

THE END OF NEOLIBERALISM?

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International capital immune from most legal challenge; corporates that continue to take profit without shouldering loss; governments that are business: If the Left thinks neoliberalism is dead, it's time for a radical process of thought-decolonisation.

Marks, I believe, never the Twain did meet. I refer, of course, to Mark Twain, who, notwithstanding his towering literary legacy, has become an American cliché for his famous one-liner about untimely obituaries and deaths-prematurely-pronounced – in particular, the deaths of people who evince distinctly more vigor than *mortis*. As it happens, I personally prefer the Mark-sian alternative: Groucho, that is, not Karl. You may well recall it: playing Doctor Hackenbush in *A Day at the Races* (1927), Groucho finds a patient lying supine on the floor, takes the unconscious man's wrist in his hand, puts his time-piece to his ear, listens briefly, and says, "Either he is dead or my watch has stopped".

The analogy is rich. *Is neoliberalism dead?* Or have our watches stopped? More to the point, are we watching for the right symptoms as *homo economicus capitalis* lies prostrate? Or are our fingers pressed to the wrong pulse, drawing our attention to

an entirely false *unconsciousness*, thus to mistake it for mortality? Pardon the play here. It is intended to underscore the deadly seriousness of the question.

That question has been posed in a number of ways. Here we are asked to reflect on whether neoliberalism *has* reached its "ultimate limits" – and with what implications for the future of politics, culture, the Left. Are we really witnessing the "demise of capitalism" as we currently know it? Interestingly, this last phrase, "the demise of capitalism", appeared thrice in the op ed pages of the *The Guardian* in England on one day in late June 2009 – in each instance as a provocation, a call to make sense, more broadly, of the current moment in the unfolding history of capital.

Let me begin with a caveat. For all the fact that Jean Comaroff and I have written a great deal about neoliberalism, I am uncomfortable talking, in this conversation, about the term in its noun form. Why? Because, thus reified, it takes on the denotation of a concrete abstraction, an accomplished object, a totalizing ideological formation; even, in its temporal dimension, an epoch, one that may be deemed present or past. For me, the adjective, "neoliberal", is much easier to grasp discursively and politically, since it may be taken to describe a tendency, a more-or-less realized, more-or-less articulated, unevenly distributed ensemble of attributes discernible in the world; in the active voice, as adverb, it connotes an aspiration, a species of practice, a process of becoming – however *unbecoming* that process may be to our eyes. It is on the basis of this understanding of "the neoliberal", at once adjectival and adverbial, that I seek to parse the history of the present: In what measure have recent tendencies in that history run their course? Are they still with us? If so, in

what proportions and in what guises? Or are we seeing unfold before us a tectonic shift of the long run?

My own reading, uncharacteristically, is cautious. It runs sharply *against* the grain of what is being whispered in some nooks and crannies of the Left in the US academy – of which, sadly, there is not much left. It also runs against my deepest well of political desire: I *want* to see millennial hope in this moment; I *want* to see radical change emerge from some of the more egregious contradictions of neoliberal capitalism come visibly home to roost; I *want* to see the so-called "masters of the universe" punished for their grotesque excesses, their self-serving, often venal practices, their structural crimes against humanity; I *want*, also, to see neocon scholar-ideologues, among them those of my Chicago colleagues who put the con in modern economics, finally having to admit to the error of their ways. There is also some grim satisfaction, having written about millennial capitalism a decade ago, in seeing the processes that we identified then coming to full fruition – although when life begins to imitate anthropology, know that the world really is in deep distress, that the faeces really *have* hit the air-conditioner. But desires and satisfactions are one thing, diagnostics quite another.

