

The ‘Optimistic Cruelty’ of Hayek’s Market Order: Neoliberalism, Pain and Social Selection

Theory, Culture & Society

1–21

© The Author(s) 2022



Article reuse guidelines:

sagepub.com/journals-permissions

DOI: 10.1177/02632764221126305

journals.sagepub.com/home/tcs**Carla Ibled** 

Goldsmiths, University of London

Abstract

This article argues that cruelty, as a willingness to see or orchestrate the suffering of others, is not an unfortunate side-effect of neoliberal theories put into practice but is constitutive of the neoliberal project from its theoretical inception. Drawing on Lisa Duggan’s concept of ‘optimistic cruelty’ and treating the canonical texts of neoliberal economic theory as literary artefacts, the article develops this argument through a close reading of one of the central architects of the neoliberal project, the philosopher and economist Friedrich Hayek. The first part of the article examines how Hayek attempts to justify the brutality of the market order he imagines – the catallaxy – by arguing that this brutality is the natural consequence of the spontaneous evolutionary processes that move civilisation forward. The second part brings to the fore the eugenicist undertones that suffuse this vision, despite Hayek’s apparent rejection of Social Darwinism. I analyse how Hayek’s market order operates through a series of disciplinary and biopolitical technologies that use pain, frustration, punishment and stigmatisation to eliminate bad habits, practices and subjectivities. These cruel mechanisms enable the catallaxy to sort between productive and unproductive lives to ensure that available resources are directed towards the former – even if it means that the others might be left to die. As such, cruelty is an affective atmosphere that permeates the catallaxy.

Keywords

affect, biopolitics, cruelty, eugenics, Hayek, neoliberalism

To see suffering does you good, to make suffer, better still [. . .]. No cruelty, no feast: that is what the oldest and longest period in human history teaches us – and punishment, too, has such very strong festive aspects! (Nietzsche, 2007: 42–3)¹

Corresponding author: Carla Ibled. Email: c.ibled@gold.ac.uk

TCS Online Forum: <https://www.theoryculturesociety.org>

Introduction

Neoliberalism is a system of cruelty (Couldry, 2008). In the name of flexibility, it demands that its subjects embrace insecurity and precariousness as a way of life. In the name of personal responsibility, it punishes those who do not conform to the entrepreneurial ethos it promotes. As Loïc Wacquant (2009) and Imogen Tyler (2013) have demonstrated, this often equates to punishing and stigmatising the poor. Examples of how neoliberalism wilfully causes pain and suffering to the most vulnerable are plenty. Philip Mirowski finds the presence of its ‘everyday sadism’ in the ‘theatre of cruelty’ of reality TV (Mirowski, 2013: 133), which tends to predominantly target as objects of abjection and humiliation the bodies of working-class women (Ringrose and Walkerdine, 2008). One also finds this ‘everyday sadism’ in the pettiness and blatant cruelty of austerity policies, that humiliate, wound and stigmatise welfare recipients (Tyler, 2020). As recently illustrated by the free school meals scandal in Britain, refusing support to a campaign to feed children in need during school holidays in a global pandemic can easily be justified, especially once their parents are presented as underserving and abject. This is the context in which Conservative MP Ben Bradley implied that many parents in his constituency were ‘illiterate’, with some living with their children in a ‘brothel’ and a ‘crack den’ (Murphy, 2020). Welfare benefits would end up funding their appalling way of life and, as Conservative MP Danny Kruger wrote, this would ‘enrage people who are working hard for themselves’ (Murphy, 2020).

This article argues that cruelty, as a willingness to see or orchestrate the suffering of others, is not simply the result of how neoliberalism is practised in different contexts, cultures and places (Brenner and Theodore, 2002; Ong, 2006; Peck, 2010). Instead, I show that cruelty is constitutive of the neoliberal project from its theoretical inception, and specifically that it has an important *function* in the market order imagined in the canonical texts of neoliberal theory. Focusing on the work of Friedrich Hayek, one of the central architects of neoliberal theory,² I show how cruelty works as a collective affect that suffuses neoliberal discourses and fuels the social engineering mechanisms these texts advocate.

Cruelty’s role in the affective structures of the neoliberal present has been highlighted by Lauren Berlant via the concept of ‘cruel optimism’. Cruel optimism designates the persistence of one’s hopeful attachment to the normative promises of capital – like the fantasy of the good life or of upward mobility – even when these promises structurally fail us and work against us (Berlant, 2011: 169–70). Berlant describes cruel optimism as a shared ‘affective atmosphere’ (2011: 15) that shapes people’s collective and individual strategies of adjustment and survival in a present continually disorganised by the ordinary crises of contemporary capitalism (2011: 8). Berlant’s engagement with affective atmosphere is explicitly inspired by Raymond Williams’s concept of ‘structure of feeling’. In this article, I use both concepts to refer to ‘a particular sense of life, a particular community of experience hardly needing expression’ (Williams, 2011: 104). In other words, these two concepts help us to understand how disparate discursive productions – like the reality TV shows and tweets by conservative MPs I mentioned above, but also novels, legal works and theoretical treatises – may share common affects that infuse them and whose presence makes itself felt on an implicit register rather than being consciously expressed and known.

The article slightly changes Berlant's scope of analysis, nonetheless. Whereas Berlant is interested in people's affective responses to the crises of the neoliberal present, I want to understand the 'structure of feeling' attached to discursive works that precisely call for this disruption. Here, Lisa Duggan's reworking of both Berlant and Williams's analyses in *Mean Girl* (2019), her essay on the libertarian writer Ayn Rand, is particularly useful. Duggan compellingly swaps the words of Berlant's title to identify a neoliberal structure of feeling as 'optimistic cruelty'. Duggan highlights how cultural artefacts celebrating the neoliberal spirit, like Rand's, are enlivened by a 'feeling of aspiration and glee' suffused with cruelty, as well as animated by a strong sense of personal superiority and utter 'contempt for and indifference to others' (2019: xvi). The affective atmosphere in which neoliberal culture operates is a dual structure that acts both as a space for celebrating exceptionalism and capitalist freedom (2019: xvi), and as 'the scene of the Neoliberal Theater of Cruelty through which feelings of resentment, fear, anger and loathing are enacted against the weak, who are a drain to the worthy' (2019: 84).

This article expands this work on 'optimistic cruelty' as the affective atmosphere of neoliberal culture by analysing how the canonical texts of neoliberal theory also participate in the formation of a shared dual structure of feeling that has cruelty as its core, and which is organised around the joyful celebration of the superior few and the shaming of the less-deserving. In my exegesis of Hayek's work, I specifically demonstrate that Hayek conceptualises his market order, the catallaxy, as a machinery dedicated to social selection by imposing pain, frustration and punishment on market agents, thus showing that the willingness to see and make people suffer was foundational to neoliberal thought. Cruelty is, and always has been, the point.

To undertake this work, I freely follow Ian Bruff and Kathryn Starnes's invitation to re-examine 'the canon of neoliberal thought as literary artefacts rather than simply political or economic arguments' (Bruff and Starnes, 2019: 246). According to Bruff and Starnes, such a reexamination 'requires making seemingly familiar ways of writing unfamiliar and looking as much at *how* authors write as at *what* they write' (2019: 248). In the article, I revisit this method through a hermeneutical interpretation of the vivid images and metaphors used by Hayek. Such an approach enables me to read neoliberal theory against itself and unsettle Hayek's argument to better consider the inherent – cruel – logics at work in the philosophy of life he delineates. This approach also enables us to grasp how Hayek's work participates in the construction of a particular affective atmosphere. I particularly want to go beyond the explicitly didactic function of Hayek's theoretical texts to consider how they are pervaded by something that exceeds this function – affects – which allows these texts to participate (along with other cultural works and disciplinary *dispositifs*) in the elaboration of common affective structures.³ This excess is particularly visible in the aura that continues to surround some of Hayek's most famous works like 'Why I Am Not a Conservative', the postface to *The Constitution of Liberty* (2011a) that adorns the websites of prominent neoliberal think-tanks like the Cato Institute and the Foundation for Economic Education. The well-known story of Margaret Thatcher 'flamboyantly slamming Hayek's *Constitution of Liberty* on the table while declaring "This is what we believe"' (Peck, 2010: xv) is another example of how theoretical works can contain and express powerful affective identifications. The specific role Hayek plays in the crystallising of a common (although inherently plural; Mirowski

and Plehwe, 2009) neoliberal imaginary is the reason why I chose to focus on him in this article.

