

REVIEW ESSAY

The democratic critique of neo-liberalism

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Undoing the Demos: Neo-Liberalism's Stealth Revolution

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Since university tuition fees were first introduced in the UK by the Blair government in 1998, there has been an on-going debate as to whether the policy is more or less equitable than a graduate tax. The debate provided Gordon Brown's camp with an opportunity to throw the occasional rock at Blairites throughout the early 2000s, and Ed Miliband (formerly of said camp) was still proposing a graduate tax when he became leader in 2010. Now that the original £1,000 annual fees have risen to a maximum £9,000, the capacity of a graduate tax to fund higher education without saddling graduates with vast debts looks more compelling than ever. Yet Miliband fought the 2015 election promising only to reduce the cap on fees, to a maximum of £6,000.

What's interesting about how this debate played out was the philosophical schism it revealed in the centre-left. Both sides had good reason to claim theirs was the more progressive policy. The argument in favour of tuition fees rested on two crucial claims. Firstly, that higher education creates economic benefits that accrue largely to the individual graduate. State funding of universities is therefore a regressive policy, in which society (including those on low incomes) pays for the middle classes to entrench their advantages. Secondly, tuition fees could be waived for those on low incomes, as indeed they have been.

Meanwhile, graduates have to reach a certain income threshold before they start paying off their debts. Put these claims together, and tuition fees look not only fair, but positively redistributive.

By this form of calculation, the disadvantage of the graduate tax is that it is inflexible and incompatible with any means-testing. Graduates would simply pay it, regardless of family background or earnings. The justification for tuition fees (and hence mushrooming debt) may be a brutally economistic one, but it is also apparently a progressive one – at least for the time being. In the early days of the policy, the whole issue seemed like a relatively minor technicality, given that student loans already existed (to cover living expenses) and fees were so low. But as we now know, a line was being crossed, and most undergraduates today will still be paying off debt in their 50s. Meanwhile, the UK student loan book is now ripe for all the forms of financial chicanery of the sort that gave us the sub-prime crisis (McGettigan, 2015).

What was never clearly articulated by proponents of a graduate tax, but should have been, was the inherent virtue of taxation as a funding mechanism. Not only would a graduate tax have the cultural and psychological properties of de-coupling education from debt (keeping at bay barbaric questions such as the ‘return on investment’ of a humanities degree), it would also ensure that the funding of universities was a question that remained within the terrain of fiscal policy, arguably the foundational issue of liberal representative democracy. As it is, universities in Britain now stumble from private equity fund to branding consultant, shedding anything that lacks financial logic, ranting intoxicated gibberish about ‘excellence’, and waiting impatiently for whichever government will remove the £9,000 cap on fees.

One thing that this policy dispute reveals is that financialisation cannot be achieved purely through conservative, Thatcherite policies of ‘privatisation’ or ‘deregulation’. On the contrary, well-intentioned, redistributive policies associated with the left have been equally important. As the arts have discovered, seemingly innocent measures aimed at rendering value more explicit can quickly flip into much harsher tools of discipline and abandonment. What is at stake is not simply an empirical or normative question of ‘regressive’ versus ‘progressive’. It is, as Wendy Brown’s new book explores in immaculate detail, a question of ‘economisation’ versus ‘democracy’.

Liberalism against neo-liberalism

To anyone who professes to care about politics, society or the public, Brown's thesis is an urgent and deeply disturbing one. Building on the lectures on neo-liberalism given by Michel Foucault in 1978-79, published as *The Birth of Bio-Politics*, Brown invites us to imagine a world in which economic analysis has replaced all rival logics of power and authority. What distinguishes neo-liberalism, she argues, is not simply a commitment to capitalism or to markets, but an effort to transform all spheres of human life in ways that render them amenable to economic calculation.

Once the market is viewed as a 'competition between capitals' (of all sizes, from Apple down to the individual chunk of 'human capital' on a workfare program), rather than in terms of exchange between equals, any social sphere can be reconfigured or re-imagined as a market, regardless of whether a monetary price is present. Competitiveness becomes something to be pursued in all walks of life. Techniques of 'governance', such as 'bench-marking' and 'best practice', flood all sectors, as means of circumventing political disagreements or debates. The concept of 'human capital' eliminates distinctly political or non-economic logics, such as those of citizenship or the humanities, and embeds existential questions of how to live one's life within a strictly economic rubric. Even political speech can be re-conceived in economic terms, meaning that inequalities in the capacity to engage in politics (as facilitated by libertarian approaches to campaign finance in the United States) can be justified as normal features of the marketplace.

None of these complaints is new in itself. The left has grumbled about neo-liberalism since the 1970s, leading to the familiar charge that 'neo-liberalism' is simply a catch-all term for things the left dislikes. But Brown's analysis is incisive, and largely operates beyond questions of 'right' and 'left', 'capitalism' or 'anti-capitalism'. Borrowing again from Foucault, Brown defines neo-liberalism as a 'political rationality', which differs in important ways from the liberal tradition of Locke, Smith, Mill and even Bentham. While each of these thinkers had obvious sympathies for bourgeois, market society (rendering them prime targets for Marxist attack), Brown highlights their sustained respect for a separate, political domain of existence. They may not have been democrats as such, indeed she points out that democrats have been largely notable by their absence from the history of Western political thought, but they preserved a

space in which *homo politicus* could co-exist with *homo oeconomicus*, if only as the bearer of basic legal rights.

