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Debt and Sacrifice: The Role of Scapegoats in the Economic Crises

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Abstract: Despite the process of secularization and modernization, in contemporary societies, the role of sacrifice is still relevant. One of the spaces where sacrifice actually performs a critical role is the realm of modern economy, particularly in the event of a financial crisis. Such crises represent situations defined by an outrageous symbolic violence in which social and economic relations experience drastic transformations, and their victims end up suffering personal bankruptcy, indebtedness, lower standards of living or poverty. Crises show the flagrant domination present in social relations: this is proven in the way crises evolve, when more and more social groups marred by a growing vulnerability are sacrificed to appease financial markets. Inspired by the theoretical framework of the French anthropologist René Girard, our intention is to explore how the hegemonic narrative about the crisis has been developed, highlighting its sacrificial aspects.

Keywords: violence; sacrifice; expropriation; crisis; financialization; capitalism

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Citation: Alonso, Luis Enrique, and Carlos J. Fernández Rodríguez. 2021. Debt and Sacrifice: The Role of Scapegoats in the Economic Crises. *Religions* 12: 128. https://doi.org/10.3390/rel12020128

Academic Editors: Javier Gil-Gimeno; Josetxo Beriain and Celso Sánchez Capdeq

Received: 21 December 2020
Accepted: 14 February 2021
Published: 17 February 2021

1. Introduction

Sacrifice performed an important role in agrarian societies and in their religious and cultural practices, acting as a gateway between the realms of the sacred and the profane (Mauss 1979) and being particularly relevant for soteriology (see, e.g., Eberhart and Schweitzer 2019). The concept of sacrifice has a religious origin and can be understood as a means of communication between the sacred and the profane, with the mediation of an immolation (Hubert and Mauss 1981). According to Hénaff (2002, 2012), in agrarian societies, there is a step in human evolution where humans are able to domesticate plants and animals, a capability regarded as taken from the spirits and gods. The capacity to breed plants and animals and consume them is interpreted as a gift from the deities, which needs to be returned in some form, in a logic of symbolic exchange that connects humans and non-humans, as well as physical forms of subsistence with symbolic representations of life. Therefore, sacrificial rituals basically emerge as an offering to the deities, in which humans return symbolically what they have taken from nature. The unilateral gift of grace is recognized with the sacrifice, with immolation making the offering irreversible. Gradually, this recognition goes beyond the animal world to involve the entire world around us, and the concept and practices of sacrifice experience a metamorphosis, adopting an increasingly metaphorical form (Hénaff 2012; see also Beriain 2017).

Despite the process of secularization and modernization, sacrifice is not absent from modernity. Different forms of sacrifice and self-sacrifice persist today, linked to religion and spirituality (e.g., self-immolations linked to new jihadism), but other relevant manifestations, yet more subtle, have emerged in secular life. Sacrifice still plays a key role in the realm of modern capitalist economy, where logics of exchange are as essential as in religion (Beriain 2017). Sociologists have often theorized the important links between the sphere of religion and economy (Weber 2005; Sombart 2001), where orientations and attitudes that once were spiritual evolved in secular society, becoming embedded in economic practices and behaviors[1]. The role of sacrifice in economy was remarkably explored by Georg Simmel, who, in his magnum opus, The Philosophy of Money (1978: original edition 1900), highlighted that the subjective condition of economic value does not arise from the pleasure of possessing an object, but rather from the desire derived from its non-possession and the sacrifices that the individual needs to endure in order to obtain such an object. Hence, the satisfaction of a desire has a price and involves a renunciation. The sacrifice involves not only committing to an ascetic lifestyle (giving up pleasure in order to save money), but also the striving in the context of market competition. The economic system is, according to Simmel, based on an abstraction: the mutuality of exchange between sacrifice and gain, where sacrifice becomes the condition of economic value as such (Simmel 1978, pp. 78–82). The individual accepts sacrifices in order to fulfil her desires at a later stage, leading to self-awareness and responsibility to oneself. Therefore, sacrifice is key to the contemporary economic order.

The role of sacrifice is particularly visible in certain events such as economic crises. In these scenarios, the sacrificial dynamics seem to function more in line with Durkheim's view, where sacrifice is understood as a ritual embodied in collective representations, creating belief in its efficacy and sacredness (Durkheim 1960). Thus, the resolution of a crisis involves a different type of logic, in which, in our view, others can be sacrificed for the benefit of the moral energy of the group. This perspective, in which the moral cohesion of society becomes crucial, pushes us to place the debate of economy and sacrifice within a different theoretical framework. In this paper, we aim to discuss the persistence of sacrifice in our secular age, and to do so, we will draw on René Girard's sometimes controversial theory of the scapegoat (see Girard 1986), which offers extremely useful insights into the relations among societies, the economy and the sacrificial symbolism. Girard's theory provides a narrative on crisis and sacrifice that certainly matches the logics displayed when societies confront economic cataclysms. The sharp downturn in economic activity generates uncertainty and leads to a political struggle to impose certain economic policies in order to resolve it. Such policies, defined by Peter Berger (1974) as a *calculus of pain* and designed by the political and economic powers, have a direct impact on citizens, affecting not just their standard of living but also existing economic and social relations themselves. Financial crises, therefore, can be best understood as phenomena that shape both the economy and social relations, as events in which some groups make gains and others lose in the struggle over the redistribution of resources. Sacrifice takes place when some groups, often unwillingly, are forced to live with less, in order to keep the social order in balance.

