



UNIVERSITY OF AMSTERDAM

College of Social Sciences

Department of Geography, Urban Planning and International Development

A SHORT LITERATURE REVIEW OF NEOLIBERALISM AND THE NEW WORLD ORDER

Panos Papadongonas

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Contents

1. David Harvey - A Brief History of Neoliberalism (2005)	2
1.1 Summary	2
1.2 Critical discussion	4
2. Michael Hardt and Antonio Negri - Empire (2000).....	7
2.1 Summary	7
2.2 Critical discussion	11
3. Aihwa Ong - Neoliberalism as Exception: Mutations in Citizenship and Sovereignty (2006)	14
3.1 Summary	14
3.2 Critical discussion	17
4. Pádraig Carmody - Globalization in Africa: Recolonization or Renaissance? (2010)	19
4.1 Summary	19
4.2 Critical discussion	20
5. Akhil Gupta - Red Tape: Bureaucracy, Structural Violence, and Poverty in India (2012)	22
5.1 Summary	22
5.2 Critical discussion	24
6. Comparison of the literature.....	27
6.1 <i>Introduction</i>	27
6.2 <i>Neoliberal theory and practices</i>	27
6.3 The socio-economic and socio-political implications of neoliberalism.....	29
6.4 <i>Neoliberal contradictions</i>	31
6.5 <i>Resistance to neoliberalism</i>	32
6.6 <i>China's agency</i>	33
6.7 <i>Conclusions</i>	34
7. Literature	35

1. David Harvey - *A Brief History of Neoliberalism* (2005)

1.1 Summary

David Harvey's book traces the nature and the origins of neoliberalism as a form of political economy by examining its recent history. Harvey begins his narration by referring to the restructuring of state forms and of international relations after the Second World War. Embedded liberalism, which entails a class compromise between capital and labour to ensure domestic peace and tranquillity, prevailed after the War and until the late 1960s. The ensuing stagflation, however, forced governments to seek alternatives. Corporatist strategies were employed until the mid 1970s to address stagflation, but neoliberalism was eventually preferred. Harvey describes neoliberalism as "a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterized by strong private property rights, free markets and free trade" (Harvey, 2005, 2). There are two ways to interpret neoliberalism: as a utopian (theoretical) project and as a political project. The former refers to the promotion of individual freedom and human dignity, the founding figures of neoliberal thought. The latter refers to the restoration of elite class power by means of new processes of class formation.

The neoliberal revolution in the UK and the USA took place by means of democratic procedures. To reach that point, political consent of sufficient scale had to be constructed. Harvey identifies diverse channels through which sufficient popular consent was generated to legitimise neoliberalism, with stress on ideological movements within corporations and the media. Harvey then proceeds to describing how processes of legitimisation unfolded in the USA and the UK, two typical neoliberal states. The essence behind neoliberal state are the institutional arrangements, which aim to guarantee individual freedoms. The neoliberal state uses its monopoly to safeguard market freedoms. In this process, specific tools are employed: property rights, rules for market competition, privatisation, deregulation, free mobility of capital and the adoption of a suspicious attitude towards the application of democracy in economic activities. Ensuring the integrity of the financial system and the maintenance of a good business climate are deemed essential for the unproblematic functioning of the neoliberal state. However, the neoliberal state itself falls into the trap of contradicting the values for which it stands for. More specifically, Harvey refers to the problem of monopoly power and profiteering, as well as market failures. Other complications include asymmetries of power and information as well as the ideological contradiction between a "seductive but alienating possessive individualism and the desire for a meaningful collective life" (Harvey, 2005, 69). It then becomes clear that

contemporary neoliberal theory exhibits clear divergences from neoliberal theory as it was meant to be when the Mont Pellerin society was founded in 1949, long before neoliberalism gained momentum. Certain manifestations of this divergence from initial neoliberal theory include: contemporary practices with respect to finance capital and financial institutions (for example using state power to bail out private companies and banks), the problematic issue of the neoliberal state's abusive approach to labour markets, and major shifts in social policy attributed to changes in the nature of governance and represented by the increasing reliance on public-private partnerships.

Since the 1980s a new wave of neoliberalism has emerged, aiming to facilitate the restoration of class power. This new wave is characterised by intensified financialisation and increased geographical mobility of capital. In this process the Wall Street-IMF-US Treasury triad exerts powerful ideological influence by means of a global diffusion of the new monetarist and neoliberal economic orthodoxy. As a result of this externally imposed neoliberalism, economic crises have occurred. Harvey uses the case studies of Mexico, Argentina, South Korea and Sweden to demonstrate that the common outcome of neoliberalism's expansion has been the marginalisation of the state and the increased inequality. Among these cases, Sweden's version of "circumscribed neoliberalism" appears to have had the least devastating effects. Harvey then proceeds to describing the special case of China, which, starting from the 1978 reforms, has sought to open its economy to foreign investments. It has maintained, however, state control. This series of neoliberalism-inspired policies with Chinese characteristics is coined "red capitalism". It has led to tremendous economic growth in China, but also to increased volatility because of the now greater degree of interdependence as well as to markedly increased inequalities. It remains to be seen whether the country can resume reforms at this pace or whether it will be forced to revise its economic model in the future.

The aforementioned increased inequalities as well as the, according to Harvey inherent to neoliberalism, crises put neoliberalism on trial. Negative impacts abound, the only positive outcome of neoliberalism being, according to the author, the control of inflation. The commodification of everything has had social ramifications. The undermining of women's power, the spread of possessive individualism and the dismantling of institutional forms as means of social bonding are only some of the consequences, not to forget the impact on the environment as a result of abuse of natural resources in order to maximise profits. Nonetheless, neoliberalism still acts as a role model, a tendency that may be attributed to the accelerated volatility of geographical development and to the promotion of neoliberal ideas by the media, which are largely controlled by the elite classes. The outcomes of neoliberalism so far raise

questions about whether the much advertised promotion of individual freedom is still applicable. The recurring financial crises, the extreme inequalities and the growing opposition may point to neoliberalism having reached its limits. Harvey refers extensively to alternative movements both from within and outside neoliberal circles. He pays special attention to neoconservatism, which, even though it promotes similar values, has a more ethically sensitive dimension. However, neoconservatism's nationalistic stance and the promotion of military means of enforcement possesses are dangerous. Therefore, Harvey rejects neoconservatism. For Harvey the solution is not going back to some golden era, but discovering new ways of restoring the equilibrium on the basis of a more extensive theoretical and practical exploration.

1.2 Critical discussion

Harvey offers a condensed overview of global political-economic developments in the past few decades, stressing how neoliberalism came to dominate today. Though Harvey can be rather vague concerning the actual economic policies that neoliberalism entails, his arguments about neoliberalism's ultimate objectives occupy a prominent position in the book. According to Harvey, neoliberalism was devised and promoted in an effort to restore the power of upper classes. He supports his arguments based on an evaluation of actual historical events, though it could be claimed that Harvey's storytelling lacks citations at times and that events are described from a highly subjective perspective.

Nonetheless, Harvey's well-structured story helps the reader keep in pace with global developments as they unfolded. He begins with the establishment of Bretton Woods institutions, which consolidated the monetary hegemony of the United States. In order to achieve social legitimization, the first forms of neoliberalism were promoted in regimes of embedded liberalism. In such regimes the working class could demand more security, which marked the emergence of the welfare state, which in turn came to dominate in other countries as well. By the late 1960s, however, capitalism entered a crisis and the timing for neoliberalism to strike was just right. Harvey explains how the previously marginal neoliberal economic theories associated with Friedrich Hayek, the Mont Pelerin Society, and the Chicago School displaced embedded liberalism, taking advantage of the unfavourable socio-economic conditions at the time.

Harvey's attempt to contrast neoliberalism to embedded liberalism in a historical context helps comprehend the underlying procedures that led to the subsequent proliferation of neoliberalism. More specifically, Harvey offers a comprehensive view of how the discourse of "freedom" has been used by supporters of neoliberalism to promote the redistribution of power. Harvey stresses the fact that "freedom" has been employed in a profoundly selective way:

markets have the right to operate free from the state, but in the light of crises the state has to intervene in order to rescue neoliberal institutions. At the same time, other dimensions of freedom that relate to the multitude, such as social services and better working conditions, are purposely rendered incommunicable in the, by elites controlled, media. This argument is commonplace nowadays in public discussions, but the fact that it comes from a well respected academic adds to its plausibility. Harvey ultimately argues that neoliberalism's internal contradictions will ultimately lead to its collapse, as people's discontent will grow while their respective countries succumb to recession and social unrest. It is impressive that, through his criticism on the inconsistencies of neoliberal theory, Harvey has actually been describing the current economic crisis in much detail, a few years before its outbreak.

