

NEOLIBERALISM

Neoliberalism: The Key Concepts provides a critical guide to a vocabulary that has become globally dominant over the past forty years. The language of neoliberalism both constructs and expresses a particular vision of economics, politics and everyday life. Some find this vision to be appealing, but many others find the contents and implications of neoliberalism to be alarming. Despite the popularity of these concepts, they often remain confusing, the product of contested histories, meanings and practices. In an accessible way, this interdisciplinary resource explores and dissects key terms such as:

- Capitalism
- Choice
- Competition
- Entrepreneurship
- Finance
- Flexibility
- Freedom
- Governance
- Market
- Reform
- Stakeholder
- State

Complete with an introductory essay, cross-referencing and an extensive bibliography, this book provides a unique and insightful introduction to the study of neoliberalism in all its forms and disguises.

Matthew Eagleton-Pierce is Lecturer in International Political Economy, SOAS, University of London, UK.

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The Key Concepts

Matthew Eagleton-Pierce

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CONTENTS

<i>List of key concepts</i>	vi
<i>Acknowledgements</i>	vii
<i>Introduction</i>	ix
THE KEY CONCEPTS	1
<i>Bibliography</i>	194
<i>Index</i>	000

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LIST OF KEY CONCEPTS

adjustment	3	growth	97
business	5	individual	102
capitalism	10	innovation	106
challenge	15	investment	110
change	17	management	114
choice	20	market	118
class	24	network	125
community	29	openness	130
competition	33	participation	133
consensus	37	performance	137
development	40	power	141
diversity	46	private	145
emerge	50	project	149
enterprise	53	reform	153
entrepreneurship	56	responsibility	156
environment	61	risk	161
experience	65	stability	165
finance	68	stakeholder	169
flexibility	77	state	173
freedom	81	trade	179
global	87	vision	184
governance	92	welfare	187

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This book was initially conceived at the University of Oxford during my studies as a DPhil student in international relations. My doctorate explored diplomatic struggles between countries at the World Trade Organization (WTO) and how one could better understand such contests through a sharper focus on power (Eagleton–Pierce 2013). Similar to other areas in the world of commerce, the social environment of international trade policy – from the negotiating rooms of the WTO’s home in Geneva to the ‘real world’ of buying and selling goods and, onwards, to the academic study of such processes – features a labyrinthine set of debates. For those who are not privy to these discussions, the stakes of the trade policy game can often appear bewildering and confusing. There are many reasons for this common reaction (or non-reaction), but one possibility I dwelt on concerned how the vocabulary of trade policy is often dry and technocratic, as if its history and political economy had been ironed out. At a broader level, this observation encouraged me to consider the ways in which capitalism acquires its justifications, not only through theoretical debates and policy deliberations but also at the level of everyday discourse. *Neoliberalism: The Key Concepts* emerged out of these initial reflections.

In the course of designing, researching and writing this book, there have been many individuals who have helped me. For primary influences, I could not have completed the book without the intellectual sparkle and emotional support of my wife, Ammara Maqsood. For many entries, her astute anthropological eye caught insights that I missed, in the process broadening my field of vision and enriching the analysis. She also provided a reassuring voice throughout the entire journey, particularly when I encountered the inevitable doubts, frustrations and setbacks. I also need to thank both my parents, Mary Eagleton and David Pierce, for their diligent reading, not only in terms of correcting grammar and proposing ideas, but also for helping to shape

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Matthew Eagleton-Pierce

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INTRODUCTION

‘Neoliberalism’ has become a popular but problematic term to characterise our age. Since the 1980s, within many fields of the social sciences and humanities, but also extending into public debates, this term has been called upon to symbolise, clarify or, through normative inflections, denounce a whole host of things. When surveying this vast and expanding literature, it can sometimes appear as if neoliberalism is a kind of conceptual Swiss Army knife which can unpick and cut through almost any argument concerning the modern world. One finds this term deployed for explaining the behaviour of Wall Street banks in light of the financial crisis (Duménil and Lévy 2011); the everyday experience of life in China (Zhang and Ong 2008); the transformation of Dubai’s skyline (Davis 2007); the weakening of democracy (Brown 2015); the growth of inequality, insecurity and austerity (Schrecker and Bamba 2015); and even the making of reality-based television shows such as *The Apprentice* (Couldry and Littler 2011). It is the same with some of the more popular extensions of ‘neoliberal’, which is found attached to states, markets, projects, discourses, techniques, technologies, rationalities, restructurings, values and cultures (Clarke 2008). If there is a connecting thread between these debates then it concerns the question of how to think about capitalism or, as it is more commonly referenced, ‘the market economy’. In this regard, writers who invoke neoliberalism are often focused on the impacts of business power, ideological expressions such as ‘free trade’ or related social trends that inform society and individual comportment.

