Foucault Studies

ARTICLE

Neosocial Market Economy

Frieder Vogelmann, Goethe-University Frankfurt[1]

ABSTRACT: Although the governmentality literature has occasionally acknowledged the importance of the concept of a liberal truth-regime, there has never been a thorough investigation of the role it plays in Foucault's governmentality lectures. Therefore, this paper begins with an examination of the lectures' "archaeological dimension" that leads to two claims: First, it shows that the crucial conceptual tool in the lectures is the question about the relation to truth that a particular political rationality possesses. Only by looking at the changing truth-regimes of the liberal governmentalities will their differences and continuities come into full contrast. The article's second claim is that this conceptually sharpened understanding of the political rationalities is required for a diagnosis of the present, which reveals that today's dominant governmentality is no longer neo-liberalism but a new liberal rationality: neosocial market economy.

Keywords: Michel Foucault, Stephan Lessenich, governmentality, archaeology, neo-liberalism, neosocial

Why do we read and discuss, more than 30 years after Foucault delivered them, lectures that reacted specifically to the world of 1978/79 and were designed to provide a tactical analysis of the political landscape for those who wanted to struggle?[2] Is it merely for historical interest, in order to assess the validity of the picture Foucault drew of the relations of forces, or can we learn something from his tactical analysis to help us map those current sites of power-knowledge, where our own struggles might be effective?

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[1] The author wishes to thank Thomas Biebricher for long and fruitful discussions and two anonymous reviewers for their help in clarifying the argument. Thanks also go to Christina Müller and Karen Ng for their help with the translation.

[2] "If you want to struggle, here are some key points, here are some lines of force, here are some constrictions and blockages. In other words, I would like these imperatives to be no more than tactical pointers. Of course, it's up to me, and those who are working in the same direction, to know on what fields of real forces we need to get our bearings in order to make a tactically effective analysis. But this is, after all, the circle of struggle and truth, that is to say, precisely, of philosophical practice." (Michel Foucault, *Security, Territory, Population. Lectures at the College de France 1977-1978*, edited by Michel Senellart, translated by Graham Burchell (Basingstoke: Palgrave Macmillan, 2007), 18.)

   This paper argues that we can, if we sharpen our diagnosis of the current political rationality by focusing on its "rationality." Hence, the paper makes two claims: First, that the continuities and differences of the three liberal governmentalities Foucault analysed—classical liberalism, ordo-liberalism and American neo-liberalism[3]—will come out in full contrast only if we concentrate on the "archaeological dimension" of the lectures on governmentality. Second, looking at the boundaries of those three rationalities in terms of their formative rules will reveal that the currently dominant governmentality is no longer "neo-liberalism", but a new political rationality I will call "neosocial market economy." This diagnosis is not derived solely from new empirical facts, but from well-known phenomena seen different in light of a conceptually sharpened understanding of political rationalities. Hence I will start with a short re-reading of the governmentality lectures, focussing on their "archaeological dimension," to avail myself with the refined notions of the liberal governmentalities.

I. The Archaeology of Governmentalities

Explicating the "archaeological dimension" of the governmentality lectures means taking Foucault's statement seriously that liberalism as a political rationality is of special importance "since it establishes […] not of course the reign of truth in politics, but a particular regime of truth which is a characteristic feature of what could be called the age of politics and the basic apparatus of which is in fact still the same today."[4] Because the lectures have mostly been read as a genealogical enterprise, and because genealogy is commonly believed to have replaced archaeology as Foucault's "method,"[5] I will proceed in two steps. First, I will briefly explain my understanding of archaeology and why it is not replaced but presupposed by genealogy. Second, I will turn to the governmentality lectures and demonstrate the importance of said "archaeological dimension."

   Following Arnold Davidson and Ian Hacking,[6] I take knowledge *(savoir)* to be the central concept of archaeology—not *episteme*, not archive, but knowledge *(savoir)* as "that of which

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[3] In the lecture on 7 May, 1979, Foucault also looks at the political reforms in France at that time as trying to establish a "social market economy" (ibid., 194); this, however, does not in his view constitute an autonomous political rationality but rather tries to "translate" the German ordo-liberal governmentality.

[4] Michel Foucault, *The Birth of Biopolitics. Lectures at the Collège de France 1978-79,* edited by Michel Senellart, translated by Graham Burchell (Basingstoke: Palgrave Macmillan, 2008), 17f.

[5] See Hubert L. Dreyfus and Paul Rabinow, *Michel Foucault. Beyond Structuralism and Hermeneutics. With an Afterword by and an Interview with Michel Foucault,* 2nd ed. (Chicago: University of Chicago Press, 1983) as the locus classicus of this interpretation. In the context of the Governmentality studies see e.g. Thomas Lemke, *Eine Kritik der politischen Vernunft. Foucaults Analyse der modernen Gouvernementalität* (Berlin: Argument-Verlag, 1997), 49*f.,* 54; Mitchell Dean, *Governmentality. Power and Rule in Modern Society*, 2nd ed. (London/ Thousand Oaks/New Delhi: SAGE Publications, 2010), chapter 2. Nikolas Rose comes closest to the position of this article when he argues that "analytics of government are concerned with truth, with power and with subjectification" (Nikolas Rose, *Powers of Freedom. Reframing Political Thought* (Cambridge: Cambridge University Press, 1999), 29, Fn. 26) and therefore does not want to isolate "archaeology," "genealogy" and "ethics." He does not, however, analyse knowledge on the archaeological level.

[6] Cf. Ian Hacking, *Historical Ontology* (Cambridge, MA/London: Harvard University Press, 2002), especially chapter 4; Arnold I. Davidson, "Archeology, Genealogiy, Ethics," in Garry Gutting (ed.), *The Cambridge Companion to Foucault* (Cambridge: Cambridge University Press, 1994).

one can speak in a discursive practice."[7]   In the terminology of the *Archaeology of Knowledge*, knowledge *(savoir)* is comprised of all the elements regularly constituted by a positivity of a discursive formation. But what does that mean?

A discursive formation (or a discourse) is a set of statements which exhibit common regularities. Foucault argues at length that the unity of a discursive formation is not to be found in the objects of the discourse, nor in the subject positions, the concepts or the strategies, but in their respective "system of dispersion."[8] The common regularities are in the "rules of formation" that constitute objects, subject positions, concepts and strategies. These four systems of rules of formation (or "formative systems," as I will henceforth call them), together with the relations between them, constitute what Foucault calls the "positivity" of the discourse.[9]   Knowledge *(savoir)* then is what this positivity produces—the elements with which statements can be formulated, and in turn that which can be spoken of within a specific discursive formation.

By working on the level of knowledge *(savoir)*, archaeology attempts to explain not why statements are true (or false), but why they are "in the truth,"[10] that is, why they can exist as statements that have a truth-value:

> Knowledge *(savoir)* is not the sum of scientific knowledges *(connaissances)*, since it would always be possible to say whether the latter are true or false, accurate or not, approximate or definite, contradictory or consistent; none of these distinctions is pertinent in describing knowledge, which is the set of the elements (objects, types of formulation, concepts and theoretical choices) formed from one and the same positivity in a field of a unitary discursive formation.[11]

Hence, the knowledge *(savoir)* of a specific discourse is the set of its conditions of existence. To speak of an "archaeological dimension" of the governmentality lectures first and foremost indicates the level on which the power-knowledge analysed in those lectures is situated. Yet how does this archaeological dimension relate to the genealogy of political rationalities that Foucault sketches?[12]

Perhaps the most explicit statement Foucault ever made in writing[13] is in *The Use of Pleasure*, where he characterizes all his previous works as studies of "problematisations" in

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[7] Michel Foucault, *The Archaeology of Knowledge and The Discourse on Language*, translated by A. M. Sheridan Smith (New York: Vintage Books, 2010), 182.

[8] Ibid., 37.

[9] Ibid., 125.

[10] Ibid., 224.

[11] Michel Foucault, "On the Archaeology of the Sciences: Response to the Epistemology Circle," in James Faubion (eds.), *Aesthetics, Method, and Epistemology: Essential Works of Michel Foucault 1954-1984*, *Vol. II* (New York: The New Press, 1998), 324.

[12] Even this has been doubted: see Thomas Biebricher, "Genealogy and Governmentality," *Journal of the Philosophy of History*, vol. 2, no. 3 (2008), who argues that the governmentality lectures depart in several ways from Foucault's genealogical precepts.