Though Harvey's testimony is well recognised and occupies a prominent position within, but not only, the leftist camp, theoretical deficiencies are not absent from the book. Certain ideas remain underdeveloped, whereas a further explanation of their role would have elevated Harvey's anti-neoliberalism discourse to my view. For instance, Harvey explains how neoliberalism favours technocratic modes of governance at the expense of democracy, a trend that he labels social depolitisation. Harvey claims that the result of depoliticisation is that workers seek social solidarity in other non-political institutions. Unfortunately, Harvey does not elaborate much on the role of such institutions and their potential for social liberation. This becomes even more ambiguous when one thinks about neoliberalism's, successful so far, attempts to undermine working classes' perceptions of any class cohesion, as trends such as de-unionisation and labour flexibilisation demonstrate. Another fundamental issue throughout Harvey's narrative is that often in his storytelling neoliberalism is equalised with capitalism. However, it is widely recognised that transitions to capitalism do not take the same form everywhere and that neoliberalism is just one of capitalism's manifestations. For instance, Harvey does well in illustrating how China is transforming itself to a neoliberal state, albeit with special characteristics, but I would have preferred to see a more explicit comparison with other formerly communist countries, such as Russia, which have undergone even more drastic changes. In this regard, Harvey does not differentiate himself from the mass of camp of anti-capitalists, who equalise neoliberalism with capitalism. After all, being anti-capitalist does not have to correlate with being against neoliberalism.

Throughout the book Harvey embarks on a continuous condemnation of neoliberalism, but he does not make the extra step of proposing concrete alternative solutions himself. And then comes the last section about overthrowing neoliberalism by means of revolution. Harvey adheres to the view that public discontent will be sufficient to cause the emergence of social anti-

neoliberal movements. However, I believe it would have added much weight to Harvey's testimony if he described in some detail how social fermentations would lead to the formation of such movements, also taking into account locally-specific factors. Lastly, I miss a clear reference on the role of racial factors in neoliberal functioning and their possible role in anti-capitalist movements. In such a discussion Harvey could have used the example of Africa to illustrate whether the continuous resource curse, as expressed by neoliberal appropriation by dispossession, correlates with views about racial superiority.

2. Michael Hardt and Antonio Negri - Empire (2000)

2.1 Summary

Hardt and Negri argue in this book that the now dominant political world order of globalisation should be seen as a manifestation of an emerging “Empire”. This Empire is fundamentally different from past European imperialism as reflected in the practices of capitalist expansion. Empire is described as a logic of rule, a new form of sovereignty which intensified after the end of the Cold War. Sovereignty has not declined; instead, it has taken a new form by means of national and supranational entities. Empire demonstrates certain characteristics. It is an all-encompassing totality that was born in the civilised world but it has since expanded. It has no territorial centre of power and no fixed boundaries and it is not a historical regime originating from conquest. On the contrary, Empire promotes peace. Moreover, it operates at all levels of the social order by managing its domain but also (re)engineering populations. The consolidation of Empire is a parallel process with the passage from modernity to postmodernity. The latter entails a transformation of productive processes, in which the economic, the political and the cultural domains become increasingly intertwined.

In part one the authors elaborate on the general problematic of Empire. The establishment of the first postmodern global entities, such as the United Nations, set the juridical basis of Empire and “governance” replaced “government”. The universal values of Empire enter and reconfigure the domestic law of nation-states, even though local power dynamics still mediate Empire’s operations. The authors compare the birth and the consolidation of Empire at the expense of nation states with the consolidation of Christianity at the expense of the Roman Empire. Empire today is what Christianity was back then: the maturity of the times. Empire marks the passage from disciplinary society to a new society of control. This is no dictatorship-like control, but control based on the rule of law.

Within the context of Empire, biopower - the form of power that regulates social life from its interior - is mediated by global communications, leading to the legitimisation of Empire in people’s conscience. Other bodies, such as the media, religious organisations and NGOs, also participate in this legitimisation process. In a divide-and-reign vein, Empire has managed to divide proletariat in smaller conflicting parties, convincing them that their interests are tied exclusively to their national identities. Proletarian internationalism, which is the first manifestation of globalisation and which sought to unite workers across the world against capitalist exploitation, does no longer exist in its original form. Empire has taken over capitalism, but the multitude has

not remained idle. A new generation of movements is emerging, though the Empire-controlled media do not communicate their evolution.

In part two the passage from modernity to postmodernity is investigated from the standpoint of the ideological, cultural and historical evolution. Modern sovereignty is facing a crisis as a result of the antagonism between “the desires and cooperation of the multitude and the transcendent authority that seeks to contain these forces and an order to them” (Hardt and Negri, 2000, 201). One response to this crisis is redefining sovereignty by looking at developments in European philosophy. Between the 13th and 16th centuries, humans demystified the creation of life. It was no longer ascribed to God. The 16th and 17th centuries marked a setback, in an effort of the ruling classes to contain the intellectual revolution. As a result, Europe became feudal again. The 17th and 18th centuries were characterised by a counterrevolutionary project to resolve the crisis of modernity. Politics was formalised, science was instrumentalised and social antagonisms were pacified. Sovereignty and capital are now intertwined and the multitude has been transformed into an ordered mass, a process facilitated by the birth of the concept of nation and its association with sovereignty. The nation-state was forged partly by capitalist productive processes and partly by networks of absolutist administration. The transformation of the concept of sovereignty required a new equilibrium between the processes of capitalist accumulation and the structures of power. In this regard, the nation was presented as a concept of capitalist modernisation. However, the nation did not manage to resolve the modernity crisis. Nonetheless, the encouragement and cultivation of national identity within the framework of the nation could guarantee the nation-state’s survival.

In order to accommodate tension within capitalist Europe, capitalism created new systems of slavery outside Europe by using the nation-state to produce “others”. After all, “colonialism and racial subordination function as a temporary solution to the crisis of European modernity, not only in economic and political terms, but also in terms of identity and culture” (Hardt and Negri, 2000, 124). De-colonisation marked the termination of the process of exporting turbulence. However, in the postcolonial nation-states themselves power structures remained intact. The end of colonialism and the declining powers of the nation-state ever since symbolise the passage from modern sovereignty to imperial sovereignty and the inception of postmodernism. For Hardt and Negri “if the modern is the field of power of the white, the European, then the postmodern will be the field of liberation of the non-white, non-male, and non-European” (Hardt and Negri, 2000, 141). The authors claim that “postmodernist international relations strive to challenge the sovereignty of states by deconstructing the boundaries of the ruling powers” (Hardt and Negri, 2000, 141-142). This process is labelled

“fundamentalism”, but this term actually represents a broad category that groups together different social phenomena based on historical illusions.

From an economic point of view, postmodern marketing recognises the potential in each commodity and each segment of the population. However, postmodernist economic discourses are effective only in very specific geographical locations and among certain population strata. In this sense, the USA has played a major role in the forging of the Empire, because its innovative constitution has allowed it to manage hybrid identities successfully. USA's continued military role and the imperial - not imperialist - tendency of its own constitution allowed it to export instability outside its borders. This marked the first phase of the transformation of the global space into an open space of imperial sovereignty. In this open space, imperial racism can operate freely. Imperial racism integrates “others” and then it orchestrates differences between them in a system of control. The Yugoslavian Wars are a characteristic example. These differences are then managed and hierarchised. Actually, imperial sovereignty is not organised around one central conflict but rather around a flexible network of microconflicts.

