The Psycho- and Sociogenesis of Neoliberalism

Introduction

In his two volume *The Civilizing Process* (1982, 1983a), Norbert Elias traces the social and psychological forces that gave rise to behaviours particular to the ‘civilised’ individual of the modern epoch, mapping the development of courtly manners that provided the basis for later practices of bourgeois sociality. Elias shows how feelings of shame and embarrassment developed regarding public displays of bodily functions, of the exposure of the naked body, and of the outward display of emotion, particularly in aggressive and violent forms. He argues that fears of provoking socially instilled repugnance, fears of losing social esteem by transgressing the norms of bodily conduct, gave rise to the need for greater self-regulation. For Elias, drawing on the insights of psychoanalysis, the intensification of this sense of shame corresponded to the strengthening of the psychical agency Freud referred to as the super-ego, of the ‘internal cop’ invigilating the behaviours and thoughts of individuals.

Elias saw these controls on behaviour and affect intensifying from their beginnings in late medieval court society through to their expansion to wider society with the ascendancy of the bourgeoisie, culminating in the later part of the nineteenth century. From the late nineteenth century and through the twentieth century, there is a general tendency towards the relaxation of socially instilled anxieties regarding adherence to bodily and emotional controls. Cas Wouters (2007), extending Elias’s historical account through the twentieth century, refers to this new phase of the civilising process as informalisation, with individuals given greater range for emotional expression.

This article, using Elias’s civilising process as a point of departure, attempts to throw new light on key transformations occurring in economic sociality in the late twentieth century. It aims to situate the rise and expansion of neoliberalism within the global political economy, particularly in the United States and Britain, in terms of the historical evolution of affective self-control during this period. Corresponding to the ascendancy of neoliberalism is a distinct affective configuration of the self which, in a seemingly contradictory manner, fuels an adherence to notions of hyper-individualism and, at the same time, a restive social drive towards the intervention in the lives of others.

In elucidating the genesis of this particular affective configuration corresponding to neoliberal subjectivity, the article points to new codes of shame developing in the 1960s and 1970s at a time when other restrictive codes of emotional conduct were being relaxed. It is argued that despite the process of informalisation, new sources of shame surrounding notions of superiority and inferiority, especially in the context of civil and women’s rights movements, accentuated the psychical tensions of identity formation by making taboo entrenched registers of social hierarchy. Neoliberalism, with its rhetorical emphasis on individualism, meritocracy and self-reliance provided the means of nominally adhering to the new codes of shame, while at the same time promoting a form of economic sociality that reinforced and accentuated historical inequalities. In an affective sense, neoliberalism provided a basis for subjectivities that abided the new thresholds of shame, yet unconsciously satisfied latent desires for the expression of superiority.

In developing a linkage between neoliberalism and the new codes of shame in relation to feelings of superiority, this analysis seeks to advance beyond the constrained instrumentalism of mainstream conceptions of political-economic agency. It eschews the rationality postulate (Blaug 1992), the belief in economic agents as utility maximisers, which
has formed the basis of economic psychology since the dawn of neoclassical economics in the second half of the nineteenth century. In contrast, this analysis takes as its premise the idea that all aspects of sociality, including within the economic sphere, are overdetermined by affect, that is, by anxiety and aggression. Accordingly, the agential conception of *homo economicus* as a ‘lightning calculator of pleasures and pains’ (Veblen 1898: 389) is viewed as a second-order social construction that serves as a model for conducting the affects of anxiety and aggression into a narrower instrumentalism of acquisitiveness. In other words, rather than *homo economicus* being a descriptor of human rationality and behaviour, it serves as a prescriptive normality.

In examining the historico-affective conditions that contributed to the ascendance of neoliberalism, this analysis attempts to accede to a non-volitional or unconscious level of historical transformation. Though to an extent the rise of neoliberalism can be explained in terms of the economic contradictions becoming apparent within the Fordist mode of accumulation in the 1960s, there is a non-rational dimension of the shift that comes to light when neoliberalism is conceived of as a type of affective technology, a technology of both the self and of governance in Foucauldian terms (Foucault 1988). Neoliberalism flourish as it offered many—unconsciously—a mode of organising subjectivity that staved off tensions of self and other that had developed with the shifting frontiers of shame in the later part of the twentieth century.

The Civilising Process and the Making of Homo Clausus

The work of Norbert Elias allows us to grasp the ways in which sociality in the modern world system depended on a series of historical transformations of the social mediation of affect, transformations without which the current intensity of social interdependencies would not be possible. Prior to the transformations that Elias explores, the medieval state was, as Teschke (1998) explains, a fragile and brittle entity, caught between centripetal tendencies of political consolidation and the centrifugal tendencies of local appropriation. Breaking the perennial cycle of integration and disintegration in the political organisation of Europe required changes in the means through which prestige and distinction were registered within the social economy. In advancing the interdependency of individuals, classes and regions, as well as a concomitant intensification of the division of labour, there needed to be greater constraint on the use of violence and a commensurate lowering of the prestige and honour attached to the deployment of physical force. As Elias shows, the monopolisation of violence was not accomplished simply by dint of centralised authority, but by the civilising process which bound social standing to one’s refinement in social conduct, to one’s manners and language, and by a growing repulsion to violence.