[13] But listen to his remark in part two of the audio recordings of "The Culture of the Self"where he describes archaeology as the methodology and genealogy as the "finality" of his undertakings: Michel Foucault, "The

two dimensions: "The archaeological dimension of the analysis made it possible to examine the forms [of the problematisations] themselves; the genealogical dimension enabled me to analyse their formation out of the practices and the modifications undergone by the latter."[14] But if genealogy traces the emergence and modifications of problematisations the precise forms of which can only be found with the use of archaeology, then the genealogical dimension presupposes the archaeological analysis.

One might object that this reads a late methodological remark into the lectures in which the archaeological dimension is not present at all. The easiest reply is to look at how Foucault frames his lectures of 1978/79. Notice first that he puts the relation to truth of each of the governmentalities at the centre of his discussion. Continuing after the already quoted sentence that liberalism is marked by its "particular regime of truth"[15] and his remark that the "emergence of this regime of truth as the principle of the self-limitation of government is the object I would like to deal with this year,"[16] Foucault starts with an explanation of his methodological premises concerning the ontological status of politics and of the economy. He continues his methodological discussion in the second lecture, in which he describes his project as a "history of truth" that is concerned with writing a "history of systems of veridictions."[17] Such a "regime of veridiction, in fact, is not a law *(loi)* of truth, [but] the set of rules enabling one to establish which statements in a given discourse can be described as true or false."[18] This of course is the canonical characterisation of the archaeological level of knowledge (*savoir*); the central relation between governmentalities and truth thus is a relation located on the archaeological level. The question is not how true statements of political economy came to influence the political reflections on how to govern; instead, one has to show how the knowledge *(savoir)* that makes it possible to qualify statements as true or false becomes part of the practice of veridiction for the political rationality.[19]

Yet Foucault does not leave it at that but adds that it is not only those systems of veridiction but their being established in and through historical struggles that should be analysed. Thus, one finds within the governmentality lectures a characterisation of both the genealogical and the archaeological dimension working together in exactly the way described in *The Use of Pleasure*.

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culture of the self." Media Resources Center Moffitt Library, University of California, Berkeley, http://sunsite.berkeley.edu/VideoTest/foucault-cult2.ram (accessed July 3, 2011).

[14] Michel Foucault, *The Use of Pleasure. Volume 2 of the History of Sexuality*, translated by Robert Hurley (New York: Vintage Books, 1990), 11f. The English translation omits what I have put in square brackets; see Michel Foucault, *Histoire de la sexualité II. L'usage des plaisirs* (Paris: Gallimard, 2009), 19.

[15] Foucault, *The Birth of Biopolitics*, 18.

[16] Ibid., 19.

[17] Ibid., 35.

[18] Ibid.

[19] Cf. ibid., 36f: "It is not so much the history of the true or the history of the false as the history of veridiction which has a political significance. That is what I wanted to say regarding the question of the market or, let's say, of the connecting up of a regime of truth to governmental practice." Foucault already formulates the same argument in a much earlier text from 1968: cf. Michel Foucault, "Politics and the study of discourse," in Graham Burchell, Colin Gordon, and Peter Miller (eds.), *The Foucault Effect: Studies in Governmentality* (Chicago: University of Chicago Press, 1991), 65-69.

The first methodological passage is matched by Foucault's closing remarks in the last lecture on 4 April, 1979. Here, Foucault summarises his two lectures—of 1978 and 1979—as attempts to analyse the different regimes of truth in politics and their succession: "art of government according to truth, art of government according to the rationality of the sovereign state, and art of government according to the rationality of economic agents, and more generally, according to the rationality of the governed themselves."[20] There are, then, three fundamentally different "systems of veridictions" or relations to truth, and they demarcate the three basic rationalities that are analysed in the lectures and that guide the government according to the logic of the pastorate, of the *raison d'État* and of liberalism.

But the quote also points to a further pressing question concerning the prominence of discontinuities at the level of knowledge *(savoir)* and their relations to the seemingly less disruptive unfolding of liberalism's rationality. A first step is to mind the distinction between the *emergence* of a new rationality and its subsequent *modifications*. The advent of a new problematisation is linked to a deep rupture of certain fields of knowledge *(savoir)*, but their development takes place within the space opened by this rupture. Archaeology is not exclusively focused on those great discontinuities when one discursive formation replaces another, but also allows tracking transformations on the level of individual rules of formation.[21] With this in mind, we can take the next steps and look first at the *emergence* of liberalism and second at its subsequent *modifications*—ordo-liberalism and American neo-liberalism—from an archaeological point of view.

Foucault emphasises throughout the first three lectures of 1979 that liberalism's coming into existence is indeed connected to a deep discontinuity within a whole lot of fields of knowledge *(savoir)*: "[I]t was political economy that made it possible to ensure the self-limitation of governmental reason,"[22] i.e. liberalism, but

> if we look for the operator […] of transformation for the transition from natural history to biology, from the analysis of wealth to political economy, and from general grammar to historical philology, if we look for the operator that upset all these systems of knowledge, and directed knowledge to the sciences of life, of labor and production, and of language, then we should look to population.[23]

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[20] Foucault, *The Birth of Biopolitics*, 313.

[21] "[A]rchaeology distinguishes several possible levels of events within the very density of discourse: the level of the statements themselves in their unique emergence; the level of the appearance of objects, types of enunciation, concepts, strategic choices (or transformations that affect those that already exist); the level of the derivation of new rules of formation on the basis of rules that are already in operation—but always in the element of a single positivity; lastly, a fourth level, at which the substitution of one discursive formation for another takes place (or the mere appearance and disappearance of a positivity). These events, which are by far the most rare, are, for archaeology, the most important: only archaeology, in any case, can reveal them. But they are not the exclusive object of its description; it would be a mistake to think that they have an absolute control over all the others, and that they lead to similar, simultaneous ruptures at the different levels distinguished above." (Foucault, *The Archaeology of Knowledge and The Discourse on Language*, 171)

[22] Foucault, *The Birth of Biopolitics*, 13.

[23] Foucault, *Security, Territory, Population*, 78.

Hence liberalism is the child of the rupture described in detail in *The Order of Things*, and is thus fundamentally linked to "population." It is because of this connection on the archaeological level that "the analysis of biopolitics can only get under way when we have understood the general regime of this governmental reason."[24]

Liberalism's defining feature is the relation it establishes between the market and the government, which on the level of knowledge takes the form of a reversal: Driven by its central imperative "not to govern too much,"[25] liberalism installs the market as veridical practice, a site that produces the knowledge according to which the government must act. Whereas the market had previously been a "site of justice,"[26] subjected to the truth of government, the new knowledge of political economy holds it to be an autonomous sphere with its own laws which ensure that prices will assume their "natural" or "normal" value, as long as the "naturalness" of the market is not disturbed by governmental interventions.

> When you allow the market to function by itself according to its nature, according to its natural truth, […] it permits the formation of a certain price which will be called, metaphorically, the true price, and which will still sometimes be called the just price, but which no longer has any connotations of justice. It is a certain price that fluctuates around the value of the product.[27]

Thus, the market becomes the mechanism which can *verify* (or *falsify*) governmental practices by making visible whether the actions of the government conform to or disrupt, distort and destroy the natural truth of the market. Accordingly, a "best governmental practice" can only be one that respects and preserves the operation of the market mechanism.

It is this discontinuity that marks the decisive difference between the art of government according to the *raison d'État* and liberalism. The *raison d'État* had a regime of veridiction that was centred on the idea of the state as its sole source for the rationality of its government, so that it was supposed to be governed without reference to anything else than the state. The truth according to which the government was to act was precisely the knowledge of the state and its own end.[28] Liberalism instead installs an autonomous sphere outside the state which the government must take into account because it has its own "natural laws" and governing against this "nature" can only result in failure. Liberalism's veridiction is based on external grounds, while the *raison d'État* had a veridiction internal to the state.

The externality of the knowledge *(savoir)* is constitutive of the liberal governmentality and prevails throughout the different liberal rationalities. Even though the subsequent *modifications* of liberalism affect all of the four formative systems of this political rationality, they neither replace the market as the practice of veridiction, nor political economy as its science. They are transformations within this knowledge *(savoir)*, not a break from it—which is why the resulting political rationalities can still be analysed as forms of liberalism.

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[24] Foucault, *The Birth of Biopolitics*, 22.

[25] Ibid., 13.

[26] Ibid., 30.

[27] Foucault, *The Birth of Biopolitics*, 31.

[28] Cf. Foucault, *Security, Territory, Population*, lecture 10.

