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# Saving Planet Capital – the Logical Bailout of the Financial Market

When analyzing the neoliberal model of the market in terms of the transcendental conditions it creates, researchers concentrate on two distinct categories - competition and debt. Together, they constitute a form of reason specific to the economic development which occurred in our recent history. The aim of this text is to show how the financial crisis of 2007-2008 affected these two iterations of the neoliberal economic paradigm, with the bailout procedure simultaneously breaching the rules of competition and debt and then slyly re-purposing them in order to justify the situation. This re-purposing is the eponymous logical bailout which depended on a brand new transcendental form which the market has taken on. This form is introduced in a nutshell by the formula "too big to fail". The essay shows that this slogan helped introduce an understanding of the market in terms of an *environment* – an intricate and inherently fragile network whose preservation is necessary for the survival of the species inhabiting it. This transcendental shift will be discussed as a survival mechanism which allowed the neoliberal paradigm to avoid demise despite its complete fiasco.

Keywords: financial crisis, debt, competition, financialization, neoliberalism, "too big to fail"

During the global financial meltdown which began in 2007, the market threw its logic out the window. Though its basic organizational and normative principle was said to be freedom from political constraints and regulation, it was not shy about asking the State for help when things went pear-shaped. However, rescinding on its position regarding state intervention was just one in a string of logical violations which accompanied the massive bailouts in the financial sector. When analyzing the neoliberal model of the market in terms of the transcendental conditions it creates, researchers concentrate on two distinct categories – competition and debt. Together, they constitute a form of reason specific to the economic development which occurred in our recent history. The aim of this text is to show how the crisis affected these two iterations of the neoliberal economic paradigm, with the bailout procedure simultaneously breaching the rules of competition and debt and then slyly re-purposing them in order to justify the situation.

According to the logic of competition, market-actors are expected to manage their assets in a constantly changing market environment in order to secure increased profit. The global crisis proved that the financial market fails rather spectacularly on this point. If it indeed practiced what it preached, it would accept the collapse of major financial institutions as proof of their ineffectiveness in terms of competition. However, it demanded that they be spared at all costs, inefficiency aside. According to the debt paradigm, creditors are bound by obligation to the lender and adjusts their behavior accordingly, directing all their efforts toward solvency and creditworthiness. Unfortunately, no such obligations were recognized by the bailed-out banks, even though the relief packages they were awarded amounted to massive loans from governments and societies. As a result, the cost of debt was borne by the lenders, who became subject to austerity treatment in what amounted to a severe violation of the logic of debt. Thus, the market compromised two of its governing principles in a single swoop. In what follows, I will analyze these violations in detail, in order to elucidate the patterns which informed the strategy of survival adopted by the market during the crisis.

Stirred by the contradiction at the heart of the bailout procedure, numerous researchers, who will be referenced throughout the text, began to inquire if it constituted only an incidental relation between the state and the "free" market. They found that, contrary to circulating slogans, the proponents of a deregulated economy were actually not that keen on a *laissez-faire* attitude and acknowledged the importance of the state in advancing their project. Since the emergence of neoliberal economic thought dates back to the times when Keynesianism was still the prevalent economic doctrine, its militant advocates understood that the implementation of the free-market model could not be a matter of the spontaneous development of social practice. It required intervention. As Jamie Peck puts it in *Constructions of Neoliberal Reasons*, "[d]enied the spontaneous utopia of laissez-faire, the architects of neoliberalism were engaged in the construction of what Foucault called a 'regulative scheme,' rooted in a trenchant critique of prevailing governmental practices" (Peck 2010, 65). According to this scheme, the market is perceived as striving for freedom with the help of the state, which has both the prerogative and institutional means to shape economic policies. The market needs the state to become its muscle, the enforcer of the rules it devises as the brains of the social organization.

However, I believe that in order to properly understand the logic behind the bailouts, it is not enough to refer to this ongoing relation between the market and the state. In demanding that it be rescued from the crisis by political forces, the financial market didn't just exploit their already existing dynamic. It established a precedent. In order to understand its logic, we need to distinguish between an economic model being introduced as an official policy and then this same model falling into crisis. A market ideal, considered to be both perfect and powerless on its own, may very well require the support of the state in becoming an official policy. However, with the socio-political context thus primed, this ideal should experience no *immanent* obstacles to its functioning. And yet, the crisis saw the market ideal compromised by none other than the market itself. The bailouts were administered despite their blatant violation of the principles of competition and debt, two forms within which the market purported to operate. Supporting the market with its logic is nothing like saving the market from it.

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The question is *how* the failing market was able to survive its logical transgressions. Phrasing the problem in this particular way, I want to turn our attention to a transcendental form which the economy developed in the wake of its crisis. It was not just a sense of empirical necessity which prompted the assessment of the banking sector as "too big to fail". Pragmatic considerations may explain the immediate actions being taken to save the financial market but not its subsequent exemption from being held accountable for the havoc it wreaked. Therefore, I contend that this acquittal depended on a brand new transcendental form which the market has taken on. And the slogan I have just invoked introduces this form in a nutshell. The market which is too big to fail is considered in terms of an *environment* - an intricate and inherently fragile network whose preservation is necessary for the survival of the species inhabiting it.

This new framework surreptitiously replaced the violated forms of competition and debt. It emerged just in time for saving, equipped with a sense of urgency which made all other considerations pale in comparison. Specifically, what was thus rendered inconsequential was accountability, whose strong sense had been imposed by preceding forms. As a result, the financial crisis no longer appears to be a clear sign of the dysfunctional character of the neoliberal paradigm. It can be reclassified accordingly, as an ecological rather than economic phenomenon. It is a catastrophe, in the sense that it is both unpredictable and caused externally. It poses an enormous threat to planet capital - the new transcendental frame claimed by the global economy in urgent need of protection. *Environment* is therefore a set of transcendental conditions for the bailout to be unconditional.

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"Too big to fail" demands that we consider an economic failure in non-economic terms. A financial institution judged according to this criterion no longer functions as a market-actor whose survival depends on maintaining competitiveness and solvency. Its existence is valued regardless. This value judgment is atypical for the neoliberal paradigm which is supposed to hold everything to market standards. The economy prevails despite the crisis of its own making, thus belying the unprecedented universalization of the economic logic which did not allow social, political, or individual enclaves to be governed by different sets of norms.

Philip Mirowski recognizes that "the reaction of both economists and the NTC [Neoliberal Thought Collective] to the global economic crisis is a case study in the applications of Schmitt's doctrine of the exception" (Mirowski 2013, 84-85). The exception here was the market itself, its overall structure reneging on laws which it simultaneously instantiated and which were considered binding for all market-actors. However, this state of exception was not negative, a simple case of non-compliance. The reference to Schmitt entails a clear indication that the exemption was considered legitimate. Therefore, the financial bailout was accompanied and validated by a transcendental one which allowed for a different assessment of both the causes of the crisis and the measures adopted to alleviate it. What would constitute an instantly punishable transgression suddenly became an obvious conclusion.