My argument proceeds in two stages. In the first part of the article, I examine how Hayek justifies the brutality of his market order as an extension of his theory of evolution. This leads me to consider Hayek's relation with Social Darwinism and the eugenicist movement. The second part of the article analyses specific disciplinary and regulatory mechanisms at work in the *catallaxy*, using Foucault's work on discipline and biopower (Foucault, 2004). I demonstrate that pain, frustration, punishment and stigmatisation act as technologies that help to differentiate productive from unproductive populations so as to allegedly ensure the long-term survival of the group. These cruel mechanisms are thus central cogs of the *catallactic* machine.

Hayek's Justification of Cruelty: Defending the Party of Life

In his defence of the market order, Hayek tellingly acknowledges that the 'progressive society' he wishes for 'appears cruel' (Hayek, 2011a: 98). Anticipating critiques, and with a certain sense of pathos, Hayek deplores the 'tragic plight of the highly trained man whose hard-learned skill has suddenly lost its value because of some invention which greatly benefits the rest of society' (Hayek, 2011b: 127); he recognises how 'tragic' it is 'to see the failure of the most meritorious efforts of parents to bring up their children, of young men to build a career, or of an explorer or scientist pursuing a brilliant idea' (Hayek, 2013: 232). He adds, '[a]re we not all constantly disquieted by watching how unjustly life treats different people and by seeing the deserving suffer and the unworthy prosper?' (2013: 232); is our 'sense of justice' not 'undoubtedly' offended '[t]hat anybody should suffer a great diminution of his income and bitter disappointment of all his hopes through no fault of his own, and despite hard work and exceptional skill' (Hayek, 2011b: 127)? Hayek's market order, the '*catallaxy*', is accompanied by its lot of 'poignant grief' (Hayek, 2011a: 143), 'losses imposing severe hardships' (Hayek, 2011b: 126) and 'underserved strokes of misfortune' (Hayek, 2013: 255).

Yet, as suggested by the opening sentence, for Hayek, its cruelty is only an appearance. If we follow Hayek's reasoning, the *catallaxy* cannot be in strict terms cruel because it has no intentionality. It cannot be just or unjust as it is a mechanism without consciousness (Hayek, 2013: 231–3), a (marvellous) 'system telecommunication' that computes prices, thus transparently reflecting and signalling where there is opportunity for profit (Hayek, 1945: 527), and contributing, by extension, to the promotion of some entrepreneurial initiatives at the expense of others. In Hayek's prose, the impersonal character of these sorting mechanisms has something comforting when one is met with failure. As he argues, '[t]he obstacles in our path are not due to somebody disapproving of our ends but to the fact that the same means are also wanted elsewhere' (Hayek, 2011b: 97).

The impersonal character of market processes also guarantees their efficiency. It enables them to automatically differentiate successful ventures from unsuccessful ones, without being blinded by the subjective merit of the actors behind those ventures and only taking into account the usefulness of each initiative. The mechanisms of the *catallaxy* are the driver of progress because they can discard non-viable projects to better concentrate resources on the most promising and useful ones. We reach here a central

justification for the brutality of market processes: these are presented as an unfortunate consequence of the natural selection that accompanies spontaneous evolution. In other words, they belong to the realm of natural necessity (Hayek, 1988: 19).⁴ The selective mechanisms of the catallaxy are undeniably harsh, but they guarantee the prosperity to the greatest number and sustain ‘all our hopes for the reduction of present misery and poverty’ (Hayek, 2011a: 104). As such, as Hayek rhetorically concedes, we are the ‘captive of progress’ (2011a: 105).

Hayek’s defence of the market order as a non-intentional (and therefore non-cruel) natural process is based on the recurrent use of an ‘evolutionary metaphor’ (Caldwell, 2001: 542). I do not wish here to enter the fierce scholarly debates around this question (see, for example, Hodgson, 1994; Caldwell, 2000, 2001; Mirowski, 2007; Beck, 2018) but only to highlight the role the evolutionary metaphor plays in Hayek’s rhetoric.

The evolutionary metaphor is specifically used to demonstrate the superiority of the present – capitalist – order. For Hayek, the complex order in which we live today is a product of thousands of years of selection of habits and practices that have ‘prevailed’ because they were ‘successful’ (Hayek, 2013: 18). Crucially, Hayek argues that these habits and practices gave a selective advantage to the groups that observed them; they ‘increased the chances of survival of the group’ (2013: 18). According to Hayek, capitalism provides populations who accept its rules with better chances of survival by guaranteeing the wealth and well-being of these populations. Hayek’s attempt to prove the superiority of capitalism is therefore made on the grounds of its concrete ability to enable populations to ‘multiply’ and ‘increase their numbers’ (Hayek, 1988: 132), rather than on strict moral grounds – as Hayek stresses, he does ‘not claim that the results of group selection of traditions are necessarily “good”’ (Hayek, 1988: 27).⁵ As he writes, whether we like it or not, ‘[l]ife exists only so long as it provides for its own continuance. Whatever men live *for*, today most live only *because* of the market order’ (1988: 133). By extension, as the doctrine that guarantees the good development of capitalism, (neo) liberalism becomes the ‘party of life, the party that favors free growth and spontaneous evolution’ (Hayek, 2011a: 530). It protects the promising future of populations and guarantees the potential for further development contained in their reproduction (Martinez Mateo, 2020). Its ‘object, target and stake is life itself, or the biological existence of human beings’ (Spieker, 2013: 306) – which leads Jörg Spieker to argue (drawing on Foucault) that ‘evolutionism is the biopolitical rationality *par excellence*’ (2013: 305–6). The evolutionary metaphor thus allows Hayek to reformulate his defence of the market order (no matter the damages it may cause) in term of a struggle in which life itself is at stake. Surrendering to the sirens of rationalism (‘the fatal conceit’), collectivism or social justice (Hayek, 2013: 227) would ‘doom a large part of mankind to poverty and death’ (Hayek, 1988: 27). Liberal capitalism is the only culture that ‘provides the institutional properties necessary for the biological and economic sustainability of the global population’ (Spieker, 2013: 313).

The evolutionary metaphor and its association with the defence of life enable Hayek to justify the insulation of the mechanisms of the market from the reach of government’s control. The market order is the successful product of evolution, but it also imitates the selective processes of evolution. It is both the product and engine of evolution. When assimilating the market’s selective mechanisms to natural selection, Hayek argues that

both are spontaneous order: they are self-generating and self-organising (Hayek, 2013: 465). They obey no particular purpose and are so complex that they comprise ‘more particular facts than any brain could ascertain or manipulate’ (Hayek, 2013: 37). Any attempt to control these mechanisms – and specifically to intervene to alleviate losses caused by failure or to reequilibrate the inequalities ‘naturally’ created by the market – is bound to backfire as it will tamper with evolutionary processes. As such, the planners’ ambition to ‘shelter [people] from the vicissitudes of the market’ (Hayek, 2011b: 127) becomes counter-evolutionary;⁶ it threatens the very mechanisms thanks to which progress is made possible. By contrast, liberal capitalism can assist evolutionary processes by creating the right environment for their spontaneous unfolding (Hayek, 2013: 46); that is, by encasing the market order in an adequate legal and regulatory framework and by protecting it from the interference of both government and dissatisfied subjects (Slobodian, 2018). It accompanies the selective mechanisms of the market and ensures no obstacle is placed in their path that would risk tempering their effects.