In the remainder of this section, I want to very briefly sum up the transformations along the four formative systems—of strategies, concepts, governable objects and of governable (and governing) subjects—to illustrate how attending to the "archaeological dimension" of the governmentality lectures sharpens the concepts of the liberal governmentalities to the point where it becomes possible to doubt whether our present should still be described in their terms. Are the formative systems of neo-liberalism still the conditions of existence for today's governmental technologies and programs?

(1) The easiest way to begin is to start with the formative system of strategies through which a certain form of political rationality is made dominant and that serves to defend it against alternative governmentalities. Liberalism had employed a trenchant critique of the *raison d'État* and its excessive government. The formative system that made this strategy possible was the understanding of the market as a site of exchange that produces the economical truth needed to govern.

Ordo-liberalism's strategy is different; in fact, Foucault argues, it precisely reverses classical liberalism's strategy of forcing the state to create a space for the market in which the economy's "natural laws" can reign undisturbed. Ordo-liberalism instead takes the state not as a given that exists prior to the market, but builds the state around the idea of a market:

> Since it turns out that the state is the bearer of intrinsic defects, and there is no proof that the market economy has these defects, let's ask the market economy itself to be the principle, not of the state's limitation, but of its internal regulation from start to finish of its existence and action. […] In other words: a state under the supervision of the market rather than a market supervised by the state.[29]

The formative system of strategies that makes this reversal possible rests on Eucken's reduction of all economic systems to only two "pure economic forms"—market economy and planned economy—along with his argument that every "impure" economic form resulting from a mixture of the two will inevitably become a planned economy.[30] Thus every state intervention not in conformity with the market leads straight to totalitarianism. This argument is stabilized by the analysis of National Socialism that the ordo-liberals put forward: According to them, National Socialism just made visible the inevitable consequence of all the different anti-liberal elements introduced in the early 20th century.[31]

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[29] Foucault, *The Birth of Biopolitics*, 116.

[30] See Walter Eucken, *Grundsätze der Wirtschaftspolitik*, edited by Edith Eucken and K. Paul Hensel, 5. ed. (Tübingen: Mohr-Siebeck, 1975), 370f.

[31] Foucault names four: (a) Friedrich List's dictum that liberalism cannot be a national economic politics, but merely means to adopt English politics (cf. Wilhelm Röpke, *Die Gesellschaftskrisis der Gegenwart* (Düsseldorf: Verlag Wirtschaft und Finanzen, 2002), 91-100; Keith Tribe, *Strategies of economic order. German economic discourse, 1750-1950* (Cambridge: Cambridge University Press, 1995), 32-65); (b) Bismarck's welfare state that seemed to be necessary to pacify and integrate the proletariat (cf. Alexander Rüstow, "Zwischen Kapitalismus und Kommunismus," in Nils Goldschmidt and Michael Wohlgemuth (eds.), *Grundtexte zur Freiburger Tradition der Ordnungsökonomik* (Tübingen: Mohr Siebeck, 2008), 431); (c) the planned economy established during the war; (d) Keynesian statism. Cf. Foucault, *The Birth of Biopolitics*, 109.

Like ordo-liberalism, the American neo-liberalism is directed against a specific economic and political configuration. The historical situation neo-liberalism—especially the economists of the so-called Chicago School—analyses and opposes is composed of three elements: (a) the policies of the New Deal and their Keynesian focus on demand, (b) the Beveridge plan and the statism of a (post-)war economy, and (c) the building of a welfare state.[32] The commonality that the neo-liberalists criticise in these programs and measures is the restriction of person-al freedom. Their strategy is directed less towards establishing a certain economic system as in the case of ordo-liberalism (though this is a concern), than towards denouncing state interventions that interfere with the individual's actions.[33] The neo-liberal formative system of strategies that allows this opposition is a naturalisation of the "methodological individualism."

(2) If liberalism as a political rationality is linked via "population" to the transitions Foucault mapped in *The Order of Things*, its formative system of concepts is founded on the notions of scarcity, labour and interests.[34] The truth that is produced by the market and that the government must respect is articulated by political economy; therefore, the condition of existence of this truth is the break with the order of representation: "Whereas in Classical thought trade and exchange serve as an indispensable basis for the analysis of wealth […], after Ricardo, the possibility of exchange is based upon labour; and henceforth the theory of production must always precede that of circulation."[35] But if the "true" value of labour is only revealed when producers and consumers can meet and exchange on markets without being hindered on following their interests, these interests mark the conceptual space a liberal government must respect and cannot regulate.[36]

Ordo-liberalism introduces two important changes in the system of concepts: the first concerning the market and the second concerning its relation to the state. The reformulation of the market is based on the development of economic theory in the 19th century that came to conceptualise markets not in terms of the exchange of equivalent goods but as arenas of competition.[37] Yet the ordo-liberals give the idea of the market as a play of unequal forces a

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[32] Cf. ibid., 216f.; Philip Plickert, *Wandlungen des Neoliberalismus* (Stuttgart: Lucius + Lucius, 2008), chapter VIII.

[33] See Milton Friedman, *Capitalism and Freedom* (Chicago: University of Chicago Press, 1963), 8: "The thesis of this chapter is […] that there is an intimate connection between economics and politics, that only certain combinations of political and economic arrangements are possible, and that in particular, a society which is socialist cannot be democratic, in the sense of guaranteeing individual freedom."

[34] Cf. Michel Foucault, *The Order of Things. An Archaeology of the Human Sciences* (New York: Vintage Books, 1971), 221-226, 253-263. Contra Ryan Walter in "Governmentality accounts of the economy: a liberal bias?," *Economy and Society*, vol. 37, no. 1 (2008), 111, Fn. 115, the connection between *The Order of Things* and the governmentality lectures is not only insightful but necessary to draw in order to understand liberalism's formative system of concepts and its connection to political economy.

[35] Foucault, *The Order of Things*, 254.

[36] On the notion of "interests", see Foucault *The Birth of Biopolitics*, 43-45.

[37] Cf. ibid., 118f. This shift is well documented in a volume of essays edited by Schmölders, to which Eucken, Böhm, Miksch and others contributed: see Günter Schmölders (ed.) *Der Wettbewerb als Mittel volkswirtschaftlicher Leistungssteigerung und Leistungsauslese* (Berlin: Duncker & Humblot, 1942). See also Leonhard

specific spin by rejecting the (implicit) naturalism of classical liberalism. Instead of understanding competition in the market as the natural result of non-interference, they argue that competition is a formal and fragile mechanism that has very specific conditions of existence which need to be carefully established and must constantly be stabilised.[38] Though the market still is the place of veridiction that speaks the truth for governmental actions, it will not do to just "let it be." The government will have to actively ensure that the market can maintain this function. Hence the state will have to intervene without disturbing the competition, which leads ordo-liberalism to sharply distinguish between the economic order—which is maintained by the state—and economic processes that must not be interfered with.[39]

If ordo-liberalism's initial concern is the state, neo-liberalism begins with the individual's perspective and reorganises the concepts of political economy from there. The focus is on the concept of labour. Whereas the neo-liberals leave the market as it stands—i.e. as an arena of competition—they criticise the notion of labour in liberal political economy as a mere abstraction resulting from unilateral concentration on processes of production, circulation, and consumption. In order to make room for a different economic theory that can adequately conceptualise labour, the scope of economic analysis itself needs to be widened; economics therefore becomes a theory of human behaviour under the aspect of assigning limited resources to concurrent means:

> [T]his definition of economics does not identify its task as the analysis of a relational mechanism between things or processes, like capital, investment, and production, into which, given this, labor is in some way inserted only as a cog; it adopts the task of analyzing a form of human behavior and the internal rationality of this human behavior.[40]

(3) The third of the four systems is the formative system of governable objects. Although at a first glance, classical liberalism as a "frugal government"[41] seems to reduce the range of governable things, it would be a mistake to follow liberalism's self-description. The new governmentality rather establishes a whole new sphere of governable objects: civil society.[42] If the market has its own laws not to be interfered with by the government, and hence buyers, sellers, and prices must be left untouched, civil society saves liberalism from "theoretical passivity."[43] The invention of society creates an infinite field on which governmental inter-

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Miksch, *Wettbewerb als Aufgabe. Grundsätze der Wettbewerbsordnung*, 2nd ed. (Godesberg: Verlag Helmut Küpper, 1947).

[38] On Foucault's remark concerning the influence of Edmund Husserl on Eucken, see Nils Goldschmidt, "Das Reich der Wahrheit und die Lebensordnung. Welche Spuren haben Rudolf Eucken und Edmund Husserl in den Arbeiten Walter Euckens hinterlassen?," in Hans-Helmuth Gander, Nils Goldschmidt, and Uwe Dathe (eds.), *Phänomenologie und die Ordnung der Wirtschaft. Edmund Husserl – Rudolf Eucken – Walter Eucken – Michel Foucault* (Würzburg: Ergon Verlag, 2009).