The tale to be told here is, therefore, one of survival, an instinct that neoliberal reason served from the outset. The logical maneuvering involved in rescuing the economy from crisis is not without precedent. The forms of competition and debt were implemented for the same reasons that they were violated – in order to help the market out of a tight spot where it finds itself time and again because of its unsustainable logic of growth. As David Harvey writes in *The Enigma of Capital*,

> If we conclude that it is the further expansion of production that creates the demand for yesterday's surplus product and that credit is needed to bridge the temporal gap, then it also follows that credit-fueled capital accumulation at a compound rate is also a condition of capitalism's survival. Only then can the expansion of today mop up yesterday's surplus. The reason that 3 per cent growth requires 3 per cent reinvestment then becomes clear. Capitalism, in effect, must generate and internalize its own effective demand if it is to survive under conditions where external possibilities are exhausted. (Harvey 2010, 112)

To keep the accumulation process alive, the economy needs to meet the increasing demands of exponential growth. Therefore, its logical forms become increasingly unrestrained. What makes them beneficial from the point of view of the market's rapaciousness is also what makes them unsustainable. It's this dynamic of accumulation, a purely formal voracity of a system where constant acceleration is confused with stability, which drives the choice (and subsequent abandonment) of formal patterns. The neoliberal economy is thus an exercise in what Nietzsche's *Beyond Good and Evil* refers to as "perspectivism, which is the fundamental condition of all life" (Nietzsche 2002, 4). The Nietzschean idea of truth as a logically organized confabulation which benefits life will be referenced throughout the text in order to account for the considerable liberties with logic that the neoliberal economy allows itself.

What follows is therefore an analysis of competition, debt and environment as temporary respites for the market – a peculiar life-form which adopts anomalous, destructive preservation patterns inherent to its formal insatiability. This contradiction will be shown to both constitute and pester the conceptual architectures of competition and debt, which attempt to shelter the market from itself by defining it as both the rule and exception. The crisis saw global finance renege on both these forms, however, given the peculiar nature of its mechanisms of survival, in both cases a dialectical relation will be shown to exist between the logical form and the transgressions made against it, a relation which will then feed into the logic of environment.

## Competition. Price as a form of truth

The neoliberal makeover of the economy is radical, involving the very core of market principles. It revolutionizes the formal space of the economy, altering its parameters and upending its organizational laws. In *Undoing the Demos*, Wendy Brown strongly emphasizes that "in neoliberal reason, competition replaces exchange as the market's root principle and basic good" (Brown 2015, 36). This means that equivalence, the formal condition of exchange, is replaced by asymmetry which creates a competitive market environment and preserves it. Asymmetry is inequality embedded within the formal space of the market which defines its participants before they undertake any specific action. They are thus forced to contend as a matter of formal principle and are defined in accordance with this destiny, as "little capitals (rather than as owners, workers, and consumers) competing with, rather than exchanging with each other" (Brown 2015, 36).

The asymmetry introduced to the market space by competition has another fundamental formal consequence. Stability, a condition resulting from and corresponding with the relation of equivalence, disappears from the market. Its asymmetrical structure is volatile as a matter of principle. This condition is in no way irreconcilable with the competitive equilibrium of the market, which the neoliberal paradigm insists is facilitated by financial deregulation. On the contrary, the market equilibrium is engendered by its opposite - tightly woven and impeccably timed yet absolute volatility.

The source of this instability is the fractured temporal framework which captures the randomness of the market processes expressed in prices. This is how the *truth* of the market is constituted, as system of prices which Mirowski defines, tongue-in-cheek, as "transcendental superior information processor" (Mirowski 2013, 61). This ontological relation between price and truth is defined by the Efficient Market Hypothesis, which is one of the cornerstones of the neoliberal paradigm. Efficiency is defined by the exhaustiveness of the system of asset prices, which is supposed to flawlessly reflect all market relations. Prices are posited as an infallible measure of value – which makes the economic relations they represent appear redundant. Market is truth, then; it is a self-contained reality identical with its representation. A neat trick of the Efficient Market Hypothesis, whose specifics will be discussed below, allows the financial market to appear as if it *stood for* the economy as a whole and thereby to usurp the position of truth.

This is where instability enters the picture, in the formal capacity of architectonic support of truth. Constantly processing an influx of information and adjusting themselves accordingly, prices are determined in a sequence of discrete moments. This sequence is therefore an ontological guarantee of efficiency, as it testifies to the market's capacity for automatic self-correction. This inbuilt mechanism determines the movement of prices as momentary, instantly changing its course whenever new circumstances arise. And with the adjustment being instantaneous, each temporal instance is marked off by a violent rupture whose immediacy determines the change of price as random, lacking continuity based in regular patterns.

Randomness is the criterion of objectivity established by the efficient market hypothesis. Prices contain no information regarding the meaningful continuity of social relations of production. The efficient market hypothesis eliminates this perspective, associating it with bias. The status of perfect conduits of information is therefore predicated upon uncoupling the system of prices from any notion of socio-economic process. This is what makes market relations redundant with respect to their representations. Prices function as snapshots of the intricate socio--economic relations which all factor into the market position of the priced assets. The Efficient Market Hypothesis deems these snapshots to be exhaustive, despite the compartmentalization of their temporal complexity, its violent carving into discreet instances. Although the chaotically moving prices are styled as quasi-physical particles, they are in fact social phenomena in denial. Their randomness is defined negatively, through the suppression of historical determinations by the unmediated formal difference. This suppression conditions the gesture of the universalization of the neoliberal paradigm which, in the words of Wendy Brown, acts as "an order of normative reason that, when it becomes ascendant, takes shape as a governing rationality extending a specific formulation of economic values, practices, and metrics to every dimension of human life" (Brown 2015, 30).

The entire procedure fits neatly into the M-M' formula which represents Marx's definition of interest, a particular method of accumulation and a *reductio ad absurdum* of the logic of accumulation as a whole. According to the definition given in the Third Volume of *Capital*, the formula denotes "money that produces more money, self-valorizing value, without the process that mediates the two extremes" (Marx 1991, 515). The relations of production no longer mediate the relations of money (M-M'), which therefore gain autonomy as measures of value. Capital, which anchored the financial flow in the formula M-C-M' (money-capital-money), becomes formally suspended, pushed out by the two extremes. All that remains are representations of capital, representing nothing but their mutual relation.

