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Contesting household debt in Croatia: the double movement of financialization and the fetishism of money in Eastern European peripheries

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Abstract
Croatia has experienced a marked boom in household debt in the 2000s. Much of this lending took high-risk and predatory forms that transferred significant risks to debtors, which in turn became the target of contestation by debt activists. This paper uses the Polanyian idea of "double movement" to show how the Croatian debt contestations responded to the distinctively peripheral form of financialization in Eastern Europe, characterized by unequal geoeconomic relationships and an intensified expropriation of debtors. This framework further highlights the importance of money in contemporary credit/debt relationships and their contestation, which has so far received insufficient attention in relevant anthropological scholarship. Instead of the currently fashionable credit theories of money, the paper uses the Marxian concept of the fetishism of money to unpack the roles of money in these processes. The analysis of discourses and practices of two groups of debtors and activists reveals how they used nationalist ideological frameworks and institutional channels such as litigation, again largely ignored by existing anthropological literature, to challenge the particular inequalities of peripheral financialization and the expropriation of debtors through the lenders' predatory manipulations of the money fetish.

Keywords Contestation · Croatia · Eastern Europe · Household debt · Money · Financialization

On a gloomy morning in January 2017, I attended a public discussion about the "Problems of Those Subjected to Debt Enforcement and Dispossessed"[1] in Zagreb, Croatia's capital. I was invited by Ante,[2] the leader of an informal group of Croatian debtors of Raiffeisen cooperative

[1]The Croatian title was *Problemi ovršenih i opljačkanih*. The adjective *ovršeni* comes from *ovrha*, legal term for debt enforcement proceedings. It may encompass monetary assets as well as movable and immovable property; separate proceedings commonly take place for different types of property.

[2]Research participants were anonymized wherever possible.

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banks from Austria. Many had their property repossessed as a result of what they deemed the lenders' illegal practices. Ante, an entrepreneur who lost his apartment buildings on the Adriatic coast, organized the event with other activists and collaborators. Martina, who won a lawsuit against other lenders with a similar modus operandi, talked about a "silent genocide" by a "global conspiracy of bankers and states". "All states in (postsocialist) transition promised to give them our property. The world order aims at leaving us without private property," she claimed. Two MPs also spoke: former army general Željko Glasnović, known for his far-right views, and Marin Škibola, who entered the parliament on behalf of Human Shield (Živi zid), a party that operated also as an activist group resisting evictions of repossessed properties. All speakers articulated a conviction that the Croatian state was complicit in debtors' dispossession, but promised to continue their struggle through its judicial and political institutions nevertheless.

After the debate, I joined a group of participants to share plates of fried sardines in a pub nearby. As we walked, I talked with Dubravko, a large bald man wearing black. He told me that his son died in a car accident after he learnt that a Raiffeisen coop started enforcement proceedings against them. Dubravko's mother too died of a heart attack on the eve of a court hearing. Dubravko claimed that all this was a "global plan of illuminates and Rothschilds" who want to take away all our property and make us pay for everything—health, water, shelter. They are planning to kill off 40% of the global population, as shown by all the recent disasters and epidemics. When we sat down, Dubravko announced that he and Ante would continue their fight despite the lenders' attempts to bribe them. "My family is destroyed. I've dedicated my life to seeing them on their knees." The conversation then turned to details of people's individual lawsuits, but the sense of despair and anger lingered.

These debtors struggled with reverberations of Croatia's 2000s boom in household debt, whose value tripled in just six years (Rodik 2015, 64). As this paper will show, the nature of some of these lending practices contributed to the rise of overindebtedness, defaults, and debt enforcement after the global financial crisis. Such boom-and-bust cycles were a common occurrence in recent decades, driven by neoliberal policies of financial deregulation and welfare retrenchment, changing business strategies of banks, and stagnating real wages (Lapavitsas 2013, 38–39, 238–241; Soederberg 2014). Deepening indebtedness was one of the key mechanisms that drew households into the wider process of financialization, theorized as a transformation of capitalist social relations, actors, and practices driven by the increasing dominance of finance since the late 1970s (Lapavitsas 2013, 1–4; van der Zwan 2014, 99–100). For anthropologists, lived experience of household debt provided a lens for observing this large-scale and seemingly immaterial process ethnographically (Guérin et al. 2014; James 2015; Palomera 2014). This article makes a double intervention in this literature.

First, it contributes to the anthropology of the politics of household debt, which became a prominent issue in many countries after the crisis. While insightful, most existing scholarship displays biases that I propose to address from an Eastern European perspective, so far nearly absent in the anthropology of household debt (cf. Halawa 2015). Focusing on highly visible movements in the USA and Spain, most of the literature stressed their radical anti-debt strategies, such as debt strikes, occupations and calls for debt cancellation, and their broadly progressive or explicitly leftist politics, as reflected in their concern with social justice and right to housing (Appel 2014; Graeber 2011, 2013; Sabaté 2016; Suarez 2017). However, the contestations that I observed during my fieldwork in Croatia in 2016–2017[3] departed from this image. For example, the coop debtor activists, while not a purely or inherently right-wing movement, disseminated narratives such as the one about a Jewish banker conspiracy and sought alliances with right-wing politicians. While using strong rhetoric and some radical practices such as physical resistance to evictions, Croatian debt movements relied mostly on institutional channels such as litigation, advocacy for legal reforms, and party politics. And rather than rejecting debt as such, they challenged specific lending practices.

To my mind, the Croatian case implies a need to widen the scope and reconsider the focus of the anthropological analysis of debt politics. I argue for a deepening of our understanding of the political economy of household lending, broadly conceived, in addition to the so far privileged ideologies of anti-debt movements and moralities of debt. Framing the boom and subsequent contestation of household debt in Croatia as an instance of Polanyi's (2001 [1944]) "double movement" will serve to underscore that the debt activists responded to processes of marketization and commodification that were globally interconnected but mediated by social relations and practices at lower scales. Specifically, I will trace how lenders in Eastern Europe developed strategies of intensified exploitation through debt in response to systemic tendencies in financialized capitalism as well as region- and country-specific opportunities. The empirical sections discuss two such strategies and their contestation by two groups of debtor activists. The Austrian coops' practices are analysed as a strategy of targeted and maximized expropriation through debt, based on high-cost, high-risk home equity loans to vulnerable debtors designed to lead to defaults and foreclosures. Croatian Swiss franc loans are an example of the wider Eastern European phenomenon of foreign exchange lending, which I interpret as a "mainstreaming of predatory lending" such as to encompass both subprime and prime borrowers. The political projects of the two activist groups diverged in ways that seem related to the specific lending practices they contested and their class positions. However, both groups challenged the peripheral nature of those practices, revealing the tendency of Eastern European politics of household debt to feed into the rise of nationalist and populist challenges to liberal hegemony in the region.

