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Financial nihilism and the phenomenon of memecoins



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FINANCIAL NIHILISM AND THE PHENOMENON OF MEMECOINS

ABSTRACT

Purpose: To introduce a conceptual framework of financial nihilism and demonstrate how memecoins embody it, while proposing measurable macro- and micro-level proxies that can track its emergence.

Methodology: Conceptual synthesis and desk research are paired with an empirical illustration: daily data for the 20 largest memecoins active ≥ 1 year (Dec/2013 – Oct/2025) against Bitcoin. We report distribution diagnostics and correlations, and assemble a proxy basket from FRED (money supply, housing prices/affordability, consumer credit, real wages, consumer sentiment, a real 1-year rate, and a personal saving rate; 2020–2025).

Results: Memecoin returns exhibit extreme volatility, positive skew and fat tails, with medians near zero and infrequent, outsized upside bursts. Major memecoins co-move tightly with Bitcoin, while smaller tokens decouple idiosyncratically. Dogecoin dominates capitalization, yet issuance velocity and failure rates point to pervasive turnover. The macro backdrop (elevated liquidity, housing inflation, rising household debt, stagnant real compensation, depressed sentiment, and a shift from near-zero to positive real short rates alongside subdued saving) creates conditions favoring short-horizon, attention-driven speculation.

Conclusion: Memecoins operate less as value-based investments and more as cultural-financial performances, making them useful proxies of a broader turn toward financial nihilism. Tracking the proposed proxy basket alongside memecoin activity can help policymakers and regulators anticipate retail risk-on/off waves and calibrate macroprudential, literacy, and consumer-protection responses.

Keywords: Financial nihilism, memecoins, proxy variables, speculative assets

1. Introduction

Zero as a number and the concept of “nothing” (lat. nihil) have been controversial ever since people started contemplating reality (Dhar, 2012; Bhattacharyya, 2021; Mumford, 2021; Riviere, 2025). “Nihilism” in its modern philosophical sense was coined by German philosopher F. H. Jacobi in 1799 (Livieri, 2020). In the political context, it de-

notes the rejection of fundamental social and political structures. It has spread particularly after Nietzsche, who used it to describe the disintegration of traditional morality in Western society (Britanica, 2025).

After two world wars, the subsequent Cold War, and countless large-scale crises, a form of *nihilism* has been interwoven into almost every part of mod-

ern society; finance is certainly one of them. The term “financial nihilism” in the present day is most frequently used in the sense described by Kofinas (2019): it is “an investment philosophy that treats the objects of speculation as though they were inherently or intrinsically worthless.” From this, we describe financial nihilism as a skeptical or cynical attitude towards the value and meaning of financial assets and norms, reflecting a deep distrust that financial assets, systems, or institutions possess any inherent value, fairness, or rationality. It emerges from the perception that decadent society (along with its markets) no longer rewards productivity, prudence, or fundamental analysis, but instead operates as a performative arena where value is dictated by popularity, speculation, and collective delusion.

Within the context of this paper, we define memecoins as crypto-assets inspired by internet memes, viral trends, or humorous cultural phenomena, typically lacking underlying utility or technological purpose, with value primarily driven by community hype, social media momentum, and celebrity endorsements. The nihilistic postmodern zeitgeist is particularly evident in memecoin speculation, where absurdity, humor, and chaos replace traditional valuation and logic, and where participants knowingly embrace risk while financing objects they themselves regard as preposterous.

The primary purpose of this paper is to describe the emergence of financial nihilism as a novel concept, and the occurrence of memecoins as one representation of it. The secondary purpose is to detect and identify reliable metrics that could function as measurable proxies of financial nihilism and the memecoin market.

The phenomenon of crypto-assets, which was born from profound disappointment with traditional financial systems¹, and memecoins as a crypto offspring, pose the paradox of value: can assets with no intrinsic utility garner significant market attention? Are there objective metrics which could substantiate the narrative of financial nihilism as described here?

The hypothesis of this paper states that, although they have no meaningful value and may ultimately prove to be just a passing trend, memecoins are an expression of financial nihilism, an indicator of wider changes in societal values and perspectives. Al-

though trivial and banal on the surface, they should not be ignored, but rather observed with the aim of understanding them better as signals of possible structural changes.

These topics are extremely important because if financial nihilism emerges, it can spread everywhere and needs to be challenged right from the start. Nihilism erodes trust in economic institutions, undermines the incentives for productive investment, and replaces long-term value creation with short-term speculation, irony, and existential detachment from financial norms. Traditional finance is built on assumptions of rationality, institutional trust, and a long-term perspective. Financial nihilism breaks these assumptions, revealing the psychological and cultural consequences of decades of crisis, rising inequality, and (perceived) systemic manipulation. When people no longer believe that effort, hard work, or fundamental analysis matter, or when memecoins replace conventional investment assets, and ironic slogans² replace legitimate investment logic, this could indicate not just a behavioral shift, but deeper philosophical and generational breaks. This could severely destabilize not just markets, but the social contract that underpins them. Therefore, even if the size of the memecoin market is trivial in comparison to the long-established financial markets, they should not be overlooked and lightly disregarded, as they may represent a manifestation of an important trend.

The rest of this paper is structured as follows. The literature review evaluates previous research important for understanding financial nihilism and memecoins. The methodology and data section outlines the methods and data used for the quantitative examination of financial nihilism. The results and discussion section presents the empirical findings and situates them within the broader research context. Finally, the conclusion summarizes the key insights and implications.

2. Literature review

The literature on nihilism is abundant; however, “to the best of our knowledge, academic papers on “financial nihilism are almost non-existent. EBSCO Business Source Complete (with EconLit), Google Scholar, JSTOR, Scopus, and Web of Science (WoS – all subset databases) were searched in May–October 2025 for the phrase “financial nihilism”.