[39] Cf. Röpke's distinction between measures "in conformity with the market" and those not in conformity with it: Röpke, *Die Gesellschaftskrisis der Gegenwart*, 252-258. On the important idea of an "order of competition (*Wettbewerbsordnung*)" see Eucken, *Grundsätze der Wirtschaftspolitik*, book four, especially chapter XVI.

[40] Foucault, *The Birth of Biopolitics*, 222f.

[41] Foucault, *Security, Territory, Population*, 28.

[42] Cf. Foucault, *The Birth of Biopolitics*, 294-311; Dean, *Governmentality*, 146-154.

[43] Foucault, *The Birth of Biopolitics*, 294.

ventions can operate: pauper management, hygiene programs, medical service, education, measures against crime—all these can be formulated as government programs at the level of society without interfering with individual interests. Thus, liberalism does not simply reduce the amount of governmental interventions but transforms the formative system of governable objects and thereby reorients the practices of government towards a new "transactional"[44] reality.

Ordo-liberalism does not alter this fundamentally, but puts civil society in a slightly different position. Congruent with its transformations within the formative system of concepts, society is now understood as the "frame" of the market that is to be made possible by governmental actions. Thus, society as the field of intervention is modulated so as to conform to a market driven by competition.[45]

It is American neo-liberalism that really makes a daring change by trying to govern without society.[46] Yet because the individual must still be governed without limiting his or her personal freedom—after all, that is what neo-liberalism attempts to rescue—neo-liberalism gives the interests a different role than they had in classical liberalism. While in the latter they were used as a starting point of an analysis that aimed to turn the subject of interest into an untouchable object for the government, they now provide the handle for governmental interventions: Knowing the interests of an individual, it is enough to manipulate the structure of incentives in a specific situation so that the individual will freely choose the right option.[47]

(4) The birth of *homo oeconomicus* as the man with the "propensity to truck, barter, and exchange one thing for another"[48] surely is one of the key inventions of the liberal governmentality. This new subject-position is articulated by using the concept of "interests" which are taken to determine *homo oeconomicus* and his or her irreducible, individual choices. These interests are what the liberal government must not interfere with: "From the point of view of a theory of government, *homo oeconomicus* is the person who must be let alone. With regard to *homo oeconomicus*, one must *laisser-faire;* he is the subject or object of *laisser-faire.*"[49]

If the subject-position of those to be governed is the *homo oeconomicus* of the 18th century, what is the subject-position of those that govern? Here, liberalism is peculiarly vague, because this subject-position is determined by the rejection of an "economic sovereign"[50]—a rejection that can be inferred from *homo oeconomicus*' will to "let be." Foucault demonstrates this with respect to Adam Smith's "invisible hand," a thought that claims a constitutive in-

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[44] Ibid., 297.

[45] "The society regulated by reference to the market that the neo-liberals are thinking about is a society in which the regulatory principle should not be so much the exchange of commodities as the mechanisms of competition." (Ibid., 147)

[46] Cf. ibid., 270-276; Dean, *Governmentality*, chapter 8, especially 200-203.

[47] Cf. e.g. Gebhard Kirchgässner, *Homo Oeconomicus. Das ökonomische Modell individuellen Verhaltens und seine Anwendung in den Wirtschafts- und Sozialwissenschaften*, 2nd ed. (Tübingen: Mohr Siebeck, 2000), 17f.; for an extreme position cf. Richard H. Thaler and Cass R. Sunstein, *Nudge. Improving Decisions About Health, Wealth and Happiness*, 2nd ed. (London: Penguin, 2009).

[48] Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*, vol 1, edited by R. H. Campbell and A. S. Skinner (Oxford: Clarendon Press, 1957), 25.

[49] Foucault, *The Birth of Biopolitics*, 270.

[50] Ibid., 283.

visibility—and thus a constitutive form of unknowability—of the collective play of interests. Because the government cannot know how to interfere, it must relinquish all interventions and is thus unable to seize the place of an economic sovereign.[51]

Ordo-liberalism's formative system of subject-positions is also best examined by paying attention to the individuals to be governed first. It can be directly derived from the logic of the market, which for ordo-liberalism is competition, not exchange, and hence does away with Adam Smith's barterer: "The *homo oeconomicus* sought after is not the man of exchange or man the consumer; he is the man of enterprise and production."[52] The second question concerning those who govern takes up the virulent theme of authoritarianism within the writings of the ordo-liberalists, who argue throughout for a "strong state" as the designer of the economic order.[53] Yet the state, as Eucken remarks, "is not a sufficient ordering potency, but it could become one"[54]—with the help of science. The importance of the expert[55] lies in his (!) function to enable politics to take up the task of establishing order—a task that, according to ordo-liberalism, only the state can fulfill. The *homo oeconomicus* as competitor in the economic game and the expert as the architect of its rules, the abiding of which is controlled by the politician—these are the dominant subject-positions within ordo-liberalism. Their formative system is based on the sharp distinction between economic order and economic processes, because only if the governing expert and his famulus, the politician, can position themselves beyond the market, they are able to guarantee a stable order for the actors within the market.

In neo-liberalism, the subject-position of those to be governed is the "entrepreneur of himself"—an intimately known figure by now.[56] However, less attention has been given to the subject-position of those who govern: They are formed as the speakers of the market and are

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[51] In Foucault's reading, Smith thereby criticises the physiocrats that combined *laissez-faire* with an unlimited economic sovereignty (cf. ibid., 284-286). Ute Tellmann's important critique, that the governmentality studies have unquestioningly accepted this liberal idea, thus should be understood as calling for its historisation: The transcendental sovereignty of the market that allows the expert to speak the truth in its name that she uncovers is not the dominant subject position in the 18th/19th century, but is created later within American neo-liberalism. It is no coincidence that Tellmann arrives at her results by analysing material from the 1990s. See Ute Tellmann, "Foucault and the Invisible Economy," *Foucault Studies*, vol. 6, (2009); Ute Tellmann, "The Truth of the Market," *Distinktion*, vol. 7 (2003).

[52] Foucault, *The Birth of Biopolitics*, 147.

[53] See Eucken, *Grundsätze der Wirtschaftspolitik*, 334-338, who makes use of Franz Böhm, *Wettbewerb und Monopolkampf. Eine Untersuchung zur Frage des wirtschaftlichen Kampfrechts und zur Frage der rechtmäßigen Struktur der geltenden Wirtschaftsordnung* (Berlin: Heymann, 1933). For the ordo-liberal concept of the state, see Jan-Otmar Hesse and Frieder Vogelmann, "Zum Begriff des Staates im Ordoliberalismus und bei Michel Foucault," in Hans-Helmuth Gander, Nils Goldschmidt, and Uwe Dathe (eds.), *Phänomenologie und die Ordnung der Wirtschaft. Edmund Husserl – Rudolf Eucken – Walter Eucken – Michel Foucault* (Würzburg: Ergon Verlag, 2009), 131-134; Dieter Haselbach, *Autoritärer Liberalismus und soziale Marktwirtschaft. Gesellschaft und Politik im Ordoliberalismus* (Baden-Baden: Nomos, 1991), 84-113.

[54] Eucken, *Grundsätze der Wirtschaftspolitik*, 338 (Translation mine).

[55] For the changing relations between the different liberal rationalities and the figure of the expert see Nikolas Rose, "Government, authority and expertise in advanced liberalism," *Economy and Society*, vol. 22, no. 3 (1993).

[56] Cf. Ulrich Bröckling, *Das unternehmerische Selbst. Soziologie einer Subjektivierungsform* (Frankfurt a. M.: Suhrkamp Verlag, 2007).

thereby heralds of the truth that governs—or that should govern. Ute Tellmann has convincingly shown that this is "the truly sovereign subject-position" within the neo-liberal rationality, for "occupying this position allows [...] to speak the truth of the market against its failing empirical counter-part."[57] In contrast to the other liberal political rationalities, this is a truly remarkable achievement, for it erases the fissure between the expert and his truth-producing machinery. Whereas ordo-liberalism is easily criticised, because the expert positioned above the market must raise suspicions even from a liberal perspective,—Hayek's critique of the "pretence of knowledge"[58] comes to mind—the neo-liberal expert who speaks for the market enjoys the full legitimacy of this governmentality's site of veridiction. Thereby and against classical liberalism, neo-liberalism reintroduces a place for the economic sovereign. The formative system of subject position that grants existence to both the governing expert and the governed "entrepreneur of himself" is the economic rationality of the market as analysed by the neo-liberals.