The market thus becomes a reflexive entity, a purely auto-referential structure. Marx puts it more harshly, writing of "capital reduced to meaningless abbreviation" (Marx 1991, 515), a system of measure which obliterates what it was supposed to evaluate. The efficient market hypothesis can be expressed as the exact same abbreviation, denoting the same auto-referential relation of extremes without mediation. Their difference proliferates, the M-M' relation multiplies into a system of prices referring to themselves by way of temporal rupture which consumes social relations of production. M-M' – with no reading between the lines allowed, this is what the efficiency of the market is based on. The appearance of the random price change stems precisely from the reduction of market structure to unmediated extremes, bypassing all form of causal relations. This is what truth becomes – a perfectly meaningless relation between prices whose random change doesn't represent anything besides itself.

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Guiding the movement of prices, the transcendental form of competition solicits the violence of rupture. It seeks out difference, a temporal variation which is how profit (or loss) appears and registers in the case of assets, which are the unstable units of a competitive market. The system of prices objectifies their competition, rendering it in a neutral form of figures whose random dynamic appears untainted by historical coincidence. Therefore, the violent struggle for survival is judged to be fair game. Individuals risk everything, while the market risks nothing. John Quiggin bitterly summarizes this situation, welcomed with enthusiasm by those enamored with the neoliberal paradigm, "[i]n economic policy, the Great Moderation and the Great Risk Shift went hand in hand" (Quiggin 2010, 15). The structural imbalances are present, inherent to the asymmetrical form of the competitive market. However, they are allocated to distinct temporal segments which absorb and balance them out. They simply become formal difference. Since market actors are defined as clusters of assets, the economic failures they might experience will have the innocuous appearance of adjusting prices. Thus, failures themselves feed into the efficiency hypothesis, testifying to the accuracy of the self-correcting mechanism of the market.

However, it is precisely the efficiency of the market which puts it at risk. Actually, it inscribes risk into the formal coordinates of its structure. Uncoupled from social relations of production, prices express nothing but their absolute, unmediated difference which the market sets loose. Positing extremes without mediation, it creates a relation of pure, unchecked imbalance. Instability is inherent in the system of prices, with its discontinuous temporal structure. It consolidates the market-structure and defines its fractured dynamic. In the event of crisis, it manifests quantitatively, but its conditions are formally entrenched in the market, asserting themselves with each violent temporal rupture.

Volatility is therefore the truth form of the market, structuring information expressed in prices and granting them their status as infallible measures of value. It is truth which is not afraid of absurdities. In reference to Nietzsche, I will define the truth form as the measure of stability and certainty achieved through falsification. The situation is perplexing, then, even by the Nietzschean standards for a truth-claim. This is because volatility acts as the stabilizing factor. The efficiency of the market puts it at risk, which is then repackaged as the source of stability. The inherent volatility of market dynamics is created by the fractured temporal framework and simultaneously harnessed by it. Systemic risk is contained within the synchronic boundaries of each temporal instance. It is grounded.

The efficiency of the market does not remove risk but calculates it and this calculation alone is supposed to give it the status of exception. The entire system of prices is more than just the sum of these calculations – it is infallible. Although each and every particular connection is fraught with risk, the market-system as a whole accommodates their imbalance. Locally, the shifts can be dramatic, but the overall structure curbs them. Thus, what is catastrophic for some market-actors constitutes a potential success for others. Although inherent in the system, imbalance is thus never unaccounted for. Prices reflect it, simply changing in time. The market becomes the circulation of difference, its distribution evening off systemic risk by setting it in motion. Volatility as the truth form of the market is this general stability built on the basis of violent shifts.

Unlike all its participants, the market is not at risk simply because it is risk – this is the measure of stability and certainty provided by the efficient market hypothesis. It is rather insidious, as the balance thus gained is not grounded in social relations of production but in the language of prices which neutralizes them. What counts as stability is precisely this neutralization, the act of formalizing instability in the logical form of difference. This allows risk to remain hidden in plain sight, calculated into the formal structure of the market whose truth-form is precisely this blatant display of (and disregard for) irregularities.

If the claim of formally guaranteed infallibility sounds simultaneously tautological (with the market emerging as truth because this is what it is assumed to be) and paradoxical (with perfect stability guaranteed through its exact opposite), this is because it is just that. In his account of the efficient market hypothesis, Mark Blyth does not attempt to hide his amusement with it:

> Given all this, while we can expect random individuals in markets to make mistakes, systematic mistakes by markets are impossible because the market is simply the reflection of individual optimal choices that together produce ‚the right price.' Agents' expectations of the future, in new classical language, will be rational, not random, and the price given by the market under such conditions will be the ‚right' price that corresponds to the true value of the asset in question. Markets are efficient in the aggregate if their individual components are efficient, which they are, by definition. This world was indeed, to echo Dr. Pangloss, the best of all possible worlds. (Blyth 2013, 57-58)

The efficient market hypothesis is clearly a *niasairie*, which is Nietzsche's term of choice for truth-claims. However, in accordance with Nietzsche's assessment of the function of ridicule, the hypothesis works. Although its efficiency is ridiculous, its ridicule is also effective. Marx gets to the truth of its life-saving *niasairie* when he states that "In M-M we have the irrational form of capital, the misrepresentation and objectification of the relations of production, in its highest power: the interest-bearing form, the simple form of capital, in which it is taken as anterior to its own reproduction process" (Marx 1991, 516). The neoliberal market thrives precisely on such misrepresentation.

In order to understand this relation, we need to put the efficient market hypothesis in context. Fifty years ago, the capitalist world-system found itself in a bit of a contradiction, thwarted by the very success of its expansion. Capital already accumulated stood in the way of continued accumulation which required an ever-growing rate of reinvestment whose possibilities nevertheless grew increasingly thin. Although the contradiction itself was nothing new for capitalism, the conditions were different this time around. As David Harvey describes at length in *The Enigma of Capital* (Harvey 2010, 26-31), the existent scale of the global market and the required pace of reinvestment impeded standard resolutions, that is, geographical expansion and the creation of new areas of production. The global economy was forced into a corner. However, Harvey continues with his argument, instead of curbing its dynamic, the capital expansion became even more excessive. This course of development was, and still is, dictated by the aggressive logic of growth whose ideal rate is set at 3%. The excess is preservation, then, and thus it is absolutely necessary that it is somehow wielded by the economy.

However, in order to meet these requirements, the economy needed to reinvent itself thoroughly. This is where the hypothesis intervened, with its ridiculousness steering capital away from the hindrances of its material reproduction. Uncoupled from the socio-economic processes, prices no longer represented assets, but became assets themselves. And the value of these assets is their logical difference, the discrete systemic shifts which organize them in discrete sequences. This bizarre situation is phrased by Adam Tooze in an adequately bizarre fashion, "[b]y the early 2000s, the private mortgage industry was waiting for the starter's gun. It had its new raw material - securitized mortgages" (Tooze 2018, 51). In what sense is a securitized mortgage, a complex financial instrument, raw material? It is precisely raw difference, the relation of extremes without mediation which becomes the basic resource for the brave new form of accumulation. Thus, a whole new dimension for reinvestment is created, one which is potentially boundless.

