

Glocal London: the Double Crisis of Governability and Governmentality

— Nira Yuval-Davis (UEL)

In a conference called 'London: City of Paradox' we need to examine the different ways in which London is a 'glocal city', as so many of the issues discussed in this conference are specific to London and/or the UK but, at the same time, are also a reflection of much wider global phenomena. As Saskia Sassen (2012) writes in her paper, global cities are the frontier battle zone in the contemporary world and London probably more so than many others, especially in the year of the Olympics spectacle.

Recent election results across Europe have seen growing disenchantment with incumbent governments which have been perceived as being unable or unwilling to deal with the financial crisis while also maintaining the living standards of ordinary people. Meanwhile in many countries a series of scandals in the banking sector has led to increasing but as yet unavailing calls for a major overhaul of the industry which I take to be symptomatic of a crisis of faith in financial institutions.

This paper reflects on the overall context in which these events are taking place, and the ways in which they are related to each other. My argument is that these phenomena are signs of neoliberalism's systemic, multi-faceted, global political and economic crisis, a crisis that is central to relationships between states and societies and to constructions of subjectivity; and that we are seeing a related crisis of both governability and governmentality. In the limited space available here I can only outline this crisis in general terms before going on to focus briefly on some of its implications for political action. But I hope that analysing events within this context will be suggestive, and point others towards undertaking similar investigations. My focus here will be on the implications of this double crisis for the growth of the global phenomenon of autochthonic political projects of belonging, both locally and globally; and also for the simultaneous growth of libertarian activist citizenship movements of resistance.

The crisis of governability

Some commentators, like Mike Rustin, have looked at the crisis of governability that occurred

when the British government in the 1970s was not able to control the unions. The current crisis of governability is a different one: as the recent economic crisis has shown, with the growing entanglement and dependency not only of local and global markets but also of local private and public institutions, various states have been forced to bail out banks and large corporations for fear of total economic collapse. However, the governability of state agencies vis à vis the private sector – the ability to reinforce regulations – is highly limited. As Robert Imrie & Mike Raco (2000), Richard Murphy (2011) and others have pointed out, in many ways there can no longer be a clear differentiation between the public and the private: whole locations and domains which used to be part of the public space – from schools to shopping centres – are public no more. In some ways the situation today has parallels with the period of the enclosures in the 18th century when what was considered to be public land began to be fenced in; this is a new stage of the same phenomenon but it is much more radical. Interestingly – and this is highly significant for contemporary relations between states – these privately owned assets are now less likely to be held by national corporations.

Between 1990 and 2006 (and today the figures are even higher), the proportion of global assets in foreign ownership rose from 9% to 26%, and foreign ownership of government bonds rose from 11% to 31%. In 1987, when the Kuwait Investment Office took advantage of the privatisation of British Petroleum to buy 22% of the company's outstanding shares, Thatcher's government was so horrified by this attack on its 'crown jewels' that it forced Kuwait Investment to reduce its share to 9.9%. However, when in 2008 Sheikh Mansoor of Abu Dhabi bought 16% of Barclays Bank and then sold it less than a year later at 70% profit, "nobody even blinked". (*Independent*, 2011). Furthermore, the sphere that is regarded as part of 'national security', and thus as off-limits for foreign ownership, is also continuously shrinking. A French company now owns a British energy company, and British airports are owned by a Spanish company. It is not that government cannot bring in regulations; indeed, some regulations such as the separation between retail and investment banking might well be introduced as well as further bank levies although the effect of all this might be marginal. Much of it has to do with the basic legal relationships between corporations and states in which companies have a status of fictional citizenship which enables the people who run these companies to escape responsibility for the results of their corporations' action: the famous 'LTD' affix. At a time of globalisation, the ability of companies – and the people who run them – to change locations, base themselves in tax havens and thus escape having to bear the social, economic, environmental and other consequences of their actions is becoming clear not just in the South but also in the North.

Moreover, while states were forced to bail out banks to avoid major economic collapses,

states – such as Ireland, Greece and others and, of course, also the UK – found themselves forced to cut their budgets severely, against the interests of their citizens, because they have become dependent on their credit assessment by the global financial market. The City of London occupies a central place in this global system. David Cameron's fight to keep the exceptional position of the City free from regulation and taxation stems out of his attempt to prevent the desertion of corporations once the extra privileges offered here lose their edge over those offered to them elsewhere. This, like the tax cuts in the last budget, needs to be seen as part of the close relationship between the Government and the City; they cannot be seen as the City being governed by the state. In Italy, these days, corporation technocrats are even running the state.