While the world economic crisis of 2008-9 might well kill off neoliberalism as a global *ideological* project – here, patently, in the noun form – it could well leave the capillaries of the beast, less Leviathan than Great White Shark, largely intact. Indeed, the "meltdown" and its aftermath may see the planet less, not more, open to alternatives to the neoliberal tendency – albeit with significant "corrections", as some economists are already calling it. I am reminded here, simultaneously, of Reinhart Koselleck and

the Manchester School of Anthropology in Central Africa: Koselleck, because, in his study of the enlightenment and the pathogenesis of modern society, he drew attention to the dialectics of crisis, critique, and correction; the Manchester School, because it demonstrated the capacity of cycles of rupture and their repair to reproduce social systems and the order of values on which they are predicated (see, for example, Max Gluckman's *Order and Rebellion in Tribal Africa* and Victor Turner's *Schism and Continuity in an African Society*). Crisis, self-evidently, is *not* always reproductive. But it frequently is. As Mike Davis noted in his much-quoted "Los Angeles after the Storm" (*Antipode*, 1995), "apocalypse" is often absorbed quickly into the history of the everyday, a process he describes as the "dialectic of ordinary disaster".

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Already, as talk grows of "green shoots" sprouting in the wake of the economic devastation of the past year or so, there are signs of both: of both crisis-driven-critique in pursuit of "correction", and of a return to the "ordinary". In the respect of the first, discourses of correction have come both from liberal and conservative sources. Thus, for example, the now-celebrated edition of *Harper's Magazine* of November 2008, which bore a feature on "How to Save Capitalism: Fundamental Fixes for a Collapsing System". In it, the likes of James Galbraith, Joseph Stiglitz, and others, most of them with impeccable liberal credentials, suggested a range of strategies by means of which to ensure that capitalism might re-emerge relatively unscathed. They prescribed such cures as

reforming the tax system, banning stock options as incentives, bringing into line the self-interest of the banking sector with those of the economy and society at large, finding regulatory means to harness both the risk-laden excesses of the finance industry and the tendency to favor short-run profiteering over longer-term wealth production. Only one contributor to the debate, Eric Janszen – ironically, a venture capitalist – took a more radical line: he argued for a return to industrial capitalism, pointing out that all recent bubbles-and-busts are owed to government creating conditions for mammoth, "metastaz[ing]" markets in financial speculation.

Janszen apart, these efforts to "save capitalism" are symptomatic of a rush of similar liberal writings on the topic. Few of them – the notable exception being Gillian Tett's extraordinary *Fool's Gold* (2009) – delve very deeply into the archaeology of the crisis itself or, more generally, into the inner workings of a global *political* economy whose complexity has increased exponentially over the past couple of decades. As a result, most seek solutions along its outer surfaces. They posit adjustments that might limit the material excesses of the neoliberal tendency, and, in particular, the market instabilities and conflicts of interest to which those excesses give rise. This, itself, is a function of the pervasive practice of explaining *all* economic processes these days by recourse to one or another kind of utilitarian theory; which is why the four Causes of the Apocalypse, as John Lanchester has pointed out (*The New Yorker*, June 1, 2009), are almost invariably taken to be "greed, stupidity, government, and the banks". Not anything in the structure of contemporary capitalism itself. The pursuit of explanations and panaceas in such terms, as we might expect, has its parallel on

the right, most notably perhaps in Richard Posner's *A Failure of Capitalism*, a salvo from the Halls of Friedmania. Note, not *The Failure*, definite article, but merely *A Failure*. Posner, predictably – and, in light of Tett's account, spuriously – argues that individuals in the finance industry acted perfectly rationally in the years before the crisis. That crisis, in his view a fully-fledged "depression", is blamed, as predictably, on bad government – and, much less predictably, on ill-considered, perfectible forms of deregulation. His "corrections", though, belong to the same genus as those proffered by liberal economists: establish new forms of regulation that reduce the conflict between the rational self-interest of economic actors and the commonweal – the invisible old hand here, of course, being the economist of invisible hands, Adam Smith. In the final analysis, from this vantage, the point is to perfect free market economies by establishing the regulatory environment most conducive to a successfully deregulated world.

