

Hayek's vicarious secularization of providential theology

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journals.sagepub.com/home/psc**Tim Christiaens***Institute of Philosophy, KU Leuven, Belgium***Abstract**

Friedrich Hayek's defense of neoliberal free market capitalism hinges on the distinction between economies and catallaxies. The former are orders instituted via planning, whereas the latter are spontaneous competitive orders resulting from human action without human design. I argue that this distinction is based on an incomplete semantic history of "economy." By looking at the meaning of "*oikonomia*" in medieval providential theology as explained by Giorgio Agamben and Joseph Vogl, I argue how Hayek's science of catallactics is itself a secularization of providential theology. This exposes Hayek to three criticisms: (1) he unjustifiably neglects the possibility of tendencies toward spontaneous disorder in free markets, (2) he condemns the "losers" of neoliberal competition to being providential waste on the road to general prosperity, and (3) he imposes on people the duty to consent to a neoliberal order that hinders them from cultivating their inoperativity.

Keywords

Hayek, neoliberalism, Agamben, economic theology, governmentality

God is dead; but given the way people are, there may still for millennia be caves in which they show his shadow. And we, we must still defeat his shadow as well!

– Friedrich Nietzsche

According to Friedrich Hayek, the spontaneous order of the market should not be identified with an "economy." In contrast to the ancient Greek management of the household (*oikonomia*), markets do not require a sovereign father-figure to force order on others. Thanks to the Rule of Law, competition and the price system, individuals can

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allegedly self-coordinate their market behaviour spontaneously.¹ Hayek hence replaces the term “economy” with that of “catallaxy” to distinguish intentionally constructed orders from spontaneously self-organizing market systems.² I argue that Hayek’s dichotomy is based on an incomplete semantic history of “economy.” Giorgio Agamben’s study of providential *oikonomia* in medieval theology shows how (neo)liberalism has secularized the medieval reconciliation of a transcendent God imposing his will on the world and creaturely freedom to spontaneous self-organization. From an Agambenian perspective, Hayek repeats this narrative.³

That Hayek misrepresents the history of economic thought is not an inconsequential accident. It implies that the criticisms of economic providentialism also apply to Hayek’s theory of spontaneous orders. I discuss three concerns: (1) just like Christians believe history ultimately leads to salvation thanks to divine providence, Hayek has nothing more than faith to explain why spontaneously ordered markets lead to greater prosperity.⁴ The history of financial crashes and economic depressions however shows how superstitious the belief in the benevolence of spontaneous orders can be; (2) providential theology served to justify the existence of evil in the world by arguing how these adverse events were in fact the collateral damage of redemption.⁵ Hayek similarly justifies the misery of the disadvantaged in the name of a future higher market order, but ignores the irremediable suffering along the way; and (3) Agamben argues that providential theology functions as a capturing machine imposing on humanity a rule of abstractions.⁶ In Hayek’s case, this capturing machine is embodied in the price system that enforces humble obedience to the market on individuals and thereby orders them into an entrepreneurial form of life that conflicts with their essential inoperativity.

1. Hayek’s distinction between economy and catallaxy

Hayek posits two kinds of social order, economy and catallaxy. He defines economy as “a complex of activities by which a given set of means is allocated in accordance with a unitary plan among competing ends according to their relative importance.”⁷ Taking his cue from Aristotle’s theory of *oikonomia*,⁸ Hayek argues that the father of the household sovereignly determines a hierarchy of ends for the family’s resources and thereby introduces order (*taxis*) from the outside.⁹ Such a plan is simple enough for a single individual to understand, while also being geared toward the fulfilment of specific ends and composed of concrete commands for all family members.¹⁰ According to Hayek however, such a conception of planning is only possible on the small-scale level of the individual or the local organization.

That we should think out beforehand what we are going to do, that a sensible ordering of our lives demands that we should have a clear conception of our aims before we start acting, seems so obvious that it appears difficult to believe that the demand for planning should ever be wrong.¹¹

Individuals know their own preferences and can hence determine a hierarchy of ends to rationally conduct their lives accordingly.

Hayek however rejects economic planning on the collective level because it is: (1) immoral and (2) unfeasible. (1) Different individuals have different preferences. Organizing society via a centralized exogenous plan would imply that planners construct their own hierarchy of ends and impose it on the rest of the population.¹² They would have to coerce people to accept their conception of the good life. (2) Planning social order would also prove impossible. Human reason is too fallible to take up the position of *oikonomikos* in such complex and abstract societies as those of modern civilization.¹³ The “Great Society” is simply too multifaceted to plan via centralized decision-making.¹⁴ The kind of knowledge required to efficiently organize this society is dispersed among many individuals and usually not susceptible to explicit articulation.¹⁵ Whether the price of German government bonds will go down after the elections, how potential customers are best persuaded to buy soap, or at what time of the day bread sales are the most profitable, is knowledge that could never be gathered in one single mind.¹⁶ It constitutes tacit entrepreneurial knowhow, or what Hayek calls “knowledge of the particular circumstances of time and place.”¹⁷ Planning this like an economy would create “calculational chaos”¹⁸ as governments consistently fail to predict individual preferences down to the minutest detail and thereby distort the adequate usage of the required local expertise. Summarized, Hayek rejects the handling of society as an economy because

the trouble with this socialist aim is a double one. As is true of every deliberate organization, only the knowledge of the organizer can enter into the design of the economy proper, and all the members of such an economy [...] must be guided in their actions by the unitary hierarchy of ends which it serves.¹⁹

Hayek’s alternative to collective economic planning is government via the Rule of Law.²⁰ In this case, there is no overarching *oikonomikos* determining the course of the economy, but only a framework of abstract rules of conduct agreed upon by all and enforced by the state.²¹

The law will consist of purpose-independent rules which govern the conduct of individuals toward each other, are intended to [universally] apply to an unknown number of further instances, and by defining a protected domain of each, enable an order of actions to form itself wherein the individuals can make feasible plans.²²

A rule like “you cannot steal another’s property” does not impose a specific command for action on particular individuals, but simply limits the range of actions an individual possesses and applies that limitation to everyone alike. These rules are abstract norms that do not aim at a particular outcome of social interactions, but only lay out the limits of this behaviour for all conceivable cases – mostly through prohibitions.²³ They determine the “sphere of responsibility”²⁴ of all members of society. By deciding who holds dominion over what – via property and contract law – individuals acquire personal responsibility over the successes and failures of their actions. The Rule of Law sets out the basic guidelines of social interaction, but it is then up to individuals to choose how they use this freedom.