My second contribution to the literature is to recentre and rethink the analysis of money in this context, which I argue is vital also for a better understanding of the political economy and politics of household debt. Anthropologists of debt and other scholars of finance do not sufficiently engage with theories of money (Soederberg 2014, 5–7, 28–29), which received only a footnote in Peebles's (2010, 229) review of the anthropology of credit/debt and no mention at all in van der Zwan's (2014) review of the multidisciplinary literature on financialization. Recent anthropology of money has privileged empirical study of the materiality, pragmatics, and symbolism of money, mostly in its historical, exotic, and edgy forms rather than its mundane incarnations in financializing capitalism (Maurer 2006; Nelms and Maurer 2014). Alternatively, several anthropologists drew heavily on credit and state theories of money (Graeber 2011, 21–27, 2012; Nelms and Maurer 2014, 61–62; Saiag 2014). These theories claim that money is nothing more than a tool of accounting invented by ancient states to measure debts in taxes or damage compensations (Graeber 2011, 38–40, 46). David Graeber, the leading anthropological proponent of this view, further argued that debt

[3] During five months of fieldwork, I conducted participant observation in activist meetings, banking events, court hearings, protests, evictions, and other relevant situations. I undertook more than 90 in-depth interviews with debtors, bankers, activists, regulators, lawyers, experts, and various household lending and debt collection professionals.

has become the key modern technology of domination due to generalized mathematical commensuration enabled by modern money. Because they can be precisely quantified, monetary debts are "simple, cold, and impersonal—which, in turn, allows them to be transferable" (Graeber 2011, 13). Backed by state violence, debts replaced moral and personal dependencies of "human economies" with calculative and alienable contractual obligations of market economies (Graeber 2012). However, some experiences of Croatian debtors described below, such as when loan repayment costs were *not* quantified/quantifiable (at least not in advance), directly contradict Graeber's argument. Notably, Graeber does not show how his view of money might be used to understand (rather than morally condemn) household lending today. To chart out an alternative approach, I will develop the Marxian concept of the fetishism of money and use it for a critical and multiscalar analysis of the simultaneously pragmatic and power-laden roles of money in financialized household lending in general and the two Croatian lending strategies in particular.

From moral economy to double movement in the anthropology of debt politics

Most visibly in anthropology, Graeber built on the case of Occupy Wall Street (OWS) to highlight radical bottom-up strategies towards personal debt in the USA, such as debt strikes and calls for debt cancellation (Graeber 2013, 148, 288–289; see also Appel 2014, 616–617). He insisted that OWS was the one "true revolutionary", anti-capitalist, and direct-democratic movement to have emerged during and after the crisis, unlike "reactionary", "classically liberal", or "anti-ideological" popular revolts in Europe and the Middle East (Graeber 2013, 3, 20, 108–109). As if responding to such claims, Maka Suarez focused her analysis of the Spanish movement Platform for People Affected by Mortgages (PAH) on demonstrating how its "seemingly 'reformist' demands can be considered revolutionary in today's neoliberal capitalism" (Suarez 2017, 265). She argued that the PAH's occupations and proposals for converting repossessed properties to social housing have a potential for disrupting the commodification of housing and the financial rent-extraction and capital accumulation that it underpins (Suarez 2017, 272–274).

As these arguments show, anthropologists located much of the revolutionary potential of debt movements in their interventions in the domains of ideology and morality. Graeber (2013, 271–273) hinted in a hopeful spirit that despite being ultimately repressed, OWS might have achieved a revolution in the sense of transforming the American common sense about the economy. He described the purpose of the calls for debt cancellation in terms of a mass recognition of the true nature of money—"bring home that money is really just a human product, a set of promises, that by its nature can always be renegotiated" (Graeber 2013, 285). Hannah Appel (2014) argued that the economic imagination of OWS, including its proposals for debt write-offs or a national foreclosure moratorium, opened "zones of possibility" even in "centres" of contemporary capitalism such as the worlds of banking and high finance. Authors further underscored the challenges that OWS and the PAH posed for the hegemonic morality of debt as the borrower's responsibility and an absolute obligation to repay (Sabaté 2016; Stout 2016; see also Graeber 2011, 1–19, 390–391). Irene Sabaté (2016) thus framed her analysis of responses to the crisis of Spanish mortgage debt with the concept of moral economy. She interpreted the massive surge in defaults and repossessions as a "violation of the moral economy" insofar as it was caused by predatory subprime lending and a speculative housing boom. She contrasted this to a "re-emergence of moral economy" after the crisis through new economic values and practices that prioritized subsistence, solidarity, and care (Sabaté 2016, 113–117).

I take inspiration from the work of Polanyi for a perspective on debt contestations that keeps ideology in focus but in the context of a historical institutionalist analysis of deeply political processes of economic change. Polanyi (2001 [1944]) famously deconstructed the liberal myth of the emergence of modern markets as a spontaneous process rooted in human nature. He showed that it was, on the contrary, a deliberate "disembedding" of markets—a utopia, since markets can be never fully disembedded and "self-regulating" (Block and Somers 2014, 9–10). Violent state interventions were needed to dismantle existing economic institutions and replace them with market- and capital-oriented institutions. However, the liberalism of the capitalist class was constantly contested by protectionist agendas supported by working and landed classes. This was the historical dialectics of "double movement"—the interplay of marketization and "self-protection of society" (Polanyi 2001 [1944], 138–139). Both moments of double movement are understood as political projects that intervene in, but are certainly not limited to, the spheres of ideology and morality.

According to Polanyi, marketization was underpinned by a fictitious commodification of labour, land, and money, none of which was a commodity produced for sale. Money was a "token of purchasing power which (...) comes into being through the mechanism of banking or state finance" (Polanyi 2001 [1944], 75–76). Its fictitious commodification in the "long nineteenth century" was achieved through the international gold standard. This served the need of international *haute finance* for a stable store of value, but it led to episodes of drastic deflation at the national level. The suffering caused by the restoration of the gold standard after World War I provoked the rise of countermovements against the liberal market civilization in the 1930s and 1940s.

Parallels between the interwar-period and contemporary contradictions of global markets and national politics are striking. Beyond the topicality of Polanyi's analysis, I find two of his insights particularly productive. First, even if double movement is ultimately a global process, its forms are historically and geographically variable. Accordingly, outcomes of the interwar countermovements ranged from social democratic settlements to fascist totalitarianisms, depending on the balance of class forces in each nation-state and their governments' decisions to abandon or maintain the gold standard (Block and Somers 2014, 56–58; Polanyi 2001 [1944], 231–268; Scheiring 2016, 92–94). Second, any countermovement is shaped by class interests and "its success is determined by the breadth and variety of the interests, other than its own, which it is able to serve" (Polanyi 2001 [1944], 163; see also Block and Somers 2014, 76). In sum, understanding why countermovements of self-protection take particular forms and achieve particular outcomes requires a historically and geographically grounded knowledge of the processes of marketization they contest, the social groups they represent, and the strategies they adopt. In the next section, I consider Eastern European debt booms as a marketization process based on a specific instantiation of what Polanyi described as the fictitious commodification of money. However, this requires a deeper engagement with the concept of money itself.

