



WENDY BROWN

Undoing the Demos

Neoliberalism's Stealth Revolution

ZONE BOOKS

near futures

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Undoing the Demos

In a century heavy with political ironies, there may have been none greater than this: at the end of the Cold War, as mainstream pundits hailed democracy's global triumph, a new form of governmental reason was being unleashed in the Euro-Atlantic world that would inaugurate democracy's conceptual unmooring and substantive dis-embowelment. Within thirty years, Western democracy would grow gaunt, ghostly, its future increasingly hedged and improbable.

More than merely saturating the meaning or content of democracy with market values, neoliberalism assaults the principles, practices, cultures, subjects, and institutions of democracy understood as rule by the people. And more than merely cutting away the flesh of liberal democracy, neoliberalism also cauterizes democracy's more radical expressions, those erupting episodically across Euro-Atlantic modernity and contending for its future with more robust versions of freedom, equality, and popular rule than democracy's liberal iteration is capable of featuring.

The claim that neoliberalism is profoundly destructive to the fiber and future of democracy in any form is premised on an understanding of neoliberalism as something other than a set of economic policies, an ideology, or a resetting of the relation between state and economy. Rather, as a normative order of reason developed over three decades into a widely and deeply disseminated governing rationality,

neoliberalism transmogrifies every human domain and endeavor, along with humans themselves, according to a specific image of the economic. All conduct is economic conduct; all spheres of existence are framed and measured by economic terms and metrics, even when those spheres are not directly monetized. In neoliberal reason and in domains governed by it, we are only and everywhere *homo oeconomicus*, which itself has a historically specific form. Far from Adam Smith's creature propelled by the natural urge to "truck, barter, and exchange," today's *homo oeconomicus* is an intensely constructed and governed bit of human capital tasked with improving and leveraging its competitive positioning and with enhancing its (monetary and nonmonetary) portfolio value across all of its endeavors and venues. These are also the mandates, and hence the orientations, contouring the projects of neoliberalized states, large corporations, small businesses, nonprofits, schools, consultancies, museums, countries, scholars, performers, public agencies, students, websites, athletes, sports teams, graduate programs, health providers, banks, and global legal and financial institutions.

What happens when the precepts and principles of democracy are remade by this order of reason and governance? When the commitment to individual and collective self-rule and the institutions supporting it are overwhelmed and then displaced by the encomium to enhance capital value, competitive positioning, and credit ratings? What happens when the practices and principles of speech, deliberation, law, popular sovereignty, participation, education, public goods, and shared power entailed in rule by the people are submitted to economization? These are the questions animating this book.

To pose these questions is already to challenge commonplace notions that democracy is the permanent achievement of the West and therefore cannot be lost; that it consists only of rights, civil liberties, and elections; that it is secured by constitutions combined with unhindered markets; or that it is reducible to a political system maximizing

individual freedom in a context of state-provisioned order and security. These questions also challenge the Western liberal democratic conceit that humans have a natural and persistent desire for democracy. They presume instead that democratic self-rule must be consciously valued, cultured, and tended by a people seeking to practice it and that it must vigilantly resist myriad economic, social, and political forces threatening to deform or encroach upon it. They presume the need to educate the many for democracy, a task that grows as the powers and problems to be addressed increase in complexity. Finally, these questions presume that the promise of shared rule by the people is worth the candle, both an end in itself and a potential, though uncertain, means to other possible goods, ranging from human thriving to planetary sustainability. Hardly the only salient political value, and far from insurance against dark trajectories, democracy may yet be more vital to a livable future than is generally acknowledged within Left programs centered on global governance, rule by experts, human rights, anarchism, or undemocratic versions of communism.

None of these contestable presumptions have divine, natural, or philosophical foundations, and none can be established through abstract reasoning or empirical evidence. They are convictions animated by attachment, scholarly contemplation of history and the present, and argument, nothing more.

Undoing the Demos has been richly enabled by colleagues, students, research assistants, loved ones, and strangers, only a few of whom I can acknowledge here. Antonio Vázquez-Arroyo years ago goaded me to specify neoliberalism more closely and more recently insisted that I write this book, rather than the one on Marx that remains unfinished. Many of the ideas in this book are Michel Feher's; others he disagrees with, but were much improved by his critiques and reading

suggestions. Robert Meister and Michael MacDonald have been invaluable sources and interlocutors for me on the subject of neoliberalism. The Bruce Initiative's "Rethinking Capitalism" project, which Meister led, was also fecund for my thinking.

