, in his early 40s, and eventually me, replacing Peter, looked for Chinese stated-owned enterprises that could be interested in purchasing what our clients were trying to sell. This could involve searching online for companies in particular sectors, but also meeting with them to introduce them the clients. One of our client companies, Melma, a small enterprise proposing environmentally friendly waste disposal technologies for buildings, was thus presented to a major construction company, state-owned, which could have potentially integrated these technologies in its operations. The explicit understanding of doing this was that since it was state-owned, it was under pressure to show that it was indeed "going out" by purchasing high technology from Europe, and also that this technology could be sold better than others, because it corresponded to the increasing push by central government to adopt technologies that were good for the environment. For the members of Merge Consulting, this implied explaining to the clients the macroeconomic transformations in China, the current policies for outbound FDI, and the career prospects of the members of the Communist Party that directed the company and could find an interest in conducting the transaction, all factors that would affect price, timing, and the possibility of completing the deal at all.

Merge Consulting could also work for state-owned actors in Western Europe. We were thus approached by a mayor of a small city that was looking for investors for the construction of a sports facility. The facility would belong to the state, but its proceeds would be tied by a fixed income security that the client hoped to sell to Chinese investors. In this case, looking for potential buyers of the bond in China meant explaining to them the reliability of their potential counterparty, the independence of the transaction from the fact that the mayor could lose his job after the next election, and the role of the state in developing public services in this particular country.

In these cases, particular segments of state administration were participants to the transactions either as buyers or sellers. The financial methods of calculation of the value of the asset, for instance by discounting future cash flows, comparing to similar transactions of listed or non-listed companies, and comparing to greenfield investment, implied also taking

into account the link between profits to be expected and public policy and between management of the unit bought or sold and political careers, with sometimes strong variations between Western Europe and China.

The state as client for other services

Besides its work as an intermediary in merger and acquisition transactions, Merge Consulting had signed contracts to work as a service provider with two municipalities, Zhongzhen in China, and Villagiund in Western Europe. In both cases, the range of services was quite open, and shifted with time. For Villagiund, Merge Consulting was expected to create connections with public administrations and companies in China that could have an interest in establishing political and economic relations with either the municipal authorities or companies established in the territory under its jurisdiction. During my observations, an official event was thus organized in Villagiund, where the ambassador of China for the country came to participate in ceremonies bringing together companies from China and from the city. This event played a role in the development of transactions, but also in the political career of the people leading the municipality, who expected to be able to use it as part of their election campaigns in the future, as proof that they worked for the economic wellbeing of the inhabitants of the city. For Zhongzhen, Merge Consulting was expected to contribute to the establishment of Western European companies in their Special Economic Zone (SEZ), where tax rebates and a focus on infrastructure for high technologies was supposed to contribute to central government's directives for economic transformation, and hence for the career of the mayor and his team, within the administration and within the Communist Party. The project to sell Melma, for instance, involved establishing its operations in the SEZ of Zhongzhen.

Merge Consulting were also trying to develop other forms services for public administrations. As one of their members had a PhD in economics and connections to the academic world, they hoped to establish joint ventures for academic activities between universities in Western Europe and China. They also explored possibilities with different municipalities, trying to replicate what they were already doing with Zhongzhen and Villagiund. In this, they were not alone. The event organized in Villagiund was only in part the result of their work. Other consultants in M&A in China had also worked for Villagiund for this project, and Merge Consulting's partners explained that they were being put in competition by the municipality, which increased the pressure to give it more services at lower prices.

The members of Merge Consulting could thus work for public administrations not only in their official capacity as experts for transactions between companies, but also as representatives of broader interests of public administrations, thereby participating more broadly and structurally in the development of public policy at the municipal level and, thereby, at the national level. This connected with the broader kinds of relations that Merge Consulting could develop with these public administrations.

The state as partner

Besides the activities where public administrations and state-owned companies either paid for the Merge Consulting's services or worked as part of a transaction, the members of the consultancy tried to maintain regular contact with them. This involved attending official meetings, participating in personal meetings and in general staying alert for potential partnerships. In particular, the contacts that the consultancy had with people in the public administrations like the municipalities of Villagiund and Zhongzhen could provide them with potential clients or with potential counterparties for a transaction for a client. The

municipality of Villagiund would thus recommend the services of Merge Consulting to small and medium enterprises based on its territory, and the municipality of Zhongzhen could open its connection with companies, state-owned or not, that could purchase them. The potential purchasers of Pituco, for instance, had been contacted through the municipality of Zhongzhen. While the municipality could gain directly from this contact, if the transaction was completed and the joint venture established in its SEZ, it did not obtain fees from the transaction, which could have taken other forms, such as an agreement for Pituco to provide services without needing to establish a joint venture.