This process involves a factor that has generally received little attention yet should not be overlooked: crises usually unleash an extraordinary degree of economic and social violence, at least in symbolic terms (see Bourdieu 1991). This deserves more detailed consideration. The so-called victims of the crisis are citizens who, after a series of different contingencies in which large transformations in the world economy play an essential role, have lost their savings and/or income, and who, as a result, suffer personal bankruptcy, high debt, the loss of their livelihoods or a vicious spiral of poverty. This symbolic violence, as the result of a more profound social conflict, can be observed as a very real epiphenomenon which flagrantly exposes actually existing relations of social domination. Painful measures are necessary: we must send signals to the markets, make sacrifices. The latter idea, the notion of sacrifice, has in fact emerged as one of the leitmotifs of the Great Recession of 2008 in many European countries, one which refers to the need to sacrifice rights in order to send the markets signals that might calm their speculative fury. In such events, citizens' rights have somehow been chosen as the scapegoat in order, with the excuse of taming the violence of the markets (Aglietta and Orléan 1982), to reinforce the existing relations of social domination. The interesting analogy here with religion is that there are believers and interpreters (neoliberal economists, politicians) that portray

[1] According to Abend (2014), religious values can actually perform an important role as the moral background of business ethics.

a narrative of markets as sort of *Moloch* or divinity to whom no limits can be imposed in the current neoliberal framework, and whose cult—based on an endless accumulation of capital—demands, most of all, orthodoxy in following certain economic ideas and rules, no matter the costs[2]. This orthodoxy requires indeed certain sacrifices, even to the point where the economy would damage itself in an almost invoked eschatological whiff of the "End Times" (Peck 2013).

In this theoretical paper, we explore this notion of sacrifice in our secular age, highlighting its relevance in economic crises. Given the limited space, our article will focus on the theoretical discussion as well as some examples taken from the last financial crisis that the world witnessed: the Great Recession of 2008, where these logics of sacrifice were displayed in a quite dramatic way, particularly in Southern Europe. We have divided the rest of this paper into five sections. In Section 2, we argue that financial crises are, in essence, mechanisms for expropriating social wealth, highlighting the importance of the factors of control and punishment in the context of economic depression. In Sections 3 and 4, drawing above all on the theoretical framework put forward in Girard's work (see Girard 1977, 1986, 1987, 2001, 2003), we present an analysis of the crisis as sacrifice, linking these arguments to the important disciplinary role played by the crisis in societies. Next, we cite an example of how the sacrificial aspects of economic crises are deployed by examining the Great Recession in Southern Europe. In Section 5, we then discuss the notion of crisis as a disciplinary device designed to make people conform to global market rules. In Section 6, we end this paper with a brief conclusion.

2. Financial Crises as Mechanisms of Expropriation

It is remarkable to observe the scant importance attached to the mechanisms of social domination in the evolution of financial crises. Crisis as a justification for domination and mandatory sacrifice is a reality which, the more we feel its effects, the less we see it discussed in more conventional (official or academic) analyses of financial and social crises. When this dimension of crises is mentioned, it is treated as a mere collateral effect of economic decisions, presented as autonomous and sovereign, even if misguided. It is not worth examining here the most triumphant accounts of the superiority of deregulated financial flows, the trivialization of economic policies, the rational expectations of efficient capital markets and the infinite expansion of the markets in futures and derivatives, from Fama (1970) to countless neoliberal economists. In classic explanations of the crisis (e.g., Galbraith 1994; Montier 2000; Kahneman 2003; Kindleberger and Aliber 2005; Reinhart and Rogoff 2009; Akerlof and Shiller 2009), the references involve differing modes and degrees of eclipse of economic rationality, whether due to temporary madness, the imitation of high-risk or defensive behavior, undesired collective consequences of calculated individual actions or contagious miscalculation of risks. Above all, an almost universal blindness seems to lead to speculation and, from there, to fortunes and misfortunes. The framework of power relations, the search for control and domination and the social victims of the collapse of institutions (for example, the non-investors) are mentioned, if at all, only in passing, as if they are anonymous extras in a drama in which they play no significant role.

