



# the Oxford *Left* Review

ISSUE 14 | FEBRUARY 2015

Niel Davidson	<i>The Changing Base of Neoliberalism</i>
Thomas Presskorn-Thygesen	<i>Recognising Neoliberalism</i>
Tietze and Humphreys	<i>Neoliberalism and Anti-politics</i>
Matt Myers	<i>The Breaking of the English Working Class</i>
Ole Bjerg	<i>Who Makes Our Money?</i>
Tansy Hopkins	<i>Neoliberalism and Fashion</i>
Torgeir Fjeld	<i>Clandestine Acclaim: Spectacle and Power</i>
Callum Macrae	<i>Adorno and Bourgeois Economics</i>
Terry Eagleton	<i>The Death of God and the War on Terror</i>
Osama Esber	<i>In the Land of Revelation</i>
Olivia Arigho Stiles	<i>Paramilitarism and Neoliberalism in Colombia</i>
Jack Pickering	<i>Capitalism vs. the Climate</i>
Luigi Russi	<i>Oedipus Is So Bourgeois</i>



Cover Image: 'The Wall Street Bull', by herval: <https://www.flickr.com/photos/herval/51039207/>

**EDITORS**     *Barnaby Raine*  
                   *Harry Coath*  
                   *Sachin Croker*  
                   *Merlin Gable*  
                   *Peter Hill*  
                   *Henry Holmes*  
                   *James Sevry*  
                   *Ross Speer*  
                   *Ethan Williams*

**DESIGN EDITOR**     *Alexander Cowan*

## CONTENTS

The New Middle Class and the Changing Social Base of Neoliberalism <i>Neil Davidson</i>	4
How do we Recognize Neoliberalism? <i>Thomas Presskorn-Thygesen</i>	11
Anti-politics and the Illusions of Neoliberalism <i>Tad Tietze and Elizabeth Humphrys</i>	20
Neoliberalism and the Breaking of the English Working Class <i>Matt Myers</i>	28
Who Makes our Money? Economics and Politics in an Age of Crisis Capitalism <i>Ole Bjerg</i>	34
Neoliberalism and Fashion <i>Tansy Hoskins</i>	42
Clandestine Acclaim: How Spectacles Conceal our Praise of Power <i>Torgeir Fjeld</i>	51
Adorno and the Articulation of the Critique of Bourgeois Economics <i>Callum Macrae</i>	58
The Death of God and the War on Terror <i>Terry Eagleton</i>	63
In the Land of Revelation <i>Osama Esber</i>	70
Review: Jasmin Hristov, <i>Paramilitarism and Neoliberalism: Violent Systems of Capital Accumulation in Colombia and Beyond</i> <i>Olivia Arigho Stiles</i>	76
Review: Naomi Klein, <i>This Changes Everything: Capitalism vs. the Climate</i> <i>Jack Pickering</i>	80
Oedipus Is So Bourgeois: Žižek and the Mediating Subject (Review: R. C. Smith, <i>The Ticklish Subject? A Critique of Žižek's Lacanian Theory of Subjectivity, with Emphasis on an Alternative</i> ) <i>Luigi Russi</i>	84

## *Anti-politics and the Illusions of Neoliberalism*

TAD TIETZE AND  
ELIZABETH HUMPHRYS

We live in anti-political times. After a twentieth century in which Western societies experienced the rise and entrenchment of mass representative institutions, where hundreds of millions of people accepted that politics was the main way to have their social interests advanced, these arrangements have ever more obviously fallen into disrepair, decay and even frank breakdown.

At the same time, popular detachment from, distrust of and contempt for political elites and their activities can no longer be kept out of mainstream debate. In the United Kingdom, for example, anti-political sentiment has found expression in several ways: the ability of Nigel Farage to paint UKIP as a rebellion against an out-of-touch 'political class'; the popularity of Russell Brand's attack on the political system for offering nothing to ordinary people; and even the sudden surge of working class votes for 'Yes' in the Scottish independence referendum when it became obvious how panicked the Westminster politicians were at the prospect of the break-up of the Union.