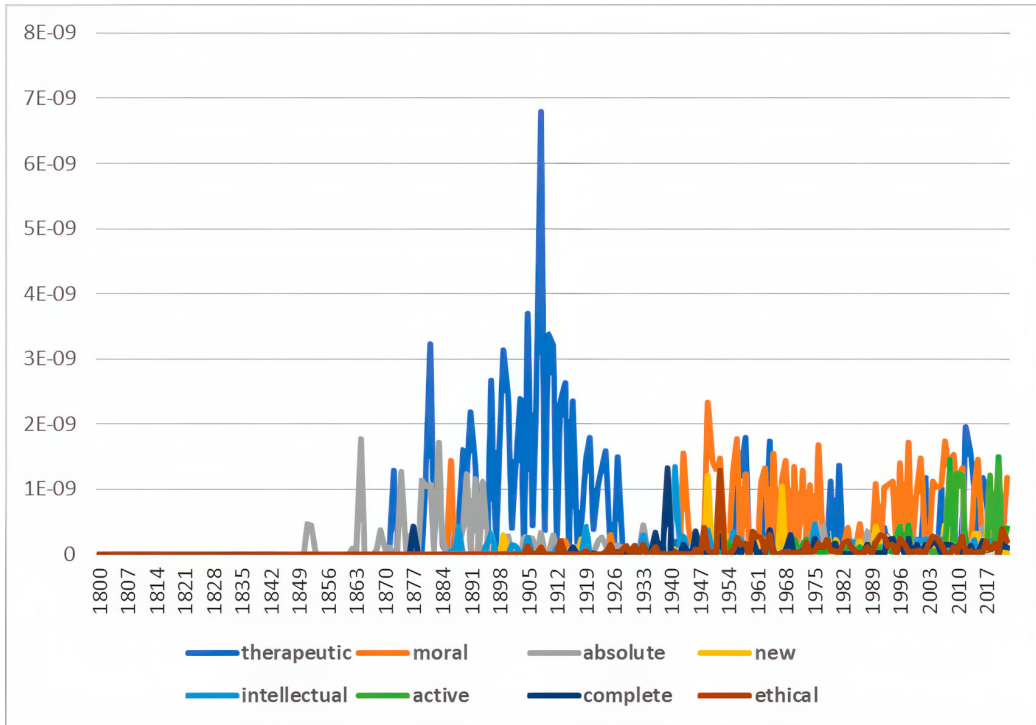
1 Bitcoin’s genesis block refers to the use of public resources to bail out private companies.

2 E.g. “stonks only go up”; “to the moon” (Anton et al., 2024).

EBSCO provided one result (Das, 2011). JSTOR has no entries regarding financial nihilism. Google Scholar provided 30 results, most of them citing work presented in this paper, with some exceptions (De Collibus, 2024; DuPont et al., 2024). Scopus yielded one result: a book chapter that referenced previous work (Clarke, 2024). WoS returned two results (Romano, 2012; Tkachenko & Pototskyi, 2013). Recently, Sajter (2026) has offered a structured review of how nihilism has been defined, debated, and challenged across major schools of economic thought, coupled with a bibliometric analysis (using Dimensions.ai, Scopus and Web of Science) mapping the term's diffusion, co-occurrence patterns, and thematic clusters in the business and economics literature.

Given that the academic literature is scarce at best, the entire corpus of English language corpus of books from 1800 to 2020 was examined, as indexed by Google Books and presented by Ngram Viewer, searching for phrases containing “nihilism”. The most frequently occurring phrases include *moral, active, therapeutic, absolute, ethical, intellectual*, and *complete nihilism*. The percentages in the Google Ngram Viewer represent the frequency of a word or phrase (an “ngram”) as a proportion of all words in the corpus for a given year (Graph 1). The peak was in 1908 with “therapeutic nihilism”. “Financial nihilism” as a phrase, as well as the term “memecoins”, do appear in the literature, but are so rare that they cannot be displayed, which indicates their novelty and originality.

Graph 1 Google Ngram results for phrases containing ‘nihilism’ in the English language corpus, 1800–2020

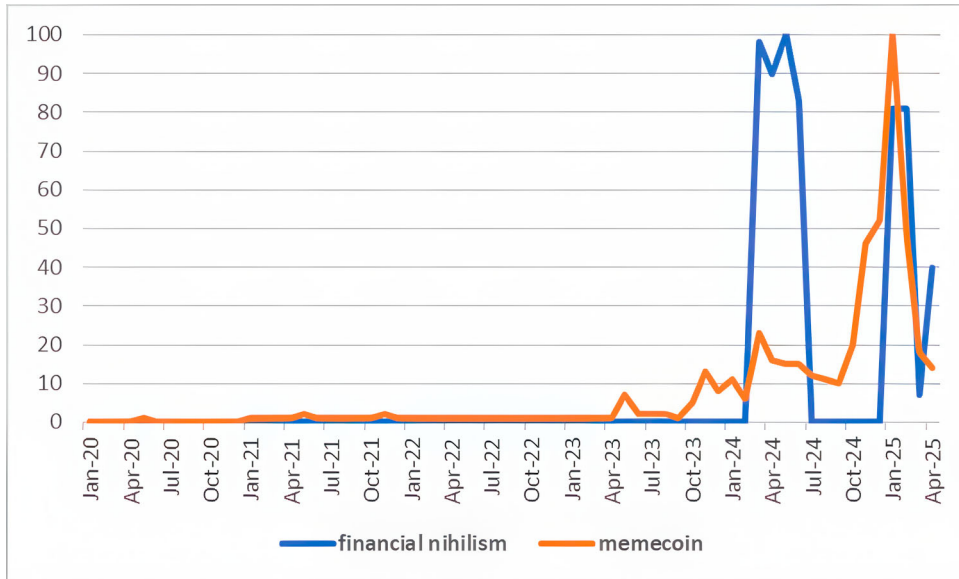


Source: Authors, data from Google Books (2025)

“Memecoins” and “financial nihilism” have been trending web search terms in recent years. It can be observed from Google Trends data that prior to

March 2024 there was no web search history for the phrase “financial nihilism”, while the term “memecoin” first appeared in search queries in July 2013.

Graph 2 Worldwide Google search trends for ‘financial nihilism’ and ‘memecoin,’ January 2020–April 2025



Source: Authors, data from Google Trends (2025)

Although academic literature is scarce, financial nihilism is not a completely new concept, as some papers touch upon it. They are presented here in chronological order.