As suggested above, attending to the evolutionary metaphors of Hayek’s work highlights how cultural evolution is understood for him as a process of ‘group selection’ (Hayek, 2013: 503). His interest in selection allied to his use of terms like ‘method of breeding’ (2013: 414) or ‘the survival of the successful’ (Hayek, 2011a: 112) (which is itself strongly reminiscent of Herbert Spencer’s ‘survival of the fittest’) has led to pointed interrogations of Hayek’s relationship with Social Darwinism and the eugenics movement (Leeson, 2017). Naomi Beck has shown Hayek’s theoretical indebtedness to two figures of the British eugenics movement, Alexander M. Carr-Saunders and Julian Huxley, on the questions of group selection and cultural evolution (Beck, 2018: 86–7). Yet Hayek explicitly distances himself from ‘Social Darwinists’ and condemns them for importing ideas taken from Darwinian biology like “‘natural selection,” “struggle for existence,” and “survival of the fittest”” into the social sciences (Hayek, 2011a: 117–18), thereby ‘concentrating on the selection of congenitally more fit individuals [. . .] and at the same time neglecting the decisively important selective evolution of rules and practices’ (Hayek, 2013: 487). For Hayek, the Social Darwinists’ confusion lies in the fact they (according to him) mistakenly believe that the idea of evolution originated in Darwin’s work on biology, rather than in the philosophical works of Bernard Mandeville and David Hume (2013: 487). Hayek thus differentiates himself from Social Darwinism (and more broadly from sociobiology; Hayek, 2013: 486) by placing himself on the cultural level of habits acquired by imitation *contra* interpretations, like Spencer’s, that focus on the inheritance of genetic traits. So when discussing the ‘survival of the successful’, Hayek has in mind successful habits, practices, rules or institutions, and not innate characteristics. Similarly, he formulates his argument in terms of group selection (1988: 25, 2011a: 18) and seemingly not in terms of individual selection.

The distinction is ambiguous and rather unconvincing, as it is based on a misreading of Darwin’s work (Beck, 2018: 88; see also Hodgson, 1994).⁷ As suggested by Naomi Beck, Hayek’s eagerness to distance himself from Social Darwinism is rooted in its association with racism and eugenics (Beck, 2018, 88), in a post-Second World War intellectual context that identifies Social Darwinism with Nazism and that uses the label to denounce the practice of using biological analogies (and Darwin’s ideas in particular) to understand human social phenomena (Hodgson, 2004). Yet, Beck suggests that Hayek

does not escape the ‘genetic or natural fallacy’ he denounces in Social Darwinism (Hayek, 1988: 27). When measuring the superiority of a civilisation by its reproductive success, Hayek intertwines the biological and the social (Beck, 2018: 118). As Beck writes, ‘a selection that favors expansion and demographic growth, such as Hayek’s cultural group selection, is de facto genetic selection’ (2018: 118). Nonetheless, Beck still believes that Hayek would have rejected the most problematic parts of Spencer’s theory on the ‘purifying process’ of the natural order (and its excreting of ‘its unhealthy, imbecile, slow, vacillating, faithless members’) (Spencer in Beck, 2018: 29). In the second part of the article, I gently unsettle Beck’s interpretation by demonstrating that the catallaxy is organised around the selection of productive initiatives (and, by extension, lives) at the expense of unproductive ones. But I wish to go even one step further and reconsider the connections of Hayek’s work with eugenics. Here, I find it heuristically useful to think of Hayek’s ambivalences in light of Robbie Shilliam’s distinction between Social Darwinism and eugenics (Shilliam, 2018: 49). Shilliam associates Social Darwinism and its full trust in the survival of the fittest with *laissez-faire*. In contrast, eugenics denotes a concern that, were nature to be left to its sole device, bad genes, habits and practices would prosper. Eugenics thus advocates resolute intervention to ensure that the good kinds of genes, but also good habits and practices, will prevail to preserve life in the long term. There are strong echoes of this ambition in Hayek’s work. Despite his call to insulate the market from governmental intervention, the legislator is still responsible for preparing the regulatory terrain that will enable the flourishing of the market’s selective mechanisms. For instance, Hayek compares the ‘attitude of the liberal towards society’ to a ‘gardener who tends a plant’ and who seeks to ‘create the conditions most favourable to its growth’ (Hayek, 2011b: 18). To push the metaphor further, the gardener cuts weeds and select the seedlings to leave space for the better crops. From this perspective, Hayek’s aspiration to signal and differentiate productive from unproductive lives through the brutal mechanisms of the market – as I explore in the second part of the article – needs to be noted.

Significantly, Hayek claims that ‘there are some superior people’ (Hayek, 2011a: 524).⁸ These, again, will be superior for the quality of their decision-making, mental strength, and entrepreneurial spirit – qualities which are not innate but acquired. Hayek adds that nobody has ‘authority to decide who these superior people are’ (Hayek, 2011a: 524). This will, of course, be spontaneously determined by the anonymous mechanisms of the market order, which will automatically recognise which habits and ideas are the most useful to the greater number. Crediting the market order with the task of deciding who the superior people are enables Hayek to conveniently avoid being accused of aristocratic, not to say eugenicist and racist, elitism – since he claims he is not in a position to determine the metrics for selection. The automated selective mechanisms of the market are meant to be class-, gender- and race-blind – an argument Arun Kundnani proves wrong in demonstrating that Hayek’s theories on cultural evolution, and specifically, his understanding of ‘progress’, rely on ‘particularist ideas of western cultural pre-eminence’ (Kundnani, 2021: 2).

To reformulate this in terms of pain and cruelty, the market is blind to the personal features and qualities of each individual; it only indirectly selects some and dooms others to extinction. For Hayek, the brutality with which the catallaxy operates is not exactly

intended – and therefore not strictly-speaking cruel – but the inevitable product of the way evolution naturally and spontaneously proceeds. The second half of the article complicates, and ultimately questions, Hayek's argument by considering cruelty as an affective atmosphere. I demonstrate that cruelty suffuses the complex market order imagined by Hayek; pain is the fuel that animates this order. The 'grief', 'losses' and 'misfortune' that Hayek rhetorically deplors are not unfortunate side-effects but integral to the functioning of the catallaxy as a disciplinary apparatus. Even though Hayek denies Social Darwinism, his evolutionary approach pivots on the need to eliminate bad habits, practices and subjectivities. This, I argue, is where an affective atmosphere of cruelty comes in.

Hayek's Catallaxy as a Cruel Stigma Machine

I now want to analyse the way Hayek pictures the functioning of the catallaxy so as to better bring to the fore the disciplinary and biopolitical operations that animate it and their cruel logic. To briefly draw on Foucault's distinction between disciplinary and biopolitical technologies of power, the former 'centers on the body, produces individualizing effects, and manipulates the body as the source of forces that have to be rendered both useful and docile' (Foucault, 2004: 249). In contrast, the latter is centred upon life; it is a 'power of regularization' which consists in 'making live and letting die' (2004: 247). Foucault argued that both techniques tend to be superimposed in late modernity, and, as I demonstrate, this is very much the case with Hayek's catallaxy. Hayek plainly acknowledges that '[t]he necessity of finding a sphere of usefulness, an appropriate job, ourselves is the *hardest discipline* that a free society *imposes* on us' (Hayek, 2011a: 143, emphases added). As already noted, he also expresses his enthusiasm for 'method[s] for *breeding* certain types of mind' (Hayek, 2013: 414; emphasis added) – competition being one of them.