II. Today's Liberal Governmentality: Neosocial Market Economy
Drawing attention to the archaeological dimension of Foucault's lectures on governmentality sharpens the boundaries of the three political rationalities, which is a necessary step towards my more ambitious aim to question the characterisation of Germany's current dominant governmental rationality as "neo-liberal." Do we really think that most of today's governmental techniques follow the same rationality that Foucault described over 30 years ago? Is our best analysis of what is happening now still the "economisation of the social"—even when neo-liberal governmentality attempts to govern without recourse to society? The "archaeological reading" asks for a new tactical analysis that does not "consist only of a description of who we are, rather a line of fragility of today to follow and understand, if and how what is, can no longer be what it is."[59] It searches for those places where struggles would be effective because they would target neuralgic points of the actual governmentality. Hence in this section, I attempt to look at the differences and continuities between neo-liberalism and Germany's present political rationality by again focussing on the formative systems of today's governmental regime of veridiction that for reasons to be explained I will call "neosocial market economy."[60]

(1) In order to start with the new formative system of strategies underlying the currently dominant governmentality, it is helpful to consider the differences and continuities between the previously analysed formative systems of strategies in more abstract terms. A peculiar commonality to all liberal governmentalities is their critique of some form of governmen-

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[57] Tellmann, "The Truth of the Market," 60.

[58] Friedrich A. von Hayek, "The Pretence of Knowledge," *New Studies in Philosophy, Politics, Economics and the History of Ideas* (London: Routledge & Kegan Paul, 1978).

[59] Michel Foucault, "How much does it cost for reason to tell the truth?," *Foucault live*, edited by Sylvère Lotringer (New York: Semiotext(e), 1989), 252.

[60] I pursue this sketch mostly by revisiting well-known diagnoses. The point of the "archaeological reading" of today's governmental techniques is not to present entirely new empirical facts about the present, but to rearrange what is known, so that the strategic rationality within it becomes visible. Thus, new "lines of fragility" come into focus, and existing struggles get new meanings.

tal excess, the precise nature of which varies: classical liberalism attacks the police-apparatus of the *raison d'État*, ordo-liberalism directs its criticism against the totalitarianism it sees lurking behind a planned economy, and neo-liberalism opposes what it diagnoses as the restriction of personal freedom by an ever-growing (welfare) state. The neosocial market economy, by contrast, denounces the excessive self-conduct of individuals: the over-inflated use of personal freedom so dear to neo-liberalism, which in consequence is one of the main targets of the neosocial market economy's strategy.

A case in point is a newspaper article entitled "Freedom without moderation is ruin," published on 28 August 2009 by Wolfgang Schäuble, who at that time was Germany's Home Secretary in a coalition of conservatives and social democrats (which was replaced in October 2009 by the current coalition between conservatives and liberals, in which Schäuble became Chancellor of the Exchequer). Writing in the wake of the financial crisis, he argues both against an excessive criticism of capitalism and against an "excessive use of freedom." Instead, he advocates a new "culture of moderation and responsibility":

> Perhaps with de-regulating [the financial markets; F.V.], one has missed to point out the necessity of […] a professional ethics to those elites who profited most from the new freedoms. But without a professional ethics both the principles of responsible conduct and the value of a profession in a liberal society are lost. […] If we want to protect […] the preconditions of our [social] order, we need a new culture of moderation and responsibility. Without limits and the voluntary acceptance of those limits, no liberal [social] order is possible.[61]

The language—especially the specific use of "order" and the implicit appeal to a "third way" between a rejection of market economy altogether and an unrestrained liberalism—resonates strongly with the ordo-liberal ideal of a "social market economy" that Schäuble explicitly defends. To be sure, the affirmation of a "social market economy" that is believed to be the foundation of economic success and social peace in Germany has been a necessity for all political parties alike since at least 1967.[62] Yet there has been a recent intensified re-appropriation of the term with the conservatives calling for a "new social market society [*neue Soziale Marktwirtschaft*]" or with the lobby group called "Initiative Neue Soziale Marktwirtschaft (INSM)."[63] This is not, however, a simple return to an ordo-liberal rationality: As Angela Merkel explained in the newspaper article that introduced the catchphrase, the "new social market economy" is meant to adapt the "old" social market economy to the new globalized economy, since its "mechanisms […] change our society and thus have effects on the regulation framework [*Ordnungsrahmen*] of the social market economy."[64]

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[61] Wolfgang Schäuble, "Ohne Maß ist die Freiheit der Ruin," *Frankfurter Allgemeine Zeitung*, 28 August 2009.

[62] When even the social democrats began to use the term; cf. Martin Nonhoff, *Politischer Diskurs und soziale Hegemonie. Das Projekt "Soziale Marktwirtschaft"* (Bielefeld: transcript, 2006), 377f.

[63] For a detailed analysis of the "social market economy" as a hegemonic project, see ibid., especially 387-392.

[64] Angela Merkel, "Die Wir-Gesellschaft. Über die Notwendigkeit einer Neuen Sozialen Marktwirtschaft," *Frankfurter Allgemeine Zeitung*, 18 November 2000. Since the 2005 elections, Merkel has abandoned most of the neo-liberal ideas that were still prominent in this article; however, the "social market economy"—old or new—is still an important element in almost all of her speeches.

But the importance of the catchphrase "social market economy" in current German politics goes beyond a rhetoric that invokes the powerful myth of the FRG's founding and its economic success, for it also serves to distance the actual governmental rationality from neo-liberalism. It does so by calling for a new, ethically guided conduct that exercises freedom only as a "freedom in responsibility", as the current government's coalition agreement states right in its beginning,[65] a moderate (and moderated) freedom. The present is diagnosed as being "unclear [*unübersichtlich*]," "excessive" and "fast-changing"; mostly as a result of the recent (neo-liberal) decades.[66] It is hence in need of a new, stable "order" to limit those excessive freedoms neo-liberalism unleashed. The lesson drawn from that diagnosis is a "repetition" (not a copy) of ordo-liberal ideas, adapted to a globalized economy and embedded in a different strategy. This is a first reason to call the emerging governmentality "neosocial market economy," and the formative system of strategies that makes its strategy possible is once again the critique of an excess: the excess of individual freedom that threatens to undermine itself.

(2) "Responsibility" is the notion which this new governmentality introduces into the system of concepts and which already showed up in neosocial market economy's strategy. A good example to start with is part three of the much discussed report of the "Kommission für Zukunftsfragen der Freistaaten Bayern und Sachsen [Commission on Challenges of the Future of the Free States of Bavaria and Saxony]" from 1997.[67] Although "responsibility" can be found throughout the whole text in a variety of meanings, it is most often used to refer to a certain self-relation that—in the name of the "common good"—is to be instilled into the German people. The basic argument of the report is that "the people" only have two options: to go on making the state responsible for almost everything, which will inevitably lead to social and economic decline;[68] or to assume more responsibility themselves. That means a different relation to oneself and to the community: "The orientation towards the social state by immature people is replaced by an orientation towards the community. In this community the

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[65] Cf. CDU, CSU, and FDP, "Wachstum. Bildung. Zusammenhalt. Der Koalitionsvertrag zwischen CDU, CSU und FDP." Christliche Demokratische Union Deutschlands. http://www.cdu.de/doc/pdfc/091026-koalitionsvertrag-cducsu-fdp.pdf (acessed July 3, 2011)

[66] That the financial crisis was a consequence not of individual but of structurally induced excessive greed is argued in Sighard Neckel, "Der Gefühlskapitalismus der Banken: Vom Ende der Gier als 'ruhiger Leidenschaft,'" *Leviathan*, vol. 39, no. 1 (2011). The diagnosis that social acceleration has reached the point where it results in disoriented "situational" identities and the political inability to control social change is forcefully presented in Hartmut Rosa, "Social Acceleration: Ethical and Political Consequences of a Desynchronized High–Speed Society," *Constellations*, vol. 10, no. 1 (2003).

[67] Cf. Kommission für Zukunftsfragen der Freistaaten Bayern und Sachsen, *Erwerbstätigkeit und Arbeitslosigkeit in Deutschland: Entwicklung, Ursachen und Maßnahmen. Teil III: Maßnahmen zur Verbesserung der Beschäftigungslage* (Bonn 1997). The commission was prominently staffed among others with sociologist Ulrich Beck and the report was a "key document for the German discussion that […] with its tenor anticipated much of what has since been written in reform agendas." (Bröckling, *Das unternehmerische Selbst*, 7) (Translation mine).