In part three Hardt and Negri examine the passage from modernity to postmodernity from the standpoint of the capitalist production processes, in which crisis is a normal condition. The crisis stems from the need for continuous realisation of the produced surplus capital. This cannot always be accommodated within a given capitalist domain, so capitalism needs to find new realms to operate. This explains Europe's hegemonic role in the past, which was achieved by reinvesting the realised surplus value into new production modes. Expanding capitalist realm does not mean introducing new areas to capitalism. Each segment of the non-capitalist environment is transformed and integrated to capital differently. At some point the two moments of the cycle of accumulation, capital realisation and capitalisation, come into direct conflict and undermine each other. Capitalist development depends on equalised economic conditions. However, the domination and division of the world market by monopolies has rendered equalisation impossible. The 1929 Economic Crisis demonstrates the consequences of an unequal relationship between capital and labour. Capitalism had to be transformed, which happened in the USA through the New Deal. The importance of the New Deal is that it could restructure the relations of production and power within a single dominant capitalist country. It also had effects around the world. With the New Deal, the capitalist world could leave imperialism behind. In the post-war period, the new global scene was defined and organised primarily around three mechanisms: decolonisation, decentralisation of production and the construction of a framework of international relations. Each of these aspects constitutes a step in the evolution from imperialism toward Empire. At the same time, the world market began to

appear as the regulator of global networks. The subsequent globalisation of markets was the result of the operations of Taylorism, Fordism and disciplined labour power across the world.

However, a new capitalist crisis, in which capital underwent a general devaluation and global relations were profoundly rearranged, was unavoidable. The capitalist response to the new crisis was the establishment of the Bretton Woods institutions, which consolidated the hegemony of the USA in the global scene and marked the beginning of postmodernism from a production perspective. Not all countries have experienced postmodernism uniformly. As the authors suggest, there is no linear model where advanced countries are informational service economies, their first subordinates are industrial economies, and those further subordinated are agricultural. The recent passage toward an informational economy involves a change in the quality and nature of labour. The novelty of the new information infrastructure is the fact that “it is embedded within and completely immanent to the new production processes” (Hardt and Negri, 2000, 298). Consequently, traditional forms of resistance, such as the institutional workers’ organisations, have begun to lose their power. As postmodernisation unfolds, power becomes constitutionalised on a supranational level and the constitution of Empire takes shape. USA, the G7, TNCs, civil society and NGOs are central actors in this process. Governmental functions become increasingly hybridised and intertwined with global imperatives through mechanisms by which hybrid networks of participation are manipulated from above. The media become the vehicle of this manipulation.

How then is this new society of control administered? Money acts as the binding element, which brings all actors together in quantifiable, commensurable relations. The nation-state is quickly declining and it is replaced by the world market. In this new globalised and monetised world highly unequal populations live in close proximity. Instead of contributing to social integration, imperial administration acts rather as a differentiating mechanism. Imperial command ultimately aims to protect Empire from external threats. The world market comes to dominate realms of social life, using money as the imperial arbiter and manipulating communications, education and culture.

Nonetheless, a new counter-Empire is also being born. Imperial power can no longer discipline the powers of the multitude. The new forms of labour power, based on new and increasingly immaterial forms of affective and intellectual labour power, have the potential to weaken and eventually overthrow Empire. The multitude’s increased mobility challenges Empire’s attempts to control it. The scientific, affective, and linguistic forces of the multitude transform the conditions of social production. For Hardt and Negri the formation of this counter-Empire is a positive development. The new Empire is not American and the USA is not its

centre. In current Empire corruption is everywhere: in the police, the lobbies, the church. Through corruption imperial power exercises command over the multitude, but it also gradually undermines its own existence. The authors conclude that, ultimately, corruption will give its place to generation because imperial power can no longer resolve the conflict of social forces. Empire creates a great potential for revolution in which the new proletariat (another term that the authors use to describe the multitude) fights for the re-appropriation of what was taken from it. The multitude now has the potential to rule.

2.2 Critical discussion

Antonio Negri and Michael Hardt belong to the camp of post-Marxists. Post-Marxism, which was born in the 1960s, focused on the weaknesses of the Soviet model. Unlike traditional Marxism, which emphasises class struggle, post-Marxism deals with a wider spectrum of social processes of Western societies. In “Empire” the authors focus on globalisation, viewing it as an all-encompassing and oppressive regime, which nonetheless has the potential to liberate the masses. Therefore, the authors are not against globalisation as such. Instead, they are opposed to the current regime of global relations, which they label “Empire”. The shift from imperialism to Empire is an alternative way of describing the shift from modernity to postmodernity, though a comprehensive and thorough explanation of how these two processes are related is missing in the book.

The power of both Empire and imperialism lies on their legitimization in society. The authors, however, detect a radically different process of legitimization in Empire than what the case was in imperialism. Empire does not rely on the imperialist actions of one single super power. Instead, it has consolidated its presence in the world by means of promoting imperial – and not imperialist – peaceful expansion. The authors also capture Empire’s decentred and deterritorialised dimension. Empire is for them a mode of rule that gradually incorporates the entire global realm within its open and expanding frontiers. In the process of mapping Empire’s nature the authors refuse to resort to common Marxist condemnations of imperialism, as expressed by the actions of the United States of America. Instead, the authors employ postmodern global economic theory to demonstrate that in today’s Empire no nation-state can act as a centre for imperialist projects. The authors also manage to illuminate an important component of Empire’s ubiquitous nature, namely the immaterial labour of knowledge. They offer a comprehensive description of how this differs from labour in the industrial era. Immortal labour is for Hardt and Negri the basis of the creation of dynamic social relations, which bind Empire together and sustain it.

According to the authors, Empire prolongs its survival by employing discourses about the justification of intervention. Actors from a wide spectrum, such as civil society, NGOs and intergovernmental organizations, operate in order to maintain the conditions for Empire to continue flourishing. The general doctrine relates to the justification for intervention with the objective to protect capitalism. However, the way the authors place both discourses about peace and discourses about (violent) intervention under Empire may be perceived as rather conflicting. I have to acknowledge, however, that the authors demonstrate their awareness of Empire's bifurcated nature, when they refer to the multiple objectives of USA's global expeditions. Nonetheless, it is positive to see that the book departs from leftist views, which often fail to spot the difference between expanding markets and serving military strategic interests. It is also refreshing to read that Hardt and Negri do not view globalisation as the epitomisation of imperialism. Instead, they view it as a qualitatively new form of capitalist infusion, which has political implications.

Special attention is paid in the book on the potential of the multitude to overthrow Empire. The nature of this multitude becomes slightly vague, however, because it never becomes clear in the book whether multitude consists of everyday people or whether it is comprised of an alliance of more powerful actors. This becomes increasingly complicated when the authors claim that globalisation should not be viewed as a homogenising regime, but rather as a regime of identity and variance production. In this regard, capitalism interacts with nationalism and consequently populism. In an attempt to explain the crisis of modernity from a multitude-perspective, the authors resort to biopolitical sovereignty, whose evolution is viewed through the lenses of contemporary workers' struggles. The central point that the authors make is that Empire silences the multitude's efforts to create a counter-Empire, by manipulating media coverage. At this point I expected a more elaborate description of the multitude's reaction to this, which I was not able to locate in the book. The dynamism of the new global working class is thus slightly undertheorised.

Summarising, I consider that the structure of the ideas in the book appeared unnecessarily complex at times. Moreover, it seemed slightly illogical and disruptive to place an intermezzo section (dedicated to introducing the possibility of overthrowing Empire) between the section that described the passage from modernity to postmodernity and the section that explained this passage. Also, taking into account that the book was written in the 1990s and was published shortly after the 1999 Seattle demonstrations during the WTO Conference, the epilogue seems incomplete to my eyes. Since its publication, ground breaking events have taken place, which have shifted global dynamics to the East. In this regard the book may seem outdated. I

appreciate, nonetheless, the fact that in the end Hardt and Negri do not suggest returning to some golden era. Instead, they call for the creation of a new economic and political model based on the needs of current times. In this regard their argument about the insufficiency of traditional forms of struggle against Empire is prophetic, because the world is changing and so must the strategies for social transformation. This is especially evident in the chapter which is dedicated to the informatisation of the economy and how this has changed socioeconomic relations globally. Overall, the book sets the normative base for an analysis of the new socio-political and socio-economic configuration in the world following the 1999 Seattle WTO protests and the terrorist attacks of 11 September 2001. The authors do stop there, however, without attempting to propose solutions. A revised version of the book would have been desirable, but perhaps their later book, "An antidote to Empire", constitutes the continuation of "Empire".

3. Aihwa Ong - Neoliberalism as Exception: Mutations in Citizenship and Sovereignty (2006)

3.1 Summary

Neoliberalism encourages minimising the role of the state by giving ample freedom to markets. Its effects have sometimes been problematic, especially in the global South. Aihwa Ong goes beyond the economy-related accusations against neoliberalism, by unraveling its socio-political implications for citizenship. Neoliberalism reconfigures the relationship between the government and the governing and it breaks the link between national sovereignty and citizenship. Ong's narrative focuses on Asia, which constitutes a dynamic but also contradictory player in modern globalisation.