Let me say at the outset that the purpose of this book is not to engage in defining ‘neoliberalism’; there is no way of neatly encapsulating what has now become a kind of catch-all expression or ‘explanatory catholicon’ (Goldstein 2012: 304). Rather, my aim is to explore and interrogate a range of histories, meanings and practices that have clustered around

this pervasive label. *Neoliberalism: The Key Concepts* is designed to shed light on a group of words that are rarely out of the news.

In most cases, the words themselves are in common use and have a long and often contested history, as with ‘markets’, ‘freedom’ and ‘development’. Some have specialist senses which reflect particular debates in academic disciplines, as is the case with ‘competition’, ‘growth’ and ‘risk’. Other terms, such as ‘welfare’, ‘stakeholder’ and ‘diversity’, have been strongly shaped by actors within political and business circles. Underlying all these words is a deeper and at times troubling conceptual framework, which this book seeks to analyse and make sense of. How is it that such terms, the language of the tribe, used across a variety of places and spaces, sometimes defensively, sometimes aggressively, can at once unite and divide us? How is it that at times their political baggage remains unnoticed or, perhaps, deliberately obscured? And how do all these expressions come together under the historical umbrella of what we might call ‘neoliberalism’? These are the kinds of question this book seeks to address, a book aimed at students and researchers working in many different areas including, but not restricted to, politics, economics, sociology, geography, anthropology, development studies, management and cultural studies.

What makes a thought or practice ‘neoliberal’ is often unclear. From the 1930s to the 1960s, ‘neoliberalism’ had an earlier life when it was used in a positive sense by a group of intellectuals, including the economists Ludwig von Mises, Friedrich von Hayek and Wilhelm Röpke. These thinkers had different ideas on why liberalism could or should be given the prefix ‘neo’. In one sense, they drew inspiration from Victorian liberalism but, at the same time, they saw a need to manage so-called ‘collectivist threats’, notably state socialism, which impeded their vision of economic and political ‘freedom’ (Mirowski and Plehwe 2009; Jackson 2010; Peck 2010; Burgin 2012; Jones 2012). From the 1980s, in the hands of scholars and social activists who took a different view of capitalism, the term ‘neoliberalism’ came to mean something else. In this now dominant meaning, it denotes a set of policy tendencies that were first crafted and tested in Western countries, notably the UK and the US (but also elsewhere), before spreading to other regions. According to the geographer David Harvey (2005), neoliberalism should be read as an agenda led by, and for, powerful elites, one which emerged in reaction to the perceived failures of Keynesianism and the strength of postwar social movements. From this perspective, although ‘neoliberal policy’ is often a moving and ill-defined target, it is commonly associated with the expansion of commercial markets and the privileging of corporations; the re-engineering of government as an ‘entrepreneurial’

actor; and the imposition of ‘fiscal discipline’, particularly in welfare spending (Gill 1995, 1998; Saad-Filho and Johnston 2005; Boas and Gans-Morse 2009; Dardot and Laval 2013; Davies 2014).

