

Franck Cochoy, Martin Giraudeau and Liz McFall Performativity, economics and politics: an overview

Article (Accepted version)
(Refereed)

Original citation:

Cochoy, Franck, Giraudeau, Martin and McFall, Liz (2010) *Performativity, economics and politics: an overview*. [Journal of cultural economy](#), 3 (2). pp. 139-146. ISSN 1753-0350

DOI: [10.1080/17530350.2010.494116](https://doi.org/10.1080/17530350.2010.494116)

© 2010 [Taylor & Francis](#)

This version available at: <http://eprints.lse.ac.uk/36820/>
Available in LSE Research Online: November 2013

LSE has developed LSE Research Online so that users may access research output of the School. Copyright © and Moral Rights for the papers on this site are retained by the individual authors and/or other copyright owners. Users may download and/or print one copy of any article(s) in LSE Research Online to facilitate their private study or for non-commercial research. You may not engage in further distribution of the material or use it for any profit-making activities or any commercial gain. You may freely distribute the URL (<http://eprints.lse.ac.uk>) of the LSE Research Online website.

This document is the author's final accepted version of the journal article. There may be differences between this version and the published version. You are advised to consult the publisher's version if you wish to cite from it.

“Performativity, economics and politics: an overview”

Franck Cochoy, Martin Giraudeau and Liz McFall

Published in the *Journal of Cultural Economy*, vol. 3, n° 2 (2010), pp. 139-146.

Presenting the theme of performativity in a journal named the “*Journal of cultural economy*” makes the role performativity plays in the *economy* a logical place to start and the debt to Michel Callon (1998) an obvious one to acknowledge. Callon’s idea was that “economics does not describe an existing external ‘economy’, but brings that economy into being: economics performs the economy, creating the phenomena it describes” (MacKenzie & Millo, 2003, p.108). This idea is now recognized by many authors as one of the major contributions to economic sociology (see, e.g., Barry & Slater, 2002; Holm, 2007; MacKenzie & Millo, 2003; MacKenzie, 2004; MacKenzie, 2007) and has been accompanied by vivid debates across the social sciences about the actual influence of economics and economists over economic practices (e.g. Miller, 2000; Callon, 2005; Ferraro, Pfeffer and Sutton, 2005; Ghoshal, 2005; MacKenzie, Muniesa & Siu, 2007; Callon, 2007) and more generally over society and political processes (see, e.g., Bazerman & Malhotra, 2006; Fourcade, 2001, 2006).

But when we remember to take the “*cultural*” dimension into consideration—that is: when we move beyond economic sociology to the broader intellectual realm of social sciences and humanities at large— we are also reminded that Callon was not the first scholar to develop an interest in performativity as a way to address issues whose importance goes well beyond pure language processes. Since Austin outlined the philosophical proposition that speech is not primarily or exclusively ‘constative’, that is, it does not just ‘state’ facts but, in certain felicitous conditions, ‘acts’ or ‘performs’ certain realities, the idea of performativity has engaged theorists within the political and social sciences, philosophy and gender theory notably including Pierre Bourdieu (1982), Jacques Derrida, (1991) and of course Judith Butler (1990, 1993, 1997).

Butler’s initial and decisive intervention was to deploy a retooled version of performativity to counter the approaches to gender adopted within feminist and social theory. In Butler’s hands, a Foucauldian inflected and fully elaborated account of performativity described sex and gender as neither essences nor pure constructions but as the contingent outcomes of the

manner in which they are performed and reiterated. The voracious appetite which greeted Butler's formulation is in part a consequence of how well she demonstrated the difference that might be made by considering an object performatively. A huge literature has followed in her wake stretching from the rare distinction of the intellectual fanzine *Judy* to ongoing efforts to apply, refine and dispute performative perspectives across a vast range of political objects and problems.