This new dimension was monopolised by the financial sector. As Christian Marazzi writes, "[t]he typical twentieth-century financialisation thus represented an attempt, in certain ways 'parasitic' and 'desperate,' to recuperate on the financial markets that which capital could no longer get in the real economy" (Marazzi 2010, 27). The virtual nature of the financial market rests precisely in the fact that it deals in representations. Therefore, it is a reflexive parasite, feeding of its own image. If the market is simply the system of representations, then finance becomes its metonymy, a segment which condensates the economy as a whole. The M-M' formula represents this condensation and the profits which can be reaped from it. Its meaninglessness helps global capitalism out of the historic predicament that it has found itself in. No longer bound by reference to the relations of production, it is no longer hindered by their ever-limited capacity.

Market efficiency does the trick, then. The formal difference which it is based on knows no bounds. It simply differs, as a matter of logic. Its never-ending fluctuations constitute an inexhaustible resource which the market can rely on to maintain its rate of growth. Mirowski writes that "[d]erivatives such as CDO's and CDS's were based upon a set of normative theories invented by financial economists, which asserted that their purpose was to repackage risk and retail it to those best situated to bear it. This theory was colloquially known as the efficient market hypothesis" (Mirowski 2013, 178). This peculiar definition of the hypothesis in terms of financial instruments which it backs theoretically coincides with its definition as truth. The financial market is where investors acquire truth itself. Its products are speculative devices, conceptual machines packaging reflexivity. They are just layers upon layers of formal difference, expertly combining and manipulating it[1]. Its reflexive volatility is pivotal, then. Derivatives put it to work, exploiting imbalance in order to multiply the levels of difference and then hedge them against each other. They are created in order to milk the irrationality of the M-M' formula. Thus, the abbreviation bloats into a tautological system, a self-sustaining (though unsustainable) network of *niaisairie*. Truth and inanity go hand in hand here, their alliance instrumental in sustaining the market, the insane form of life where excess is mistaken for bare necessity.

## Debt. Socialization unto death

But why would one ever make a decision to surrender oneself to this indifferent logic of difference? Mirowski finds it improbable, "in practice, it seems unlikely that most people would freely choose the neoliberal version of the state" (Mirowski 2013, 57). Although its supposed truth might serve as an incentive, it is nevertheless self-contradictory in this respect. Defining market-actors in terms of competition, the system of prices performs a thoroughgoing reduction of their subjective faculties, remaking them into loose collections of assets. This transformation trims them in accordance with market standards but simultaneously strips them of their subjective sense of accountability. They become provisional and temporary instances which can dismantle in a flash. And since the assets constituting these collections are permanently at risk – after all, the truth-form of competition is volatility – such dismantling becomes a distinct possibility. Therefore, there is no ontological basis for exacting responsibility from market-actors. Mirowski again, "[u]nder this regime, the individual displays no necessary continuity from one 'decision' to the next" (Mirowski 2013, 59).

Therefore, a different logic must intervene in order to inspire the transcendental cohesion which will render the subject answerable before the market. It needs to anchor prices in a social reality which has been submitted to reduction. Therefore, its structures are required to establish an economic relation capable of creating a non-economic, existential investment, a sense of belonging stronger than any blows dealt by the market. This relation is debt.

In *The Making of the Indebted Man* Lazzarato remarks that "[e]conomists tell us that every French child is born 22,000 euros in debt. We

1 For the exact architecture of this pyramid, see: Blyth, 2013, 41-47.

are no longer the inheritors of original sin but rather of the debt of preceding generations" (Lazzarato 2012, 32). This is a statement of an indestructible bond between the market and its participants, collections of assets with identities based on their obligations to the lender. They have a memory of the market which itself has no memory – its structure falling apart into discreet temporal instances. Their subjectivity as debtors is not something they acquire, but which they are born into and forced to abide by. This bond is economic in character, as debt creates purchasing power and enables the accumulation of capital in the form of interest. But it goes far beyond that, since it makes everyone beholden to the market structure long before they can incur any actual, empirical debt. It is a perverse form of baptism, an immediate admission into the community of debtors. This purely formal relation transforms the system of prices into a species of moral reason, with M-M' serving as its imperative maxim.

This formal admission and the very real responsibilities which accompany it are the proper goals of creating the relation of indebtedness. As Lazzarato points out, from the point of view of debt, "finance is not an excess of speculation that must be regulated, a simple capitalist function ensuring investment. Nor is it an expression of the greed and rapaciousness of 'human nature' which must be rationally mastered. It is, rather, a power relation" (Lazzarato 2012, 24). This is a pivotal moment, as debt creates society which acknowledges its own redundancy towards finance. Lazzarato opens his account of debt economy with an account of the condition of UNEDIC, a French institution providing unemployment insurance which was privatized in 2008. Like countless other institutions and governments, it was induced to incur debt. This course of action had three, closely interlinked consequences identified by Lazzarato: unemployment taxes became a source of revenue for the market in the form of interest, policies regarding unemployment became dependent on credit-ratings and unemployment insurance was designed to benefit the investors rather than the unemployed (Lazzarato 2012, 16). Lazzarato describes the situation at UNEDIC as a paradigmatic example of the logic of debt incapacitating social institutions by making them renounce their proper objectives. Debt is thus self-inflicted redundancy. It does not help to improve performance; an institution incurs it for the sole purpose of becoming inconsequential, its own logic gratuitous and subjected to the market conditions.

The neoliberal market structure breeding indebted children is the latest version of socialization through debt, which Nietzsche identifies as the basis of social bond in general. According to his second essay in the *Genealogy of Morals*, a citizen is defined as a debtor, beholden to society which properly secures his human conditions of life.

> Still retaining the criteria of prehistory (this prehistory is in any case present in al1 ages or may always reappear): the community, too, stands to its members in that same vital basic relation, that of the creditor to his debtors. One lives in a community, one enjoys the advantages of a communality (oh what advantages! we sometimes underrate them today), one dwells protected, cared for, in peace and trustfulness, without fear of certain injuries and hostile acts to which the man outside, the "man without peace," is exposed - a German will understand the original connotations of *Elend* - since one has bound and pledged oneself to the community precisely with a view to injuries and hostile acts. (Nietzsche 1989, 71)

Individual fitness for social life is created with the sense of limitless obligation due to the immensity of bestowed advantage. Nietzsche writes of the horrific demands placed on a person learning to recognize his indebtedness; "indeed there was nothing more fearful and uncanny in the whole prehistory of man than his mnemotechnics" (Nietzsche 1989, 61). The fury with which society imposes and enforces its rule is therefore the necessary counterpart of the tremendous worth of social life and an immediate manifestation of the undisputed claim of this worth.