A century and a half ago, Smith (1883) addressed the figure of the “financial nihilist” as part of a broader critique of radical economic reform movements. He portrays financial nihilists as extreme, destructive figures aligned with a broader revolutionary current, including communists, socialists, and anarchists, who seek not reform but the total dismantling of existing institutions, including private property, established morality, and social order. Smith uses “financial nihilist” as a rhetorical tool to condemn radical reformers who propose abolishing private property and capitalism without offering a coherent, realistic alternative, and whose ideas, he believes, would lead to social and economic chaos rather than justice.

McKenna and Zannoni (2000) argue from a Post-Keynesian perspective that uncertainty, particularly non-ergodicity³, is a fundamental feature of

economic reality, especially evident in investment decisions. They emphasize that investment decisions involve non-ergodic uncertainty, indicating that the future cannot be probabilistically estimated with historical data. This aligns with the philosophical foundation of financial nihilism, where valuation lacks objective certainty. They argue that uncertainty does not eliminate rationality. Instead, rationality under uncertainty involves creating institutions to manage and mitigate insecurity. In the context of financial nihilism, one might interpret memecoins as informal “institutions” that develop spontaneously, as communities face inherent uncertainty, embracing absurdity as a response to an unpredictable financial system. Instead of concluding that uncertainty leads to nihilism, the authors state that uncertainty incentivizes the creation of protective institutions, social safety nets, and preventive mechanisms (e.g., bankruptcy laws, central banks, regulatory frameworks). Financial nihilism, on the other hand, might arise when such institutions fail or are perceived to be ineffective, leading market participants to act in ways which are not in line with traditional notions of rationality. While McKenna and Zannoni reject nihilism as a logical outcome, their detailed analysis of the implications of uncertainty helps to explain why financial ni-

³ The inability to reliably predict future events using past data—that is, knowing how something behaved in the past or in similar circumstances does not reliably indicate what will happen in the future.

hilism might occur when institutions fail or when market participants stop believing in conventional economic rationality, and instead participate in speculative financial behavior, such as buying (and creating) memecoins.

The section “Financial Nihilism” by Das (2011, pp. 321–335) is strongly connected to the memecoin phenomenon by presenting the loss of meaning and moral grounding in modern financial markets, which is a core characteristic of financial nihilism. Das describes a world in which money is not tied to the creation of value but instead ends up being a goal on its own, used to speculate and present status. Memecoins perform similarly: they are often created as jokes or social comments, but are treated as tradable assets. They are bought and sold not because they reflect underlying economic fundamentals, but because of the pleasure of participating in a certain moment and the pursuit of profit regardless of any belief. Das outlines how finance enters into everyday life, converting identity, success, and even suffering into commodities. Memecoin culture reflects this, where individuals insert themselves into financial narratives (e.g., “retiring on Dogecoin”) and view market participation as a form of performance. The purpose of memecoin trading is not to seek its fundamental value (as it is evidently non-existent) but to signal cultural belonging, nihilistic revolt, and an acceptance of speculative chaos. This is at the same time a critique of, and escape from, a financial system perceived as irreparably rigged, meaningless, or disconnected from reality. Financial nihilism is portrayed by Das as the exploitation of systems and people for gain, without concern for consequences. This characteristic is reflected in the intentional absurdity and recklessness of memecoin speculation. Markets become playgrounds of irony and detachment, where losing is part of the joke and moral responsibility is disregarded. Das’s narrative ends with the perception that the system has collapsed, with people participating in finance not because they believe in its purpose, but because it is the only thing left to do (since hard work does not matter). Memecoin traders often exhibit this postmodern disillusionment, treating markets as casinos in which meaning does not exist, yet the “game” continues. By emphasizing detachment from fundamentals, financialization, cynicism, moral decline, and the collapse of belief in long-term stability, Das provides the philosophical and cultural background within which the memecoin phenomenon can be interpreted. Examined through the perspective of Das, memecoins are not an anomaly, but a logical and

inevitable expression of late-stage, decadent finance, where value is replaced by virality.

Talavera (2014) examines the notion of financial nihilism through the framework of a “genealogy of speculation”. He argues that contemporary financial capitalism, characterized by speculative practices, separates economic actions from underlying ethical and substantial value systems. This separation is parallel with financial nihilism, where financial speculation itself becomes self-referential and disconnected from real economic value, leading to a crisis of meaning and legitimacy in economic systems. Talavera critically addresses how speculative finance advances nihilistic attitudes by prioritizing profit over ethical considerations or meaningful human goals.

Gendron et al. (2022) highlight the challenge to traditional financial expertise by alternative forms facilitated by digitalization, indicating a shift in financial knowledge dissemination and power structures. This study contributes to understanding speculative practices by showing how alternative expertise incorporates traditional elements, influencing market dynamics. It also illustrates how bottom-up movements can create populist economics, impacting financial markets and challenging established institutions. As such, it links financial nihilism to contemporary capitalism through retail investors’ resentment and the disruption of traditional market rules.

Considering memecoins, Philander (2023) describes meme asset gambling as speculation disconnected from traditional measures of value, involving collective behavior and overconfidence. This is closely related to financial nihilism. He implies that financial markets increasingly look like gambling environments, requiring regulatory standards and financial literacy programs. His study contributes to theoretical understanding by linking speculative practices to gambling behaviors, highlighting the need for frameworks that integrate financial speculation with the psychological understanding of risk-taking.

By showing how memecoins reflect an emotional and often parodic attitude toward financial participation, Anton et al. (2024) add further support to the interpretation of financial nihilism presented in this paper. Their analysis of blockchain ecosystems as media environments filled with symbolic engagement emphasizes the argument that memecoins

function less as rational investments and more as cultural performances. Adding to this conceptual and cultural framing, Conlon and Corbet (2025) provide econometric evidence that memecoin proliferation contributes to heightened systemic risk, irrational contagion, and ethically ambiguous market behavior. In addition, Galati and Perdichizzi (2025) demonstrate how symbolic and affective drivers (rather than fundamentals) can reorganize value flows, further hiding the distinction between speculation and collective narratives. Lee and Ryu (2025) argue that memecoin dynamics demonstrate a broader shift toward symbolic extraction in digital finance, where virality and narratives replace fundamental valuation as drivers of speculative behavior. Together, Long et al. (2025) and Wang et al. (2025) show how memecoins derive legitimacy and market traction through the interaction of affective language, visual symbolism, and community-driven narratives, revealing a logic of valuation rooted less in fundamentals than in participatory performance.