The fetishism of money and household lending in Eastern Europe

The starting point for my rethinking of the place of money in contemporary household lending is a critical engagement with Marxian political economy. Marx (1996 [1867]) and contemporary Marxist and Marxian scholars (Christophers 2011, 1071–1072; Lapavitsas 2005; Soederberg 2014, 15–26) grasp money as the sine qua non of commodity fetishism: a peculiarly capitalist construction of social relations of production and domination as relations between commodities, i.e. objects whose value is believed to derive not from labour but their own immanent qualities, treated as equivalents in the realm of exchange. Constituted by social relations of capitalist exchange as the universal equivalent of value (Lapavitsas 2005), money provides an essential infrastructure of commodity fetishism—it makes it possible to express, measure, and commensurate exchange values of commodities, i.e. prices. It is itself fetishized as a special kind of commodity with a "price (or prices) expressed in the mystified, mystifying forms of interest rates and exchange rates, and of capitalised discounted future earnings" (Jessop 2015, 22). The most elaborate form of fetishism is the one of money capital, seen as an "independent form" of value capable of autonomous growth in a cycle of "money begetting more money" (Hornborg 2001, 485; Marx 1996 [1867], 157–166). Anthropologists appreciated the way in which the Marxian concept of fetishism enables a "symbolical analysis" (Bloch 1986, 172) or "cultural critique" (Hornborg 2001, 475) of capitalism, one that traces the co-constitution of worldviews and social relations without reducing one to the other. In this perspective, money constitutes capitalist valuation while mystifying its underlying reality inasmuch as it is itself a fetishized form of social relations (Hornborg 2001, 478–480). By providing this theoretical bridge between the two classical lines of anthropological enquiry into the nature of money as a tool (or "infrastructure") and as a symbol, the concept bolsters the established study of the pragmatics and performativity of money with a study of its politics, but one grounded in social analysis rather than behavioural psychology as Nelms and Maurer (2014) propose.

However, precisely how money fetishism should be used to analyse contemporary household lending is not immediately clear. Marx wrote very little on lending for consumption, which was undeveloped in his day (Soederberg 2014, 35). Several anthropologists engaged with the Marxian concept, but not in relation to credit/debt (Bloch 1986; Hornborg 2001; Taussig 1980). Others analysed money with the aid of concepts of fetishism rooted mainly in the anthropology of religion and focused on meanings and practices around the materiality of money (Foster 1998; Walker 2017). Political economist Susanne Soederberg (2014, 17–26) has argued that the fetishism of money helps mask the inequalities and exploitation in contemporary household lending, but her closer explanation of this process of depoliticization focuses on phenomena such as the rhetoric of financial inclusion, which are only indirectly related to money (Soederberg 2014, 60–64, 165). Instead, I propose to elaborate the concept with a close focus on actual relations and practices of financialized household lending.

Marx (1998 [1894], 588–605) distinguished between lending of money as capital for productive investments by capitalists and "usury" defined as lending of money as money, i.e. means of payment that all social classes need for consumption. In the former case, interest is a share of surplus value created in production and split by creditors and debtors as representatives of financial and productive capital. In the latter case, creditor's profit takes the form of "financial expropriation"—appropriation of a share of the borrower's personal money income (Lapavitsas 2013, 141–147). However, Marx also hinted that money figures in "usury" as money as well as capital, depending on whether one takes the perspective of the borrower or the lender:

> What is sought from the owner of a hoard is not capital, but money as such; but by means of interest he transforms this hoard of money into capital, that is, into a means of appropriating surplus labour (Marx 1998 [1894], 593).

I propose to develop these ideas to frame recent household debt booms as financialized accumulation strategies that respond to the expansion of profit-making opportunities based on conversions between multiple forms of money fetishism. Political economists noted that financial liberalization, innovations such as securitization, and monetary and regulatory integration enabled banks to borrow capital from ever more sources and on increasingly competitive terms, which in turn permitted them to expand their lending to households (Gabor 2010, 249–253; Lapavitsas 2013, 4, 38–39, 130–132, 231–240). Building on Marx's inchoate ideas, these processes can be productively reframed as value transfers and conversions between two basic forms of money fetishism embedded in two institutionally and socially separate types of markets. On the one hand, in highly globalized and competitive money markets and financial markets, elite professionals, who represent institutional financial actors and share particular worldviews and expertise, trade in money capital and commodified risks. One the other hand, in localized, "nichified" and hence less competitive retail credit markets, often the same institutional financial actors, especially banks, lend money to lay individuals who require it not as capital but as a means of payment for optional and non-optional use values, and hence follow a less instrumental rationality. This lending takes place on a wide range of terms shaped by an interplay of credit scoring formulas, competition, regulation and also, as I will seek to show, purposive exploitation strategies. In essence, banks profit from transferring value between markets with different levels of competition and inequality of counterparties. The hierarchical organization of the markets is essential: lay individuals cannot borrow in money markets and must instead borrow in retail credit markets. They are also excluded from financial markets, so that unlike banks they cannot on-sell risks they assume by entering credit/debt relations (Bryan et al. 2009, 468).

Postsocialist Eastern Europe was the site of particularly marked instantiations of financialized household lending that combined value transfers between money and retail credit markets with transfers between economic spaces and conversions between monetary forms. Financialization entailed a proliferation of monetary forms ranging from "hard" and "soft" currencies to derivatives as well as marketization of their relations, which increased their general volatility and expanded opportunities for speculative profits (Allon 2015; Guyer 2017; Jessop 2015, 33–34). At the same time, financial liberalization and integration promoted cross-border capital flows in search of higher profits. These processes came together in household lending in the context of what political economists described as "peripheral financialization" in Eastern Europe. By the early 2000s, Western European banks acquired most of local banks. These then imported large amounts of capital, which they borrowed in money markets directly or indirectly through their Western European mothers (Bohle 2014, 916), and lent it out at higher interest rates, mostly to households. This practice of "carry trade"—profit-making on cross-border, typically cross currency[4] interest rate differentials—was supported and rewarded by monetary policies of the targeted countries, such as rigid and overvalued exchange rates and high interest rates (Becker et al. 2010, 229–230; Gabor 2010). While carry trade was traditionally associated with short-term speculative operations in currency markets, foreign exchange lending illustrates its expansion to retail credit markets. A weak regulation of financial services seems to have been also important in establishing Eastern European national economies as predatory lending hotspots (Bohle 2014, 2018; Burton 2017; Rodik and Žitko 2015). Below, I describe two partly overlapping, partly distinct strategies of intensified financial exploitation through household lending that lenders in Croatia developed in response to the multiple opportunities for profitable value transfers and conversions.