The Rule of Law thus solves the two previously mentioned problems. It circumvents the issue of immorally imposed conceptions of the good life by reducing the government's role to that of an impartial legislator guaranteeing a framework of abstract rules.²⁵ This framework leaves space for individuals to make their own choices based on many divergent preferences.²⁶

Hayek secondly avoids the impracticalities of collective planning by decentralizing decision-making to the individual level where the knowledge of particular circumstances of time and place resides.²⁷ It reduces the government to the role of a gardener tending the spontaneous growth of individual conducts in his or her garden.²⁸

The Rule of Law establishes a spontaneous order or catallaxy, that is, "the order brought about by the mutual adjustment of many individual economies in a market."²⁹ The odd word "catallaxy" is derived from the Greek term *katallattein* denoting "to exchange" or "to turn an enemy into a friend."³⁰

So long as collaboration presupposes common purposes, people with different aims are necessarily enemies who may fight each other for the same means; only the introduction of barter made it possible for the different individuals to be of use to each other without agreeing on the ultimate ends.³¹

Exchange turns rivals into partners by allowing those who own x but desire y to trade with those who own y but desire x. The market order is the primary example of such a spontaneous order and the one on which all other social order is based.³² Eventually the entire Great Society is such a spontaneous order where individuals unwillingly generate order by using their personal freedom to execute their preferences within a framework of universally accepted rules of just conduct.³³

Hayek locates the origin of catallactic theory in Scottish Enlightenment philosophy.³⁴ Most philosophers only accept two kinds of regularity: the unplanned orderliness of nature (*physis*) or the designed organizations of human decision-making (*thesis*) that we have called "economy."³⁵ Scottish liberals however posited a third realm, that of order from human action *without* human design.³⁶ This is the collection of human interactions that spontaneously self-coordinate into a sustainable and even growing system without the need for exogenous constructive planning. The ultimate expression of this spontaneous emergence of order is Adam Smith's theory of the invisible hand of the market.³⁷ According to Smith, the pursuit of individual preferences in a free market eventually delivers greater prosperity for all. The spontaneous self-coordination of individuals through exchange creates an order more beneficial than could ever have been accomplished by human design. The focus is hence on the invisibility of the hand of the market.³⁸ Nobody can see the general interest on beforehand nor possess the information to bring it about, and yet the market spontaneously generates the best of all possible worlds.³⁹ Hayek consequently praises the blindness of catallaxies: the free market sails spontaneously to prosperous shores without any individual seeing where the ship is heading.⁴⁰

Hayek entrenches this market order in his theory of competition as a discovery procedure.⁴¹ The basic assumptions are that knowledge of the particular circumstances of place and time is dispersed throughout the population and that different individuals

have divergent conceptions of the good life. This information is processed via the price system, which reflects the supply and demand for all commodities.⁴² It shows to every individual how scarce goods are and how much other people are willing to pay for them. By disclosing the opportunities and risks associated with every transaction, prices function as signals to guide future action.⁴³ This implies that, for instance, wages – the price for labour – are not rewards for past efforts, but signals for where to invest future labour.⁴⁴ “Their function is not so much to reward people for what they *have* done as to tell them what in their own as well as in the general interest they *ought* to do.”⁴⁵ If wages in a particular sector are high, it means that expertise in this field is in high demand, and vice versa. This process obviously only functions when producers – *in casu* workers – are expected to compete against each other. Individuals must be incentivized to listen to the appropriate signals. Entrepreneurs should interpret these signs and readjust their behaviour accordingly. Prices thus generate spontaneous order by coordinating for optimal mutual adjustment the demands of every single individual with all other individuals in the network. If, for example, more people want a particular good, the price will go up and everyone will re-evaluate whether they still want that good for the higher price.

Competition is essentially a process of the formation of opinion: by spreading information it creates that unity and coherence of the economic system which we presuppose when we think of it as one market. It creates the views people have about what is best and cheapest, and it is because of it that people know at least as much about possibilities and opportunities as they in fact do. It is thus a process which involves a continuous change in the data.⁴⁶

Eventually competition delivers the optimal division of knowledge. Those with the best “entrepreneurial alertness”⁴⁷ and knowledge of the particular circumstances of time and place will be most likely to succeed in their respective professions. This benefits the general interest insofar as those able to produce and sell their goods most efficiently and cheaply will survive.⁴⁸ “The game is [. . .] not a zero-sum game, but one through which, by playing it according to the rules, the pool is enlarged.”⁴⁹

Catalactic order thus proceeds via selective adaptation.⁵⁰ Individuals learn the “spirit of enterprise”⁵¹ by adapting their choices to price signals. This is ultimately a gradual trial-and-error endeavour.⁵² Full equilibrium is unachievable, but it functions as an asymptotic goal.⁵³ Those who refuse to adapt or make irrecoverable mistakes, should know that they run the risk of failing the selection procedure.⁵⁴ Who survives and who does not, is not however knowable on beforehand. It is only through the process of competition – and with a large role for sheer luck – that the winners and losers are determined. Hayek consequently proposes to regard catalactic conduct as a game.

It proceeds, like all games, according to rules guiding the actions of individual participants whose aims, skills, and knowledge are different, with the consequence that the outcome will be unpredictable and that there will regularly be winners and losers. And while, as in a game, we are right in insisting that it be fair and that nobody cheat, it would be nonsensical to demand that the results of individual players be just. They will of necessity be determined partly by skill and partly by luck.⁵⁵

Within a framework of established rules of just conduct, the outcome of competition is determined by a combination of merit and chance.

Hayek's theory of competition implies the acceptance of "unmerited failure."⁵⁶ Individuals can lose due to simple misfortune (see *infra*).⁵⁷ An early 20th-Century businessperson with investments in the ice-cutting sector would have been undeservedly ruined with the advent of the refrigerator in the 1920s. This might stir social outrage, but Hayek maintains this is morally neutral.⁵⁸ Individuals should practice "humility"⁵⁹ with regard to the spontaneous order of the Great Society.⁶⁰ This affect used to be promoted by religion, but it is still necessary to maintain the best of all possible worlds.

It was men's submission to the impersonal forces of the market that in the past has made possible the growth of a civilization which without this could not have been developed; it is by thus submitting that we are every day helping to build something that is greater than any one of us can fully comprehend.⁶¹

Civilization depends on the submission to abstract rules of conduct and erratic movements of competitive order.⁶²

2. Agamben's alternative semantic history of "economy"

Although Hayek firmly establishes catallactics as an atheistic discipline, the religious overtones are hard to miss. He prescribes "humility" and provides a justification of misfortune that recalls Christian theodicies.⁶³ Using Agamben's semantic history of "*oikonomia*," this section discloses the theological heritage animating Hayek's thought. Economic historiographies tend to jump from ancient Greek economic thought to modern mercantilism and Hayek's economy/catallaxy dichotomy is no exception. This historical jump however neglects how medieval theologies of *oikonomia* were a "laboratory for the problems of worldly government."⁶⁴ Taking medieval conceptions of *oikonomia* into account allows to regard catallaxy as secularized divine providence.⁶⁵ This blurs the economy/catallaxy distinction insofar as theology accepts both the existence of a single transcendent governor *and* the emergence of immanent spontaneous order. "The Christian government of the world [...] assumes the paradoxical figure of the immanent government of a world that is and needs to be extraneous."⁶⁶ Exogenous planning does not contradict endogenous self-coordination.