In his forthcoming book, Samman (2026) argues that recent trends in digital finance repeat the dilemmas of nihilism, giving rise to a lucrative new culture of financial nihilism. Samman links sentiments of nihilism to the logic of global finance, essentially claiming that all historical moods of nihilism now circulate within the financial system.

While prior research has provided insights pointing toward financial nihilism, the conceptual framework is still lacking. Therefore, a systematic analysis of potential reasoning is evaluated. The underlying methodology is explained in the following paragraphs.

3. Methodology and data

This paper presents a theoretical and conceptual framework for financial nihilism and seeks to identify its measurable proxies through desk research and a literature review. In order to achieve this, memecoin prices are analyzed to illustrate the emergence of financial nihilism due to the following factors:

By design, memecoins typically have no underlying project or cash flow. A token might be launched in minutes with a funny name and image, purely as a vehicle for speculation. This radical lack of fundamentals takes the greater fool theory to its extreme. Memecoin traders fully internalize this: they bet on momentum, popularity, and narrative alone—a consciously nihilistic stance on value.

Memecoins are notorious for explosive rises and crashes within days or even hours. Traders often know this will happen, yet they still play the game, hoping to time it correctly. This reflects a form of fatalistic risk-taking, an acknowledgment that everything is essentially gambling.

Memecoin culture thrives on internet humor, irony, and community-driven narratives. By bonding over the idea that the financial system is a joke, memecoin enthusiasts both express their cynicism and momentarily surpass it through the perception of collective fun.

To empirically support the analysis, daily price data for the 20 largest memecoins (by market capitalization) that have operated for at least one year were collected from CoinMarketCap.com in mid-October 2025, covering the period from Dec/2013 to Oct/2025. Since most functioning memecoins (at the time of data collection) were launched relatively recently, they have shorter historical records. Furthermore, only memecoins that had been active for at least one year were selected in order to exclude those experiencing temporary hype at the time of data collection.

Clearly, this sample is encumbered with survivorship bias, as industry reports state that approx. 97% of memecoins disappeared after their introduction, and that the average lifespan of a memecoin is one year (ChainPlay, 2024b). However, since it was not feasible to obtain data for memecoins that had disappeared (collapsed or faded away), the sample was analyzed with this caveat in mind. As the most influential force of crypto-economics and the dominant driver, Bitcoin price was also observed in parallel with the selected memecoins. Bitcoin data were obtained from Investing.com. It should also be noted that memecoins are treated as signals or proxies rather than comprehensive representations of contemporary finance, and that generalizations should be performed accordingly.

The underlying logic of financial nihilism is substantiated using time-series variables that elucidate the economic background of the memecoin phenomenon. The selected time-series data presented in Table 1 were obtained from the Federal Reserve Bank of St. Louis (FRED, 2025) that, taken together, could serve as proxies for the mindset described by financial nihilism. It covers monthly level data from 01/01/2020 to 01/08/2025.

The empirical analysis relies on U.S. macroeconomic data (FRED), and macro proxies reflect U.S. economic conditions. Therefore, conclusions about financial nihilism should be interpreted primarily

within a U.S.-influenced context. However, in a highly-interconnected and globalized world it is believed that fundamental insights could be applicable elsewhere.

Table 1 Variables selected from FRED as proxies for financial nihilism

Time series (FRED code)	Variable name	What it measures (proxy for)	Rationale for inclusion
M2 Money Stock (M2SL)	<i>money</i>	Broad U.S. money supply including cash, checking and savings deposits, and retail money-market funds	Rapid increases reflect extraordinary monetary expansion. Excess liquidity can fuel speculative manias and make traditional valuation anchors seem irrelevant.
Housing Inventory: Median Listing Price per Square Feet (MEDLISPRIPERSQUFEEUS)	<i>house1</i>	Housing affordability	Rapidly rising listing prices per square foot reflect deteriorating housing affordability. When property prices soar relative to wages, more households feel locked out of traditional wealth-building via homeownership. This can feed frustration and encourage speculative behavior in riskier assets, making housing affordability a useful component in an index capturing the conditions underlying financial nihilism.
S&P/Case-Shiller U.S. National Home Price Index (CSUSHPINSA)	<i>house2</i>	Composite home price index for the U.S. housing market. Provides a broad measure of housing price appreciation	A variable complementary to housing affordability. Asset inflation increasingly prices out younger buyers and drives them toward unconventional investments.
Consumer Credit Outstanding (TOTALSL)	<i>debt</i>	Total consumer debt held by households (revolving + nonrevolving) - captures the overall level of household credit exposure	Higher values indicate greater reliance on debt and potential strain on disposable income, which encourages gambling behavior.
Real Compensation Per Hour, Business Sector (RCPHBS); quarterly data interpolated to monthly frequency	<i>wage</i>	Real (inflation-adjusted) hourly compensation in the U.S. business sector	Lower or stagnant wages can devolve financial optimism into nihilism.
University of Michigan Consumer Sentiment Index (UMCSENT)	<i>feel</i>	Survey of consumers' attitudes toward personal finances and the economy	Persistent pessimism reflects distrust in the economic system.
1-Year Real Interest Rate (REAINTRATREARAT1YE)	<i>yield (%)</i>	Real yield that investors face; true purchasing-power return on risk-free assets over the next year	Extremely low or negative real rates destroy the opportunity cost of holding risky assets and encourage "search for yield" speculation.
Personal Saving Rate (PSAVERT)	<i>save (%)</i>	Savings as a percentage of disposable income	A falling savings rate (sometimes negative) signals that households are spending or speculating rather than building long-term buffers.

Source: Authors

Except for *yield* and *save* (which are in percentages), variables *money*, *house1*, *house2*, *debt*, *wage* and *feel* were standardized to the index value of 100

on the starting date (01/01/2020) in order to obtain comparability.

4. Results and discussion

The selected sample of the 20 largest memecoins by market capitalization, which had been active (were

in fluctuation) for at least one year at the date of data collection is shown in Table 2.