[68] Cf. Kommission für Zukunftsfragen der Freistaaten Bayern und Sachsen, *Maßnahmen zur Verbesserung der Beschäftigungslage*, 43. The report often tends to foretell a disastrous future unless the measures it proposes are endorsed; in this instance that "other nations" are already "getting ahead" of the Germans. (ibid.)

principle is that whoever gets something from it is indebted to it."[69] Responsibility is the concept that allows fusing the self-relation of an entrepreneurial self—a model not confined to the economic sphere but also applicable to (neo)social ends, as the report argues by promoting "public good entrepreneurs [*Gemeinwohl-Unternehmer*]"[70]—with a relation to others, especially to the community. Whereas the self-relation emphasizes "initiative," "activity" and "innovation,"[71] the relation to the community ensures that the potentially dangerous freedom necessary for a self-conduct guided by these values is kept in check by the limits the community-orientation imposes. Focussing on this peculiar "freedom" within the boundaries of a "responsibility" in the name of the community, one finds the neosocial rationality even within this document, which has mostly been read as an embodiment of a neo-liberal agenda.

Note that "responsibility" as the new governmentality's central concept is not simply attached to an unchanging governable subject, nor is it something external to this subject. It is seen as the force that is able to transform the egoistic, excessively individualistic subjects neo-liberalism has bequeathed to the present political rationality into new ethical beings. And according to the strategic analyses of the neosocial market economy, this will also change society as a whole; becoming responsible subjects entails an ethical conduct that is able to "repair" all those broken communities: families, neighbourhoods, city districts, and so on. Secondly, responsibility is nothing external, but derives from the interconnectedness of the individuals. The argument runs something like this: Because we are "always already" in situations that prompt us to "answer," responsibility—the ability and the duty to respond—is an undeniable fact of human existence; making people responsible is hence just a process of "reminding" them. Responsibility is therefore both an objective social fact and allows the ethical impregnation of every action—even of market transactions. [72]

In an interesting way, then, "responsibility" is a worthy heir of Adam Smith's notion of sympathy: As Joseph Vogl shows in his "poetics of economic man," which explores the common field of knowledge of eighteen century literature and economy, the role of "sympathy" was to give the "moral philosophical ground of a political economy that embeds subjects lead by their own interests in a world of complex and incalculable linkages."[73] Today, "responsibility" serves exactly the same purpose. Far from being confined to the supposedly neo-liberal "self-responsibility,"[74] the concept is used to ethically charge all those different connections the subjects find themselves in in this "interconnected world." Neosocial market econo-

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[69] Ibid., 43. (Translation mine).

[70] Cf. ibid., 156-159.

[71] Cf. ibid.

[72] Cf. e.g. Nico Stehr, *Die Moralisierung der Märkte. Eine Gesellschaftstheorie* (Frankfurt am Main: Suhrkamp Verlag, 2007); Nico Stehr, Christoph Henning, and Bernd Weiler (eds.), *The Moralization of the Markets* (New Brunswick/New Jersey: Transaction Publishers, 2009). Obviously, the whole "corporate social responsibility" discourse belongs to this trend; for a critical perspective see Ronen Shamir, "The age of responsibilization: on market embedded morality," *Economy and Society*, vol. 37, no. 1 (2008).

[73] Joseph Vogl, *Kalkül und Leidenschaft. Poetik des ökonomischen Menschen* (Zürich: Diaphanes, 2004), 92; "Poetics of economic man" is the book's secondary title.

[74] Cf. e.g. Thomas Lemke, "From Duty to Self-Responsibility. On the Career of a Concept," in Carina Plath (ed.), *Demokratie üben* (Münster: Westfälischer Kunstverein, 2007).

my's formative system of concepts is organised precisely by appeal to "connections" and "connectedness" that are "always already" in existence in a world said to be analysed best in terms of networks, nodes, relays etc. Responsibility allows viewing all those different relations as possible grounds for arguments in favour of the moderated, non-excessive conduct that is the emerging governmentality's goal. Consequently, it will show up quite often in the analysis of the two missing formative systems of governable objects and subjects.

(3) If the political slogan of a "new market economy" was a first reason for naming the new governmentality "neosocial market economy," a second, theoretical reason stems from its formative system of governable objects. Stephan Lessenich has used the term "neosocial governmentality" in several places to contrast it with "neo-liberal governmentality." He argues that the latter might disguise rather than reveal what is happening today,[75] because neo-liberalism is a political rationality trying to govern without making recourse to the "transactional" reality[76] called society, whereas today's governmental practices make up and rely on a new form of "the social": the neosocial. Focussing on the reformed welfare state that aims to produce an "active society," Lessenich shows that its rationality "realises itself in the socio-political construction of *doubly* responsible subjects, namely responsible not only for themselves but also responsible for 'the society'."[77] The activating welfare state constructs a specific linkage between self-conduct and the conduct of others that makes it possible to attribute every action both to oneself and to "the society":

> Active self-help, private provision, proactive prevention–within the framework of this programme, all variants to activate individual responsibility at the same time count as being a sign for personal autonomy *and* for social responsibility. Thus, they follow in an equal measure an individual *and* a social logic; adhere to a subjective *and* a social reality.[78]

Conversely, any passivity or any failure to assume one's responsibility is not just uneconomical or a sign for individual irrationality but turns into anti-social behaviour. Consider the reforms of Germany's welfare state, the so-called "Hartz-Reformen": Wolfgang Ludwig-Mayerhofer has convincingly demonstrated that the most important effect of those reforms was not to "surrender to the forces of the market" but to change the "(implicit) fundamental 'contract' governing the 'give and take' between the state and the unemployed":[79] Their earlier

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[75] Cf. Stephan Lessenich, "Soziale Subjektivität. Die neue Regierung der Gesellschaft," *Mittelweg 36*, vol. 12, no. 4 (2003), 91; Stephan Lessenich, *Die Neuerfindung des Sozialen. Der Sozialstaat im flexiblen Kapitalismus* (Bielefeld: transcript, 2008), 84; Stephan Lessenich, "Mobilität und Kontrolle. Zur Dialektik der Aktivgesellschaft," in Klaus Dörre, Stephan Lessenich, and Hartmut Rosa, *Soziologie – Kapitalismus – Kritik. Eine Debatte unter Mitarbeit von Thomas Barth* (Frankfurt am Main: Suhrkamp Verlag, 2009), 159-167; Stephan Lessenich, "Constructing the Socialized Self: Mobilization and Control in the 'Active Society'," in Ulrich Bröckling, Susanne Krasmann, and Thomas Lemke (eds.), *Governmentality. Current Issues and Future Challenges* (New York: Routledge, 2010).

[76] Foucault, *The Birth of Biopolitics*, 297.

[77] Lessenich, "Mobilität und Kontrolle," 163 (Translation mine).

[78] Ibid., 164. (Translation mine, emphasis original); for empirical evidence see Lessenich, *Die Neuerfindung des Sozialen*, 85-128.

[79] Wolfgang Ludwig-Mayerhofer, "Activating Germany," in Thomas Bredgaard and Flemming Larsen (eds.), *Employment policy from different angles* (Kopenhagen: DJØF Publishing, 2005), 98f.

relation had been based on the idea that the unemployed would receive support from the state as a reward for his (or less likely, her) former contribution to the collective wealth. Therefore, the amount of support was proportional to the previous status and income of the unemployed. The new contract, however, "makes benefits (except for an initial period) contingent on the unemployed person's future prospects, i.e. his or her 'employability'; or rather, his or her continuous *demonstration* of the '*willingness to work*'."[80] Thus, rather than a right earned because of previous work, benefits have become a charity, generously given by society. With reference to Simmel's conception of poverty, Lessenich has argued that this represents a shift towards the "dominance of the social point of view of alms."[81]

This is no isolated transformation; the new welfare state is just one (important) instance that makes particularly clear how the emerging governmentality understands the relation between the newly formed society and its members:

> Individual rights and (corresponding) public responsibilities lose prominence, "public rights" and (corresponding) individual responsibilities coming to the fore instead. In the activation perspective, society has a legitimate claim against its members to, each and every one of them individually, act in the public interest, enhancing and advancing the welfare of the larger collective […].[82]

This relation between the individual and the society also serves as an interpretative frame for individual behaviour. A lack of appropriate self-conduct is a proof of being in need of strict guidance by others, while successful self-conduct strengthens the arguments for dismantling the welfare state, since obviously no help is required.