When treating Hayek's work as a literary artefact (Bruff and Starnes, 2019), one can only be struck by his liberal use of technological metaphors when describing the market order. Famously, he presents the catallaxy as a marvellous machine, an astute 'system of telecommunication' (Hayek, 1945: 527). He conceives it as a learning and teaching apparatus that automatically provides 'feedbacks' (like in 'cybernetics') (Hayek, 2013: 283); a 'system' that provides 'inducements' and 'incentives' (2013: 284). In the following sections, I will therefore analyse some of these technologies and techniques that are used to create certain effects on people and populations. I will show how pain, frustration, castigation and the threat of destitution are instrumentalised to both motivate individuals and to differentiate useful subjects from disposable populations – populations that may be sacrificed when need be. Pain is co-constitutive of the market order imagined by Hayek, which makes it stand as a cruel and sadistic piece of social engineering.

Crucially, for the social engineering of the catallaxy to accurately work, the terrain on which it operates must be adequately prepared. Specifically, the actors of the catallaxy must submit to its operations to make these operations effective. They shouldn't be protected so as to be amenable to the changes these operations are meant to induce. As noted by Jessica Whyte, 'the spontaneous order relies [. . .] on the inculcation of a submissive subjective disposition' (Whyte, 2017: 173) and faith in the impersonal forces of the

market – which Hayek praises and wishes for – plays such a role. As he writes, it is by ‘submitting that we are everyday helping to build something that is greater than any one of us can fully comprehend’ (Hayek, 2011b: 210).

Competition as a Breeding Method

Competition is one of the disciplinary technologies through which the selection operated by the market runs.⁹ As mentioned above, Hayek conceives competition as a ‘method for breeding certain types of minds’ like the ‘spirit of enterprise’ (Hayek, 2013: 414), but also as the only known ‘method for producing [a highly developed commercial spirit]’ (2013: 413). It thus targets individuals and aims to induce certain changes in their behaviour. As I will discuss, competition triggers mimetic desire and encourages market actors to emulate those who succeed.

But Hayek also conceives competition in a more disturbing way. Competition comes to create an environment of constant unrest and looming threat. For instance, Hayek indicates that having ‘competitors is always a *nuisance that prevents a quiet life*’ (2013: 415, emphases added). Tellingly, Hayek openly formulates this threat as an existential threat. What is at stake is the survival of the actors involved. Hayek characteristically claims that ‘competition will make it necessary for people to act rationally in order to *maintain* themselves’ (2013: 413–14; emphasis added). He writes in the same passage that ‘it will in general be through competition that a few relatively more rational individuals will make it necessary for the rest to emulate them in order to *prevail*’ (2013: 414; emphasis added). While the verbs ‘maintain’ and ‘prevail’ might seem relatively neutral, they need to be understood in their euphemistic dimension. Particularly, it is important to keep in mind that Hayek often uses them in his writing on evolution in combination with the theme of survival. I will only quote two representative passages to support this argument. A passage of *Law, Legislation and Liberty* discusses learning as a process of ‘the observance, spreading, transmission and development of practices which have *prevailed* because they were successful – often not because they conferred any recognizable benefit on the acting individual but because they increased the chances of *survival* of the group to which he belonged’ (Hayek, 2013: 18; emphases added). In a particularly dark passage of a 1981 interview given by Hayek to *Wirtschaftswoche* (in which he expresses concerns for ‘overpopulation’), he states that ‘[t]here is only one way to curb this overpopulation: maintenance (*erhalten*) and reproduction (*vermehrten*) are reserved solely for those societies (*Völker*) that are able to sustain/feed (*ernähren*) themselves’ (Hayek in Butterwegge et al., 2008: 73).¹⁰ As the juxtaposition of ‘persisting as a group’ with ‘being able to feed’ transparently suggests, ‘to maintain oneself’ and ‘to prevail’ are to be placed in the context of a struggle for survival between cultures, ethnic groups (which adopt these cultures and thus can ‘displac[e] less efficient groups’; Hayek, 2013: 19) but also, at least implicitly, between individuals.

What competition does is to activate the spectre of loss and destitution so as to force all actors to adapt to new circumstances. In a variation of Joseph Schumpeter’s concept of ‘creative destruction’ (Schumpeter, 1951, 1954), Hayek argues that a ‘small number’ of entrepreneurial spirits, through their inventions and innovations, will threaten the maintenance of ‘larger numbers’, making it necessary for these latter ‘to do what they do

not like, be it to work harder, to change habits, or to devote a degree of attention, continuous application, or regularity to their work which without competition would not be needed' (Hayek, 2013: 415). As Hayek writes elsewhere, 'by their innovations [the innovators] forced a new manner of living on people belonging to an earlier state of culture' (Hayek, 2011a: 103). The superior few force the majority out of their complacency and drag them onto the road of progress.

The Pain of Frustrated Desire

A second disciplinary technology is mimetic desire, which operates as a complement to competition. Here I find it useful to quote at length an extract from *The Constitution of Liberty* in which the mechanics of desire is exposed in plain light:

Most of what we strive for are things we want because others already have them. Yet a progressive society, while it relies on this process of learning and imitation, recognizes the *desires it creates only as a spur to further effort*. It does not guarantee the results to everyone. It disregards the *pain of unfulfilled desire aroused by the example of others*. It *appears cruel* because it increases the desire of all in proportion as it increases its gifts to some. Yet so long as it remains a progressive society, some must lead, and the rest must follow. (Hayek, 2011a: 98, emphases added)

While in the previous section Hayek conceived competition as being animated by the looming threat of destitution, here we are faced with another motor with a striking libidinal core: mimetic desire.

Desire is clearly identified in this passage as an important factor determining human behaviour, a factor that can be artificially 'create[d]', acted upon and manipulated by the engineering of the catallaxy to obtain certain reactions. The aim is explicitly to force the market agents on the move, to urge them into making 'further efforts'. To do so, the catallaxy turns itself into a mirror that displays the 'example' of the successful few so as to 'arous[e]' the desire of all. The catallaxy is thus here conceived as a libidinal apparatus, which stimulates desire by organising scarcity.

Specifically, attention is given to the relation of proportionality – unequal at its core and which Hayek explicitly recognises as appearing 'cruel' – between the 'gifts [given] to some' and the 'desire of all'. In this relation, the greater the gifts granted to the few are, the more burning will be the desire of all. We are here dealing with a cruel – rather sadistic – mechanics of frustration that is fuelled by the 'pain of desire'. From this perspective, I find it interesting to slightly push and unsettle the meaning of the 'spur' in Hayek's description of desire as 'a spur to further effort', by bringing in its primary meaning: a small spike, as used, for instance, for urging a horse forward. Hayek seems to invite this interpretation as he carries the metaphor further in the next sentence when writing about desire being 'aroused'. Desire here becomes something that stings, relentlessly and rather harshly, to force individuals forward. It is disquieting and potentially painful, like a small rock stuck in one's shoe. The catallaxy thus becomes a machine inflicting targeted pain in the name of progress. As Hayek writes elsewhere, 'it is also not part of the

general interest that every private desire be met. The order of the Great Society does rest and must rest on constant undesigned frustrations of some efforts' (Hayek, 2013: 171).

As the sentence closing the extract – 'some must lead, and the rest must follow' – suggests, inequality is a prerequisite for the libidinal machine to function. For the catallaxy to work, it needs to make visible shining examples of success that the common person envies and admires.¹¹ The more superlative the gifts granted to the successful few, the more acute will be the desire of all and the more effort they will make to catch up with those the catallaxy displays as models. Consequently, it is not surprising to find that many passages of *The Constitution of Liberty* are devoted to an apology of luxury. Luxury is granted positive social effects, in a typical example of trickle-down economics. The luxurious few become trendmakers, precursors of the taste of tomorrow; as Hayek reckons, 'only from an advanced position does the next range of desires and possibilities become visible' (Hayek, 2011a: 97). The rich are the 'scouts [who] have found the goal [so] that the road can be built for the less lucky or less energetic' (2011a: 98). Later in the book, Hayek praises 'playboys' as the pioneers of the 'successful use of leisure', who devote their time to the 'art of living' and to whom 'we owe many of the now common forms of living' (2011a: 195). The energetic metaphor and the insistence on the 'art' and 'forms of living' designate the rich as more vigorous and fit – at least intellectually – than the rest. We find here a trace of the glamour bestowed upon the superior few for their expansive 'sense of life' that Lisa Duggan (2019) finds in Ayn Rand's novels and which forms the core of their 'optimistic cruelty'.