The ideas in the book were improved each time I had to expose them to daylight, and I am indebted to hosts and audiences in the many venues where this exposure took place. Julia Elyachar offered excellent commentary on the paper that was my initial foray into this project. Steve Schiffrin generously responded to a version of Chapter 5 with a sheaf of terrific criticisms and references. I am also grateful to students in two courses where I germinated some of the arguments, first at the 2011 Birkbeck Critical Theory Summer School, then in a magical 2012 Berkeley graduate seminar where we read Marx and Foucault together for fourteen luxurious weeks. Several draft chapters were also smartly engaged by members of a workshop organized by Mark Devenney at the University of Brighton.

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**NEOLIBERAL REASON
AND POLITICAL LIFE**

Undoing Democracy: Neoliberalism's Remaking of State and Subject

This book is a theoretical consideration of the ways that neoliberalism, a peculiar form of reason that configures all aspects of existence in economic terms, is quietly undoing basic elements of democracy. These elements include vocabularies, principles of justice, political cultures, habits of citizenship, practices of rule, and above all, democratic imaginaries. My argument is not merely that markets and money are corrupting or degrading democracy, that political institutions and outcomes are increasingly dominated by finance and corporate capital, or that democracy is being replaced by plutocracy—rule by and for the rich. Rather, neoliberal reason, ubiquitous today in statecraft and the workplace, in jurisprudence, education, culture, and a vast range of quotidian activity, is converting the distinctly *political* character, meaning, and operation of democracy's constituent elements into *economic* ones. Liberal democratic institutions, practices, and habits may not survive this conversion. Radical democratic dreams may not either. Thus, this book charts both a disturbing contemporary condition and the potential barrenness for future democratic projects contained in this troubled present. The institutions and principles aimed at securing democracy, the cultures required to nourish it, the energies needed to animate it, and the citizens practicing, caring for or desiring it—all of these are challenged by neoliberalism's "economization" of political life and of other heretofore noneconomic spheres and activities.

What is the connection between neoliberalism's hollowing out of contemporary liberal democracy and its imperiling of more radical democratic imaginaries? Liberal democratic practices and institutions almost always fall short of their promise and at times cruelly invert it, yet liberal democratic principles hold, and hold out, ideals of both freedom and equality universally shared and of political rule by and for the people. Most other formulations of democracy share these ideals, interpreting them differently and often seeking to realize them more substantively than liberalism's formalism, privatism, individualism, and relative complacency about capitalism makes possible. However if, as this book suggests, neoliberal reason is evacuating these ideals and desires from actually existing liberal democracies, from what platform would more ambitious democratic projects be launched? How would the desire for more or better democracy be kindled from the ash heap of its bourgeois form? Why would peoples want or seek democracy in the absence of even its vaporous liberal democratic instantiation? And what in dedemocratized subjects and subjectivities would yearn for this political regime, a yearning that is neither primordial nor cultured by this historical condition? These questions are reminders that the problem of what kinds of peoples and cultures would seek or build democracy, far from being one mainly pertinent to the non-West, is of driving importance in the contemporary West. Democracy can be undone, hollowed out from within, not only overthrown or stymied by antidemocrats. And desire for democracy is neither given nor incorruptible; indeed, even democratic theorists such as Rousseau and Mill acknowledge the difficulty of crafting democratic spirits from the material of European modernity.¹

Any effort to theorize the relation of democracy and neoliberalism is challenged by the ambiguities and multiple significations of both

words. “Democracy” is among the most contested and promiscuous terms in our modern political vocabulary. In the popular imaginary, “democracy” stands for everything from free elections to free markets, from protests against dictators to law and order, from the centrality of rights to the stability of states, from the voice of the assembled multitude to the protection of individuality and the wrong of dicta imposed by crowds. For some, democracy is the crown jewel of the West; for others, it is what the West has never really had, or it is mainly a gloss for Western imperial aims. Democracy comes in so many varieties—social, liberal, radical, republican, representative, authoritarian, direct, participatory, deliberative, plebiscite—that such claims often speak past one another. In political science, empirical scholars seek to stabilize the term with metrics and meanings that political theorists contest and problematize. Within political theory, scholars are sanguine or unhappy to different degrees about the contemporary monopoly on “democratic theory” by a single formulation (liberal) and method (analytic).