However, these accounts are related neither to the social terrain in which they acquire their meaning, nor to the power strategies which explain them. The media and politicians frame a discourse where meteorological or physical metaphors for the crisis ("financial storms", "turbulence", "instability", "slump") conceal the actors involved, both those who suffer them and those that provoke them, but that somehow represents a state of nature where people cannot assert any significant influence, just like the weather. The crisis, therefore, can be understood as exploited in a discourse which constructs a specific social order, naturalizes power relations and makes all other alternatives impossible. Here, we

[2] It is interesting to notice how neoliberal economists have an almost religious belief that market (and private property) is the best way to ensure an individual's choice, while State is seen as dangerous. This Good (market and private property) vs. Evil (State and public sector) analogy has been extremely influential in countries such as the US, so it should not be surprising that some of the most extreme versions of neoliberalism have been actually supported by conservative faith-based groups (on this topic, see, e.g., Hackworth 2012).

follow Foucault (1980) in his argument that realities are presented as "natural", neutral and transparent, when, in truth, they are effective elements of the material production of knowledge and power. Hence, even when presented as such, the crisis is not a "natural" reality, but rather responds to the mechanisms and interests of the domination of meaning, which have operated throughout the history of capitalism. For all these reasons, every crisis symbolizes, in short, an ideology. The crisis mobilizes a certain symbolic violence (Bourdieu 1991, 2000) which gives rise to a situation of necessity and inevitability, generated by the unconscious adaptation of the objective and subjective structures. Exactly this makes it possible for private beliefs and interests to be embodied as if they were shared social objectives. At the same time, the crisis also permits the acceptance of dominant social categories (what is good, what is bad, what should be done, what should not be done, what is beneficial, what is unfavorable, what makes us better, what makes us worse, etc.), promoting attitudes of submission which are not perceived as such, but rather appear to be endowed with inherent legitimacy and absolute naturalness (Lordon 2010). This is linked to a specific state of exception (Agamben 2005) where a proliferation of emergencies leads to a new type of governmentality (Adey et al. 2015). The current crisis simply rounds off its disciplinary effect, as the private–mercantile powers impose their full weight, only constrained by the least institutionalized forms of social resistance.

In this respect, we would like to highlight two important issues. The first is that financial crises are essentially brought about by debt. As Adkins (2017, p. 450) claims, "debt has become the key mechanism through which economic and social existence is to be secured". Hence, it is a necessary but hazy corollary of other dominant (and certainly more attractive) concepts in contemporary mercantile discourse: leverage, financing, investment, mortgage, loan. The second is related to another element that usually goes unnoticed in day-to-day thinking about neoliberal capitalism: the violence (symbolic but, in certain occasions, very real) that capitalism unleashes on society in general and individuals in particular in order to force them to adapt to the new demands of neoliberal biopolitics and the rules of the current financial markets, rules which are happily sanctioned by the existing national and international mercantile, civil and criminal legal codes (see North et al. 2009).

Financial crises are, without doubt, directly related to the phenomenon of debt. In recent decades, debt, a societal–economic relation which seems to have accompanied humanity since the very beginning of time (Graeber 2011), has acquired a dominant role in generating economic growth. Indeed, capitalism can now be defined as debt-driven capitalism (Stockhammer 2009; Koch 2011; Poppe et al. 2016) in which debt plays an essential role in ensuring the very survival of the system (Lazzarato 2012). Financing consumers enables them to stimulate the capitalist economy enough for it to function; states are, to a large extent, reliant on public deficits to fund the various public services (Graeber 2011). Moreover, the consolidation of neoliberalism has also meant the hegemony of financial capital, whose hypostatization economists are loyal to, and supportive of. The new financialized regime has played a decisive role in the upsurge of a misleadingly named "popular capitalism", in which small investors and savers begin to participate, directly or indirectly, in channeling international monetary flows, simultaneously exposing their patrimonies to the vagaries of globalization. All this has had very serious implications for the question which concerns us here, that of debt.

In this respect, as noted by Graeber, the recent neoliberal cycle has also been distinguished by an authentic explosion in credit mechanisms created by the thriving financial sector as a means of making more and more profit. The proliferation of credit cards (American Express was founded in 1971, the same year that the United States abandoned the gold standard, thereby opening a new era of financial volatility) was accompanied by two other crucial developments with respect to debt. At the national level, in many countries, the first was the repeal, or at least watering down, of legislation against usury (one example is the US Monetary Control Act of 1980), permitting extremely high interest rates on various forms of personal loans and variable interest rates on mortgages (Aglietta and Orléan 1982).