In this book, I build upon these valuable contributions to the study of neoliberalism, but approach the subject with two initial qualifications. First, in the core sense deployed here, studying neoliberalism means uncovering the reoccurring struggles over capital accumulation, but always with an eye on how such processes are shaped by a range of conditions. These contexts – such as the legacy of older political agendas which sometimes survive in reconfigured forms; nationally specific rules, institutions and cultures; and the often unpredictable impacts of disruptions, crises and acts of resistance – offer warnings against any effort to chisel a precise definition of neoliberalism (Peck and Tickell 2002; Brenner *et al.* 2010; Peck 2010). As other writers have suggested, the term has in some ways become a victim of its success. Neoliberalism increasingly appears as an omnipresent and often omnipotent phenomenon, a presumed ‘force’, or *zeitgeist*, which potentially envelops everything (Barnett 2005; Clarke 2008; Eriksen *et al.* 2015; Venugopal 2015). This effect of conceptual stretching – including the many oblique, casual and ironic uses of the word – gives neoliberalism a ‘troubled’ analytical status (Peck 2010: 15). At times, efforts at clarification are made more difficult when scholars slip into clichés and tropes. For instance, some writers claim that neoliberals seek ‘the retreat of the state’, rather than probing how ‘actually existing neoliberalism’ involves authorities who are often ‘fiercely interventionist, bossy, and pricey’ (Wacquant 2009: 308; see also Brenner and Theodore 2002; Gane 2012; Wacquant 2012). It is for this reason that the entries in *Neoliberalism: The Key Concepts* are careful to avoid essentialising neoliberalism as a single ‘project’ which is necessarily designed in advance. Instead, I prefer to use the notion as a broad label or a ‘descriptive shell’ (Venugopal 2015: 182) to denote changes that have occurred within capitalism since the 1970s, all the time conscious that such changes also require conceptual resources beyond the term ‘neoliberalism’.

Second, given the focus on conceptual analysis, this book takes seriously the difficult task of explaining how ideas associated with neoliberalism are stabilised or destabilised. This objective could be viewed as falling within a longer tradition of scholarship which explores how justificatory schemas reflect and constitute capitalist relations (Marx and Engels 1970[1932]; Gramsci 1971). Alongside many scholars who debate the role of ideas in economic life, my argument also dovetails with studies that explicitly address the relationship between ideology, discourse and neoliberalism (Bourdieu and Wacquant 2001; Fairclough 2006;

Boltanski and Chiapello 2007; Turner 2008; Cornwall and Eade 2010; Springer 2012; Massey 2013; Holborow 2015). Such writers have been keen to explore how the rhetoric associated with neoliberalism has become a sort of ‘planetary vulgate’, one that appears to serve all, yet in reality tends to benefit particular interests (Bourdieu and Wacquant 2001: 2). In one respect, I aim to strengthen this literature through a sharper engagement with political economy in all its forms, including the history of economic ideas, the material struggle over policy agendas, the organisation of power through institutions and the consequences of often uneven distributional patterns. In another respect, *Neoliberalism: The Key Concepts* argues for a more nuanced reflection on the eclectic source material for neoliberal ideas. For sure, this includes the appropriation of themes within the history of Western-derived liberalism and, in particular, strands of neoclassical economics. But my examination also goes beyond these references to incorporate a focus on management theory, consumerism and other legacies (including those opposed to, or distant from, capitalism) that have shaped such words. In sum, the creation, testing, defending and critiquing of the evolving neoliberal lexicon encompasses many voices and all of them deserve our attention.

Beyond mere buzzwords

In 1976, the literary and cultural theorist Raymond Williams published a highly acclaimed work called *Keywords: A Vocabulary of Culture and Society*. Through a series of interconnected short essays, the aim of the book was to explore ‘a shared body of words and meanings in our most general discussion’, including terms that were often ‘strong, difficult and persuasive’ (Williams 1983: 15, 14). The label ‘vocabulary’ was a deliberate choice by Williams. In one sense, it implied how many of the terms he investigated, such as ‘culture’, ‘tradition’ and ‘violence’, are deployed in similar ways by different users and thus constitute a general pattern of thought or experience. In another, it pointed to how the selected words are often more complex than they might initially appear, with a range of explicit and implicit connotations. Thus, through a method that was attentive to close semantic analysis and social history, *Keywords* offered a guide for exploring the varied meanings of such terms. Inevitably, however, given that Williams last updated the book in 1983, it does not capture important changes in the evolution of international politics and capitalism, including the mainstreaming of neoliberalism. This point has been recognised by Bennett *et al.* (2005) and Durant (2006), among others, and has inspired an effort to study how socially prominent terms of public discourse can be viewed afresh

(‘The Keywords Project’: <http://keywords.pitt.edu/>). *Neoliberalism: The Key Concepts* has been partly designed in the spirit of *Keywords*, with each entry offering an exploration of the multifaceted and mutually constitutive relationship between language and social change, but, paradoxically, it seeks to broaden this terrain by single-mindedly focusing on neoliberalism and how this has defined our current view of the world.