In the introductory chapter Ong illuminates the difference between “neoliberalism as exception” and “exceptions to neoliberalism”. In the former, neoliberalism shapes sovereignty and citizenship conditions in national contexts. In the latter, the focus lies on state policies, which include or exclude certain groups of individuals based on their instrumental value for neoliberalism. In a given context conditions may constantly fluctuate between neoliberalism as exception and exceptions to neoliberalism according to local socio-economic and socio-political influences. Neoliberalism’s multidimensional nature as a technology of governing renders it a useful concept for ethnographic inquiry into contemporary mutations in citizenship and sovereignty because it captures the meaning of “biopower”. The latter emphasises managerial approaches to population. Neoliberal projects based on biopower principles may defy actors from their citizenship, but they may also protect them by means of rights discourses. In the rest of the book Ong elaborates on the ways that neoliberalism shapes and manages regimes of citizenship in various Asia-Pacific contexts.

In part one Ong looks more closely at exceptions to neoliberalism and at technological interventions of transnational humanitarian or ethnic movements. Chapter one is dedicated to the politics of neoliberal exceptions in moderate Islamic countries, which empower Muslim women to seek political and gender equality. The author employs the Malaysian case to describe how strategic links between women movements interact with neoliberal practices to strengthen women’s participation in society by means of emancipation and education. However, Ong acknowledges that local traditions, such as religion’s influence, remain noticeable barriers. Nonetheless, transnational forces stemming from diasporic movements constitute counterforces to local suppressing conditions. This is the subject of the second chapter. Ong uses the case study of the repressed Chinese community in Indonesia to illustrate how modern communication

technologies can magnify the influence of diaspora on local contexts, aiming to promote the social position of the local community involved. However, digital practices to shape a kind of virtual ethical citizenship need to consider the interplay of interests in local contexts to avoid harming the lives of the people they intend to assist.

In part two Ong explains how neoliberal strategies may open up new possibilities for reconfiguring political spaces and establishing innovative systems of political rule. In chapter three Ong explores how neoliberal logic reconfigures the territorial aspects of citizenship. Asian states' are forced to be flexible in their conceptions of sovereignty and citizenship. They attempt to control specific populations' by means graduated citizenship. Graduated citizenship refers to differential modes of treatment of populations in advanced neoliberal states. An example are disciplinary techniques of low wage workers in order to maximise their instrumental value for the local neoliberal regime. Graduated sovereignty also implies treating the national territory as a non uniform political space, in which multiple zones of development exist. States are no longer administrators of their space; rather, they become regulators, aiming to fully integrate their space into global networks, as is the case in Malaysia and Indonesia. In chapter four Ong turns to Chinese zoning technologies, which seek to both accommodate the demands of the local ruling elites as well as to help the country integrate to global capitalist networks. These result in enclave-led growth. The objective of such graduated modes of ruling is to establish transnational linkages between production sites. Such linkages are labelled "growth triangles", such as the Indonesia-Malaysia-Singapore triangle. However, interstate relationships are not always smooth as country policies may clash with neoliberal values.

In part three Ong attempts to link the neoliberal logic with the spatial dynamics of capitalism. "Latitudes", which is the subject of the fifth chapter, constitutes a central concept. The term describes how the markets stretch the limits of governmentability and it challenges the globalised space of capital and the resistance of the multitude. Ong uses the example of post-Fordist ethnicised production, which enforces disciplinary exclusions on workers of colour, as an example of latitude. In connection to citizenship, Ong introduces the term "latitudinal citizenship" to describe how neoliberalism shapes ethnicised labor relations across national borders. For Ong, the combination of latitudinal citizenship and ethnicised disciplinary regimes can undermine the territorialized rights of citizenship. In that sense, workers' rank and location, rather than their formal citizenship, determine their privileges. Ong concludes that there is a "lack of cosmopolitan institutions as robust as latitudinal market power to defend the citizenship of human rights of the laboring millions" (Ong, 2006, 138). In chapter six Ong describes how "the increasingly global availability of American education puts into circulation both American

democracy and the American neoliberal ethos”, spreading it to Asia and allowing Asian elites to gain education and working experience abroad (Ong, 2006, 149). In recent years, however, a reverse trend has been observed, namely the relocation of well-paid American jobs back to Asia, a practice described as labour arbitrage. Knowledge then functions as a commodity and a symbolic capital, which, facilitated by the digital revolution, adheres to the previously mentioned fluctuations of citizenship. Labour arbitrage has facilitated the emergence of Asia as a cheap, culturally flexible and skilled labour pool.

In the last part of the book Ong builds on the previously mentioned developments to elaborate on the new citizenship conditions that are shaped by neoliberal exception in diverse Asian contexts and which are reflected in the new Asian lifestyles. In chapter eight the case of Singapore is described. The country’s authoritarian regime re-engineers its citizens in such a way that they best fit neoliberal criteria, resulting in a new mode of citizenship. Educated labour occupies a prominent social position, while the importation and exploitation of low-skilled labour is normalised. In extension to this exploitation, chapter nine describes the new Asian lifestyle in which domestic maids possess multiple – but of little value for neoliberalism – tasks. Consequently, they are denied citizenship and are reduced to slave-like labour by the moral economies of the new Asian middle classes. “Moral economy” describes “a web of unequal relationships of exchange based on morality of reciprocity, mutual obligation and protection” (Ong, 2006, 199). Several NGOs have taken action in order to improve maids’ conditions. One should look at NGOs with scepticism, however, because they are not autonomous entities promoting universal democracy, but they are subject to the influence of political and institutional power. Finally, in the last chapter Ong looks at Shanghai as a new centre of global business knowledge in a country where socialism is blended with Chinese guanxi. The theory of global city suggests that neoliberal values flow smoothly to new contexts, but this does not apply in China. Chinese workers have been nurtured in a different culture where certain Western values, such as team spirit, are foreign. A reengineering of workers by Western corporations, similar to the one in Singapore, is taking place, aiming to render Chinese workers compatible with neoliberal ethics. Ong (2006, 239) concludes that “there is no “Chinese soul” that can be easily reengineered by global business”, as China possesses the necessary magnitude to influence global capitalism without having to subordinate itself to it.

3.2 Critical discussion

Aihwa Ong is a renowned professor of anthropology at Berkeley University. Her research focuses on the interactions between government systems, politics, culture and technology. In this book Ong challenges the common conceptualisations of neoliberalism as an economic doctrine that limits the powers of state with negative outcomes in the global South. Instead, the author describes neoliberalism as a less analytically distinguishable concept, which is not solely rooted to economic theory. Ong's counterproposition views neoliberalism as a technology of governing that seeks to alter the relationship between the governments - be they democratic or authoritarian - and their subjects. Ong's approach is thus based on institutional rather than econometric grounds.

Having notable experience with Asian socio-political milieus, Ong supports her counter-argumentation by employing a series of case studies, with emphasis on Asian contexts. Arguably, Ong's book provides valuable empirical evidence on how neoliberalism operates in Asia. Being an anthropologist by specialisation, Ong utilises the chosen case studies to illustrate the role of key actors in determining the outcomes of neoliberal processes. Most importantly, in this book Ong utilises empirical data to demonstrate that capitalist expansion by means of spreading neoliberalism heavily relies on underlying political processes and governmental operations. Such processes manifest themselves in a reconfigured relationship between key global actors and states. The example of redefining women's role in moderate Islamic countries is characteristic of neoliberalism's influence in all domains of public life. Such cases also demonstrate that neoliberalism is not unchallenged in local contexts. On the contrary, local traditional forces, such as religion, and cultural differences between the East and the West, constitute challenges to the spread of neoliberal values and hence capitalism. Other than illuminating local barriers, however, Ong's testimony also demonstrates that a close collaboration between governmental and corporate forces is taking place aiming to consolidate neoliberalism's position.

Through these case studies the author brings two specific neoliberal strategies to surface. On the one hand, there are neoliberal projects that rely on the creation of a highly skilled educated workforce that can be utilised by export-oriented countries aiming to play a prominent role in today's globalised neoliberal world. On the other hand, Ong identifies neoliberal practices that address the issue of maximising the instrumental value of workers for neoliberalism by means of population (re)engineering and regulation of citizenship regimes. This takes place in designated arenas, such as Silicon Valley or the call centres of India, which are transformed into hubs of production based on flexible labour conditions.