Focusing on the reign of Louis XIV in particular, Elias argues that nobles, who were increasingly compelled to reside at the court if they were to maintain influence, adopted what he termed ‘court rationality’. It was a choice of living on their own land and ‘being despised as backwoodsmen by the court nobility, or of succumbing to the constraints and entanglements of court life’ (Elias 1983b: 214). Their success in the social competition of the court enforced the ‘curbing of the affects in favour of calculated and finely shaded behaviour in dealing with people’ (Elias 1983b). The increasing dependence of nobles on the monarchy for their long-term preservation, as well as their heightened visibility among their peers, led to greater levels of self-restraint and affected bodily displays in order to appeal to the fashions of court and to avoid social slighting. With the nobility eventually brought
together under the king’s roof—the palace of Versailles as a key example—survival required strict adherence to rules of etiquette and practising strategic self-censorship rather than martial prowess. In fact, the ‘courtization of warriors’ described by Elias accompanied a trend whereby nobles came to play a less significant role in terms of the military, with armies increasingly recruited from lower strata rather than from the upper classes (Elias 1983a: 258; 1983b: 154).

Though the inculcation of new forms of self-regulation within court society were instrumental in the pacification of the political landscape of feudal Europe, further change was required in the affective economies of wider late medieval society to establish the basis for the modern capitalist state.\(^1\) In particular, what helped to deliver this transformation was the emulation by the bourgeoisie of courtly manners and affective controls, particularly as economically empowered bourgeoisie began to compete with the traditional aristocracy for influence. In the eighteenth century, to the aspiring bourgeoisie, the self-control, discipline and peaceful conduct of the court nobles made them appear as the consummate men of reason (Elias 1982: 7), and thus their manners became a model for bourgeois behaviour. Accordingly, in the interest of maintaining their social distinction, the nobles of the sword increasingly refined their fashions of manner, thus ratcheting up the level of self-control required of individuals in enhancing or preserving their prestige.

With the ascendance and consolidation of bourgeois hegemony in the late eighteenth and nineteenth centuries, the civilising process continued, but encompassed a new range of forms of self-control reflecting the pecuniary and professional preoccupations of the middle classes. This shift is reflected in the evolution in the literature that helped to disseminate the latest conventions of self-display, a shift from the so-called ‘courtesy genre’ of the eighteenth century to the ‘etiquette genre’ of the nineteenth century. As Wouters explains, where the former genre promoted the ideals of character, temperament, accomplishments, habits, morals and manners for aristocratic life, the etiquette genre had a narrower focus on the appropriate social conduct within various social situations, such as salutations, receptions and dinner balls. The later genre placed less emphasis on character traits and more on the skills essential for rational conduct in commercial society, emphasising ‘time-keeping and ordering activities routinely in a fixed sequence and at a set pace’ (Wouters 2004a: 201).

The dissemination of affective self-control to wider bourgeois society brought about by the civilising process was crucial to the rise of the self-regulating market in the nineteenth century (Polanyi 1957). Though factors such as technological developments and the worldly asceticism of reformed Protestantism played contributing roles in the growth of market civilisation, the ‘great transformation’ would have likely encountered more pronounced resistance were it not for the rise of an economy of prestige in which self-control became a means of attaining social distinction. The disembedding of a ‘pristine’ economic sphere from the broader socio-political context required not only the strong presence of the state in protecting private property, but also a tightening of the internal discipline that facilitated individuals’ subjugation to unequal social relations mediated via the price mechanism. The threat of force, of bloody accumulation, though frequently a necessary condition for the commodification of land and labour, lacked something of the inducement of self-realisation offered by adhering to the affective prescriptions of bourgeois sociality. In the nineteenth century, it is the new masculine ideals of self-reliance and emotional detachment that serve as the basis for the naturalisation of *homo economicus*.\(^2\)
The disembedding of the economy that Polanyi describes dovetails with the incubation of the new species of being that Elias refers to as *homo clausus*, the ‘we-less I’ (1991: 199). This individual, who, through the compunction of shame-avoidance, has been drafted into a performance of self-reliance and self-control, becomes critical in maintaining the artifice of a market constituted by what Polanyi refers to as fictitious commodities (labour, land and money). Talk of the increasing division of labour and the resulting *anomie*—in a Durkheimian sense—as the outcome of the ineluctable and mechanistic functioning of the market misses the means through which subjective desire is allured into the trappings of the autonomous self. Here Elias’s *homo clausus* resonates with the notions of governmentality and technologies of the self in the work of Foucault, whereby we see the rise of subjects who become increasingly governable in terms of the disciplining apparatus of the price mechanism. The psychological tensions of the codes of shame help corral the conduct of individuals in a way that gives realisation to their commodity form, but also makes them active agents in their self-commodification through their aspirations of prestige attainment.

The broadening and intensification of the civilising process, while facilitating market expansion through bridling the affective expression at an individual level, arguably created conditions for the catastrophic displacement of affect at a societal level. As Elias argues, the civilising process leads to the strengthening of the super-ego, the self-observing agency of the psyche from whence issues guilt and remorse, and which Freud (1961a) implicated in the cause of neuroses. Freud saw the growth of the super-ego as the handmaiden of civilisation, but at the same time, civilisation was a source of unhappiness for individuals, bringing with it tremendous psychological duress (Freud 1964b). The super-ego, also known as the ego-ideal, internalises a desired image of the self from which deviations in conduct lead to self-reprisals and frustrations with one’s lived experience. The unconscious grip of the super-ego, when unsettled from either internal or external perturbations, induces states of anxiety and aggression. Anxiety results when the ego is tormented by fears of dissolution instigated by the super-ego in order to induce changes in one’s behaviour, whereby aggression is directed outward in order to stave off threats to one’s fragile ego construct. While the civilising process advances by inducing anxiety, it also threatens the displacement of aggression as a means of negotiating the increasingly rigid demands on the self.