When asked to describe this book, I sometimes cite *Keywords* as a source of inspiration behind the research. More commonly, however, often for the purpose of quicker communication, I suggest that *Neoliberalism: The Key Concepts* could be viewed as a critical guide to modern ‘buzzwords’ or, specifically in several instances, ‘management speak’, or ‘corporate jargon’. As the *Oxford English Dictionary* defines it, a buzzword is ‘a term used more to impress than to inform’. The words discussed in this book are clearly in vogue, or of the moment, and often foreground the role of business in shaping the collective imagination of many fields beyond itself. Moreover, from a normative perspective, such buzzwords or labels tap into a well of popular frustration regarding how business discourse can be marked by circumlocution (Kellaway 2000; Poole 2014), an argument that echoes George Orwell’s famous critique of political language and its tendency for ‘euphemism, question-begging and sheer cloudy vagueness’ (Orwell 2009[1950]: 370). At the same time, however, it is important not to treat the entries in this book as *mere* buzzwords, in a pejorative way, even to the point of flippant or humorous dismissal (in this guise, on the language of finance, see Lanchester 2014). What I seek to accomplish in *Neoliberalism: The Key Concepts* is something different: to maintain a critical and wary disposition – to reconsider, or, as Marx would put it, to ‘doubt everything’ – but to be open to the difficult process of understanding why such terms take their objectified forms. Even buzzwords are not empty of meaning.

To this end, my argument offers three distinct contributions. First, the book provides a resource for students and researchers in the social sciences who are puzzled by the common words associated with neoliberalism. Each entry features an etymological sketch, an unpacking of meanings surrounding the term, the degree to which such meanings have changed and the critiques engendered. To aid understanding and to illustrate the wide scope of debates linked to neoliberalism, theoretical and empirical insights are drawn from many scholarly fields. Second, *Neoliberalism: The Key Concepts* engages in an exercise of decoding. All the featured terms display forms of ambiguity and imprecision. On one level, there is nothing unusual about such characteristics in language. What matters is to uncover how the particular interests of actors – be they

commercial, national or otherwise – are tied to the use of such terms. In this regard, the uncertainty of language may facilitate space for manoeuvring, contestation or even obfuscation. For instance, when concepts such as ‘reform’, ‘responsibility’ or ‘stability’ are deployed in policy debates, they frequently carry an appearance of neutrality, yet a closer reading reveals how certain meanings and material outcomes tend to overshadow others. Third, the study of neoliberal vocabulary matters for explaining associated patterns of group-making and social struggle. To borrow a line from the anthropologist Bronisław Malinowski (1923: 315), ‘ties of union are created by the mere exchange of words’. We might say that these effects stem from the easy circulation of neoliberal concepts. Such relations do not need to entail deep institutional bonds or zealous forms of loyalty, although patterns of that kind do exist, but could also include a kind of unthinking gravitation to whatever are the ‘received ideas’ of the moment (Flaubert 1968). The neoliberal lexicon is a kind of social glue, the function of which is as much about the mobilisation of populations as it is about the legitimation of things such as ‘free markets’. Thus, it is perhaps not surprising that concepts such as ‘community’, ‘consensus’ and ‘partnership’ are frequently used in ways that attempt to minimise offence and encourage the widest possible acceptance.

Most of the terms addressed in *Neoliberalism: The Key Concepts* could therefore be called ‘dominant’: they are words which have been in use for centuries, and are recycled in a variety of institutional environments, as well as in everyday talk. At first glance, to focus on terms such as ‘choice’, ‘global’ or ‘investment’ may appear slightly odd for such words are surely unremarkable objects of analysis. The neoliberal perspective given to each term lies alongside many other meanings, some of which will be comparatively neutral. Yet it is through such processes that the neoliberal vocabulary cultivates a form of power, which, capillary-like, flows into the narrowest of socio-political spaces (Foucault 1980). By proposing a grammar which transcends itself – by appropriating terms that are also used for non-capitalist activity – the neoliberal spirit of capitalism is able to increase its attractiveness and complicate the strategies of critics (Boltanski and Chiapello 2007). With this in mind, this book aims to contribute to our understanding of how neoliberal practices will always be hybridized (rather than ‘pure’) creations and how, paradoxically, despite failures, doubts and cynicism, the vocabulary often refreshes itself or, at the very least, becomes so normalised that users struggle to imagine what an alternative discourse could look like (Crouch 2011; Peck *et al.* 2012; Mirowski 2013; Peck 2013; Schmidt and Thatcher 2013). The strength of these ‘plastic words’ (Poerksen 1995) is also the result of many being linked into chains of