Flexible labour constitutes a key process in the functioning of neoliberalism, but it is seldom examined from a non-economic perspective. Ong does just this, by referring to “latitudes” and “graduated citizenship”, both of which determine the fates of millions of people. In this respect Ong’s “neoliberalism as exception” comes to mean much more than legal interpretations of the relationship between the state and citizenship. Neoliberalism as exception epitomises states’ subordination to markets. Ong’s narratives invite the reader to pose new (philosophical) questions. For instance, neoliberalism argues that markets can operate better than states. However, if its proponents claim that it ameliorates the ways economy operates, why have phenomena, such as the deepening of the gap between the rich and the poor, intensified? Is then the claim that states are barriers to global development a superficial (mis)judgement? Ong illustrates that it might be, since through her case studies it becomes evident that the national regulatory framework that is (still) managed by states becomes crucial in the success of neoliberalism at a global level. Ultimately, after reading between the lines it seems as if Ong suggests that neoliberalism is the power that moves the threads in global economy. At the same time, however, Ong seems to acknowledge that without the regulatory framework of states to control the global “hubs” within them – London, Tokyo, New York being characteristic examples – spreading neoliberal values would be much more difficult.

The book clearly looks at neoliberalism from a different perspective than, for instance, Harvey’s hard-core Marxist point of view. On the contrary, Ong’s narrative is presented in a, perhaps disproportionately, mild language, where she clearly avoids demonising neoliberalism for the evils in the world. This is possibly an outcome of the influence of her anthropological background on examining the rationale behind human interactions. Though the highly academic style that the book is written may discourage the average reader from engaging in reading it, Ong’s previously mentioned innovative redefinition of neoliberalism based on socio-political grounds is valuable. It remains a fact, however, that Ong’s work is inaccessible to the great majority of readers, which, to my view, ultimately prevents rendering more people aware of events that largely determine their daily life.

4. Pádraig Carmody - *Globalization in Africa: Recolonization or Renaissance?* (2010)

4.1 Summary

In this book Carmody explores the nature and impact of globalisation in Africa in connection with the external influence of China, USA and other global actors such as transnational corporations (TNCs). In the introductory chapter the author identifies two generic ways of looking at Africa today: as a continent that has been bypassed by globalization and as a continent that has suffered from it by means of a resource curse. The author argues that the resource curse is an externally imposed mode of governance in Africa and he investigates whether it can be transformed to a blessing for Africa.

In the second chapter Carmody looks into the impacts of the fact that African trade is reorienting from the global North to the global East, as China's increased engagement demonstrates. Carmody stresses the subtle difference between geopolitics (states-oriented) and geoeconomics (economic power structures) and how the latter relates to China's involvement in Africa in the form of investments. Africans, however, profit little from such investments, since China's objective is to secure access to raw materials to fuel its own explosive growth. In order to maximise resource extraction China employs its soft power in collaboration with local African elites. This raises questions about whether China's current involvement differs at all from Western colonialism in the past.

In the third chapter Carmody elaborates on the impacts of the American and Chinese involvement on African economies. The author comments that the tunnelling of African resources towards China leads to accumulation by dispossession and ecologic degradation. Western donors in turn attempt to moderate China's increasing influence by promoting good governance through reduced corruption. However, the author concludes that Chinese forces appear extremely resistant, regulating African trade and production and confining it within limited ethnic business networks.

In the fourth chapter Carmody explores the nature and contradictions of globalised governance, as it is played out in Africa, by using the conflict in Darfur as a case study. Globalised governance demands a good coordination between domestically based and transnational actors in order to function. The previously mentioned elites, which support authoritarian states and contribute to the resource curse in Africa from within, constitute nodes of glocalised governance. The term "governance" is used by Carmody instead of "government", because it captures the multitude of involved actors. Matrix governance, a dimension of

governance which was initially meant to regularise social interactions in order to achieve poverty reduction, results in an adverse effect in Africa. Market governance, an operational framework which aims to regularise the chaotic flows of globalisation, can then operate freely in Africa and exacerbate the resource curse. It is no surprise that global (Western) actors, TNCs being a prime example, consolidated their presence in Africa as soon as globalization intensified on the continent. These actors' objective is to consolidate market governance in Africa. A crucial element in this process is the construction of disorder to facilitate resource extraction. China, in particular, has been playing an increasingly important role in this kind of governance in Africa, leading the author to describe its presence as "flexigemony". The author uses the case study of Zambia (chapter five) in order to demonstrate how Chinese hegemony is disguised as investments, resulting in enclave-led growth and dependence.

In chapter six the author attempts to illustrate a possibly positive influence of globalization on Africa: mobile phone revolution. Though mobile phones offer positive network externalities by linking African economies with the rest of the world, they are currently not altering Africa's dependent position in the global economy. This is due to poor infrastructure and Africa's lack of top and middle integration into the global information economy.

In the last chapter the author turns to the current global economic crisis and attempts to investigate whether Asian involvement in Africa can shield the latter against the negative impacts of the global economic slowdown. The previously mentioned matrix governance, which has opened up Africa to external investments, has also exposed Africa to unfavourable global competition. Overall, the impacts of globalization and increased Asian involvement in Africa have been dialectical: on the one hand they have promoted change, though not always positive. On the other hand, they have also re-embedded Africa's dependence. It remains to be seen whether Africa can devise ways to utilise its tremendous potential and progress.

4.2 Critical discussion

Having had long exposure to issues surrounding Africa's position in the current globalising world from the position of professor of Human Geography and himself adhering to critical development geographic standpoints, Carmody dedicates this book to the examination of globalisation's effects on Africa as a function of major world actors' influence on the continent. Being written amidst the global economic crisis, Carmody's testimony captures the continuing tragedy that the African continent has been experiencing for centuries as illustrated by the magnified contradictions within the continent as well as by the resource curse and relations of dependence. Based on facts and statistics, but also on the qualitative examination of a chain of

events through selected case studies, Carmody sketches a grim and graphic picture of Africa's current socio-economic and socio-political situation. He describes Africa as a continent that has both been excluded by and suffered from globalisation and he does not hesitate to name specific culprits of Africa's misery. The book thus represents a piece of criticism on the way that the global capitalist economy has been functioning, though it does not reach the fierceness that is to be observed in radical authors' work, such as David Harvey. It has to be noted, however, that every time such criticism comes from a Western author, as is the case now, it may impact readers from various backgrounds in a different way. Criticism from Western authors may be interpreted as an acknowledgement of West's mistakes.

Despite the book's short extent, Carmody manages to fit in several fundamental terms such as globalisation, capitalism, governance, resource curse and TNCs among others. Moreover, the author's testimony is written in a language that is comprehensive to the average reader, a fact that renders the book accessible to a wider social spectrum, but without becoming popular science. The book may be conceived as a component of a long chain of literature one needs to read in order to better situate themselves in the current global economic and political affairs and how these impact on Africa. In that sense the book does serve its purpose adequately. I am not sure whether I would call this book "innovative", in the sense that it does not necessarily reveal new truths about the reasons behind Africa's misery. Perhaps this is the main weakness of the book, since similar literature is abundant. On the other hand, I would certainly describe the book as provocative, because it rejects diplomatic language, but at the same time the author attempts to write in an objective and neutral way. Concluding, I consider reading Carmody's testimony an enriching experience, though I would have preferred to see a longer book in which a more in-depth explanation of the aforementioned fundamental theoretical terms and their interaction would be offered.

5. Akhil Gupta - Red Tape: Bureaucracy, Structural Violence, and Poverty in India (2012)

5.1 Summary

Akhil Gupta, anthropologist by specialisation, attempts to answer a central question in this book: why has the Indian state, whose motive is to achieve development, failed to help a large number of its citizens living in acute poverty? The book comprises of four parts, each of which constitutes a building block towards answering the central question.