Even the Greek etymology of “democracy” generates ambiguity and dispute. *Demos/kratia* translates as “people rule” or “rule by the people.” But who were the “people” of ancient Athens? The propertied? The poor? The uncounted? The many? This was a dispute in Athens itself, which is why for Plato, democracy is proximate to anarchy, while for Aristotle, it is rule by the poor. In contemporary Continental theory, Giorgio Agamben identifies a constant ambiguity—one that “is no accident”—about the *demos* as referring both to the entire political body and to the poor.² Jacques Rancière argues (through Plato’s *Laws*) that the *demos* refers to neither, but instead to those unqualified to rule, to the “uncounted.” Thus, for Rancière, democracy is always an eruption of “the part that has no part.”³ Etienne Balibar augments Rancière’s claim to argue that democracy’s signature equality and freedom are “imposed by the revolt of the excluded,” but always then “reconstructed by citizens themselves in a process that has no end.”⁴

Accepting the open and contestable signification of democracy is essential to this work because I want to release democracy from containment by any particular form while insisting on its value in connoting political self-rule by the people, whoever the people are. In this, democracy stands opposed not only to tyranny and dictatorship, fascism or totalitarianism, aristocracy, plutocracy or corporatocracy, but also to a contemporary phenomenon in which rule transmutes into governance and management in the order that neoliberal rationality is bringing about.

“Neoliberalism,” too, is a loose and shifting signifier. It is a scholarly commonplace that neoliberalism has no fixed or settled coordinates, that there is temporal and geographical variety in its discursive formulations, policy entailments, and material practices.⁵ This commonplace exceeds recognition of neoliberalism’s multiple and diverse origins or the recognition that neoliberalism is a term mainly deployed by its critics, and hence its very existence is questionable.⁶ Neoliberalism as economic policy, a modality of governance, and an order of reason is at once a global phenomenon, yet inconstant, differentiated, unsystematic, impure. It intersects in Sweden with the continued legitimacy of welfarism, in South Africa with a post-Apartheid expectation of a democratizing and redistributive state, in China with Confucianism, post-Maoism, and capitalism, in the United States with a strange brew of long-established antistatism and new managerialism. Neoliberal policies also come through different portals and agents. While neoliberalism was an “experiment” imposed on Chile by Augusto Pinochet and the Chilean economists known as “the Chicago Boys” after their 1973 overthrow of Salvador Allende, it was the International Monetary Fund that imposed “structural adjustments” on the Global South over the next two decades. Similarly, while Margaret Thatcher and Ronald Reagan sought bold free-market reforms when they first came to power, neoliberalism also unfolded more subtly in Euro-Atlantic nations through techniques of governance usurping a

democratic with an economic vocabulary and social consciousness. Moreover, neoliberal rationality itself has altered over time, especially, but not only in the transition from a productive to an increasingly financialized economy.⁷

A paradox, then. Neoliberalism is a distinctive mode of reason, of the production of subjects, a “conduct of conduct,” and a scheme of valuation.⁸ It names a historically specific economic and political reaction against Keynesianism and democratic socialism, as well as a more generalized practice of “economizing” spheres and activities heretofore governed by other tables of value.⁹ Yet in its differential instantiations across countries, regions, and sectors, in its various intersections with extant cultures and political traditions, and above all, in its convergences with and uptakes of other discourses and developments, neoliberalism takes diverse shapes and spawns diverse content and normative details, even different idioms. It is globally ubiquitous, yet disunified and nonidentical with itself in space and over time.

Notwithstanding these diverse instantiations, for reasons that will become clear, I will be more concerned to stipulate a meaning for “neoliberalism” than for “democracy” in this work. However, these aspects of neoliberalism—its unevenness, its lack of self-identity, its spatial and temporal variability, and above all, its availability to reconfiguration—are important to underscore in an argument focused on its iteration in the time we may call contemporary and the place we may call the Euro-Atlantic world. Alertness to neoliberalism’s inconstancy and plasticity cautions against identifying its current iteration as its essential and global truth and against making the story I am telling a teleological one, a dark chapter in a steady march toward end times.