The civilising process, as it was unfolding in the nineteenth century, created conditions of sociality that were precarious in nature. Akin to the notion of the ‘double-movement’ expounded by Polanyi, whereby the expansion of the market led to a tendency to ‘resist the pernicious effects of a market controlled economy’ (Polanyi 1957: 76), the civilising process produced psychical resistances and unintended consequences that could not continue unabated. For Polanyi, the social and psychological violence of the institution of market civilisation fuelled nationalistic impulses, whereby the dissolution of traditional social bonds gave rise to the longing for imagined national communities. So too, with ever tightening strictures induced by the civilising process, there arose both heightened anxieties and the projection of aggressive impulses against those conceived of as inferior due to their lack of commensurate levels of self-control and civility. From the rise of scientific racism, which legitimated imperial aspirations, to the jingoistic impulses of the late nineteenth and early twentieth centuries, we see signs of societal displacement propagated by the authoritarian demands of the ego-ideal on individual subjectivities. Thus, the evolution of the regulation of affects had surpassed a threshold of sustainability, and accordingly gave
way to a new trajectory in the civilising process, the process of informalisation which attenuated the demands of the super-ego.

The Informalisation of Affective Control

The rise of psychoanalysis and the ‘discovery’ of the unconscious around the turn to the twentieth century were not born of chance. Freud’s enterprise was historically contingent upon the psychical pressures that had been mounting on individuals with the growth of super-ego prohibitions induced by the civilising process. His therapeutic endeavour was one of making his patients conscious of the unseen demands upon their egos, the social demands that were contributing to outbursts of neurotic resistances. The ‘talking cure’ of Freud was about elevating into consciousness the conflictual demands of civility and of sexuality, that, particularly in the late Victorian era, were the cause of an inward turmoil for many.

In elucidating these unconscious demands, individuals would be equipped to interpret the origins of their neurotic symptoms, and thus be able to take greater control of themselves and more effectively mediate their interactions with others. The purpose of psychoanalytic treatment was to weaken the agency of the super-ego and, simultaneously, strengthen the ego construct. In essence, by better understanding the arbitrary nature of societal demands, a strengthened ego would be able to consciously and strategically negotiate the self/other divide.

Though psychoanalysis provided a technique that allowed some to better negotiate social demands, and accordingly weaken their anxieties and aggressive neuroses, for others the civilising process marched forward, contributing to violent outbursts and social unrest. As members of the Frankfurt School recognised, a strong connection existed between the rise of fascism and the psychical tensions Freud saw precipitating in neurosis. As Adorno and Horkheimer claimed, anti-Semitism was a ‘false-projection’ arising from volatile inward psychical conflicts (2002: 154). With constricting thresholds of shame regarding social conduct, frustrations in realising the ideal self were aggressively projected onto groups perceived as polluting society, of arresting the advance of civilisation. As Fromm argued, for the ostensibly free individual of modernity, internal compulsion outstripped the external pressure of the strictest master in the feudal era (2002: 81). He thus suggested that the rise of fascism marked the capitulation of the self; it was the response of the weakened and distraught ego which had succumbed to another’s will as a means of vicariously attaining an idealised state of being.

Despite the violent eruption of affect that fuelled ideological conflict and zealous nationalism during the twentieth century, the general tendency, particularly after the Second World War, was towards a more open regime of affective expression. The formalisation in manners that Elias showed as developing from the late medieval period to late nineteenth century underwent a limited reversal. Forms of expression that had been obstructed by an earlier phase of the civilising process, especially in the nineteenth century, found renewed outlet in a process of informalisation (Wouters 2004a, 1986, 2007).

It was not necessarily that self-control diminished during this period, but rather that it worked on the basis of distinct psychodynamics. As Wouters argues, rather than self-control based on the censure of the super-ego, control was exercised in an increasingly conscious manner by the ego itself. It is, as he explains, a shift from conscience to consciousness (Wouters 2007). Individuals, rather than haunted by shame and fear of
ostracism, of being conceived of as abnormal, are able to reflect upon their psychical drives and accordingly mediate their impulses in keeping with the demands of the social interdependencies of advanced capitalism. Akin to the therapeutic objective of Freud in dealing with neurosis, with the process of informalisation we witness aspects of ego strengthening occurring during this period of time. In elaborating on this process of informalisation, with its new variety of self-control, Wouters (1986) further develops the notion of what Elias referred to as the ‘controlled decontrolling of emotional control’.\(^3\) With this controlled decontrolling, greater scope is given for finding authenticity and excitement in one’s life, but it is bounded, much like the way spectators and participants are bounded within modern day sports (Elias and Dunning 1986).

A key element of the process of informalisation, Wouters points out, is the development of the post-war welfare state. With the growth of institutions to promote the greater integration of classes, the significance of manners and affective control as status markers diminished. So too, with the increasing socialisation of risk, the virtues of independence and personal responsibility, the hallmark of nineteenth century civility, lessened with the shifting conventions of shame in society. That states would provide social welfare for their citizens as a right of citizenship became increasingly accepted, a significant change from the previous stigma attached to receiving charity (Kingfisher 2002b; Wouters 2007: 92). At the high-water mark of the so-called ‘golden age’ of the welfare state, prosperity fostered enabling conditions for self-expression, which led to the critique of the ‘formal politeness’ of the routinised social relations of the Fordist era of production (Misztal 2000).

Despite the accelerated move towards controlled decontrolling in the 1960s with the rise of counterculture movements, the social codes of shame were not effaced. In particular, influenced by these movements, new codes of shame were developing regarding expressions of superiority and inferiority, whether on the basis of age, class, gender or race. Individuals, while having greater ego-centred control over their emotional expression and bodily conduct, saw the displays and feelings of superiority and inferiority increasingly tabooed and shamed. The displays of such feelings became ‘more strongly repressed and denied than other emotions’ (Wouters 2007: 9).