In part one, the introductory section, the author rethinks the relation between the state and poverty. Gupta focuses on structural and legitimate violence, which is a product of state policies and which results in the poor being excluded and thereby being reduced to “bare life”. The reduction of people to bare life, which then leads to their deaths, constitutes a manifestation of the arbitrariness of bureaucratic actions of the Indian state. However, the deaths of the poor do not constitute a scandal in Indian society because they are seen as by-products of the complexity and scale of the state. Structural violence differs from direct violence in that it is hard to identify a perpetrator. In India such perpetrators are not only the, tied to the government, elites, but also the middle class, which grows at the expense of the poor. The previously mentioned bureaucracy then constitutes the link between structural violence and the state. Structural violence is actually systematically produced by the same mechanisms that are meant to eradicate social suffering. The author identifies three mechanisms of structural violence: corruption, inscription and governmentability. These are further analysed in parts two and three. The rest of part one is dedicated to the deconstruction of the state and the contestation of its, claimed by many, single and holistic nature. Gupta defines the state as a highly complex array of institutions with multiple functional specialisations (legislative, judicial and administrative), modes of operation, levels and agendas. Due to the state’s multidimensional nature, calls for the state as a whole to help the poor may be inapplicable, since there is not just one authority such claims can be directed to. However, it is precisely through presenting state as singular that state’s irregularities are hidden, a situation from which powerful actors can profit. The author concludes that efforts to mitigate structural violence must aim at different levels of the state simultaneously if they are to be successful. This is unfortunately not happening in the, imposed from above, antipoverty programs of the IMF and other intergovernmental institutions that are involved in countries of the global South.

Part two is dedicated to corruption and how this interacts with national politics to produce negative outcomes for the most vulnerable categories of people. One suggested

definition of corruption relates to the violation of norms and standards of conduct. Corruption and the circulation of discourses about corruption actively influence poor people's understandings of the state, a phenomenon reinforced by the representations of the state in public cultures, especially newspapers. The poor themselves are a category created by the state. The creation of this category is necessary for the perpetuation of state bureaucracies. The concept of citizenship links the poor people to state bureaucracies. The author claims that the ways that the state comes to be imagined by people are a function of these people's position in society. Ultimately, the very same processes that enable one to construct the state help one to imagine these other social groupings, such as citizens, communities, coalitions, classes. Illuminating the role of narratives in the cultural construction of the state helps us comprehend why the poor come to imagine the state in the ways they do. Narratives of corruption, which travel in time and space, are necessary components of imagining the state, structural violence and its effects on poor people. The author argues that, in order to start effectively addressing poor people's problems, pressure must be brought from below. In order to mobilise people, narratives of corruption have to be mapped and manipulated.

In part three the author examines the impact of writing as a form of everyday state action on the poor which manifests itself as structural violence. It is through writing that bureaucratic domination is exercised on populations. Central types of information-collecting devices include forms, files, reports and registers. Writing itself serves three functions, namely to note, to record and to report, and it is an important component in the relationship between states and poor people. Consequently, education and literacy in general become forms of cultural and symbolic capital that determine people's vulnerability to structural violence. One should not overlook the role of statistics as a means of instilling new narratives about the state as well as a transnational disciplinary mechanism. Statistics are in turn closely linked to inspection, which is conducted by superior state officers to check the work of their subordinates. On the other hand, complaints by the affected people are a highly important modality employed by them in order to contest structural violence coming from the state.

What are then the political consequences of the bureaucratic insistence on writing in the context of widespread illiteracy? This is the subject of the sixth chapter. Literacy is vital for the survival of state bureaucracies. Through these bureaucracies, literacy also becomes a precondition that binds elites and other powerful (global) actors together in order to exercise control over the masses. This then justifies the state's bureaucratic fetishism of degrees and documents. Subalterns do not remain, however, passive actors in this. They employ their own strategies to contest the power of literate bureaucrats. Such strategies include becoming literate

themselves, educating their children, actively participating in the political sphere and mimicking state writing by producing counterfeit documents and certificates in order to receive benefits and services. In this way the lower classes partly restore democratic ruling within their state. Actually, total literacy is not a precondition for the proper functioning of democracy, so one should not automatically relate structural violence to (il)literacy.

In part four, the author attempts to link the previously mentioned state bureaucracies with the actions of particular agencies of the state and the expansion of processes of government in non-governmental institutions and realms of social life. In chapter seven Gupta talks about the relation between population and neoliberal governmentability, more specifically about the relation between changing forms of the care of the population and shifts in political economy. Governmentability constitutes a central term in this part of the book and it comprises of forces such as tax incentives, family planning and state campaigns, which aim to shape public awareness towards specific state (and elite) goals. The usefulness of the term governmentability lies on its capacity to bring under a single analytical lens the entire domain showing the operation and role of state agencies with a wider field of action and intervention made possible by a range of social actors and discourses. Governmentability is thus ultimately about regulating populations and it adds to the general understanding of the relationship between neoliberalism and structural violence.

So why does India seem to be unable to relieve its poor? Terms such as structural violence, bureaucracy, powerful global actors and their interests, are all employed to answer this question. Armed violence stemming from disadvantaged populations as a reaction to their neglection, and the competitive populism from the politicians' side constitute two diametrically opposed outcomes of the continuous crisis that India has been facing. Can then the situation be ameliorated? The author concludes that, the current political and economic climate in India is unlikely to reduce acute poverty in the foreseeable future. The poor and disadvantaged will remain so.

5.2 Critical discussion

In this book Akhil Gupta theorises the role of bureaucratic procedures in perpetuating chronic poverty in India. A positive feature of the book is that it is divided into logically ordered chapters. The author starts by describing the problem, namely the state's failure to help its poor. He then proceeds to illuminating the fundamental causes of the problem, corruption, insistence on inscription and governmentability as being the domain of elites, producing catastrophic results for the poor. Gupta attributes the perpetuation of poverty to the existence of a relationship

of structural violence between the poor and the state and he rejects the view that widespread poverty is a remnant of colonialism. Instead, he attributes this to the inefficiency of the Indian state apparatus, expressed by the arbitrariness of bureaucratic procedures, as well as to the influence of powerful local elites on state policies.

Integral descriptions of the author's fieldwork are to be found throughout the book. These case studies illuminate state procedures, such as pensioners' registration, and how these are culturally situated. Gupta utilises his case studies to advance his proposed theoretical basis about the arbitrariness of state processes and how this translates to tragic outcomes for the poor. Case studies function as the link between theory and everyday life. Moreover, Gupta links social processes in India with current globalising and neoliberal trends, showing that problems within India are not and should not solely be attributed to the way the state apparatus functions. Instead, they constitute an extension of external forces, whose influence should be taken into consideration when looking for solutions. Consequently, the author's work can be linked to and compared with other contemporary literature about globalisation, neoliberalism and control of the masses. This constitutes the subject of the last section.

India's existing links with global processes do not negate the fact that India's problems are by far a result of the problematic functioning of the state apparatus itself. Gupta does not really describe this as inefficiency of the state. Instead, he suggests that the state is perfectly aware of its deficiencies, but it invokes its large scale in order to de-criminalise the deaths of the poor. A manifestation of this is the normalisation of poverty in state-provided statistical information, through which the deaths of the poor cease to constitute a scandal. This is, according to the author, an active process of the state and not a passive condition in which the poor are allowed to die. The author's Indian cultural background as well as his long exposure to Indian affairs have helped him reach this nuanced understanding of the multiple functions that seemingly innocent statistics can serve.

Apart from being critical against the Indian state, the author does acknowledge that the state mobilises its resources to offer some kind of relief to the poor. Unfortunately, bureaucracy works counterproductively, producing catastrophic results for the people it aims to serve. So, apart from deciphering state procedures such as the previously mentioned pensioners registration, Gupta also examined the functioning of antipoverty programs at local scales to explain why they fail to realise their goal. Once more, the fact that the author himself is Indian facilitated his research, because he could culturally situate himself in the local contexts as well as in the bureaucratic mechanisms of the state.

In summary, the book offers a valuable insight into the state mechanisms of a country with tremendous potential. Gupta's findings can be used by state officials in order to tackle inefficient bureaucratic mechanisms, as well as by external actors, such as international organisations and NGOs, which operate in India. The great lesson learned from the book is that the current situation is far from viable and that rather than thinking the unified, coherent state as a point of departure for social analysis, it is more desirable to deconstruct the state into smaller sections and target each one separately, with the objective to solve locally- and culturally-specific issues. Therefore, the involved actors, be it the state departments themselves, or international organisations, need to operate at multiple levels of the state simultaneously if India is to record progress in the future and utilise its sizeable human resource potential. The Indian case can then act as an example for other countries of the global South that are in a similar situation.