This development has condemned many working- and middle-class families to a vicious cycle of indebtedness in order to cover their expenses, resulting in the need to live on credit and permanent indebtedness into a way of life recommended by the authorities and celebrated by economists and even clerics converted to the most rabid neoliberalism. Those people who do not need to get into debt or are unable to borrow money to fulfil their most basic obligations, such as paying for insurance or education, are either gods (the upper classes) or beasts (the excluded), to use an Aristotelian simile (Aristotle 1999). The second key development—in this case, international in scope—was the redefining of the mission of the International Monetary Fund (IMF) as a global institution responsible for working with international creditors to facilitate the Nation States' repayment of the debts that they contracted with the financial investors. This was accompanied by major legal reforms in other national and supranational bodies (Harvey 2005; Graeber 2011). These two developments have played a crucial role in the progressive financialization of the world and the progressive indebtedness of different economic agents (Harvey 2010).

The result of this tendency towards indebtedness is the growing importance of the financial sector in the economies of those countries which have been through the most intense processes of deregulation. The banks took advantage of liberalization to introduce new and sophisticated investment products to offer to their clients at the same time as they designed new credit formulae aimed at the middle and working classes. In this way, towards the middle of the first decade of the 21st century, the financial economy acquired a preposterous monetary value, which, moreover, was far higher than that of the manufacturing economy (Harvey 2005). This has had two consequences. First, as noted above, financial capital conditioned industrial capital, introducing a culture of short-term profit which led industrial companies to adopt strategies intended to satisfy their shareholders' immediate interests in profit, destroying the foundations of the Keynesian compromise[3] (Daguerre 2014). Second, the financial institutions' constant need for profit inevitably led them to make increasingly risky loans which, in turn, they insured and sold through complex financial products, giving rise to a spiral of interconnected and apparently limitless debt, for a time presented by governments and lobbies as a solid and harmonious model of economic growth (Krippner 2011).

However, this supposed virtuous circle of growth and debt sometimes crashes into its true limits, and it is then that the crisis becomes apparent in all its intensity. Here is where the theory of René Girard provides interesting insights. His concept of mimesis, developed throughout his work (see Girard 1977, 1987, 2001), states that we learn what to desire by copying the desires of others (mimetic desire), and this leads almost inevitably to conflict inside communities. Aglietta and Orléan (1982) applied this powerful idea to the way in which financial markets work. As these scholars have shown, monetary crises are, in essence, a sudden conflict between creditors and debtors, as the former try to enforce their rights in order to recoup their wealth from the latter, provoking a social conflict between the two—something which Girard argued is violent (see Girard 1977, 1986). The crisis, therefore, is generated by the inherent violence of the market economy (in which monetary violence has momentarily sublimated actual physical violence), which fuels a range of mimetic behavior in which each subject–individual imitates the rest, the other being simultaneously model and rival. According to Aglietta and Orléan (1982), this mimicry means that our economic decisions that imply purchases, credits, mortgages or personal loans are a mimetic response to the behavior of others: we imitate them and, at the same time, try to compete with them. In this light, financial crises are situations in which this sublimated violence is unleashed with the greatest force, since finances are also the field in which these relations of mimicry are strongest. Speculation is a classic case, breaking Walras' laws of price setting and generating a desire to hoard that mimics other speculators' practices and creates rivalries (see Galbraith 1994; Kindleberger and Aliber

3 The Keynesian/Fordist compromise was the dominant feature of post-war economics, critical for the development of the so-called welfare state. It implied a compromise between capital and labor that guaranteed economic stability and workers' participation in exchange for higher wages and increased social protection (see Alonso and Lucio 2006; Daguerre 2014).

2005). In neoclassical theory, the free market appears to consecrate individualism, while in fact generating a dread of difference, with the result that in most of our decisions, we end up imitating others. From a Girardian perspective, this could explain the rise of speculative bubbles of the type currently affecting the global financial markets, the behavior of senior executives and of a certain type of middle class, as well as, and above all, the collective desires suddenly aroused in situations of uncertainty which drive creditors to try to recover their investments even if this pushes their debtors to the brink of collapse.[4]

For Aglietta and Orléan (1982), therefore, the crisis is the moment when the economic agents try to satisfy their desires by asserting the rights which monetary sovereignty grants them, but find themselves facing a breakdown of legitimacy in the economic world (with the result that they are unable to recover all or some of their investment). These contexts are marked, moreover, by the sudden loss of meaning of both economic calculation (with the uncertainty this brings) and, as a result, previously existing social bonds. Mimicry intensifies, generating greater violence. In this light, experiences of hyperinflation and bankruptcy perfectly illustrate how, behind these turbulent macroeconomic movements, we find concrete social configurations, and intense mimetic reflexes in the behavior of individuals. And as these authors go on to argue, in such moments of monetary chaos and serious social conflict, institutions are required to take crucial decisions, the State adopting one or other type of measure in function of the balance of power existing in a given society. Thus, the State may establish a hierarchy of right to recover debts, set debt reductions, limits or, as is often the case at present, socialize the losses. These attempts to resolve economic and financial crises generate a series of social dynamics in which violence, whether real or symbolic, explodes in one way or another. In extreme circumstances, this can cause the implosion, if not of the capitalist system itself, at least of the financial system, as happened in 1929 and, albeit to a more limited extent, in September 2008. However, in the case of this latest financial crisis and, indeed, its predecessors, the violence generated has been channeled in a very specific direction, far from the market and right at the heart of society.