My take on money fetishism is admittedly a departure from interpretations according to which the concept cannot be seen in strategic or instrumental terms since Marx understood it as forms in which reality appears to consciousness (Adorjan 2014, 288, n.7, 299–301). While not framing this explicitly as money fetishism, Soederberg (2014, 34–38) made a similar argument that the "formalised abstractions" through which prices of money in household lending are expressed, such as active interest rates and fees, serve to mask the reality of financial exploitation in household lending. In my view, this insistence on an necessarily unconscious nature of money fetishism follows from its conceptualization as monolithic and always effective in dominating consciousness, which I seek to problematize. This is not unprecedented; some scholars already used concepts of (de-) fetishization of money that assume a variable cognitive status of fetishism by definition. Notably, Christophers (2011, 1079) argued that credit/debt may enable a defetishization of money because it ruptures its endless circulation with value chains that can be traced similarly to commodity chains. While my objective is not to establish an ultimate truth about this, I will seek to show that lenders engaged in various forms of a purposive fetishization of money—distorting and/or actively manipulating its fetishistic attributes—that served the purposes of intensified exploitation. I will also seek to show how the debtors' understandings of these practices changed with evolving context and moved towards a partial defetishization of money.

Raiffeisen coop debtors

The meeting in the introductory vignette was organized and attended mainly by self-described "victims of RBA cooperatives" (*oštećenici RBA zadruga*). "RBA" is the Croatian abbreviation for the transnational Raiffeisen banking group. The "cooperatives" active in Croatia are local *Raiffeisenbanken* from Austria, the homeland of Raiffeisen, especially the state of Styria. Set up in the nineteenth century as farmer self-help credit unions, they are still legally cooperatives with a high degree of autonomy from the banking group, but they operate as full-fledged universal banks. Their lending in Croatia peaked in the mid-to-late 2000s, at the time of the general debt boom. While Austrian banking groups (including Raiffeisen) owned already then major Croatian banks, these loans were part of their parallel expansion of direct cross-border lending in Eastern Europe, of which Croatia was the top target (Puhr et al. 2009). According to Austrian reports, in mid-2014 there were some 3000 active Raiffesein coop loans in Croatia with an outstanding principal of €280 million. Three quarters of debtors were in arrears on

[4] While carry trade is usually associated with cross-currency trading, it may also target interest rate differentials between jurisdictions sharing the same currency, such as for example the core and the periphery of the eurozone.

repayment at that point (Graber 2016; Sittinger 2014). All these loans involved mortgages and were typically home equity (refinancing) loans, taken against the value of real estate owned by the debtor. A conspicuously high share of the loans resulted in repossessions of the property by the coops, often at bargain auction prices. In addition, according to both the interviewed debtors and the media reports (see also Malbaša 2017, 30), in many cases, coop managers or their Slovenian and Croatian loan "mediators" bought up foreclosed properties through companies they personally controlled. Prosecution of some of the managers in Austria suggests that these loans might have been their semi-private initiatives abusing the coops' resources.

Targeted expropriation through debt

The coops' overall strategy of financial exploitation can be described as targeted expropriation through debt—granting high-risk, high-cost predatory loans to a specific category of debtors, routinely resulting in defaults that enabled an acquisition of the collateral at a reduced price. Sandra, the lawyer representing a number of coop debtors, described this strategy as follows:

> [T]he people, none of them could get a loan in Croatia, none was creditworthy. The Raiffeisen banks probably wanted to do real estate business, because they deliberately made loans based purely on the value of real estate, didn't care whether the people would be able to repay with their monthly incomes and probably aimed to acquire their property and resell it.

My interviews[5] as well as debtors' stories in the media (Benčić 2015; Malbaša 2017) suggest that the debtors were overwhelmingly people who were overindebted and/or uncreditworthy but owned valuable real estate in regions with highest property prices: Zagreb and its surroundings, the Adriatic coast, and the Međimurje and Varaždin counties in the northwest. Some of the practices to which they were subjected were analogical to those described in the context of American predatory lending, which likewise tends to take the form of home equity loans (Willis 2006, 723). This includes loan approvals based on little or even falsified documentation; setting "teaser" interest rates at attractively low levels, then repeatedly raising them; and urging the debtor to refinance ("flip") the loan or take out additional loans, requiring further fees and/or more collateral. Such practices significantly increase the risk of default and may be described as calculated to lead to foreclosure (Willis 2006, 735–741).

The targeting of debtors worked as self-recruitment—they responded to newspaper ads or word-of-mouth offers of "easy" and "cheap" loans of an obviously non-mainstream nature. Ljubica, who borrowed for her child's medical treatment abroad, told me that she was actively looking for such ads because she was aware that she and her husband would not get another bank loan. The coop required very little documentation. However, when they could not keep up with repayment some three years later and asked for reprogramming, the coop triggered a foreclosure of their flat. At the time of the interview, Ljubica was trying to stop the process in the court. Anka, a former factory worker, and her husband Branimir, a disabled war veteran, defaulted on their Swiss franc loan after Anka lost her job. Unable to afford a restructured

[5] In addition to many informal conversations, I conducted formal interviews with eight coop debtors (including one married couple and a father and son), two of whom, Ante and Ljubica, were activists heading two separate debtor groups. I also interviewed Sandra, the lawyer, and Martina, the speaker from the introductory vignette, who was a former debtor of Slovenian creditors with a similar modus operandi and supported Ante's group.

repayment plan or access new mainstream credit, they responded to an ad leading to a "mediator" and easy loan approval. They also defaulted about three years later. At the time of the interview, their house had been already repossessed by the coop and their eviction seemed only a matter of time.

In addition to those who borrowed for consumption, some debtors were small-scale entrepreneurs who borrowed at least partly for business purposes. According to Sandra and some media reports (Benčić 2015), many in this category sought to capitalize on the real estate boom by building residential units for sale or renting to tourists, especially on the coast. Such was the case of Ante, the activist from the introductory vignette. However, the distinction between the two categories of debtors was blurred in practice. The three entrepreneurs whom I interviewed borrowed from the coops as natural persons and used their private real estate as collateral. One used most of the loan to repay loans for his family house and only a smaller part to buy machinery. Each man emphasized the easy loan approval as one of the main attractions, suggesting they might have been ineligible for a mainstream loan. Vlado, who borrowed to build a sports facility, was actually repaying a loan from a local moneylender who charged a usurious monthly rate. Vlado claimed that the coop broke the agreement by paying out the loan in multiple tranches and conditioning the last tranche with additional collateral. This delayed the construction of the facility, disrupted Vlado's cash-flow, and led him to default.