In all these relations, it was considered by the members of Merge Consulting that the contacts were made with the understanding of long-term partnerships, in which not all exchanges, services or favors were monetized, as long as they corresponded to the general interests of the parties involved. These interests, while they had to have a monetary meaning at least abstractly in the future, implied also, at the same time, the rationales of the political and administrative careers of the people working for the public administrations, to which part of the future development of Merge Consulting was thus intimately tied, but in ways that could not be totally defined in advance.

The state as tax and legal framework

Merger and acquisition transactions involve the signing of many contracts through time. These contracts have standardized forms that form a basis for changes and additions according to the demands of each side of the transaction. A major concern at the beginning of the transaction is the disclosure of information that could be used by the counterparty. During the ten months I participated in Merge Consulting activities, I was able to observe the completion of a transaction whereby a big chemical company based in China, Alpha, purchased a small subsidiary, Bolbus, of a mid-sized European company Calcus (Ortiz, 2017a). Bolbus produced molecules and devices allowing for using them as medical products. These products corresponded to the kinds produced by Alpha but, according to all parties, they were of higher quality, which would have helped the China-based company to acquire higher technology and to broaden the spectrum of its commercial offer. Part of the production for Bolbus was based in China. Mr. Hecks, the manager of Bolbus, of European citizenship and who had worked in China for several decades, owned himself a company that sold important components to Bolbus, and was adamant about not showing these facilities until the very last stages. A concern was that counterparties could see the technology and try to copy it, without needing to purchase the company. These kinds of concerns were common in other deals. Disclosing technical aspects of the operations of the selling or buying company was considered as both necessary, to attract the interest of the the counterparty, and dangerous, as it could expose a commercial strategy that could be copied, countered or used in any other way that could be detrimental to the disclosing party. Contracts thus involved long clauses on confidentiality that were supposed to protect both sides of the transaction.

A second major element of the legal framework consisted in the protection of the transfer of property when the transaction was settled. In the case of Bolbus, both the owners of Calcus and the representatives of Alpha, which was listed in Shanghai and whose majority shareholder was Monatu, an investment fund based in another Asian jurisdiction, insisted that the contract be drafted so that the applicable law would be that of the European jurisdiction where Calcus was based. The explicit rationale from both sides was that they considered that judges were more independent from political authority and corruption in Europe than in China, and therefore the contract would be more easily enforceable in case of dispute. This mattered to all parties since the contract implied that Mr. Hecks would remain manager of Bolbus after it was sold, and would continue to provide it with the components it was selling

to it so far. The stability of these roles was considered crucial for the continuity of Bolbus' operations, and was established in the contract.

Finally, a very important component of the purchase contract involved tax issues. As many of these transactions in China, it was conducted through shell companies in Hong Kong, which provided lower taxes but still preferential treatment for companies based in Mainland China. The constitution of Hong Kong as a tax haven for these kinds of transaction is part of the way in which the former British colony as been integrated in the global commercial opening of China, as a gateway and port of entry for many financial operations. Using Hong Kong jurisdiction for tax purposes was thus an obvious choice for all parties.

What is important to remark is that different parts of the legal frameworks of Mainland China, Hong Kong and Europe were considered as constrains or possibilities among which the parties to the transaction could try to chose, in order to calibrate different interests, opinions and commercial allegiances.

The state as economic policy

When I first met John, one of the associates of Merge Consulting, we engaged in general conversation as he was taking me from the airport to the company's offices in Villagiund. He explained that Europe was being flooded with immigrants and that economic stagnation was due to the state's excessive presence in economic life. These somewhat mainstream conservative views about the state in Europe combined with a different discourse about China. Merge Consulting's development in China had started in the early 2010s. They hired Peter in Shanghai a few years before I met him, in order to find potential buyers and sellers for European counterparts. Their understanding was that strong economic growth would continue, and that their strategy had to focus on the sectors and tendencies favored by central government. Thus, at the time of my observations, they remarked that the crackdown on corruption made it very difficult to help European luxury brands to find buyers in China, since luxury items were associated with corruption. On the other hand, the "rebalancing" of the economy from exports and investment towards internal consumption, combined with the push to "go out" for FDI, meant that sectors like health, education, tourism and environmentally friendly technologies would find buyers more easily. This implied different meanings for state's economic policy in China and Europe. John also considered that Europe could learn to deal with "terrorists" from China's policy in Xinjiang. Yet, what he took to be an exemplary display of sovereign force in that case did not translate into considering that Europe had to follow the Chinese Communist Party when it came to economic policy.