Accordingly, the process of socialization entails becoming accustomed to the violence which shapes one as a debtor, that is, one who is capable of recognizing his dependency on society and feeling obliged (though never actually able) to repay his dues towards it. Violence is therefore a civilizing force, an imprint of society on a willful and careless body, quick to forget what it owes to the community. It is not gratuitous, then; it intervenes as a necessary remainder of how vile life would be outside societal boundaries.

> The direct harm caused by the culprit is here a minor matter; quite apart from this, the lawbreaker is above all a "breaker," a breaker of his contract and his word with the whole in respect to all the benefits and comforts of communal life of which he has hitherto had a share. The lawbreaker is a debtor who has not merely failed to make good the advantages and advance payments bestowed upon him but has actually attacked his creditor: therefore he is not only deprived henceforth of all these advantages and benefits, as is fair-he is also reminded *what these benefits are really worth*. (Nietzsche 1989, 71)

Nietzsche appreciates these benefits, simultaneously acknowledging how harsh and drastic is the price they command. There is an uneasy (im)balance between these two aspects – and the Nietzschean account revolves around it, interpreting the evolution of social life in terms of mutual transformations of human communities and the punitive measures they resort to. A crucial caesura here is the sublimation of violence, which we will now discuss in detail.

Corporal punishment thus enforces transcendental change; it is meted out against individuals who are not yet fully-formed and do not possess themselves in satisfactory measure. But society which resorts to such means doesn't fully possess itself either, with the physical violence it uses being a clear sign that its legitimacy is still precarious. It is only when it can refrain from violence that it becomes universal law. Leniency and mercy it can show the debtor indicates that it is no longer threatened (1989, 72-73). The socialization process thus involves both the taming of the individual and of the universal. It is the taming of violence which does not disappear, however, but associates itself with universality, its formal rules and injunctions. "The gods conceived of as the friends of cruel spectacles - oh how profoundly this ancient idea still permeates our European humanity. Merely consult Calvin and Luther" (Nietzsche 1989, 69).

It is precisely the cruelty of the formal kind which interests Nietzsche and the relation of power which underwrites it. The case of UNEDIC discussed above is a model example of this kind of cruelty, an extreme case of formalization of violence inflicted on the debtor. It is extreme because violence is in this case alienated from the metaphysical benefit which justified it in Nietzsche's narrative. An institution devoted to unemployment insurance had no internal reason for restructuring its policies and aligning them with solvency, a thoroughly external logic which then devoured its own form of rationality.

The universal creditor no longer gives, but takes everything, destroying public services and social ties and offering us a loan in their stead. It is thus stripped of its metaphysical dimension as the benefactor commanding boundless gratitude. Debt today is an utterly void social bond.

The only gain here is a formal inclusion into the relation of violence. As Lazzarato puts it, "[t]he privatization of social insurance mechanisms, the individualization of social policies, and the drive to make social protections a function of business constitute the foundations of the debt economy" (Lazzarato 2012, 29). The universal creditor no longer gives, but takes everything, destroying public services and social ties and offering us a loan in their stead. It is thus stripped of its metaphysical dimension as the benefactor commanding boundless gratitude. Debt today is an utterly void social bond. Again, it can be expressed as meaningless abbreviation, the AAA or CC rating which, according to economic science, expresses all there is to know about any given institution. They are all forced to subordinate their proper objectives to the endless reproduction of a tautological system of prices.

Violence is still correlated with social order, though. The structural adjustments demanded of the indebted developing countries constitute precisely this type of correlation. The restructuring process prescribed by international financial institutions created a global community quite literally based on debt. Bob Milward gives the following definition, "Essentially, structural adjustment is the process by which the IMF and the World Bank base their lending to underdeveloped economies on certain conditions, predetermined by these institutions. The preconditions concern the drafting and implementation of economic policies that are acceptable to the institutions themselves" (Milward 2000, 25). These economic adjustments require thoroughgoing policy changes which alter the very meaning and purpose of the social bond.

Due to the socio-economic ravages of the colonial period, the independence of developing countries is very much dependent on the assistance of the former colonizers, which allows the latter to pressure for convenient solutions. Thus, the former colonial powers practice the passage from literal to formal cruelty described by Nietzsche. Military invasion, political repression and economic extraction all pave the way for structural adjustment programs. We remember that Nietzsche writes of the sublimation of violence in the context of the gained self-assurance of its administrator. This diagnosis applies to "the world capitalist system – a sphere that is now synonymous with the entire globe" (Arrighi and Silver 1999, 213). Arrighi and Silver, the authors of the preceding quote, write of a historical moment where the concept of the world-system ceased to be a metaphor and approximation and became literal. Viewed from the Nietzschean perspective, this development means that consolidation on the global scale was firm enough to sublate physical cruelty into a virtual one, the execution of everyone's obligations towards their credit rating.

The global community unified by debt is a mockery of the metaphysical indebtedness to the social order described by Nietzsche, since the structural adjustments demanded of its participants amount to the programmatic dismantling of all the vestiges of safety which national states created for their citizens. Therefore, the relation is stripped to formal violence based on agreements with global financial institutions whose agenda is that of the suppression of the redundant forms of social rationality. The sustainable human habitat, which backed and legitimized our debt towards it, is now reduced to international debt service. This gesture voids debt of its meaning, with social and political institutions which bound the populace now meaninglessly abbreviated to their credit rating. Therefore, capital flow is a perverse universality which erases universality, the common context of social existence, now put in shackles of the M-M' formula.

In Nietzsche's narrative, violence is punishment for the violation of the precious social order. With structural adjustment, the situation is quite different. In a species of grotesque reversal, the order itself constitutes punishment – imposed on societies as the condition of favorable credit rating. The circumstances of the introduction of structural adjustments, which effectively made entire societies into debt collaterals, belie their supposedly beneficial character. There is no gain in subscribing to the system of debt, just punishment, which is a gain for someone else, since sovereign debt is packaged, sold and turned into profit. The metaphysical benefit of the social form of existence is shortchanged, transformed into financial instruments.