Oikonomia gained a technical theological meaning in the 2nd and 3rd centuries, when Irenaeus, Hippolytus and Tertullian struggled with the apparent contradiction between Christian monotheism and the Trinity.⁶⁷ Some heretics rejected the Trinity, while the Gnostics rejected monotheism in favour of a theology with two gods. The Church Fathers solved this enigma by fracturing God into a singular being and a multiple praxis.⁶⁸

Monarchy because it belongs to one man does not for that reason make a standing rule that he whose it is may not have a son or must have made himself his own son or may not administer his monarchy by the agency of whom he will. Nay more, I say that no kingdom is in such a sense one man's own, in such a sense single, in such a sense a monarchy, as not to

be administered also through those other closely related persons whom it has provided for itself as officers.⁶⁹

The divine monarchy was one *qua* substance, but was administered via the multiple persons of the Trinity.⁷⁰ This doctrine dominated medieval theology,⁷¹ as one can read, for instance, in Thomas Aquinas via an analogy with worldly kingship:

That an earthly king should have ministers to execute his laws is a sign not only of his being imperfect, but also of his dignity; because by the ordering of ministers the kingly power is brought into greater evidence.⁷²

They end up positing two “economies.”⁷³ Less important to our purposes is the Trinitarian economy that articulates the coordination of the different persons of the one divine substance. More pertinent is the salvific or providential economy, namely how God’s praxis in the world leads to redemption. God’s activity purportedly reveals itself in history via the administration of his plan of redemption that culminates in the incarnation of the Son.⁷⁴ Every event is a sign of a divine presence guiding the world to its perfection. This might seem no different from Hayek’s non-theological economy: if God has a pre-established salvific plan and simply imposes it extraneously on the world, he acts exactly like the economic planner Hayek wishes to banish from the market order. This divine planner might be able to overcome the fallibility of human knowledge, but he would still deny his creatures the freedom to choose their own hierarchies of ends. Although such an imposed order might *stricto sensu* be possible from a Hayekian perspective, it would be immoral to coerce human beings into following God’s plan.

Medieval theologians however stress that the providential economy is compatible with human freedom and spontaneous order.⁷⁵ They distinguish general from special providence to that purpose.⁷⁶ In Aquinas’ words, God determines the general design of government (*ratio gubernationis*), but leaves the execution (*executio*) of his plan to intermediary agents.⁷⁷ If there were only special providence, God would specifically determine for each creature its actions, which would diminish his majesty.⁷⁸ God does not concern himself with every individual action, but as creator, or “first cause,” he invests each creature with a natural essence that makes it spontaneously act according to the salvific plan as an intermediary agent of God’s will.⁷⁹ God does not command every individual creature what to do, but establishes the general rules so that each creature spontaneously acts as God requires. “God set up certain broad rules [. . .] within which moral agents can act with real freedom – and yet their free actions wind up moving towards the direction God is taking history.”⁸⁰ Agamben calls this indirect way of bringing about redemption a “government of collateral effects”: God does not immediately make creatures conform to his plan, but he has created them in such a way that he can accept the effects of free creaturely interaction as part of his general providence.⁸¹ The immanent spontaneous coordination of worldly beings is a series of unintended consequences wilfully affirmed by God.

The government of the world occurs neither by means of the tyrannical imposition of an external general will, nor by accident, but through the knowing anticipation of the collateral

effects that arise from the very nature of things and remain absolutely contingent in their singularity.⁸²

Medieval providential theology thus reconciles, *contra* Hayek, the exogenous transcendent order of economy, *ordo ad unum principium*, with the endogenous immanent order of catallaxy, *ordo ad invicem*.⁸³

Things are ordered insofar as they have a specific relation among themselves, but this relation is nothing other than the expression of their relation to the divine end. And, vice versa, things are ordered insofar as they have a certain relation to God, but this relation expresses itself only by means of the reciprocal relation of things. The only content of the transcendent order is the immanent order, but the meaning of the immanent order is nothing other than the relation to the transcendent end.⁸⁴

There is a transcendent God who created the world in such a way as to let salvific order grow spontaneously from creaturely interactions. After six days of creation however, God remains idle.⁸⁵ His work as first cause is done and he withdraws into inoperativity.⁸⁶ *Dieu règne, mais il ne gouverne pas*. Worldly creatures, on the other hand, function as secondary causes.⁸⁷ By following their natural inclinations, they render God's plan of redemption operative without him having to intervene directly.⁸⁸

What defines divine government is [. . .] the fact that it fully coincides with the very nature of the things that it directs. Following a paradox that perfectly corresponds to the structure of the order, the divine government of creatures has no other content than the natural necessity inherent in things.⁸⁹

Providential theology thereby introduces a "vicarious ontology" in economic thought.⁹⁰ Just like the emperor and the pope replaced God's authority on Earth as *vicarii Dei* to render the divinity's power on Earth operative, worldly beings as second causes are stand-ins for divine intervention.⁹¹ They act out of their own natural inclinations, but also in the name of God.⁹² "Our supreme glory is to be helpers of God by means of the causality which we exercise."⁹³

This vicarious ontology is still at work in the Scottish Enlightenment thinkers Hayek builds his catallactics on.⁹⁴ When Hayek, for instance, interprets Adam Ferguson's statement "establishments, which are indeed the result of human action, but not the execution of any human design," he transmogrifies the argument so that spontaneous orders lack any design for Ferguson.⁹⁵ He wilfully ignores the theological intent of Ferguson's texts to interpret it as a precursor to a fully immanent spontaneous order.⁹⁶ According to the Scottish thinker however, God is at the origin of such establishments.⁹⁷ Various Adam Smith scholars have also shown Smith's claim about the invisible hand of the market to be more than simple metaphor.⁹⁸ He takes the phrase of an "invisible hand" from providential theology⁹⁹ and some argue that it should be viewed in light of Smith's natural theology, implying that the market order really is the work of God rendered operative by human agents pursuing their self-interest.¹⁰⁰

Hayek still carries the weight of this theological heritage, even if he put himself to the task of defending a theory of spontaneous order without recourse to theology.¹⁰¹ His catallactic order is a secularized version of providential theology. The former is a system of spontaneously coordinated individual preferences that accomplish the general welfare via competition and the price system. The latter is a system of spontaneously coordinated secondary causes or collateral effects that effectuate redemption by following their natural inclinations. The main difference is that Hayek rejects the existence of a transcendent God arranging this immanent order on beforehand. He accepts the *ordo ad invicem*, but not the *ordo ad unum principium*, ignorant of the theological background of spontaneous orders. Hayek thereby completes the advance of rendering the transcendent pole of government obsolete and the immanent order self-sufficient.¹⁰² He completes the movement toward the death of God hidden in providential theology and replaces God's harmonious creation with the price system as an immanent technique for mutually harmonizing individual preferences. This does not however constitute a complete break with the providential paradigm.¹⁰³ The price system is a herald for "the impersonal forces of the market"¹⁰⁴ incentivizing individuals to readjust their preferences. The "market" consequently functions as a *deus absconditus*,¹⁰⁵ an empty master signifier that itself remains idle, but authorizes the actions of individual agents as reflected in commodity prices (see *infra*).¹⁰⁶ Hence why Hayek frequently refers to "market order" "as if it were an entity existing independently of its constituent members."¹⁰⁷ Individual agents in Hayek's catallaxies function as secondary causes effectuating their mutual harmonization via their influence on prices. The latter embody, as it were, the will of the market.¹⁰⁸

3. The fragility of spontaneous order

Hayek's historiographical misrepresentation is no mere philological matter. A first problem is that his belief that catallaxies necessarily generate prosperity is based more on faith than on scientific knowledge.¹⁰⁹ It obscures malevolent tendencies for chaos in spontaneous orders. For Scottish Enlightenment thinkers' theodicies, this was no issue. If the market order is the indirect expression of a benevolent deity's invisible hand, there are good grounds for being optimistic. Hayek's catallactics, on the other hand, merely constitutes an "oikodicy":¹¹⁰ it justifies market order with the optimistic faith that selective adaptation leads to the best of all possible worlds.¹¹¹ But what makes this more than superstition?