This strategy of targeted expropriation through debt involved multiple manipulations with the fetishistic attributes of money—its prices expressed as interest rates and fees—the overall effect of which was to increase total debt service and the risk of default. Low teaser interest rates, which did not reflect actual risk, misrepresented the loans as affordable and safe and enticed the debtors to take what were actually high-risk and high-cost loans. Some debtors claimed that the coops then repeatedly raised active interest rates on their loans until very high levels. This would have been facilitated by the fact that until 2014, creditors in Croatia could legally offer debtors contracts that gave them free hands to adjust active interest rates at their discretion, not depending on any particular formula or market index (Rodik 2015, 65).

Other techniques were enabled by the material form of money used. Most debtors claimed that they received the loan principal (at least partly) in euro banknotes on coop premises in Austria, which was unusual for loans of this size and in breach of customs rules. However, it enabled the coop managers and mediators to take their illicit personal "commissions" from the principal (see also Sittinger 2014) without written records and often without previously informing the client. Some debtors further claimed that they had been repaying in cash to the mediators who pocketed some of this money too. Accounting techniques also enabled a piling up of costs. Ljubica told me that the coop booked her monthly instalments only towards the repayment of the principal, without any of the interest being paid off. After each quarter, they added the three months' worth of unpaid interest (and interest on that interest) to the principal, thus largely cancelling any repayment. Finally, some techniques did not entail a manipulation of money fetishism but rather of the legal instruments securing the collateral. This would have been consistent with the high-risk nature of these loans and the need for the lender to be able to seize as much as possible of the debtor's property in the likely event of an early default. Vlado claimed that the lenders, apart from conditioning further tranches of the loan by more collateral, also faked his signature on a high-value debenture, thus obtaining an additional instrument for debt enforcement over his property (for similar allegations, see Malbaša 2017, 28–30). The fact that the coops or individuals linked with them succeeded in acquiring the property of many debtors suggests that Croatia proved to be a suitable legal and institutional environment for a cross-border export of this type of predatory lending.

Between individual litigation and nationalist populist politics

The debtors' practices of contesting the coops' lending practices were a mix of individual litigation and attempts to obtain solution through nationalist populist politics. This followed from the characteristics of the coops' strategy, especially its targeting of a relatively small number of vulnerable debtors and use of formal contracts and institutions to maximize expropriation through debt. Members of Ante's activist network shared legal information face-to-face and online, occasionally collectively attended court hearings, and one of the activists, though not a lawyer by training, sometimes drafted debtors' submissions to the court for free. Other than that, however, litigation was an individual affair and Ante's group seemed to lack capacity for collective litigation or more robust legal support for debtors. In general, debtors either attempted to stop the foreclosure of their property or asked the court to nullify the whole loan agreement. Some of the arguments they used pointed directly to the manipulations of money fetishism. For example, several court decisions published online reiterate plaintiffs' claims that coops engaged in so-called anatocism (*anatocizam*), the illegal practice of adding interest to the principal and taking interest on interest. In other cases, debtors sought to show that the agreement was signed in Croatia (not in Austria, as the coops claimed) and hence was void since the coops lacked Croatian licenses for credit provision. A law adopted in 2017 retroactively nullified existing loans by such creditors. The law was proposed by MP Škibola from the introductory vignette, who has thus fulfilled his promises to represent the interests of the coop debtors.[6] In parallel with litigation, many debtors authorized their lawyers to negotiate with the coops' joint representative in Croatia and try to reach a compromise. Their willingness to do so hints at their weak legal position vis-à-vis the coops and advanced stages of their expropriation. In these talks, the value of the outstanding principal was effectively up for negotiation, illustrating its "elastic" character.

Some debtors, often those whose property was already foreclosed, sought a solution to their issues through political practices. In addition to the debate from the introduction, I attended two street protests and one "eviction obstruction" (*spriječavanje deložacije*) where Ante and other members of his activist network were present and spoke publicly. They organized such events in collaboration with other allied activists, such as an association of self-declared victims of the Croatian judiciary or a nonparliamentary party called Free Croatia (Slobodna Hrvatska), whose leaders had left the Human Shield party. As we already saw, these activists tended to use an emotionally charged and populist discourse that characterized coop debtors as "small people" and victims of an elite conspiracy of the creditors and the Croatian state and political class. One particular narrative argued that the purpose of the coop lending was in fact to launder dirty money of the Croatian elite originating in corruption, organized crime, and criminal privatization. In 2016, a supposed letter from the Raiffeisen-Landesbank Steiermark (the main Raiffeisen bank in Styria) to the Austrian Financial Market Authority (FMA) appeared online. The document listed almost 200 Croatian public figures and their relatives with large deposits in Styrian coops, which Croatian media interpreted as illicit "secret accounts". While the bank and the FMA denied that the document was authentic, Ante still mentioned it as an explanation for the inaction of Croatian institutions when I interviewed him. Engaging with the unclear origins of the large volumes of money that local, often rural, Austrian banks funneled into Croatia, such narratives attempted, paraphrasing Christophers

[6] However, the law was effectively suspended by a decision of the European Court of Justice in February 2019.

(2011), to "follow" and hence defetishize the money in coop lending, if not necessarily in convincing ways.

Members of Ante's network often framed the perpetrators of predatory lending as not only elites but also ethnic others. Some debtors, such as Dubravko from the introductory vignette, argued that the coop lending was a part of a "global plan of illuminates and Rothschilds", thus rehearsing the classical anti-Semitic narrative. An alternative that was more compatible with the narrative about money laundering was to evoke the common Croatian nationalist belief that the Croatian establishment is still dominated by former members of the Yugoslav Communist party and their descendants, which implies either their Serbian ethnicity[7] or their left-wing and "anti-Croatian" leanings. Such "Serbs and Communists" in public prosecution offices and courts could be then accused of assisting the predatory lenders.

At the same time, the members of this activist network frequently emphasized their own patriotism. For example, they frequently portrayed individual coop debtors (mostly men) as veterans of the 1990s Croatian war (using the affirmative term *branitelji*, literally "defenders"). This communicated their patriotic sacrifice and made their expropriation and the lack of protection by the state particularly shameful. Some activists emphasized their fervent Catholicism, which is also closely linked to Croatian nationalist and right-wing politics. This political orientation was also reflected in the activists' publishing on obscure websites with nationalist, anti-Serb, illiberal, anti-secular, and historical-revisionist contents. Finally, politicians whom they lobbied, such as President Kolinda Grabar Kitarović or MP Glasnović from the introductory vignette, were often on the (far) right of the political spectrum.