This redefinition and repackaging completely destroys the fragile (im)balance between worth and cruelty, predicated on the existence of a shared world sheltering all its participants. A capitalist variation on this ideal briefly accompanied the historical process of decolonization, but it was jettisoned once the neoliberal paradigm became the driving force of global change. Arrighi and Silver write that

> The domestic and global New Deals were abandoned (…). The world's surplus was drawn to the United States in the 1980's precipitating the "debt-crisis" and signaling the abandonment of the hegemonic promise of "development". In abandoning the hegemonic promise of universalizing American Dream, the U.S. ruling elite was essentially admitting that the promise was fraudulent. (Arrighi and Silver 1999, 214-15)

In the end, the only common ground left has been the unrestrained capital flow, which makes for an extremely divisive unifying principle. Rather than bringing its participants together, it blows their mutual alienation completely out of proportion.

## Environment. A fragile network of violence

We arrive at the moment when the global financial crisis hit the market defined by the two forms of reason we've been discussing above. Both competition and debt were profoundly shaken by the financial turbulence. And for a short period of time it was acknowledged that it was the neoliberal paradigm itself which brought the catastrophe about. Simultaneously, there was no question of abandoning the financial market to its fate. Philip Mirowski, Mark Blyth and John Quiggin demonstrated how these circumstances finally led to the undeserved comeback of the paradigm as the true science of the market. However, the massive bailouts and accompanying austerity policies were in operation before this "renaissance". Although the rehabilitated neoliberalism provided an *ex post* justification for the adopted solutions, their introduction occurred before that and in a different ontological climate.

Mirowski writes about "the neoliberal blanket absolution of the financial sector for causing the crisis" (Mirowski 2013, 279). However, absolution preceded restoration and followed a completely different rationale. It espoused forgiveness as a basis for value judgments which ran counter to the proven failure of the paradigm. The slogan claiming the financial market to be "too big to fail" is precisely the vehicle for the absolution of the faulty system of prices, with the banking system posing as its metonymy. Acknowledging the fiasco of the financial sector, it simultaneously insists on its preservation. The market in its current form is *about to* fail – the sense of urgency is important, as it allows the issues of accountability to be skipped over. The desperate need to pull the market back from the brink of destruction replaces all concerns with causation of and responsibility for the crisis and renders them inconsequential.

It is precisely *on the brink of failure* where the new form of neoliberal reason constitutes itself, defining the imminent collapse of the global financial market as a natural catastrophe of the logic. The crisis thus marks the rise of the market as an *environment*, an institutional form which is defined by being endangered. For a short period of time, the survival instinct behind the neoliberal market logic is out in the open; it becomes logic. The blanket absolution pertains to the violations of both competition and debt. In the situation of imminent danger, it no longer matters if the market is competitive or not, or if it manages to honor its obligations. It is nonsensical to ask these things of an environment. It just cannot be allowed to fail, for the sake of all our kind. Therefore, being saved is a logical inference which the market needs to impress on society. It is a function of the logic of *environment*, that is the only form of being entitled to be rescued unconditionally, since all our lives depend on its existence.

Being saved is a logical inference which the market needs to impress on society. It is a function of the logic of *environment*, that is the only form of being entitled to be rescued unconditionally, since all our lives depend on its existence.

The *truth* we face is the environment in state of damage which constitutes the *form* of truth of the market in crisis. Damage seems an innocuous enough concept when used to describe the results of a crisis. However, it is in fact charged, informed by value judgments which subtly redefine causal relations between the neoliberal paradigm and its breakdown. Damage functions as an instrument to stave off the demise of the efficient market which seeks absolution from its disastrous performance as truth.

This performance created a speculative bubble defined by Robert J. Shiller as "an unsustainable increase in prices brought on by investors' buying behavior rather than by genuine, fundamental information about value" (Shiller 2000, 5). Shiller infers that in the case of a bubble "the value investors have imputed to the market is not really there" (Shiller 2000, 5). However, the non-existence he writes about is at the very core of market efficiency based on the representation of market relations suppressed by the M-M' formula. In the first chapter we discussed the uncoupling of the system of prices from social relations of production as a survival practice. Shiller defines a bubble in terms of the discrepancy between growth and prices (Shiller 2000, 4), but this discrepancy was the desired effect of the reflexive market structure, established in the attempts to substitute price for increasingly impracticable growth.

Nevertheless, during the crisis, the suppression comes back with a vengeance. The formal volatility of the truth-form now develops into the quantitative volatility of the system. The immanent risk can no longer be contained, resulting in an eruption of instability. The efficient market fails to constitute as truth, then. Or rather, it succeeds but this success causes the economy to spiral out of control. On the brink of disaster, its truth-form is revealed to be that of a speculative bubble. The uncoupling of the system of prices from their social context worked, and thus there is nothing to backstop their drastic fall. There is no way to anchor the economy whose form of growth relied so heavily on the social relations of production becoming redundant. Houses disappeared into the reflexive mire of the M-M' formula, political entities dissolved in financial instruments created in order to resell their debt over and over again. There is nothing to refer to, then, just a massive, multi-layered structure of truth packaged in derivatives.

The system of prices is indeed the perfect conduit of information – regarding its own failure. It failed as truth not because its volatility was inefficient, but because its efficiency is volatile. The layers of reflexive difference functioned exactly the way they were supposed to and became unwieldy in the process. The multi-layered structure of derivatives collapsed under its own, virtual weight. Therefore, the crisis was the climax of immanent irrationality which Marx diagnosed the M-M' formula with. Unsustainability was inscribed into the neoliberal market structure from the outset.

Since the system of prices failed so spectacularly, the financial sector should no longer enjoy its special status as the metonymy of the market. The performance of instruments repackaging and layering formal difference should be assessed in terms of their competitive character. If this had indeed been the case, the enormous losses would have cost the sector its life. However, the immanent failure of the efficient market hypothesis was subsequently turned around, with the layout of the collapsing system of prices adapted into the form of an endangered environment. The efficient market got to keep its status as an exception. First granted on the understanding that its rules were infallible in terms of allocation of resources, its privileged status is now secured by their failure in this respect. However, the condition of the financial sector is no longer defined as failure but as fragility. An interpretative shift occurs and the market goes from being the cause of the crisis to its defenseless victim.

Thus, the endangered environment replaces competition in its function of dominant logic; the truth of the financial market as a speculative bubble is spelled out and transformed to meet the challenges that it created. The global economy is still conflated with the same formal system of prices, the bifurcated and multi-layered M-M' formula. However, this virtual structure no longer exists *as* objectivity but *as* an environment. This redefinition exploits its systemic characteristics, interconnectedness and complexity. Both were crucial to the possibility of repackaging risk, moving it around the market structure, which Tooze defined as "the 'interlocking matrix' of corporate balance sheets" (Tooze 2018, 19). Both constituted the objectivity of the system of prices and its self-sufficiency with regards to the suppressed relations of production. The crisis *cripples* this objectivity, which the market nevertheless doesn't surrender. It just replaces it with damage. *Objectivity* is now crippled. It turns into a plea, an absolute injunction to save the system of prices.