signification that feature scientific and specialist fields. For instance, a term such as ‘project’ was used in engineering and military contexts to denote planning and control, before spreading more widely within the business world. The concept of ‘risk’ reveals an even more complicated history, including influences that range from developments in actuarial science and probability theory to the growth of litigious cultures.

This brings me to the question of how the terms were selected. Following many years of absorbing relevant academic literature, policy documents and business media, I drew up a longlist of potential inclusions. There are some linchpin concepts in the neoliberal vocabulary that are more important than others, such as ‘market’, ‘freedom’, ‘growth’, ‘competition’ and ‘class’. These inevitably made the shortlist. Beyond this immediate core, my main concern was centred on other established expressions that often display a deceptively taken-for-granted quality rather than every technical term which has entered into debates tied to neoliberalism. On this note, there are specialist dictionaries and handbooks, such as *The New Palgrave Dictionary of Economics* (Durlauf *et al.* 2008) and *The Development Dictionary* (Sachs 1992), which offer insights into the neoliberal milieu, but such works have a different disciplinary remit than is on offer here. Elsewhere, there are many other expressions which could be considered secondary to my main listing, and are often discussed within the chosen entries, but because of the pressures of space do not merit their own entry. Since some of these more peripheral notions have a new or ‘emergent’ status (Williams 1977: 123), it is difficult, as yet, to determine their significance. For instance, ‘resilience’, noted under the entry for ‘individual’, is a term which is rising in popularity across many policy domains, but whether it has staying power for the future is an open question (Joseph 2013; Chandler and Reid 2016). The number of entries – 44 in total – is also reflective of a desire to facilitate a rich exploration of each term, but in a manageable way. Although *Neoliberalism: The Key Concepts* has the definite article in its title, it makes no claim to have captured every potential neoliberal concept, nor to have traced the galaxy of interpretations, translations and revisions across the world. Rather, the book is aimed at further sensitising readers to this complicated lexicon, while opening space for fresh dialogues on the meaning of neoliberalism.

How to use this book

I assume that readers will turn to this guide to explore particular concepts when needed. Although it is structured as a list of discrete entries, the book could be read as a single narrative, one which points to the

difficulty but not the impossibility of mapping neoliberalism. Above all, I wish to highlight the importance of relational thinking for grasping this vocabulary. Each concept stands on its own, but as indicated by the cross-referencing at the end of each entry, it can only be fully or adequately understood with respect to other terms. These webs of meaning have a tendency to cluster, such as when ‘consensus’ is often invoked at the same time as ‘community’, ‘participation’ or ‘stakeholder’. Every term also has its antonyms, or a dichotomous pairing, which often reinforces a particular dominant sense, such as ‘state’ versus ‘market’, ‘individual’ versus ‘collective’ and ‘network’ versus ‘hierarchy’. Relational thinking also needs to attend to how words began and how they have changed in meaning over the centuries. I make no apology for devoting so much space to this aspect. In this sense, words – though never self-consciously – are also in dialogue with their own history and at the same time reveal so much about ourselves and the world we inhabit. In his *Outlines of the Philosophy of Right* (2008[1821]: 14), Hegel proposed that ‘[w]hat is rational is real and what is real is rational’. Marx and the Young Hegelians in the 1840s thought otherwise. Today, we are more inclined to believe that in the discourses and practices of neoliberalism, as elsewhere in the social world, ‘the real is the relational’ (Bourdieu and Wacquant 1992: 97). Only through disentangling and reconsidering what is real and what is relational can we begin to see how the tapestry of neoliberalism was formed and how it continues to function.