According to Joseph Vogl, these statements function as "efficacious myths":¹¹² by implementing theories of market equilibrium in real-life economic policies, this optimism gets a certain self-fulfilling effectiveness, but it is a fiction nonetheless.¹¹³ There are limits to what "planning for competition"¹¹⁴ can accomplish. Spontaneous orders also manifest tendencies for disorder.¹¹⁵ Hayek hints at this in the context of the law of entropy in physical spontaneous orders,¹¹⁶ but cannot imagine the existence of similar dynamics in social contexts. Vogl finds such tendencies in the economic theories of Mandelbrot and Minsky. Mandelbrot's mathematical studies of financial markets in the beginning of the 20th century demonstrate how inexplicable freak events rather than steady equilibrating growth are the norm.¹¹⁷ Small molecular changes can instigate

devastating macroscopic effects. Even more problematic are Minskyan positive feedback loops.¹¹⁸ Minsky hypothesizes that the availability of credit tends to render markets unstable.¹¹⁹ Whenever prices rise for a specific good, there is an incentive for people to take out loans to buy more of that commodity in the hope that prices soar even higher. If a lot of people imitate this behaviour and the supply of this commodity cannot keep up, prices rise even more and people take on even more debt to keep the speculative bubble growing.¹²⁰ Once however confidence goes down for whatever reason – a new government policy, a large firm goes bankrupt, a revelation of fraud, etc. – people realize how exposed to risk they are and start selling the previously appraised commodity for unusually low prices to pay off increasing debts.¹²¹ As a result, prices rapidly go down and individuals who had positive balance sheets before, get into trouble.¹²² Eventually ever more people are sucked into the black hole and the market crashes. Positive feedback loops of indebtedness thus lead to increasing insecurity until the whole market collapses. “If there is an invisible hand at work here, then it can only be described as diabolical in nature.”¹²³

This is not a mere thought experiment aimed at discrediting Hayek. The boom and bust of the US housing market in the 2000s demonstrates the Minskyan suspicion toward debt-fuelled consumption.¹²⁴ This crash was not the result of exogenous shocks, but of the spontaneous order of the market itself leading toward disorder.¹²⁵ Real estate had the reputation of being a safe investment for borrowed money,¹²⁶ while the trade in mortgage-backed securities was highly profitable.¹²⁷ Increasingly poor borrowers were stimulated to take out “subprime” mortgages because houses were gaining value and to ensure a steady supply of mortgages for the securities trade.¹²⁸ The lending boom in a context of a more or less fixed supply of real estate incentivized people to overleverage.¹²⁹ Once people started defaulting on their loans, the whole market plummeted.

Hayek might thus praise the catallactic entrepreneur as someone daring to take on risk,¹³⁰ but he ignores the possibility of this individual risk-taking leading to systemic insecurity. If there is no benevolent providence watching over us, there is no reason to assume that spontaneous self-coordination does not lead to generalized disorder in the long run. The unintended consequences of a spontaneous order might create a path-dependency toward unmanageable catastrophes.

4. The collateral damage of spontaneous order

Providential theology gained much of its traction as a response to the problem of evil.¹³¹ “The governmental machine functions like an incessant theodicy, in which the Kingdom of providence legitimates and founds the Government of fate, and the latter guarantees the order that the former has established and renders it operative.”¹³² Theologians claim that God, in his goodness, decided to restrain his absolute potency to immediately impose a plan on his creation in order to let worldly freedom be.¹³³ God consequently governs the world via collateral effects that spontaneously effectuate God’s plan of redemption as secondary causes. This however requires the acceptance of some unintended side-effects along the way.¹³⁴

Every act of government aims at a primary target, yet, precisely for this reason, it can lead to “collateral damages,” which can be expected or unexpected in their specifics, but are in any case taken for granted. The computation of collateral effects, which can even be considerable (in the case of war they entail the death of human beings and the destruction of cities), is, in this sense, an inherent part of the logic of government.¹³⁵

Providential government implies that the immanent self-harmonization of creatures contains minor setbacks. God’s benevolent providence hence “causes” evil, but only in an accidental sense.¹³⁶ Evil is the collateral damage in the pursuit of some good, never the explicit aim of an action, according to Aquinas.¹³⁷ A lion, for example, does not aim at killing deer, but only happens to do so in the pursuit of nutrition.¹³⁸ The whole of these actions, together with their accidental evils, realize God’s providential government of the world. The suffering of any specific deer is contingent, but that some deer will have to die for the lion’s subsistence is necessary. The victims of that order are hence “providential waste” on the road to redemption.¹³⁹

Smith’s secularization of providence in the metaphor of the invisible hand also functions as a justification of collateral damage, or “necro-economics” as Montag & Hill call it.¹⁴⁰ Smith justifies the exclusion from the good life of the labouring classes in the light of future spontaneous improvement.¹⁴¹ “The market by being permitted (*laisser*) to deprive some of subsistence will bring about greater opulence than existed before the deprivation.”¹⁴² Deprivation even fulfils a necessary function: the threat of starvation serves as a motivator for workers to seek employment and contribute to general welfare.¹⁴³ The unfortunate side-effect is the production of a barely surviving section of the population, “*les malheureux*.”¹⁴⁴ They are the disposable lives of the providential order, excluded from the good life yet included insofar as their bare existence is necessary to the fulfilment of general prosperity.¹⁴⁵ Montag & Hill find the ultimate expression of this dynamic in Smith’s treatment of the problem of dearth.¹⁴⁶ Smith rejects state interventions like price ceilings or forced grain sales during food crises, since those would interfere with property rights and merely lead to future famines due to the promotion of economic inefficiencies. The only supposedly legitimate state intervention during famines Montag & Hill discover in Smith’s writings is the obligation to suppress uprisings of the poor in defence of merchants’ property.¹⁴⁷

Hayek’s catallactic order produces its own *malheureux*.¹⁴⁸ Hayek prescribes selective adaptation in a competitive spontaneous order as the best route to prosperity. To survive, subjects must have the endurance to acquire a competitive subjectivity and be fortunate enough to win in the game of catallaxy. “Competition yields winners and losers; capital succeeds by destroying or cannibalizing other capitals. Hence, when market competition becomes generalized as a social and political principle, some will triumph and some will die.”¹⁴⁹ The “losers” of the adaptive selection process are the collateral damage on the way to prosperity.¹⁵⁰ This creates two figures of inclusive exclusion in Hayek’s thought: (1) those who adapt to market discipline but lose out by chance and (2) those who fail to adapt to market discipline. These people are barred from enjoying the profits of economic order, yet their bare existence is necessary for that order to subsist.