Overall, the reinvented "social" is assigned a new role within this governmentality. As in classical liberalism, it serves to govern individuals, though not because society is the subject of interest's natural environment that can be regulated, while the individuals are left to "laissez-faire"-policy. The "neosocial" instead works directly within the subjects to be governed:

> In the activating welfare state, society constitutes itself as a subject that works towards socially compatible acting subjects—thus it tries to inscribe into them the social as the reference point for all their actions. Alongside the activation of socially responsible self-activity by the individuals a new pattern of socialisation through the welfare state is established, that directs the subjects *uno actu* towards care for themselves and for the society.[83]

The construction of the "neosocial" as the formative system of governable objects distinguishes today's dominant governmentality from its predecessor neoliberalism that tried to govern without society. And the way it uses the social—neither as the subjects' environment

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[80] Ibid., 98.

[81] Georg Simmel, *Sociology. Inquiries into the Construction of Social Forms*, vol. 1, translated by Anthony J. Blasi, Anton K. Jacobs, and Mathew Kanjirathinkal (Leiden/Boston: Brill, 2009), 413; cf. Lessenich, *Die Neuerfindung des Sozialen*, 90-93; Stephan Lessenich, "Der Arme in der Aktivgesellschaft – zum sozialen Sinn des 'Förderns und Forderns'," *WSI-Mitteilungen*, vol. 56, no. 4 (2003).

[82] Lessenich, "Constructing the Socialized Self," 311.

[83] Lessenich, "Mobilität und Kontrolle," 166. (Translation mine).

nor as the frame of the market but as the regulating principle of their self-conduct—also sets it apart from both classical liberalism and ordo-liberalism.

But as plausible as Lessenich's analysis of the new "active society" and the "subjectivation of the social"[84] are, they do not tell us enough about the precise form the "neosocial" takes. Yet it is highly important that the neosocial society is very different from its previous forms, whether within the liberal or the ordo-liberal rationality. Lessenich does, however, hint at a feature of the neosocial that can be used to take the analysis one step further: its connection to "communities" or "networks."[85]

For it is not just a diffuse entity called "society" that is subjectivated. Rather, the neosocial is formed by inscribing a variety of different, very specific "communities" or "networks" into the subject, each of them corresponding to a governmental practice the subject is involved in. Some of those communities or networks are named by Lessenich himself: the taxpayers that one should not draw on too much as an unemployed; the nation, which one deprives of growth being childless; or the community of health insured persons that one strains as a smoker.[86] For every field of governmental action there is, it seems, a corresponding community in whose name conduct and self-conduct can be fused: "moral communities (religious, ecological, feminist, …), lifestyle communities (defined in terms of tastes, styles of dress and modes of life), communities of commitment (to disability, problems of health, local activism)."[87] Using all these different communities or networks—the invention and construction of which require quite a lot of resources—to govern their inhabitants has been aptly described as "government through community" by Nicolas Rose.[88] As emotionally and ethically charged networks, they allow the fusion of conduct and self-conduct Lessenich points to:

> Central to the ethos of the novel mentalities and strategies of government that I have termed 'advanced liberal' is a new relationship between strategies for the government of others and techniques for the government of the self, situated within new relations of mutual obligation: the community.[89]

Rose of course places his diagnosis in the context of the neo-liberal rationality; the "government through community" consequently appears to him as a "weakening" of the social.[90] Yet if one considers it in the light of Lessenich's analysis of the neosocial and takes neo-

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[84] Lessenich, "Constructing the Socialized Self," 315.

[85] For example, one hint comes from his remark that the meaning of "society" depends on the context and includes, among other things, "the larger community, the general public, the national economy, the taxpayer (or simply the state itself)." (Ibid., 311)

[86] Cf. Lessenich, "Mobilität und Kontrolle," 164f.

[87] Nikolas Rose, "The death of the social? Re-figuring the territory of government," *Economy and Society*, vol. 25, no. 3 (1996), 333.

[88] Rose, *Powers of Freedom*, 176.

[89] Rose, "The death of the social?," 331. See also Rose, *Powers of Freedom*, 174: "This involves a double movement of autonomization and responsibilization. Organizations and other actors that were once enmeshed in the complex and bureaucratic lines of forces of the social state are to be set free to find their own destiny. Yet, at the same time, they are to be made responsible for that destiny, and for the destiny of society as a whole, in new ways."

[90] Rose, "The death of the social?," 353.

liberalism's claim to govern without society seriously, the construction of ethically charged communities might equally well be a decisive step towards a new formative system of governable objects and hence towards a new liberal governmentality.[91] The new formative system of governable objects of the current governmentality is not comprised of the structure of incentives that guide the interest-driven *homines oeconomici*, as it is in neo-liberalism. Instead, the formative system of governable objects is the neosocial as a web of communities or networks that is installed within the "networking agent" as the principle of responsibility for his or her own actions as well as for his or her communities.

(4) If the neosocial captures how society after neo-liberalism is reinvented as a "subjectivation of the social" and serves as the formative system of governable objects, it also already defines half of the formative system of subject-positions. The position of the governed is characterised by the double responsibility for themselves and their communities: whether as a "responsible consumer," whose consumption is supposed to not only satisfy his or her own needs but to serve a greater purpose (be that the preservation of nature or the support/sanction of certain producers), as an "entrepreneurial self"[92] that helps itself as much as it helps the economy and the welfare state, or as an "active citizen," who is called upon in the name of civil society. In each case the governed are addressed in a way that emphasises that they shall use their freedom only within the neosocial bonds. The *homo oeconomicus* of neo-liberalism that can be analysed using economic rationality is replaced with the "doubly responsible"[93] subject whose behaviour can only be understood by including ethical and emotional factors arising from the subject's entanglement in a web of responsibilities.[94]

What subject position is able to govern those subjects, and through what means? By making them responsible, and making their responsibility matter. A paradigmatic, recent and yet widespread governmental technology to conduct the conduct of the governed in this way is mediation. Ulrich Bröckling has helpfully laid bare its most important aspects.[95] Whether in schools, in criminal law, or as an attempt to pacify political conflicts, mediation transforms conflicts between individuals or parties from zero-sum games into win-win situations.[96] It

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[91] Because different political rationalities do not just replace each other in a linear succession, the ambivalence of the governmental technique of the community is due to the fact that it fits both within neo-liberalism and within the neosocial market society.

[92] Cf. Bröckling, *Das unternehmerische Selbst*.

[93] Lessenich, "Mobilität und Kontrolle," 163.

[94] Consequently, markets are analysed as not just functioning according to the economic rationality. See e.g. Nico Stehr and Marian Adolf, "Consumption between Market and Morals: A Socio-cultural Consideration of Moralized Markets," *European Journal of Social Theory*, vol. 13, no. 2 (2010), who argue that ethical motivations increasingly determine market processes.

[95] Cf. Ulrich Bröckling, "Mediation," in Ulrich Bröckling, Susanne Krasmann, and Thomas Lemke (eds.), *Glossar der Gegenwart* (Frankfurt am Main: Suhrkamp Verlag, 2004). For a genealogy of mediation as a governmental technology cf. Ulrich Bröckling, "Vermittlung als Befriedung. Über Mediation," *Kriminologisches Journal*, vol. 34, no. 1 (2002).

[96] For mediation in schools and its specific problems see the recent national survey of mediation projects in Sabine Behn et al. (eds.), *Mediation an Schulen. Eine bundesdeutsche Evaluation* (Wiesbaden: VS Verlag für Sozialwissenschaften, 2006). On victim-offender mediation in the criminal law from a critical point of view, see Manon Janke, *Der Täter-Opfer-Ausgleich im Strafverfahren. Zugleich ein Beitrag zu einer kritischen Strafverfahrens-*

does so by "moderating" the participant's passions in order to mediate their interests.[97] Yet mediation promises more than just a compromise; it is a site for learning social responsibility"[98] and the "path towards the transformative approach to mediation is also a path towards a social reality founded on a new, relational vision of human life."[99] Though participation is voluntarily, non-participation risks being marked as "anti-democratic" and "lacking good-will."[100] And although mediation is less formal than the conflict-solving mechanisms it replaces or supplants, the difference between victim-offender mediation and a trial is especially salient; the mediator is a trained expert with institutional backing.[101] Thus, a "new type of expert emerges who takes the role of a neutral third party and moderates the negotiations according to a fixed model of development."[102] The moderator articulates the interests of both parties without forcing a decision on them, yet she decides on the framing: in which constellations to meet, how to proceed, what is spoken about etc. The mediator is thus an exemplary governor for governing at a distance. She reminds the parties of their various responsibilities towards each other and towards their communities; and while the mediator does not resolve the conflict herself, she specifies what responsibilities count and thus what the conflict really is about.[103]

When the mediator fails, the institutional backup takes over. Again, whether in schools, criminal law or politics, mediation takes place within asymmetric power structures which usually favour one party over the other. Mediation is thus always in danger of becoming nothing more than a therapy, making losing acceptable for the weaker party.[104] A recent example is the much debated mediation in Stuttgart, broadcasted live on public TV: Although the contracts for the construction of a new train station—which was the reason for huge demonstrations—were already passed by the federal parliament, the mediation proceeded as though nothing was yet decided. Little wonder that the result was no different from the already made decision and that the protesters still campaigning after the mediation were

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rechtstheorie (Hamburg: Verlag Dr. Kovac, 2004). Mediation analysed as a governmental technology to pacify political conflicts is found e.g. in Anna Geis, *Regieren mit Mediation. Das Beteiligungsverfahren zur zukünftigen Entwicklung des Frankfurter Flughafens* (Wiesbaden: VS Verlag für Sozialwissenschaften, 2005).