Given the range and extent of this impact three puzzling and challenging questions for economic sociology arise: why did it take so much longer in this field, as compared to others, for performativity to be adopted as a way of shedding new light on their subject matter? What, if any, relevance does the framework have at a time of acute global financial and political crises? Finally, what is really at stake in the debate and is a concern with performativity a useful tool or a mere distraction when it comes to the 'big' questions about economics and politics? ,

Of course, the development of intellectual programs is never independent of the political, economic, cultural and moral concerns which surround them and we have to praise the outsiders, free riders and "hybridizers" like Callon¹ for shaking conventional wisdom and bringing fresh ideas that without them would probably take a longer time to arise (assuming they ever do!). But we would like to complement this view with a further hypothesis (which actually makes Callon's contribution all the more meaningful). This hypothesis is as follows: : the contrast between the relative novelty of performativity in economic sociology, and its long and rich use elsewhere in the academy, may well rely on a much older divide between two opposite worlds: the world of the economy on the one hand (seen as a system of things where language is of secondary importance), and the world of politics on the other hand (thought as a collective of words where things are often forgotten).

This great divide is the result of the historical struggle of economics, as a discipline, to build and posit itself as a distinct science and as an alternative to politics. As Albert Hirschman (2002) brilliantly showed, Adam Smith proposed his theory of the invisible hand of the market (economics) as a way to get rid of the *Ancien Regime* (politics). By means of the market mechanism, social order would no longer depend on forceful control through human institutions like religion or government, but rather on the 'natural-like' adjustment of private

1. Michel Callon's first career was not in economic sociology but in the sociology of science.

wants, goods and money. More precisely, the aim was to replace ‘spiritual civil war’ with ‘worldly civil peace’ by channelling the potential disorder of human passions into the pursuit of market interests (cf Saunders 1997, p. 4; du Gay, 2005 and *this issue*). The dangerous human interactions that had led to decades of bloody civil war across Europe were to be diverted instead towards material entities and converted into the single passion that serves as a domesticated equivalent of all the others: the pursuit of self-interest.

Since that time, economics has attempted first to connect human exchanges into economic processes and second to attach these processes to laws defined as natural rather than as political, or to the force of matters rather than to the shams of language—interest being to the economic world what gravity is to the Newtonian one. In other words, from its very origin, economics worked hard to define itself as a purely constative science that describes the economy (see the example of the physiocrats in Giraudeau’s contribution, *this issue*). The economy is supposed to exist and function “out there”, according to some physical “positive” mechanisms, in contrast to the more “speech like” and relativistic workings of politics. From Durkheim to Granovetter, economic sociologists have endlessly tried to counter the economists’ vision by questioning the “unrealistic” character of their hypothesis and the “falseness” of their descriptions. But the paradox is that in limiting the discussion to the constative dimension of economic theories, economic sociology, instead of producing a convincing critique, forgot to explore how economies are shaped by economics. Thus economic sociology reinforced the radical autonomy of the discipline it meant to correct.

This offers some explanation of why it took so long for economic sociologists to explore the performative character of economics beyond its constative claims. If classical economics and sociology oppose each other about the “right” description of the world—each one of them could not but represent one of the two opposite sides of the great divide between nature and culture, economics and politics—they both conceived their respective tasks as “describing” the world at stake rather than “making” it through this very description—hence their deadlocked opposition. Of course, such a modernist opposition between two separate worlds, can be understood, as Latour (1993) explains as the very condition for their clandestine hybridization. In this respect, it is no coincidence that it is from Latour’s colleague Michel Callon and their shared perspective of STS scholarship that the unveiling of the performative character of economics came. Focusing on the performativity of economics involves studying the hybridization between the political language of economics on the one hand, and the

working of economic devices, processes and hard facts on the other. Such a study helps to go beyond the useless criticism of the constative character of economics, and more importantly to grasp the crucial point that economic things are held stable and meaningful by economic words. This approach gives to the Polanyian intuition—that economics is a political institution and a social project (Polanyi, 2001)—the theoretical scheme it was lacking. As soon as the economy becomes a matter of performative language (and politics a matter of performed things—a *res-publica* [Latour, 2005]), the great divide between economics and politics, economy and society is revealed as the partial and provisional outcome of a long historical project of separation. More concisely, politics and economics are not so much separate as they are *made separate*.