One of the issues that needs further study is the ways in which neoliberal capital interacts with authoritarian states where such a crisis of governability has not taken place. The growing power of the BRIC (Brazil, Russia, India and China) states highlights the apparent paradox that global neoliberalism operates most successfully in non-liberal states (Bichler & Nitzan, 2012).

It is an open question as to what extent authoritarian states can limit internal crises within the financial sector and not just between it and the state. Neoliberalism, unlike liberalism during earlier phases of capitalism is not inspired by what Max Weber (1905) called 'the protestant ethics' or long-term investments policy and reliance on production. It can be symbolised by the hedge fund which is aimed at maximising short-term profits by stripping assets and hunting for new markets to exploit. Asset stripping of what used to be the public sector in Northern states has been its latest big endeavour.

As Bichler and Nitzan (2010) point out, one can detect major systemic fear among the most successful contemporary, global, neoliberal corporations. Part of the explanation for this, probably, is that the two largest commodities traded globally – ie oil and arms – have an inherent instability and complex relationships with states in both the North and the South and might prove to be unsustainable in the long term under the present globalised political and economic system. The situation in Libya is a good but not unique example of this. It is, even more than Syria, an example of the growing imbalance between the global economic, political and military powers of states and super-states such as the EU.

All of this, of course, has also had a direct effect on the relationships between state and society; hence the crisis of governmentality which I am going to address now.

The crisis of governmentality

In one of her earlier works (2007), Saskia Sassen argued that the liberal state, rather than weakening as a result of neoliberal globalisation, changed internally so that the executive powers have strengthened at the expense of the legislative branches of the state. This is a direct result of the privatisation of the state where a lot of the regulatory tasks of the legislative have been lost and, at the same time, it is almost exclusively the executive branch which negotiates with other national and supranational governance executives (such as the EU, the UN, the World Bank, the WTO) as well as with private, national and especially transnational corporations.

This is an important observation which offers some explanation of the governmentality crisis: because of the increasing power of the executive, there is growing disenchantment and alienation from the state on the part of citizens, who accordingly begin to refrain from internalising and complying with the neoliberal state's technologies of governance. This disenchantment is particularly important in countries where voting in national elections is solely for the election of members of parliament, rather than also for the head of the executive. At the same time, in parliamentary democracies the right to rule is dependent on formal endorsement of particular parties by the electorate; this is what gives the state legitimacy. Hence the growing worry of governments at the lack of involvement of the electorate in both national and local elections.

The growing securitisation and militarisation of the liberal state need to be related directly to the growing fear of ruling elites which stems from this crisis of governmentality. The resistance of people to this crisis, however, can take widely different forms, depending on their intersected positionings, identifications and normative values: more or less violent; more or less radical; more or less guided by primordial versus cosmopolitan value systems. In the short time I have I can briefly discuss a couple of different modes of resistance.

The rise of autochthonic political projects of belonging

This can be seen as a direct response to the insecurity engendered by the processes of neoliberal globalisation. Part of the repertoire of neoliberal governmentality is the removal from most people of any expectation – let alone guarantee – of long-term employment in the same place, or even in the same kind of work, or of having regular holidays and sufficient funds in their pension for their retirement. This is part of a wider trend towards the displacement of risk from the state and corporations to individuals. Other elements of the 'risk society' include housing and place of living, networks of friends, and even membership

in a family unit (Beck, 1992). All these new areas of uncertainty push people towards membership in what Castells (1997) has called “defensive identity movements”, whether ethnic or religious. Policy-makers often respond to such defensive movements among majoritarian members of society by attempting to take away rights from migrants and refugees as an easy way to appease these anxieties; such initiatives are seen as serving to reinforce what is perceived of as a weakening sense of national ‘cohesion’.

Since the 1980s there has been a lot of discussion on the rise of what Barker (1981) called ‘the new racism’ and Balibar (1990) ‘racisme differentialiste’ (see also Modood’s notion of ‘cultural racism’, 2003). Unlike the ‘old’ racism, these kinds of racialisation discourses focused not on notions of ‘races’ or different ethnic origins, but on different cultures, religions and traditions which were seen as threatening to ‘contaminate’ or ‘overwhelm’ the cultural ‘essence’ of ‘the nation’.