[97] Cf. Bröckling, "Mediation," 161.

[98] Klaus Laubenthal, *Strafvollzug*, 6th ed. (Heidelberg: Springer, 2011), 92.

[99] Robert A. Baruch Bush and Joseph P. Folger, quoted in Ulrich Bröckling, "Vermittlung als Befriedung," 16.

[100] Cf. Bröckling, "Mediation," 161f.

[101] Cf. Ulrich Bröckling, "Vermittlung als Befriedung," 17. For example, there are "best practice standards" for victim-offender mediations (*Täter-Opfer-Ausgleich*): cf. TOA-Servicebüro, *TOA-Standards,* 6th ed. http://toa-servicebuero.de/files/TOA-Standards-6.pdf (accessed August 28, 2011)

[102] Bröckling, "Mediation," 165. (Translation mine). On the mediator as the present model for intellectuals see Thomas Osborne, "On mediators: intellectuals and the ideas trade in the knowledge society," *Economy and Society*, vol. 33, no. 4 (2004).

[103] The backside of the mediator is the "activator" who forcefully "develops" those subjects beyond mediation. In the German politics of the last decade, both figures were embodied in Gerhard Schröder and Angela Merkel respectively.

[104] Cf. e.g. Andreas Zielcke, "Heiner Geißler – wenig Mumm", *Süddeutsche Zeitung*, 3 December 2010; Emmanuel Richter, "Demokratie paradox," *Blätter für deutsche und internationale Politik*, vol. 56, no. 1 (2011), 38f.

deemed "irrational" and "sore losers."[105] Nevertheless, the mediation process was seen as a "whole new democratic practice,"[106] and is still defended as an "accomplishment."[107]

The formative system of subject positions that establishes the subject positions of the governed with his double responsibility for himself and for his communities and of the governor, who forges new relations of responsibility and makes them count, is based on a particular view of man: a "relational" account of individuals as constituted and sustained by their various connections to others. In an ironic twist, the neosocial market economy is thus able to adopt much of what has been articulated as a critique of the sovereign individual and to turn it into a useful governmental instrument.

This picture of the emerging governmentality I have called "neosocial market economy" is of course far from being complete; it is rather a hasty sketch than a painting. Yet it already provides enough clues to see why the "neosocial market economy" should be differentiated from the neo-liberal governmentality: because it neither shares neo-liberalism's formative system of governable objects nor of governable subjects, neither its formative system of concepts nor of strategies. Instead, the neosocial market economy directs itself strategically against the excessive individual freedom promoted by neo-liberalism. Its system of governable objects does not do away with the social, but reinvents it as the neosocial, constructed by networks and communities. It does not derive the subject positions from economic rationality, but from the self-evident connectedness that it translates into the double responsibility the socially embedded actor of those networks and communities has for herself and for her communities. Finally, neosocial market economy's formative system of concepts is no longer based on a naturalized individualism, but on "responsibility," a term which allows articulating all the ethically charged connections between individuals, networks or communities.

III. Struggles

So far, I have made two claims: First, that focussing on the archaeological dimension in the governmentality lectures shows the different ways in which the "truth of the market" is articulated by the three different liberal rationalities that Foucault analyses. Although all of them are situated in the space opened up by the transformation from the analysis of riches to a political economy, their strategies and concepts as well as the objects and subjects to be governed are differently constituted. Making explicit the archaeological determination of the problematisations that Foucault then writes his genealogy of thus sharpens the boundaries of these political rationalities.

It was my second claim that this allows us to ask whether the governmentality called neo-liberalism is still dominant today. I have offered a sketch of what I take to be Germany's new governmentality that strategically sets itself apart from neo-liberalism and introduces new objects to be governed, new subject positions for those being governed and those

[105] Cf. "Geißler legt nach: 'Reaktion ist irrational'," *Stuttgarter Zeitung*, 22 July 2011.

[106] Heribert Prantl, "Die Apfelbaum-Demokratie," *Süddeutsche Zeitung*, 18 November 2010.

[107] Elisabeth Conradi, "Zivilgesellschaft und Demokratie. Die Bedeutung der Öffentlichkeit im Konflikt um das Infrastrukturprojekt 'Stuttgart 21'," *Zeitschrift für politische Theorie*, vol. 1, no. 2 (2010).

governing, and one that relies on new concepts to articulate itself. While still remaining within the space of liberalism, it is a rationality distinct from those Foucault analysed, since it transforms all of the four formative systems. Because this new political rationality uses a strategic recourse to certain ordo-liberal arguments, and because it's most striking difference from neo-liberalism is the re-introduction of society, I proposed to call this rationality "neo-social market economy."

I began, however, with a third claim. Taking a closer look at the "particular regime[s] of truth"[108] of different liberal governmentalities, as I indicated, would allow a tactical analysis of the current lines of fragility and point to those sites where struggles might be effective. Indeed I think that sketching the four formative systems of the neosocial market economy is an important first step, and by way of conclusion, I want to at least name four possible targets for struggles. The first is connected to the fusion of conduct and self-conduct in the name of the different communities. Calling into question this formative system of subject-positions—and thereby doing critique's job of "desubjectification (*désassujettissement*)"[109]—cannot simply mean opposing the bonds of communities by individualism, a move that would still remain within the same formative system. Instead, other forms of communities are needed, and this should not be read emphatically but rather as an act of self-defence: what is called for are counter-communities that can negate the claims made upon us to provide enough room for further action, not just different communities to fulfil the same subjectivation in another way.

A second site for struggles is therefore the governmental technology of communities as a whole; this struggle is directed against the formative system of governable objects and aims at the destruction of the neosocial itself. Yet it inevitably encounters much more obstacles, the most important being located in the field of knowledge *(savoir)*. To undermine "governing through communities," one needs a strategy against the justifications of their claims which is hard to find in the current system of concepts. The concept of responsibility is especially crucial in this respect, so that a third struggle would have to take place within the field of knowledge *(savoir)*. It would have to target those discourses that are structured by the concept of responsibility and that serve to accord it its fundamental position. Because "responsibility" has become such a self-evident, seemingly unavoidable concept and because it so much determines the form of the new political rationality, destabilising it and the position it has within our present knowledge *(savoir)* is a necessary condition for the all struggles against the neosocial market economy.

To get these struggles going, it is important to precisely know one's opponent. This is the lesson drawn from the formative system of strategies: if the neosocial market economy heavily relies on a denunciation of the neo-liberal excess of markets and individual freedom, hasty criticisms of neo-liberalism will more often than not find themselves in a strange alliance with the currently dominant governmentality. Avoiding this affirmation does not mean that one can no longer criticise de-regulations, marketization etc., but it does imply not criticising them *like that*. As sad as it may be to lose critical theory's most beloved enemy, to ignore that

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[108] Foucault, *The Birth of Biopolitics*, 18.

[109] Michel Foucault, "What Is Critique?," in James Schmidt (eds.), *What is enlightenment? Eighteenth-Century Answers and Twentieth-Century Questions* (Berkeley: University of California Press, 1996), 386.

criticising neo-liberalism has itself become a governmental strategy means to comply with and to participate in neosocial market economy's regime of truth.

Frieder Vogelmann
Cluster of Excellence "Normative Orders"
Goethe-University Frankfurt
Senckenberganlage 31
60325 Frankfurt am Main
Germany
frieder.vogelmann@normativeorders.net