This special issue aims to address this by focusing on the relationships between economics and politics as two different forms of performative enunciations that compete and combine with each other. It is worth mentioning that this project began with a conference in Toulouse on 23-25 October 2008.² The idea of the conference was to use performativity as a way of reconnecting economics and politics. To fulfil this project, we attempted to bring together authors who were concerned with either the concept of performativity in social and political sciences or a political perspective on markets and/or economics. Thanks to an extraordinary combination of circumstances, it was a peculiarly timely moment. On the one hand, the financial turmoil that had begun just one month earlier suggested that the performative relationship between economics and the economy was somewhat broken, at least temporarily, potentially opening up a new space for state intervention. On the other hand Barack Obama, who at that time was in the final steps of his campaign, stressed the amount of political effort that had been required throughout history, and would be required again, to perform political ideals:

“The answer to the slavery question was already embedded within our constitution, he said. (...) *And yet words on a parchment would not be enough to deliver slaves from bondage, or provide men and women of every color and creed their full rights and obligations as citizens of the United States.* What would be needed were Americans in successive generations who were willing to do their part –through protests and struggle, on the streets and in the courts, through a

2. This event was co-organized by the editors of this special issue along with Jean-Pascal Gond and Jacques Igalens, and sponsored by: CERTOP (laboratory, University Toulouse II), CNRS (public agency); CRESC (Manchester University and the Open University), LIRHE (laboratory, University Toulouse I), MSH-Toulouse, Région Midi-Pyrénées, Scientific Council of Toulouse II University. We warmly thank all these contributors; without them this issue would probably not exist.

civil war and civil disobedience and always at great risk– to narrow that gap between the promise of our ideals and the reality of their time” (Obama’s Philadelphia speech on race, March 18th, 2008).

The time seemed propitious for reconnecting economics and politics around performativity, but also for rethinking at least some aspects of performativity as it was first conceived in economic sociology. More precisely, an approach to *performativity as politics* could move the debates around the performativity of economics beyond their present location in economic sociology, and consequently contribute to: (1) developing a more robust and general theory of performativity; (2) reviewing the politics of performativity to help reinforce political analyses of markets and market-making; and (3) cross-fertilizing economic sociology with other fields of sociology.

It is important to stress that up to now the literature has indicated rather than finally demonstrated the performative character of economics. The idea of the performativity program in economic sociology was not to transform this discipline into some kind of sociolinguistics, but rather to shed new light on the economy. But this has sometimes involved taking performativity as an axiom rather than as an object. If the purpose of the performativity project in economic sociology was to seize economics in its pragmatic dimension, and study what it does and says at the same time this does not exhaust the need to review and reappraise the assumptions inherent with the project itself. In moving beyond the economic field and contrasting economic and political processes, the contributions to this special issue are both an effort to extend performative analyses and an effort to go backward and question what it is that performativity does as a project and as an analytical tool.

With that aim in mind the issue begins with an invited symposium which, in featuring Judith Butler, Michel Callon, Paul du Gay and Christian Licoppe, is distinguished by bringing the two most important instigators and innovators within the performativity project into conversation with scholars whose perspective on the concept is taken from somewhat more of a distance. In their different ways all four share a determination, which sometimes borders on the fearless, to consider neglected questions about performativity, and its failures, afresh. In *Performative Agency* Butler invokes J.L.Austin’s distinction between illocutionary performatives, which pronounce a reality, and perlocutionary performatives which in felicitous conditions *may* make certain things happen, to argue that as the really interesting questions in economic performativity arise in the perlocutionary form, failure and breakdown

are in certain respects, constitutive of performativity. For Butler, this restricts the reach of economic performativity and raises troublesome questions about the scope for politics, political subjectivity and dialogue, if we can only consider 'how certain things happen' or 'how we are to join in the making of what is already underway' (ppp). In his response, Michel Callon shares Butler's preoccupation with misfires and failures and the attendant view that perlocution is the most fundamental and most general form of economic performative. But for Callon the charge that the performativity thesis has the effect of depoliticising the economy overlooks the ways in which, as a programme of work, performativity makes reflecting on the economy/politics nexus central. In recognising first the diversity of forms of economic organisation and, more especially, the relationship between plural theoretical frameworks and distinct market models and second in analysing how the demarcation, or bifurcation, between these questions that need to be treated 'politically' and those that can be left to the market, is made, economic performativity is always also political.