(1) The game of catallaxy determines outcomes on the basis of merit and chance, which implies that some undeservedly fail due to bad luck.¹⁵¹ According to Hayek,

everyone should be exposed to this risk – independently of the individual costs – to ensure general welfare.¹⁵² This privatization of risk amounts to a government by precarization.¹⁵³ “Neoliberal governing proceeds primarily through social insecurity, through regulating the minimum of assurance while simultaneously increasing instability.”¹⁵⁴ Analogously to Agamben’s claim that we are all virtually *homines sacri*, the precarization of catallaxy implies that everyone is potentially *malheureux*. Hayek allows for a minimum income of subsistence, but nothing more than that.¹⁵⁵ He imagines that in the long run these unfortunates will be reintegrated in the catallactic order,¹⁵⁶ but this hope is not confirmed in empirical reality, where precarization generates an immobile population of “forgotten losers.”¹⁵⁷ Guy Standing exemplifies this problem with reference to “precarity traps.” Young workers, for example, frequently have to choose between unpaid internships that offer good but uncertain career prospects or dead-end temporary jobs that pay the bills.¹⁵⁸ Whatever they choose, they will probably end up in a state of structural insecurity. Another common example is unemployed single-parents who have to choose between a subsistence income like Hayek prescribes or an unsteady job that hardly delivers any extra income due to transportation costs, children’s day-care costs, etc.¹⁵⁹ These people are not reintegrated in the catallactic order, but are stuck in the margins. Whatever they choose, they will undeservedly remain in precarious situations.

(2) Catallactic subjects are supposed to adapt to market discipline by using their entrepreneurial alertness and knowledge of particular circumstances of space and time to thrive. This implies continuous vigilance for price signals and a preparedness to quickly change professions, locations, social circles, etc.¹⁶⁰ There are however natural barriers to what human bodies can do.¹⁶¹ Especially since competition is a potentially endless project – one can always secure one’s position a little better with regard to competitors – subjects live under the constant fear of losing out.¹⁶² They tend to hold themselves to unfeasible standards and suffer from feelings of inadequacy when they fail to meet these self-imposed standards.¹⁶³ The result is a steady rise in mental illnesses like depression and burnout.¹⁶⁴

For Hayek all this suffering is collateral damage in the name of catallactic providence. “The chance of as many expectations as possible being fulfilled will be most enhanced if some expectations are systematically disappointed.”¹⁶⁵ Selective adaptation is hence a euphemism for “a savage sorting of winners and losers.”¹⁶⁶ People who can no longer contribute to prosperity are disposable providential waste.¹⁶⁷ Alleviating these exclusions via government intervention is ruled out by Hayek on two accounts, as already mentioned: it enforces a particular conception of the good life instead of guaranteeing individual freedom and it suffers from the synoptic delusion that some single-minded state agency would be able to extraneously plan a catallactic order.¹⁶⁸ The promise that promoting the spontaneous order of catallaxy will eventually ensure prosperity for all is however questionable. Many individuals will have been sacrificed for the greater good along the way and one could even ask whether one would still want to partake in a providential paradise that has been built on so much suffering.

5. Spontaneous order's rule by abstractions

According to Agamben, humankind lacks a human nature or vocation (*opera*) to fulfil.¹⁶⁹ Although the good life is frequently identified with the cultivation of a specific human quality, Agamben is thus sceptical of such philosophies. Since human beings lack a nature, there will always be a part of their lives that does not fit this particular conception of the good life. Real happiness would not lie in the fulfilment of some vocation, but in the rendering “inoperative” of all forms of identity. Inoperativity hence names that way of life that detaches human beings from any identification with the good life as the actualization of a specifically human quality.¹⁷⁰ Aristotle would, for instance, advise people to cultivate their reason (*logos*) to achieve the good life, but Agamben argues that such a specific articulation of the human vocation relies on a division between a rational side that should be enacted and non-rational potentialities that should be suppressed.¹⁷¹ Not only does this condemn everyone to exclude the non-rational parts of oneself, but it also reduces to bare life all people unable to cultivate their *logos*.¹⁷² To lead an inoperative life however, one can still, for example, cultivate *logos*, but one should not regard it as the fulfilment of some naturally inherent *telos*. One should know that this is only one contingent way to lead one's life that in no way guarantees happiness. For Agamben, there is no purpose to human life, so also no prescribable way to achieve the good life. Human life is “inoperative” insofar as it detaches itself from any endeavour to fulfil a vocation. The identities it actually performs do not contribute to the good life, but are mere contingent roles one plays.

In providential theology humankind is however alienated from its own inoperativity.¹⁷³ God might have seemed to guarantee worldly freedom, but he established this freedom within a providentially organized order of creaturely interaction that predetermines the outcome and obliges individuals to affirm their part in God's plan. They are obliged to identify with a particular role as their vocation. God himself, on the other hand, is allowed to exist without prescriptions. “The governmental apparatus functions because it has captured in its empty center the inoperativity of the human essence.”¹⁷⁴ Inoperativity is located in God, who after six days of creation reigns but lets his secondary causes govern the world vicariously. The latter render his will operative, while God remains idle as a transcendent absolute potentiality. Providential theology hence functions as a series of abstractions that induce creatures to identify with a certain role in God's providential plan. Creatures are supposedly free to determine their own conduct, but nonetheless God has established his creation in such a way that entities are incentivized to execute his will. They have to voluntarily confirm their imposed *telos* of governing the world in God's name. Instead of regarding their behaviour as contingent expressions of a life that always has the potentiality to be different, they are supposed to identify themselves with the duty God assigned them in the providential plan.

Agamben ascertains multiple articulations of this duty in Christian thought. The most illustrative one is Francisco Suarez' virtue of *religio*.¹⁷⁵ Because God is the first cause of everything, creatures owe their complete existence to his voluntary decision to create the world. This installs an irredeemably infinite natural debt in humankind. Whatever humans could possibly give God as reimbursement originates in the divine grace to create. No matter what they give, they must have previously received it from God. According to

Suarez, human beings consequently have the duty of *reverentia*. They ought to entirely obey God's command, independently of what he specifically asks of them, whether it is killing their first-born son or taking the Israelites to the promised land. For Agamben, the Jesuits formulate this duty succinctly: the sole purpose of humanity on Earth is to infinitely glorify God by actualizing his will.¹⁷⁶ Humans are *ad majorem Dei gloriam* obliged to completely submit to God's command and identify with whatever vocation he desires of them. Whether divine providence leads them to prosperous fulfilled lives or to excruciating ordeals, it will have been God's will and therefore good. People have to deny their own capacity to live by no purpose, accept the alienation from their own inoperativity, and take on the form of life most suited to the glorification of God's will.¹⁷⁷

One could wonder why people would voluntarily assent to their own servitude. According to Agamben, this duty of glorification is sustained through "insignia of power" that manifest the glory of God.¹⁷⁸ These signs embody a figure's authority spectacularly enough to demand reverence.¹⁷⁹ They are hence more than simple representations.¹⁸⁰ A power-sign incarnates or evokes something of the acclaimed being. It refers to an excess that could never have been articulated into words. It glorifies a transcendent entity by highlighting its own incapacity to present this entity in its full glory. Christian liturgy's main power-sign is the Eucharist's sacramental bread. For Catholics, this is not a mere representation of the body of Christ.¹⁸¹ Thanks to transubstantiation, it incarnates Christ itself, even if it still looks like just a piece of bread. By signifying God's excess of being (*plusquam esse*), it inspires humble submission among the community of believers to a being so great that it could never be fully presented in merely human-made settings. By showing its own ineptitude to signify God, the sacramental bread *ex negativo* reveals the glory of God. It is the reverence for this excess of signification that makes humans consent to their creaturely nature and accept their role as secondary causes. Power-signs like these engender consent to governmentality, even if they cover up human inoperativity.¹⁸² "The transcendent, glorious goal that mobilizes all the immanent economic forces towards itself serves ultimately to cover up the fact that there is no transcendent glorious goal of humanity."¹⁸³

