THE CRISIS OF 2007: THE GREAT FINANCIAL CAPITALIST SWINDLE

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Despite the seismic crisis of 2007, a question persists that is likely to remain unanswered. Colin Crouch condensed it in the title of his 2011 book, *The Strange Non-Death of Neoliberalism*: why did neoliberalism re-emerge stronger from the 2007 crisis, from which in fact it might have been expected to emerge, at the very least, weakened?

One plausible answer could be the following: the turbo-financial elites managed to make the crisis, for which they were mainly (if not exclusively) responsible, appear to have been caused by the inefficiencies of the public sector and by the Debt of the States. On this basis, by skillfully manipulating the consensus of public opinion, through the ever-zealous work performed by the intellectual clergy, the aforementioned elites managed to make the State itself—and, therefore, the Public—pay for the crisis: that is, they "generously" made wage-earners and pensioners pay for it, as if they had really been responsible for the failure of the financial system.

In this way, the capitalist system, with its asymmetrical social relationship based on bonds of Lordship and Servitude, has not limited itself to generating the poor as it has always done, but, evidently with the crisis, it forced them to subsidize the rich themselves through an authentic and genuine Economy of Swindle. Through it, it triggered concrete transfers of property and power to those who, from above, kept their resources intact and are in a position to manage credit. There is no image that clarifies the situation better than the one used by Robert H. Frank and Philip J. Cook to title their study, *The Winner-Take-All Society*.

Incidentally, the *fabula docet* is that to assert—as the hedonistic singers of the free market paroxysmally do—that in the long run the economic system produces its own equilibrium constitutes a false position, since—as Hegel already pointed out—even the plague ceases at a given moment, but in the meantime hundreds of thousands are its victims. In addition to this argument in support of the need for political regulation of the wild beast of the market, Hegel mobilized another one: liberals make a profession of faith in individualism, but they are precisely the first to sacrifice the welfare of the individual on the altar of market power and economic equilibrium. They forget that it is not the market, as an abstract entity, but only the individual, as a particularity, who represents an end and who is the holder of rights.

In the context of the 2007 crisis, "Save the banks" was the new and indecent slogan repeated by the elites and, above all, by their politicians and intellectuals of reference. As if it were a new Aztec religion fed by human sacrifices, in the name of liberalism the resolution of all problems could wait, but the solemn call to help the banks in difficulties became the new categorical imperative to be obeyed immediately. And this was also thanks to the new imaginary spread *urbi et orbi*; an imaginary for which, basically, it was easier to imagine the end of the world than the end of capitalism (*fiat profitus, pereat mundus*).

According to a well-established practice that is fully inscribed in the *modus operandi* of ideology, the masters of discourse and of the media circus chose to invert reality; and attributed the responsibility for the crisis of private finances to the State, thus laying the necessary foundations to make it possible to attack it head-on and plunder it without restraint.

The storytelling, concocted by the anesthetists of consensus and by the administrators of the superstructures after 2007, can be summarized as follows: it was the increase of the Public Debt that caused the crisis, so it is fair and necessary to claim against the State. On the other hand, the cataclysms of speculative finance and fictitious capital should not be the subject of debate, almost as if they had never happened. Moreover, the "Public Debt theorem" proves to be functional to the neoliberal processes of de-sovereignization of the national State and the contextual simultaneous transfer of sovereignty from the State (and politics) to the banking system (and the economy). In the words of Mario Draghi, maximum exponent of the global class and protagonist—as president of the ECB—of the maneuvers referred to above, "a country loses sovereignty when the level of the Debt is such that any decision passes through the scrutiny of the markets, that is, of actors who do not vote but determine the processes."

This situation, surrealistic to say the least, was on the other hand the palpable proof, as Dardot and Laval have suggested in Guerra alla democrazia, that in the framework of neoliberalism every obstacle becomes an opportunity, every collective tragedy a triumph for the ruling elite. The financial crisis was ridden to direct the offensive against the State and against wages, against the public and, in short, against the subaltern classes that live off their own labor.