Punishing the Unsuccessful

Successful (that is, entrepreneurial) people are used by the catallatic breeding machine to induce certain effects on the rest of the population – either through the insecure environment or the envious desires they generate. I now want to consider the function within the catallaxy of their polar opposite: those who fail, those who are non-useful and created as 'surplus population' (Cooper, 2008: 61; see also Kundnani, 2021: 14). This leads me to consider the way Hayek conceives poverty. Hayek specifically differentiates two kinds of poverty: what he calls 'poverty in the absolute sense' from '[p]overty in the relative sense' (Hayek, 2013: 297). I demonstrate below that both kinds are differently instrumentalised by the mechanisms of the catallaxy so as to steer individuals in certain directions.

To start with 'poverty in the absolute sense', Hayek proclaims that the brilliant success of the 'Great Society' is to have abolished it (Hayek, 2013: 297) – at least in the West.¹² As he adds, '[n]obody capable of useful work need today lack food and shelter in the advanced countries, and for those incapable of themselves earning enough these necessities are generally provided outside the market' (2013: 297). What we can see here, in addition to the opposition between those 'capable' and those 'incapable' of 'useful work', is that Hayek does give grounds for the existence of 'a system of public relief which provides a uniform minimum for all instances of proved need' (Hayek, 2011a: 424), and which particularly guarantees 'some minimum of food, shelter, and clothing, sufficient to preserve health and the capacity to work' (Hayek, 2011b: 124–5). Assistance is at times presented as a way for the successful to 'protect themselves against the

consequences of the extreme misery of their fellows' (Hayek, 2011a: 406) – for instance crime and theft out of desperation. Yet, unsurprisingly, these guarantees come with a price imposed on those 'incapable' of providing for themselves. This becomes amply clear when Hayek bluntly states that the security hence provided opens 'the important question whether those who thus rely on the community should indefinitely enjoy all the same liberties as the rest' (Hayek, 2011b: 124). In other words, Hayek's demand for all individuals to be given 'equality before the law' – that is, the 'presupposition of a free society, that all must be judged and treated by others according to the same rules' (Hayek, 2013: 502) – finds its limit here, and the same when it comes to his defence of sacrosanct liberty. Hayek proposes to introduce an exception to the norm: the suspension of certain liberties for those who rely on public relief. The stigmatisation of the reliant strongly echoes the concept of the 'stigma machine' put forward by Imogen Tyler in *Stigma* (2020) to visualise neoliberalism's 'punitive apparatus' and focus on 'the instruments through which stigma is impressed upon bodies in order to subjugate them, as stigma is cranked into operation in support of extractive capitalist political economies' (Tyler, 2020: 260). Tyler here draws on Franz Kafka's short story 'In the Penal Colony' in which Kafka describes a machine used to torture people to death by repeatedly tattooing in their flesh the commandment they have been accused of disobeying (2020: 253). Tyler uses the 'stigma machine' as a conceptual device to think about how institutional, administrative and legal machines are set into motion to 'immobilise, wound, humiliate and/or dehumanise those caught within their grasp' (2020: 260). This is precisely what is at work in Hayek's proposals for the poor.

Behind the suspension of equality of treatment signalled above lies Hayek's concern that providing basic security and assistance will 'induce some to neglect such provision against emergencies as they would have been able to make on their own' (Hayek, 2011a: 405–6). By alleviating the threat that the catallaxy puts on individuals' very survival, public assistance risks making people more indolent, less industrious; it is 'apt to reduce individuals' efforts' (Hayek, 2011a: 406). The legislator who assists the mechanisms of the catallaxy must thus ensure that some kind of penalty – or punishment – is reinscribed to compensate for the easing of existential threats – like in the example above about 'liberties'. Or at least to ensure that public assistance is given only as a last resort through a system of compulsory insurance and forced self-provision against the 'the common hazards of life' such as 'old age, unemployment, sickness, etc.' (Hayek, 2011a: 406). The coercive action of the state is justified by the fact that the neglectful 'become a *charge* to the public' (Hayek, 2011a: 406; emphasis added). As such, Hayek opposes the defenders of social justice's demand that 'those who really need help should not feel inferior', that the needy be allowed 'to feel that what they get is the product of their own effort or merit' (Hayek, 2011a: 427) – implying that they must be made to feel the shame.

Poverty 'in the relative sense' is also conceived of as an instrument of social engineering. Whereas Hayek considered that absolute poverty might be abolished by the magic of the market order, he describes relative poverty as an uncompressible, mathematical fact. As he states, we cannot 'alter the fact that a certain percentage of the population must find itself in the bottom of the scale' (Hayek, 2013: 290). Again, we need to go beyond Hayek's apparent fatalism to better reassert that pain, disappointment and frustration play a core role in the social engineering operated by the catallaxy. As Hayek

writes, they are an ‘inseparable part of the steering mechanism of the market’ (Hayek, 2013: 255). Since the catallaxy is a learning and teaching apparatus, failure, misfortune and the hardship that come with them must be fully sustained by the individual because they constitute a mechanism for ‘negative feedback’ that forces agents to redirect their activities towards more promising (seemingly useful) activities after ‘discover[ing] by bitter experience that they have misdirected their efforts’ (Hayek, 2013: 255). Such ‘bitter experience’ is seen as a ‘necessary part of that process of constant adaptation to changing circumstances’ on which evolution and progress depend. Strikingly, the pain and hardship of those who fail come to be integrated in a metric to evaluate usefulness. This is explicit in the following passage:

That those who have to offer to their fellows little that is valuable may have to incur more pain and effort to earn even a pittance than others who perhaps actually enjoy rendering services for which they are well paid, is a necessary concomitant of any system in which remuneration is based on the values the services have to the user and not on an assessment of merit earned. (Hayek, 2013: 254)

This passage suggests that the ‘negative feedback’ is not just operative on the individual level. It functions – through the system of remuneration – for the entire social order. The ‘pain’, increased ‘efforts’ and mere ‘pittance’ earned are signals given to all that indicate which activities are worth pursuing and which ones need to be abandoned. Failing and struggling people thus come to play the role of counter-models. Through the spectacle of their hardships, they show to all what happens to those who make the wrong choice or refuse to adapt. As Hayek bluntly writes: ‘if success proves that [new views] are more effective, those who stick to their old ways must not be protected against a relative or even absolute decline in their position’ (Hayek, 2013: 415).

I want to make two connected remarks here. On the one hand, Hayek believes that any kind of state intervention to protect some while preventing unmerited profit by others risks endangering the positive and negative feedbacks automatically provided by the examples of successful and failing individuals, and particularly the connection between remuneration and usefulness (Hayek, 2011b: 128). On the other hand, this non-intervention of the state is justified by the fact that individuals are left *free to choose* which signals to follow and how to act on them. Crucially, Hayek connects this liberty with responsibility, claiming that both are ‘inseparable’ (Hayek, 2011a: 133). As he claims, ‘[l]iberty not only means that the individual has both the opportunity and the burden of choice; it also means that he must bear the consequences of his actions and will receive praise or blame for them’ (Hayek, 2011a: 133). Importantly for my argument, in the same passage, Hayek conceives ‘responsibility’¹³ as another learning mechanism that provides ‘knowledge of the consequences of [men’s (sic)] action’ so as to guide them in their future decisions; ‘[assigning responsibility] aims at *teaching* people what they ought to consider in comparable future situations.’ (Hayek, 2011a: 139; emphasis added). As Hayek clearly indicates, this disciplinary mechanism is seen as transformative. Responsibility as a social engineering technology ‘aims at making [men] act more rationally than they would otherwise’ (Hayek, 2011a: 139). By making them face alone the consequences of their choice (which is interestingly described by Hayek as a ‘burden’,

as something to be borne), they learn the hard way (but ‘freely’ as nobody tells them what to do) how to be more accurate and efficient in their decision-making.