Table 2 Market capitalization of the memecoin sample (Oct/2025)

No.	Memecoin	Market Cap (USD bn)	Sample share
1	Dogecoin	30.30	66.1%
2	Shiba inu	6.01	13.1%
3	Pepe	3.01	20.8%
4	Bonk	1.22	
5	SPX6900	0.96	
6	FLOKI	0.76	
7	dogwifhat	0.54	
8	Fartcoin	0.37	
9	ApeCoin	0.31	
10	Toshi	0.30	
11	Cheems	0.28	
12	Brett	0.27	
13	AICompanions	0.23	
14	Snek	0.22	
15	MogCoin	0.19	
16	Dog (Bitcoin)	0.19	
17	Turbo	0.18	
18	BabyDogeCoin	0.18	
19	catinadogsworld	0.17	
20	Popcat (SOL)	0.15	
TOTAL		45.84	100%

Source: Authors, data from CoinMarketCap (2025)

Even though the market size of the largest memecoins is not trivial, at approximately USD 46 billion, market capitalization of Bitcoin at the same time was approximately 50 times greater, at approxi-

mately USD 2.28 trillion, which clearly shows the significantly larger scale of the dominant global crypto-asset.

Table 3 Descriptive statistics of daily returns for Bitcoin and sampled memecoins, Dec/2013–Oct/2025

No.	Asset	Obs.	Sample length (in years)	Mean	Trimmed mean (5%)	Median	Min.	Max.	Std. Dev.
0	Bitcoin	4315	11.8	0.24%	0.16%	0.09%	-57.21%	336.84%	6.74%
1	Dogecoin	4315	11.8	0.46%	-0.04%	-0.15%	-44.07%	355.49%	9.58%
2	Shiba inu	1906	5.2	4.46%	0.07%	0.00%	-71.57%	5852.38%	135.62%
3	Pepe	920	2.5	5.73%	0.18%	-0.12%	-32.80%	3974.87%	131.79%
4	Bonk	1025	2.8	1.03%	0.09%	-0.48%	-39.63%	193.72%	12.67%
5	SPX6900	795	2.2	2.30%	0.99%	-0.27%	-37.35%	324.26%	18.93%
6	FLOKI	1563	4.3	19.05%	-0.13%	-0.48%	-99.62%	28850.00%	729.80%
7	dogwifhat	700	1.9	2.87%	0.56%	-0.39%	-70.64%	678.37%	30.46%
8	Fartcoin	366	1.0	2.67%	1.10%	-0.16%	-42.69%	225.19%	19.73%
9	ApeCoin	1312	3.6	-0.05%	-0.11%	0.01%	-37.31%	70.13%	6.15%
10	Toshi	807	2.2	10.27%	-0.11%	-1.37%	-98.79%	7280.12%	256.72%
11	Popcat(SOL)	678	1.9	3.55%	0.75%	-0.54%	-47.98%	714.24%	37.38%
12	Cheems	387	1.1	1.32%	0.67%	0.09%	-35.99%	73.28%	10.08%
13	Brett	601	1.6	1.41%	0.22%	-0.77%	-28.83%	217.08%	14.30%
14	AICompanions	405	1.1	1.32%	0.07%	-0.93%	-29.90%	89.65%	13.41%
15	Snek	898	2.5	0.84%	0.50%	-0.34%	-48.20%	79.74%	9.64%
16	MogCoin	823	2.3	1.35%	0.37%	-0.25%	-55.50%	123.36%	14.09%
17	Dog (Bitcoin)	541	1.5	0.20%	-0.21%	-0.74%	-22.73%	37.82%	8.62%
18	Turbo	903	2.5	1.56%	-0.17%	-0.95%	-47.24%	431.17%	21.54%
19	BabyDogeCoin	1486	4.1	0.24%	-0.18%	-0.36%	-28.76%	75.31%	7.06%
20	catinadogsworld	572	1.6	0.59%	-0.19%	-0.47%	-26.37%	96.96%	10.90%

Source: Authors

Table 3 shows a market characterized by extreme dispersion and short, uneven histories. While Bitcoin's average daily return is modest with relatively lower dispersion, many memecoins combine brief sample lengths (often under 3 years) with much larger variability and occasional outsized jumps; e.g., several tokens exhibit negative medians despite positive means, consistent with infrequent "pump" episodes amid generally poor days, whereas cases

like FLOKI post extraordinary maximum alongside triple-digit standard deviations, and newer entrants such as Pepe or Dogwifhat display similarly turbulent profiles over short windows. Taken together, these patterns show that memecoins operate less as vehicles of steady value accumulation and more as arenas for episodic speculation in which participation and narrative momentum outweigh (non-existing) fundamentals.

Table 4 Distributional characteristics of the selected crypto-asset returns

No.	Asset	Coef. Var.	Skewness	Kurtosis	Jarque-Bera ($p = 0.00$)
0	Bitcoin	2,758.55	30.31	1,476.62	392,000,000
1	Dogecoin	2,096.95	15.84	510.90	47,000,228
2	Shiba inu	3,041.26	42.17	1,817.40	261,000,000
3	Pepe	2,300.86	29.80	898.06	30,717,049
4	Bonk	1,228.29	7.00	91.75	364,356
5	SPX6900	824.51	6.81	105.71	371,611
6	FLOKI	3,831.29	39.52	1,562.30	158,000,000
7	dogwifhat	1,060.93	16.40	349.94	3,552,005
8	Fartcoin	738.44	4.85	46.87	33,993
9	ApeCoin	-12,853.49	1.47	20.34	22,908
10	Toshi	2,500.33	28.25	800.85	21,406,387
11	Popcat(SOL)	1,053.96	13.88	238.93	1,610,616
12	Cheems	766.40	1.85	10.55	1,962
13	Brett	1,015.27	6.92	90.64	207,043
14	AICompanions	1,016.40	2.40	10.12	2,065
15	Snek	1,142.96	0.99	9.33	3,363
16	MogCoin	1,046.91	2.17	12.48	5,918
17	Dog (Bitcoin)	4,410.96	0.87	1.92	147
18	Turbo	1,379.45	12.43	218.25	1,795,516
19	BabyDogeCoin	2,905.27	2.67	21.26	29,537
20	catinadogsworld	1,835.67	3.24	22.19	12,512

Source: Authors

Table 4 indicates that return distributions across the sample are profoundly non-normal. Coefficients of variation are in the thousands for key names, accompanied by pronounced positive skew (often above 10) and extreme kurtosis (hundreds to > 1.500), with the Jarque–Bera test rejecting normal-

ity at $p = 0$ for all series. Bearing in mind that the sample is survivorship biased, these fat-tailed and right-skewed distributions formalize that meme-asset payoffs are dominated by rare, outsized upside bursts amid long stretches of modest or negative average returns.