6. Comparison of the literature

6.1 Introduction

The selected literature is written from a variety of perspectives, ranging from extreme left (Harvey) to anthropological (Gupta and Ong). Harvey's "A brief history of neoliberalism" and Hardt and Negri's "Empire" set the theoretical basis of the central concept, namely capitalism's global consolidation by means of its dominant paradigm, neoliberalism. Ong adds an extra dimension by examining the implications of neoliberal domination for the notions of citizenship and sovereignty. Carmody's and Gupta's testimonies serve mainly as illustrations of the implications of neoliberal policies in specific contexts. Nonetheless, throughout the literature of the course "Literatuurvak" the reader can identify recurring themes. I will now highlight each of these themes and at the same time I will compare how these themes are treated by the authors throughout the literature. An element that should be noted is that throughout the literature capitalism and neoliberalism often appear to be used interchangeably, though this may be not desirable, as I described in the critical discussion section of Harvey's "A brief history of neoliberalism".

6.2 Neoliberal theory and practices

The first theme relates to the underlying factors that led to the formation of neoliberalism's theoretical and practical framework and to its subsequent proliferation worldwide. Harvey offers a comprehensive picture of the transition from embedded liberalism to neoliberalism. He attributes neoliberal success to the insufficiency of embedded liberalism to serve the interests of powerful elites. Harvey stresses the fact that the neoliberal revolution, which started from the USA and the UK, was carried out by means of democratic procedures, achieving social consent. Hardt and Negri do not explicitly refer to these democratic procedures, though they, too, emphasise that "Empire", as they label the current regime, declares that its objective is spreading peace and enforcing the rule of law. Ong, in turn, describes how neoliberal values have infiltrated to the juridical domain, affecting notions such as state citizenship and sovereignty. In all three testimonies the focus lies on the increased interaction between the political, the social, the economic and the juridical domains.

Within the framework of the transition from modernity to postmodernity, which is another way that Hardt and Negri describe the passage from imperialism to "Empire", anyone who objects to neoliberalism's peaceful expansion is labelled "fundamentalist" and is seen as a threat to global stability. In a similar vein, Harvey recognises the compatibility of neoliberal

theory with postmodernity. For Harvey, neoliberal theory transforms itself to a Western culture-inspired postmodernisation of the economy by means of market domination. Regarding the role of markets, both Harvey and Ong point to Karl Polanyi's reservations about offering ample freedom to the markets. In this process, the neoliberal state acts as a facilitator. Ong employs her anthropological point of view to unravel the neoliberal state's influence on social configurations. Ong also identifies a distinct Northern neoliberal culture stemming from specific command centres that seeks to subsume the global South. This expansionist project is also present in Harvey's and Hardt and Negri's narratives. More specifically, Harvey describes the impacts of neoliberalism on class configurations within states, in which small powerful groups act as gatekeepers for neoliberalism in local contexts. Carmody's study on the role of African elites is useful here. Hardt and Negri also offer an elaborate picture of how neoliberalism manages to penetrate new domains, by referring to the production of alterity, in which neoliberalism first devises and communicates differences among actors within the social spectrum and then it orchestrates conflicts to "resolve" these differences. Former Yugoslavia is, as it was previously demonstrated, a characteristic case. According to Hardt and Negri, a "biopolitical production" then starts taking place, in which the political and the cultural increasingly overlap.

Ong employs the closely related discourse of "biopower" to describe how neoliberalism as a technology of governing becomes a useful concept for ethnographic research in regimes where the notions of citizenship and state sovereignty are mutated and are employed as tools of neoliberal governmentability. This manifests itself in situations of labour control and bureaucratic procedures, which entail a widespread degree of corruption. Hardt and Negri maintain that within the framework of neoliberalism, corruption is not just accidental, but necessary. Gupta elaborates on the importance of corruption for neoliberal functioning by stating that people's understanding of the state as a whole is largely shaped by discourses of corruption and by how the state is presented in the media. Gupta actually believes that through the normative reduction of the state apparatus to a single entity, the ruling elites can effectively hide specific, unfavourable to them, realities in order to prevent social revolution. In this regard, the mass media become the tool with which the ruling elites can manipulate social awareness. The publishing of relevant poverty-related statistics is another manifestation of attempts to divert public awareness. According to Gupta, such statistics serve to normalise otherwise unacceptable phenomena, such as death rates due to poverty. In this way, statistics functions as another disciplinary mechanism. Thus, the argument comes down to Harvey's and Hardt and Negri's allegations that neoliberalism is nothing more than a repressing mechanism, which will attempt to protect its domain at all costs and will intervene when necessary.

However, as already stated, any such neoliberal intervention will not manifest itself by means of violent conflicts. Rather, neoliberal attacks often rely on humanistic and political grounds. All authors make direct or indirect reference to such mechanisms. Harvey mentions the Washington-consensus institutions, which form part of the new wave of neoliberalism and seek to instil neoliberal values in new domains. Similarly, Hardt and Negri make extensive reference to Empire's legislative framework, which seeks to control the mobility and social cohesion of labour. Ong, in turn, describes a similar process in which a re-engineering of citizens takes place in neoliberal states by means of population control policies and the regulation of education, in which selected people are allowed to improve their human capital. Such selected people constitute the new generation of neoliberal leaders, whose task is to secure neoliberal domination and expansion. At this point Carmody's "matrix governance" is a useful concept, since it describes how social interactions within the social class spectrum become regularised in order to facilitate the introduction of neoliberalism in new settings. In this attempt to regularise social interactions and discipline citizens, Carmody's description of Transnational Corporations (TNCs) as a key actor is useful, because it is mostly TNCs that provide the incentives to local elites to act as neoliberalism's gatekeepers. Even foreign aid, as Carmody points, is a way through which neoliberalism can peacefully infiltrate in new domains. This is because aid operations and NGOs are in numerous cases controlled by and are in close collaboration with neoliberal institutions, such as the IMF, and pioneer neoliberal states, such as the USA. Gupta employs the previously mentioned term "governmentability" to describe this whole process of gradual peaceful neoliberal expansion. Governmentability, which is an umbrella-term that can serve as a summary of all authors' points of view, is ultimately based on the regulation of ideas, human and material resources and technologies. The central message that emerges from the literature is that all groundbreaking political and economic events of the last few decades are in fact manifestations of a well-designed capitalist expansion project. The objective is to bring new domains under capitalist control in order to realise the excessive capital surplus in the core.

6.3 The socio-economic and socio-political implications of neoliberalism

From the literature, it becomes clear that neoliberalism now occupies a solid position in the world, which currently appears difficult to reverse. What are then the visible socio-economic and socio-political outcomes of neoliberal dominance thus far? All authors adopt a rather negative outlook as to how neoliberalism has affected the lives of, mostly poorer, people globally. Harvey sketches the most negative picture of all. He refers to redistribution of wealth, rather than regeneration. He points to the Volcker tactic, which entails the orchestration and then the

“resolution” of crises in areas that are of importance for neoliberal elites. The same process was previously described by Hardt and Negri and is according to them an integral part of neoliberalism’s operational framework. Moreover, Harvey refers to the commodification of everything within the framework of neoliberal transactions, which has lead, according to Carmody, to Africa’s resource curse. Carmody dedicates a substantial part of his book to how the recourse curse has been a significant barrier in achieving political and economic stability in Africa, rendering it an effective neo-colony. As Carmody suggests, neoliberalism has not been an agent of change in Africa. Rather, it has deepened the pre-existing relations of dependence with the West. Ong adds her own testimony about how South and South-East Asia has been turned into a pool of skilled, but most importantly cheap and easily manageable and exploitable, labour. Harvey offers an especially interesting view on the social consequences of neoliberal exploitation. He makes special reference to freedom, which was suggested as the antidote to human repression that embedded liberalism initially was accused of. The notion of personal freedom was gradually mutated by the neoliberal camp to mean freedom for markets to operate and thereby control all aspects of social life. The increasing informatisation of the economy, that was described by Hardt and Negri, has allowed specific groups which possess the necessary material and financial means, to control their subjects more efficiently. Hardt and Negri see this trend of increased control as an expected outcome of the postmodernisation of the economy. Their view consequently converges with Harvey’s view of postmodernisation as a new phase of capitalist accumulation. Therefore, Harvey and Hardt and Negri more or less claim that neoliberalism has never been about change, but rather about restoring the power of the few. A similar view, though not stated directly, is cherished by Ong, Carmody and Gupta as well.