The shaming or concealing of expressions of superiority and inferiority, especially in relation to class, was a vital element of the post-war consensus. The prosperity of this period relied on the exchange of full employment, social welfare provision and increased consumption possibilities for year-on-year growth in productivity by labour, an exchange that would have been difficult without class compromise. Reducing the most visible forms of social inequality helped in providing a veneer of credibility to notions of classlessness. In the United States, reflecting the dissimulation of class difference was the informalisation of dress, with even the wealthy eschewing ostentatious self-display. Emblematic of this was the popularity in the 1960s and 1970s of blue jeans, an article of clothing associated with blue-collar workers, but which became a political statement of equality between social classes. The drive for social distinction had not been eradicated, but status had become, as Cross suggests, increasingly hidden as a lifestyle; superiority could still be asserted, ‘but at a personal rather than class level’ (2000: 177).

Through the Marshall Plan, the United States helped to promote Fordist mass consumption and the ideal of classlessness across the Atlantic. In 1948, the Economic Cooperation Administration, the agency responsible for administering the Marshall Plan, issued guidance to US corporations advertising in Europe advising them to stress
classlessness, prosperity and the rights enjoyed in American civic life in their copy (Cull 2006: 213). In France, for example, as Pulju tells us, modernisers, backed by the United States, “pushed the view that mass consumer society, free trade, and increased productivity would ultimately make American-style living conditions available to all, which would in turn end adversarial relations between labor and management”. In doing so, though, it was necessary to overturn the entrenched attitudes of French bourgeois consumers towards taste, distinction and class if mass production was to take root (Pulju 2011: 147-48).

Just as outward displays of class distinction were being reshaped by the geopolitics of the Cold War and the consolidation of the Fordist regime of accumulation, so too notions of superiority and inferiority in relation to gender were being transformed. In the late 1960s, in the context of second-wave feminism, with the push for greater equality of women in the labour force, the overt expression of male superiority was beginning to be seriously challenged. Through the 1970s, particularly in the public sector, it was increasingly seen as inappropriate to display overtly gendered notions of superiority. The popular labelling of the sexist as the ‘male chauvinist pig’ that arose in 1970 was evidence of the beginning of the shaming process (Hughes 2010: 179). A few years later, as a notable antifeminist lamented of the impact of women’s liberation on men: ‘He [the ‘Enlightened’ man] responded to feminist assertions by donning sack cloth, sprinkling himself with ashes, and flagellating himself—accusing himself of the very things she is accusing him of’ (Goldberg 1976). Simultaneously, women came to be pressured to check their own feelings of inferiority and displays of submissiveness towards men (Wouters 2004b: 154). Such changes accompanied the need for women to join the labour market in larger numbers to contribute to household incomes and expand the consumption frontiers of Fordism.

Decolonisation and the civil rights movement in the United States had tremendous impact on reshaping displays of and sentiments regarding superiority and inferiority in the 1960s. Following the horrors of the Holocaust, and with its Empire dissolving, for Britain, racial equality became a key political position. In dealing with the leaders of newly independent nations, and in protecting its economic interests, it was vital to suppress notions of Western superiority (Shukra 1998: 1). Drawing inspiration from decolonisation, the civil rights movement further destabilised and challenged conceptions of racial superiority, shaming publicly open racism and instilling repugnance for its overt expression through the practices of active resistance. The Black Pride movement sought to overturn ingrained notions of racial inferiority, with campaigns such as ‘Black as Beautiful’ repudiating dominant racialised conceptions of beauty. The rise of new codes of shame against displays of inferiority were evidenced by the use of labels such as ‘Uncle Toms’ or ‘Toms’ for African Americans who were perceived as exhibiting sycophancy or subservience to white dominated society.

Just at the time that these new codes of shame were transforming sociality in Western nations, particularly in the Anglo-Saxon world, the Fordist compact was fraying. In the late 1960s, with the rise of transnational corporations, it became increasingly difficult to continue with neo-corporatist forms of wage bargaining between labour and business. Concomitantly, the re-emergence of global finance made difficult the continuation of autonomous Keynesian demand management underpinning Fordist accumulation (Helleiner 1995). Furthermore, the oversaturation of global markets with dollars from the US government’s unchecked expenditure exacerbated balance of payments deficits and undermined the gold-dollar standard that had created conditions for financial stability.
Though changing conditions in the global political economy were enabling of the rise of neoliberalism in the 1970s, these developments were not independent of the changes occurring in the affective economies of Western nations. To fully appreciate the historical conditions that would give rise to neoliberalism, we need to turn to psychogenetic factors in addition to political economic ones.

**The Demise of Fordism and the Neoliberal Turn**

The rise of neoliberalism in Anglo-Saxon economies in the early 1970s and its hegemonic consolidation in the 1980s represented, without exaggeration, a phenomenal turn in mainstream political economic thought. The notion that minimal state intervention and strict control on monetary supply were the means of creating conditions conducive for growth flew in the face of the lessons of the Great Depression and the post-war boom regarding the role of state-led demand management. That ideas of the then marginal Austrian school of economics, advocating what seemed to be a return to nineteenth century laissez-faire, would prevail would have been inconceivable in the 1960s. Many commentators were taken aback by the speed with which neoliberalism ‘jumped the barrier’, coming to dominate not only the politics of nations such as Britain and the United States, but also of key international organisations (Gamble 2001).