Table 5 Correlation matrix of daily returns among major memecoins

ASSETS	BTC	Doge	Shiba inu	Pepe
BTC	1.00			
Dogecoin	0.78	1.00		
Shiba inu	0.67	0.73	1.00	
Pepe	0.66	0.68	0.75	1.00
Bonk	0.61	0.62	0.70	0.71
SPX6900	0.57	0.54	0.61	0.59
FLOKI	0.63	0.65	0.81	0.80
dogwifhat	0.61	0.66	0.72	0.80
Fartcoin	0.27	0.26	0.23	0.27
ApeCoin	0.53	0.55	0.62	0.59
Toshi	0.27	0.29	0.26	0.29
Popcat(SOL)	0.59	0.60	0.67	0.69
Cheems	0.30	0.30	0.37	0.34
Brett	0.68	0.70	0.76	0.78
AICompanions	0.13	0.08*	0.09*	0.11
Snek	0.62	0.56	0.66	0.55
MogCoin	0.63	0.57	0.64	0.75
Dog (Bitcoin)	0.41	0.42	0.40	0.40
Turbo	0.54	0.50	0.65	0.64
BabyDogeCoin	0.44	0.47	0.60	0.67
catinadogsworld	0.64	0.68	0.66	0.66

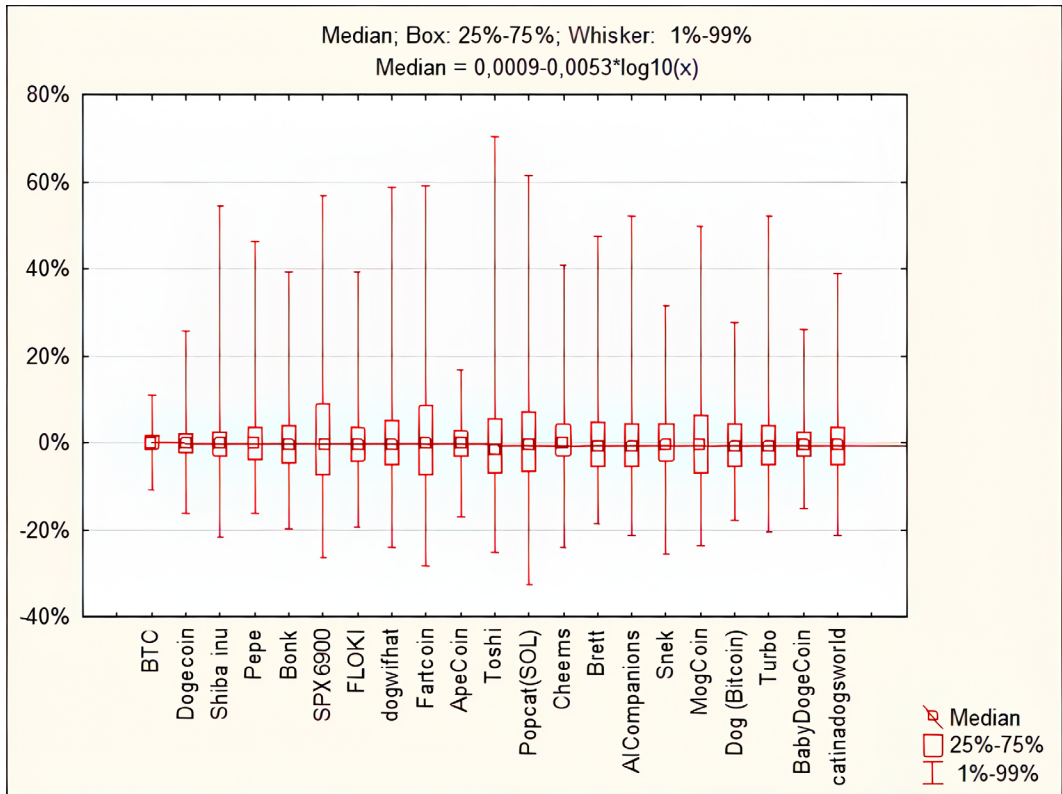
* Insignificant at $p < .05$; all other results are significant

Source: Authors

Most pairs co-move strongly with Bitcoin and with each other (e.g., BTC–Doge 0.78, BTC–Shiba 0.67, BTC–Pepe 0.66), and several bigger memecoins form a tightly linked cluster (Shiba–FLOKI 0.81, Pepe–FLOKI 0.80, Dogwifhat–Pepe 0.80). At the same time, a second tier exhibits only moderate co-movement, which suggests idiosyncratic narratives and/or thin liquidity. The correlation matrix (Table

5) implies that shared liquidity cycles create market-wide “risk-on/off” waves, but with meaningful heterogeneity: large memecoins are synchronized with the crypto market factor, whereas smaller or niche tokens decouple more often, reducing diversification benefits within the meme segment and concentrating drawdown risk during common shocks.