In Hayek, a secularized version of this mechanism also alienates humankind from its inoperativity and imposes on it a duty of absolute obedience to an empty authority. The market moves in mysterious ways and individuals are supposed to follow wherever it leads instead of detaching themselves from any obligatory way of life. The sense of alienation involved is expressed in the ambiguity toward economic freedom many people experience. On the one hand, everyone is free to conduct one's life as one pleases within the bounds of the Rule of Law. This would seem to confirm Agamben's ethical ideal of people detaching themselves from any specific vocation. The market looks like a free space that does not impose any pre-established conception of the good life. On the other hand, market imperatives institute "a rule by abstractions."¹⁸⁴ They take a job, move to a certain city, consume specific goods not because they live detached from any human vocation and are free to determine their own lives, but because they obey market incentives that push people toward specific forms of life. Nothing they do is truly theirs, because they are obliged to follow where the market takes them. Economic freedom is experienced as its opposite and the "market" is an abstraction that takes on the role of

empty master signifier.¹⁸⁵ It is never present as such – individuals can only hope to get a limited knowledge of particular circumstances of time and place – and yet it determines the course of the Great Society. The market moves in mysterious ways and effectively functions as a *deus absconditus* with absolute potency.¹⁸⁶ The market can change direction at any time and in any way and people should follow its incentives submissively, according to Hayek.¹⁸⁷

Why would people voluntarily submit to the erratic movements of the market and choose to act like “the market” wants them to? Prices function not just as information-distributors, but also as power-signs communicating and embodying the will of the market.¹⁸⁸ They convey an order beyond human individual fallible knowledge. Prices do not just communicate information, but incentives.¹⁸⁹ They signal entrepreneurs what to do, reward the alert, and punish the ungrateful.¹⁹⁰ Because of competition individuals are forced to obey the price system whatever it commands, but the latter is not only a disciplinary tool, but also a power-sign. Hayek’s prescription of humility reveals how for him prices are objects of reverence.¹⁹¹ They impose a duty of *religio* on the Great Society.

It was men’s submission to the impersonal forces of the market that in the past has made possible the growth of a civilization which without this could not have been developed; it is by thus submitting that we are every day helping to build something that is greater than any one of us can fully comprehend.¹⁹²

The Great Society is the creation of the spontaneous market order; civilized existence depends on it.¹⁹³ This conveys an infinite natural debt – today frequently also a monetary debt¹⁹⁴ – on us to contribute to this order. Prices thereby communicate the vocation of entrepreneurship,¹⁹⁵ that is, humble obedience to the price system in order to effectuate the will of the market toward greater prosperity. The success of the providential catallaxy depends on the willingness of subject to self-identify as secondary causes in the spontaneous market order. Instead of finding happiness in detachment from any vocation, people are obliged to lead the lives that conform to market incentives. Catallaxy integrates human behaviour in a dispositif that enforces the *telos* of entrepreneurship.¹⁹⁶ People thus experience their supposed freedom as a rule by abstractions of which “the market” is the master signifier.

6. Conclusion

With the overcoming of economy by catallaxy Hayek sings the glory of the death of God. There can be no transcendent planner in Hayek’s philosophy controlling the particular outcomes of spontaneous market movements. Catallaxies are orders stemming from human actions without divine or human design. Agamben’s genealogy of economy however shows Hayek’s theory of catallactics to be a secularization of providential theology. Hayek might proclaim the death of God, but he is still singing his *Requiem aeternam Deo*. He cannot abandon the tombs and monuments of God. Since the Middle Ages, theologians distinguished between general and special providence and thereby combined the belief in spontaneous worldly order with faith in a transcendent planner.

Although Hayek rejects the latter thesis, his defence of spontaneous order is still premised on the providential setup. He still proclaims faith in “the market order” as an essentially benevolent process of spontaneous harmonization that instrumentalizes individual actions for greater welfare as if by an “invisible hand.” This creates three blind spots in Hayek’s philosophy: (1) it blinds Hayek from imagining the existence of mal-evolent tendencies in spontaneous market orders. As Vogl and Minsky demonstrate, debt-fuelled markets tend not to deliver ever greater prosperity, but become so volatile that they trigger economic crashes, (2) Hayek wilfully sacrifices the suffering of *les malheureux* in the name of greater future prosperity. It is however doubtful that this welfare will be accessible to all, since some are incapable of acquiring the right entrepreneurial subjectivity and other unfortunates simply lose out in market competition due to bad luck, and (3) the price system alienates human beings from their inoperativity and captures it in the “market” as empty master signifier. The latter is presented as an erratic movement of potentialities that can change directions in an instant, whereas human beings are expected to remain humble and absolutely obey price signals in order to effectuate the providential route to prosperity. Instead of letting humankind cultivate a life beyond absolute obedience to the market, Hayek only proclaims the death of God, but simultaneously prescribes submission to the empty throne. Or do I come too early?

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Notes

1. Hayek (2013: 82).
2. Hayek (1978: 90–92, 2013: 268–269).
3. Zartaloudis (2010: 80 n. 120).
4. Vogl (2015: 22–23) and Whyte (2017: 9).
5. Agamben (2011: 129).
6. *Ibid.*, 245.
7. Hayek (2013: 268).
8. Hayek (1988: 45–47).
9. Hayek (1978: 74).
10. Hayek (2013: 37) and Petsoulas (2013: 13–14).
11. Hayek (1967: 82).
12. Hayek (2001: 94).
13. Hayek (2013: 13).
14. *Ibid.*, 170.
15. Hunt (2007: 48).
16. Hayek (2013: 15).
17. Hayek (1980: 80).
18. Gray (1987: 36).
19. Hayek (1978: 183).

20. Foucault (2008: 172–173).
21. Hayek (2001: 79–80).
22. Hayek (2013: 82).
23. Petsoulas (2013: 30–31) and Dardot & Laval (2013: 124–125).
24. Hayek (1980: 17–18).
25. Hayek (2013: 107–108).
26. Hayek (1978: 135).
27. *Ibid.*: 75 and Petsoulas (2013: 27).
28. Hayek (2001: 18).
29. Hayek (2013: 269).
30. Hayek's main source for this term is his mentor Ludwig von Mises (1998: 233–235).
31. Hayek (2013: 170).
32. *Ibid.*, 272–273.
33. *Ibid.*, 6.
34. Hayek (1967: 86, 1980: 4, 2013: 22). Hayek's reception of Scottish liberalism is extensively documented in, for instance, Montes (2011: 7–38), Petsoulas (2013), and Cornelissen (2017).
35. Hayek (2013: 20), Gray (1987, 29), and Dardot & Laval (2013, 124).
36. Hayek (1967: 96, 1978: 73).
37. Hayek (1967: 99, 2013: 36) and Hunt (2007: 50).
38. Foucault (2008, 279–280).
39. Vogl (2015: 22–23). Hayek (2013: 26) notes how primitive mental habits of anthropomorphism confuse all non-intentional orders with divine intervention. Just like fetishistic tribes ascribe the regularity of natural phenomena to the gods, modern constructivists believe in the possibility of a god-like planner able to oversee all economic transaction and deliberately steering it in a chosen direction (Gray 1987: 27). This falls prey to the synoptic delusion (Hayek 2013: 15), since no one is able to know and control this structurally invisible dynamic order.
40. Hayek (2001: 105).
41. Hayek (1978: 179–190).
42. Petsoulas (2013: 56) & Gane (2014: 17).
43. Hayek (2013: 275–276).
44. Gissurarson (1987: 46).
45. Hayek (2013: 235).
46. Hayek (1980: 106).
47. Kirzner (1973: 35) and Barry (1979: 47).
48. Hayek (1978: 91, 2013: 277).
49. Hayek (1978: 186).
50. Gissurarson (1987: 62–63) and Bröckling (2016: 55).
51. Hayek (1978: 189).
52. Gissurarson (1987: 50).
53. Hayek (1978: 184) and Gray (1987: 31).
54. Hayek (2013: 255).
55. *Ibid.*: 234–235.
56. *Ibid.*: 234.
57. Bröckling (2016: 58) is thus incorrect to accuse Hayek of putting the full blame of failure on the individual. Hayek does not participate in the neoliberal shame culture. He admits that