For Paul du Gay the question is not so much one of locating or defending the politics within the performativity programme as interrogating the underpinning ideas about politics and political agency which inform Butler's, and to some extent, Callon's thinking. One of the difficulties aroused by defining performative failure theoretically, he argues, lies in the concomitant subordination of contingent empirical matters to higher philosophical truths. But describing on what, exactly, 'it all depends', du Gay insists is necessary element of a practical rather than philosophical political engagement. The dangers he detects of a politics founded on higher philosophical truths, resonate with those which motivated early pragmatist philosopher's disavowal of philosophical and scientific certitudes because of their historical provisionality and partiality but also, importantly, because of their failure to prevent the destruction of the civil war (cf. Menand, 2001).

Christian Licoppe's contribution continues the debate about politics, practice and the significance of the empirical but with something of a change of tack. Performatives, Licoppe agrees with Butler, can indeed fail or elicit surprising responses but there is a particular edge to be gained from the emphasis within socio-technical accounts on what not only words, but things, or more precisely words in combination with things, can do. Using the example of a distributed video judicial hearing Licoppe shows how technologies can contribute to the ways in which a performative fails. In doing so he also exposes the role of improvisation, negotiation and informal organisation across socio-technical networks in the ongoing making

of judicial politics. It is through the development of an ‘anthropology of communication technologies in action’ that the consequence of the links between technologies and utterances become empirically observable.

If the symposium marks out the stakes of the debate theoretically, the papers in the main section continue to explore how these stakes play in empirical settings. In their different ways, all seven of the papers address economy and politics as a nexus of relationships, connections, and overlaps between the political language of economics and the material working of economic and market devices, processes and practices. The issue begins with three papers which, alongside their other concerns, explore how the separation between economics and politics, economy and society was settled in three distinct historical and geographical contexts.

Working backwards in time the issue begins with Timothy Mitchell’s account of the ways in which the 1973 oil crisis offers a means to extend the reach of the methods associated with the performativity project to investigate attempts in the global south to reorganize local material and political worlds according to the laws of the market. Attention to this political engineering of markets, Mitchell shows, draws attention both to some of the unexpected outcomes produced by the properties of goods and to the experimental, calculative techniques on which the process actually depends. Underpinning his account is a sense of the ways in which certain ideas, forces, or movements come, for a time, to seem global, to possess a translocal logic or apparent irresistibility, which nevertheless fails to entirely prevent unanticipated challenges. Despite the work that went into making the oil crisis appear like a text-book example of the natural law of supply and demand the events of 1973-74 exceeded and overflowed the attempts to contain them as a matter of market forces. Mitchell’s account cogently demonstrates the partial and contingent processes involved in the assembling and definition of a field of political concern marked for government intervention. Despite - or perhaps because of- the effort involved in fixing the terms of the debate, the debate would bubble over, producing unanticipated concerns with other matters including the environment, overconsumption etc.

The labour involved in marking and maintaining divisions between economic and political concerns is also a theme in Liz McFall’s account of the emergence of commercial industrial assurance in nineteenth century Britain as the preferred technique of financial planning for the poor. Charting the progress of the industry over more than a century, McFall argues, exposes

the inherently political nature of the process by which economic objects and persons are constituted. Political theorising, government and law were not just close to the commercial business they were the unsteady means through which it emerged, evolved and ultimately ended. Close pragmatic description, of the type championed by the performativity project, McFall maintains, offers the best chance of developing an informed grasp of these shifting practical entanglements and their failures.