Peter Geschiere (2009) points out, however, that often the crucial element in the construction of the boundaries between ‘us’ and ‘them’, and thus the focus of such political projects of belonging, is of a somewhat different kind that has gained a new impetus under globalisation and mass immigration, and which he sees as the global return to the local. The term Geschiere uses for this phenomenon is the Greek word ‘autochthony’ (to be of the soil) which is used in the Netherlands and in the Francophone world, to differentiate between the ‘autochthones’ who belong and the ‘allochthones’ who do not.

Autochthony can be seen as a new phase of ethnicity although in some senses it even surpasses ethnicity (see also Yuval-Davis, 2011a&b). While ethnicity is highly constructed, relationally and situationally circumscribed, autochthony is a much more ‘empty’ and thus elastic notion. It states no more than ‘I was here before you’ and, as such, can be applied in any situation and can be constantly redefined and applied to different groupings in different ways. It combines elements of naturalisation of belonging with vagueness as to what constitutes the essence of belonging, and thus can be pursued by groups who would not necessarily be thought to be autochthone by others.

The notion of an autochthonic politics of belonging is very important when we come to understand contemporary extreme right politics in Europe and elsewhere. The people who follow these politics always argue that they are not racist although they are very much against all those who ‘do not belong’. In some cases, such as in the case of the English Defence League (EDL), organisations include a much more diverse range of potential members than anything imaginable in the older kind of extreme right organisation. The EDL, at least formally, has both Jewish and gay sections, as well as Hindu, Sikh and Afro-

Caribbean supporters. In France, Front National leader Marine Le Pen goes to great lengths to deny that her party is racist, anti-semitic or homophobic. She claims (*Guardian*, 2012) that “the right-left divide makes no sense any more. Now the real division is between nationalism and globalisation”. In the latter context, she warns of the “dilution” and “wiping out” of the French nation and civilisation, under threat from “never-ending queues of foreigners”. In this way people’s feelings of helplessness in the face of neoliberalism and the risk-society are channelled into an anxiety about immigration. With this rhetoric she managed to get around 20% of votes in the first round of the French presidential elections in April 2012. The Greek anti-immigration extreme right Golden Dawn Party is also on the rise.

Even the BNP, a more ‘old fashioned’ extreme right party, put forward as their candidate for the London Mayoral elections of 2012 a ‘visible foreigner’, Carlos Cortiglia, (BBC, 2012) who migrated to the UK from Uruguay and is of Spanish and Italian parentage (although he is indisputably ‘white’). This was at a time when the BNP’s election campaign was calling for a search for “the indigene Londoner” whatever this may mean. No wonder that their ‘hybrid’ approach failed them, and that the rising extreme right formation in the UK is the British Freedom Party, which is working closely with the EDL.

It is important to recognise that this invocation of territorial belonging as a naturalised mode of exclusion can also characterise the politics of non-majoritarian groupings and can be seen as the basis of much gang warfare in metropolitan cities as well as in remote mountains in Africa.

The activist citizen

A very different mode of resistance is what Engin Isin (2009) describes as the emergence of ‘the activist citizens’ who are involved in new acts of citizenship, organised and spontaneous, which can be situationist, carnivalesque or focused around international courts, the social media and other forms of social networking. These ‘active citizens’ campaign for various citizenship rights which often transform the boundaries between human and civil rights, political and social rights; they campaign also for new additional kinds of rights such as ecological, indigenous and sexual. Importantly, activist citizens campaign for rights not only for themselves and their grouping, collectivity or local neighbourhood, but their focus can be national, regional or global, putting citizenship ‘in flux’ and blurring the boundaries and articulations of rights – and responsibilities – within the state and beyond it. A similar construction of citizenship, applied mostly to Latino migrants in the USA, has been called ‘cultural citizenship’ (eg Rosaldo, 1997). However, as Isin notes, the range of issues covered by activist citizenship campaigns has been much wider than that of the cultural or even

identity politics arena. The recent series of popular uprisings in various Middle Eastern countries is a good example of such activist citizenship which has been focusing on generic issues of freedom and democracy. Their heavy reliance on new communication technologies such as mobile phones, the web and social networks has also been typical. However, protesting and fighting against a system of governance can loosen it in the margins, deepen the crisis of governmentality and maybe even its governability but does not necessarily provide a viable alternative. It can also supply legitimacy to further securitisation and militarisation of the state and/or create a vacuum for autochthonic identity politics.