Such phenomena have also emerged, in various forms and levels of intensity, across the rich capitalist countries over the last thirty years. Peter Mair, in his posthumously published *Ruling the Void*, surveyed the state of politics across the European Union and concluded that across a wealth of empirical data — voter turnout, party allegiance, electoral volatility, party membership, membership of associated civil society organizations (for example, trade unions) — there has been an unmistakable trend towards popular disengagement from politics, with a

corresponding tendency by political classes to take positions increasingly hostile to their constituents. All this was well advanced before the recent global economic crisis accelerated these tendencies.<sup>1</sup> In our own country, Australia, there has been a rolling crisis of politics despite the fact that there was no recession as a result of the 2008 economic crisis, with the Labor Party experiencing results in state elections and opinion polls equivalent to the lows it suffered when it drove through harsh austerity during the Great Depression of the 1930s.<sup>2</sup> With the conservatives now in office, the crisis has not abated: they have experienced the worst polling record of any new government since regular surveys began.<sup>3</sup>

More recently, anti-politics has driven the growth of mass social movements expressing specific hostility to the political process. While this was present to some degree in the years of the Global Justice Movement around the turn of the century, it has returned with a vengeance in many of the 'squares' protests of recent years. The most powerful of these has been Spain's 15-M (or 'Indignados') movement, which at its peak directly involved up to six million people. One of the key slogans of the movement was 'No nos representan' ('They don't represent us') and it exploded in 2011 as a direct challenge to the lack of choice between the main parties in municipal elections that year. Early in 2014 Podemos, a new party linked to the movement, burst onto the scene with 8 per cent of the vote in the European elections, and it has since been scoring up to 28 per cent in national opinion polls with a message of wanting to sweep away the entire 'political caste' that has run post-Franco Spain.<sup>4</sup>

The Italian Marxist Antonio Gramsci presciently described this process in his prison writings:

At a certain point in their historical lives, social classes become detached from their traditional parties. In other words, the traditional parties in that particular organisational form, with the particular men who constitute, represent, and lead them, are no longer recognised by their class (or fraction of a class) as its expression.<sup>5</sup>

1 See Peter Mair, *Ruling the Void: The Hollowing of Western Democracy* (London: Verso, 2013).

2 Tad Tietze, 'ALP's condition terminal? A crisis of social democracy', *The Drum*, 12 March 2012 <<http://www.abc.net.au/news/2012-03-12/tietze-alp-condition-terminal-crisis-of-social-democra/3883978>> [accessed 24 January 2015].

3 Tad Tietze, 'Dazed & confused: The Left, Palmer & Budget 2014', *Left Flank*, 18 May 2014 <<http://left-flank.org/2014/05/18/dazed-confused-budget-left-palmer-threat/>> [accessed 24 January 2015].

4 Fernando Gareca, 'Podemos supera a PSOE y PP y rompe el tablero electoral', *El País*, 2 November 2014 <[http://politica.elpais.com/politica/2014/11/01/actualidad/1414865510\\_731502.html](http://politica.elpais.com/politica/2014/11/01/actualidad/1414865510_731502.html)> [accessed 24 January 2015].

5 Antonio Gramsci, *Selections from the Prison Notebooks of Antonio Gramsci* (London: Lawrence & Wishart, 1971), p. 210.

We have previously argued that there are three distinct but related forms of anti-politics.<sup>6</sup> First there is the prevailing popular mood of detachment from and hostility to politicians and politics, including radical politics, which expresses itself in short-lived bursts of protest, electoral volatility and political crisis, but tends to dissipate if not given direction. Secondly, there are political projects that trade on an appeal to this mood for their own political ends, and because of their limited nature usually end up being seen as ‘just like the others’, or collapsing into moralistic opposition to the status quo. Finally, there is what Marx and Engels variously called ‘the real movement which abolishes the present state of things’, ‘revolution against the state’ and ‘communism’ — a *social* revolution that would end the state and therefore end the existence of a separate political sphere, which they considered uniquely characteristic of modern, capitalist society.<sup>7</sup>

While anti-political sentiment has been around for as long as modern politics, it has risen to prominence during what is known as the ‘neoliberal’ era in the West. However, until the global financial meltdown of 2008, the steady unravelling of last century’s political set-up was rarely recognized on the Left, and the withdrawal of popular engagement with politics was mainly seen as a sign of how neoliberalism had succeeded in neutering opposition, whether by excluding people from democracy or by rendering them apathetic about the political process. The retreats of the Left were displaced into visions of an unstoppable, triumphalist Right, blooded in singular confrontations like Thatcher’s defeat of the miners’ strike. Equally, it was widely presumed that the Left could only maintain electoral viability by going along with the neoliberal project, whether openly or in slightly moderated ‘Third Way’ form.