Graph 3 Distribution of daily returns: Box-and-Whisker for Bitcoin and major memecoins (Full Sample)

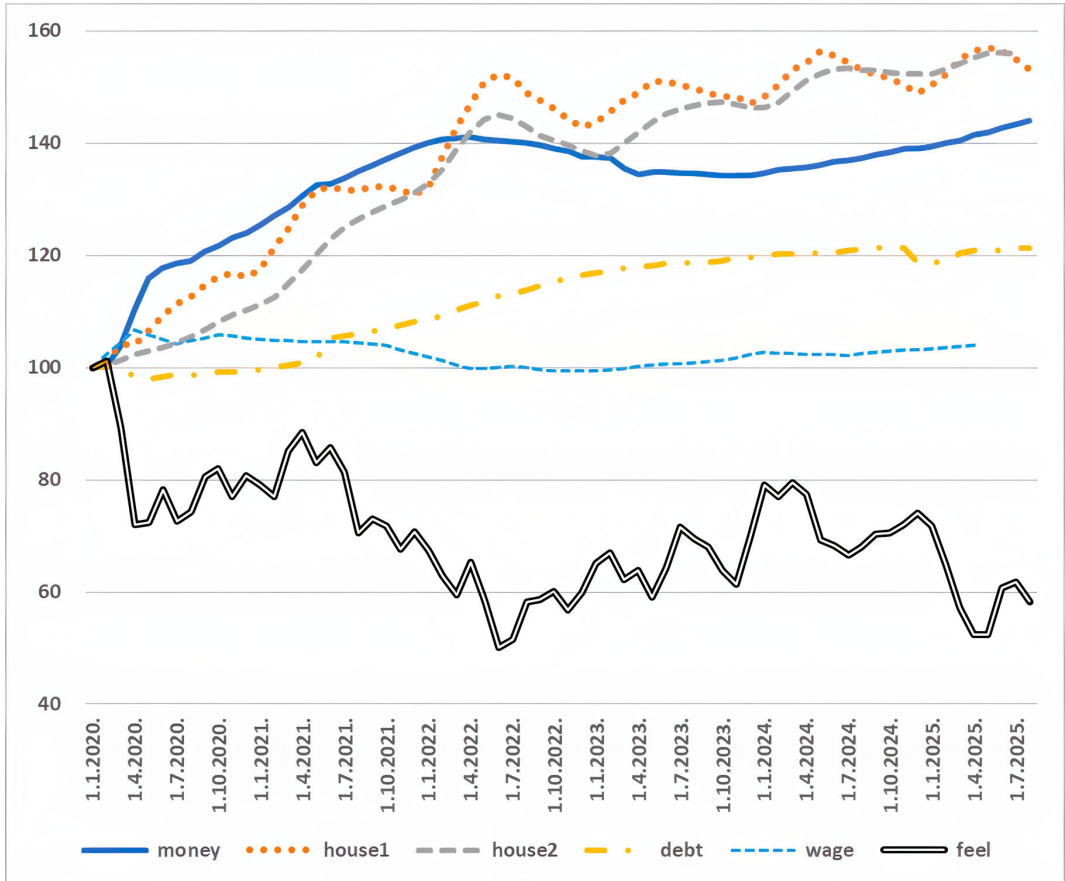


Source: Authors

The box-and-whisker plots (Graph 3) show medians clustered near zero, but much wider interquartile ranges and longer whiskers for most memecoins than for Bitcoin, with frequent asymmetric outliers (especially on the upside), indicating irregular bursts rather than steady drift. Several large names (e.g., Doge, Shiba Inu) display fat upper tails along-

side sizable downside extremes, while newer coins exhibit even more dispersed boxes with sparse but violent jumps, consistent with episodic attention waves rather than continuous price formation. This implies that location and scale summaries (means, standard deviations) understate risk because dispersion is driven by tail events.

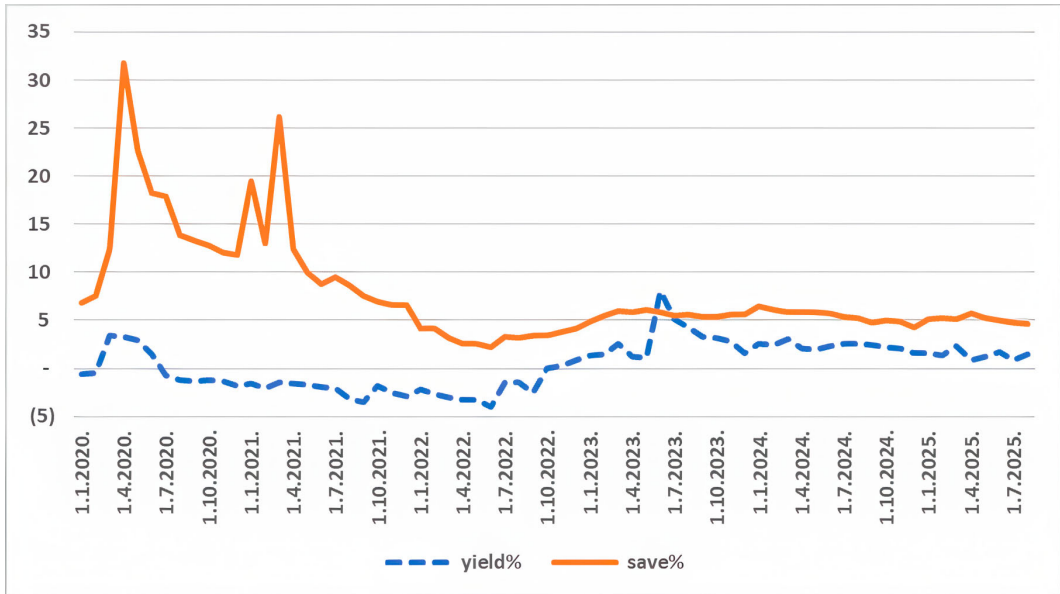
Graph 4 Socioeconomic proxies underpinning memecoin activity, 2020–2025 (indexed to 100 in Jan-2020)



Source: Authors, data from FRED (2025)

The macro backdrop in Graph 4 shows a combination that is unusually favorable to speculative retail cycles: liquidity (*money*) remains elevated relative to its pre-2020 baseline, housing indicators (*house1*: median listing price per sq. ft.; *house2*: Case-Shiller index) outpace stagnant compensation (*wage*), and household credit (*debt*) expands, while consumer sentiment (*feel*) spends long stretches below its starting level. These co-movements depict

abundant money, rising asset and housing costs, a squeeze on purchasing power, greater reliance on credit, and a persistently wary mood, i.e., conditions under which short-horizon, attention-driven speculation in meme assets becomes more attractive than conventional saving or long-horizon investing.