To focus on the seismic shift of the 1970s as merely the outcome of narrowly conceived self-interest misses an important dimension of social history. The practices of neoliberalism, like any other form of sociality—as previously stated—are overdetermined by an economy of affects; anxiety and aggression are sublimated into the rituals of everyday life. Accordingly, neoliberalism was not simply a response to the expedients of profit and efficiency when the Fordist mode of accumulation began to stutter, but was imbued with psychosocial tensions particular to the conjuncture of the 1960s and 1970s.

In coming to terms with the affective context that precipitated its rise, it is necessary to move beyond the ethereal conceptions of neoliberalism that abound in the popular imagination. Such a move entails interrogating overly-abstract and disembedded conceptions of neoliberalism as a ruling paradigm that, from a distance, recasts social relations. To understand neoliberalism, we need to grasp the way it is grounded in concrete social relations and lived practice (Ho 2005).

Neoliberalism, in the context of the new codes of shame developing in the 1960s—it is argued here—represented a compensatory strategy for dealing with repressed conceptions of inferiority and superiority. With the shift to post-Fordist flexible production and the individuation of risk, aggression and anxiety found sublimated expression in impersonal market forces, subverting the new cultural super-ego demands arising with the equal rights movements. Neoliberalism, while rhetorically deployed on the grounds of enhancing freedom and democracy, of facilitating market completion through monetary stability, created conditions that exacerbated social inequalities and preserved established forms of social distinction. Akin to a neurosis, neoliberalism created conditions for self-regulation that sabotaged the realisation of the burgeoning ideals of equality in society.

To elucidate the extra-rhetorical dimensions of the neoliberal ascendency, it is first necessary to better understand the functioning of affective economies, of the mechanisms devised for mediating anxiety and aggression in the social sphere. As Georges Bataille (1988) once argued, the real problem of economics—broadly conceived—is not that of scarcity, but of excess. All societies that have attained a level of subsistence have had to
cope with the problem of an excess of psychical energy, and accordingly have devised distinct social technologies in order to expend it. As Bataille notes, war, colossal monuments and elaborate ceremony and dress have served as forms of exuberance for dissipating excess. Whether mass consumerism in capitalist economies or Potlatch in gift-giving societies, each represents a form of dissipating excess. So too, the refinement of manners and bodily conduct precipitated by the civilising process has acted as a means of dissipating excess, a superlative form of consumption that has been driven by the affects of anxiety and aggression.

Though happiness and pleasure have frequently been asserted as the springs of economic agency, within a broader affective economy it is the drive towards psychical stasis, the dissipation of excess, that is key to understanding behaviour. Stasis, drawing on Freud’s theorisation of drives, arises in conditions where individuals attain a level of narcissistic fulfilment. Narcissistic fulfilment—not to be conflated with conventional notions of self-love—arises when individuals attain a sense of wholeness, unperturbed by internal and external excitation. For Freud, primary narcissism was akin to an ante-natal state, a state in which there is no conception of the self separate from an external world, no compunction of time, nor the pangs of physical want (Freud 1957b). Aggression and anxiety are mobilised as drives within the psyche in order to quell disturbances from without, and to induce changes in the ego-construct in order to better deflect external excitation.

The drive towards stasis does not necessarily result in quietism or withdrawal, frequently leading to elaborate and extroverted social performances. Whether the exuberant rituals of courtoisie explored by Elias, or the worldly asceticism of the reformed Protestant, which fuelled devotion to one’s profession, both are evidence of distinct ego strategies for warding off narcissistic injuries, injuries to guarded and cultivated conceptions of self. Foreshadowing Elias, Veblen (2007) noted the costly engagement in ‘leisure’ activity at the height of nineteenth century industrialisation, as wealthy individuals engaged in flamboyant displays of high society in order to establish invidious distinctions from those of lesser social esteem, and thus preserve fragile conceptions of self.

In the post-war period, social conditions, particularly in the Anglo-Saxon world, were conducive to dissipating excess and to providing a basis for narcissistic fulfilment. The Marshall plan, as Bataille (1988) saw it, was more than assistance for Europe’s reconstruction, acting as a channel for the expenditure of excess by the United States. Akin to the competitive nature of Potlatch, whereby greater prestige is conferred upon the individual who gives away the most wealth, the United States in the post-war period was locked in a competition of expenditure with the Soviet Union. The division between East and West and the looming threat of nuclear annihilation provided a form of superordinate displacement, an externalisation of aggression that was promotive of the domestic social harmony essential for the Fordist compromise. Additionally, during the war years, inequality in the United States reached the lowest levels of the century, and would continue to decline until the late 1960s (Plotnick et al. 2000: 293-94). The relative equality of the period helped in abating social anxieties and facilitated the process of controlled decontrolling.

Despite the relative equality of the post-war era, Fordism was built on the acceptance of certain entrenched inequalities that eventually solicited challenges to the compromise. Internationally, it was premised on a division of labour in which colonies and former colonies continued in their role as producers of raw materials for Western nations (Lipietz 1987). In Africa, substantial Marshall funds were directed towards shoring-up European colonial holdings (Hubbard 2010: 195). Domestically, Fordism excluded certain
racial and ethnic groups, and helped to re-enshrine an idealised domestic patriarchy. As Williams (1994) has argued, the able-bodied ‘Fordist man’ was dependent on the elided presence of the ‘Fordist woman’, she who provided unpaid domestic work, and, in the case of working class women, part-time and casual employment. So too, Fordism relied on the inflow of ‘guest workers’ to Europe and Mexican immigrants in the United States to undertake jobs others were unwilling to do. These workers provided a reserve labour pool vital to the maintenance of collective wage bargaining, being easily hired and fired, thus insulating the jobs of white men from the vagaries of the market (Huber and Stephens 2001).