In the *Republic*, Plato famously offers a strict homology between the city and the soul. Each has the same constituent parts—reason

(philosophers), spirit (warriors), and appetite (workers)—and each is properly or improperly ordered in the same way. If appetite or spirit, rather than reason, governs either the individual or political life, the cost is justice or virtue. Political theorists have challenged Plato's homology often enough, yet it has a way of recurring. This book will suggest that neoliberal reason has returned it with a vengeance: both persons and states are construed on the model of the contemporary firm, both persons and states are expected to comport themselves in ways that maximize their capital value in the present and enhance their future value, and both persons and states do so through practices of entrepreneurialism, self-investment, and/or attracting investors. Any regime pursuing another course faces fiscal crises, downgraded credit, currency or bond ratings, and lost legitimacy at the least, bankruptcy and dissolution at the extreme. Likewise, any individual who veers into other pursuits risks impoverishment and a loss of esteem and creditworthiness at the least, survival at the extreme.

Most striking about the new homology between city and soul is that its coordinates are economic, not political. As both individual and state become projects of management, rather than rule, as an economic framing and economic ends replace political ones, a range of concerns become subsumed to the project of capital enhancement, recede altogether, or are radically transformed as they are "economized." These include justice (and its subelements, such as liberty, equality, fairness), individual and popular sovereignty, and the rule of law. They also include the knowledge and the cultural orientation relevant to even the most modest practices of democratic citizenship.

Two examples, one concerning the soul and one concerning the state, will help to make this point.

Remaking the Soul. It is no news that European and North American universities have been radically transformed and revalued in recent decades. Rising tuition rates, declining state support, the rise of for-profit and online education, the remaking of universities through

corporate “best practices,” and a growing business culture of “competences” in place of “certificates” have cast the ivory tower of just thirty years ago as anachronistic, expensive, and indulgent. While Britain has semiprivatized most public institutions and tied remaining state funding to a set of academic productivity metrics that measure knowledge according to “impact,” the icon of transformation in the United States is a bit different—proliferation of more informal ranking systems proximate to crowdsourcing. Older measures of college quality (themselves contestable insofar as they were heavily bound to the caliber and size of applicant pool, along with endowments) are being rapidly supplanted by a host of new “best bang for the buck” rankings.¹⁰ Offered by venues ranging from *Kiplinger’s Personal Finance* to the *Princeton Review* and *Forbes Magazine*, the algorithms may be complicated, but the cultural shift is plain: replacing measures of educational quality are metrics oriented entirely to return on investment (ROI) and centered on what kind of job placement and income enhancement student investors may expect from any given institution. The question is not immoral, but obviously shrinks the value of higher education to individual economic risk and gain, removing quaint concerns with developing the person and citizen or perhaps reducing such development to the capacity for economic advantage. More importantly, there is a government plan in the works to base allocations of \$150 billion in federal financial aid on these new metrics, permitting schools that earn a high rating to offer more student aid than those at the bottom. If the plan materializes, which seems likely, institutions and students alike will not be vaguely interpellated or “incentivized” but forcefully remade by the metrics, as universities, like any other investment, are rated in terms of risk exposure and expected yield.¹¹ The rating system would have institutional ramifications vastly exceeding its expressed concerns with capping costs at universities, instead inciting rapid compression of general education requirements and time to degree, undermining whatever remains of both the

liberal arts and recruitment of historically disadvantaged populations, and more broadly, remaking pedagogy, pathways, and standards for knowledge acquisition expected of college graduates. The new metrics, in short, both index and drive a higher-education revolution. Once about developing intelligent, thoughtful elites and reproducing culture, and more recently, enacting a principle of equal opportunity and cultivating a broadly educated citizenry, higher education now produces human capital, thereby turning classically humanist values on their head. As Chapter 6 argues at greater length, when higher education is revolutionized in this way, so are the soul, the citizen, and democracy.

Remaking the State. President Obama opened his second term in office with apparently renewed concern for those left out of the American dream by virtue of class, race, sexuality, gender, disability, or immigration status. His “We the People” inauguration speech in January 2013 sounded those concerns loudly; combined with his State of the Union address three weeks later, the president seemed to have rediscovered his Left base or perhaps even his own justice-minded spirit after a centrist, compromising, deal-making first term in office. Perhaps Occupy Wall Street could even claim a minor victory in shifting popular discourse on who and what America was for.