It is our contention, however, that such views superimposed ideological beliefs about the social power of neoliberalism onto what were really signs of a wider political breakdown, which the neoliberal project ironically played a role in hastening. In particular, we want to look at three arguments about neoliberalism that were prominent on the Left during that era: that it involved a ‘retreat of the state’; that it directly rolled back existing popular democratic control of society; and that it was creating a new subjectivity where individual market rationality had supplanted collective social solidarity. In the remainder of this article we will show that there is strong evidence contradicting each of these widely held opinions, and then attempt an explanation of why these ideas had such a strong grip within the political Left. We will do so by extending Marx’s understanding

6 Elizabeth Humphrys and Tad Tietze, ‘Anti-Politics: Elephant in the Room’, *Left Flank*, 31 October 2013 <<http://left-flank.org/2013/10/31/anti-politics-elephant-room/>> [accessed 24 January 2015].

7 Karl Marx, ‘Critique of Hegel’s Doctrine of the State’ [1843], in *Early Writings* (Harmondsworth: Penguin, 1975); Karl Marx and Frederick Engels, *The German Ideology* (Moscow: Progress, 1968 [1845]), chapter 1.

of the essential antinomy between society and politics, and how the erosion of the base of political institutions in society has brought this antagonism into the open. Rather than understanding the antagonism as a constant feature of capitalist society, many on the Left have wrongly theorised this breakdown in appearances as a more fundamental change in the nature of the state, civil society, or the relationship between the two.

Let’s look at these three illusions of neoliberalism first. The ‘retreat of the state’ was popularised by neoliberal ideologues in response to the failure of big-spending Keynesian policies to resolve the stagflationary crisis that ended the long post-war boom in the 1970s. Markets, private enterprise and reduction of government intervention in the economy were supposed to replace ‘bloated’ welfare states. Yet OECD data shows that tax revenue as a proportion of GDP actually *rose* in member states over the period 1985 to 2007, from 32.4 to 35.0 percent. This trend also holds across the four Anglophone countries that supposedly went furthest and earliest down the neoliberal road — the US, UK, Australia and New Zealand.<sup>8</sup> Some of this revenue went to direct corporate welfare, but in most countries there were also rises in social spending, even if in some cases service delivery was increasingly placed in private hands or under ‘efficient’ market principles. Overall, OECD governments increased social expenditure from 17.2 to 19.7 percent of GDP between 1985 and 2005.<sup>9</sup> Finally, in the crisis of 2008 huge sums of public money were thrown at failing private sectors, with the right-wing George W. Bush administration carrying out the biggest bailouts and privatisations in world history (Bush famously fretted that without such help ‘this sucker [capitalism] could go down’).<sup>10</sup>

The notion that neoliberalism is less democratic than what occurred in the post-war era has been popularised, notably, by Naomi Klein in *The Shock Doctrine*. She argues that governmental power has been used coercively to establish ‘a powerful ruling alliance between a few very large corporations and a class of mostly wealthy politicians—with hazy and ever shifting lines between the two groups’.<sup>11</sup> Yet this argument rests on ignoring the limits of democratic control in the preceding post-war era, an epoch marked by restrictive trade union laws, anti-Communist

8 OECD, ‘Revenue Statistics tax to GDP ratio changes between 2007 and provisional 2012 data’, in *Revenue Statistics 1965-2012* (2013) <<http://www.oecd.org/ctp/tax-policy/revenue-statistics-ratio-change-latest-years.htm>> [accessed 24 January 2015].

9 OECD, ‘Social expenditure – Aggregated data’ <[http://stats.oecd.org/Index.aspx?DataSetCode=SOEX\\_AGG](http://stats.oecd.org/Index.aspx?DataSetCode=SOEX_AGG)> [accessed 16 Nov 2014].

10 David M. Herszenhorn, Carl Hulse and Sheryl Gay Stolberg, ‘Talks Implode During a Day of Chaos; Fate of Bailout Plan Remains Unresolved’, *The New York Times*, 25 September 2008 <<http://www.nytimes.com/2008/09/26/business/26bailout.html>> [accessed 24 January 2015].