- chance is an important factor, but denies that government can or should compensate for this adversity.
58. Hayek (2013: 197) and Hunt (2007: 55). According to Hayek (2013: 489), this outrage stems from tribalist instincts of solidarity that are still part of human biological evolution, but have been repressed in cultural evolution. In order to function in an abstract society, human beings must overcome their instincts for sharing advantageous in primitive societies, but inconvenient in market orders (Spieker 2013: 313). Biological evolution purportedly moves slower than cultural evolution and consequently threatens to instigate atavistic regressions (Hayek 2013: 497).
 59. Hayek (1980: 32).
 60. Cornelissen (2017: 15).
 61. Hayek (2001: 210).
 62. Hayek (1980: 24) and Whyte (2017: 17–19).
 63. Vogl (2015: 37).
 64. Dean (2012: 151).
 65. The goal of uncovering this secularization, is for Agamben not to simply unmask modern economics as theology in disguise nor is it an attempt at explaining history is a simple transfer of theological concepts to economic discourses (Watkin 2014: 215, Kotsko 2015: 159; Heron, 2017: 41-42). As is clear with the example of “economy,” the genealogy starts in Greek household management and it moves to theology only after being involved in rhetoric and Stoic philosophy (Agamben 2011: 19-20). Concepts like “economy,” “secularization,” and “order” function as signatures (Agamben 2011: 87), that is, signifiers that lack a proper meaning but clarify the context in which other signifiers should be interpreted. A word like “secularization” does not have a clear signification, but it shows the reader that other words have to be viewed from a theological context (Agamben 2011: 4), just like a painter’s signature on a work of art clarifies the historical and biographical context the pictured. So although in this article the emphasis will be on the move from theology to economics, understanding “secularization” as a signature entails approaching it as a signifier that renders a discourse legible in a specific way, whether it be theology, politics or economics.
 66. Agamben (2011: 140).
 67. For an overview, see Mondzain (2005: 18–68), Agamben (2011: 17–51), Zartaloudis (2010: 56–64), McLoughlin (2015: 59–61), and Leshem (2016: 25–44).
 68. Agamben (2011: 41).
 69. Tertullian quoted in Agamben (2011: 42).
 70. McLoughlin (2015: 61) and Heron (2017: 27).
 71. Eberl (2016: 78).
 72. Aquinas (*Sum I-II*, Q. 103, Art. 6).
 73. Zartaloudis (2010: 216).
 74. Agamben (2011: 20).
 75. *Ibid.*, 124 and Heron (2011: 162).
 76. Agamben (2011: 113), Zartaloudis (2010: 75), Heron (2011: 165), and McLoughlin (2015: 63).
 77. Aquinas (*Sum I-II*, Q. 103, Art. 6).
 78. Aquinas (*De Veritate*, Art. 3) and Heron (2017: 82–83).
 79. Agamben (2011: 97).

80. Kotsko (2015: 116).
81. Agamben (2011: 141) and Watkin (2014: 212–213).
82. Agamben (2011: 118–119).
83. *Ibid.*, 35.
84. *Ibid.*, 87.
85. Dean (2012: 151) and Watkin (2014: 231).
86. Agamben (2011: 105).
87. Aquinas (*De Veritate*, Art. 8), Gilson (1972: 196), and Agamben (2011: 119).
88. Heron (2011: 163).
89. Agamben (2011: 132).
90. *Ibid.*, 141.
91. *Ibid.*, 138.
92. Agamben (2015: 22, 2016: 70–71) locates the model for this approach in Aquinas' theory of instrumental causality with the priest as paradigm (Dean 2017: 217; Heron, 2017: 92–93). The initial question is how a priest, a mere human being, can effectuate holy sacraments. What gives fallible human beings the power to perform sacred duties in the name of God? The theological answer is that thanks to apostolic succession, priests are intimately connected to Christ as the principal agent of liturgy (Agamben 2015: 10). This allows God to wield the priests as instruments for his actions, just like a carpenter uses an axe as instrumental cause to make a bed (Gilson 1972: 196). God is the principal agent who acts through the priest as a medium. Similarly for divine providence, God as first cause works through the second causes that render his will operative. Agamben (2015: 21) mentions however that this vicarious ontology establishes a split in human subjectivity (Dean 2017: 215). One can regard each human action from the perspective of the person's inner strivings (*ex opere operantis*) or from the viewpoint of the effectiveness this person's actions have in the grand scheme of things (*ex opere operato*). The intermediary agent consequently enacts providential power, but cannot possess it since it is not grounded in its own nature (Heron 2017: 109).
93. Gilson (1972: 198).
94. Dean (2013: 178).
95. Cornelissen (2017: 5–6). Hayek even interprets Aquinas' account of social progress with minimal regard for the reference to God, see Hayek (2013: 311–312 n. 13) and Whyte (2017: 8).
96. Whyte (2017: 4).
97. Whyte (2017: 12–14).
98. Viner (1972), Hill (2001), and Oslington (2012).
99. Agamben (2011: 283–284).
100. Viner (1972: 82), Hill (2001: 14–15), Harrison (2011), and Vogl (2015: 25). For an opposing view, see Viner (1927), Alvey (2004), and Laval (2007: 213–227).
101. Zartaloudis (2010: 80 n. 120), Whyte (2017: 12) and Cornelissen (2017: 14). According to Whyte (2017), the political stake of this endeavour is to depoliticize social arrangements and use Scottish thinkers as authoritative sources. Hayek misrepresents the Scots to argue how immanent individual interactions endogenously produce general welfare without the need for any transcendent agent that could function as a political instance disrupting the free market. A more charitable reading would however leave open the possibility that Hayek genuinely believed that the Scottish account of immanent spontaneous order was self-sufficient and did

