



## Book Reviews

### **A Brief History of Neoliberalism**

David Harvey

*Oxford University Press, Oxford and New York, 2005, vii + 235pp.*

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David Harvey has written an impressive analysis of neoliberalism, which he defines as ‘a theory of political economic practices that proposes that human well-being can best be advanced by liberating individual entrepreneurial freedoms and skills within an institutional framework characterised by strong private property rights, free markets, and free trade’ (p. 2). In the short compass of some 200 pages, he provides a formidably well-documented survey of how the ideas and practices of neoliberalism have conquered the world. He sees, not surprisingly, the turning point coming in 1979–1980 with the governments of Thatcher in Britain and Reagan in the USA, but one of the strengths of his survey lies in its truly global scope. He gives extensive information on the varying fortunes of neoliberalism in such diverse contexts as Mexico, Argentina, South Korea, and Sweden. In this last example, the neoliberal assault was to some extent contained in a situation of ‘circumscribed neoliberalisation’, so that the welfare structures constructed by social democratic governments were not as thoroughly ravaged as in some other countries. Harvey devotes a whole chapter to China, where ‘neoliberalism with Chinese characteristics’ involving the privatization of state-owned enterprises has led to increasing proletarianization and flexibility of the labour market, with huge inequalities of wealth, with the Chinese Communist Party (he suggests) lined up against the workers.

The analysis that Harvey offers of neoliberalism is that it is a project for the reconstitution or restoration of class power. He contrasts neoliberalism with the ‘embedded liberalism’ which preceded it. This was a form of class compromise where market processes were surrounded by social and political constraints. An interventionist state policed this compromise and employed Keynesian fiscal and monetary policies to maintain it. But, in Harvey’s account, this embedded liberalism was breaking down by the end of the 1960s in a crisis of capital accumulation. Neoliberalism has to be seen unambiguously as a conscious political project to restore the power of economic elites and to protect the upper classes from what Harvey, in possibly exaggerated mode, calls the threat of ‘political and economic annihilation’ (p. 15). He thus



sees neoliberalism as a counter-offensive by dominant classes, an assault on 'embedded liberalism' marked by four central features. He lists these (pp. 160ff.) as the privatization and commodification of hitherto public assets, the emphasis on finance of a speculative and predatory kind as opposed to production, the management and manipulation of debt crises for the benefit of rich countries at the expense of poor ones, and the redistribution, within countries, of wealth and income from lower to upper classes, reversing the gains made by lower classes under the class compromise of embedded liberalism and the welfare state.

Readers whose chief interest is in political theory might feel disappointed that Harvey does not give an extended analysis of the ideas of neoliberalism. He does refer to Hayek and the founding statement, in 1947, of the Mont Pelerin Society with its assertion of the values of private property and the competitive market. In general terms he sees the ideology of neoliberalism as leading to 'the commodification of everything' (p. 165), but there is no fuller discussion of the philosophy or ideology of neoliberalism as a body of ideas. This relative lack of discussion of the theory of neoliberalism is inherent in the kind of analysis that Harvey offers. He contrasts neoliberalization as a 'utopian project to realise a theoretical design for the reorganisation of international capitalism' (p. 19) with neoliberalization as a practical strategy to establish or restore the power of an upper class which feels its domination threatened. Harvey argues that it is the latter framework that is appropriate to understand the nature of neoliberalism in practice. Indeed, he argues that the dominant class is so keen to restore or reconstitute its power that where the pure theory of neoliberalism gets in the way of this end, it will happily abandon the theory. He points out that the dominant powers in the neoliberal world, the USA and China, in practice behave like Keynesian states and engage in deficit financing of military expenditure and consumerism (USA) and massive infrastructural projects (China) to attract more investment. He goes so far as to suggest that rather than sacrifice their property rights, the capitalist class would be prepared to countenance the collapse of the whole system, and that 'a strong social democratic and working-class movement is in a better position to redeem capitalism than is capitalist class power itself' (p. 153).

However, a fuller analysis of the theories and conceptual apparatus of neoliberalism would surely be necessary to answer the question of why this body of thought has been able to establish itself as hegemonic and marginalize any opposition to its dominance. Harvey does have some interesting suggestions on this, pointing out that neoliberalism highlights an idea of freedom and involves a particular 'regime of rights'. While the movements of 1968 were able, briefly, to combine demands for greater individual freedom with a more collective desire for social justice, the neoliberal turn has succeeded in divorcing the former from the latter, and (Harvey implies) has hijacked ideas



of individual freedom to a class project of market freedom and capital accumulation. Hence, he suggests at one point in his argument that even the opposition to neoliberalism employs a discourse of individual human rights which can be absorbed ‘within the neoliberal frame’ (p. 178). At one stage Harvey expresses scepticism about ‘rights talk’ and universal rights, then at another he suggests that opposition to neoliberalism should take up an alternative ‘bundle of rights’ focusing on rights of free speech and democratic control. But surely these are also universal rights and can be justified as such in opposition to the rights highlighted in the neoliberal project? It is issues like these that readers primarily concerned with political theory might want to see more fully discussed than they are in this brief history of neoliberalism. But it cannot be denied that within a short compass Harvey has given a highly convincing diagnosis and interpretation of the neoliberal project. He pulls no punches in his picture of a world of privatization and insecurity, which he thinks can and must be opposed by a form of ‘rejuvenated class politics’ (p. 203).

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### **Archaeologies of the Future: The Desire Called Utopia and Other Science Fictions**

Fredric Jameson

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What is the work of the Utopian Imagination, of Utopian *form*, in contemporary politics and culture? Indeed, what *is* the Utopian imagination of late capitalism, or postmodernity? These questions are at the core of Fredric Jameson’s brilliantly adroit latest book (the concluding volume of his *Poetics of Social Forms* series, with Verso). Part One comprises an extended, systematic interrogation of Utopian form (half of this happily weighty book). But Jameson’s engagement with the Utopian problematic goes back to the early 1970s and Part Two of *Archaeologies of the Future* is a welcome collection of essays spanning four decades. Thus, at once a retrospective, as well as a newly envisioned intervention, *Archaeologies* stands alongside other works in Jameson’s oeuvre (such as *Marxism and Form*, *The Political Unconscious*, and *Postmodernity, Or, The Cultural Logic of Late Capitalism*) in terms of the