Interconnectedness and complexity on a global scale are indeed environmental qualities; they project an immersive ubiquity of habitat. Which is why the market can be represented as, to use John Quiggin's words, "'too big to fail' or, more precisely, too interconnected to fail" (Quiggin 2010, 61). However, a not-so-subtle shift is involved here. The system of prices is a purely formal structure which effectively suppressed the interconnectedness and complexity of social relations, repackaged them into discrete temporal instances. It is not a social habitat, then, not anymore. However, the suppressed returns, though only in a negative form – as the unraveling of the formal construction which usurps the qualities of the endangered environment.

Being what it is, logical difference – that is the formal basis of the efficient market – cannot possibly be endangered. Yet it becomes just that, a complex representational structure of Planet Capital, an ecosystem of meaningless abbreviation. The crisis is interpreted as a natural catastrophe of a purely artificial institution, whose faulty construction masquerades as cataclysm. In a transcendental foul trick, the utter failure of the efficient market hypothesis shows itself as vulnerability. Being crushed under the weight of their own (mis)judgments, the interconnectedness and complexity of the market create its fragility. They are its fragility, as the logical transformation into an environment adds nothing new to the market structure. Nothing except the situation of crisis.

Understanding of the market as an environment thus constitutes an unusual logical shift which doesn't change the structure but imbues it with vulnerability. It is the same network of differences which organizes the global economy. Only now we don't keep it in power because it works. On the contrary, we save it from the dysfunctions it created, because of them. The crisis turns out to be the very proof of the environmental quality of the market. This is a perfectly absurd (non)transformation, a bizarre logical bailout where the conclusions change dramatically while the premises stay basically the same. Nothing changes here, except the sense of urgency which demands immediate action rather than profound reassessment. This allows the system to avoid radical, or indeed any, change in its functioning.

This logical (non-)shift is guaranteed by yet another logical violation – that of the rules of debt. As a result of the transgressions of the big players in the financial sector and the subsequent decision to bail them out, these players – and by extension the financial market which they epitomized – became debtors to political creditors. Therefore, according to its own rules, the financial market was supposed to become responsible for paying this debt off. However, it proved completely deaf to this condition. Therefore, it showed utter contempt for the rules it had previously established and judged to be unavoidable, blatantly refusing to constitute itself as a subject.

Austerity policies, involving budget cuts which destroyed the very idea of the public sphere, are the direct results of this immature refusal, which are being borne by society, that is, by the lenders of the bailout money. This is what Mark Blyth has in mind when he states that "we mistakenly call this a sovereign debt crisis when in fact it is a transmuted and well-camouflaged banking crisis" (Blyth 2013, 18-19). The debts of the banks were quickly forgotten due to the very mechanism of the bailout, whereby they became the responsibility of the state. Thus, debt effectively changed its subject. This shift was facilitated by the logic of the environment, which the financial sector adopted to weasel its way out of crisis. The market changed its ontological status; it became an entity which is incapable of incurring debt and which everyone is indebted to for their survival.

This turn of events is a twisted variation on the rule Nietzsche formulated in *Genealogy of Morals*, that is, the gradual formalization of the lender which was discussed in the previous chapter. The latest development of this process involves a complicated shift regarding violence and power. Nietzsche describes a growing leniency of the social universal towards its debtors. This attitude, which could be read as weakness, is in fact the sign of its historical maturity as a powerful ontological guarantee of human life. How does this formula apply to the global market in crisis? Its greatest strength in managing the situation was to appear genuinely weak and helpless. Its power as a social universal, a role it usurped and monopolized, resided in the skill to project dependency and the urgent need for preservation.

Having destroyed the legitimacy of all other social forms, the global market demonstrated the vulnerability of a body in serious crisis. Here was a universal which not only relinquished the use of violence, but became a fragile object under attack. Once society was feared, now it is feared for. The virtual turmoil on the financial market took on the meaning of a terrible blow against a living organism that is the system of prices. The financial market postured as a delicate global environment, a complex jungle of the bifurcating M-M' formula (an endangered species) which we all inhabit and have to protect, if we want to survive ourselves.

The meaningless abbreviation posing as an endangered environment is of course a big, fat joke. This is not to say that contemporary finance didn't cause a lasting transformation of society and that it can simply be removed without a cost. However, its real impact doesn't begin to explain the utter disregard for societies and their living, breathing members, which is considered to be fully justified by the fragile state of the financial market. And it doesn't make it possible to fathom how the natural environment can be further destroyed by the unhindered expansion of capital, which masquerades as the destroyed natural environment. Reactions to the environmental crisis have hitherto been nowhere near as urgent as reactions to the financial crisis. The latter commanded that immediate action be taken to bail out the banks, however, since we've learned of the former, $CO_2$ emissions rose by 40%.

There is no rational explanation for this striking and thoroughly misjudged disproportion of priorities between the harm of one dysfunctional economic structure and the harm of everything else. Environmental studies scholars declare that our gravest oversight was to treat nature as if it were an object. Jason W. Moore claims that

> Needed, and I think implied by an important layer of Green Thought, is a concept that moves from the interaction of independent units—Nature and Society—to the dialectics of humans in the web of life. Such a concept would focus our attention on the concrete dialectics of the messily bundled, interpenetrating, and interdependent relations of human and extra-human natures. (Moore 2015, 45-46)

However, the dark irony at play here is that capitalism is perfectly capable of thinking in terms of a *web of life*. It just restricts the model to itself, which results in masquerading as an endangered environment to the detriment of the rest of the world. It is precisely the premise of universal interpenetration which allows global capital to demand, without a second thought, our sacrifice and the sacrifice of the entire planet at the altar of a faulty system of numbers.

Thus, the metaphysical dimension of debt, superfluous in the heyday of credit default swaps, returns in the grotesque form of an ailing structure. The injunction formulated by the "too big to fail" slogan forces us to think of formal emptiness in terms of naked vulnerability. The utter helplessness of formal logic. Systemic interconnectedness under pressure appears as a delicate web whose multiple layers enclose social reality and nature. The M-M' structures are out of joint and fraught with the risk accumulated within its brittle boundaries.

The preposterousness of this redefinition, and its apparent success, is the reason why the Nietzschean framework, where the absurd and hilarity serve as explanatory categories, proves illuminating for the analysis of the global market crisis. Finance takes itself very seriously indeed, and a deadpan reconstruction of its portentous attitude is crucial for the understanding of its functioning as the transcendental form of an environment. The neoliberal economy managed to convince society that it would perish without it, even if it proved itself absolutely dysfunctional. Its formal constructions, which have proven both void and dangerous in their effects, retain their position, as the financial market creates a completely artificial situation where it becomes mother nature. It thus creates the level of attachment beyond any expectation of profit or even belief in its basic rationality. Preposterousness becomes dialectic, here; the more blatant the inanity, the more binding it becomes.