The potential cruelty of this intertwining of non-intervention and responsibility manifests fully in a passage of *Law, Legislation and Liberty* on the intergenerational dimension of decision-making. In this passage, Hayek explains that present unequal social positions are the results of the enterprising efforts, decisions and chances of the individuals, but also of their ancestors (Hayek, 2013: 177). He subsequently argues that parents tend to have in mind the effects of their life-choices and decisions on ‘the prospects of their children’ and that this is ‘an important factor in the adaptation of the use of human resources to foreseeable human development’ (2013: 177). In a rather disturbing turn, he then concludes that the adequate use of present resources for future development (that is, for evolution) will ‘be taken into account only if the risk is borne not only by those who decide but also by their descendants’ (2013: 177). In other words, the descendants must pay the price for the mistakes of their ancestors. People in lower classes – or, to take on Hayek’s words, ‘at the bottom of the scale’ – are thus wearing the stigmata of their ancestors’ miscalculations, misfortune or lack of efforts. Of course, following the logic of non-intervention he expounds, Hayek finishes by stating that the government should not step in to protect the children and guarantee that they ‘would be sure of the same facilities whatever their parents decided’; if not, ‘an important factor would be left out of account in those decisions which in the general interest ought to guide [the parents]’ (2013: 177). This passage confirms that the social engineering of the catallaxy acts as a ‘stigma machine’ that organises retribution to found and legitimise an unequal social order.¹⁴ Stigma and poverty cascade across generational boundaries. The machine marks and punishes the failing (the unlucky, the lazy) and promotes the successful (the felicitous, the industrious). In addition, it uses punishment and the abandonment of the failing and of their descendants as negative incentives to ensure that all try their best. Failure must be painful to act as a deterrent for all. It needs to be made visible – a spectacle that all can see.

The Spectacle of Destitution

The necessity of making destitution visible for disciplinary purposes is evident in a second instance: when Hayek discusses the issue of urban slums (Hayek, 2011a: 471–4). Interestingly, this time it is not about inducing populations to act more rationally to avoid destitution. The inhabitants of slums – who Hayek blatantly deracialises – are presented as rational economic actors who have chosen to live (or, as Hayek puts it, ‘who do not mind living’; Hayek, 2011a: 472) in what Hayek is happy to describe as ‘deplorable’ or ‘crowded and unsanitary’ conditions, so as to be able to access the city and the economic opportunities it offers – which ‘may lead to greater prosperity’ (Hayek, 2011a: 474). We find here the logic of ‘sacrifice’ – a word which is used in a few instances in Hayek’s work to talk about ‘financial sacrifice’ (Hayek, 2011b: 99) or ‘material sacrifice’ (Hayek, 2011a: 508). Generally, sacrifice represents a way for the ‘less able or less suitable’ (Hayek, 2011b: 99) or for ‘those of less productivity’ (Hayek, 2011a: 472) to get a start by accepting a lesser pay and lesser or riskier living conditions. As I demonstrate below, inducing this act of sacrifice and self-renunciation needs to be understood as yet another technology of social selection. Only those who want a job sufficiently, desperately

enough, will be willing to take that step. They will be given access to the city only if they are ready to materially, physically and mentally pay the price for it.

The fact that Hayek is here thinking about the selection of population becomes transparent when he suggests that the state should not intervene to ensure slums disappear because they act as particularly efficient ‘economic deterrents’ (Hayek, 2011a: 474). By which he means that they are useful to spontaneously solve an ‘acute problem’ that seems to concern him greatly (as seen in the section on competition): overpopulation (2011a: 474). Of course, what Hayek fears is poor people (and implicitly, considering the American context in which *The Constitution of Liberty* is written, non-white populations); that is, ‘the influx of large numbers from poorer and still predominantly rural regions’ (2011a: 474). As he explains, providing better low-cost accommodations ‘will attract a great many more’ (2011a: 474). Better then to keep the decaying, unsanitary and over-crowded buildings as they are as it will ensure that only those who are the most motivated will come forward. The less strong and courageous will prefer the comfort of the countryside. We see here that destitution becomes a spectacle, which is used to test the strengths and will of the candidates to (here internal) migration. It acts at the individual level – and is therefore, to go back to Foucault’s distinction, a disciplinary technology – but also at the level of populations, which it regulates, ensuring that the unwanted mass of the poor is kept out of the city or, rather, at its margins (the margins of liveability). It is as such also an example of biopower.

The Calculus of Lives

The social engineering operated by the catallaxy thus aims at steering individuals in certain directions, at forcing them to surpass themselves and at controlling numbers. It is constituted of an intertwining of disciplinary and biopower technologies that enable us to recognise and differentiate useful from non-useful lives by promoting the former and neglecting the latter so as to provide each with a social position. This differentiation is important because it opens the possibility, to draw on Foucault’s terms, to ‘let die’ certain populations in order to ‘make live’ other selected ones – a process that Foucault considers characteristic of biopower (Foucault, 2004: 241). Crucially, Foucault identifies the act of separating groups within a population – which he sees as first instantiated in racism (understood extensively to include the ‘degenerate’ or the ‘abnormal’) – as integral to the functioning of biopower (2004: 255). Some groups must be killed directly or ‘indirectly’, which includes ‘the fact of exposing someone to death, increasing the risk of death for some people, or, quite simply, political death, expulsion, rejection and so on’ (2004: 256). They must die or be left to die so the superior may live – a biopolitical logic that Foucault thinks is at work in evolutionism (2004: 256–7).

As seen in the first part of the article, Hayek expounds a distinct theory of evolution but has a tendency to apply it to groups – which are implicitly placed in a struggle for survival against each other (Spieker, 2013) – rather than to individuals. I want to complicate and unsettle this argument. Particularly, I argue that the evolutionary metaphor employed by Hayek and his differentiation between useful and non-useful individuals lead him to claim that the less-useful lives might have to be sacrificed – when need be – for the preservation of the most productive ones and so as to secure the evolutionary

future of the group. This is a point he makes explicitly in *The Fatal Conceit* (1988), in a section strikingly titled 'The Calculus of Costs Is a Calculus of Lives'. As he announces from the start, the 'calculus of lives' is 'more than a metaphor' (1988: 132). He indicates that it might be necessary to 'sacrific[e] a few lives in order to serve a large number elsewhere' (1988: 132). While Hayek insists that these lives are 'unknown lives' – in the sense that the person taking the decision about who to sacrifice does not know which exact individuals they are placing at risk – he insists on the fact '[t]he requirement of preserving the maximum number of lives is not that all individual lives be regarded as equally important' (1988: 132). Those who are designated as more important and as in need to be preserved are those who 'create or preserve other lives' (1988: 132) like, Hayek says, a doctor, a hunter (who can feed the community) or a fertile woman (because of her reproductive power). Yet, it is important to note that he also writes that 'the highly productive may be more valuable to the community than other adult individuals' (1988: 132) and the whole passage comes right after a section about how 'capitalism gave life to the proletariat' (1988: 130–2).

What the catallaxy thus does is help to spontaneously determine a hierarchy between useful and non-useful lives so that the latter may be disposed of when situations occur where 'a painful choice between competing aims' needs to be made in the name of evolution (Hayek, 2011a: 423). As Hayek writes in *The Constitution of Liberty* when discussing the functioning of 'free' health systems (by opposition to state-sponsored health systems of the like of the British National Health Service):

It may seem harsh, but it is probably in the interest of all that under a free system those with full earning capacity should often be rapidly cured of a temporary and not dangerous disablement at the expense of some neglect of the aged and mortally ill. (Hayek, 2011a: 423)

The old, the 'mortally ill', who have already lost their productive abilities, may be 'neglect[ed]' to ensure the full preservation of the forces of those who can earn. In the market order imagined by Hayek, we all profit 'from the capital and experience supplied by the rich' (Hayek, 2011a: 101). We owe them progress in our ways of living, our jobs, our subsistence and therefore our very lives. As such, our sacrifice to ensure their thriving is presented as fair. (Neo)liberalism as the 'party of life' also rationalises who must be left to die.