In this new era of a more informatised economy the rule of law continues to play a pivotal role. The bureaucratic procedures that are described in Gupta’s testimony constitute a key instrument that the neoliberal state uses to control its subjects. Ong’s previously mentioned population re-engineering by means of relevant legislation results in stark contrasts within given societies: on the one hand there is a small, usually indigenous, benefited group which can achieve social mobility and on the other hand there are the massive groups of people, usually migrants, whose labour is undervalued and underpaid. Within this regime, the concepts of sovereignty and citizenship have become more flexible in nature. As Ong states, modern techniques of government rely on differential treatment, which Ong labels “exceptions to neoliberalism”. In this regime people are offered rights based on their instrumental value for neoliberalism. As already illustrated, this leads to a greater degree of social stratification, where various social classes reside next to each other and the powerful classes exploit the weak ones. A

characteristic example of such differential treatment of populations is the zoning technologies, which result in a regime of “graduated sovereignty”, as Ong calls it, within the state’s borders. In a similar vein, Carmody describes a related process that takes place in African states, where Africa’s rich resources are processed in special economic zones. In both Africa and Asia, local people benefit minimally from the exploitation of their own country’s resources. Hardt and Negri add to the exploitation argument by stating that contemporary capitalism operates through flexible and fluctuating universal networks of exploitation. However, Ong is opposed Hardt and Negri’s all-encompassing logic. She claims that market power is increasingly reliant on ethnicising networks and practices that link sites and communities in complex ways. Consequently, Hardt and Negri’s claim that capitalism has resulted in a global transition from disciplinary society to the society of control is rejected by Ong as being over-generalising. Instead, Ong argues that social outcomes are better described by the previously mentioned latitudinal forms of market governmentality, which often deploy a mix of regulatory norms that are locally-specific.

6.4 Neoliberal contradictions

As already demonstrated, there is substantial divergence between initial neoliberal claims for freedom and human life improvement on the one hand and the actual outcomes as they manifest themselves globally on the other hand. In various parts of the literature, the authors express their own concerns about neoliberalism’s conflicting claims. Harvey begins his narrative by elaborating on the tensions and contradictions of the neoliberal state as a vehicle of neoliberalism. The proliferation of monopolies, the asymmetries of power and information between neoliberal hubs and the periphery, the promotion of individualism as opposed to neoliberal claims about a meaningful life, and the externalisation of market failure consequences to lenders are only a few of the many contradictions. Above all, Harvey believes that neoliberal authoritarianism constitutes the most obvious violation of neoliberal claims about freedom. Ong adds to this argument from the perspective of exceptions to neoliberalism, in which specific populations become marginalised due to their low instrumental value for neoliberalism. A similar notion is latitudes, which Ong employs to refer to the spatialities of market functioning and how they stretch the boundaries of governmentability to accommodate neoliberal objectives. Such spatialities become obvious in the global regulation of labour relations, where, certain ethnicities become associated with specific occupations leading to the production and reproduction of stereotypes. This is in contrast with neoliberalism’s claims about universal freedom, where each individual, regardless of his background, can pursue and achieve success.

Gupta's case studies within the Indian context demonstrate real-life experiences in which the neoliberal Indian state's anti-poverty programs ultimately fail to resolve poverty. Similarly, Carmody's case studies about Africa's resource curse demonstrate once again that letting the market operate uninterrupted is far from a solution in realising neoliberal claims about personal growth and social progress in Africa.

6.5 Resistance to neoliberalism

Though neoliberalism was almost unchallenged in its early stages, the culmination of discontent has led to various reactions across the world. Such reactions to neoliberalism are in part culturally specific. Harvey refers to the emergence of diverse oppositional movements from within the market system as well as from the outside. He specifically refers to environmental movements, anarchist and other groups that condemn capitalist logic, social movements that are against specific aspects of globalisation (for instance accumulation by dispossession, as described by Carmody), and even reactions coming from members within the ruling classes. In the latter camp, there is currently a revival of academic interest in the cosmopolitan ethic and in the belief that stands for reversal of state withdrawal. Harvey pays special attention to neoconservatism, which “sustains the neoliberal drive towards the construction of asymmetric market freedoms, but it makes the anti-democratic tendencies of neoliberalism explicit through a turn into authoritarian, hierarchical, and even militaristic means of maintaining law and order” (Harvey, 2005, 195). He then proceeds to describing the emergence of nationalism, which can easily merge with racism. Harvey observes that the more neoliberalism is recognised as a failure, the more easily mass movements can emerge. He concludes that there is a need for more theoretical and practical exploration in order to devise a socio-economic regime that is compatible with current times.

Harvey's point of view presents many differences with Hardt and Negri's views. The latter two claim that the leftist strategy of resistance to neoliberalism can be detrimental for the success of projects to overthrow neoliberalism. Hardt and Negri attribute great potential to the working class as a whole. However, contrary to Harvey's unitary logic of resistance, Hardt and Negri reject that Empire will be overthrown by means of a single offensive. Instead, they point to the erosion of Empire as a result of multiple attacks, each of which “leaps vertically, directly to the virtual centre of Empire” (Hardt and Negri, 2000, 59). According to Hardt and Negri the virtual centre of Empire can be attacked from every point. For this reason, Hardt and Negri make special reference to fundamentalism, which they consider an umbrella-term that brings together

widely disparate phenomena. Actually, the case studies of Carmody (Africa) and Gupta (India) as a whole may serve to demonstrate the multiple forms that the “multitude” can take.

Despite their reservations about the feasibility of a unified proletarian front, Hardt and Negri remain rather optimistic about the proletariat’s potential. Through technological transformation, the proletariat can reinvent itself and exert influence on the productive processes of capital. Hardt and Negri believe that the multitude can gain control over the information and communications tools of capitalism which can then be used to confront the Empire on a global scale. In order for this to happen, they suggest that the multitude must reach the stage of achieving global citizenship. Ong also believes that this is necessary and possible, provided that the multitude can mimic the mobility of capital.

6.6 China’s agency

A special case that emerges from studying the literature relates to China and its potential of being a catalyst in the evolution of capitalism globally. In all books, except Gupta’s testimony which limits itself to the Indian state domain, there is wide reference to China. Harvey presents China as an important player in global capitalism, whereas Carmody also points to its vulnerabilities within the global neoliberal framework because of its dependence on foreign direct investment and raw materials. China, Carmody adds, attempts to cover its resource needs by applying an investments-oriented, almost neo-colonial, model on Africa. Besides China’s involvement abroad, Ong views the country as a prototype for the currently dominant human capital-based economic model. In this regard, China functions as a pool of skilled and cheap labour that, after additional training to render it more compatible with neoliberal values and Western corporate culture, can be utilised globally.

Despite China’s enormous human resources, Harvey warns that the country faces the danger of imploding due to its massive accumulated surpluses. At this point Harvey’s view converges with Hardt and Negri’s reference to the need for continuous capital realisation in order to allow the system to keep functioning. More specifically, in China there is massive capital but there are insufficient people to realise the surplus. Therefore, the county has the option of either allowing its working classes to utilise this capital or repress them to avoid a possible revolution. Moreover, Harvey also notes that the adopted model of neoliberalism with Chinese characteristics increasingly resembles neoconservatism and all of its negatives that were previously described. Taking into account China’s size and global influence and having already rejected neoconservatism, Harvey considers this development utterly negative for the anticipated proletarian revolution. Harvey’s sporadic pessimism is contrasted by Hardt and Negri’s clearly

more optimistic tone about the potential for a proletarian revolution, regardless of possibly unfavourable local conditions.

6.7 Conclusions

It is challenging to assert whether the various pieces of literature as a whole converge towards similar points of view, or whether they offer radically different understandings of neoliberalism as it is currently practiced across the world. Certain common elements do, however, emerge. First, throughout the literature it becomes evident that the current global politico-economic configuration is a result of a global transition that took place in the 20th century. Contrary to the distant past, this transition is based on political and juridical discourses, rather than direct manifestations of violence. In this process dubious discourses such as corruption, governmentability, human capital, citizenship and sovereignty interact with each other and produce multiple outcomes, which almost always favour a fraction of society. This is the prime contradiction of neoliberalism: instead of leading to universal personal freedom, it deprives the majority of people from the right to a decent and meaningful life. It all then comes down to the restoration of the power of a small group of people. Though the authors do not appear equally optimistic about the possibility of social change, they all acknowledge the potential of the masses to dramatically change the current situation. In this regard, certain upcoming powers like India and China can become catalysts of social change globally.

7. Literature

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