Certainly, it is true that the two speeches featured Obama’s “evolution” on gay marriage and renewed determination to extricate the United States from its military quagmires in the Middle East. They expressed concern, too, with those left behind in the neoliberal race to riches while “corporate profits...rocketed to all-time highs.”¹² In these ways, it seemed that the light of “hope and change” on which Obama had glided to power in 2008 had indeed been reignited. Close consideration of the State of the Union address, however, reveals a different placing of the accent marks. While Obama called for protecting Medicare; progressive tax reform; increasing government investment in science and technology research, clean energy, home ownership,

and education; immigration reform; fighting sex discrimination and domestic violence; and raising the minimum wage, each of these issues was framed in terms of its contribution to economic growth or American competitiveness.¹³

“A growing economy that creates good, middle-class jobs—that must be the North Star that guides our efforts” the president intoned. “Every day,” he added, “we must ask ourselves three questions as a nation.”¹⁴ What are these supervenient guides to law and policy formation, to collective and individual conduct? “How do we attract more jobs to our shores? How do we equip our people with the skills needed to do those jobs? And how do we make sure that hard work leads to a decent living?”¹⁵

Attracting investors and developing an adequately remunerated skilled workforce—these are the goals of the world’s oldest democracy led by a justice-minded president in the twenty-first century. Success in these areas would in turn realize the ultimate goal of the nation and the government that stewards it, “broad-based growth” for the economy as a whole. More importantly, every progressive value—from decreasing domestic violence to slowing climate change—Obama represented as not merely reconcilable with economic growth, but as driving it. Clean energy would keep us competitive—“as long as countries like China keep going all-in on clean energy, so must we.”¹⁶ Fixing our aging infrastructure would “prove that there is no better place to do business than the United States of America.”¹⁷ More accessible mortgages enabling “responsible young families” to buy their first home will “help our economy grow.”¹⁸ Investing in education would reduce the drags on growth caused by teen pregnancy and violent crime, put “kids on a path to a good job,” allow them to “work their way into the middle class,” and provide the skills that would make the economy competitive. Schools should be rewarded for partnering with “colleges and employers” and for creating “classes that focus on science, technology, engineering and math—the skills today’s employers

are looking for.”¹⁹ Immigration reform will “harness the talents and ingenuity of striving, hopeful immigrants” and attract “the highly skilled entrepreneurs and engineers that will help create jobs and grow our economy.”²⁰ Economic growth would also result “when our wives, mothers and daughters can live their lives free from discrimination...and...fear of domestic violence,” when “we reward an honest day’s work with honest wages” with minimum wage reform, when we rebuild decimated factory towns, and when we strengthen families through “removing financial deterrents to marriage for low-income couples and doing more to encourage fatherhood.”²¹

Obama’s January 2013 State of the Union speech thus recovered a liberal agenda by packaging it as economic stimulus, promising that it would generate competitiveness, prosperity, and continued recovery from the recessions induced by the 2008 finance-capital meltdown. Some might argue that this packaging was aimed at co-opting the opposition, not simply neutralizing, but reversing the charges against tax-and-spend Democrats by formulating social justice, government investment, and environmental protection as fuel for economic growth. That aim is patently evident. But exclusive focus on it elides the way that economic growth has become both the end and legitimization of government, ironically, at the very historical moment that honest economists acknowledge that capital accumulation and economic growth have gone separate ways, in part because the rent extractions facilitated by financialization are not growth inducing.²² In a neo-liberal era when the market ostensibly takes care of itself, Obama’s speech reveals government as both responsible for fostering economic health and as subsuming all other undertakings (except national security) to economic health. Striking in its own right, this formulation means that democratic state commitments to equality, liberty, inclusion, and constitutionalism are now subordinate to the project of economic growth, competitive positioning, and capital enhancement. These political commitments can no longer stand on their own legs

and, the speech implies, would be jettisoned if found to abate, rather than abet, economic goals.