- not need the theological context for its validity, as for instance Lisa Hill (2006: 55–56) argues.
102. Zartaloudis (2010: 75).
 103. Agamben (2011: 287).
 104. Barry (1979: 76).
 105. Rehmann (2015: 285).
 106. Kotsko (2015: 186).
 107. Petsoulas (2013: 56).
 108. Marxists describe this phenomenon as “commodity fetishism” (Rehmann 2015: 284). For Marx (1996: 81–94), human labour is the source of all wealth, but this truth gets obscured through exchange values that make it appear as if commodities have a life of their own. The fluctuations of prices impact workers’ lives to such an extent that they become “fetishes,” inanimate objects invested with god-like powers to control the lives of their creators. It seems thus like “the market” wants people to act in specific ways (“the market demands more workers in ICT,” “the financial markets need more liquidity,” “there is no place for poor borrowers in the contemporary housing market”), whereas in fact “the market” is an abstraction rendered operative by people acting as if it is real.
 109. Vogl (2015: 104) and Whyte (2017: 18).
 110. *Ibid.*, 17.
 111. Petsoulas (2013: 34).
 112. Vogl (2015: 35).
 113. *Ibid.*, 79.
 114. Hayek (2001: 43).
 115. Cornelissen (2017: 15).
 116. Hayek (2013: 42).
 117. Vogl (2015: 105–106).
 118. *Ibid.*, 117–119.
 119. Kregel (2013: 159–171).
 120. Kindleberger & Aliber (2015: 41).
 121. Mian & Sufi (2015: 27) and Turner (2016: 7).
 122. Turner (2016: 56).
 123. Vogl (2015: 122).
 124. For an overview of the Minskyan approach to the US housing crisis, see Kregel (2008), Mian & Sufi (2015) and Turner (2016).
 125. Turner (2016: 2).
 126. Kindleberger & Aliber (2015: 319).
 127. *Ibid.*: 316, Mian & Sufi (2015, 96) and Turner (2016, 97).
 128. Sassen (2014: 123).
 129. Turner (2016: 73).
 130. Hayek (2001: 137).
 131. Zartaloudis (2010: 75) and Dean (2013: 185).
 132. Agamben (2011: 129).
 133. Courtenay (1990: 71) and Heron (2011: 162).
 134. Zartaloudis (2010: 78).
 135. Agamben (2011: 119).

136. Aquinas (*Sum* I-II, Q. 49, Art. 1).
137. *Ibid.*, Q. 19, Art. 8).
138. Eberl (2016: 73).
139. Montag & Hill (2015: 257).
140. *Ibid.*: 263.
141. Viner (1972: 103) and *ibid.*, 266.
142. Montag & Hill (2015: 286–287).
143. *Ibid.*: 287.
144. *Ibid.*: 282.
145. *Les malheureux* function as an economic equivalent to Agamben's infamous *homo sacer* (1998: 71–74). Just like the latter could be exposed to violence with impunity, *les malheureux* can be abandoned to starvation without any consequences. They are included in the market order as those who do not belong to it. Montag & Hill thereby repeat the argument of inclusive exclusion (Agamben 1998: 7). Just like *homines sacri* in the state of exception are included in the juridical order as those to whom the law no longer applies and are consequently barred from enjoying legal protection against communal violence, *les malheureux* are the people whose deprived existence is necessary for economic order yet have no access to the fruits of economic growth.
146. Montag & Hill (2015: 270).
147. *Ibid.*, 304.
148. *Ibid.*, 312 and Bröckling (2016: 58).
149. Brown (2015: 64–65).
150. Montag & Hill (2015: 292).
151. Hayek (2013: 234).
152. Hayek (2001: 126–127).
153. Lorey (2015: 13).
154. *Ibid.*, 2.
155. Hayek (2001: 124, 2013: 249). Montag & Hill (2015: 317) are hence wrong to accuse neoliberals as such for denying people a right to subsistence. That might apply to Mises, whom they quote, but not to Hayek.
156. Petsoulas (2013: 58).
157. Sassen (2014: 222) and Bröckling (2016: 58).
158. Standing (2011: 126–127) and Berardi (2017: 183).
159. Standing (2011: 82).
160. Sennett (1998: 62–63).
161. Crary (2014: 17) and Berardi (2017: 10).
162. Bröckling (2016: 77).
163. Ehrenberg (1991), Micali (2010: 386), and Dardot & Laval (2013: 291–292).
164. Berardi (2012: 141).
165. Hayek (2013: 98).
166. Sassen (2014: 139).
167. Brown (2015: 72).
168. Claims for government intervention arise from tribalist impulses that, according to Hayek (2013: 505), threaten to undermine the Great Society if not repressed. Spieker (2013: 317) interprets Hayek consequently as saying that the state has the duty to

- suspend the Rule of Law to defend the Great Society against internal enemies. Just like Smith's justification of police violence during famines, Hayek allows for a state of exception or commissarial dictatorship to defend the market order (Kotsko 2015: 187–188, Montag & Hill 2015: 339).
169. Agamben (2011: 246). A complete defence of Agamben's ethics cannot be presented in the short confines of this article, so I will only provide a rudimentary explanation of its meaning and assume its validity. For a fuller elaboration, see Prozorov (2014: 30–60)
 170. Agamben (2002: 92).
 171. Agamben (2007: 5–6).
 172. In the case of Aristotle, Agamben identifies the natural slave as the primary instance of bare life (2016: 23). The slave is a human being who is constitutively unable to enact its capacity for *logos*. Although slaves have the potentiality for leading the good life as Aristotle defines it, they lack the capacity to actualize this potentiality and are consequently condemned to a permanently unfulfilled life.
 173. Zartaloudis (2010: 81) and Kotsko (2015: 190).
 174. Agamben (2011: 246).
 175. Agamben (2015: 105–106).
 176. Agamben (2011: 216).
 177. Zartaloudis (2010: 86–87) and Colebrooke & Maxwell (2016: 98).
 178. *Ibid.*: 176.
 179. *Ibid.*: 195.
 180. *Ibid.*: 179.
 181. Kantorowicz' *The King's Two Bodies* (1997) has described a famous incarnation of this symbolic dimension of power. The king's natural body might not be very distinctive or glorious compared to others, but it embodies a mystical body that transcends any natural representation of it. The king thereby evokes an excess that can only be made present in the king's natural body, yet can never be reduced to it either (Agamben 1998: 101).
 182. Heron (2011, 166).
 183. Kotsko (2015: 149). The reliance of authority on power-signs that evoke awe in a population implies that authority is ultimately dependent on the deluded consent of the people (Agamben 2011: 226) and is not self-founding. This excess of signification is in fact only a suggestion power-signs produce. It is eventually nothing but an illusory void (Agamben 2011: 221). Once the glorious exteriors are removed, the emperor is always naked. This provides an opportunity for humankind to refuse authority and thereby render itself ungovernable (Agamben 2011: 65; Heron 2011: 170; Kotsko 2015: 122).
 184. Whyte (2017: 20) and Heron (2017: 138–139).
 185. Kotsko (2015: 186).
 186. Rehmann (2015: 185). What makes Hayek's catalactics not a mere repetition of providential theology, but a secularization, is that he denies the existence of an extraneous entity with a will imposing that will immediately on the market (2013: 181). Instead the "will" of the market is the aggregation of particular individual wills expressed in the pricing system. The "will of the market" hence only exists as a performative product of price signals.
 187. Hayek (1978: 180).
 188. Hayek (1978: 187) and Whyte (2017: 11).
 189. Petsoulas (2013: 56).

190. Hayek (2013: 235) and Gissurarson (1987: 58–59).
 191. Hayek (1980: 32).
 192. Hayek (2001: 210).
 193. Hayek (2013: 272–273).
 194. Lazzarato (2012) and Dean (2013: 218).
 195. Colebrooke & Maxwell (2016: 101).
 196. Agamben (2011: 163–164).

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