At the same time, being co-opted into the apolitical professionalisation and judicialisation of NGOs and community organisations which involves the transformation of grassroots movements into being dependent on a fund-raising professional elite is not the solution either. Being absorbed by the demands of the system may not leave space or a lever for alternative structures (Yuval-Davis, 2006).

Whenever I become too depressed I tend to remind myself of Gramsci's call for 'pessimism of the mind, optimism of the will'. We have been trying in this conference to contribute to the development of a counter-narrative which might lead us to some sustainable insights for the way forward. So let's try and stick with good old Gramsci.

But when anomic 'hopelessness' dominates the social domain, it is only too easy for anger, injustice and hopelessness to be converted to an autochthonic 'politics of blame' which, at its most extreme, involves a figure like [Breivik](#) (Anders Breivik who carried out mass murder in Norway in 2011) trying to physically annihilate 'multiculturalism'. The loss of hope is a major threat to democracy and not just an emotional malaise. So, let us take some comfort and hope from recent victories for the left in Latin America, Europe and elsewhere, and the small but detectable cracks opening up in the overwhelming consensus on austerity. But let us also continue to search for alternative transformative structures which will not repeat the flaws of the 'old' – or the 'new' – left.

References

- Balibar, E. (1990) 'Paradoxes of Universality', in Goldberg, D.T. (ed.) *Anatomy of Racism*. Minneapolis: Minnesota University Press.
- Barker, M. (1981) *The New Racism*. London: Junction Books
- Beck, U. (1992) *Risk Society: Towards a New Modernity*. London: Sage
- Bichler, S. and Nitzan, J. (2010) 'Capital as Power: Toward a New Cosmology of Capitalism', *Dissident Voice*, 6 May. Available at: <http://dissidentvoice.org/2010/05/capital-as-power/>
- Bichler, S. & Nitzan, J. (2012) 'Imperialism and Financialism: a story of a nexus', *Journal of Critical Global Studies*, 5.
- Castells, M. (1997) *The Power of Identity*. New York: Blackwell.
- Elsin, E.F. (2009) 'Citizenship in flux: The figure of the activist citizen', *Subjectivity*, 29.
- Geschiere, P. (2009) *The Perils of Belonging: Autochthony, Citizenship, and Exclusion in Africa and Europe*. Chicago: University Of Chicago Press
- Modood, T. (2003) 'Muslims and the Politics of Difference', *Political Quarterly*, 74.
- Murphy, R. (2011) *The Courageous State: Rethinking Economics, Society and the Role of Government*. Cambridge: Searching Finance Ltd.
- Profile: London mayoral candidate Carlos Cortiglia* (2012) Available at: <http://www.bbc.co.uk/news/uk-politics-17629854>
- Raco, M. & Imrie, R. (2000) 'Governmentality and Rights and Responsibilities in Urban Policy', *Environment and Planning*, 32.
- Rosaldo, R. (1997) 'Cultural Citizenship, Inequality and Multi-culturalism' in Flores, W. V. and Benmayor, R. (eds.) *Latino Cultural Citizenship: Claiming Identity, Space and Rights*. Boston: Beacon Press, pp. 27–38.
- Sassen, S. (2007) 'Globalisation, the state and the democratic deficit', *openDemocracy*, 20 July.
- Sassen, S. (2012) 'When the acute challenges of our epoch materialise in cities', *London: City of Paradox Conference*. University of East London, London, 3-5 April. Docklands campus.
- The Independent* (2010) 'Who Owns Britain: Watchdog launches first UK stock-take', 15 May.

Weber, Max (1905), *The Protestant Ethics*. Reprint, London: Routledge, 2005

Willsher, K. (2012) 'Marine Le Pen scores stunning result in French presidential election', *Guardian*, 22 April [Online]. Available at:

<http://www.theguardian.com/world/2012/apr/22/marine-le-pen-french-election>

Yuval-Davis, N. (2006), 'Human/Women's rights and feminist transversal politics', in Ferree, M.M. and Tripp, A.M.(eds.) *Transnational Feminisms: Women's Global Activism and Human Rights*. New York: New York University Press.

Yuval-Davis, N. (2011a) 'The dark side of democracy: autochthony and the radical right', *openDemocracy*, 21 July.

Yuval-Davis, N. (2011b) *The Politics of Belonging: Intersectional Contestations*. London: Sage.