11 Naomi Klein, *The Shock Doctrine: The Rise of Disaster Capitalism* (London: Allen Lane, 2007), p. 15.

crackdowns, alternation of centre-Left and centre-Right governments with barely distinguishable economic programs (dubbed ‘Butskellism’ in the UK), glacial progress on the rights of women, gays and ethnic minorities, and all the other processes that eventually spurred a giant wave of social mobilisation in the late 1960s and 1970s. In most countries this social eruption included mass workers’ struggles pitted not just against employers but against governments scrambling to defend stable capital accumulation.<sup>12</sup> While it was true in many (but not all) countries that governments expanded social provision during the long boom, there is little evidence this was a simple case of making popular concessions because of popular power organised through democratic channels. The modernisation and expansion of capitalist economies required healthy, well-educated workforces, and such policies were carried out in countries where the Right predominated politically (for example most European countries outside Scandinavia) as well as ones where trade unions were comparatively weak (for example the US).<sup>13</sup> And in many countries neoliberal programs were carried through democratically and consensually, as well as with the active participation of left-wing governments and labour movements.<sup>14</sup>

Finally, the idea that neoliberalism has produced a uniquely market-oriented individual also doesn’t stand up to much scrutiny. Political theorist Wendy Brown famously argued that neoliberalism produces a subjectivity in which ‘not only is the human being configured exhaustively as *homo oeconomicus*, all dimensions of human life are cast in terms of a market rationality’, and so people are simply no longer suited to the collectively-oriented political activity formerly found in liberal democracies.<sup>15</sup> Yet there is little evidence that most people living in the shadow of neoliberal policies are under this kind of spell. For example, in 2003, twenty years after the start of Australia’s neoliberal experiment, social attitudes surveys showed that clear majorities of people thought government was ‘best suited’ to deliver education, health, services for unemployed people, and care for the elderly and disabled.<sup>16</sup> Similarly, after dropping sharply in the 1970s and 1980s, support for taxation to fund social spending had by the mid-2000s recovered to very near

the high levels of the post-war boom, again contrary to neoliberal dogma.<sup>17</sup> This pattern has been confirmed by more recent opinion polling.<sup>18</sup> Publicly funded universal healthcare in the UK and Australia remains deeply popular, to the point that the Right dare not openly propose to dismantle it (while, of course, governments of all stripes undermine it incrementally in practice). But the idea that neoliberalism has successfully entwined individuals in its logic is most clearly contradicted by wave after wave of mass movements against neoliberalism and austerity. If neoliberalism had indeed ‘entered people’s souls’, then such large-scale collective action shouldn’t be possible.

So what gave these illusions of neoliberalism traction in recent decades? It is our view that they reflect an inverted view of how the dominant (i.e. ‘neoliberal’) politics of the period undermined the very political institutions that at first allowed its reform programme to succeed. With the erosion of mass involvement and the hollowing out of the social bases of the parties, it became harder to sustain the appearance of harmony between the social and political spheres that those institutional linkages had reinforced. Instead, what became clearer was the antagonism between the two spheres. Importantly, popular ‘detachment’ from politics ‘is not caused by the political class being less “representative” of their social base than in some previous era; rather, its lack of a social base makes the political class’s actual role in representing the interests of the state within civil society more apparent.’<sup>19</sup>

When economic times were good and powerful organizational links existed between private individuals and the political sphere, the relationship between politics and society could appear complementary rather than antagonistic. But when political classes moved to try to resolve the capitalist crisis of the 1970s, their antagonism to the majority of those they governed became more apparent, and large numbers of people started to question more strongly the utility and relevance of politics to their lives. As the underlying antagonism between politics and society became clearer, however, the Left tended to instead imagine that some more profound social transformation had occurred.

The three illusions of neoliberalism are therefore based in thinking that neoliberalism had far deeper social effects when in fact it ushered in political problems for its protagonists, who are now less able to drive through harsh reform agendas in the face of hostile electorates. Let us take each in turn.

12 Chris Harman, *The Fire Last Time: 1968 and After* (London: Bookmarks, 1988).

13 Neil Davidson, Neil, ‘Shock and awe’, *International Socialism*, 124 (Autumn 2009) <<http://www.isj.org.uk/?id=587>> [accessed 24 January 2015].

14 Elizabeth Humphrys and Damien Cahill, ‘Labour and the Neoliberal Revolution’, Australian Political Studies Association (APSA) Annual Conference, University of Sydney (28 September-1 October 2014).