3. The Resolution of the Crisis as Sacrifice

One financial crisis has followed another over time, but the financial world is still not just alive, but in fact continues to thrive, nourished by the many corpses that it leaves in its wake. What is its magic formula for survival? Why is it that, despite the financial sphere being responsible for these crises, the violence they generate does not sweep it away? In this respect, again, René Girard's work provides a timely theoretical framework to help us to reconstruct a way out, if only partial, of the crisis. The key is his theory of the scapegoat (see 1986; for further analysis on Girard's theory, see Fleming 2004). According to Girard (1986), the principle of rivalry dominates in all spheres of experience, and when unleashed, it sows confusion and self-damage to social groups. This might lead to crises that represent a cathartic solution to the aforementioned rivalry. Over the course of his complex and dense works, Girard (1977, 1986) argues that crises in society are also marked by strong doses of violence; they imply the collapse of the existing institutions, which, in other eras, could mean the peace of the clan or of the medieval cities hit by a disaster or a calamity such as poor harvests or pandemics. Girard (1986) shows how, in some of the classic examples, outbreaks of diseases such as the plague led to an increase in violence as a result of the inability of the existing institutions to provide a response. The solution to the crisis was, and, in his opinion, usually has been, the same. First, some possible culprits, even if innocent, are identified (in the case cited by Girard, the victims are the Jews). This paves the way for their persecution by the others, which ends with the genocide or expulsion of the chosen victims, the scapegoats (in this case, the murdered Jews). Violence provides a liberating catharsis, which makes it possible to restore the damaged bonds within the community

[4] In this way, when savers withdraw their money *en masse* from a doubtful financial institution, the ultimate effect is obviously the suspension of payment. An example in relation to this type of collapse of savers' confidence is the excellent analysis of the nationalized British building societies by Klimecki and Willmott (2009).

by collectively sacrificing the victim, the violence then abating until the next crisis. The scapegoat is, therefore, the innocent victim who becomes the focus of the hatred of all (Girard 1987). The function of this collective crime is to reconstruct social relations, to the point that Girard (1977) even states that, without the sacrificial crisis, and given that violence can always be stirred by mimetic rivalry, the community would destroy itself completely. The violence of the sacrifice provides the basis for reestablishing order and the appearance of a sphere of the sacred, paradoxically in the form of religious adoration of a totem, god or symbol derived from the scapegoat mentioned above (Girard 1986, 2001, 2003).

Curiously, Girard's approach provides a rich and suggestive framework for our analysis of financial crises. The scapegoat is essential to any understanding of how neoliberal policies operate. As noted above, this fits in well with an image of the financial world driven by intense mimetic relations among the agents who operate within it: they all seek to get richer just like the rest, seeing others (banks, brokers) as rivals and models to follow. In this ruthless competition, agents assume ever more antagonistic positions, tied together in relations, which, in the case that concerns us here, take the form of relations between creditor and debtor which have permeated the whole socioeconomic world of new, debt-driven capitalism. Mimicry holds sway among the financial agents who, in order to outdo their rivals, also take increasingly risky financial decisions (whether entrusting their money to less solvent agents or purchasing more expensive houses). This gives rise to a curious paradox whereby the greater the agreement of the agents with respect to the supreme value (in this case, the idol of money), the greater the risk of self-destruction as a result of a mimetic paroxysm in which all rationality with respect to economic decision-making is abandoned. Eventually, however, the limits of this commotion are exposed when the crisis hits. And here, the figure of the scapegoat appears to offer an extremely useful concept through which to make sense of both the current economic crisis and the violence it embodies.[5]

4. Sacrifice at Play: The Debt Crisis in Southern Europe

Many scholars are currently debating over the origins and outcomes of the latest financial crisis from a socioeconomic perspective (e.g., Lounsbury and Hirsch 2010; McKenzie 2011; Castells et al. 2012; Van Der Zwan 2014; Dinerstein et al. 2014; Coleman and Tutton 2017). The Great Recession in Europe (but, before that, in Latin America, and many other places) has revealed the true scale of this symbolic violence with real economic effects (see, e.g., Lapavitsas et al. 2012), with collapses of grotesque real estate bubbles, evictions, massive bank frauds, mass unemployment, cuts in social and labor rights, falling wage levels, indiscriminate increases in prices and taxes and police violence against peaceful demonstrators. The dramatic increase in social inequalities simply confirms that the current crisis has not affected all social groups equally: the senior executives of the major global financial institutions, recipients of multimillion dollar salaries and representatives of a privileged lifestyle in obscene contrast to the condition of most of the planet's inhabitants, have escaped virtually scot-free except for criticism of their bonuses, despite the strong implications of their limited liability. Some scholars have argued that this represents a moral hazard that could explain, at least partly, the systemic instability of contemporary capitalism (see Djelic and Bothello 2013). It is not just that their businesses have been rescued by the taxpayer, but that they have embarked on a brutal defense of their interests which, in many cases, and above all in Europe, has led to the implementation of drastic neoliberal ideas and policies (Lapavitsas 2009). This defense of the interests of financial capital has acquired unprecedented force, venturing deep into previously unexplored terrain (in terms of cuts and privatizations) in order to further enrich the rich, even if this necessarily makes the poor even poorer (Chang 2010). In the face of the entrenchment of the financial caste, acting with the undeniable complicity of the political class in their