The logic of debt creates a relation of dependence between the universal and its participant. During the global financial crisis this relation becomes more pronounced than ever, although the roles are simultaneously reversed. It is the system which becomes dependent on our reaction to its crisis. However, this dependency does not give us power over it. On the contrary, the global financial crisis made us even more powerless. Posing as an endangered environment, the global finance cajoled us into saving it, on pain of apocalypse. The vulnerability displayed by the system of prices in crisis is the form of violence it now exerts, the power it holds over the society which it first made redundant.

The environmental logic is the last perverse step towards the sublimation of this power where weakness becomes a sign of tenacity and the authority to use violence. Frailty is weaponized in the form of austerity. Nietzsche underlines the affective component of the violent form of settling debts, it is the *enjoyment of violation* which recompenses the lender for the lost property (Nietzsche 1989, 65). With the shift we have just defined, this affective economy changes also. The universal is no longer an active party excited with the prospect of torture. On the contrary, it enjoys its own violation, a position of weakness which gives it leverage over the society as a whole. The tortured being of the market flaunts its suffering and places impossible demands on its account. There is a perverse tenderness underwriting the brutality of budget cuts, a tenderness for the structure which exploits it, turning it into gold.

The cruelty of the regime of debt is no longer associated with punishment but with the unconditional sacrifice which the fragile being of the market demands from its participants (who, in this case, are also its lenders). This demand seems only fair, given the reversal of roles. The market is too fragile to bear any more hardship, as opposed to a subject who became a bundle of assets and is therefore impassive. As far as the formalized system of debt is concerned, once a person internalizes the rule of debt, thus assuming irrevocable responsibility towards the global economic system, s/he becomes just as redundant as anything else. Wendy Brown bitterly summarizes this situation, remarking that "as a matter of political and moral meaning, human capitals do not have the standing of Kantian individuals, ends in themselves, intrinsically valuable" (Brown 2015, 37-38). Therefore, their potential suffering can be bracketed and suppressed by the M-M' formula.

Society is thus primed for austerity, a debt paid for the indebted market which supposedly lacks the necessary resilience. This is why, despite the failures of the financial sector, it is perfectly understandable to close a school or bus connection while the closing of a bank is still considered a tragedy if not outright forbidden because of the consequences. Thus, violence is not suffered, but is exerted by the victim and takes the form of a supposed moral obligation towards it. This is why, according to Blyth, "each national state's balance sheet has to act as a shock absorber for the entire system" (Blyth 2013, 20).

## Conclusion

This text proposed a short story of the changing fortunes of neoliberal reason and its fantastically manipulative paradigms. Established over the last fifty years, this recent development of capitalist world-system is just one more historically transient paradigm, which moreover proved itself to be seriously dysfunctional. Nevertheless, it managed to assert itself with unprecedented and perverse vigor, which caused Mark Fisher to coin the concept of *capitalist realism* (Fisher 2009) in reference to its particular brand of legitimacy. The concept denotes something even stronger than perceived necessity, namely a certain atrophy of imagination. Numbed by the relentlessly reductive logic of accumulation, we suffer from an *inability* to escape the patterns of experience dictated by our current condition. It is the very sense of possibility which is being impaired here. The first aim of the text was to understand how the neoliberal paradigm managed to insinuate itself into the social texture with such tenacity. To that end, I followed the interconnections between three logical forms which it adopted in the course of its development. However, the second aim, which fully coincided with the first, was to ridicule the claims of capitalist realism based on this constellation of concepts. The critical gesture employed in the text was therefore one of parody.

The legitimacy of the paradigm was first based on far-fetched claims to rationality, but it managed to outlive them all. The idea that the system of prices could successfully stand in for the economy as a whole and secure its growth proved both unfounded and catastrophic, a figment of economic imagination with dire consequences. Yet, the branching complexity of the system of prices managed to survive as the endangered thicket of the formal M-M' relation. The idea that global capital is organized as the universally binding relation of debt underwent a similar process of ridicule. Here, the abstraction of the system of prices posed as the unshakable moral imperative, shaping its very own moral subject. The market functioned as both the formula of this imperative and the unavoidable punishment for breaching it. Yet, when the time came, the market scoffed at the imperative and evaded punishment – a turn of events made possible by the convoluted, though perversely coherent, re-imagining of the logic of violence inherent in debt.

The logic of environment which followed these two forms constitutes a peculiar case of capitalist realism, being fully dissociated from the reality of the crisis, both from its own role in its outbreak and the social cost which it commands. It draws on the forms of competition and debt but then outdistances them in its brazen irrationality. Here, capitalist realism is at its most absurd. But also at its most cunning, since the surreal redefinition of its failed logic effectively reorganizes the conjecture in its favor. In a feat of Nietzschean perspectivism so outrageous that it beggars belief, the crisis itself became the strategy of survival. Sanctioning this outcome required a huge leap of faith on the part of society, but this gesture didn't even register as such. On the contrary, it registered as absolute necessity. The aim of the text was to spell this relation out, addressing the sheer ludicrousness at the heart of the cunning of neoliberal reason.

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**Tytuł:** Na ratunek planecie kapitał - logiczny bailout rynków finansowych
**Abstrakt:** Analizy neoliberalnego modelu rynkowego w kategoriach transcendentalnych koncentrują się zwykle na dwóch stwarzanych przezeń warunkach doświadczenia – konkurencji i długu. Te dwie reguły tworzą wspólnie formę rozumu właściwą współczesnej ekonomii. Poniższy esej poddaje analizie ich przemiany w czasie kryzysu finansowego 2007- 2008 roku. Pokazuje, że bailout instytucji finansowych zagrożonych upadkiem jednocześnie łamał prawa konkurencji i długu oraz dostosowywał je chytrze w celu usprawiedliwienia zaistniałej sytuacji. Dostosowanie to stanowi tytułowy bailout logiczny, który umożliwiła nowa transcendentalna forma, jaką przybrał rynek. Jej streszczeniem jest formuła "zbyt wielkie, by upaść". Esej pokazuje, że sloganowi temu towarzyszyło ukryta przesłanka rozumienia rynku w kategoriach środowiska - niezwykle złożonej i delikatnej sieci relacji, niezbędnej dla przetrwania zasiedlającego ją gatunku. Ten zwrot logiczny zostanie poniżej ujęty jako mechanizm przetrwania, który pozwolił rozumowi neoliberalnemu uniknąć detronizacji pomimo kompletnej klęski.
**Słowa kluczowe:** kryzys finansowy, dług, konkurencja, finansjalizacja, neoliberalizm, „too big to fail"