A major focus of the political activities of Ante's activist network—lobbying as well as protests—was the system of debt enforcement, which has become a hotly debated public issue in recent years. At present, some 7% of the Croatian population face enforcement over their monetary assets. They are colloquially known as "blocked ones" (*blokirani*) because their bank accounts are "blocked". This means that Fina, a state-owned company, seizes all their deposits (except a legally protected monthly allowance) for the repayment of their defaulted loans and the often exorbitant fees of actors conducting the proceedings: lawyers, public notaries, and Fina itself. In recent years, activists and politicians of various parties and orientations criticized Croatian enforcement laws for privileging the interests of creditors and an "enforcement mafia" while not protecting debtors and offering them a way out of what sometimes becomes a lifetime under the "blockade". The easiness of triggering foreclosures and the possibility to auction foreclosed property for very low prices are also heavily criticized. Ante's activist group cooperated with other associations and movements demanding radical changes to this system and Ante personally spoke at several Free Croatia protests against enforcement laws. Adopting this focus allowed the coop debtors to address what they identified as a key aspect of their personal problems (enforcement legislation) while also seeking to build alliances with much larger constituencies with whom they seemed to share the same predicament. However, the modest attendance and achievements of such events document their relatively marginal nature, which reflects the limited number and precarious position of the debtors targeted by the coops. In such a context, many understandably relied on individual litigation and practices such as eviction obstructions as last-ditch attempts to thwart the loss of a home and other property.

[7] Ethnic Serbs were overrepresented in some state agencies in socialist Yugoslavia, especially the police and the army. However, it is widely believed that most Serbs were purged from Croatian state institutions during and after the 1991–1995 Croatian war, in which ethnic minority Serbs rebelled against the newly independent Croatia.

Swiss franc debtors

Swiss franc loans shared crucial elements with the Raiffeisen coops' lending, such as the manipulation of interest rates and the general logic of importing money capital to a high-yield (and low-regulation) environment. However, the distinctive features of Swiss franc lending were its extension of the principle of carry trade into household lending and its much more mass-based, mainstream nature. As noted above, in the 2000s banks issued a large amount of foreign exchange (FX) loans to households in Croatia and much of Eastern Europe. FX lending can be described as a single-currency carry trade in which the creditor profits from interest rate differentials between loans in foreign and domestic currencies. In traditional cross-currency carry trade, speculative positions are taken in a high-yield currency; this requires short-term instruments, so that positions can be closed fast if the target currency depreciates. However, household loans are long-term, which creates maturity mismatch with the banks' own short-term borrowing in money markets. FX loans "solved" this issue by transferring the exchange rate risk to debtors whose income was typically in the local currency (Gabor 2010, 257). Banks were able to hedge against the risk with derivatives such as cross-currency swaps, which is a clear example of the socially exclusive nature of financial markets and the resulting unequal distribution of risk in this type of household lending.

In Croatia, two-thirds of the outstanding household debt in 2008 was nominally FX (CNB 2015, 25), of which 70% was indexed to the euro and almost all of the rest to the Swiss franc (Rodik 2015, 65). However, there was a substantial difference: euro loans offered lower profits than franc loans (reflecting higher interbank interest rates on the euro) and carried much lower exchange rate risk, as the Croatian National Bank (CNB) maintains a stable kuna/euro exchange rate. About 100,000 franc loans were granted, including 75,000 long-term housing loans (Rodik 2015, 66). After the global financial crisis, the franc appreciated against the kuna by 40% in 2008–2011 and a sudden jump of 12% occurred in January 2015. The appreciation directly inflated the outstanding debts and, augmented by rising active interest rates, increased monthly repayment instalments by half on average, causing debtors major financial hardship (Rodik 2015, 66).

Mainstreaming of predatory lending

Similarly to the Raiffeisen coops, banks issuing Swiss franc loans manipulated the fetishistic attributes of money to entice debtors to enter into these high-risk credit/debt relationships and to intensify their exploitation (mainly financial, since the banks did not emulate the coops' practice of initiating foreclosure as soon as possible). As in other Eastern European countries, banks offered franc loans at teaser interest rates lower than those on comparable loans in the domestic currency and, in the Croatian context, also euro loans (Bohle 2018, 205; Halawa 2015, 716; Rodik and Žitko 2015, 61). Franc loans were thus presented as the cheapest credit product in the market. The franc debtors I interviewed[8] mostly told me that their "personal bankers" claimed that franc loans were the "best value". Similar claims featured in banks' advertisements (CCZ 2013, 116–128).

[8] I conducted formal interviews with: 14 franc debtors (including three couples); nine current or former franc debt activists, most of whom were also franc debtors; and a lawyer with a close knowledge of collective and individual litigation related to franc loans (Sandra).

The construction of franc loans as good value was based on several forms of distorted representation or active manipulation of the fetishistic attributes of money. First, banks and regulators in Croatia and other Eastern European countries kept largely silent about the exchange rate risk assumed by debtors (Bohle 2014, 916, 931–932; Rodik 2015, 65–66). Bank ads and clerks typically made little effort to point the risk out (CCZ 2013, 116–128). On the contrary, several debtors told me that bank clerks even argued that franc loans were "safer" because the franc was a "stable currency" (see also CCZ 2013, 83, 85, 89, 95, 106, 108, 111, 112, 113). Such arguments were likely to be more credible in Croatia due to episodes of hyperinflation in the late 1980s and early 1990s. Despite the stable kuna/euro exchange rate since then, many Croatians still do not trust the kuna and prefer to save and conduct major transactions in the euro. In this context, banks were able to tap into simplified folk concepts of "soft" (exchange) and "hard" (reserve) currencies (Guyer 2012, 2017) and convince the debtors that the identity of the franc as a hard currency would somehow work in their advantage.

Second, the focus on starting interest rates in the banks' presentation of the loans ignored the fact that almost all loan agreements in the 2000s (on franc, euro and kuna loans alike) allowed the banks to change active interest rates almost immediately (CNB 2015, 25; Rodik and Žitko 2015, 61). As already mentioned, until 2014, they were also free to adjust interest rates at their discretion. The banks indeed repeatedly raised active interest rates after 2007 and kept them at elevated levels well into the 2010s even as interbank interest rates were falling. This augmented the impact of the appreciation of the franc and intensified the financial exploitation of debtors (Rodik 2015, 66, 70).

Third, the banks manipulated the money fetish also in order to relax creditworthiness criteria for franc loans. Their credit checks unrealistically assumed that initial interest rates and kuna/franc exchange rates, and hence the debtors' monthly repayment, would remain constant during the 20 or 30 years of amortization. This justified the artificially low teaser price of high-risk credit as an ostensibly objective equivalent of debtors' credit rating. Several debtors told me that the clerks told them that they were not creditworthy for a euro or kuna loan of a requested value but they were creditworthy for such or even larger franc loan (see also CCZ 2013, 87, 98, 157). By introducing the seemingly cheap franc loans, two Austrian-owned banks achieved an advantage over their competitors, prompting all large Croatian banks to follow (Rodik and Žitko 2015, 62).