[5] For reasons of space and relevance, here, we will focus on analyzing the scapegoat in the current economic crisis. Nonetheless, a quick glance at the past is sufficient to confirm that, in the case of conservative, reactionary or plainly fascist responses to the economic crisis, we always find scapegoats of one kind or other: Jews, subversives, immigrants, etc.

brutal reinforcement of the status quo, more and more social groups and sectors are experiencing greater vulnerability due to the loss of rights, falling living standards or diminishing incomes. And all these sacrifices are made to placate a series of entities, such as the financial markets and the credit-rating agencies, whose negative reactions in the form of higher-risk premiums or lower credit ratings have the potential to provoke collective bankruptcy.

What brought about the 2008 financial crisis? The fundamental cause was the inability of some financial agents to meet their obligations to their creditors after entering into exceedingly complex and high-risk financial operations induced by the mimetic effect. For instance, the behavior of the Spanish financial institutions during this latest crisis seems to fit this pattern (see López and Rodríguez 2011; Buendía 2020). They try to compete with their rivals in the national and European markets at the same time as they mimic their strategies, with all these manifested as high exposure in the real estate market, massive debt to foreign financial institutions, astronomical financial rewards for senior executives, the same declarations regarding the solvency of the Spanish financial system and so forth. The 2008 crisis gave rise to situations charged with great symbolic violence (a possible collapse of the banking system with possible loss of almost everybody´s savings and investments), forcing the mobilization of vast public resources that consecrated the doctrine of "too big to fail" and the definitive hegemony of the financial sector in the crisis. The citizens were indignant and directed their anger towards the bankers/brokers, even if the majority were participating, through multiple networks of debt, in the system and, for that reason, had an interest in its survival. In these circumstances, the financial world and its champions seek out different scapegoats at different levels. In the United States, the first scapegoats were the recipients of sub-prime mortgages, subsequently evicted; later, after the bailout of the financial institutions, it was the turn of different areas of public expenditure. In the European case, the alliance between the banks and some of the wealthiest citizens has managed to focus attention on other scapegoats, particularly the irresponsible Southern European States. Headed by Greece, the so-called PIGS (Portugal, Italy, Greece, Spain) stand accused of wasting their resources, not introducing the necessary structural reforms, failing to modernize despite receiving European Union funds, of having lived beyond their means, and so on. They have been forced, and their governments have agreed, to recognize their guilt, their enthusiastic adhesion to that decision which has annulled them in a script which appears taken literally from Girard (1987). For instance, the Spaniards (and, above all, the popular classes in Spain) have also been required to acknowledge that they have effectively lived above their means (Alonso et al. 2015), a highly popular discourse in other parts of Europe where austerity has reigned (see, e.g., Basu 2019). At the same time, the dominant classes have been able to retain their newly reinforced privileges, to take advantage of the revolving door between public and private sectors, to elude all types of ethical obstacles to the pursuit of personal profit and, in short, to accumulate more wealth in an unhindered way by dispossessing the rest of the population.

Within a space such as Southern Europe, the management of the crisis and the need to calm the calamities spat out by the sacred monster labeled *The Markets*, which, like some kind of 21st-century Tezcatlipoca, must be placated through constant sacrifices, have pointed at various scapegoats. The crisis has already seen a number paraded before the sacrificial pyre: the salaries and contracts of workers in the public and private sector; historic employment and union rights (the ferocity of the onslaught on the main union organizations, their leaders and shop stewards is particularly remarkable), health and education, but also citizens of flesh and blood who have lost everything. When the crisis struck, debts (private, then public) went unpaid and intense symbolic violence broke out; some (promoters, large construction companies) have been given financial support, while others, small, poor and indebted homeowners (scapegoats), have been forcibly evicted and dispossessed. This was not enough, however. The banks eventually had to be bailed out, and the search for a scapegoat has only intensified. The markets were to be placated before allowing any financing of Southern European countries' public debt, in order to keep the financial system afloat. Sacrifices were then offered to exit the crisis, and scapegoats were found. These were the citizens and particularly the popular classes, and symbolic violence was put into force, dismissing them from their jobs, depriving them of medical care, charging for basic services, cutting salaries and promotion prospects and making them accept the loss of their savings. All these steps were taken to persuade the markets to declare a truce, which, in the long run, serves to reconstitute the old sacred order of the financial market of interlinked debts a priori believed recoverable without undue difficulty.