In the meantime – and this where the second thing, the "dialectic of the ordinary" becomes salient – for all the talk of the urgent need for "correction", signs are that we are seeing a tangible return to business-as-usual, even bad-faith business. This is in spite of the fact that, without new forms of regulation, yet worse crises appear inevitable, in spite of worsening employment statistics, of rapidly rising poverty, and much more besides. The current buzz word in the City of London, in late June 2009, was "BAB": "bonuses are back". And, with them, the forms of finance capital from which they emanate. Listen to Jonathan Freedland, writing in *The Guardian* (June 24, 2009), also of Britain: "Nine months ago, the financial crisis seemed certain to bring a revolution in

our economy Change had to be on the way”. The ghost of Keynes was rising. But now “look what’s happened ... [Just] when the world seemed ready to bury the neoliberal regime ... we have returned to [its ways and means]”. With a vengeance.

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In sum, despite the stream of assertions over the past year that the crisis would have deep transformative effects, putting an end to the “neoliberal regime”, most indicators suggest otherwise. For one thing, the massive infusions of money into the banking industry and mega-business on the part of national governments have occurred without any of the regulatory initiatives that were promised to follow. Yet again, public funds are being diverted into the private sector, underscoring the fact that capital continues to take its profits but not shoulder its concomitant losses; a curious *denouement*, this, to the rise of Ulrich Beck’s *Risk Society*. To be sure, state intervention into the economy is not currently pointed in the direction of a “New New Deal”, but away from it. It has been intended to “save” the corporate world, not secure civil society or ordinary citizens from the predations of the market; the pledge of measures that might protect those citizens immiserated by the crash, never substantial to begin with, have gone largely unrealized. We are plainly *not* witnessing a return to social democracy, let alone the genesis of a new age of nationalization; note, in this respect, that many of the nation-states of the global north – the USA aside, due in major part to the singularity of

the Obama “moment” – are moving (further) to the right. Which may be why there have been so few legislative enactments anywhere promulgated to curb the practices that sparked the meltdown in the first place: *per contra*, while market forces *have* made it harder to negotiate toxic assets and to take some of the more extravagant gambles in the business of finance, the investment industry is widely reported not merely to have returned to its old ways, but to be inventing new “products” without any palpable constraint. The derivatives trade, it seems, is rising again. So, too, are the ramparts around “economic liberalism”. A leader in *The Economist* on July 18, 2009, argues that, notwithstanding “the biggest economic calamity in 80 years ... the free-market paradigm ... deserves a robust defense”.

Nor are these the only signs that the capillaries of the neoliberal tendency, and the “free-market paradigm”, continue to embrace us. There are many others. Some are obvious, like the continuing dominance of the corporate sector: its relative immunity from most legal challenge, even when its enterprises violate the being, bodies, belongings, or bio-environment of ordinary citizens; its enjoyment of favorable taxation regimes and, increasingly, the use of laws of eminent domain to expand its horizons; the protection of its physical, financial, and intellectual property, sometimes by recourse to police violence, as an ostensible function of the *collective* good; its capacity to influence the disposition of the public treasury and public policy and, reciprocally, to have insurgent action directed against it prosecuted as common crime – like, for example, in mass protests against the privatization of such “natural” assets as water and land. Other signs are less obvious, like the growing hegemony of legal orders, founded on con-

stitutions of distinctly neoliberal design, that favour individual rights over collective well-being; that limit the responsibility of government to protect or provision its citizens; that tend to criminalize race, poverty, and counter-politics, in part by outlawing the salience of social cause or consequence; that subject what were once everyday democratic processes to the finality of judicial action, thereby juridifying politics to the exclusion of other forms of social action; that displace the “hot” sovereignty of the people into the “cold” sovereignty of the law; that treat all citizens as rational, self-interested, rights-bearing actors – and the world as a community of contract. (For more on neoliberal constitutionalism, see, for example, David Schneiderman’s “Constitutional Approaches to Privatization: An Inquiry into the Magnitude of Neo-Liberal Constitutionalism”, in the journal *Law and Contemporary Problems*, 2000; also the introduction to *Law and Disorder in the Postcolony*, Jean and John Comaroff.)

