Fractals of the Self

Subject, Object, and the Trader's Mind in the Age of AI

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Part 1: Confusion Between Self and the AI-Self

As artificial intelligence becomes increasingly integrated into our daily lives, particularly within complex domains like financial trading, the distinction between human cognition and algorithmic decision-making begins to blur. This fusion prompts a critical examination of what constitutes the "self" when our analytical processes and even intuitive judgments are augmented, if not entirely influenced, by AI counterparts. The line separating our inherent capabilities from the extensions of AI becomes progressively indistinguishable, raising profound questions about identity, agency, and the very nature of consciousness in a digitally intertwined world.

1

Cognitive Augmentation

AI systems enhance human cognitive functions, allowing for faster processing of vast data sets and identification of patterns imperceptible to the unaided mind.

2

Algorithmic Influence

Decisions, once purely human, are now heavily influenced or even automated by AI algorithms, leading to outcomes that can be hard to trace back to a singular human intent.

3

Emergent Behavior

The interaction between human and AI systems can create novel behaviors and strategies that neither party would generate independently, challenging traditional notions of responsibility and creativity.

This initial phase explores the foundational aspects of how human identity and the operational 'self' are redefined when confronted with the sophisticated capabilities of AI. It delves into the psychological and philosophical implications of relying on externalized intelligence, setting the stage for understanding the subsequent fragmentation and potential loss of self that can occur within such symbiotic relationships.

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Part 1: Confusion Between Self and the AI-Self

With the rise of ChatGPT, Gemini, and other generative AI tools, I began using them to evaluate the consistency of my blog's arguments and to assist in reflecting on past trades.

Through this process, I began noticing AI-like phrases in my own writing. When I looked at other posts on X through that lens, I started to see patterns — posts where the tone or phrasing clearly suggested an AI-generated output.

But the issue isn't simply about "using AI."

Rather, the problem lies in using AI-generated text as if it were one's own voice, without critically recognizing the gap between internal thought and external language.

This results in AI output being used as though it were personal expression. Over time, the presence of intent, emotion — subjectivity — in a post grows increasingly faint.

> There is something uncanny about it: the over-polished persona, the uncanny fluency, the loss of idiosyncrasy.

For instance, when a non-native Japanese speaker replies to Japanese posts on X using AI-generated text, something often feels off. The emotional pacing, the tension between lines, the rhythm — they just don't quite connect. It creates a dissonance.

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The Blurring Boundary

Modern AI doesn't just search or compute. It learns our thought patterns, mirrors our language tendencies, and responds almost like a reflection of ourselves.

That's where the real issue begins.

The more AI resembles the self, the more our boundaries blur. Where does the human end and the machine begin?

Initially, we train the AI to assist us. But as prompts need less tweaking, the AI becomes a more precise mirror of our thinking — until it eventually starts shaping us.

We start publishing AI-generated phrasing as if it's our own. Language, thought, and identity begin to decouple.

This ambiguity erodes our original sense of subjectivity. The more refined the AI, the more we unconsciously outsource the burden of agency — asking, deciding, risking.

AI mirrors our language, becoming indistinguishable from ourselves. This blurs the boundary between self and output, weakening subjectivity. As we let AI think for us, we risk forgetting what our own words sound like.

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Part 2: Thought Externalization in Trading Systems

The problem of outsourcing thought doesn't end with AI. It recurs in trading as well — specifically with the use of automated trading systems (EAs) or reliance on others' strategies.

Both situations reflect a common structural trap: **the externalization of thought.**

Many traders, upon acquiring a high-performance EA or methodology, gradually begin treating it not as a tool, but as a surrogate thinker. Perhaps without realizing it.

This shift is subtle. No one tells you you've handed over control. You don't feel like you're surrendering anything.

But in automated systems, your sense of ownership over thought and judgment steadily erodes.

As I wrote on X: *"When capabilities overlap, subjectivity can blur."*

After a series of trading losses, you might ask: Was it my bad decision? Or did the EA malfunction?

As the boundary fades, so does accountability.

> This is a cognitive confusion: Did I act? Or did the tool act on its own? And in this confusion lies a vacuum of responsibility.

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The Structure of Externalization

Let's clarify the structure:

Externalization of Thought

- Following a system dulls your ability to ask why it works.
- Thought becomes passive.

Vacuum of Responsibility

- If you think, "the system chose," then the pain of loss doesn't teach you.
- Growth stalls.

AI and trading systems are both intricate mirrors of the self.

That's what makes them so seductive — and so dangerous.

As tools become more precise, they push our thoughts and responsibility outward. Eventually, you might wonder: Are these my words, my decisions, my actions?

> AI and trading tools both externalize thought and judgment. As precision increases, subjectivity fades. The risk: you may feel like you're using a tool, when in fact the tool is using you.

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Part 3: Fractals and the Subject in Trading

I have written frequently about fractal structure — the concept of self-similarity — in my blog. This time, I want to revisit that lens to better understand the AI-human relationship and how subjectivity functions in trading.