This tension was reinforced during the year 2015 due to event in the Shanghai and Shenzhen stock markets. In order to sell Bolbus, Merge Consulting had conducted the standardized methods of valuation, which put discounted cash flow analysis at the forefront. Yet, as many other professionals in M&A, Private Equity and Venture Capital explained to me, Chinese counterparties tended to prefer evaluating the deals through relative valuation, i.e. comparing the price of the company not to the theoretical discounted monetary value of future cashflows, but to the price of similar companies in the present, whether listed in stock exchanges or not (Ortiz, 2017b). In the case of Bolbus, the price of 15 million euros agreed on by Calcus with Merge Consulting seemed cheap to the major shareholder of Alpha, since it was lower than the price of similar companies in the Chinese stock exchanges. Purchasing Bolbus at that price would be considered a bargain, which should increase the stock price of Alpha and hence the monetary value of the portfolio of Monatu. This was in the context of a steady stock price in Shanghai and Shenzhen stock markets since the beginning of 2014. According to John, the "bubble" in Chinese stock markets was helping the transaction. Yet, a sharp stock price collapse started in the summer of 2015. This put the operation in danger, as

the 15 million looked relatively more expensive. In order to stem the collapse of prices, which was threatening the savings of middle classes, the central government set up a combination of investment funds, dubbed the "national team", which purchased around 200 billion USD in a period of weeks, to keep the prices from falling and to send the message that short-selling speculation would not succeed. This was accompanied by new rules restricting operations that could lower prices, and strong governmental discourse about the strategy of not letting prices fall. Eventually, the drop stopped, leaving prices well below their peak of a few weeks earlier, but still well above those of early 2014, i.e. not wiping the gains of longer-term buyers. The government discourse insisted on the need to stop price collapse in order to maintain stability and also because it corresponded to market inefficiencies, since it did not reflect the growth of the economy. Merge Consulting's fees were thus saved by strong governmental intervention in stock prices. John expressed mixed feelings, explaining that it had been good for the company, although the method was not the one he most favored in principle.

The state seen as a source of economic policy could be either criticized or on the contrary praised and accompanied. This was experienced in a partly contradictory way, as different states were judged according to different standards, which also connected to the prospects of development for Merge Consulting's activities. Reaching a paroxysm in the case of the purchase of stocks by the Chinese state, the labile character of the concept of market efficiency, and the way the Chinese government used it to justify its actions helped to render the ambivalence less contradictory.

The state as potentially above the law

When Merge Consulting had not yet found a definitive buyer for Bolbus, we accompanied Mr Hecks to meet the representatives of Monatu and of a state-owned investment fund, who presented us the CEO of a listed chemical company of which the fund was a major shareholder. While Mr Hecks spoke for hours to the representatives of Monatu, eventually disclosing that part of Bolbus' technology came from his own company, established in China, he did not speak about this to the other potential buyer. He later explained that after working for more than thirty years in China, he considered that disclosing even the existence of his company to such a big state-owned investment fund exposed him to the possibility that the fund send people to find the factory, hire part of its engineers and copy the technology. Even if this would amount to intellectual property theft according to Chinese law, he said, no judge in China would dare go against the interest of a big financial state-owned actor, since both the judge and the representatives of the fund were members of the Chinese Communist Party and would not play against each other to favor a small company like his.

After the sale of Bolbus was agreed, Alpha needed the approval of the Ministry of Commerce to pay for the transaction by transferring funds from its bank accounts based in Mainland China to Hong Kong, from where they could be then transferred to Western Europe. This added a few more weeks to the completion of the transaction, which the associates of Merge Consulting had not anticipated. It also entailed the risk that the ministry refuse the transaction altogether. In an exchange with Vicky and I, Jack, one of the associates, exclaimed that he found Monatu's argument that all they could was to wait "unacceptable." He considered since the "national team" had also purchased stocks of Alpha, the company was part of "the system," and should be able to mobilize its newly acquired connections within the Communist Party to make the administration go faster and in the right direction. While Vicky and I immediately considered that this interpretation was not correct, the associates considered that the argument was a legitimate way to put pressure on the counterparty.

These two examples show that what could appear as a danger in the case of Mr Hecks assets, i.e. the capacity of state-owned actors to go beyond the law, was not used as a potential opportunity to secure profits, not in the name of market efficiency, as when the "national team" bought stocks, but in the name of outright illegality.