15 Wendy Brown, ‘Neo-liberalism and the End of Liberal Democracy’, *Theory & Event*, 7.1 (2003).

16 Shaun Wilson, Gabrielle Meagher and Trevor Breusch, ‘Where to for the Welfare State?’, in *Australian Social Attitudes: The First Report* (Sydney: University of South Wales Press, 2005), p. 116.

17 Shaun Wilson and Gabrielle Maher, ‘Howard’s Welfare State: How Popular is the New Social Policy Agenda?’, in *Australian Social Attitudes 2: Citizenship, Work and Aspirations* (Sydney: University of South Wales Press, 2007), p. 264.

18 Possum Comitatus [Scott Steel], ‘What Australians Believe’, *Crikey*, 11 June 2012 <<http://blogs.crikey.com.au/pollytics/2012/06/11/what-australians-believe/>> [accessed 24 January 2015].

19 Humphrys and Tietze, ‘Anti-Politics’.

When governments turned on their populaces to implement brutal restructuring from the late 1970s onwards, the limits of welfare state benevolence became apparent, even as social spending was maintained. Thus, the “retreat of the state” really reflects how, even as the state continues to intervene aggressively in society’s workings, it comes to be experienced more clearly for what it really is — standing with its own particular interests ‘over against’ the interests of the competing individuals of civil society, a civil society whose apparent equality in the marketplace is founded on relations of exploitation.

Similarly, the impression that popular democratic influence had declined was in part the product of governments abandoning the pretence of being representative of all of society in favour of driving pro-corporate economic and social agendas that left most people worse off. But as they watched their social bases hollow out, political classes also reacted by reorganising themselves more clearly as a self-interested bloc with little organic connection to its former constituencies. This has included increasing state funding of politics, expanding the layer of fulltime political advisors and administrators, decreasing the involvement of party members and associated civil society organisations in substantive decision-making, and a growing reliance on technocratic expertise in the running of the state.<sup>20</sup> Yet these shifts were initially predicated on apparently ‘more representative’ politicians driving through policies that undermined their ability to maintain this appearance of being representative. Politics, in effect, undermined itself, without any necessary change in popular influence via political institutions occurring.

Finally, the idea that a subjectivity constructed for the self-interested, market-centred ‘rational’ calculations beloved of neoclassical economists has been deeply embedded is actually little more than a justification for the political Left’s inability to provide plausible alternatives to the status quo. The anti-political mood is then perceived as the product of private citizens who are increasingly self-interested, competitive and dismissive of the collective ‘political’ solutions that the Left keeps offering. The possibility that participation in the political process has ceased to be seen as a rational avenue through which people’s social needs might be met is simply outside this political frame of reference. Yet it should not be surprising, particularly in light of the ineffectiveness of such political institutions in protecting people against attacks — or in many cases their collusion in delivering them. It should be no wonder that many workers now see less hope for personal advancement through bureaucratised and servile social organisations and their political connections (i.e. trade unions) than in the past, and therefore find themselves more reliant on ‘individual’ and ‘personal’ solutions. By conflating this anti-political stance with the abandonment of commitments to social solidarity, the belief in the ‘neoliberal subject’ lets those institutions off the hook rather than putting their failure to be relevant under the spotlight.

20 Mair, *Ruling the Void*.

The rise of anti-politics destabilises the idea that the neoliberal project has been unambiguously successful, and in fact shows how the political basis for driving through harsh restructuring has been eroded. It also allows us to more clearly see through some of the illusions people had about what neoliberalism actually achieved, and to understand these illusions as resting on a mistaken view of a complementary relationship between society and politics that has been unsettled by the exposure of their true antagonism.

It is an open question whether the Left recognises the shift in social sentiment and activity against the remains of the old political order, or whether it simply pines for the revival of the old politics, with a place reserved within for its own continued existence. The other option is to side with the interests of the emerging social movements that present a direct challenge to politics and to help clarify a way forward that doesn’t just sweep away the current political class but also the exploitative social relations on which politics and the state depend. That requires not a struggle against the dregs of the neoliberal political project but a direct struggle to replace the state as the precondition of fundamental progressive social change.

*Tad Tietze is a Sydney psychiatrist who co-runs the blog Left Flank. He was co-editor (with Elizabeth Humphrys & Guy Rundle) of On Utøya: Anders Breivik, Right Terror, Racism & Europe. He tweets as @Dr\_Tad.*

*Elizabeth Humphrys is a writer and PhD candidate in political economy at the University of Sydney. She is co-editor of the social movements journal Interface, and blogs at An Integral State.*