When AI begins to imitate our thought process, we start to see part of ourselves in it.

Likewise, in trading: when our strategy or wave analysis mirrors our mental model, we feel as if the market is responding to us.

Catching a perfect top or bottom, or seeing the price move exactly as we envisioned — these moments produce a deep sense of unity with the market.

This is where **macro-level thought** and **micro-level output** begin to mirror each other — a fractal relationship.

Here, I want to revisit two parallels:

- Overall market perspective (macro) and specific trading decisions (micro)
- One's thought patterns (macro) and AI's textual output (micro)

When these feel similar — self-similar — the boundary between "self" and "not-self" becomes increasingly fragile.

But this is the critical point:

Fractal structures require an **observer** to recognize the pattern.

Similarity alone doesn't justify identification. We must preserve a position of observation — a vantage point from which we can discern, "this resembles me, but is not me."

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Loopification and Self-Awareness

We often accept AI's words as our own. Or believe market movements reflect our judgment.

But if we view this resemblance through a meta-cognitive lens — as pattern, not identity — then we can protect our subjectivity.

In my blog, I call this the **redefinition of fractal theory** in trading.

The similarity of waveforms across timeframes isn't just structural. It's a reflection of the relationship between subject (dominant wave) and object (subordinate wave).

1	2
When we see a part and infer the whole, or see the whole and justify the part,	**That cycle can fixate and become a cognitive loop.**

This loop is what I call "loopification."

When applied to trading: if we interpret higher timeframes as the dominant wave, it gives us context for what we're seeing.

But the true key is this: recognizing ourselves as the observer of this system. That recognition is how we preserve subjectivity.

> To observe the fractal without being swallowed by it — that may be the modern challenge of maintaining selfhood.

Fractal structures blur the line between AI, market, and self. By recognizing patterns as reflections (not identities), we can preserve agency. Self-similarity demands self-awareness.

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Part 4: Inverting Subject and Object

In one of my X posts, I used a metaphor: touching your left hand with your right.

> "When your right hand touches your left, the right is the subject and the left is the object. But when the left squeezes back, the roles reverse."

It may seem trivial, but this bodily metaphor reflects how unstable the structure of subject and object really is.

And this instability is at the core of many trading failures.

In trading, the subject (your will) is supposed to engage with the object (the market).

But in practice, this reverses easily:

- Relying too heavily on copy-trading turns your role passive. You're just pushing a button.
- After repeated losses, blaming the market or timing shifts subjectivity to the environment. You become a victim.

"Who is acting? Who is reacting?" The structure is shakier than we think. And so, keeping hold of our subjectivity requires deliberate awareness.

So how do we reclaim subjectivity?

— We grip back.

To be touched by the market is one thing. But to respond with clarity, rules, and resolve — that is the act of reclaiming selfhood.

Saying: "This is my decision. I accept the risk."	Refusing to offload blame onto others, systems, or the market.

No matter how precise a system, how polished an EA, or how AI-like your tools become — **you** are the one who must carry the risk.

In that grip, subjectivity returns. That's where your stance as a trader, and as a person, is defined.

> The subject-object relationship in trading is fluid. To reclaim agency, you must deliberately reverse the reversal — grip back. In doing so, you take responsibility and recover the self.

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Part 5: Cognitive Dissonance and Subject Loss

After a disastrous trade, traders often seek blame outside themselves:

- "The market was bad."
- "Timing was unlucky."
- "Just poor conditions."

They sound reasonable, but they're not. They're a shift of subjectivity from the self to the market.

It is the **reversal of subject and object.**

This is, as mentioned earlier, a failure to "grip back."

Outsourcing judgment and responsibility is a way to avoid the pain of failure. But it warps the relationship between self and market.

Traders try to correct their behavior, but find themselves repeating mistakes. Why?

Because trading happens through screens, apps, systems. The structure is this:

1. The subject acts through tools,
2. The market responds,
3. Feedback returns to the subject.

When things go well, this loop is smooth. The trader feels "in tune" — as if the market is responding to them.

But when losses mount...

- Hesitating to cut losses,
- Reviewing charts endlessly with no clarity,
- Seeing what you want to see instead of what's there.

These are not mere lapses in logic. They're signs of **cognitive distortion** — confirmation bias, dissonance, external attribution.

You're no longer an observer. You've been absorbed by the environment.

You unconsciously surrender subjectivity to the market.

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Reclaiming the Self

These distortions are psychological defenses. But recognizing them is the first step.

Psychology gives them names: **confirmation bias**, **external attribution**, **cognitive dissonance**, **surrogacy effects**.

But most importantly: you must realize these distortions are happening **inside you**.

We must watch for these reversals. We must look from above.

To acknowledge discomfort, error, pain — and still reclaim the position of agency.

That is the mental act of a trader. And perhaps the shape of subjectivity in the age ahead.

Cognitive dissonance is the reversal of subject and object. As judgment distorts, agency dissolves. To remain a trader — and a self — we must choose, consciously, to grip back.

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