In the United States, African Americans failed to reap the same benefits of the Fordist compromise that accrued to working class whites. The northern industrial opportunities provided fewer black workers with stable employment, with these workers occupying the lowest rungs of the manufacturing sector. Even the automobile industry, which enjoyed some repute for its higher rates of employment and better wages for black workers, was clearly segregated; at the Ford Rouge River plant in Michigan, African Americans most often worked in unskilled jobs, or, if employed in production, undertook the most hazardous occupations at the plant (Lewis-Colman 2008: 8). Just as black workers began to attain some parity with their white counterparts in the late 1960s, industrial decline began to close the gate. In industrial cities such as Detroit and Chicago, the impact of deindustrialisation was racially disparate, with the jobs of black blue-collar workers the first to be targeted (Street 2007: 115). A similar phenomenon occurred in Los Angeles, with white workers able to retire from closing industries while their belatedly arrived black co-workers were left jobless (Davis 1992).

The ideal of ‘Fordist man’, particularly in the United States, was not easily reconciled with the integration of women or racialised minorities into the workforce. The creation of Fordist man, as Gramsci (1971: 296) pointed out, required a unique configuration of sexuality and family, one that was not readily amenable to the challenges of second-wave feminism. Fordism required the gendering of industrial work, of presenting manufacturing as the embodiment of masculinity. In integrating men into routinised and monotonous work in which they were dominated by the machinations of the assembly line, a stable home life with a dependent wife over whom the man could assert his dominance was essential (Seidler 1991: 211).

Additionally, in normalising Fordist man racialised minorities played a vital role as the disparaged other, making their inclusion in the spoils of the post-war compromise problematic. Creating a new normal Fordist self, based on notions of frugality, hygiene, punctuality and temperament, much as promoted by the Ford Motor Company with its home inspections of employees, relied on racial and ethnic stereotyping. The characterisation of African Americans as slow, unintelligent and lazy was important in legitimating the favourable position of the white worker, and in securing the white worker’s obedience. So too, the normative consumer under Fordism was ‘defined against those who could not consume or who consumed improperly’ (Hong 2006: 73-74). African Americans played the consummate other, characterised as spendthrift, reckless and disingenuous in their consumption, the antithesis of the Fordist ideal (Davis 2010).

Understanding how the post-war consensus fostered an affective economy that regulated the anxieties (of white men), and provided a means of displacing aggression helps in understanding the psychodynamics of the subsequent rise of neoliberalism. With the growth of new codes of shame regarding feelings of inferiority and superiority, feelings that
were instrumental to self-identity in the Fordist era, anxiety and aggression mounted, exacerbating the problem of excess. Neoliberalism thus served, as explored in the next section, as a sublimated response to the psychological tensions of the epoch.

**Neoliberal Excess**

The dissonance of identity experienced by Fordist man in the late 1960s and the 1970s, with new codes of shame that led to the repression of entrenched conceptions of superiority, would complicate the continuation of the post-war consensus. With the undermining of the golden lie that naturalised the masculinist and racialised social relations of the Fordist era, a new conception of selfhood was essential to restore a semblance of narcissistic fulfilment. Rather than notions of superiority finding direct expression through the established hierarchy of social production—which was under duress—they would need to find expression in a more surreptitious form.

Neoliberalism, in short, was the sublimated response to the new demands placed on the ego by the civilising process. With an emphasis on hyper-individualism, self-ownership, minimal state intervention and the mediation of society by impersonal market forces, neoliberalism was a means of breaking off relations with an external world that no longer reflected back the same ideal. The psychical investment that Fordist man had made in a superordinate social identity was thus withdrawn, redirected towards mobilising a new conception of self. It was akin to what Freud referred to as a ‘narcissistic neurosis’, arising from a conflict between the ego and super-ego (1961b: 152). Simultaneously, neoliberalism reflected the abnegation of the social self and of the social other, a denial of social interdependence, indulging a fantasy of autonomy in response to the vulnerability of the ego in this contentious historical epoch.

Stripped of recourse to gendered and racialised conceptions of superiority, neoliberal man placed stock in a founding myth of spontaneous self-organisation in order to legitimate inequalities. In explaining the self-organisation of society, Hayek evoked the image of a crystal, a structure impossible to create by arranging individual molecules, but which would arise when molecules were left to spontaneous forces to self-organise (1960: 160). In such a conception of social order, individuals could thus be neatly extricated from the messiness of history, without any need to consciously take measures to overcome the legacy of historical injustices. Neoliberalism offered a social tabula rasa, with inequality becoming an expression of individual differences and skills, with interventions to correct inequality perceived as attacks on political freedom (Hayek 1960: 87).