I could go on in this vein. To do so, however, would be to risk stating the obvious. But allow me one observation. Perhaps the most significant capillaries of the neoliberal that remain with us have to do with the state and governance. Foucauldians would prefer “governmentality” here; they have a point. Broadly speaking, neoliberal *etatism* seems to be surviving well, even strengthening, in most places. As Foucault himself explained in *The Birth of Biopolitics*, the rise of neoliberalism – *his* use of the noun – marked a radical transformation: whereas before the state, amongst its various bureaucratic operations, “monitored” the workings of the economy, its “organizing principle” is now the market. Government actually has *become* business. And nation-states have *become* holding companies in and

for themselves. In the upshot, the categorical distinction between politics and economics, that classical liberal fiction, is largely erased. Effective governance, in turn, is measured with reference to asset management, to the attraction of enterprise, to the facilitation of the entrepreneurial activities of the citizen as *homo economicus*, and to the capacity to foster the accumulation (but *not* the redistribution) of wealth.

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Under these conditions, heads of state begin to resemble, and often actually *are*, CEOs who treat the population as a body of shareholders; *vide* Silvio Berlusconi, who explicitly speaks of Italy as a company, or Dmitri Medvedev, head of Gazprom, Russia's mightiest business and a major instrument of its foreign policy. There is a more profound point here. Once upon a time, anti-neoliberal theory posited an opposition between state and the free market, arguing that the antidote to the latter lay in the active intervention of the former. But the opposition is false, just another piece of the detritus of the modern history of capital. As states become mega-corporations (Kremlin, Inc.; Britain, PLC; South Africa, Pty Ltd.; Dubai, Inc.) all of them, incidentally, branded and legally incorporated – they become inextricably part of the workings of the market and, hence, no longer an “outside”, an antidote or an antithesis, from which to rethink or reconstruct “the neoliberal paradigm”. Which, in part, is why government is increasingly reduced to an exercise

in the technical management of capital, why ideologically-founded politics appear dead, replaced by the politics of interest and entitlement and identity, three counterpoints of a single triangle. And why the capillaries of neoliberal governance seem so firmly entrenched in the cartography of our everyday lives, there to remain for the foreseeable future. To the degree that any future is foreseeable.

None of this is to suggest that neoliberal economics will persist unchanged. It is quite possible that we will see some minor re-regulation of the finance industry, especially in favor of long-term wealth-generation against short-term profiteering; marginally greater citizen protection against the cons of corporate world, particular in the domain of credit; adjustments to regimes of taxation; and further state intervention into the market under the guise of public-private initiatives. Anything more? Hard to say. But it is not highly likely. Not unless a counterpolitics, a praxis of deep insurgency, impels us toward a history of the future distinctly different from the one we are living in the continuous present. Only time will tell whether, and whence, that might arise.

In this respect, a final thought.

History has taught us repeatedly to be humble before it, a lesson as apposite today as it has ever been. If we are to seek out possible alternatives to the neoliberal tendency, if we are to fashion other futures, it is critical to grasp fully the nature of the beast, of its capillaries and their effects not just on our lives but on our thought processes. After all, those forces covered by the adjective “neoliberal”, not to mention its adverbs of practice, are no less colonizing than the forms of empire to which the global south has been subjected before now. As Frantz Fanon might

have insisted, decolonizing our habits of thinking – sometimes by a violent reconsideration of its most foundational assumptions – is the first step to decolonizing the world into which history has interpellated us.

This piece was originally drafted as an opening comment for a roundtable discussion at the Johannesburg Workshop in Theory and Criticism on “The End of Neoliberalism? What is Left of the Left?” The division of labor among the speakers allocated to me the propositional question, “The End of Neoliberalism?” The other speakers undertook to discuss the future of the left and the application of the question/s to contemporary South Africa. JLC