From consumer rights activism to single-issue party politics

The leading organization of Croatian franc debtors is the Franc Association (Udruga Franak, FA). It was founded as a civic association in 2011 but its members also established a political party called Force (Snaga) in 2016. While its original focus was on franc loans, it has taken up other household debt issues from early on. Its contestation of debt has to a large extent relied on the institutional and ideological frame of consumer rights. The fact that franc loans were, unlike the coop loans, mainstream credit products gave credence to the FA's argument that debtors reasonably expected them to be safe and predictable. The FA framed franc loans as a "toxic product" that abused consumer rights and used appropriate legal instruments to prove as much. In addition to litigation, it relied on other institutional and extrainstitutional practices to open struggles over debt on multiple fronts.

Compared with the coop debtors, the legal struggles of the FA were much more systematic and successful and included also collective forms of litigation. The organization owed much of its early visibility to its collective lawsuit against the eight largest Croatian banks. Similarly to the individual litigation by the coop debtors, the FA's complaint challenged the banks' manipulations of the fetishistic attributes of money and sought to prove their exploitative purpose. It also contested the loan agreements by measuring them against legal and moral norms of "truly" free, fair, and equal contracts. The FA thus argued that the banks used the otherwise legal foreign currency clause not as intended, i.e. as a means of insurance against exchange rate risk, but to generate illicit profits and transfer the risk to debtors who could not hedge against it. The complaint supported this statement by pointing out that there was little exchange rate risk attached to euro and kuna lending and that the banks did not hold franc liabilities that would justify franc lending but instead engaged in speculative trading in FX derivatives (CCZ 2013, 9–11). It held that the banks failed to provide comprehensive, clear, and transparent information about the implications of the franc clause, preventing clients from making informed decisions (CCZ 2013, 11). The same was argued about unilaterally adjustable interest rates (on franc, euro, and kuna loans alike), further described as breaking the equality of rights and obligations of contractual parties (CCZ 2013, 12–14). Finally, the complaint accused the banks of deliberately synchronizing their unilateral increases of active interest rates with the appreciation of the franc to maximize the financial expropriation of debtors (CCZ 2013, 12–13).

In what was the FA's first major success, a first-instance court declared the franc clause and the unilaterally adjustable interest rate clause void and unfair in 2013 (CCZ 2013, 1–7). The judge accepted the plaintiff's arguments about insufficient information and the inequality of contractual parties. The banks appealed against the verdict and second- and third-instance courts rejected the nullification of the franc clause, confirming only the nullification of the interest rate clause. The FA appealed against the third-instance ruling to the Constitutional Court, which ordered the appeals court to review its verdict. In July 2018, the court confirmed the first-instance ruling on the franc clause. In the case of both nullified clauses, debtors have to sue their banks individually in order to get back the excess payments made to them. Still, the collective lawsuit created a useful legal precedent for such individual lawsuits. Appeals courts already confirmed several rulings in favour of plaintiffs.

At the time of my fieldwork, the FA provided legal support to debtors through ongoing collective litigation, online publishing, "litigation guidebooks" in printed media, consultation meetings, and personal verbal and written advice. I participated in several well-attended consultation meetings on the association's premises or in a hall that the City of Zagreb provides for free use by nonprofits. In each session, leading members and legal collaborators of the FA summed up most recent developments in courts, outlined available litigation strategies, and took questions from the audience, dealing mostly with legal matters. The FA also filed multiple criminal charges against the banks and their CEOs and assists members wishing to file criminal charges in their own name.

The FA's public discourse has drawn on legal, moral, and political arguments. From the start, regular and professionalized communication with the media and the public combined leaders' expert- and policy-like statements with personal testimonies of rank-and-file members. FA activists consistently described franc loans as "void", "illegal", and "unconstitutional" as well as "unfair", "unjust", and "immoral". They referred to the debtors' situation as "debt slavery" and illustrated it with personal narratives and surveys of the living conditions and health of FA members. Not unlike the coop debtors, the FA accused the banks, the regulators, the government, and the judiciary of an anti-debtor collusion. At the same time, the activists I interviewed stressed that they endeavoured to keep their messages "focused" and based on solid expertise to be recognized as "serious". They used accessible language to explain the ways in which the banks exploited the fetishistic properties of money to make extra profits. They also "followed the money" in franc lending by arguing that banks used cross-currency swaps to hedge against exchange rate risk as well as to transfer untaxed profits made on the franc appreciation to their Western European mothers as swap counterparties. While these claims cannot be verified because the relevant information is not public, the CNB official I interviewed confirmed that the banks probably held cross-currency swaps with their mothers. Many debtors I interviewed, including those with loans in the euro or kuna, readily repeated versions of these arguments and claimed that the franc lending debacle made them much more careful and incredulous towards loans and banks in general. The FA has thus to some extent defetishized the money in this lending and transformed the common sense about consumer lending.

Also from early on, the FA advocated for legal reforms that would resolve debtors' issues and prevent similar problems in the future. While activists found it difficult to be recognized by the CNB and the government as relevant interlocutors, first meetings were held already in 2012. An increasingly severe debtors' situation, lobbying, petitioning, litigation, media coverage, and demonstrations eventually forced the government to act. First, with the FA's involvement, it "froze" the interest rate on franc housing loans at 3.23% in January 2014 for as long as the kuna/franc exchange rate was at least 20% higher than when each individual loan was originated. After the sudden franc appreciation in January 2015, the government froze the exchange rate too. However, it did so at a high level relative to pre-crisis rates and only for a year. The FA therefore stepped up its pressure for a permanent solution. After a series of public performances when candles were burnt for "victims" of franc loans in front of banks, the FA organized a protest in central Zagreb attended by about 20,000 people. In October 2015, the parliament finally passed a law forcing the banks to convert outstanding franc debts to the euro according to the starting exchange rate. The FA entered party politics soon after. In 2016, several FA members participated in parliamentary elections on a candidate list led by Human Shield, gained one mandate and founded their own party, Force, which is led by the same people as the association. The only Force MP and former FA president Goran Aleksić continues to focus on issues with household lending, which makes it possible to describe Force as a more or less single-issue party.

The FA too challenged the unequal nature of Eastern European household lending and demanded corrective interventions of the nation-state. Its activists repeatedly argued that foreign-owned banks, with a tacit approval of the Croatian state, engaged in practices that would be impossible in their home countries. They demanded a conversion of franc loans to the kuna, criticized the government's decision to convert into the euro instead, and called for government support for cheaper kuna loans. However, despite this stress on national sovereignty, FA activists rarely voiced ethnonationalist arguments of the kind made by the coop debtors. This can be traced to the organization's political alliances and the leanings of the leading activists. The decision on the conversion of franc loans was taken by a government led by the Social Democratic Party (SDP), which presided over years of recession and austerity and was desperate to regain voter confidence before upcoming elections. The conversion decision was accompanied by official rhetoric about the misdeeds of foreign-owned banks with some nationalist overtones, which was an extraordinary occurrence in Croatia. Several core activists told me that the association had previously developed a relationship of trust and cooperation with the SDP finance minister Boris Lalovac. Some further told me that their political preferences were left of the centre and that their experiences indicated that the dominant right-wing party, the Croatian Democratic Union, was even less likely than the SDP to support their cause. A (moderate) leftist orientation can be also inferred from leaders' earlier rejection of calls by some members for cooperation with organizations of war veterans.