Neoliberalism was not simply a technology of power for reorganising the social relations of production but, as previously stated, a technology of the self that allowed individuals to reorient themselves towards the social world. As Foucault defines it, a technology of the self is a technique or operation that individuals perform ‘on their own bodies and souls, thoughts, conduct, and way of being, so as to transform themselves in order to attain a certain state of happiness, purity, wisdom, perfection, or immortality’ (Foucault 1988). In producing neoliberal subjects, these operations recast the self as an autonomous monadic entity that could deflect from the ego the attacks that were mounting on these individuals for their choice position in the unequal structures of society. The reconstituted pristine self was thus free from implication by disavowing society, severing the most visible forms of dependence, creating conditions for a return to stasis.
The rise of this technology of the self brought forth a new ascetic discipline, a new form of self-punishment in order to pre-empt injury to the ego. Unlike Fordist man, who conceived welfare as a right, neoliberal man saw reciprocal relations with greater society as incompatible with the new vision of selfhood. As Nikolas Rose argues, with the rise of a new ‘government of the self’, social welfare became conceived of as ‘a usurper of private choices and freedoms, as a violation of individual rights’ (1996: 165). For neoliberal man, it was better to suffer privation and abstain from accepting social support, and thus be able to maintain tighter control over the definition of the self. Whereas Fordist man was liable to criticism for receiving undue preferences that violated the calls for greater social equality, neoliberal man had no truck with ‘society’, asking favours of no one and thus exonerated for the untoward situations befalling others. The anxiety of the late Fordist period mobilised a strict regime of the self (Rose 2004), with aggression turned inward in order to put oneself beyond reproach through a heightened level of self-control.

Neoliberalism not only provided a compensatory means of regaining a sense of ego coherence as a defensive technology of the self, but also provided a means of displacing aggressive excess. At the same time that the strictures of self were tightening, at an unconscious level the denial of the social self worked as a form of aggression against the social other. By subjecting himself to privation, neoliberal man sabotaged the basis of social support upon which others relied, thus increasing their vulnerability. Asceticism was instrumental in subverting the possibility of identification with others, thus in essence dehumanising them. As Freud (1957a) recognised, the process of identification is a way of overcoming conflicts with others by incorporating them, integrating their preferences and object relations into our own ego; by foreclosing the possibility of identification, neoliberal governmentality accentuated the outward displacement of aggression through sociality.

Thus, through inducing disidentification in neoliberal man, the result was not simply neutral indifference, but more a ‘dispassionate destructiveness’ towards others (de Swaan 1997). The rhetoric of political equality evoked within neoliberal discourse adhered to the demands of the new codes of shame developing in the 1960s, but also harboured contempt for ostensible equals by abrogating social grievances from the sphere of politics, reproblematising them as issues of ‘market incompleteness’. Colour- and gender blindness were embraced while the masculinist and racial biases inherent in prevailing socio-economic institutions would ensure unequal outcomes. Ignoring race and gender worked, as Robbins argues, to ‘mask the formative processes of economic disaccumulation and cumulative forms of social stigmatisation that disadvantage people’ (2008: 129).

The retrenchment of the state—at least in the area of social welfare provision—provided a means of both stifling debates on racial equality, and of exacting an unconscious revenge on those agitating for greater parity. As Goldberg suggests, the dismantling of the state was a response to fears of ‘impending impotence of whiteness’. By shrinking the state and transferring public wealth to private hands, so the problem of race could be equally privatised, protecting certain racial exclusions (Goldberg 2010: 594). As Lipsitz argues, the withdrawal of public funding entrenched the benefits of whiteness, and fostered a discourse that demonised people of colour who were left unprotected by economic restructuring. In the US, racial minorities were made increasingly vulnerable by the withdrawal of the state, with black families’ average income falling from 60 per cent of white families in 1971 to 58 per cent in 1980 (Lipsitz 2006: 18).

Similarly, the advent of neoliberalism worked to subvert the gains of women in the struggle for greater equality. The idea that welfare undermined the motivation and self-
respect of recipients, while seemingly gender-neutral, was highly gendered in its impact, increasing the vulnerability of poor single mothers and their children (Kingfisher 2002a: 7). Political equality was significantly deleveraged through the suspension of social services, which thus forced many women into performing the ‘double shift’ of fulltime employment and household work, and resulted in the increasing feminisation of poverty. Like the situation with racial politics, privatisation served to dispel gender politics from the public sphere. Just as the dependence of women on the breadwinning Fordist man was diminishing, privatisation of state services led to the reprivatisation of reproductive labour (Marchand and Sisson Runyan 2000). The nominal equality of opportunity was granted to women on the basis that they would continue to bear the disproportionate cost of social reproduction. Even in those instances where new possibilities of career advancement were availed for some women, this ‘liberation’ entailed them participating in patriarchal relations that ultimately exploited other women’s labour (Mies 1998).

The neoliberal discourse of personal responsibility created conditions for displacing aggression towards women. The single unemployed mother who received public assistance became the target of popular resentment, the epitome of irresponsibility. Not only was the single mother irresponsible in relation to her own children, but was the cause of social ills that were beleaguering cities in the 1970s and 1980s with the processes of economic restructuring and urban decay. So too, mothers who worked but whose income was insufficient to escape poverty were characterised as not having ‘earned the right’ to motherhood (Solinger 1998). Even where poverty was not an issue, the perceived failure by a woman to prioritise the needs of her children before career could attract opprobrium, with her being labelled as the ‘selfish mother’. Whether the poor mother or the ‘careerist’, the stigmatisation and resentment of the ‘bad mother’ served as a means of keeping post-Fordist woman on a disciplinary tightrope.

Despite the pretensions of promoting political freedom through scaling back the state, neoliberalism sublimated aggression through a series of social interventions that exacted increasing control over contentious political subjects. As Rose has emphasised, governments employed ‘expertise’ in order to govern society from afar, developing sophisticated mechanisms of auditing, accounting and management to create a market in the provision of public services (Barry et al. 1996). The development of these techniques of management was concomitant with the process of disidentification that allowed the dehumanisation of political subjects. This was evident in the ‘intense state interventions’ made with the ascendance of undemocratic and unaccountable institutions such as the US Federal Reserve and the International Monetary Fund in making key decisions (Harvey 2005). The new techniques of management extended the presence of the state, establishing conditions through proxy state institutions that helped to make certain populations more responsive to the market. Despite the one-size-fits-all policy commonly depicted, neoliberalism was highly variegated, employing a host of interventionist strategies in the areas of crime, immigration, policing, welfare reform, surveillance, and community regeneration; far from laissez-faire, these policies extended a regime of precarious work that underpinned the growing inequality in Anglo-Saxon economies (Peck and Tickell 2002: 42-45).