Conclusion

My aim in this article has been to explore how neoliberal theory, as represented by the work of Friedrich Hayek, is also representative of 'optimistic cruelty', the 'sense of life' or the 'structure of feeling' that Lisa Duggan associates with neoliberalism (Duggan, 2019: xv–xvi).

Cruelty has been understood in this article as a wilfulness to and absence of concern about causing pain and suffering to others. As I demonstrated, the intertwining of disciplinary and biopolitical technologies that Hayek's market order puts in place may be qualified as cruel because they put pain, frustration, punishment and stigmatisation at the very centre of their action. Indeed, pain, frustration, punishment

and stigmatisation are not unfortunate side-effects of the workings of the market order. They are co-constitutive. They act as the very mechanisms that enable the market order to sort between productive and unproductive lives so as to ensure all resources are directed towards the former – even if it means that the others might be left to die. Hayek’s attempt to justify the sheer brutality of the market order and to dismiss its cruelty as mere appearance by insisting on the blindness and the necessary/spontaneous dimension of its processes should not distract us from considering the catallaxy for what it is: a mechanism (assisted by the willingness of the neoliberal legislator) that uses pain to sort populations; a selective apparatus that violently excludes some in the name of the survival of the group. Hayek’s rejection of Social Darwinism seems rather feeble from this perspective. While the euphemistic and elliptical vocabulary used by Hayek means he never makes claims that could be qualified as overtly eugenicist entirely explicit, there is a flirtation with it, at least in his belief in the inherent inequality of individuals and in his willingness to see the weaker make way for the stronger. To reuse Robbie Shilliam’s rhetorical question, ‘[w]as there ever more of a “neoliberal” project than eugenics?’ (Shilliam, 2021: 247).

Optimistic cruelty, as an ‘affective atmosphere’ (Berlant, 2011: 15) that permeates the catallaxy, is nowhere more patent than in Hayek’s enthusiasm for the entrepreneurial ‘scouts’ and their ‘art of living’, as well as in his willingness to see the unsuccessful carrying the cost of their mistakes on several generations, or to see the ‘less energetic’ forced in the path of progress by the threat of destitution. The joyful celebration (and implicit identification with) the ‘superior people’ is mirrored by a willingness to impose suffering on the less-deserving Others. My exegesis has aimed to demonstrate that the neoliberal project has adopted cruelty as its fuel from its inception. As a charismatic and influential figure in the crystallisation of a distinctive neoliberal identity – through the aura bestowed on his books by his admirers from both academia and the policy world, but also through his role in the creation of the neoliberal thought collective (Mirowski and Plehwe, 2009) – Hayek’s work participates in the creation of a neoliberal structure of feeling that has cruelty at its core. As such, I am questioning the distinction that is at times made between neoliberal theory and actually existing neoliberalism, when it comes to violence and authoritarianism. I hope to have demonstrated that the bouts of spectacular cruelty that we are witnessing today – from trash reality TV, to the demonstrations of the Alt-Right to the free school meals scandal – are not examples of neoliberal theory that has gone ‘awry’ in practice, of an everyday neoliberalism at odds with ‘neoliberal dreams’ (as perhaps implied in Brown, 2020: 50). Instead, these examples of everyday sadism are faithful to the spirit of cruelty that neoliberal theory – along with other cultural works, apparatuses and practices – has contributed to shape.

Acknowledgements

I would like to thank Lars Cornelissen, Will Davies, Sahil Jai Dutta, Nils Peter, Fearghus Roulston and Nick Taylor, as well as the five anonymous reviewers and *TCS* editors, for their helpful feedback and suggestions on the previous versions of the article. Thanks to Gina Viita for her invaluable assistance with translations.

ORCID iD

Carla Ibled  <https://orcid.org/0000-0001-7295-3511>

Notes

1. Thank you to Wendy Brown for bringing attention to this passage in Nietzsche's work (see Brown, 2019: 226n24)
2. This article thus participates in the recent 'careful rereading of Hayek' by scholars like Wendy Brown (2020: 42), Ian Bruff and Kathryn Starnes (2019), or Jessica Whyte (2017, 2019) to address the moralistic violence contained within his work.
3. I do not want to argue that the cruel practices of neoliberal forms of government are simply the direct implementations of the cruelty at work in neoliberal theory. Rather, I see them both as expressions of a common structure of feeling that coalesces around cruelty. Similarly, optimistic cruelty does not replace other structures of feeling characteristic of neoliberalism (like precarity, cruel optimism or capitalist realism; Anderson, 2014: 124–33) but rather coexists and interacts with them, while operating on a slightly different register.
4. I am here going against Foucault's argument that neoliberalism (and ordoliberalism in particular) rejects classical liberalism's 'naïve naturalism' (Foucault, 2008: 120). Hayek heavily relies on the metaphor of nature when claiming spontaneous orders can be found in nature (Hayek, 2013: 38–9) or when comparing the 'liberal' to a 'gardener' (Hayek, 2011b: 18).
5. I included in my exegesis *The Fatal Conceit* (1988), the last book authored by Hayek with the help of W.W. Bartley III. Because of the difficulty of determining which passages of the book were actually written by Hayek (see Caldwell, 2000), I made sure when using this text to support my interpretation by corroborating it with earlier texts written by Hayek.
6. Hayek nonetheless leaves some room to alleviate 'absolute destitution', on the condition that it is kept outside the market – something I discuss in greater length later on. The destitute are not considered to be proper players in the market game.
7. Hayek, for instance, fails to notice that the idea of selection does not predate Darwin (Beck, 2018: 88). Moreover, Darwin's analysis was never strictly genetic 'if only for the reason that he did not know much about heredity' (2018: 88). Darwin also had an explicit theory of cultural evolution (2018: 89).
8. Hayek writes that '[f]ortunately, [individuals] are not equal; and it is only owing to this that the differentiation of functions need not be determined by the arbitrary decision of some organizing will but that, after creating formal equality of the rules applying in the same manner to all, we can leave each individual to find his own level' (Hayek, 1948: 16).
9. An exhaustive analysis of Hayek's understanding of competition is beyond the scope of this article, and I will therefore concentrate on its disciplinary dimension. For an extensive analysis of Hayekian competition, see Gane (2020). Gane differentiates Hayek's view of competition from the classical approach of perfect competition, as well as from the Darwinian approach of competition as a biological trait. Hayek defends instead an epistemological understanding of competition that views it as a 'discovery procedure' (2020: 47).
10. The original sentence reads: 'Gegen diese Überbevölkerung gibt es nur die eine Bremse, nämlich daß sich *nur die Völker erhalten und vermehren, die sich auch selbst ernähren können*'. All my thanks and gratefulness go to Lars Cornelissen for pointing out this passage to me, as well as to Gina Viita for her translation.
11. Hayek nonetheless does not use the word 'envy' when referring to the process of mimetic desire – most likely because of its negative connotations. He keeps 'envy' for the resentful 'less-well-off' (Hayek, 2011a: 438), who capture the welfare state to put a break on the ambition and incomes of the successful few. Tellingly, he uses the concept in his critique of social justice (2011a: 155).

12. Hayek clearly demarcates ‘the West’ (which is deemed ‘far ahead [. . .] because of their more effective utilization of knowledge’) from the ‘poorest, “undeveloped” countries’ (whose development prospect is ‘very much better than it would have been, had the West not pulled so far ahead’) (Hayek, 2011a: 100). In a variation of the trickle-down economics argument and in blatant disregard for the structural legacies of colonialism, the richest countries are credited for opening the way to the poorest.
13. Jessica Whyte (2019) has highlighted the moral dimension of Hayek’s defence of the free market and the place responsibility plays within it. As she writes, according to Hayek, ‘[n]o free society would survive [. . .] without a moral climate that instils personal responsibility and regards it as just that people are rewarded materially based on how valuable their services are held to their fellows’ (2019: 10–11).
14. The mechanism also functions as a defence of inheritance. Inherited wealth marks the success of an ancestor. For his defence of inheritance, see Hayek (2011a: 192).