The FA's politics of debt is generally characterized by a fairly systematic and effectively use of institutional (legal and political) mechanisms to challenge the constitutive practices of Swiss franc lending and improve the situation of the debtors. As already noted, this outcome might have been conditioned by the characteristics of this lending itself, such as its more mass-based, formal, and regular nature than in the case of the coops, which increased the chances of effective organizing and the importance of strategies like collective litigation. The class position of the leaders of the FA and Croatian franc debtors more broadly seems also relevant. Most FA leaders were professionals in fields like law, economics, social science, public relations, or civil society activism. Their input to the association's activities enabled its professionalization. The fact that most leaders were either a relatively secure salariat in the public sector or self-employed professionals has likely contributed to their propensity and capacity to pursue institutional strategies. Above-average income earners were overrepresented also among the association's members (Rodik 2015, 69). Higher incomes might have helped these debtors avert foreclosure and maintain a somewhat less precarious position than the coop debtors, which might account for their more moderate politics. Some of the FA activists and franc debtors whom I interviewed explicitly presented themselves as "middle class" or well-educated professionals who took out housing loans as the only realistic way of acquiring stable housing necessary to set up a family. They further argued that franc debtors were the productive basis of the Croatian economy and thus especially deserving of public support. The overall conclusion seems to be that the banks targeted more varied and less vulnerable segments of the population than the Raiffeisen coops, giving rise to more institutional and professionalized brand of activism with a less marked reliance on populist and nationalist frameworks.

Conclusions

Other scholars have noted that the recent expansion of household debt is inherently tense-ridden, contradictory, and hence political. The logic of financial exploitation through household debt is one of a zero-sum game since the creditor appropriates a share of the debtor's personal income without contributing to its growth (Lapavitsas 2013, 38–39). The expansion of household debt and the financialization of households more broadly mark the incursion of major financial risks to households, which nevertheless lack the risk management capacities of capital and thus become "risk absorbers of the last resort" (Bryan et al. 2009). These inequities and contradictions of household lending come to the fore especially in settings of economic crises when debts cause major individual hardships and inspire collective struggles. Anthropologists recognized and engaged with new social movements and contestations around household debt. However, they have so far studied a small number of movements and focused on the analysis of their agendas and ideologies that they described as radical and progressive challenges to debt and financialization.

The material presented in this chapter diverges from this account. Rather than refusing debt and financialization in general, the two Croatian movements I described focused on challenging specific lending and debt collection practices to which they were subjected. In both cases, but much more prominently in the case of the coop debtors, they used nationalist frameworks to justify their struggle, build alliances, and gain public support. This was not an isolated occurrence in Eastern Europe. In Hungary, organizations of Swiss franc debtors used strongly nationalist rhetoric and symbolism and were supported by far-right parties (Molnár 2016, 178–180). This approach resonated with the politics of the government of Viktor Orbán, which introduced a number of measures to ease the debtors' situation, criticized foreign banks (with anti-Semitic undertones) and the "debt slavery" they perpetrated, and promoted domestic ownership of banks (Bohle 2014, 933–936, 2018, 208–209). These policies and rhetoric were analysed as a "financial nationalism" of the Orbán government, i.e. use of financial and monetary policies to strengthen the unity and autonomy of the nation (Johnson and Barnes 2015), and even as its "rejection" of financialization (Bohle 2018, 208). The repercussions of predatory lending are thus feeding into the current surge of nationalist populism and anti-liberalism in the region.

I made two key analytical moves to explain the politics of household debt in Croatia. First, Polanyi's idea of double movement helped me to highlight the necessity of a more thorough understanding of the political economy of household lending. More specifically, I conceptualized the Eastern European household debt booms as globally interconnected processes of marketization that were mediated at lower scales in geographically and historically particular ways. Accordingly, I grasped the contestations of debt as political projects of self-protection that responded to the specific lending practices. Second, I developed the Marxian concept of the fetishism of money to unpack the pragmatic and ideological roles of money in the expansion of household lending under financialization in general and in postsocialist Eastern Europe in particular. The global household debt expansion was a response of financial actors to the proliferation of opportunities to profit from value transfers between markets in two basic forms of money fetish: money as capital and money as money. Banks in Eastern Europe further combined such value transfers between markets with conversions between monetary forms and transfers in space (to benefit from differences in profitability and regulation), thus devising multiple strategies of intensified financial exploitation. Through a detailed analysis of their practices, I showed how financial actors used money fetishism as a conceptual and pragmatic instrument for identifying, creating, and exploiting profit-making opportunities at multiple scales and how this in turn shaped the contestations of debt.

While the lenders' manipulations of money fetishism succeeded in convincing coop debtors and Swiss franc debtors to accept high-risk loans and in maximizing their financial expropriation, it was precisely the intensification of exploitation that led both groups of debt activists to recognize the purposive nature of these practices and to construct critical counter-narratives. Financial exploitation through debt is thus not inevitably invisible and depoliticized. On the contrary, activists *can* make visible and contest the predatory uses of money fetishism with varying degrees of success. Both groups of activists also politicized the ways in which the lenders' strategies exploited Croatia's subordinate and dependent position within European capitalism, including the reduced ability or willingness of its public institutions to regulate consumer lending. Various forms of nationalism, moderate as well as more extreme, thus appear as a logical response to the element of geoeconomic subalternity in Eastern European predatory lending. Beyond these similarities, however, the two groups differed in ways that can be related to the specific exploitation strategies to which they were subjected. The Austrian coops targeted vulnerable owners of valuable real estate with high-risk, high-cost loans. Augmented by various irregular practices of the lenders, including manipulations of the fetishistic attributes of money, these loans resulted in frequent, likely intended defaults and repossessions. These extreme forms of expropriation and the precarious position of the debtors bred forms of contestation that oscillated between last-ditch attempts to save one's property and nationalist populist politics with extremist tendencies. Swiss franc lending was based on the principle of carry trade and the transfer of exchange rate risk to debtors and did not employ foreclosures as a technique of total expropriation to such a significant extent. It was also more mainstream and regular and targeted a broader population of both subprime and prime borrowers. This provided preconditions for the emergence of a more professionalized and ideologically moderate brand of consumer rights activism and later single-issue party politics. Compared to the coop lenders, this approach was more effective in challenging and reforming the lenders' practices and improving the debtors' position through institutional channels, but its more technocratic and narrow focus sets it apart from the radical anti-debt movements in the West.

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