This is also the quid proprium of the neoliberal order: to ensure that the Lords of Big Business enjoy the benefits of globalization without charge, often taking advantage of a tax system that tends to zero, where the losers of globalization—the "glebalized"—are the only ones who pay the bill on behalf of all, through the iniquitous transfer of the entire tax burden onto the shoulders of poor families and the impoverished middle classes. Neoliberalism, the supreme phase of the hegemony of the ruling classes and of the new spirit of capitalism, thus presents itself also in the form of a fanatical faith and a fundamentalist religion of the capitalist economy; a faith by virtue of which—in the triumph of a *credo quia absurdum* deprived of transcendence—the market is always right on principle, even when it is flagrantly wrong.

The fanatical faith of economic fundamentalism, coessential to the neoliberal order, is based on an ideological naturalization of mercantile exchange, elevated to the condition of an aprioric endowment of the human mind (a natural-eternal *forma mentis*) and, at the same time, to a natural relational practice among individuals, conceived in turn as free-trading atoms. If, in T*he Wealth of Nations* (1776), Adam Smith already posed free exchange as a *quid proprium* of human nature ("no one has ever seen a dog make with another dog a deliberate and fair exchange of one bone for another bone"), Milton Friedman goes further. And he ventures to extend the activity of free exchange to the very foundation of human relations: "economic activity is by no means the only area of human life in which a complex and sophisticated structure arises as an unintended consequence of the cooperation of a large number of individuals, each pursuing his own interests."

In this sense, the formula—among those preferred by neo-liberal discourse—"working to sustain the Public Debt" means, no more and no less, than working to pay usurious interests to the financial markets, depriving the real economy of those scarce residues of wealth that the financial markets have not yet managed to "dematerialize" and make their own. The States, deprived of their sovereign currency, are forced to pay very high interests for the loans obtained in the financial markets and this determines the uninterrupted growth of the Public Debt. This, and certainly not the excessive cost of the welfare State, is the real cause of the Public Debt, whose calculated increase is intended to annihilate, in perfect neo-liberal style, the residues of welfarism and public spending, favoring the complete privatization of the world of life.

Strictly speaking, what has been said above is hardly refutable proof of Ezra Pound's assertion that "a nation that does not want to get into debt makes usurers rage," as well as of the vital need for nationalization of the banks in order to reduce the public debt and free itself from the *auri sacra fames* of the financial markets. The case of Japan remains exemplary. It has a sovereign currency and, despite having a fairly high Public Debt, is not subject to the rapacious attacks of financial speculation. In fact, on the one hand, Japan is guaranteed by its own Central Bank, which acts as "lender of last resort" and, on the other hand, 95% of the Japanese Public Debt is in the hands of the Japanese and not of speculators.

From this also follows the governmental character of the crisis: to govern by means of a crisis—one of the cornerstones of the neoliberal *raison*—means to manage it as a weapon for the benefit of the ruling classes who live off capital and against the dominated classes who live off labor. In effect, there is no crisis that is not exploited by capital and its servile governments to accelerate and intensify the transformation of the economy for the benefit of the dominant classes, sweeping away all still existing limits and, therefore, specifically and gradually weakening the sphere of the Public and the State.

If neoliberalism not only does not implode but strengthens, even after the continuous catastrophes it generates, it is also, because it continually manages to change the world (in the capitalist sense, of course), adapting it to the demands of the market, and exercising (also in this case in a capitalist way, that is, for the benefit of the ruling class) the hegemony theorized by Gramsci: from the Cato Institute to the Heritage Foundation, from the Adam Smith Institute to the Institute of Economic Affairs, from the Mont Pelerin Society to the Bilderberg Group and the Trilateral Commission, capitalism triumphs also thanks to its cultural hegemony, that is, through the domination combined with the consensus it manages to impose on all those who, truly, should have every interest in rebelling against it.

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Featured: *le Naufrage* (*Shipwreck*), by Joseph Vernet; painted in 1772.