References

- Anderson, Ben (2014) *Encountering Affect: Capacities, Apparatuses, Conditions*. Aldershot: Ashgate.
- Beck, Naomi (2018) *Hayek and the Evolution of Capitalism*. Chicago: University of Chicago Press.
- Berlant, Lauren (2011) *Cruel Optimism*. Durham: Duke University Press.
- Brenner, Neil and Theodore, Nik (2002) Cities and the geographies of ‘actually existing neoliberalism’. *Antipode* 34(3): 349–79.
- Brown, Wendy (2019) *In the Ruins of Neoliberalism: The Rise of Anti-Democratic Politics in the West*. New York: Columbia University Press.
- Brown, Wendy (2020) Neoliberalism’s scorpion tail. In: Callison, William and Manfredi, Zachary (eds) *Mutant Neoliberalism*. New York: Fordham University Press.
- Bruff, Ian and Starnes, Kathryn (2019) Framing the neoliberal canon: Resisting the market myth via literary enquiry. *Globalizations* 16(3): 245–59.
- Butterwege, Christoph, Lösch, Bettina and Ptak, Ralf (2008) *Kritik Des Neoliberalismus*. Wiesbaden: VS Verlag für Sozialwissenschaften.
- Caldwell, Bruce (2000) The emergence of Hayek’s ideas on cultural evolution. *The Review of Austrian Economics* 13(1): 5–22.
- Caldwell, Bruce (2001) Hodgson on Hayek: A critique. *Cambridge Journal of Economics* 25: 539–53.
- Cooper, Melinda (2008) *Life as a Surplus*. Seattle: University of Washington Press.
- Couldry, Nick (2008) Reality TV, or the secret theater of neoliberalism. *Review of Education, Pedagogy, and Cultural Studies* 30(1): 3–13.
- Duggan, Lisa (2019) *Mean Girl: Ayn Rand and the Culture of Greed*. Oakland: University of California Press.
- Foucault, Michel (2004) *Society Must Be Defended: Lectures at the Collège de France, 1975–1976*, ed. Mauro Bertani and Alessandro Fontana, trans. David Macey. London: Penguin Books.
- Foucault, Michel (2008) *The Birth of Biopolitics: Lectures at the Collège de France, 1978–1979*, ed. Michel Senellart, trans. Graham Burchell. New York: Palgrave Macmillan.
- Gane, Nicholas (2020) Competition: A critical history of a concept. *Theory, Culture & Society* 37(2): 31–59
- Hayek, Friedrich A. (von) (1945) The use of knowledge in society. *American Economic Review* XXXV(4): 519–30.
- Hayek, Friedrich A. (von) (1948) *Individualism and Economic Order*. Chicago: University of Chicago Press

- Hayek, Friedrich A. (von) (1988) *The Fatal Conceit: The Errors of Socialism*, ed. W.W. Bartley III. Chicago: University of Chicago Press.
- Hayek, Friedrich A. (von) (2011a) *The Constitution of Liberty*, ed. Ronald Hamowy. Chicago: University of Chicago Press.
- Hayek, Friedrich A. (von) (2011b) *The Road to Serfdom*. London: Routledge.
- Hayek, Friedrich A. (von) (2013) *Law, Legislation and Liberty: A New Statement of the Liberal Principles of Justice and Political Economy*. Abingdon: Routledge.
- Hodgson, Geoffrey M. (1994) Hayek, evolution, and spontaneous order. In: Mirowski, Philip (ed.) *Natural Images in Economic Thought: 'Markets Read in Tooth and Claw'*. Cambridge: Cambridge University Press.
- Hodgson, Geoffrey M. (2004) Social Darwinism in anglophone academic journals: A contribution to the history of the term. *Journal of Historical Sociology* 17(4): 428–63.
- Kundnani, Arun (2021) The racial constitution of neoliberalism. *Race & Class* 63(1): 51–69.
- Leeson, Robert (ed.) (2017) *Hayek: A Collaborative Biography. Part X: Eugenics, Cultural Evolution and the Fatal Conceit*. Cham: Palgrave Macmillan.
- Martinez Mateo, Marina (2020) Life-protecting neoliberalism: Hayek and the biopolitics of abortion in Chile. *Economy and Society* 49(4): 596–618.
- Mirowski, Philip (2007) Naturalizing the market on the road to revisionism: Bruce Caldwell's Hayek's challenge and the challenge of Hayek interpretation. *Journal of Institutional Economics* 3(3): 351–72.
- Mirowski, Philip (2013) *Never Let a Serious Crisis Go to Waste: How Neoliberalism Survived the Financial Meltdown*. London: Verso.
- Mirowski, Philip and Plehwe, Dieter (eds) (2009) *The Road from Mont Pèlerin: The Making of the Neoliberal Thought Collective*. Cambridge, MA: Harvard University Press.
- Murphy, Simon (2020) Free school meals: The Tory MPs defending refusal to support campaign. *The Guardian*, 20 October. Available at: <https://www.theguardian.com/education/2020/oct/25/free-school-meals-ukmarcus-rashford-conservative-mps-defend-ministers-refusal-to-u-turn> (accessed 8 September 2022).
- Nietzsche, Friedrich (2007) *On the Genealogy of Morality*, ed. Keith Ansell-Pearson, trans. Carol Diethe. Cambridge: Cambridge University Press.
- Ong, Aihwa (2006) Neoliberalism as a mobile technology. *Transactions of the Institute of British Geographers* 32(1): 3–8.
- Peck, Jamie (2010) *Constructions of Neoliberal Reason*. Oxford: Oxford University Press.
- Ringrose, Jessica, and Walkerdine, Valerie (2008) Regulating the abject. *Feminist Media Studies* 8(3): 227–46.
- Schumpeter, Joseph (1951) *The Theory of Economic Development*. Cambridge, MA: Harvard University Press.
- Schumpeter, Joseph (1954) *Capitalism, Socialism and Democracy*. Abingdon: Routledge.
- Shilliam, Robbie (2018) *Race and the Underserving Poor: From Abolition to Brexit: Building Progressive Alternatives*. Newcastle upon Tyne: Agenda Publishing.
- Shilliam, Robbie (2021) Enoch Powell: Britain's first neoliberal politician. *New Political Economy* 26(2): 239–49.
- Slobodian, Quinn (2018) *Globalists: The End of Empire and the Birth of Neoliberalism*. Cambridge, MA: Harvard University Press.
- Spieker, Jörg (2013) Defending the open society: Foucault, Hayek, and the problem of biopolitical order. *Economy and Society* 42(2): 304–21.
- Tyler, Imogen (2013) *Revolting Subjects: Social Abjection and Resistance in Neoliberal Britain*. London: Zed Books.
- Tyler, Imogen (2020) *Stigma: The Machinery of Inequality*. London: Zed Books.

- Wacquant, Loïc (2009) *Punishing the Poor: The Neoliberal Government of Social Insecurity*. Durham: Duke University Press.
- Whyte, Jessica (2017) The invisible hand of Friedrich Hayek: Submission and spontaneous order. *Political Theory* 47(2): 156–84.
- Whyte, Jessica (2019) *The Moral of the Market: Human Rights and the Rise of Neoliberalism*. London: Verso.
- Williams, Raymond (2011) *The Long Revolution*. Cardigan: Parthian Books.

Carla Ibled is an Associate Lecturer in Political Theory in the Department of Politics and International Relations at Goldsmiths College, University of London. She is a member of the Political Economy Research Centre (PERC) network.