Moving further back in time to late eighteenth century France, Martin Giraudeau's account of the efforts of Du Pont de Nemours, the economist, statesman, entrepreneur and indirect founder of the still thriving Du Pont company, to perform physiocracy also reveals the plural connections and overlaps between economic doctrines and political practices. For Giraudeau however Du Pont's ultimate failure in this endeavour demonstrates the limits of political engineering of markets as his over-reliance on political ties in the end undermined his capacity to materialise a physiocratic economic experiment. If some elements of the physiocratic doctrine, including free-trade, were performed in early modern France, it was therefore not through the deliberate political action of a limited number of individual subjects, but in a slower, partial and diffuse way.

Mitchell, McFall and Giraudeau's accounts are concerned with how the theoretical separation between politics and the economy has played out historically while addressing the ways in which, in practice, the devices, processes and practices of markets and economies are deeply imbued with the political language of economics. This simultaneous separation and hybridization is never, in any context, entire and complete for all time, but the difficulties associated with it reach a particular peak in the contexts of bodies and borders addressed in next two articles. Phillipe Steiner's discussion of the commerce in organ transplantation immediately throws into relief the controversies aroused by marking and shifting political and economic boundaries especially those which touch directly upon the human body. His account focuses on the Harvard economist Alvin E. Roth's development of matching software designed to circumvent the market in view of the strong feelings of repugnance aroused by a commercial market in human body parts. For Steiner the case demonstrates how a socio-economic performative action operates in non-market commerce and it is precisely the form of engineering and institutional design that may be required if sociologists are to engage in building purposively the social world.

Sarah Green's article addresses boundaries of a different kind in an analysis of the way borders are performed as conceptual entities. Green casts a fresh perspective on the matter of separation by drawing attention to the ways in borders are always also about relations. The border as a divide as such cannot be taken for granted in understanding the difference borders make to peoples' lives. In exploring the interplay between border performed as place and border performed as abstract line, Green's article calls attention to the ways all separations are partial and provisional precisely because they have to be occupied, lived in, appropriated and somehow made workable.

These tensions are also present in the final two papers which complete the issue by turning directly to markets and marketing. Kjellberg and Helgesson explore how markets are called upon to realize many different and changing values, drawing upon a variety of theoretical ideas and producing a range of modes of engagement. Such modes include engaging to incorporate values in market exchanges; engaging to reform the values that will govern a market and engaging to represent the values produced by markets. Each of these modes however can be either promoted or retarded by the form of a given market and, for Kjellberg and Helgesson, efforts to shape what values the market is to realize become political only when they trigger responses that involve other modes of engaging.

In the final paper in the collection Franck Cochoy addresses the unsteady business of separation head-on by tackling the economic politics of performativity. Through his analysis of *Progressive Grocer*, a trade journal which specialised in promoting new ways for small independent grocers to modernize the business beginning in the early 1920s, Cochoy describes the emergence of particular politics of performativity. This was a politics which drew from the production of new form of text designed not only to describe good practice but to build it from words but also from signs, pictures and models which combined actual and imagined practices to promote the imagined and actual production of newly modelled stores.

In their very different ways the contributions to this issue can be understood as attempts, in response to Callon's challenge in this issue and elsewhere to better situate *where* politics is. Politics, as these articles tend to agree, appears at the turning point, in the place where the efficiency of economics is negotiated and where the need to forward it, reshape it, complement it emerges. It is to better understanding these turning points, these intersections that the research collected in this special issue, as well as in the *Journal of Cultural Economy* more broadly is devoted.