States and national and cultural identities

The members of Merge Consulting regularly expressed their belonging to a national or cultural imagined community, such as being "Western", "Chinese" or some European citizenship. These expressions had often a direct link to the operations of the company, as part of its marketing discourse was to claim that there existed "cultural" differences between "China" and "the West", and that the "mixed" composition of the company, in particular the presence of Vicky, ensured that these differences could be bridged in a way that clients could not do by themselves. These tensions also played within the company, as ways to legitimize or attack each other in the distribution of responsibilities, salaries and bonuses.

The concrete definition of what it would mean to be "Chinese" or "Western" depended on the person and the situation, and the content of these categories was labile, shifting and sometimes contradictory. Vicky expressed clearly that she was Chinese and would only live in China, where she had a partner, family and friends. But she was as adamant about the fact that she would not work for a Chinese company, because she did not like the "culture" in them, in particular the fact that as a young woman without an elite education, she would be discriminated against by older male directors. Merge Consulting associates had on the contrary let her expect that, upon completion of further deals, she could become an associate of the company herself. What this example among others show is that the national or cultural identification could be mobilized to make sense and legitimize a situation, even if the concrete description of what is "Chinese" and "Western" in this case could be used to describe the opposite in other cases.

The relation between national or cultural identity and states was not explicit in the observations I could carry out. Although on the one hand states in China and Western Europe are central organizations for the dissemination of discourses about national and cultural identity, this was not systematically put forward by the people I observed. At the same time, this could be observed in the moments were ideas of financial globalization were put forward. In interviews, some practitioners considered that financial globalization would be blocked by the confrontation between "China" and the "West", others claimed that one side would be conquered by the other, and finally some, like some of the members of Merge Consulting, claimed that the future was going to result from a mixture, a "hybrid" which associates of Merge Consulting took their company to embody. Geopolitical confrontation was thus mixed with national and cultural identifications to imagine the future of global finance in shifting and labile ways.

Conclusion: political assemblages of states and global finance

In everyday operations, the members of Merge Consulting and the people interacting with them could practice and make sense of the state as a client, as a partner, a source of economic policy, a legal frame, a force that could act above the law, and an institution relating to national and cultural identities. These meanings and practices related to the way in which financial practitioners carried out valuation and investment practices, and where hence constitutive of the way in which monetary resources were distributed. This distribution, in turn, was part of the way in which state policies, images and legitimacies were produced,

appropriated and transformed, by people who were not explicitly state employees. Thus, with the sale of Bolbus, members of Merge Consulting were partly operating with a company that, after the actions of the "national team", was partly state-owned. They were also contributing to the application of the state policy of the Chinese government, rendering the shift towards outbound FDI and the "rebalancing" of the economy possible. They played different legal frames, respecting them and activating some of their most explicitly purposeful clauses, while avoiding others. They contributed to stabilizing the narratives of the Chinese state potentially above its own laws, as well as narratives about national and cultural identity that related to global process of relations between states.

The concept of "assemblage" developed by Deleuze and Guattari, or the notion of "power" proposed by Foucault in the first volume of the *History of Sexuality* allow for formalizing the complexity of the relation between these different ways of practicing the state. On the one hand, the seven threads (there could be more) I explore do not have a direct causal relation with each other, although some are more related than others. On the other hand, in concrete practices many of these threads come together in ways that make them indistinguishable. In the sale of Melma, the state was at once a counterparty, a partner, a client for non financial services, and a source of economic policy. In the negotiation of the price of Bolbus after the collapse of stock prices, the state was at once a source of economic policy, an actor that could break the rules, and potentially a counterparty. In both cases, the connection between states, geopolitics and national and cultural identification played at different moments different roles to make sense of tensions and misunderstandings, among others.

This implies that the state must be conceptualized through the multiple, partly disconnected practices that make it, but seeing how these threads, although sometimes separate and separable, can also be interconnected to the point of being indistinguishable. In the repetitive character of everyday practice, these connections, disconnections and reconnections between the threads make them interdependent, even whey they are not mobilized, but in a way that they do not constitute a consistent unity, "the" state.

Thus, the state appears as different processes, with different power relations and legitimacies, which play different roles in the distribution of resources by the financial industry. At the same time, the multiplicity and labile character of the practices and meanings of the state is also marked, in the examples studied here, by limits of what the state must or cannot be. Legal frameworks, national identities, economic policies, with their specific narratives, are thus constitutive of the politics of monetary distribution of the financial industry in a global space. This may transform states as compared to times and spaces where the financial industry is not prevalent in monetary distribution, but it means that states remain crucial practical and imaginary components of global finance.

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