For the intellectual tradition of neo-liberalism, which she argues emerged in direct response to fascism, this is not the case. *Homo oeconomicus* becomes the sole template for all forms of action and association. As a result, we live our lives with constant attention to measurement, necessity, outcomes and so on, and have grown deeply suspicious of anything that appears to lack this discipline. As a 'political rationality', this obsessive instrumentalism does not emanate outward from the state. Rather, it emanates from the logic of capital, which seeks to dominate or eliminate other capitals at every single scale of competition. 'UK PLC' strives to outcompete other national economies; financial capital strives to control productive capital, which strives to control human capital; each of us, as chunks of human capital, must take responsibility for our own up-keep, or face the consequences. Brown does not discuss the phenomenon of smart phone apps, 'wearables' (such as pedometer wristbands) and the 'quantified self', but these would appear to represent one of the frontiers of the rationality that she is describing.

It is not so much that neo-liberalism *has* eradicated democracy or politics, but that its logic undermines their very possibility or plausibility. This is why Brown seeks an uneasy truce with aspects of 'bourgeois liberalism' that the radical left has tended to dismiss in the past. Liberal arts education or party politics, for example, are evidently elitist, but they at least retain the *possibility of or aspiration towards* being otherwise. But once such traditions are reconceived around a logic of competition between economic capitals, there is only the possibility of financial return on investment left, and then there is little way back. *Homo politicus* is snuffed out altogether.

Neo-liberal excess

One of the questions Brown's book poses, but does not quite answer, is exactly how far we are down the gloomy road she describes. There is an ambiguity in Foucault's work that bleeds into Brown's. To a great extent, Foucault explores discourses, rationalities, instruments, 'governmentalities' and diagrams (most famously, Bentham's panopticon prison) which express an intention to use power in a certain way, but leave open the question of their success. But as two leading

British Foucauldian scholars put it, this is all a ‘congenitally failing operation’ (Rose and Miller, 1991, 191). Rationalities can cohere as policy documents, economic models or management score-cards, but fall apart or be subverted as they proceed to the messy bit of altering human conduct.

What alarms Brown about neo-liberal logic is its apparently totalising quality: its total blindness to non-economic forms of activity or experience. But this is not the same thing as saying that such all-encompassing rationalisation has now occurred or, indeed, could ever occur. In one fascinating section, she identifies the recurring ‘stumble’ that neo-liberals (Margaret Thatcher included) make when speaking of the family, which they try to assimilate to the logic of individual human capital, but are ultimately unable to make much sense of. While capitalist metaphors may account for patriarchy, by treating men as ‘managers’ or ‘owners’ of their households, this logic gets stuck when it comes to love.

When expressing her admiration for the liberal arts tradition in the United States, Brown recognises that it possesses a civic and egalitarian ‘ideal in excess of itself’ (p. 206). Could the same not also be said of neo-liberalism: that it possesses an economistic ideal in excess of itself? The economisation of *everything* is a destination, but it is also a utopian nonsense. It may be the weakest form of resistance, but the satirical imagination expressed in Dilbert or *The Daily Mash* is proof that the language of ‘human capital’ and ‘benchmarking’ is rarely taken entirely seriously. Gaming of audits and the notorious absurdities of New Public Management may not threaten the iron cage of economic rationality, but at least they give us all a laugh.

Another question, which the book provokes, is *why* has this happened? In his antipathy to dialectical materialism, Foucault was famously reticent on such questions, preferring to focus on the ‘how’ of power and not the ‘why’. Brown acknowledges that some engagement with Marx is necessary, if we are to understand quite why the logic of capital seems to have pervaded our lives to the extent that it has, and not only in the marketplace. But clearly she does not share (for example) David Harvey’s analysis of neo-liberalism (2005), as a zero-sum conflict in which capital harnesses the apparatus of the state to disempower labour. So why this ‘political rationality’, as opposed to some other one?

A proposition that Brown does not engage with head-on is the possibility that neo-liberal rationality is, in important ways, compatible with that of identity politics, albeit of a vulgarised form. It is not simply that both have an innate

individualism; they also share a lurking relativism, which renders all claims to political authority suspect. Rousseau, who emerges from this book as our best guide to what democracy might mean, would provoke equal amounts of hostility from a Chicago School neo-liberal as he would from a 1968 radical: both would question how any state could claim to act on behalf of all of us. If the 1960s represented the high-point of liberal, democratic humanism, as Brown argues with respect to education, one might argue (as various critics did over the course of the 1970s) that the self-destruct button was hit several years before capital then spotted the opportunity for political transformation in the form of Thatcherism and Reaganism.

What, then, if neo-liberalism is in fact simply an instrumentalised, quantified, high surveillance *continuation* of a cultural revolution which began in the 1960s? What if, rather than sacrificing democracy to the greater good of macroeconomic growth, as Brown argues, neo-liberalism is actually rooted in a deep paranoia about the sustained potential of democracy, the result of which is actually a very ineffective and stupid model of capitalism? This is what David Graeber has suggested in a number of recent articles (2013a, 2013b). It's not as if growth rates have been very impressive in Western economies since the 1970s, and since 2008 European policy-makers have taken concerted steps to reduce growth. As Graeber suggests, to make sense of the managerial nonsense around us, we have to consider the possibility that it is there to *prevent* a genuinely innovative, productive and fulfilling economy, for fear of where that might lead. Arguably, the ensnaring of democracy is a more important function of neo-liberalism than the expansion of the economy.

Viewed this way, Brown's analysis is no less germane, but her pessimism might flip into something sunnier. Maybe the spread of economics into all walks of life is not a sign of capitalism's dominance, but rather of its growing weakness. Maybe the ideal of *homo oeconomicus* needs propping up to the extent that it does, out of a deep political fear of how little humans are really 'economic' by nature. And while it may be little comfort to the English literature student staring down the barrel of £45,000 of debt, maybe universities are the target of so much auditing, tinkering and ranking precisely because they retain a powerful ideal of how they might be otherwise.

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