References

- Barry A.; Slater D. [ed.s] (2002): The Technological Economy. *Economy and Society* special issue, Volume 31, Number 2, 1 May, (19)
- Bazerman, M., Malhotra, D. (2006), "Economics Wins, Psychology Loses, and Society Pays", in D. de Cremer, J. Murnighan & M. Zeelenberg, *Social Psychology and Economics*, Mahwah, N.J.: Lawrence Earlbaum Associates, pp. 263-280.
- Bourdieu, P. (1982), *Ce que parler veut dire: l'économie des échanges linguistiques*, Paris, Fayard.
- Butler, J. (1990), *Gender trouble: Feminism and the subversion of identity*, London, Routledge.
- Butler, J. (1993) *Bodies that matter*. London, Routledge.
- Butler, J. (1997), *Excitable Speech: A Politics of the Performative*. New York: Routledge.
- Callon, M. (Ed.) (1998), *The Laws of the Markets*, London: Blackwell.
- Callon, M. (2005), "Why virtualism paves the way to political impotence. A reply to Daniel Miller's critique of *The laws of the markets*," *Economic Sociology European Electronic Newsletter*, 6 (2), February, pp.3-20.
- Callon, M. (2007), "What Does it Mean to Say that Economics is Performative?" in D. MacKenzie, F. Muniesa and L. Siu (Ed.), *Do Economists Make Markets? On the Performativity of Economics*, Princeton: Princeton University Press.
- Derrida, J. (1991), "Signature event context", in P. Kamuf (ed.), *Between the blinds: A Derrida reader*, Hempel Hempstead: Harvester Wheatsheaf, pp. 82-111.
- du Gay, P. (2005) 'Which is the self in self-interest?' *The Sociological Review*, vol. 53, no. 3, pp. 391- 411
- Ferraro, F., Pfeffer, J., Sutton, R. (2005), "Economics Language and Assumptions: How Theories Can Become Self-Fulfilling", *Academy of Management Review*, 31 (1), pp. 8-24.
- Fourcade, M. (2001\$), "Politics, Institutional Structures and the Rise of Economics: A Comparative Study", *Theory and Society*, 30 (3), June.
- Fourcade, M. (2006), "The Construction of a Global Profession: The Transnationalization of Economics", *American Journal of Sociology*, 112 (1).
- Ghoshal, S. (2005), "Bad management theories are destroying good management practices", *Academy of Management Learning and Education*, 4 (1), pp. 75-91.
- Holm, P. (2007), "Which Way is Up on Callon?" in D. MacKenzie, F. Muniesa and L. Siu (Eds.), *Do Economists Make Markets? On the Performativity of Economics*, Princeton: Princeton University Press.

- Hirschman, A.O. (2002). *Passions and Interests: Political Party Concepts of American Democracy*, Princeton, NJ, Princeton University Press.
- Latour, B. (1993), *We have never been modern*, Cambridge, MA, Harvard University Press.
- Latour, B. (2005), "From Realpolitik to Dingpolitik – An Introduction to Making Things Public", in Bruno Latour & Peter Weibel (Eds.), *Making things public, atmospheres of democracy*, Cambridge, MA: MIT Press.
- MacKenzie, D. (2004), "The Big, Bad Wolf and the Rational Market: Portfolio Insurance, the 1987 Crash and the Performativity of Economics", *Economy and Society*, 33, pp. 303-334.
- MacKenzie, D. (2007), "Is Economics Performative? Option Theory and the Construction of Derivatives Markets", in D. MacKenzie, F. Muniesa and L. Siu (Eds.),
- MacKenzie, D., and Y. Millo (2003), "Constructing a Market, Performing Theory: The Historical Sociology of a Financial Derivatives Exchange", *American Journal of Sociology*, 109, pp. 107-145.
- MacKenzie, D., F. Muniesa and L. Siu (Eds.) (2007), *Do Economists Make Markets? On the Performativity of Economics*, Princeton: Princeton University Press.
- Menand L. (2002) *The Metaphysical Club*. Flamingo
- Miller, D. (2000), "Turning Callon the right way up," *Economy and society*, 31 (2), May, pp. 218-233.
- Polanyi, K. (2001), *The Great Transformation, The Political and Economic Origins of Our Time*, Beacon Press.
- Saunders, D. (1997) *Anti-lawyers: Religion and the critics of law and state*, London, Routledge.