In this way, the resolution of the crisis can take two forms. The first is the payment of what is owed, in many cases as a result of more or less irresponsible loans, but such obligation to the payment demonstrates the crucial role that debt still plays in the state of domination that is capitalism: States, companies (small- and medium-sized firms only, of course) and indebted households must pay off their debts, and remain chained to the system by this never-ending debt cycle. This implies becoming more competitive and working hard, innovating more, spending more. The second is through the necessary sacrifice of scapegoats which, as Girard (1986) showed, belong to obvious victim groups—in this case, the least privileged classes and public sector workers. The need to make sacrifice is defended by means of a political discourse that tells us that we have lived beyond our means, at the same time as the steady dribble of nationalizations in the financial sector continues. This coincides almost point by point with an ironic observation of Aglietta and Orléan (1982) nearly four decades ago: the recession is a cure applied after periods of excessive prosperity, a call for attention and for moderation directed at those who have been reckless enough to live above their possibilities—that is, at the workers and poor.

5. Discussion: The Crisis as Disciplinary Device

The crisis is a phenomenon whose impact always goes far beyond the strictly economic terrain: it is the detonator for the articulation of a new governmentality in the sense of a legitimized and embedded form of institutional domination of the population. As such, it entails the disciplinary adjustment of bodies to the production of mercantile value and the production of symbolic meaning of an ideological order which is restructured in each crisis. The interlinked notion of calculation and domination revealed by the crisis is effectively expressed in the concept of *dispositif* developed by Foucault (2002) and his followers. A *dispositif* is a normative network or framework which takes over human life, determining its forms of existence and shaping its behavior. Thus, paradoxically, while conventionally considered to be a disorder or maladjustment, in that the very use of the discourse tends to invoke the idea of struggle, or a decisive moment or key period in the evolution of an illness, the crisis in fact operates as an organizing idea (see Deleuze 1992). The crisis of the Great Recession is a good example of the increase in liberal biopower, because, as well as codifying an entire new subjectivity around mercantile individualization (expressed in every possible form of technological and cognitive renovation of the legitimacy of property and calculation), it represents the reinforcement of all the financial powers over and above any public, social, communitarian or cultural value. The neoliberal cycle has constituted a new governmentalization of the most genuine principles of capitalist reason which embeds the basic norms of the evaluation of private capital into the very existence and life projects of individuals (Foucault 2008; Lazzarato 2015). The logic of financial calculus spreads into an increasing range of social, economic and political policy domains (Bryan and Rafferty 2014; Komporozos-Athanasiou and Fotaki 2020). Power and control over the very lives of people become the strategic variable for the analysis of the crisis as a form of managing social conflict.

The sacrificial dimension is, in this context, an essential element of the typical and highly topical narrative of capitalist crises. It reveals how, in the pathological and therapeutic approach to the crisis propagated by the established powers, the threatened collapse of the system is always presented as the responsibility of a combination of external enemies who infect us (such as international trade, other economies, uncontrolled increases in the cost of raw materials or distant financial maneuvers) and enemies within who weaken and ruin us (the people who do not work hard enough, those of us who have lived above our means, the troublemakers, the spendthrifts, and so on). Politicians and media will actually mobilize nostalgic and socially conservative ideas of work and community in order to justify cuts to public services and create divisions between the deserving and undeserving (Forkert 2017). This surely helps to set up fears and expectations that constrain the public debate about the financial crisis (Peckham 2013). However, the one thing that does not change is the end of the story: demands for greater power and autonomy for the elites to facilitate the emergence of *an iron surgeon*, to make adjustments, "cure", amputate and revitalize the economic body. Capitalist crises in general, and this latest financial crisis in the most extreme way, have used the themes and rhetorical devices of horror stories, such as the inevitability of evil, fueling of unease, the crisis as a cruel and insatiable monster, to instill the greatest possible anxiety, very much in the way Foucault conceptualized "technologies of the self" (Foucault 1988). The same elements also serve to identify the necessary culprits—the Jews in many other historical crises, excessive public spending in this one—and set up the scapegoats, which here are represented as the welfare state or the poor mortgage and debt holders. This has helped to justify ever tougher measures, always in line with the code of values of the dominant power, and the regressive and infantilized acquiescence of the weakest social groups. These groups appear to have little choice but to accept the loss of rights, salaries, services and income, all in a desperate attempt to satisfy this rampaging financial *Moloch*[6]. Evidently, fear is the message (Altheide 2002), amplified ad infinitum by the media (ever more deeply embedded in the logic of capitalism itself); and, for that very reason, the solution is punishment for those who try to live outside the code of economic power (that is, outside the logic of the market). As we have seen very clearly in the Great Recession, all those impure elements which have proliferated in the social or public phase of the economic cycle can be sacrificed to the market, the great, recurrent totem of capitalist modernity. This cycle will serve as a public warning and example to all those who are presented as if they were free from the control and discipline of mercantile reason (civil servants, dependent population, benefit claimants, workers in non-profit cultural activities, and so on).

