With the global financial crisis of 2008, the consumerist ethic of early twenty-first-century Icelandic life was suddenly and violently shattered by the collapse of the country’s economy. What had once been a thriving nation with an enormously successful banking sector and a culture of conspicuous consumption abruptly became a country hopelessly in debt and reeling from its numerous financial miscalculations. Following the crisis, the dream of Icelandic prosperity was revealed to have been a fantasy constructed through dangerous financial speculation and rampant consumer borrowing. This article examines the hegemony of Iceland’s financial fantasy through the lens of Bragi Ólafsson’s *The Pets* (2001), a novel critical of the country’s unbridled materialism.

In the novel, a man named Emil inexplicably hides under his bed while uninvited guests hold a party in his apartment. I argue that the novel’s dramatization of Emil’s timidity may be read as a critique of materialism’s theft of Icelandic agency. Just as Emil is unable to intervene in his own life, Iceland was powerless to halt its culture of borrowing and spending in order to ensure its economic security and to protect its national resources. While Ólafsson’s novel offers no solution to this dilemma, I argue that the protests and upheavals following the Icelandic crisis, the “Kitchenware Revolution”, offer an encouraging example of how moments of crisis may allow for the reclamation of agency from the grips of fantasy.

In the winter of 2008, some Icelanders set their cars on fire. These acts, as journalist Michael Lewis explains in his April 2009 *Vanity Fair* article “Frozen Assets: Wall Street on the Tundra”, were the reaction to the sudden and overwhelming devaluation of the national currency precipitated by the crisis of the Icelandic economy. During the pre-crisis period of the early and mid 2000s, Icelanders opted to purchase vehicles with borrowed foreign currency rather than face the high interest rate of the Icelandic króna. When the economic downturn capsized the Icelandic economy in 2008, a crisis driven by the failure of Iceland’s three largest banks and the subsequent plummeting of the value of the króna, Icelanders were faced with the unpleasant reality of paying enormous sums of money to foreign lenders with their
greatly devalued currency.¹ The solution, as many saw it, was to burn their vehicles in an attempt to collect the insurance money.

This unique example of economic anxiety, a product of Icelandic geography, economic policy, and consumer culture, echoed the far more familiar but proportionally less devastating drama of the United States “mortgage crisis”, in which thousands of individuals who had taken out adjustable rate mortgages for homes during a period of economic prosperity were suddenly unable to pay their interest. Both examples and countless others from wealthy nations under similar circumstances point to the fantasy of consumerism and credit that dominated much of the developed world in the years prior to the 2008 financial crisis and that continues to dominate in its aftermath. This fantasy, in which both buyer and lender are complicit in a process exposing both to enormous risk, relies upon the general presumption of continued growth and economic prosperity for first-world nations and functions not merely to suggest but encourage citizens of Europe and the United States to live beyond their means. With regard to the globally rampant ideology of consumption and accumulation, Iceland’s Kitchenware Revolution, a period of unrest following the financial crisis in which Icelanders took to the streets, ousted their government, and burned their SUVs, suggests how the fantasy of accumulation may be unravelled when the material conditions propelled by such a fantasy shift and expose the ideology of consumption.

Post-Marxist orientations of critical theory have traditionally posed fantasy as the supplement to ideology. In this relation, ideology is framed as a grand mechanism of control that conditions alterations and prioritizations of worldviews while fantasy, alternately, is characterized as the substratum of ideology, that which works “within ideology”.² As Slavoj Žižek argues, “[fantasy] provides a ‘scheme’ according to which certain positive objects in reality can function as objects of desire”.³ According to Žižek’s reading, fantasy functions as an object-oriented interpretation of experiential reality, a means of perceiving the world such that certain objects become prioritized over