In addition to the highly interventionist re-regulation of social policy, neoliberal excess would also find displacement through military expenditure and interventions abroad. Most starkly belying the ostensible night-watchman role of the state was the growth of the military-industrial complex with the engagement in ‘military Keynesianism’ by the Reagan
administration in the 1980s (Turgeon 1996). As non-defence spending was cut by 1.5 per cent of GNP between 1981-85, military spending increased by 1 per cent (Kamlet et al. 1988). The 1980s saw the US invasions of Grenada and Panama, the bombing of Libya, and interventions in Afghanistan, Angola, El Salvador, and Honduras, among other states. As the Correlates of War data shows, from 1981 to 1993, US interventions shot up to an average of 3 per year, as compared to 0.73 per annum for the period 1932-1980 (Earle 2003). Similarly, in Britain Prime Minister Margaret Thatcher oversaw an increase in military expenditure from 1979-1985 (Anthony 1998: 10), and had given the country an object for nationalist displacement with the war against Argentina.

Conclusion: Towards an Aetiology of Neoliberalism

As this analysis has attempted to show, the rise of neoliberalism in the 1970s was not simply the result of narrowly conceived political and economic expedients, but was also driven by non-rational affective forces. The view that its ascendance was simply a matter of it presenting a viable solution to the woes that confronted industrial economies in the 1970s and 1980s is questionable, given that neoliberalism’s performance was at best mixed; Anglo-Saxon economies compared with coordinated market economies failed to produce significantly higher levels of growth, and fared more poorly in terms of unemployment during the 1980s (Hall and Soskice 2001: 20). This is not to say that the external pressures on Fordist states in the 1970s, particularly with the re-emergence of global finance, did not play an important role in reshaping the prevailing political economic discourse, but that such forces alone do not account for the investment in the performance of neoliberal subjectivity.

By turning to Elias’s theorisation of the civilising process, this analysis attempted to elucidate the historical contours of the psycho-social pressures that have shaped the behaviours and outlook of the subjects of neoliberal governmentality. The civilising process over the span of centuries induced heightened levels of affective and bodily self-control and self-discipline, which in turn permitted the intensification of the social interdependence essential to the functioning of market civilisation. At certain historical conjunctures, though, the anxiety induced by the super-ego demands has led to unsustainable forms of sociality, with violent outbursts of aggression. Neoliberalism followed on the heels of a period of attenuated super-ego demands for certain segments of the population, a period of controlled decontrolling of emotional display. Fordism, while providing a modicum of narcissistic fulfilment for white men by lessening super-ego demands, was untenable in its exclusion of women and racialised minorities. As new codes of shame developed regarding feelings of superiority and inferiority, Fordist man’s worldview buckled, eventuating in a narcissistic neurosis: neoliberalism.

The key psychical resistance of the neoliberal neurosis is the inability to shift adherence to notions of equality from the super-ego to ego, from conscience to consciousness. Neoliberal man subverts the demands for equality through an aggressive form of economic sociality that aggravates historical injustices and dehumanises disparaged others. The neoliberal subject rhetorically employs political equality as a means of expressing violent resentment against those with whom identification is inconceivable.

The neurosis of neoliberalism not only entails the manifestation of unsustainable social practices, whether the recklessness of haute finance or immiserating structural adjustment policies, but also entails a level of self-harm for neoliberal subjects. The
realisation of a hermetically-sealed self, the adult-born individual with limited social attachments, is a costly if not futile endeavour. ‘Possessive individualism’ leads to a situation in which emotional transference with others, an important element of Freud’s psychoanalytic therapy, becomes all but obstructed (MacPherson 1990). Unable to attain the idealised selfhood, the neoliberal subject is prone to an internalised tormenting anger, and projects on to others the blame for its own shortcomings.

In conclusion, years after the onset of the global financial crisis, with pronouncements of the death of neoliberalism seemingly premature, and despite the recognition by even the likes of Alan Greenspan of the ‘flaw in the model’ of the self-correcting market, austerity policies implemented by Western governments move to reinforce neoliberal governmentality. Given the nature of the manifestation of the neoliberal neurosis as explained here, it is perhaps unsurprising that racialised minorities and women continue to find themselves under greater economic strain in the resulting fallout. Ultimately, escaping the dispassionate destructiveness of the current epoch requires that we penetrate beyond the prevailing political economic rhetoric, bringing to consciousness the repressed psychical conflicts that form the basis of our neurotic attachment to neoliberalism.

1 For a fuller exposition on the notion of affective economies, see Ahmed (2004).
2 For example, see the work of Samuel Smiles (1859).
3 Wouters attributes the notion of ‘controlled decontrolling’ to Elias’s lectures in the early 1970s.
4 Freud referred to the ‘principal of constancy’ (1964a: 9).
5 In ascribing a gender to neoliberal subjectivity, the intention is not to deny the role of women in the production of neoliberal subjectivity. Women actively participate in neoliberalism, despite the fact that it exploits patriarchal relations. Similar to what Lipsitz (2006) claims of white supremacy, neoliberalism is an equal opportunity employer. Individual women and members of minorities may benefit from their participation in neoliberalism despite the systemic exploitation of gender and racial hierarchies.
References