Thus, the crisis has been permanently present in the modern project, precisely because of the ambivalent and contradictory nature of this project, always split between its dimension of social progress and civilizing development and the perpetual return to the centrality of the accumulation of capital by all means possible (Bauman 2005). For that reason, the crisis tends to become socially global, in that, whilst it usually breaks out in the subsystem of the economy and accumulation, it rapidly spreads and destabilizes the other subsystems (politics, legitimacy, culture, values, etc.) because the economy provides with the central meaning for the modern narrative and its reason. If capitalism is, as Joseph Schumpeter (2010) claimed, a process of permanent creative destruction, the crisis represents the permanent restructuring and the institutionalized and manipulated uncertainty which forms part of the life story of social groups. The crisis, therefore, is how societies experience life according to a code of values which develops from the way social conflict is approached and managed. Just as progress and the spirit of conquest characterized the dominant discourses of classical industrial modernity, uncertainty, risk and fear create the form of social construction of the experience of time in late and reflexive modernity (Lash and Urry 1994; Revault D'Allonnes 2012). Therefore, like any process of framing the social construct, the crisis as discourse models subjectivities in accordance to the dictates of the dominant disciplinary order, using the concept of discipline as a way of adjusting bodies to the production of mercantile reason (Lazzarato 2015).

Thus, the crisis has operated as an increasingly complex disciplinary *device* dressed up in different discursive forms, whether natural, medical, biological or prophylactic, from the very origins of modernity to the current technological, cybernetic, economic and financial forms, but always resulting in the use of bodies controlled and regulated by the twin

[6] This logic is behind other policies deployed by the neoliberal governmentality—for example, the punishment of the poor (Wacquant 2009).

concepts of utility/docility. This obviously echoes Foucault's ideas (Foucault 1991) on discipline and punishment in modernity. The omnipresence of the notion of crisis and its obligations (effort, sacrifices to get over it, hard and heartless curative measures) in modernity indicate that political economy has taken control of disciplinary technologies and become the matrix of all actions, justifications and required or rather demanded forms of behavior. The discourse (or resource) of the crisis can thus be seen to be one of the most powerful technologies of the self, which turns the prescriptions of the governmentality of power into a subjectively perceived necessity and a reasoned, reasonable, and even voluntary, individual response.

6. Conclusions

The main contribution of this paper is to highlight the relevance of sacrifice in modernity, by focusing on its role in the economic crises, some of the most relevant events in modern times, as their outcomes will affect substantially the fate of many. Drawing on a number of theories, particularly the concept of sacrifice proposed by René Girard, we aimed at explaining the sacrificial logics behind the deployment of the crisis and illustrated its pertinence by looking at the well-known effects of the Great Recession in the context of Southern Europe. The importance of the role of debt in these logics of sacrifice has also been highlighted, once debt usually triggers financial crises. The metaphor of the scapegoats is revealing, once we have just witnessed how the popular classes of many countries have paid a disproportionate price for the wrongdoing of the financial sector, in the form of unemployment, cuts in welfare and medical services and loss of rights.

However, there are limitations in this approach. Girard's theory of sacrifice is controversial and has been criticized by scholars such as Hénaff (2012), who considers his definition of sacrifice ill-based as it does not take into account the *offering* involved in any act of sacrifice. The economic crises can be the result of various different factors—for instance, a phenomenon outside the market exchanges or the financial sector: the coronavirus crisis is an excellent example, as a pandemic can trigger an unexpected downturn for the global economy. The outcomes of the crises may also lead to diverging scenarios, including changes that may actually benefit the poorer groups in society, as happened after the Great Depression of 1929. After all, the resolution of the crises may also depend on the balance of power in society. Despite these possible scenarios, in the neoliberal era, finances have greater power than ever, so it is likely that the logic of sacrifice might be deployed again in the terms we have described in our article. Given the current context, we will probably know it rather sooner than later.

Author Contributions: Both authors have contributed equally to the manuscript. Both authors have read and agreed to the published version of the manuscript.

Funding: This research was funded by the Spanish Ministry of Science and Innovation, grant number PGC2018-097200-B-I00.

Acknowledgments: We would like to thank Justin Byrne for the translation of the first versions of this paper; Riie Heikkilä for her invaluable comments on the final manuscript; and the reviewers for their comments which helped to improve the paper.

Conflicts of Interest: The authors declare no conflict of interest. The funders had no role in the design of the study; in the collection, analyses, or interpretation of data; in the writing of the manuscript, or in the decision to publish the results.

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