What the Obama speech also makes clear is that the state's table of purposes and priorities has become indistinguishable from that of modern firms, especially as the latter increasingly adopts concerns with justice and sustainability. For firms and the state alike, competitive positioning and stock or credit rating are primary; other ends—from sustainable production practices to worker justice—are pursued insofar as they contribute to this end. As “caring” becomes a market niche, green and fair-trade practices, along with (minus-cule) profit diversion to charity, have become the public face and market strategy of many firms today. Obama's State of the Union speech adjusts the semantic order of things only slightly, foregrounding justice issues even as they are tethered to competitive positioning. The conduct of government and the conduct of firms are now fundamentally identical; both are in the business of justice and sustainability, but never as ends in themselves. Rather, “social responsibility,” which must itself be entrepreneurialized, is part of what attracts consumers and investors.²³ In this respect, Obama's speech at once depicts neoliberal statism and is a brilliant marketing ploy borrowed directly from business—increasing his own credit and enhancing his value by attracting (re)investment from an ecologically or justice-minded sector of the public.

These are but two examples of the contemporary neoliberal transformations of subjects, states, and their relation that animate this book: What happens to rule by and for the people when neoliberal reason configures both soul and city as contemporary firms, rather than as polities? What happens to the constituent elements of democracy—its culture, subjects, principles, and institutions—when neoliberal rationality saturates political life?

Having opened with stories, I hasten to add that this is mainly a work of political theory whose aim is to elucidate the large arc and

key mechanisms through which neoliberalism's novel construction of persons and states are evacuating democratic principles, eroding democratic institutions and eviscerating the democratic imaginary of European modernity. It is, in the classic sense of the word, a critique—an effort to comprehend the constitutive elements and dynamics of our condition. It does not elaborate alternatives to the order it illuminates and only occasionally identifies possible strategies for resisting the developments it charts. However, the predicaments and powers it illuminates might contribute to the development of such alternatives and strategies, which are themselves vital to any future for democracy.

Neoliberalism is most commonly understood as enacting an ensemble of economic policies in accord with its root principle of affirming free markets. These include deregulation of industries and capital flows; radical reduction in welfare state provisions and protections for the vulnerable; privatized and outsourced public goods, ranging from education, parks, postal services, roads, and social welfare to prisons and militaries; replacement of progressive with regressive tax and tariff schemes; the end of wealth redistribution as an economic or social-political policy; the conversion of every human need or desire into a profitable enterprise, from college admissions preparation to human organ transplants, from baby adoptions to pollution rights, from avoiding lines to securing legroom on an airplane; and, most recently, the financialization of everything and the increasing dominance of finance capital over productive capital in the dynamics of the economy and everyday life.

Critics of these policies and practices usually concentrate on four deleterious effects. The first is *intensified inequality*, in which the very top strata acquires and retains ever more wealth, the very bottom is

literally turned out on the streets or into the growing urban and suburban slums of the world, while the middle strata works more hours for less pay, fewer benefits, less security, and less promise of retirement or upward mobility than at any time in the past half century. While they rarely use the term “neoliberalism,” this is the emphasis of the valuable critiques of Western state policy offered by economists Robert Reich, Paul Krugman, and Joseph Stiglitz and of development policy offered by Amartya Sen, James Ferguson, and Branko Milanović, among others.²⁴ Growing inequality is also among the effects that Thomas Piketty establishes as fundamental to the recent past and near future of post-Keynesian capitalism.

The second criticism of neoliberal state economic policy and deregulation pertains to the *crass or unethical commercialization* of things and activities considered inappropriate for marketization. The claim is that marketization contributes to human exploitation or degradation (for example, Third World baby surrogates for wealthy First World couples), because it limits or stratifies access to what ought to be broadly accessible and shared (education, wilderness, infrastructure), or because it enables something intrinsically horrific or severely denigrating to the planet (organ trafficking, pollution rights, clear-cutting, fracking). Again, while they do not use the term “neoliberalism,” this is the thrust of the critiques forwarded in Debra Satz’s *Why Some Things Should Not Be for Sale* and Michael Sandel’s *What Money Can’t Buy*.²⁵

Thirdly, critics of neoliberalism understood as state economic policy are also distressed by the *ever-growing intimacy of corporate and finance capital with the state*, and corporate domination of political decisions and economic policy. Sheldon S. Wolin emphasizes this in *Democracy, Incorporated*, although Wolin, too, avoids the descriptor “neoliberalism.”²⁶ These themes are also the signature of filmmaker Michael Moore, and are developed in a different way by Paul Pierson and Jacob Hacker in *Winner-Take-All Politics*.²⁷