Graph 5 Real risk-free yield and personal saving dynamics, 2020–2025 (monthly, %)

Source: Authors, data from FRED (2025)

The contrast of the real 1-year risk-free rate and the personal saving rate highlights two distinct phases over 2020–2025. First, in the period 2020–2022, real short-term yields were near or below zero, while savings spiked briefly and then fell back. This environment lowered the opportunity cost of risk-taking and left a temporary stock of cash available for speculative participation. Second, from 2023 onward, real yields turned positive as policy tightened, yet the saving rate remained subdued and volatile, rather than reverting durably to pre-2020 condition. This asymmetric adjustment (higher real financing costs without a proportionate rebuilding of household buffers) helps explain why nihilistic trading could persist: households faced diminished incentives (and capacity) to accumulate precautionary savings, keeping short-term speculation attractive.

5. Discussion

One memecoin—Doge—strongly dominates, accounting for two-thirds of total memecoin market capitalization. However, it is important to note that

market capitalization is not the best indicator of the importance of memecoins in observing financial nihilism, as there were more than 13 million individual memecoins issued in 2025 only (Lagrou, 2025). Over 10,000 memecoins are launched every day at the pump.fun, the main global memecoin hub, but cca 95% of them disappear within the same day (ChainPlay, 2024a). Furthermore, at the same hub, 98% of memecoins do not survive beyond 3 months (ChainPlay, 2024a). This turnover clearly shows that the memecoin phenomenon is better captured by issuance velocity, birth–death (hazard) rates, and short-horizon trading churn than by market capitalization. In other words, the market's significance lies less in a few large, surviving tokens and more in the investment stance, where participation and thrill-seeking routinely outweigh fundamentals.

These statistics reveal a noticeable dual structure within the memecoin ecosystem. On the one hand, a small number of established tokens are traded in high-liquidity markets and denominated in millions of dollars. On the other hand, a vast underclass of short-lived tokens is created and destroyed at prices amounting to fractions of a cent. This two-tier sys-

tem reflects a broader fragmentation of financial meaning: between a symbolic layer where value persists through recognition and market capitalization, and a “disposable” layer where tokens function as momentary cultural gestures and/or speculative jokes. This disparity emphasizes how memecoin markets embody the illusion of wealth and the reality of uselessness, reinforcing the notion of financial nihilism as a situation in which participation, rather than long-term value, becomes the primary purpose.

When observed together with the macro proxies (Graphs 4 and 5), micro-evidence (Tables 3–5) suggests a market organized by liquidity and attention cycles rather than fundamentals. Fat-tailed return shapes coexist with a strong common factor (tight co-movement of bigger memecoins with Bitcoin) and occasional diversification in the long tail. This configuration implies that risk concentrates in “risk-on/off” episodes, while eccentric stories of smaller coins mostly fade out at the market level. The memecoin market could function as a proxy barometer of household mood and liquidity conditions, because when safe returns are irrelevant or liquidity is low, speculation rises up quickly and then withdraws just as fast, intensifying fragility through correlated shocks. However, it should be clearly stated that visual co-movements do not imply causality, and that further testing is needed.

6. Conclusion

This paper attempts to articulate a coherent concept of financial nihilism and show how the contemporary surge of memecoins makes that concept empirically measurable. The paper moves financial nihilism from a purely philosophical or abstract idea into a concept that could be measured, observed, or analyzed empirically through data, by looking at memecoin prices, volatility, or macro proxies like liquidity, real wages, or consumer sentiment.

The motivation is straightforward: if parts of modern finance have shifted from valuing fundamentals to performing participation, then measures to describe that shift are needed. Accordingly, we build a theoretical and conceptual framework, supported by desk research and a literature review, and illustrate it with market data on major memecoins (benchmarked to Bitcoin), and a set of proxies (money, housing costs/affordability, household credit, real wages and sentiment, and the real short-

rate/personal saving) that capture the background conditions under which short-horizon speculation becomes attractive.

The main findings exhibit that memecoins display a two-tier market structure: a small core of liquid, dollar-denominated names alongside a vast periphery of short-lived, sub-cent tokens/coins. Return distributions are profoundly non-normal: fat-tailed and positively skewed payoffs dominated by rare, outsized upside bursts amid long stretches of modest or negative average returns. Larger memecoins co-move tightly with Bitcoin, while smaller tokens decouple individually. Risk clusters in synchronized risk-on/off waves, with only occasional diversification in the long tail.

These findings align with the macro background characterized by higher liquidity relative to the period before the 2020s, wages behind housing costs, expanding household credit, depressed consumer sentiment, and post-2023 regime of positive real short rates without a corresponding reconstruction of household savings. Such conditions lower the usefulness of patient saving and make speculation comparatively appealing, helping explain why participation in nihilistic trading can persist.

Viewed through this perspective, “memecoin economics” is less about discounting cash flows and more about cultural-financial performance under weakened belief in institutions and fundamentals. Financial nihilism is not just disbelief, it may be the conviction that the system is broken. Participation and narrative recognition may substitute for intrinsic worth, and markets could be interpreted as casinos.

There are several implications of these findings. For digital finance, memecoin activity can serve as an indicator of household mood, offering early signals of retail risk-on phases. For regulators and policymakers, preparedness for shocks can improve with disclosure standards at launch, targeted consumer-protection, and financial literacy programs. At a broader level, if performative speculation and ironic participation are becoming normal, the legitimacy of institutions and the future orientation of finance are in jeopardy. These are questions of utmost importance that extend beyond microstructure into the political economy of trust.

This paper has its limitations and shortcomings. The analysis is primarily conceptual and English-language oriented, and the memecoin sample is

necessarily affected by survivorship bias because failed tokens leave insufficient data. The macro-level analysis is broad, exploratory, illustrative, and largely based on inspection of trends, and further formal statistical testing should be performed. These caveats do not overturn the findings, but they constrain validity and call for a more detailed analysis.

Future researchers could operationalize the proxy basket into a reproducible index and test its time-series relation to memecoin activity. Furthermore, one might link wallet-level flows and social-media attention to price bursts, in order to clarify the micro-channels of risk-on propagation.

In sum, the purpose of the paper was to name and measure an important drift in contemporary finance. Empirically, we showed that memecoin markets are organized by liquidity-and-attention cycles, exhibit a two-tier structure and fat-tailed payoffs, and co-move around a dominant crypto asset. Conceptually, we argued that these features are intelligible as manifestations of financial nihilism. If that diagnosis is correct, then memecoins are not a sideshow but a sensitive gauge of our financial culture, one that warrants careful monitoring by scholars, investors, firms, and governments alike.

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